GLENVILLE STATE COLLEGE

Glenville, West Virginia

Financial Statements and
Additional Information for the Years
Ended June 30, 2021 and 2020 and
Independent Auditors' Reports

GLENVILLE STATE COLLEGE

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To the Board of Governors
Glenville State College
Glenville, West Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Glenville State College (The College) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Glenville State College Foundation, Inc. (the Foundation), a discretely presented component unit of the College. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the discretely presented financial statements of the Foundation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Foundation, which were audited by other auditors, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College as of June 30, 2021 and 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3–12, the schedule of proportionate share of net pension liability and contributions on page 71, and the schedule of proportionate share of net OPEB liability and contributions on page 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated October 18, 2021, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Hayflich CPAs PLLC

Huntington, West Virginia
October 18, 2021

GLENVILLE STATE COLLEGE

Management's Discussion and Analysis
Fiscal Years 2021 and 2020

About Glenville State College

Glenville State College, West Virginia's only centrally located public institution of higher education, was founded in 1872 to provide instruction and practice for common school teachers in the science of education and the art of teaching. In the early years, Glenville Normal was obliged to devote resources almost exclusively to secondary studies because of the absence of high schools in the area. Later, as high schools became more numerous, secondary offerings were gradually reduced and more college courses were developed. On May 1, 1930, the State Board of Education authorized the school to award the Bachelor of Arts in Education Degree, and on March 4, 1931, the Legislature changed the school's name to Glenville State Teachers College. Often referred to as the Lighthouse on the Hill, the name of the school was changed to Glenville State College (GSC) in 1943.

Glenville State College has surpassed its original mission as a teacher's college, and currently prepares students for careers in teaching, business, land resources, music, the liberal arts, the sciences, criminal justice, and human services. With an annual enrollment of approximately 1,900 students, the College has a student to faculty ratio of 17 to 1. The College's enrollment is made up of many first generation students with over 80% coming from West Virginia. Approximately 94% Glenville's students receive some form of financial aid or scholarship assistance.

GSC offers six degrees and twenty-two programs, is accredited by the Higher Learning Commission and is a member of the North Central Association of Colleges and Schools. The College holds unit accreditation from the National Council for Accreditation of Teacher Education and recognition from the Society of American Foresters. Glenville State College is part of the West Virginia Higher Education System and is governed by a local, twelve-member Board of Governors, who are appointed by the State Governor.

Operational Highlights

Fiscal year 2021 presented challenges and yet resulted in positive developments and changes that indicate promise for our future. Our 26th President, Dr. Mark A. Manchin, has successfully led Glenville State College through the first year of his Presidency. President Manchin's tenure began on July 1, 2020. He quickly filled remaining key leadership positions which have restored stability to the College's executive leadership team.

The primary challenge presented throughout the year was the COVID pandemic. Following a theme that prioritized the safety of our campus, yet also emphasized the importance of restoring normal campus operations, Glenville State College was able to conduct Fiscal Year 2021 with a relatively strong enrollment. Our Fall, 2020 enrollment of 1,289 full time equivalent hours was our largest in at least the last five years. We also realized our highest Fall to Fall retention rate of 66%, up from 56% the prior year. Through robust surveillance procedures, and our ability to conduct a larger percentage of classes in an online setting, we were able to avoid any debilitating outbreaks. However, we did realize a sharper than anticipated decline in enrollment for Spring, 2021 to 1,049 full time equivalent students, in addition to a reduction in students residing in dorm housing, all of which reduced our Tuition and Fees driven revenue in comparison to budget. GSC also experienced challenges with Accounts Receivable collections beyond that realized in past years. We believe this to be primarily driven by the economic struggles experienced by our students and their families due to the Pandemic. Providing an offset to those challenging dynamics, Glenville State College received its allocated share of the Second Cares Act (HEERF II) in addition to the American Rescue Plan Act (HEERF III) grants. Similar to the HEERF I grant funds, GSC quickly mobilized and put those funds to use for direct benefit to those students experiencing COVID related hardships in addition to offsetting areas of increased operating costs and payroll.

Prospectively, encouraging developments have occurred or are anticipated to occur in Fiscal Year 2022 and beyond. GSC continues to benefit from the HEERF III funds as they are being utilized to directly benefit our students and offset further expenses in the current Fall, 2021 semester and beyond. We have also been notified of our successful application for two separate grants that will provide over $3 Million of funds over the next four years for the development of various educational programs as well significant improvements to various of our educational facilities and equipment. We also anticipate grant writing and execution to be a major component of our future operations. Glenville State College is also in the process of entering into a partnership with Marshall University which will allow us to begin offering a four year BS in Nursing program starting in the Fall of 2022. This program will also facilitate the College's creation of a formal Health Sciences program, providing high demand educational opportunities to our students for years to come. Finally, GSC has received conditional approval from the Higher Learning Commission (HLC) to begin offering two graduate programs in education beginning in the Fall, 2022. This initiative, when complete, will qualify Glenville State for University status, a fitting development during the 150th Anniversary Year of our institution and which solidifies our continued emphasis of our pedigree and current status as an institution that develops strong, effective teachers. Historically, Colleges in West Virginia that have switched to University status have realized an incremental increase in enrollment.

Overview of the Financial Statements and Financial Analysis

Glenville State College (the "College") is pleased to present its financial statements for the fiscal years 2020 and 2021. The following management discussion and analysis provides an overview of the financial position and activities of the College for these years.

There are three financial statements presented: the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and the Statements of Cash Flows. These statements provide both long-term and short-term financial information about the College.

Financial Highlights

Total assets increased year over year while total liabilities decreased by an even larger margin, resulting in a 16% increase in total net position. Operating revenues increased in addition to a significant increase in non-operating revenues. This was supplemented by a decrease in total expenses, resulting in a significant improvement in overall net income Year over Year. All bond debt was refinanced in September, 2017, as discussed in Note 7 to the financial statements. The College continued receiving significant funding through various operational and research grants, as well as through additional CARES Act, American Rescue Plan Act, and GEER Grant sources of funding, all of which contributed to the significantly improved results.

Net Position

The Statements of Net Position present the assets, liabilities, and net position of the College as of the end of the fiscal years. The purpose of the Statements of Net Position is to present to the readers of the financial statements a fiscal snapshot of the College. The Statements of Net Position present end-of-year data concerning Assets (current and noncurrent), Liabilities (current and noncurrent), and Net Position (Assets minus Liabilities).

The Statements of Net Position provide a way to measure the financial position of the College. It provides a picture of the net position and availability of resources for expenditure by the College. From the data presented, readers of the Statements of Net Position are able to determine the assets available to continue the operations of the College. They are also able to determine how much is owed to employees, vendors and lending institutions.

Net Position is divided into three major categories. The first category, net investment in capital assets, accounts for equity in the property, plant and equipment owned by the College. Title to all property was transferred to the Glenville State College Board of Governors by the Higher Education Policy Commission (HEPC, or the "Commission"), when the HEPC was formed in 2001. The next asset category is restricted, which is divided into two categories: nonexpendable (permanently restricted) and expendable. Expendable restricted resources are available for expenditure but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. Included in restricted expendable resources are balances that have been designated for specific purposes in West Virginia State Code. This category includes auxiliary enterprise balances as well as certain student fee funds that are designated within state code for specific general purposes such as housing operations or library operations. The final category is unrestricted resources, which are available for expenditure for any lawful purpose of the College.

Condensed Schedules of Net Position
For the Years Ended June 30, 2021 and 2020

	2021	2020	% Change
Assets:			
Current assets	$ 4,066,730	$ 1,316,020	209.0%
Non-current assets	3,769,530	2,981,393	26.4%
Capital assets, net	72,641,150	74,050,063	-1.9%
Total	80,477,410	78,347,476	2.7%
Deferred outflows of resources	1,045,575	1,058,653	-1.2%
Total Assets and Deferred Outflows	$ 81,522,985	$ 79,406,129	2.7%
Liabilities:			
Current liabilities	$ 4,189,831	$ 5,523,971	-24.2%
Non-current liabilities	38,355,582	40,850,938	-6.1%
Total	42,545,413	46,374,909	-8.3%
Deferred inflows of resources	3,065,636	2,186,312	40.2%
Total Liabilities and Deferred Inflows	$ 45,611,049	$ 48,561,221	-6.1%
Net Position:			
Net investment in capital assets	$ 36,773,840	$ 35,769,490	2.8%
Restricted-expendable	4,282,935	2,851,720	50.2%
Unrestricted	(5,144,839)	(7,776,302)	-33.8%
Total	$ 35,911,936	$ 30,844,908	16.4%
Total Liabilities, Deferred Inflows, and Net Position	$ 81,522,985	$ 79,406,129	2.7%

An indicator of short-term financial condition is the ratio of current assets to current liabilities, or current ratio. The current ratio was 0.97 and 0.24 as of June 30, 2021 and 2020, respectively.

Significant Changes in Net Position

At June 30, 2021, the College's total net position increased from the previous year by $5,067,028, driven by the positive net results realized for the Fiscal Year. Current cash and cash equivalents increased by $487,133. The pension liability at June 30, 2021, was $757,855.

Non-current assets decreased by $620,776. Included in non-current receivables is $56,035 which represents "No Hardship" advances made to employees as a result of the transition from real time to arrearage pay in 2014.

Net capital assets decreased $1,408,913 due primarily to $2,413,263 in depreciation which offsets the capital additions during the year. Additions in capital assets were $1,004,350. The principal balances of five issues of refinanced bonds and other debt were eliminated in 2017 as part of the successful issuance of $36,285,000 of Improvement and Refunding Revenue Bonds.

Revenues, Expenses, and Changes in Net Position

Changes in total net position, as presented on the Statements of Net Position, are based on the activities presented in the Statements of Revenues, Expenses, and Changes in Net Position ("SRECNP"). The purpose of the SRECNP is to present the revenues earned, both operating and non-operating, and the expenses incurred, operating and non-operating, and any other revenues, expenses, gains and losses of the College.

Operating revenues are earned for providing goods and services to the various customers and constituencies of the College. Operating expenses are incurred to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the College. Revenues for which goods and services are not provided are reported as non-operating revenues. Non-operating revenues are primarily from (1) State appropriations, because they are provided by the West Virginia Legislature to the College without the Legislature directly receiving commensurate goods and services for those revenues, and (2) Pell grants, which are reported as non-operating revenue, not as a reduction in amounts due from students, because of specific guidance in the AICPA industry audit guide.

Condensed Schedules of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2021 and 2020

	2021	2020	% Change
Operating:			
Revenues	$ 14,722,777	$ 12,722,748	15.7%
Expenses	23,724,336	24,413,988	-2.8%
Loss	(9,001,559)	(11,691,240)	-23.0%
Non-Operating:			
Revenues	15,926,189	12,164,981	30.9%
Expenses	1,857,602	1,880,496	-1.2%
Net Income	14,068,587	10,284,485	36.8%
Loss before other revenues, expenses, gains or losses	5,067,028	(1,406,755)	-460.2%
Capital gifts and grant	-	-	
Increase (Decrease) in Net Position	5,067,028	(1,406,755)	-460.2%
Net Position:			
Beginning of year	30,844,908	32,251,663	-4.4%
End of year	$ 35,911,936	$ 30,844,908	16.4%

An analysis of the individual revenue and expense categories that contributed to the overall decrease in net position is as follows:

Revenues

The major sources of revenue for the College include student tuition and fees, state appropriations, grants and gifts, government grants, auxiliary enterprise (housing and meals primarily) revenues, investment income, and miscellaneous income.

- Student tuition and fees (net of scholarship and discount allowance) made up 38.52% of the College's operating revenues and 18.51% of total revenues. Tuition and fee revenues increased $923,730 between years due primarily to an increase in the tuition rate in addition to a slight increase in overall enrollment.

- Other revenues such as contracts and grants, auxiliary enterprise revenue, and miscellaneous revenues comprised 29.54% and 32.04% of the College's total revenues in FY 2021 and FY 2020, respectively. FY 2021 grant awards included receipts of $817,075 from the US Department of Education, $822,085 from various West Virginia Agency sponsored scholarship programs, and $945,950 in West Virginia Higher Education scholarship programs. Federal Revenues, non-operating, consisted of $3,645,866 and $3,730,752 in 2021 and 2020, respectively in PELL Grants received and distributed for student financial aid and made up 11.90% of the College's total revenues in FY 2021. Federal CAREs Grants increased substantially to $5,467,888 in FY 2021 due to the receipt of a GEER Grant as well as the HEERF II and HEERF III grants.

- State appropriation revenues amounted to $6,543,646 and $6,446,942 , 21.35% and 25.90% of total revenues in FY 2021 and FY 2020, respectively. These appropriations are used to pay salaries and benefits in support of the operations of the College.

- The ratio of actual tuition discounts to gross tuition and fees revenues was 21.8% and 19.8% for FY 2021 and FY 2020 respectively. The presentation of Program Revenues and Scholarship Allowances includes actual scholarship or grant based aid as well as the impact of our off-campus programs where the revenue and discount lines are presented at a grossed up basis. This presentation is correct and consistent with prior years; however, with this Fiscal Year's statements, we have begun disclosing the actual tuition discounting percentage.

Expenses

The operating expenses of the College by natural classification are as follows:

	2021	2020	% Change
Salaries & Wages	$ 10,341,679	$ 9,991,285	3.5%
Benefits	1,585,622	2,283,568	-30.6%
Supplies and other services	4,665,221	5,737,126	-18.7%
Utilities	1,416,416	1,472,333	-3.8%
Student financial aid, scholarships, and fellowships	3,287,291	2,513,230	30.8%
Depreciation	2,413,263	2,392,089	0.9%
Miscellaneous--net	14,844	24,357	-39.1%
Total Operating Expenses	$ 23,724,336	$ 24,413,988	-2.8%

- Salaries and wages, and employee benefits made up approximately 50% of the operating expenses of the College in both FY 2021 and FY 2020.
- Utility costs remained steady between years at approximately 6% of operating expenses.
- Scholarship expenses increased $774,061 or 30.87% from FY 2020. They represented 13.86% and 10.29% of the total operating expenses in FY 2021 and FY 2020, respectively.
- Non-operating expenses consisted only of interest on indebtedness and fees assessed by the commission for debt service.

Cash Flows

The Statements of Cash Flows presents detailed information about the cash activities of the College during the year. These statements assist the users in analyzing the College's ability to generate net cash flows, meet obligations as they come due, and determining its need for external financing.

The Statement of Cash Flows is divided into five parts:

1) *Cash flows from operating activities*. This section shows the net cash used by the operating activities of the College.
2) *Cash flows from non-capital financing activities*. This section reflects the cash received and paid for non-operating, non-investing, and non-capital financing purposes.
3) *Cash flows from capital financing activities*. This section includes cash used for the acquisition and construction of capital and related items.
4) *Cash flows from investing activities*. This section shows the purchases, proceeds, and interest received from investing activities.
5) *Reconciliation of net operating loss to net cash used in operating activities.* This part provides a schedule that reconciles the accrual-based operating income or loss and net cash flow used in operating activities to the operating loss reflected in the SRECNP.

Condensed Schedules of Cash Flows
For the Years Ended June 30, 2021 and 2020

	2021	2020	% Change
Cash Provided by (Used in):			
Operating activities	$ (10,369,105)	$ (8,917,491)	16.3%
Non capital financing activities	15,657,400	11,689,216	33.9%
Capital financing activities	(4,822,807)	(2,767,131)	74.3%
Investing activities	21,645	83,768	-74.2%
Cash and Cash Equivalents:			
Increase	487,133	88,362	451.3%
Beginning of year	811,091	722,729	12.2%
End of year	$ 1,298,224	$ 811,091	60.1%

Capital Asset and Debt Administration

The College had capital asset additions of $1,004,350 and $247,495, for the years ended June 30, 2021 and 2020, respectively

Economic Outlook

Glenville State College anticipates FY 2022 with heightened expectations for expanding its mission-driven role in providing higher education opportunity to first generation, needs-based, and rural students from central West Virginia and beyond. The College remains determined to continue its efforts to counter current and prior economic challenges through a regimen of operational efficiencies, bond refinancing savings, proactively seeking additional sources and forms of funding, and increasing student enrollment from expanding and more diverse populations as well as through expansion of its curriculum offerings.

Glenville's expectations for FY 2022 are based on:

- The College has a competent, stable leadership team:
    1. President Dr. Mark A. Manchin has completed his first full year of leadership and continues with innovative energy into the second year of his term. Dr. Manchin's 40+ years' experience in West Virginia education and government has already proven to be an asset to the College. A heightened sense of optimism exists on our campus as we recognize the strengthening of our financial position that has already occurred in addition to the various prospective developments that are in progress.
    2. Through the return or hiring of seasoned, highly experienced personnel to fill our top executive leadership positions, the College is well positioned with a sound and stable leadership team.
- Several changes have been made in the past year, or are underway, that improve the College's appeal to our current and prospective students:
    1. After implementing a modest tuition increase effective with FY 2021, the College, in recognition of the challenging economic conditions, chose to maintain those same rates into FY 2022. At the same time, the College transformed its fees structure into a bundled approach. With this change, the fee for every student within a certain category is exactly the same, and covers all of the costs of attendance and services for the semester. As opposed to the prior structure where numerous fees were charged individually based upon numerous factors, this new approach offers simplicity and predictability for the student's ability to budget for the cost of attendance.

2. In the Spring, 2021, the College signed a contract with Barnes & Noble Education to provide a physical book store and instructional materials services to our campus. Under this new agreement, the College is the first in West Virginia to offer Barnes & Noble's "First Day Complete" service to its students beginning with the Fall, 2021 semester. Under this program, for an affordable cost per credit hour, every student participant can be assured of receiving all of their course books and instructional materials prior to the first day of classes. This facilitates our students to be better prepared to be successful in their course work.
3. In July, 2021, the College renewed its food services contract with Aramark. Among other things, this contract provides various discretionary and incentive funds to the College which will be used to fund scholarships, supplement various budgets, and benefit the bottom line. Additionally, Aramark has made a substantial commitment to invest in capital improvements in the food service facilities. These improvements include the addition of a "We Proudly Serve" Starbucks coffee shop, a re-design of the Rusty Musket café, and a major renovation of the Mollohan's cafeteria. These changes, which will occur over the next year, will result in dramatic improvements to the appeal and quality of the College's food service, all of which should result in strengthening of enrollment and retention.
4. In FY 2021, the College implemented an eSports program. This program is housed in a state of the art facility within the Mollohan Campus Community Center. In addition to providing a venue for competition with teams from other institutions in the video game arena, this program also provides valuable preparation for a number of areas of study or careers. This program's appeal has exceeded our expectations and is now the second largest "sports program" on campus and is a huge draw for the College's future enrollment.
5. The College has signed a Memorandum of Agreement with Marshall University ('MU') which outlined a plan to bring Marshall University's four-year nursing program onto Glenville State College's campus. Under this program, the College will offer a first year pre-nursing program that will feed directly into Marshall's four-year program. The financial benefits of this arrangement for Glenville State College are broad and healthy, the most prominent of which is transition of students not admitted into the MU nursing program into other programs on campus that will be developed through a new Health Sciences Program that is currently in the planning stages. The first pre-nursing class is expected to begin Fall 2022 and the full nursing program should begin Fall 2023.
6. The College has received preliminary approval from the Higher Learning Commission (HLC) to initiate a Masters Program in Education beginning with the Fall, 2022 semester. The College is currently navigating the remaining phases of approval and we look forward excitedly to our transition to University status while we also celebrate our institution's 150th Anniversary. This program will benefit enrollment while also serving as a springboard for the potential development of future graduate programs.

- In Fiscal Year 2022, Glenville State College projects an approximate 16% Tuition Discounting rate, a reduction from prior year trends in the 20-25% range. This is being accomplished through increased discipline and structure in the awards process for existing aid categories coupled with nearly $500,000 in funding of existing waiver programs. This is made possible through the increased growth of our Foundation as well as new sources of revenue. These changes will make a direct improvement to our bottom line, and we are confident we can continue this positive trend in future years.
- Throughout the past year, we have increased our attention to Federal, State and Private Foundation grants that are available to institutions such as ours. We recognize that significant grant funds are available and can contribute significantly to the success of Glenville State College. As such, over the past year, we have applied for more than $7,000,000 in grants and have been, or are in the process of being awarded nearly 10 grants with a value of more than $4,000,000. In Fiscal Year 2022, we will staff and develop formal processes that will increase even further focus in this area, which we see as a major cornerstone of the College's future success.

- The College continues to benefit from our Foundation which holds and safeguards the endowment and other monetary assets contributed to it over the years from our numerous Alumni, benefactors, and parties having significant interest in the viability of our institution. The Foundation's benefit to our institution was significantly bolstered this year through substantial growth. In Fiscal Year 2021, our Foundation's assets increased by nearly 55% to a June 30, 2021 ending market value of approximately $18.6 Million. The Foundation has already implemented significant increases in scholarship support to our students, a trend which is expected to continue. The College also benefits from a formal, standing line of credit from the Foundation which is available at any time necessary, especially during the cyclical times of the academic year where cash inflows are often stagnant.
- In September, 2017, the College successfully completed a refinancing of its previous multiple issues of debt into one, fixed rate 30-year revenue bond, as discussed in footnote 7. This simplified structure provides stability for the College and results in improved cash flows.

Overall, the future and outlook of the College seems bright and positive. New and invigorated leadership, fiscal conservancy, and an enrollment and retention driven growth strategy all bode well for FY 2022 and beyond.

GLENVILLE STATE COLLEGE

STATEMENTS OF NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

Assets and Deferred Outflows

		2021		2020
Current Assets:				
Cash and cash equivalents	$	1,298,224	$	811,091
Accounts receivable—net		2,768,506		496,408
Loans to students—current portion		-		8,521
Total current assets		4,066,730		1,316,020
Noncurrent Assets:				
Cash and cash equivalents		3,713,495		2,915,996
Other accounts receivable		56,035		65,397
Capital assets - net		72,641,150		74,050,063
Total noncurrent assets		76,410,680		77,031,456
Total Assets		80,477,410		78,347,476
Deferred Outflows of Resources:				
Deferred loss on refunding		282,483		297,157
Related to Pension Plans		229,185		218,352
Related to OPEB		533,907		543,144
Total deferred outflows of resources		1,045,575		1,058,653
Total	$	81,522,985	$	79,406,129

See Notes to Financial Statements. (Continued)

GLENVILLE STATE COLLEGE

STATEMENTS OF NET POSITION (Continued)
YEARS ENDED JUNE 30, 2021 AND 2020

Liabilities, Deferred Inflows, and Net Position

	2021	2020
Current liabilities:		
Accounts payable	$ 314,153	$ 1,497,770
Accrued liabilities	1,589,503	1,357,620
Compensated absences	631,903	513,967
Unearned revenue	395,965	41,602
Total bonds, capital leases, and notes payable— current portion	1,191,756	2,050,639
Higher Education Policy Commission debt payable— current portion	66,551	62,373
Total current liabilities	4,189,831	5,523,971
Noncurrent liabilities	38,355,582	40,850,938
Total Liabilities	42,545,413	46,374,909
Deferred inflows of resources:		
Related to pension plans	425,397	626,638
Related to OPEB	2,640,239	1,559,674
Total Deferred Inflows of Resources	3,065,636	2,186,312
Total Liabilities and Deferred Inflows	45,611,049	48,561,221
Net Position:		
Net investment in capital assets	36,773,840	35,769,490
Restricted for:		
Loans	39,653	35,724
Capital projects	1,000,337	27,261
Debt service	3,242,945	2,788,735
Unrestricted	(5,144,839)	(7,776,302)
Total Net Position	35,911,936	30,844,908
Total	$ 81,522,985	$ 79,406,129

See Notes to Financial Statements. (Concluded)

GLENVILLE STATE COLLEGE

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Operating Revenues:		
Stuent tutition and fees (net of scholarship allowance of $5,994,438 and $5,875,864)	$ 5,671,437	$ 4,747,707
Contracts and grants:		
Federal	817,075	497,302
State	2,768,035	1,741,197
Private	801,907	723,258
Sales and services of educational activities	1,395,184	1,881,064
Auxiliary enterprise revenue (net of scholarship allowance of $3,227,774 and $3,163,927)	2,545,000	2,861,347
	724,139	270,873
Total	14,722,777	12,722,748
Operating Expenses:		
Salaries and wages	10,341,679	9,991,285
Benefits	1,585,622	2,283,568
Supplies and other services	4,665,221	5,737,126
Utilities	1,416,416	1,472,333
Student financial aid- scholarships and fellowships	3,287,291	2,513,230
Depreciation	2,413,263	2,392,089
Miscellaneous- net	14,844	24,357
Total	23,724,336	24,413,988
Operating Loss	(9,001,559)	(11,691,240)

See Notes to Financial Statements.

(Continued)

GLENVILLE STATE COLLEGE

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (Continued)
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Non-Operating Revenues:		
State appropriations	$ 6,543,646	$ 6,446,942
Payments made on behalf of College	247,144	391,996
Federal Pell grants	3,645,866	3,730,752
Federal CAREs grants	5,467,888	1,511,522
Investment income	21,645	83,769
Interest on indebtedness	(1,845,278)	(1,842,125)
Fees assessed by the Commission for debt service	(12,324)	(38,371)
Net nonoperating revenues	14,068,587	10,284,485
(Gain) Loss before other revenues, expenses, gain or losses	5,067,028	(1,406,755)
Net Position:		
Increase (Decrease)	5,067,028	(1,406,755)
Beginning of year	30,844,908	32,251,663
End of Year	$ 35,911,936	$ 30,844,908

See Notes to Financial Statements.

(Concluded)

GLENVILLE STATE COLLEGE

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Cash Flows From Operating Activities:		
Student tuition and fees	$ 3,753,702	$ 5,539,800
Contracts and grants	4,387,017	2,961,757
Payments to and on behalf of employees	(12,615,279)	(12,394,966)
Payments to suppliers	(5,848,838)	(6,019,786)
Payments to utilities	(1,416,416)	(1,472,333)
Payments for scholarships and fellowships	(3,287,291)	(2,513,230)
Collection of loans to students	8,521	(7,660)
Sales and service of educational activities	1,395,184	1,881,064
Auxiliary enterprise charges	2,545,000	2,861,347
Other receipts and payments--net	709,295	246,516
Net Cash Used in Operating Activities	(10,369,105)	(8,917,491)
Cash Flows From Noncapital Financing Activities:		
State appropriations	6,543,646	6,446,942
Federal Pell grants	3,645,866	3,730,752
Federal CAREs grants	5,467,888	1,511,522
William D. Ford direct lending receipts	4,723,238	5,165,525
William D. Ford direct lending payments	(4,723,238)	(5,165,525)
Net Cash Provided by Noncapital Financing Activities	15,657,400	11,689,216
Cash Flows From Capital Financing Activities:		
Purchases of capital assets	(1,004,350)	(247,495)
Debt service paid to Commission	725,303	(198,196)
Principal paid on notes, bonds and leases	(1,900,983)	(712,530)
Interest paid on notes, bonds and leases	(1,845,278)	(1,842,125)
Withdrawals from (deposits to) noncurrent cash and cash equivalents	(797,499)	233,215
Net Cash Used from Capital Financing Activities	(4,822,807)	(2,767,131)
Cash Flows From Investing Activities:		
Net Cash Provided by Investing Activities	21,645	83,769
Increase in Current Cash and Cash Equivalents	487,133	88,363
Current Cash and Cash Equivalents - Beginning of year	811,091	722,728
Current Cash and Cash Equivalents - End of year	$ 1,298,224	$ 811,091

See Notes to Financial Statements.

(Continued)

GLENVILLE STATE COLLEGE

STATEMENTS OF CASH FLOWS (Continued)
YEARS ENDED JUNE 30, 2021 AND 2020

Reconciliation of Net Operating Loss to Net Cash Used in Operating Activities

	2021	2020
Operating loss	$ (9,001,559)	$ (11,691,240)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
Depreciation expense	2,406,009	2,385,164
Amortization	7,254	6,925
Payments on behalf-special funding pension and OPEB	247,144	391,996
Changes in Assets and Liabilities:		
Accounts receivable—net	(2,249,658)	1,244,093
Loans to students—net	8,521	(7,660)
Accounts payable	(1,183,617)	(282,660)
Accrued liabilities and due to the Commission	231,883	138,080
Defined benefit pension plan and other post employment benefits	(1,307,381)	(834,342)
Compensated absences	117,936	22,139
Unearned revenue	354,363	(289,986)
Net Cash Used in Operating Activities	$ (10,369,105)	$ (8,917,491)
Noncash Transactions:		
Accretion of bond discount into bonds payable	$ 7,254	$ 6,925
Expenses paid on behalf of College	$ 247,144	$ 391,996

See Notes to Financial Statements. (Concluded)

GLENVILLE STATE COLLEGE FOUNDATION, INC.
A COMPONENT UNIT OF GLENVILLE STATE COLLEGE
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

Assets

	2021	2020
Current Assets:		
Cash and cash equivalents	$ 148,487	$ 11,889
Investments, at fair value	18,467,801	10,792,366
Related party receivables	5,700	1,324,236
Other receivables	-	14,133
Total	18,621,988	12,142,624
Fixed Assets, Net	3,024,989	3,159,495
Other Assets:		
Bequests and contributions receivable	1,044,451	1,012,274
Land and other assets held for investment	287,531	252,531
Total	1,331,982	1,264,805
Total Assets	$ 22,978,959	$ 16,566,924

Liabilities and Net Assets

	2021	2020
Current Liabilities:		
Accounts payable	$ 32,676	$ 5,413
Organization funds held for others	81,867	58,668
Current portion of loan payable	89,003	86,249
Total	203,546	150,330
Long-term Liabilities:		
Loan payable	2,896,964	2,984,779
Total Liabilities	3,100,510	3,135,109
Net Assets:		
Without donor restrictions	768,457	639,417
With donor restrictions	19,109,992	12,792,398
Total	19,878,449	13,431,815
Total Liabilities and Net Assets	$ 22,978,959	$ 16,566,924

The accompanying notes are an integral part of these financial statements.

GLENVILLE STATE COLLEGE

GLENVILLE STATE COLLEGE FOUNDATION, INC.
A COMPONENT UNIT OF GLENVILLE STATE COLLEGE
STATEMENT OF ACTIVITIES
JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support:			
Bequests and contributions	$ 289,789	$ 4,255,725	$ 4,545,514
Investment income	72,204	288,249	360,453
Realized and unrealized gains (losses) on investments	246,556	2,854,082	3,100,638
Increase in cash surrender value	-	32,177	32,177
Rental income	169,600	-	169,600
Other income	12,438	-	12,438
Net assets released from restrictions:			
Purpose restrictions accomplished	1,112,639	(1,112,639)	-
Total	1,903,226	6,317,594	8,220,820
Expenses:			
Expenditures for benefit of Glenville State College	724,028	-	724,028
Scholarships	426,923	-	426,923
Salaries and wages	141,251	-	141,251
Legal, consulting, accounting	18,350	-	18,350
Investment management fee	87,580	-	87,580
Miscellaneous	28,462	-	28,462
Promotions and publications	31,387	-	31,387
Office expense	1,882	-	1,882
Travel and advancement	18,768	-	18,768
Memberships and subscriptions	148	-	148
Insurance	15,552	-	15,552
Interest expense	97,900	-	97,900
Depreciation	143,985	-	143,985
Annual fund expense	3,196	-	3,196
Alumni expenses	9,847	-	9,847
Database management	24,927	-	24,927
Total	1,774,186	-	1,774,186
Net Assets:			
Change	129,040	6,317,594	6,446,634
Beginning of year	639,417	12,792,398	13,431,815
End of Year	**$ 768,457**	**$ 19,109,992**	**$ 19,878,449**

The accompanying notes are an integral part of these financial statements.

GLENVILLE STATE COLLEGE FOUNDATION, INC.
A COMPONENT UNIT OF GLENVILLE STATE COLLEGE
STATEMENT OF ACTIVITIES
JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support:			
Bequests and contributions	$ 337,919	$ 965,144	$ 1,303,063
Investment income	111,602	308,211	419,813
Realized and unrealized gains (losses) on investments	(76,340)	(136,651)	(212,991)
Increase in cash surrender value	-	26,553	26,553
Rental income	169,741	-	169,741
Other income	23,985	5,699	29,684
Net assets released from restrictions:			
Purpose restrictions accomplished	1,103,293	(1,103,293)	-
Total	1,670,200	65,663	1,735,863
Expenses:			
Expenditures for benefit of Glenville State College	916,235	-	916,235
Scholarships	320,911	-	320,911
Salaries and wages	145,176	-	145,176
Legal, consulting, accounting	17,750	-	17,750
Investment management fee	76,577	-	76,577
Miscellaneous	2,983	-	2,983
Promotions and publications	93,236	-	93,236
Office expense	2,134	-	2,134
Travel and advancement	14,770	-	14,770
Memberships and subscriptions	2,163	-	2,163
Insurance	15,521	-	15,521
Interest expense	101,089	-	101,089
Depreciation	134,092	-	134,092
Meals and meetings	339	-	339
Annual fund expense	5,790	-	5,790
Alumni expenses	7,767	-	7,767
Database management	36,443	-	36,443
Total	1,892,976	-	1,892,976
Net Change:			
Change	(222,776)	65,663	(157,113)
Beginning of year	862,193	12,726,735	13,588,928
End of Year	**$ 639,417**	**$ 12,792,398**	**$ 13,431,815**

The accompanying notes are an integral part of these financial statements.

1. ORGANIZATION

Glenville State College (the "College") is governed by the Glenville State College Board of Governors (the "Board"). The Board was established by Senate Bill 653 ("S.B. 653").

Powers and duties of the Board include, but are not limited to, the power to determine, control, supervise and manage the financial, business and educational policies and affairs of the institution(s) under its jurisdiction, the duty to develop a master plan for the institution, the power to prescribe the specific functions and institution's budget request, the duty to review at least every five years all academic programs offered at the institution, and the power to fix tuition and other fees for the different classes or categories of students enrolled at its institution.

S.B. 653 also created the West Virginia Higher Education Policy Commission (HEPC or the "Commission"), which is responsible for developing, gaining consensus around and overseeing the implementation and development of a higher education public policy agenda.

As a requirement of Governmental Accounting Standards Board standards (GASB), the College has included information from the Glenville State College Foundation, Inc. (the "Foundation").

Although the College benefits from the activities of the Foundation, the Foundation is independent of the College in all respects. The Foundation is not a subsidiary of the College and is not directly or indirectly controlled by the College. The Foundation has its own separate, independent Board of Directors. Moreover, the assets of the Foundation are the exclusive property of the Foundation and do not belong to the College. The College is not accountable for, and does not have ownership of, any of the financial and capital resources of the Foundation. The College does not have the power or authority to mortgage, pledge, or encumber the assets of the Foundation. The Board of Directors of the Foundation is entitled to make all decisions regarding the business and affairs of the Foundation, including, without limitation, distributions made to the College. Under State law, neither the principal nor income generated by the assets of the Foundation can be taken into consideration in determining the amount of State-appropriated funds allocated to the College. Third parties dealing with the College, the Board, and the State of West Virginia (or any agency thereof) should not rely upon the financial statements of the Foundation for any purpose without consideration of all the foregoing conditions and limitations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the College have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. The financial statement presentation required by GASB provide a comprehensive, entity-wide perspective of the College's assets, liabilities, net position, revenues, expenses, changes in net position, and cash flows.

Reporting Entity**—**The College is a blended component unit of the West Virginia Higher Education Fund and represents separate funds of the State of West Virginia that are not included in the State's general fund. The College is a separate entity which, along with all State institutions of higher education, the Commission, and West Virginia Council for Community and Technical College Education, form the Higher Education Fund of the State. The Higher Education Fund is considered a component unit of the State, and its financial statements are discretely presented in the State's comprehensive annual financial report.

The accompanying financial statements present all funds under the authority of the College, including its blended component units, Glenville State College Research Corporation (the "Research Corporation"), which was formed on December 10, 1990 as a nonprofit, nonstock corporation and Glenville State College Housing Corporation (the "Housing Corporation"), which received tax-exempt status on June 11, 1973 as a nonprofit corporation. The basic criterion for inclusion in the accompanying financial statements is the exercise of oversight responsibility derived from the College's ability to significantly influence operations and accountability for fiscal matters of related entities.

The audited financial statements of the Foundation are presented here as a discrete component unit with the College's financial statements in accordance with GASB. The Foundation is a separate, private, nonprofit organization that reports under FASB standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the audited financial information as they are presented herein.

Financial Statement Presentation—GASB establishes standards for external financial reporting for public colleges and universities and requires that financial statements be presented on a basis to focus on the College as a whole. The components of net position are classified into four categories according to external donor restrictions or availability of assets for satisfaction of College obligations. The College's components of net position are classified as follows:

- *Net Investment in capital assets*—This represents the College's total investment in capital assets, net of depreciation and outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets, net of related debt.

- *Restricted—expendable*—This includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

  The West Virginia State Legislature, as a regulatory body outside the reporting entity, has restricted the use of certain funds by Article 10, *Fees and Other Money Collected at State Institutions of Higher Education* of the West Virginia State Code. House Bill 101 passed in March 2004 simplified the tuition and fee structure and removed the restrictions but included designations associated with auxiliary and capital items. These activities are fundamental to the normal ongoing operations of the College. These restrictions are subject to change by future actions of the West Virginia State Legislature.

- *Restricted—nonexpendable*—This includes endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. The College does not have any restricted nonexpendable components of net position at either June 30, 2021 or 2020.

- *Unrestricted*—This represents resources derived from student tuition and fees, state appropriations and sales and services of educational activities. These resources are used for transactions relating to the educational and general operations of the College, and may be used at the discretion of the Board of Governors to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

Basis of Accounting—For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been prepared on the accrual basis of accounting with a flow of economic resources measurement focus. Revenues are reported when earned and expenditures when materials or services are received. All intercompany accounts and transactions have been eliminated.

Cash and Cash Equivalents—For purposes of the statements of net position, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Cash and cash equivalents balances on deposit with the State of West Virginia Treasurer's Office (the "State Treasurer") are pooled by the State Treasurer with other available funds of the State for investment purposes by the West Virginia Board of Treasury Investments (BTI). These funds are transferred to the BTI, which is directed by the State Treasurer to invest the funds in specific external investment pools in accordance with West Virginia Code, policies set by the BTI, provisions of bond indentures, and the trust agreements when applicable. Balances in the investment pools are recorded at fair value or amortized cost, which approximates fair value. Fair value is determined by a third-party pricing service based on asset portfolio pricing models and other sources in accordance with GASB. The BTI was established by the State Legislature and is subject to oversight by the State Legislature. Fair value and investment income are allocated to participants in the pools based upon the funds that have been invested. The amounts on deposit are available for immediate withdrawal or on the first day of each month for the WV Short Term Bond Pool and, accordingly, are presented as cash and cash equivalents in the accompanying financial statements.

The BTI maintains the Consolidated Fund investment fund, which consists of eight investment pools and participant-directed accounts, three of which the Commission may invest in. These pools have been structured as multi-participant variable net asset funds to reduce risk and offer investment liquidity diversification to the Fund participants. Funds not required to meet immediate disbursement needs are invested for longer periods. A more detailed discussion of the BTI's investment operations pool can be found in its annual report. A copy of that annual report can be obtained from the following address: 1900 Kanawha Blvd. East, Room E-122, Charleston, WV 25305 or http://www.wvbti.com.

Allowance for Doubtful Accounts—It is the College's policy to provide for future losses on uncollectible accounts, contracts, grants and loans receivable based on an evaluation of the underlying balances, the historical collectability experienced by the College on such balances and such other factors which, in the College's judgment, require consideration in estimating doubtful accounts.

Noncurrent Cash, Cash Equivalents, and Investments—Cash, cash equivalents, and investments that are (1) externally restricted to make debt service payments and long-term loans to students, or to maintain sinking or reserve funds, (2) to purchase capital or other noncurrent assets or settle long-term liabilities, or (3) permanently restricted net assets, are classified as noncurrent assets in the accompanying statements of net assets.

Capital Assets—Capital assets include property, plant and equipment, books and materials that are part of a catalogued library, and infrastructure assets. Capital assets are stated at cost at the date of acquisition or construction, or acquisition value at the date of donation in the case of gifts. Donated capital assets acquired prior to July 1, 2015 are stated at fair value as of the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 20 to 50 years for buildings and infrastructure, 20 years for land improvements, 10 years for non-technology equipment, and 3 years for furniture and technology equipment. The College's capitalization threshold is $5,000.

Unearned Revenue—Amounts received as deposits or revenues for programs or activities to be conducted primarily in the next fiscal year are classified as unearned revenue.

Net Pension Liability—For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the West Virginia Teachers' Retirement System (TRS), administered by the West Virginia Consolidated Public Retirement Board (CPRB), and additions to or reductions from the TRS fiduciary net position have been determined on the same basis as they are reported in the TRS financial statements, which can be found at ttps://www.wvretirement.com/Publications.html#CAFR. The plan schedules of TRS are prepared using the accrual basis of accounting and economic resources measurement focus in accordance with U.S. GAAP as prescribed by GASB. Employer contributions are recognized when due and the employer has a legal requirement to provide the contributions. Investments are reported at fair value. Detailed information on investment valuation can be found in the TRS financial statements. Management of TRS has made certain estimates and assumptions relating to employer allocation schedules, and actual results could differ. (See Note 12)

Compensated Absences and Other Post-Employment Benefits (OPEB)—GASB provides for the measurement, recognition, and display of OPEB expenditures, assets, and liabilities, including applicable note disclosures and required supplementary information. During fiscal year 2006, House Bill No. 4654 was established to create a trust fund for postemployment benefits for the State. The College is required to participate in this multiple-employer, cost-sharing plan, the West Virginia Retiree Health Benefit Trust Fund, sponsored by the State of West Virginia. Details regarding this plan and its stand-alone financial statements can be obtained by contacting the West Virginia Public Employees Insurance Agency (PEIA), State Capitol Complex, Building 5, Room 1001, 1900 Kanawha Boulevard, East, Charleston, WV 25305-0710 or http://www.wvpeia.com.

GASB requires the College to accrue for employees' rights to receive compensation for vacation leave or payments in lieu of accrued vacation or sick leave as such benefits are earned and payment becomes probable. The College's full-time employees earn up to two vacation leave days for each month of service and are entitled to compensation for accumulated, unpaid vacation leave upon termination. Full-time employees also earn 1 1/2 sick leave days for each month of service and are entitled to extend their health or life insurance coverage upon retirement in lieu of accumulated, unpaid sick leave. Generally, two days of accrued sick leave extend health insurance for one month of single coverage, and three days extend health insurance for one month of family coverage. For employees hired after 1988, or who were hired before 1988 but did not choose such coverage until after 1988 but before July 1, 2001, the employee shares in the cost of the extended benefit coverage to the extent of 50% of the premium required for the extended coverage. Employees hired July 1, 2001, or later will do not receive sick leave credit toward insurance premiums when they retire. Additionally, all retirees have the option to purchase continued coverage regardless of their eligibility for premium credits. This liability is now provided for under the multiple-employer, cost-sharing plan sponsored by the State.

Certain faculty employees (generally those with less than a 12-month contract) earn a similar extended health or life insurance coverage retirement benefit based on years of service. Generally, 3 1/3 years of teaching service extend health insurance for one year of single coverage, and five years extend health insurance for one year of family coverage. Faculty hired after July 1, 2009, do not receive years of service credit toward insurance premiums when they retire. Employees hired after July 1, 2010, receive no health insurance premium subsidy from the College. Two groups of employees hired after July 1, 2010, will not be required to pay the unsubsidized rate: 1) active employees who were originally hired before July 1, 2010, who have a break in service of fewer than two years after July 1, 2010; and 2) retired employees who retired before July 1, 2010, return to active service after July 1, 2010, and then go back into retirement. In those cases, the original hire date will apply.

The estimated expense and expense incurred for the vacation leave or OPEB benefits are recorded as a component of benefits expense in the statements of revenues, expenses, and changes in net position.

***Deferred Outflows of Resources*—**-Consumption of net position by the College that is applicable to a future fiscal year is reported as a deferred outflow of resources on the statement of net position. Deferred outflows consist of the deferred loss on refunding, which is accreted over the periods of the refunding bond issue, and deferred outflows of resources related to pension and OPEB plans.

***Deferred Inflows of Resources*—**-An acquisition of net position by the College that is applicable to a future fiscal year is reported as a deferred inflow of resources on the statement of net position. Deferred inflows consist of those related to pension and OPEB plans.

***Risk Management*—**-The State's Board of Risk and Insurance Management ("BRIM") provides general, property and casualty coverage to the College and its employees.

BRIM engages an independent actuary to assist in the determination of its premiums so as to minimize the likelihood of premium adjustments to the College or other participants in BRIM's insurance programs. As a result, management does not expect significant differences between the premiums the College is currently charged by BRIM and the ultimate cost of that insurance based on the College's actual loss experience. In the event such differences arise between estimated premiums currently charged by BRIM to the College and the College's ultimate actual loss experience, the difference will be recorded, as the change in estimate becomes known.

In addition, through its participation in the West Virginia Public Employees Insurance Agency (PEIA) and a third-party insurer, the College has obtained health, life, prescription drug coverage, and coverage for job related injuries for its employees. In exchange for payment of premiums to PEIA and the third-party insurer, the College has transferred its risks related to health, life, prescription drug coverage, and job related injuries.

***Classification of Revenues*—**The College has classified its revenues according to the following criteria:

- *Operating Revenues*—Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, (3) most federal, state, local, and nongovernmental grants and contracts, and (4) sales and services of educational activities.

- *Non-operating Revenues*—Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenues that are defined as non-operating revenues by GASB such as state appropriations, Federal Pell Grants, and investment income and sale of capital assets (including natural resources).

- *Other Revenues*—Other revenues consist primarily of non-governmental grants and gifts.

***Use of Restricted Components of Net Position*—**The College has not adopted a formal policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Generally, the College attempts to utilize restricted resources first when practicable.

***Federal Financial Assistance Programs*—**The U.S. Department of Education makes interest subsidized and nonsubsidized loans directly to students through the College. Direct student loan receivables are not included in the College's balance sheets, as the loans are repayable directly to the U.S. Department of Education. In 2021 and 2020 the College received and disbursed $4,723,238 and $5,165,525 respectively, under the Federal Direct Student Loan Program on behalf of the U.S. Department of Education, which amounts are not included as revenue and expense on the statements of revenues, expenses and changes in net position.

The College also distributes other student financial assistance funds on behalf of the federal government to students under the Federal Pell Grant, Academic Competitiveness Grant, National Science and Mathematics Access to Retain Talent ("SMART") Grant, and Teacher Education Assistance for College and Higher Education ("TEACH") Grant, Supplemental Educational Opportunity Grant and College, and Work Study programs. The activity of these programs is recorded in the accompanying financial statements. In 2021 and 2020, the College received and disbursed $3,945,743 and $4,024,912 respectively.

Scholarship and Discount Allowances—Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances and discounts in the statements of revenues, expenses and changes in net position. Scholarship and discount allowances are the difference between the stated charge for educational services provided by the College, and the amount that is paid by students and/or third parties on the students' behalf.

Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers ("NACUBO"). Certain aid such as loans, funds provided to students as awarded by third parties, and Federal Direct Lending is accounted for as a third party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses, or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a College basis by allocating the cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third party aid.

Government Grants and Contracts—Government grants and contracts normally provide for the recovery of direct and indirect costs, subject to audit. The College recognizes revenue associated with direct costs as the related costs are incurred. Recovery of related indirect costs is generally recorded at fixed rates negotiated for a period of one to five years.

Income Taxes—The College is exempt from income taxes, except for unrelated business income, as a governmental instrumentality under federal income tax laws and regulations of the Internal Revenue Service. Its blended component units are exempt from income taxes as nonprofit organizations.

Cash Flows—Any cash and cash equivalents escrowed, restricted for noncurrent assets or in funded reserves have not been included as cash and cash equivalents for the purpose of the statements of cash flows.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Risk and Uncertainties—Investments are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain securities, it is reasonably possible that changes in risk and values will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Recent Statements Issued by the Governmental Accounting Standards Board (GASB)

In May 2020, the GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This Statement extends the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018.

The GASB has issued Statement No. 84, *Fiduciary Activities*, which is effective for fiscal years beginning after December 15, 2019. Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments to determine whether an activity should be reported in a fiduciary fund in the financial statements. The adoption of GASB Statement No. 84 does not have an impact on the financial statements.

The GASB has also issued Statement No. 87, *Leases*, which is effective for fiscal years beginning after June 15, 2021. The requirements of this Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statements users by requiring notes to financial statements related to timing, significance, and purpose of a government's leasing arrangements. The College has not yet determined the effect that the adoption of GASB Statement No. 87 may have on its financial statements.

The GASB has also issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is effective for fiscal years beginning after December 15, 2020. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. Such interest cost includes all interest that was previously accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The adoption of GASB Statement No. 89 does not have an impact on the College's financial statements.

The GASB has also issued Statement No. 91, *Conduit Debt Obligations*, which is effective for financial statements beginning after December 15, 2021. This statement defines conduit debt obligations for accounting and financial reporting purposes and establishes standards for recognition, measurement, and disclosure for issuers. The College has not yet determined the effect that the adoption of GASB Statement No. 91 may have on its financial statements.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*, which is effective for fiscal years beginning after June 15, 2021. This statement enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The College has not yet determined the effect that the adoption of GASB Statement No. 92 may have on its financial statements.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates,* which is effective for reporting periods ending after December 31, 2021. This Statement establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The adoption of GASB Statement No. 93 does not have an impact on the College's financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA)*, which is effective for fiscal years beginning after June 15, 2022. This Statement establishes standards of accounting and financial reporting for PPPs and APAs for governments. The College has not yet determined the effect that the adoption of GASB Statement No. 94 may have on its financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, which is effective for fiscal years beginning after June 15, 2022. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology agreements. The College has not yet determined the effect that the adoption of GASB Statement No. 96 may have on its financial statements.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 31*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately. The requirements in paragraphs 6–9 of this Statement are effective for fiscal years beginning after June 15, 2021. The College is required to adopt Statement No. 97 for its fiscal year 2023 and is assessing if the standard will have any impact on its financial statements.

3. CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents at June 30, 2021 and 2020, was as follows:

	2021					
	Current		Noncurrent		Total	
State treasurer	$	793,756	$	1,000,337	$	1,794,093
Trustee		-		2,663,158		2,663,158
Banks		504,468		50,000		554,468
Total	$	1,298,224	$	3,713,495	$	5,011,719

	2020					
	Current		Noncurrent		Total	
State treasurer	$	704,948	$	337	$	705,285
Trustee		-		2,815,659		2,815,659
Banks		106,143		100,000		206,143
Total	$	811,091	$	2,915,996	$	3,727,087

Cash held by the State Treasurer includes $1,089,002 and $58,569 at June 30, 2021 and 2020, respectively, of restricted cash for grant programs, capital improvements, debt service, and student financial aid among others.

Funds kept in banks are covered by Federal Deposit Insurance Corporation up to $250,000 or were collateralized by securities held by the State's agent.

Amounts with the State Treasurer as of June 30, 2021 and 2020 are comprised of two investment pools, the WV Money Market Pool and the WV Short Term Bond Pool.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The following table provides information on the Standard & Poor's rating of the State's investment pools as of June 30:

	2021			2020		
External Pool	Carrying Value (in Thousands)		S&P Rating	Carrying Value (in Thousands)		S&P Rating
WV Money Market Pool	$	1,427	AAAm	$	622	AAAm
WV Short Term Bond Pool		35	Not Rated		15	Not Rated

A Fund rated "AAAm" has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks. "AAAm" is the highest principal stability fund rating assigned by Standard & Poor's.

Interest Rate Risk—Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. All the funds held by the State Treasurer are subject to interest rate risk. The following table provides information on the weighted-average maturities for the WV Money Market Pool:

	2021			2020		
External Pool	Carrying Value (in Thousands)		WAM Days	Carrying Value (in Thousands)		WAM Days
WV Money Market Pool	$	1,427	52	$	622	44

The following table provides information on the effective duration for the WV Short Term Bond Pool:

	2021			2020		
External Pool	Carrying Value (in Thousands)		Effective Duration (Days)	Carrying Value (in Thousands)		Effective Duration (Days)
WV Short Term Bond Pool	$	35	638	$	15	620

Other Investment Risks—Other investment risks include concentration of credit risk, custodial credit risk, and foreign currency risk. None of the BTI's Consolidated Fund's investment pools or accounts is exposed to these risks.

Custodial Credit Risk—Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the College will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

Interest Rate Risk—Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College's investment policy limits investment maturities from potential fair value losses due to increasing interest rates. No more than 5% of the money market fund's total market value may be invested in the obligations of a single issuer, with the exception of the U.S. government and its agencies.

Foreign Currency Risk—Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The College has no investments with foreign currency risk.

Cash in Bank with Trustee

	Carrying Value			
Investment Type	2021		2020	
Government money market funds	$	1,406,858	$	541,004
U.S. Government securities		-		1,257,860
Other fixed income securities		1,256,300		1,016,795
Total	$	2,663,158	$	2,815,659

The objective of the money market fund is to increase the current level of income while continuing to maintain liquidity and capital. Assets are invested in high-quality, short term money market instruments.

4. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2021 and 2020:

	2021	2020
Student tuition and fees, net of allowance for doubtful accounts of $4,514,563 and $4,495,696	$ 644,339	$ 466,647
Other state agencies	1,147,601	5,524
Federal grants receivable	916,533	3,409
Payroll advance	56,035	65,397
Other	60,033	20,828
Total	2,824,541	561,805
Less: noncurrent	56,035	65,397
Total	$ 2,768,506	$ 496,408

The amounts due from other state agencies consisted of the following at June 30, 2021 and 2020:

	2021	2020
WV Division of Rehabilitation	$ -	$ 5,166
WV State Appropriation	96,704	-
WV Dept. of Commerce	50,003	-
WV HEPC	1,000,894	358
Total	$ 1,147,601	$ 5,524

5. CAPITAL ASSETS

Capital assets consisted of the following at June 30, 2021 and 2020:

	2021			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital Assets Not being Depreciated:				
Land	$ 1,222,564	$ -	$ -	$ 1,222,564
Construction in progress	-	633,520	-	633,520
Total	$ 1,222,564	$ 633,520	$ -	$ 1,856,084
Other Capital Assets:				
Land improvements	$ 2,263,698	$ -	$ -	$ 2,263,698
Infrastructure	1,718,655	99,347	-	1,818,002
Buildings	105,629,285	165,144	-	105,794,429
Equipment	10,025,321	99,115	-	10,124,436
Library books	1,729,792	489	-	1,730,281
Leasehold improvements	192,739	6,480	-	199,219
Total	121,559,490	370,575	-	121,930,065
Less Accumulated Depreciation for:				
Land improvements	1,546,056	59,346	-	1,605,402
Infrastructure	1,554,594	7,820	-	1,562,414
Buildings	35,031,929	2,025,413	-	37,057,342
Equipment	8,829,855	289,956	-	9,119,811
Library books	1,677,699	17,443	-	1,695,142
Leasehold improvements	91,858	13,030	-	104,888
Total	48,731,991	2,413,008	-	51,144,999
Other Capital Assets - Net	$ 72,827,499	$ (2,042,433)	$ -	$ 70,785,066
Capital Asset Summary:				
Capital assets not being depreciated	$ 1,222,564	$ 633,520	$ -	$ 1,856,084
Other capital assets	121,559,490	370,575	-	121,930,065
Total cost of capital assets	122,782,054	1,004,095	-	123,786,149
Less accumulated depreciation	48,731,991	2,413,008	-	51,144,999
Capital Assets—Net	$ 74,050,063	$ (1,408,913)	$ -	$ 72,641,150

	2020			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 1,199,696	$ 22,868	$ -	$ 1,222,564
Construction in progress	-	-	-	-
Total	$ 1,199,696	$ 22,868	$ -	$ 1,222,564
Other Capital Assets:				
Land improvements	$ 2,263,698	$ -	$ -	$ 2,263,698
Infrastructure	1,698,519	20,136	-	1,718,655
Buildings	105,476,918	152,367	-	105,629,285
Equipment	9,981,125	44,196	-	10,025,321
Library books	1,723,239	6,553	-	1,729,792
Leasehold improvements	192,739	-	-	192,739
Total	121,336,238	223,252	-	121,559,490
Less Accumulated Depreciation for:				
Land improvements	1,460,910	85,146	-	1,546,056
Infrastructure	1,519,159	35,435	-	1,554,594
Buildings	33,076,413	1,955,516	-	35,031,929
Equipment	8,551,382	278,473	-	8,829,855
Library books	1,654,405	23,294	-	1,677,699
Leasehold improvements	79,009	12,849	-	91,858
Total	46,341,278	2,390,713	-	48,731,991
Other Capital Assets—Net	$ 74,994,960	$ (2,167,461)	$ -	$ 72,827,499
Capital Asset Summary:				
Capital assets not being depreciated	$ 1,199,696	$ 22,868	$ -	$ 1,222,564
Other capital assets	121,336,239	223,252	-	121,559,490
Total cost of capital assets	122,535,935	246,120	-	122,782,054
Less accumulated depreciation	46,341,278	2,390,713	-	48,731,991
Capital Assets—Net	$ 76,194,657	$ (2,144,593)	$ -	$ 74,050,063

Buildings include the Waco Center, a portion of which is owned and accounted for by the Foundation. A lease agreement, expiring in 2043, between the College and Foundation specifies that the portion of the Waco Center owned by the Foundation will transfer to the College at the expiration of the lease.

The College maintains certain collections of inexhaustible assets to which no value can be practically determined. Accordingly, such collections are not capitalized or recognized for financial statement purposes. Such collections include contributed works of art, historical treasures and literature that are held for exhibition, education, research and public service. These collections are neither disposed of for financial gain nor encumbered in any means.

6. LONG-TERM LIABILITIES

The following is a summary of long-term obligation transactions for the years ended June 30, 2021 and 2020:

2021	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds, Capital Leases, and Notes Payable:					
Capital lease obligations	$ 40,377	$ -	$ 40,377	$ -	$ -
Notes payable	3,206,520	1,000,000	1,357,860	2,848,660	464,354
Commission debt payable	506,658	-	62,373	444,285	66,551
Improvement and refunding revenue bonds	35,482,446	-	702,746	34,779,700	727,402
Total	39,236,001	1,000,000	2,163,356	38,072,645	1,258,307
Other Liabilities:					
Net pension liability	719,991	37,864	-	757,855	-
Other post employment benefits liability	3,007,958	-	2,224,569	783,389	-
Total Noncurrent Liabilities	$ 42,963,950	$ 1,037,864	$ 4,387,925	$ 39,613,889	$ 1,258,307

2020	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds, Capital Leases, and Notes Payable:					
Capital lease obligations	$ 80,268	$ -	$ 39,891	$ 40,377	$ 40,377
Notes payable	3,308,084	1,000,000	1,101,564	3,206,520	1,307,860
Commission debt payable	566,483	-	59,825	506,658	62,373
Improvement and refunding revenue bonds	36,165,521	-	683,075	35,482,446	702,402
Total	40,120,356	1,000,000	1,884,355	39,236,001	2,113,012
Other Liabilities:					
Net pension liability	939,737	-	219,746	719,991	-
Other post employment benefits liability	4,021,967	-	1,014,009	3,007,958	-
Total Noncurrent Liabilities	$ 45,082,060	$ 1,000,000	$ 3,118,110	$ 42,963,950	$ 2,113,012

During 2017, the College's blended component unit, the Glenville State College Housing Corporation, Inc., borrowed $400,000 from private individuals, some of whom are members of the College's Board of Governors. The loans bear interest at a rate of the higher of 4.0% or the Wall Street Journal Prime Rate plus 0.5%. The loans are secured by revenue from rental properties. During FY 2019, 2020 and 2021, $350,000 of these borrowings were repaid.

In Fiscal Year 2021, the College secured a 10 year interest-free loan from the Higher Education Policy Commission (HEPC) for the purposes of performing several critically needed replacements or improvements to Heating and Cooling systems on campus. This project will provide much needed reliability, as well as energy and deferred maintenance savings to the College for years to come. The Loan will be repaid in equal quarterly payments.

7. BONDS PAYABLE

Bonds payable consisted of the following at June 30, 2021 and 2020:

	Principal Amount Outstanding		
	Interest Rate	2021	2020
Improvement and Refunding Revenue Bonds, Series 2017, mature dates from June, 2022 to June, 2047	3.25% to 5.25%	$ 34,885,000	$ 35,595,000
Unamortized bond discount		(105,300)	(112,554)
Total Bonds Payable		$ 34,779,700	$ 35,482,446

On September 28, 2017, the Glenville State College Board of Governors issued $36,285,000 in Improvement and Refunding Revenue Bonds, Series 2017, with maturities and interest rates as follows:

Maturity	Interest Rate	Amount
June 1, 2022	3.25%	$ 2,135,000
June 1, 2027	4.00%	4,105,000
June 1, 2032	4.50%	5,040,000
June 1, 2037	5.00%	6,345,000
June 1, 2047	5.25%	18,660,000
Total		$ 36,285,000

The Series 2017 Bonds bear interest at the rates shown above payable semiannually on June 1 and December 1 of each year until paid.

The Series 2017 Bond proceeds were used to pay in full the Series 2006 Bonds, Series 2007 Bonds, Series 2009 Bonds, and the 2011 Note payable on September 28, 2017. Proceeds were escrowed in sufficient amount to pay in full the Series 2011A Bonds on October 10, 2017. Proceeds of $2,000,000 were deposited in a project fund for future capital improvements. As of June 30, 2019, $2,000,000 had been drawn down to pay for capital projects. In 2019, the College recorded a loss on refunding of $337,511. At June 30, 2021 and 2020, the unamortized loss on refunding was $282,483 and $297,157 respectively.

Future debt service requirements to maturity, as scheduled, for the Series 2017 Bonds at June 30, 2021, are as follows:

Maturity	Principal	Interest	**Total**
2022	$ 735,000	$ 1,711,788	$ 2,446,788
2023	760,000	1,687,900	2,447,900
2024	790,000	1,657,500	2,447,500
2025	820,000	1,625,900	2,445,900
2026	850,000	1,593,100	2,443,100
2027-2031	4,825,000	7,397,625	12,222,625
2032-2036	6,050,000	6,177,750	12,227,750
2037-2041	7,740,000	4,489,725	12,229,725
2042-2046	9,990,000	2,236,763	12,226,763
2047	2,325,000	122,062	2,447,062
Total	$ 34,885,000	$ 28,700,113	$ 63,585,113

8. NOTES PAYABLE

Notes payable consisted of the following at June 30, 2021 and 2020:

	Interest Rate	Payment Terms	Amount Outstanding 2021	Amount Outstanding 2020
Unsecured promisory note to Glenville State College Foundation	4.00%	Paid in full October 2020	$ -	$ 1,000,000
$400,000 private loans to Glenville State College Housing Corporation collateralized by rental properties.	4.00%	Pay in full upon request	50,000	100,000
$1,000,000 unsecured promissory note to HEPC	0.00%	$25,000, quarterly	1,000,000	-
$1,000,000 unsecured promissory note to HEPC	0.00%	$25,000, quarterly	150,000	250,000
$3,145,581 promissory note collateralized by 1st lien on equipment installed in various buildings on campus	3.10%	$131,907, semiannually through June, 2028	1,648,660	1,856,520
Total Notes Payable			$ 2,848,660	$ 3,206,520

The College has available a line of credit of $1,000,000 with the Glenville State College Foundation, Inc., bearing interest at 4.0%. The balance was paid in full in October 2020 and included in the table above.

The following is the schedule of future annual minimum payments required under the notes payable as of June 30, 2021:

Year	Principal	Interest	Total
2022	$ 464,354	$ 53,460	$ 517,814
2023	371,051	46,764	417,815
2024	327,956	39,858	367,814
2025	335,078	32,736	367,814
2026	342,421	21,393	363,814
2027-2028	1,007,800	19,828	1,027,628
Total	2,848,660	214,039	3,062,699
Less, interest			214,039
Principal			$ 2,848,660

9. OTHER POST EMPLOYMENT BENEFITS (OPEB)

As related to the implementation of GASB 75, following are the College's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, revenues, and the OPEB expense and expenditures for the fiscal years ended June 30, 2021 and 2020:

	2021	2020
Net OPEB liability	$ 783,389	$ 3,007,958
Deferred outflows of resources	533,907	543,144
Deferred inflows of resources	2,640,239	1,559,674
Revenues	74,398	182,361
OPEB expense	(725,514)	37,004
Contributions made by the College	334,645	342,818

Plan Description

The West Virginia Other Postemployment Benefit (OPEB) Plan (the "Plan") is a cost-sharing, multiple employer, defined benefit other postemployment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code. Financial activities of the Plan are accounted for in the West Virginia Retiree Health Benefit Trust Fund (RHBT), a fiduciary fund of the State established July 1, 2006 as an irrevocable trust. The Plan is administered by a combination of the West Virginia Public Employees Insurance Agency (PEIA) and the RHBT staff. Plan benefits are established and revised by PEIA and the RHBT management with the approval of the PEIA Finance Board. The plan provides medical and prescription drug insurance, as well as life insurance, benefits to certain retirees of State agencies, colleges and universities, county boards of education, and other government entities who receive pension benefits under the PERS, STRS, TDCRS, TIAA-CREF, Plan G, Troopers Plan A, or Troopers Plan B pension systems, as administered by the West Virginia Consolidated Public Retirement Board (CPRB). The plan is closed to new entrants.

The Plan's fiduciary net position has been determined on the same basis used by the Plan. The RHBT is accounted for as a fiduciary fund, and its financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with GAAP for fiduciary funds as prescribed or permitted by the GASB. The primary sources of revenue are plan members and employer contributions. Members' contributions are recognized in the period in which the contributions are due. Employer contributions and related receivables to the trust are recognized pursuant to a formal commitment from the employer or statutory or contractual requirement, when there is a reasonable expectation of collection. Benefits and refunds are recognized when due and payable.

RHBT is considered a component unit of the State of West Virginia for financial reporting purposes, and, as such, its financial report is also included in the State of West Virginia's Comprehensive Annual Financial Report. RHBT issues publicly available financial statements and required supplementary information for the OPEB plan. Details regarding this plan and a copy of the RHBT financial report may be obtained by contacting PEIA at 601 57th Street SE, Suite 2, Charleston, West Virginia 25304-2345, or by calling (888) 680-7342.

Benefits Provided

The Plan provides the following benefits:

- Medical and prescription drug insurance
- Life insurance

The medical and prescription drug insurance is provided through two options:

- Self-Insured Preferred Provider Benefit Plan – primarily for non-Medicare-eligible retirees and spouses
- External Managed Care Organizations – primarily for Medicare-eligible retirees and spouses

Contributions

Employer contributions from the RHBT billing system represent what the employer was billed during the respective year for its portion of the pay-as-you-go (paygo) premiums, retiree leave conversion billings, and other matters, including billing adjustments.

Paygo premiums are established by the PEIA Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The Paygo rates related to the measurement date of June 30, 2020 were:

	2020	2019
Paygo premium	$168	$183

Members retired before July 1, 1997 pay retiree healthcare contributions at the highest sponsor subsidized rate, regardless of their actual years of service. Members retired after July 1, 1997 or hired before June 30, 2010 pay a subsidized rate depending on the member's years of service. Members hired on or after July 1, 2010 pay retiree healthcare contributions with no sponsor provided implicit or explicit subsidy.

Retiree leave conversion contributions from the employer depend on the retiree's date of hire and years of service at retirement as described below:

- Members hired before July 1, 1988 may convert accrued sick or annual leave days into 100% of the required retiree healthcare contribution.
- Members hired from July 1, 1988 to June 30, 2001 may convert accrued sick or annual leave days into 50% of the required retiree healthcare contribution.

The conversion rate is two days of unused sick and annual leave days per month for single healthcare coverage and three days of unused sick and annual leave days per month for family healthcare coverage.

The College's contributions to the OPEB plan for the years ended June 30, 2021, 2020, and 2019, were $334,645, $342,818, and $373,889 respectively.

Assumptions

The total OPEB liability for financial reporting purposes was determined by an actuarial valuation as of June 30, 2020, which is the measurement date. The following actuarial assumptions were used and applied to all periods included in the measurement, unless otherwise specified:

- Actuarial cost method: Entry age normal cost method.
- Amortization method: Level percentage of payroll over a 20 year closed period beginning June 30, 2017.
- Investment rate of return: 6.65%, net of OPEB plan investment expense, including inflation.
- Healthcare cost trend rates. Trend rate for pre-Medicare per capita costs of 7.0% for plan year ended 2022, 6.5% for plan year 2023, decreasing by 0.25% each year thereafter until ultimate trend rate of 4.25% is reached in plan year end 2032. Trend rate for Medicare per capita costs of 31.11% for plan year end 2022, 9.15% for plan year end 2023, 8.40% for plan year end 2024, decreasing gradually each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.
- Projected salary increases: Specific to the OPEB Covered group ranging from 2.75% to 5.18%, including inflation.
- Inflation rate: 2.25%.
- Wage inflation: 2.75%.
- Retirement age: Experienced based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2020 actuarial valuation.
- Aging factors: Based on the 2013 SOA Study "Health Care Costs- From Birth to Death".
- Expenses: Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of the annual expense.
- Mortality post retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 100% for males and 108% for females.
- Mortality pre-retirement: Pub-2010 General Employee Mortality Tables projected with MP-2019.

The actuarial assumptions used in the June 30, 2020 valuation were based on results of an actuarial experience study for the period from July 1, 2015 to June 30, 2020. These assumptions will remain in effect for valuation purposes until such time as the RHBT adopts revised assumptions.

Certain assumptions have been changed since the prior actuarial valuation as of June 30, 2018 and a measurement date of June 30, 2020. The net effect of the assumption changes was approximately $1,147 million.

- General/price inflation –Decrease price inflation rate from 2.75% to 2.25%.
- Discount rate – Decrease discount rate from 7.15% to 6.65%.
- Wage inflation – Decrease wage inflation rate from 4.00% to 2.75%.
- OPEB retirement – Develop explicit retirement rates for members who are eligible to retire with healthcare benefits and elect healthcare coverage.
- Waived annuitant termination – Develop explicit waived termination rates for members who are eligible to retire with healthcare benefits but waive healthcare coverage.
- SAL conversion – Develop explicit SAL conversion rates for members who are eligible to convert sick and annual leave (SAL) balances at retirement and convert SAL balances into OPEB benefits.

- Lapse/re-entry – Develop net lapse/re-entry rates for members who either lapse coverage after electing healthcare coverage or elect healthcare coverage after waiving coverage.
- Other demographic assumptions – Develop termination, disability, and mortality rates based on experience specific to OPEB covered group.
- Salary increase – Develop salary increase assumptions based on experience specific to the OPEB covered group.

The projections of the net OPEB liability are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of the net OPEB liability does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost-sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial estimated liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. However, the preparation and any estimate of future postemployment costs requires consideration of a broad array of complex social and economic events. Future changes in the healthcare reform, changes in reimbursement methodology, the emergence of new and expensive medical procedures and prescription drugs options, changes in the investment rate of return, and other matters increase the level of uncertainty in such estimates. As such, the estimate of postemployment program costs contains considerable uncertainty and variability, and actual experience may vary significantly from the current estimated net OPEB liability.

The long-term expected rate of return of 6.65% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.00% for long-term assets invested with the WV Investment Management Board and an expected short-term rate of return of 2.50% for assets invested with the BTI.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which estimates of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Target asset allocations, capital market assumptions (CMA), and forecast returns were provided by the Plan's investment advisors, including the West Virginia Investment Management Board (WV-IMB). The projected nominal return for the Money Market Pool held with the BTI was estimated based on the WV-IMB assumed inflation of 2.0% plus a 25 basis point spread.

Best estimates of the long-term geometric rates of return for each major asset class included in RHBT's target asset allocation as of June 30, 2021, are summarized below:

Asset Class	Target Allocation	Long-term Expected Real Return
Global equity	55%	6.8%
Core plus fixed income	15%	4.1%
Core real estate	10%	6.1%
Hedge funds	10%	4.4%
Private equity	10%	8.8%
	100%	

Discount rate— A single discount rate of 6.65% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 6.65% and a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date to the extent benefits are effectively financed on a pay-as-you-go basis. The long-term municipal bond rate used to develop the single discount rate was 3.13% as of the beginning of the year and 2.45% as of the end of the year. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. Future pre-funding assumptions include a $30 million annual contribution from the State through 2037. Based on those assumptions, and that the Plan is expected to be fully funded by fiscal year ended June 30, 2025, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Discount rates are subject to change between measurement dates.

Sensitivity of the net OPEB liability to changes in the discount rate—The following presents the College's proportionate share of the net OPEB liability as of June 30, 2021 calculated using the discount rate of 6.65%, as well as what the College's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.65%) or one percentage point higher (7.65%) than the current rate. The College's proportionate share of the net OPEB liability as of June 30, 2020 is also calculated using a discount rate that is one percentage point lower (6.15%) or one percentage point higher (8.15%) than the current rate.

	1% Decrease (5.65%)	Current Discount Rate (6.65%)	1% Increase (8.15%)
2021 Net OPEB liability	$ 1,117,217	$ 783,389	$ 503,931

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
2020 Net OPEB liability	$ 3,589,908	$ 3,007,958	$ 2,520,963

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate—The following presents the College's proportionate share of the net OPEB liability as of June 30, 2021 calculated using the healthcare cost trend rate, as well as what the College's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
2021 Net OPEB liability	$ 471,372	$ 783,389	$ 1,160,242
2020 Net OPEB liability	$ 2,425,483	$ 3,007,958	$ 3,714,790

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The June 30, 2021 net OPEB liability was measured as of June 30, 2020, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2020, which is the measurement date. The June 30, 2020 net OPEB liability was measured as of June 30, 2019, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2018, rolled forward to the measurement date of June 30, 2019.

At June 30, 2021, the College's proportionate share of the net OPEB liability was $956,609. Of this amount, the College recognized $783,389 as its proportionate share on the statement of net position. The remainder of $173,220 denotes the State's proportionate share of net OPEB liability attributable to the special funding.

At June 30, 2020, the College's proportionate share of the net OPEB liability was $3,623,520. Of this amount, the College recognized $3,007,958 as its proportionate share on the statement of net position. The remainder of $615,562 denotes the State's proportionate share of net OPEB liability attributable to the special funding.

The allocation percentage assigned to each participating employer and non-employer contributing entity is based on its proportionate share of employer and non-employer contributions to OPEB for each of the fiscal years ended June 30, 2020 and 2019. Employer contributions are recognized when due. At the June 30, 2020 measurement date, the College's proportion was 0.177361080%, a decrease of 0.003935944% from its proportion of 0.181297024% calculated as of June 30, 2019. At the June 30, 2019 measurement date, the College's proportion was 0.181297024%, a decrease of 0.006169149% from its proportion of 0.187466173% calculated as of June 30, 2018.

For the year ended June 30, 2021, the College recognized OPEB expense of ($725,514). Of this amount, ($799,912) was recognized as the College's proportionate share of OPEB expense and $74,398 as the amount of OPEB expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of $74,398 for support provided by the State.

For the year ended June 30, 2020, the College recognized OPEB expense of $37,004. Of this amount, ($145,357) was recognized as the College's proportionate share of OPEB expense and $182,361 as the amount of OPEB expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of $182,361 for support provided by the State.

At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows:

June 30, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 507,935
Changes in proportion and difference between employer contributions and proportionate share of contributions	113,282	289,004
Opt-out employer change in proportionate share	-	48,512
Change in assumptions	-	1,768,273
Net difference between projected and actual investment earnings	85,980	26,515
Contributions after the measurement date	334,645	-
Total	$ 533,907	$ 2,640,239

June 30, 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 350,813
Changes in proportion and difference between employer contributions and proportionate share of contribution	182,483	468,347
Opt-out employer change in proportionate share	742	80,927
Change in assumptions	-	610,037
Net difference between projected and actual investment earnings	17,101	49,550
Contributions after the measurement date	342,818	-
Total	$ 543,144	$ 1,559,674

The College will recognize the $334,645 reported as deferred outflows of resources resulting from OPEB contributions after the measurement date as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Amortization
2022	$ (1,075,992)
2023	(843,857)
2024	(539,579)
2025	18,451
Total	$ (2,440,977)

Payables to the OPEB Plan

At June 30, 2021, the College reported $26,394 in accrued payroll and accounts payable related to normal contributions to the plan.

10. STATE SYSTEM OF HIGHER EDUCATION INDEBTEDNESS

The College is a State institution of higher education, and the College receives a State appropriation to support its operations. In addition, it is subject to the legislative and administrative mandates of State government. Those mandates affect all aspects of the College's operations, its tuition and fee structure, its personnel policies and its administrative practices.

The State has chartered the Higher Education Policy Commission (the "Commission") with the responsibility to construct or renovate, finance and maintain various academic and other facilities of the State's universities and colleges, including certain facilities of the College. Financing for these facilities was provided through revenue bonds issued by the former Board of Regents or the former Boards of the College and College Systems (the "Boards"). These obligations administered by the Commission are the direct and total responsibility of the Commission, as successor to the former Boards.

The Commission has the authority to assess each public institution of higher education for payment of debt service on these system bonds. The tuition and registration fees of the members of the former State University System are generally pledged as collateral for the Commission's bond indebtedness. Student fees collected by the institution in excess of the debt service allocation are retained by the institution for internal funding of capital projects and maintenance. Although the bonds remain as a capital obligation of the Commission, an estimate of the obligation of each institution is reported as a long-term payable by each institution and as a receivable by the Commission. The balances at June 30, 2021 and 2020 were $444,285 and $506,658, respectively.

For the years ended June 30, 2021 and 2020, debt service assessed by HEPC was as follows:

	2021	2020
Principal	$ 62,373	$ 59,825
Interest	22,470	25,581
Total	$ 84,843	$ 85,406

In December, 2010, the Commission issued $76,865,000 of the State of West Virginia Higher Education Policy Commission Revenue 2010 Series Bonds to fund approved HEPC Bond projects. The College received $11,000,000 of these proceeds, which was used for the construction of the Waco Center, a facility that houses an expanded Land Resources Education Center, a community and campus health care facility, and athletic facilities including administration, dedicated training areas, coaches' offices, and facilities for several indoor spectator sports. The Commission is responsible for repayment of this debt.

11. UNRESTRICTED COMPONENTS OF NET POSITION

The unrestricted component of the College's net position is composed of resources as follows:

	2021	2020
Designated for affiliated organizations	$ 341,398	$ (1,676,223)
Net OPEB	(2,889,721)	(4,024,488)
Net pension	(954,067)	(1,128,277)
Undesignated	(1,642,449)	(947,314)
Total Unrestricted Net Position	$ (5,144,839)	$ (7,776,302)

12. RETIREMENT PLANS

Substantially all eligible full-time employees of the College participate in either the West Virginia State Teachers' Retirement System (TRS) or the Teachers' Insurance and Annuities Association - College Retirement Equities Fund (TIAA-CREF), now known as TIAA. In years past, upon full-time employment, each employee was required to make an irrevocable selection between the TRS and TIAA-CREF. Effective July 1, 1991, the TRS was closed to new participants. Remaining participants in the TRS are permitted to make a one-time election to cease their participation in that plan and commence contributions to the West Virginia Teachers' Defined Contribution Plan (WVTDCP). Contributions to and participation in this Plan by College employees have not been significant to date.

The College's total payroll for the years ended June 30, 2021, 2020, and 2019 was $10,341,679, $9,991,285, and $9,150,195 respectively; total covered employees' salaries in the TRS and TIAA-CREF were $584,406 and $8,541,161 in 2021, $650,657 and $8,063,710 in 2020, and $700,282 and $7,671,462 in 2019.

Defined Contribution Pension Plan

The TIAA-CREF is a defined contribution benefit plan in which benefits are based solely upon amounts contributed plus investment earnings. Employees who elect to participate in this plan are required to make a contribution equal to 6% of total annual compensation. The College matches the employees' 6% contribution. Contributions are immediately and fully vested. In addition, employees may elect to make additional contributions to TIAA-CREF which are not matched by the College.

Total contributions to the TIAA-CREF for the years ended June 30, 2021, 2020, and 2019, were $1,024,939, $967,646, and $920,576, respectively, which consisted of equal contributions from the College and covered employees in 2021, 2020, and 2019 of $512,470, $483,823, and $460,288, respectively.

Effective January 1, 2003, higher education employees enrolled in the basic 401(a) retirement plan with TIAA-CREF have an option to switch to the Educators Money 401(a) basic retirement plan. New hires have the choice of either plan. As of June 30, 2021, no College employees were enrolled in the Educators Money 401(a) basic retirement plan.

Defined Benefit Pension Plan

Some employees of the College are enrolled in a defined benefit pension plan, the West Virginia Teachers' Retirement System (TRS), which is administered by the West Virginia Consolidated Public Retirement Board (CPRB).

Following is the College's pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, revenues, and the pension expense and expenditures for the fiscal years ended June 30, 2021 and 2020:

	2021	2020
Net pension liability	$ 757,855	$ 719,991
Deferrd outflows of resources	229,185	218,352
Deferred inflows of resources	425,397	626,638
Revenues	172,746	209,635
Pension expense	97,347	101,849
Contributions made by GSC	87,661	97,599

TRS

Plan Description

TRS is a multiple employer, defined benefit, cost sharing, public employee retirement system providing retirement benefits as well as death and disability benefits. It covers all full-time employees of the 55 county, public school systems in the State of West Virginia and certain personnel of the 13 State-supported institutions of higher education, State Department of Education and the Higher Education Policy Commission hired prior to July 1, 1991. Employees of the State-supported institutions of higher education and the Higher Education Policy Commission hired after June 30, 1991, are required to participate in the Higher Education Retirement System. TRS closed membership to new hires effective July 1, 1991.

TRS is considered a component unit of the State of West Virginia for financial reporting purposes, and, as such, its financial report is also included in the State of West Virginia's Comprehensive Annual Financial Report. TRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained from the TRS website at https://www.wvretirement.com/Publications.html#CAFR.

Benefits Provided

TRS provides retirement, death, and disability benefits. A member is eligible for normal retirement at age 60 with five years of service, age 55 with 30 years of service or any age with 35 years of service. A member may retire with 30 years of credited service at any age with the pension reduced actuarially if the member retires before age 55. Terminated members with at least five, but less than 20, years of credited service who do not withdraw their accumulated contributions are entitled to a deferred retirement commencing at age 62. Retirement benefits are equivalent to 2% of average annual salary multiplied by years of service. Average salary is defined as the average of the 5 highest fiscal years of earnings during the last 15. Chapter 18, Article 7A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan, including contribution rates, to the State Legislature.

Contributions

The funding objective of the CPRB pension trust funds is to meet long-term benefit requirements through contributions, which remain relatively level as a percent of member payroll over time, and through investment earnings. Contribution requirements are set by CPRB. A member who withdraws from service for any cause other than death or retirement may request that the accumulated employee contributions plus interest be refunded.

Member Contributions—TRS funding policy provides for member contributions based on 6% of members' gross salary. Contributions as a percentage of payroll for members and employers are established by State law and are not actuarially determined.

Employer Contributions—The State (including institutions of higher education) contributes:

1. 15% of gross salary of their State-employed members hired prior to July 1, 1991;
2. 7.5% of the gross salary of their TRS covered employees hired for the first time after July 1, 2005 and for those TDCRS members who elected to transfer to TRS effective July 1, 2008;
3. a certain percentage of fire insurance premiums paid by State residents; and
4. under WV State code section 18-9-A-6a, beginning in fiscal year 1996, an amount determined by the State Actuary as being needed to eliminate the TRS unfunded liability by 2034. As of June 30, 2021 and 2020, respectively, the College's proportionate share attributable to this special funding subsidy was $172,746 and $209,635.

The College's contributions to TRS for the years ended June 30, 2021, 2020, and 2019, were $87,661, $97,599, and $105,042 respectively.

Assumptions

The total pension liabilities for financial reporting purposes were determined by actuarial valuations as of July 1, 2019 and 2018 and rolled forward to June 30, 2020 and 2019, respectively. The following actuarial assumptions were used and applied to all periods included in the measurement:

- Actuarial cost method: Entry age normal cost with level percentage of payroll.
- Asset valuation method: Investments are reported at fair (market) value.
- Amortization method and period: Level dollar, fixed period over 40 years, from July 1, 1994 through fiscal year 2034.
- Investment rate of return of 7.50%, net of pension plan administrative and investment expenses.
- Projected salary increases: Teachers 3.00-6.16% and non-teachers 3.00–6.75%, based on age.
- Inflation rate of 3.0%.
- Discount rate of 7.50%.
- Mortality rates based on Pub-2010 Mortality Tables.
- Withdrawal rates: Teachers 7.00-35.00% and non-teachers 2.33-18.00%.
- Disability rates: 0.004-0.563%
- Retirement age: An age-related assumption is used for participants not yet receiving payments.
- Retirement rates: 15-100%
- *Ad hoc* cost-of-living increases in pensions are periodically granted by the State Legislature. However, the retirement system makes no automatic provision for such increases.

Experience studies are performed at least once in every five-year period. The most recent experience study covered the period from July 1, 2014 to June 30, 2019. These assumptions will remain in effect for valuation purposes until such time as the CPRB adopts revised assumptions.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the long-term arithmetic real rates of return for each major asset class included in TRS' target asset allocation as of June 30, 2020, are summarized below.

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Domestic equity	5.5%	27.5%
International equity	7.0%	27.5%
Fixed income	2.2%	15.0%
Real estate	6.6%	10.0%
Private equity	8.5%	10.0%
Hedge funds	4.0%	10.0%
		100.0%

Discount rate**—**The discount rate used to measure the total TRS pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that State contributions will continue to follow the current funding policy. Based on those assumptions, TRS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on TRS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate**—**The following presents the College's proportionate share of the TRS net pension liability as of June 30, 2021 and 2020 calculated using the discount rate of 7.50%, as well as what the College's TRS net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
2021 Net pension liability	$ 1,023,797	$ 757,855	$ 531,253
2020 Net pension liability	982,720	719,991	495,253

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The June 30, 2021 TRS net pension liability was measured as of June 30, 2020, and the total pension liability was determined by an actuarial valuation as of July 1, 2019, rolled forward to the measurement date of June 30, 2020. The June 30, 2020 TRS net pension liability was measured as of June 30, 2019, and the total pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to the measurement date of June 30, 2019.

At June 30, 2021, the College's proportionate share of the TRS net pension liability was $2,404,587. Of this amount, the College recognized $757,855 as its proportionate share on the Statement of Net Position. The remainder of $1,646,732 denotes the State's proportionate share of net pension liability attributable to the special funding.

At June 30, 2020, the College's proportionate share of the TRS net pension liability was $2,458,177. Of this amount, the College recognized $719,991 as its proportionate share on the statement of net position. The remainder of $1,738,186 denotes the State's proportionate share of net pension liability attributable to the special funding.

The allocation percentage assigned to each participating employer and non-employer contributing entity is based on their proportionate share of employer and non-employer contributions to TRS for each of the fiscal years ended June 30, 2021 and 2020. Employer contributions are recognized when due. At the June 30, 2020 measurement date, the College's proportion was 0.023529%, a decrease of 0.000671% from its proportion of 0.024200% calculated as of June 30, 2019. At June 30, 2019 the College's proportion was 0.024200%, a decrease of 0.005898% from its proportion of 0.030098% calculated as of June 30, 2018.

For the years ended June 30, 2021 and 2020, the College recognized TRS pension expense of $97,734 and $101,849, respectively. Of these amounts, ($75,012) and ($107,786), respectively, were recognized as the College's proportionate share of the TRS expense and $172,746 and $209,635, respectively, as the amount of pension expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of $172,746 and $209,635, respectively, for support provided by the State.

At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to the TRS pension are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and difference between employer contributions and proportionate share of contributions	$ 67,513	$ 408,756
Net difference between projected and actual investment earnings	45,918	-
Differences between expected and actual experience	17,414	16,641
Differences in assumptions	10,679	-
Contributions after the measurement date	87,661	-
Total	$ 229,185	$ 425,397

At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to the TRS pension are as follows:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Changes in proportion and difference between employer contributions and proportionate share of contributions	$	101,609	$	582,447
Net difference between projected and actual investment earnings				19,582
Difference between expected and actual experience		3,598		24,609
Differences in assumptions		15,546		
Contributions after the measurement date		97,599		
Total	$	218,352	$	626,638

The College will recognize the $87,661 reported as deferred outflows of resources resulting from pension contributions after the measurement date as a reduction of the TRS net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in TRS pension expense as follows:

Fiscal Year	Amortization	
2022	$	(122,425)
2023		(76,343)
2024		(101,114)
2025		16,009
Total	$	(283,873)

Payables to the Pension Plan

The College did not report any amounts payable for normal contributions to the TRS as of June 30, 2021 and 2020.

13. CONTINGENCIES

The nature of the higher education industry is such that, from time-to-time, claims may be presented against the College on account of alleged negligence, acts of discrimination, breach of contract or disagreements arising from the interpretation of laws or regulations. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services in a higher education system. In the opinion of management, all known claims are covered by insurance or are such that a judgement against the College would not seriously impact the financial status of the institution.

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies.

The Internal Revenue Code of 1986 establishes rules and regulations for arbitrage rebates. There are no arbitrage rebate liabilities that have been recorded in the financial statements as of June 30, 2021 or 2020.

Several of the College properties are known to contain asbestos. The College is not required by federal, state or local law and Federal Environmental, Health and Safety Regulations to remove asbestos from its buildings, but is required to manage the presence of asbestos in a safe manner. The College addresses this responsibility on a case-by-case basis. The College addresses the presence of asbestos as building renovation or demolition projects are undertaken and through asbestos operation and maintenance programs directed at containing, managing or operating with the asbestos in a safe manner.

During the 2020 fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year-end, the COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to the College, COVID-19 may impact various parts of its 2022 operations and financial results, including, but not limited to, declines in enrollment, loss of auxiliary revenues, additional bad debts, costs for increased use of technology, or potential shortages of personnel. The events related to COVID-19 are still developing, and the full impact is unknown and cannot be reasonably estimated.

Due to COVID-19, the Federal Government passed the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA) Act in December 2020 and the American Rescue Plan Act (ARP) in March 2021 which included funding for the Higher Education Emergency Relief Fund (HEERF II and III). These funds were awarded to institutions of higher education in two allotments for each of HEERF II and HEERF III; institutional aid to provide support for pivoting instruction to online delivery or reimbursement of refunds, and a student portion to provide emergency financial aid grants to students.

As of June 30, 2021, the College had received allocations of $3,162,166 in student portion and $4,476,634 in institutional portion. As of June 30, 2021, the College had expended $3,680,782 related to public safety and faculty payroll, as well as $670,693 for emergency student grants. The grants are reported in non-operating revenues in the Statements of Revenues, Expenses and Changes in Net Position.

In light of the potential impact of the COVID-19 pandemic and other factors causing recent negative enrollment trends in higher education, management believes that appropriate actions are being taken to ensure that the College will continue as a going concern in the foreseeable future. These include:

- Applying for and utilizing various federal and state grants for COVID-19 relief, as well as for grants and appropriations that would benefit other aspects of the College's operations. The College is expending its focus toward applying for grants in the future, a strategy which will be a cornerstone for the College's future financial stability.
- Continuing to utilize the established budget and planning process that connects, more directly, the expenditures of the College's budget with needs of its academic and student service functions on campus. This integrated planning provides a more clearly-defined budgeting process and, thus, provides a strong foundation for building academic programs and student services aimed at attracting and retaining more students.
- Continue or starting initiatives designed to increase enrollment: (1) High School Dual Enrollment program which allows high school students to enroll in college courses and use federal financial aid to attend at minimal to no cost; (2) Second Chance, which allows incarcerated students to enroll in college courses and use federal financial aid to attend without cost; (3) Hidden Promise, a long-standing middle school and high school program that is being utilized more intentionally to recruit students to enroll at the College; (4) Implementation of a BS in Nursing program through a partnership with Marshall University. This program is anticipated to begin in Fall, 2022 and is also expected to be closely followed by the development of a new Health Sciences Program; and (5) The College is in the final phases of securing approval to initiate a Masters Program in Education beginning in the Fall, 2022 semester.

- In Fiscal Year 2022, Glenville State College projects an approximate 16% Tuition Discounting rate, a reduction from prior year trends in the 20-25% ranges. This is being accomplished through increased discipline and structure in the awards process for existing aid categories coupled with significant funding of existing waiver programs. These changes will make a direct improvement to the College's bottom line, and the College is confident it can continue this positive trend in future years.
- Glenville State College Foundation, Inc. is a supporting organization to the College and has significant resources available and which directly benefit the College's operations as well as offering protection from short term cyclical cash flow challenges through a standing, formal line of borrowing credit.
- In September, 2017 the College refinanced its long term debt into a single, lower interest, revenue bond offering.

14. CONDENSED COMPONENT UNIT INFORMATION

Condensed component unit information for the Glenville State College Housing Corporation and Glenville State College Research Corporation, the College's blended component units for the years ended June 30, 2021 and 2020, are as follows:

Condensed Schedules of Net Position

	GSC Housing Corporation		GSC Research Corporation	
	FY 2021	FY 2020	FY 2021	FY 2020
Assets:				
Current Assets	$ 1,184,673	$ 1,062,948	$ (481)	$ 9,301
Noncurrent and capital assets	1,132,456	1,256,973	149,975	152,532
Total	$ 2,317,129	$ 2,319,921	$ 149,494	$ 161,833
Liabilities:				
Current liabilities	$ 90,570	$ 119,088	$ 44,773	$ 48,054
Noncurrent liabilities	-	-	681,058	671,058
Total	$ 90,570	$ 119,088	$ 725,831	$ 719,112
Net Position:				
Net investment in capital assets	$ 1,132,456	$ 1,156,972	$ 149,975	$ 152,532
Unrestricted	1,094,103	1,043,861	(726,312)	(709,811)
Total Liabilities and Net Position	$ 2,317,129	$ 2,319,921	$ 149,494	$ 161,833

Condensed Statements of Revenues, Expenses and Change in Net Position

	GSC Housing Corporation		GSC Research Corporation	
	FY 2021	FY 2020	FY 2021	FY 2020
Operating:				
Revenue	$ 566,975	$ 669,655	$ 14,200	$ 56,817
Expense	185,808	871,180	30,701	24,058
Net Income (Loss)	$ 381,167	$ (201,525)	$ (16,501)	$ 32,759
Non-Operating:				
Revenue	$ -	$ -	$ -	$ -
Expense	25,441	21,904	2,557	2,557
Net Loss	$ (25,441)	$ (21,904)	$ (2,557)	$ (2,557)
Net Position:				
Changes	$ 355,726	$ (223,429)	$ (19,058)	$ 30,202
Beginning of year	1,870,833	2,094,262	(557,279)	(587,481)
End of Year	$ 2,226,559	$ 1,870,833	$ (576,337)	$ (557,279)

Condensed Schedule of Cash Flows

	GSC Housing Corporation		GSC Research Corporation	
	FY 2021	FY 2020	FY 2021	FY 2020
Net Cash:				
From operating activities	$ 121,725	$ (377,617)	$ (9,782)	$ 6,710
From non-operating activities	-	-	-	-
Increase (Decrease) in Cash	121,725	(377,617)	(9,782)	6,710
Cash and Cash Equivalents:				
Beginning of year	157,648	535,265	9,301	2,591
End of Year	$ 279,373	$ 157,648	$ (481)	$ 9,301

15. NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATIONS

For the year ended June 30, 2021 and 2020, the following table represents operating expenses within both natural and functional classifications:

	2021						
	Salaries and Wages	Benefits	Supplies, Services and Miscellaneous	Utilities	Scholarships and Fellowships	Depreciation	**Total**
Instruction	$ 4,343,505	$ 665,961	$ 1,965,627	$ -	$ -	$ -	$ 6,975,093
Academic support	413,667	63,425	187,203	-	-	-	664,295
Student services	1,447,835	221,987	655,209	-	-	-	2,325,031
General institutional support	2,068,336	317,124	936,013	-	-	-	3,321,473
Operations and maintenance of plants	723,918	110,994	327,605	1,416,416	-	-	2,578,933
Student financial aid	-	-	-	-	3,287,291	-	3,287,291
Auxilary enterprises	1,344,418	206,131	608,408	-	-	-	2,158,957
Depreciation	-	-	-	-	-	2,413,263	2,413,263
Total	$ 10,341,679	$ 1,585,622	$ 4,680,065	$ 1,416,416	$ 3,287,291	$ 2,413,263	$ 23,724,336

	2020						
	Salaries and Wages	Benefits	Supplies, Services and Miscellaneous	Utilities	Scholarships and Fellowships	Depreciation	**Total**
Instruction	$ 4,196,340	$ 959,097	$ 2,423,615	$ -	$ -	$ -	$ 7,579,052
Academic support	399,651	91,343	230,821	-	-	-	721,815
Student services	1,398,780	319,700	807,872	-	-	-	2,526,352
General institutional support	1,998,257	456,714	1,154,103	-	-	-	3,609,074
Operations and maintenance of plant	699,390	159,850	394,906	1,472,333	-	-	2,726,479
Student financial aid	-	-	-	-	2,513,230	-	2,513,230
Auxiliary enterprises	1,298,867	296,864	750,166	-	-	-	2,345,897
Depreciation	-	-	-	-	-	2,392,089	2,392,089
Total	$ 9,991,285	$ 2,283,568	$ 5,761,483	$ 1,472,333	$ 2,513,230	$ 2,392,089	$ 24,413,988

16. RECLASSIFICATION

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation. These reclassifications had no effect on the total net assets for either period.

17. SUBSEQUENT EVENTS

The College did not have any recognized or non-recognized subsequent events that need to be recorded or disclosed after June 30, 2021, the statement of net position date. Subsequent events have been evaluated through the date of the auditors' report, the date the financial statements were available to be issued.

18. FOUNDATION

The Foundation is a separate nonprofit organization incorporated in the state of West Virginia and has as its purpose, ". . . to aid, strengthen and further in every proper and useful way, the work and services of the College and its affiliated nonprofit organizations . . . ." Oversight of the Foundation is the responsibility of a separate and independently elected Board of Directors. In carrying out its responsibilities, the Board of Directors of the Foundation employ management, form policy and maintain fiscal accountability over funds administered by the Foundation. Although the College does not control the timing or amount of receipts from the Foundation, most of the resources or the income derived therefrom are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is therefore discretely presented with the College's financial statements in accordance with GASB.

Based on the Foundation's audited financial statements as of June 30, 2021, 2020, and 2019, the Foundation's net assets (including unrealized gains) totaled $19,878,449, $13,431,815, and $13,588,928, respectively. Complete financial statements for the Foundation can be obtained from the Executive Director of the Glenville State College Foundation, Inc., 200 High Street, Glenville, WV 26351.

During the year ended June 30, 2021 and 2020, the Foundation contributed $426,923 and $320,911 to the College for scholarships.

In 2019, the College entered into a line of credit agreement with the Foundation for $1,000,000 with the annual interest rate of 4%. The balance due to the Foundation under this arrangement was $0 and $1,000,000 as of June 30, 2021 and June 30, 2020, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Nature of activities and organization – Glenville State College Foundation, Inc. (the Foundation) was incorporated in 1959 under the laws of the State of West Virginia as a nonprofit organization to receive and provide funds for scholarships, endowments, educational research, and other general educational purposes for the benefit of Glenville State College and the students at Glenville State College.

Reporting entity - The financial statements of the Foundation include all funds, functions, and activities to which the Board of Directors has oversight responsibility. There are no additional entities required to be included in the reporting entity.

Basis of accounting - The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when earned and expenses are recognized when they are incurred, whether or not cash is received or paid out at that time.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Classification of net assets - These financial statements are prepared to focus on the entity as a whole and to present transactions according to the existence or absence of donor-imposed restrictions. Accordingly, transactions and balances are classified into two categories of net assets.

Net assets without donor restrictions are not subject to donor-imposed stipulations. Net assets without donor restrictions are maintained and distributed at the discretion of the Foundation's Board of Directors.

Net assets with donor restrictions are subject to donor-imposed stipulations, which will either expire by the passage of time or by action of the Foundation. When donor restrictions expire, that is, when a stipulated time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions.

Income tax status - By a letter issued February 1961, the Internal Revenue Service has determined that the Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, is not subject to federal and state income taxes on its exempt purpose activities. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). However, income from certain activities not directly related to the Foundation's tax-exempt purpose would be subject to taxation as unrelated business income.

For the years ended June 30, 2021 and 2020, the Foundation has no material uncertain tax positions to be accounted for in the financial statements under professional standards. The Foundation recognizes interest and penalties, if any, related to unrecognized tax benefits in interest expense. The Foundation's returns for years ending on or after June 30, 2018 remain subject to examination.

Cash and cash equivalents - For purposes of the statements of cash flows, the Foundation considers all cash accounts and all highly liquid instruments available for current use with an original maturity of three months or less, which are not held for long-term investment and are not subject to withdrawal restrictions or penalties, to be cash and cash equivalents.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (Continued)

Marketable investments - The Foundation carries investments with readily determinable market values at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Receivables - Receivables consists of amounts due from the Foundation's lessee and the College. Uncollectible accounts are written off in the year they are determined to become uncollectible. As needed, the Foundation records an allowance for doubtful accounts from the determination of collectability, which is based on historical bad debt experience and an evaluation of the periodic aging accounts. The Foundation believes no allowance for doubtful accounts is necessary as of June 30, 2021 and 2020, respectively.

Fixed assets - Fixed assets are recorded at cost, if purchased, or estimated fair value, if donated. The Foundation computes depreciation on the straight-line method over the estimated useful lives of the respective assets which ranges from 3 to 7 years for office equipment and vehicles and 29 years for buildings. Useful lives are revised when a change in life expectancy becomes apparent.

Maintenance and repairs are expensed as incurred while major additions and improvements are capitalized. Gains or losses on dispositions of fixed assets are included in current operations as realized.

Bequests and contributions receivable - Bequests and contributions receivable consist of bequests and contributions to give stock, cash, and life insurance proceeds. Bequests and contributions to give cash and stock are recorded at fair value. Bequests and contributions to give life insurance proceeds are recorded at the cash surrender value.

All bequests and contributions receivable as of June 30, 2021 and 2020 are, in the opinion of Foundation management, fully collectible.

Land and other assets held for investment - Contributions of land, mineral rights, works of art, and equipment are carried at their fair or appraisal value determined on the date of the gift. If purchased, they are recorded at cost. From time to time, management reviews these assets for impairment.

Organization funds held for others - Organization funds held for others are used to account for assets held by the Foundation as an agent. These funds are custodial by nature (assets equal liabilities) and do not involve measurement of operations. The funds are held on behalf of Glenville State College, a related party of the Foundation.

The Foundation maintains legal ownership of these funds and, as such, continues to report the funds as assets of the Foundation. However, a liability has been established for the fair value of the funds.

Contributions - Contributions received by the Foundation are recorded at their fair values at the date of such gifts and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor-imposed stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

The Foundation records contributions in accordance with professional standards contained in Financial Accounting Standards Board (FASB) codification section 958-605-25, *Not-for-Profit Entities - Revenue Recognition - Contributions*. Contributions received by the Foundation are reported at their fair values on the date of such gifts.

Due to the nature of contributions receivable, the Foundation does not believe an allowance for doubtful accounts is necessary as of June 30, 2021 and 2020.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (Continued)

Advertising - It is the policy of the Foundation to expense advertising costs as incurred.

Risks and uncertainties - A substantial portion of the Foundation's assets consist of investment securities, which are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near-term and those changes could materially affect the investments reported in the statements of financial position, and the realized and unrealized gains (losses) in the statements of activities.

Date of management's review of subsequent events - Management has evaluated subsequent events through September 17, 2021, the date the financial statements were available to be issued.

Reclassifications - Certain amounts in the 2020 financial statements, as previously presented, have been reclassified to conform to the 2021 presentation. The reclassifications have no effect on net assets or change in net assets.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Foundation's financial assets available for general expenditure within one year after year end are as follows:

	June 30,	
	2021	2020
Cash and cash equivalents	$ 148,487	$ 11,889
Investments, at fair value	679,101	545,067
Related party receivables	5,700	1,324,236
Other receivables	-	14,133
	$ 833,288	$ 1,895,325

The Foundation's investments held at year end are considered available for expenditure based on the Foundation's approved spending policy. Under current policy, the distribution shall be a minimum of 5.0 percent of the endowment portfolio's average market value on June 30, for the three years immediately preceding the establishment of the distributable amount.

As part of the Foundation's liquidity management, the Foundation has adopted investment and spending policies for assets that support the Foundation's mission and purpose, which are best served over the long term through a flow of interest income and an expanding flow of dividends and capital gains. Achieving these desired ends will help preserve the current purchasing power originating with the Foundation's invested funds, and it will not place at risk the principal value of those funds. The overriding investment objective is to earn a real total rate of return (interest and dividend income, plus realized and unrealized appreciation expressed as a percentage of market value, both adjusted for inflation) averaging at least 5.0 percent per annum, measured over a three-year to five-year period.

NOTE 3 - MARKETABLE INVESTMENTS

Investments are stated at estimated fair value in the financial statements. The following is an analysis of the composition of the Foundation's investments:

	June 30, 2021	June 30, 2020
Marketable investments		
Cash, interest-bearing	$ 2,766,930	$ 249,653
Mutual funds	4,297,088	3,346,913
Bonds	1,949,164	1,730,888
Stocks	8,826,576	5,206,716
Alternatives	628,043	258,196
Total marketable investments	$ 18,467,801	$ 10,792,366

NOTE 4 - FAIR VALUE MEASUREMENTS

Determination of fair value - The Foundation uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. In accordance with the *Fair Value Measurements and Disclosures* Topic of the FASB Accounting Standards Codification, the fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the Foundation's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value, a reasonable point within the range, is most representative of fair value under current market conditions.

Fair value hierarchy - In accordance with this guidance, the Foundation groups its financial assets generally measured at fair value in three levels, based on markets in which the assets are traded and the reliability of the assumptions used to determine fair value.

Level 1 - Valuation is based on quoted prices in active markets for identical assets that the Foundation has the ability to access at the measurement date. Level 1 assets generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets.

Level 2 - Valuation is based on inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. The valuation may be based on quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset.

Level 3 - Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets. Level 3 assets include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

Fair values of assets measured on a recurring basis as of June 30, 2021 are as follows:

		Fair Value Measurements at Reporting Date Using:		
	Fair Value	Quoted Prices In Active Markets For Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Total cash, interest-bearing	$ 2,766,930	$ -	$ 2,766,930	$ -
Mutual funds				
Balanced	54,470	54,470	-	-
Foreign large blend	695,973	695,973	-	-
High yield bond	217,247	217,247	-	-
Intermediate term bond	450,474	450,474	-	-
International large growth	28,846	28,846	-	-
Large blend	1,156,297	1,156,297	-	-
Large cap value	196,348	196,348	-	-
Large growth	211,105	211,105	-	-
Multisector bond	676,176	676,176	-	-
S&P 500 index	378,760	378,760	-	-
S&P mid cap 400 index	194,561	194,561	-	-
S&P small cap 600 index	36,831	36,831	-	-
Total mutual funds	4,297,088	4,297,088	-	-
Bonds				
Corporate bonds	1,027,588	-	1,027,588	-
Federal agencies	184,300	-	184,300	-
Treasury securities	737,276	-	737,276	-
Total bonds	1,949,164	-	1,949,164	-
Stocks				
Consumer goods	1,103,867	1,103,867	-	-
Energy	434,323	434,323	-	-
Financials	1,602,017	1,602,017	-	-
Healthcare	1,238,096	1,238,096	-	-
Industrial goods	843,091	843,091	-	-
Materials	346,394	346,394	-	-
Real estate	132,029	132,029	-	-
Services	630,129	630,129	-	-
Technology	2,254,287	2,254,287	-	-
Utilities	242,343	242,343	-	-
Total stocks	8,826,576	8,826,576	-	-
Total investments, at fair value	$ 17,839,758	$ 13,123,664	$ 4,716,094	$ -
Alternatives				
Hedge fund (NAV) (See Note 5)	628,043			
Total marketable investments	$ 18,467,801			

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

Fair values of assets measured on a recurring basis as of June 30, 2020 are as follows:

		Fair Value Measurements at Reporting Date Using:		
	Fair Value	Quoted Prices In Active Markets For Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Total cash, interest-bearing	$ 249,653	$ -	$ 249,653	$ -
Mutual funds				
Balanced	45,146	45,146	-	-
Foreign large blend	531,417	531,417	-	-
High yield bond	222,887	222,887	-	-
Intermediate term bond	450,131	450,131	-	-
International large growth	21,306	21,306	-	-
Large blend	371,551	371,551	-	-
Large cap value	144,242	144,242	-	-
Large growth	171,626	171,626	-	-
Multisector bond	616,713	616,713	-	-
S&P 500 index	458,651	458,651	-	-
S&P mid cap 400 index	244,680	244,680	-	-
S&P small cap 600 index	68,563	68,563	-	-
Total mutual funds	3,346,913	3,346,913	-	-
Bonds				
Corporate bonds	872,374	-	872,374	-
Federal agencies	285,725	-	285,725	-
Treasury securities	572,789	-	572,789	-
Total bonds	1,730,888	-	1,730,888	-
Stocks				
Consumer goods	539,743	539,743	-	-
Energy	267,955	267,955	-	-
Financials	914,053	914,053	-	-
Healthcare	770,956	770,956	-	-
Industrial goods	517,287	517,287	-	-
Materials	179,202	179,202	-	-
Real estate	59,245	59,245	-	-
Services	480,727	480,727	-	-
Technology	1,358,839	1,358,839	-	-
Utilities	118,709	118,709	-	-
Total stocks	5,206,716	5,206,716	-	-
Total investments, at fair value	$ 10,534,170	$ 8,553,629	$ 1,980,541	$ -
Alternatives				
Hedge fund (NAV) (See Note 5)	258,196			
Total marketable investments	$ 10,792,366			

NOTE 5 - NET ASSET VALUE (NAV) PER SHARE

In accordance with the fair value measurements and disclosures guidance, the category, fair value, redemption frequency, and redemption notice period for investments, the fair value of which are estimated using the NAV per share, as of June 30, 2021 and 2020, are as follows. There were no unfunded commitments as of June 30, 2021 and 2020.

	Fair Value		Redemption Frequency (If Currently Eligible)		Redemption Notice Period	
	June 30,		Years Ended June 30,			
	2021	2020	2021	2020	2021	2020
Alternatives						
Hedge funds[a]	$ 628,043	$ 258,196	Various	Various	Various	Various
Total	$ 628,043	$ 258,196				

[a]Funds in this category invest in hedge funds to achieve capital appreciation with limited variability of returns.

NOTE 6 - FIXED ASSETS

Fixed assets consist of the following:

	June 30, 2021	June 30, 2020
Land improvements, non-depreciable	$ 564,403	$ 564,403
Buildings	3,133,358	3,133,358
Office equipment	41,579	41,579
Vehicles	193,771	195,966
Total	3,933,111	3,935,306
Less accumulated depreciation	(908,122)	(775,811)
Fixed assets - net	$ 3,024,989	$ 3,159,495

Depreciation expense for the years ended June 30, 2021 and 2020 was $143,985 and $134,092, respectively.

NOTE 7 - LAND AND OTHER ASSETS HELD FOR INVESTMENT

Land and other assets held for investment consists of the following:

	June 30, 2021	June 30, 2020
Land and mineral rights	$ 231,531	$ 231,531
Bluegrass collection	35,000	-
Works of art	20,000	20,000
Storage equipment	1,000	1,000
Total	$ 287,531	$ 252,531

If facts and circumstances suggest that land and other assets held for investment may be impaired, the carrying value is reviewed for recoverability. If this review indicates that the carrying value of the asset will not be recovered, the carrying value is reduced to its estimated fair value through an impairment loss. During the year ended June 30, 2021 and 2020, there was no impairment loss recognized.

NOTE 8 - LOAN PAYABLE

Loan payable consists of the following:

	June 30, 2021	June 30, 2020
Loan payable to United Bank, Inc. for $3,530,000. Payments are to be made in monthly installments of $15,247 including a fixed interest rate of 3.19% and matures June 27, 2024. The loan is collateralized by a first deed-of-trust on Building A located at 921 Mineral Road and the assignment of all lease agreements.	$ 2,985,967	$ 3,071,028
Less: current portion of loan payable	(89,003)	(86,249)
Net long-term portion	$ 2,896,964	$ 2,984,779

Scheduled principal payments for long-term debt are as follows:

For the year ended June 30,	
2022	$ 89,003
2023	91,884
2024	2,805,080
Total	$ 2,985,967

NOTE 9 - RELATED PARTY TRANSACTIONS

The Foundation entered into an operating lease agreement effective November 18, 2009 with Glenville State College for the Alumni House, a 3,780 square feet building located at 213 North Court Street. The lease is payable in annual installments of $1 and expires on June 30, 2049.

The Foundation entered into an operating lease agreement effective July 1, 2013 with the Glenville State College Board of Governors for 2.74 acres of a 76.2 acre tract. The lease is payable in annual installments of $1 and expires on June 30, 2043.

The Foundation entered into a lease agreement effective July 1, 2013 with Glenville State College Board of Governors for 18,000 square feet of the second floor of the Waco Center's Building A. The lease is receivable in annual installments of $1 and expires on June 30, 2043 at which time the lease provides for the transfer of ownership of Building A to the College.

The Foundation entered into a line of credit agreement effective May 15, 2019 with Glenville State College for up to $1,000,000. The line of credit has an interest rate of 4% per annum. As of June 30, 2021 and 2020, the College owed the Foundation $0 and $1,000,000, respectively, on this line of credit. The balance is included in related party receivables in the statements of financial position.

NOTE 10 - LEASES - LESSOR

The Foundation entered into a cancellable operating lease with Minnie Hamilton for 10,585 square feet of the first floor of the Waco Center's Building A. The lease was effective July 15, 2014 and shall expire on July 14, 2054, unless sooner by mutual agreement. The cost of the space was $889,638 and $889,638 at June 30, 2021 and 2020, respectively. Accumulated depreciation on the space was $214,740 and $184,063 at June 30, 2021 and 2020, respectively. The minimum lease receivable for the first five years is $14,133 per month ($169,600 per year) with each succeeding five-year period being readjusted, but at no time exceeding a 2.5% increase per year.

On May 13, 2021, the Foundation exercised its right to terminate the lease agreement by providing a written notice of termination to Minnie Hamilton with a lease cancellation date of November 13, 2021. Simultaneous, with providing the notice of termination to Minnie Hamilton, the Foundation signed a letter of intent to lease the space in the Waco Center's Building A to a new tenant beginning on November 15, 2021.

NOTE 11 - ADMINISTRATIVE FEE ASSESSMENT

As provided by the West Virginia Code, the Foundation is entitled to charge an administrative fee for the management of the various assets held in trust. For the years ended June 30, 2021 and 2020, the Foundation charged an administrative fee sufficient to cover operating expenses of $278,911 and $46,133, respectively. For financial statement purposes, the administrative fee income assessed by the Foundation is netted against the administrative fee expense recognized by the funds. These amounts net to zero, and no income or expense is reported.

NOTE 12 - CONCENTRATIONS

The Foundation places its cash with local high-credit quality financial institutions under normal financial arrangements. During the year ended June 30, 2021, the Foundation's cash balances periodically exceeded the FDIC insured deposit limit of $250,000.

NOTE 13 - ENDOWMENT FUNDS

The Foundation's endowment funds consist of individual funds established by donors for a variety of purposes, including scholarships and Foundation specified projects. Endowment assets include those assets of donor restricted funds that the Foundation must hold in perpetuity. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation has adopted investment and spending policies for endowment assets that support the Foundation's mission and purpose which are best served over the long term through a flow of interest income and an expanding flow of dividends and capital gains. Achieving these desired ends will help preserve the current purchasing power originating with the Foundation's invested funds, and it will not place at risk the principal value of those funds. The overriding investment objective is to earn a real total rate of return (interest and dividend income, plus realized and unrealized appreciation expressed as a percentage of market value, both adjusted for inflation) averaging at least 5.0 percent per annum, measured over a three-year to five-year period.

The permanent nature of the endowment funds requires that the Board of Directors work to maintain the purchasing power of endowment assets into perpetuity. To accomplish this, the Foundation links its investment objectives with its spending policy. The goal is to ensure that funds currently available from the endowment will provide the same level of support to Glenville State College, both now and in the future.

In an effort to protect the endowment funds, meet current spending needs, and provide long-term growth, the Foundation has established the following spending policy. This policy is designed to meet two objectives:

1. To release as much current income as possible in a steady and consistent stream; and,
2. To protect the value of the endowment assets against inflation so as to allow College programs, at a minimum, to be supported at today's level far into the future.

The portfolio encompassing endowment funds generates a total investment return consisting of four components: interest income, dividend income, realized capital gains, and unrealized capital appreciation measured by growth in market value. A portion of this total investment return on the portfolio is to be distributed to all endowment accounts to be expended annually in support of the needs of the Foundation and the College in conformity with the purposes and restrictions on each specific account. The total investment return is to be calculated on June 30 of each year.

The annual amount to be distributed to endowment accounts during the fiscal year beginning each July 1, shall be the minimum of 5.0 percent of the endowment portfolio's average market value on June 30, for the three years immediately preceding the establishment of the distributable amount.

The Board of Directors of the Foundation has interpreted the West Virginia Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. These funds are classified as net assets with donor restrictions until they are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: the duration and preservation of the fund, the purposes of the Foundation and the donor restricted endowment fund, general economic conditions, the possible effect of inflation and deflation, the expected total return from income and the appreciation of investments, and other resources of the Foundation.

NOTE 13 - ENDOWMENT FUNDS (Continued)

The endowment net assets consisted of the following types of funds:

	Without donor restrictions	With donor restrictions	Total
June 30, 2021			
Total endowment funds	$ 389,225	$ 16,794,517	$ 17,183,742
June 30, 2020			
Total endowment funds	$ 325,612	$ 11,498,783	$ 11,824,395

Change in endowment net assets for the years ended June 30, 2021 and 2020 are as follows:

	Without donor restrictions	With Donor restrictions	Total
Endowment funds at June 30, 2019	$ 231,470	$ 11,179,420	$ 11,410,890
Bequest and contributions	-	279,481	279,481
Investment return	5,282	136,958	142,240
Expenditures	(691)	(278,362)	(279,053)
Change to endowment	89,551	181,286	270,837
Endowment funds at June 30, 2020	325,612	11,498,783	11,824,395
Bequest and contributions	-	3,016,329	3,016,329
Investment return	76,434	2,969,720	3,046,154
Expenditures	(2,821)	(721,125)	(723,946)
Change to endowment	(10,000)	30,810	20,810
Endowment funds at June 30, 2021	$ 389,225	$ 16,794,517	$ 17,183,742

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor contributed. As of June 30, 2021, deficiencies of this nature exist in 18 donor restricted endowment funds, which together have an original gift amount of $1,084,759, a current fair value of $953,383, and a deficiency of $131,376. As of June 30, 2020, deficiencies of this nature exist in 68 donor restricted endowment funds, which together have an original gift amount of $5,281,515, a current fair value of $4,628,192, and a deficiency of $653,323. These deficiencies resulted from unfavorable market fluctuations and continued appropriation to certain programs that was deemed prudent by the Board of Directors.

On June 23, 2020, the Foundation adopted the following policy for underwater endowment funds. Endowment funds with a market value below corpus gift value of 0%-9% will provide a payout of 3%, endowment funds with a market value below corpus gift value of 10%-19% will provide a payout of 2%, and endowment funds with a market value below corpus gift value of more than 20% will not provide a payout.

NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS

	June 30, 2021	June 30, 2020
Donor restricted net assets available for grants, scholarships, and donor-designated charitable purposes for the benefit of Glenville State College; and net assets intended to be held in perpetuity	$ 19,109,992	$ 12,792,398

NOTE 15 - FUNCTIONAL EXPENSE

Expenses are allocated among program services, management and general, and fundraising based on the purposes for which the expenses have been incurred. The Foundation incurs certain joint costs which are not specifically attributable to a particular component of activities. These costs include salaries and wages, depreciation, interest, and certain office and occupancy expenses. Joint costs are allocated on the basis of estimates of time and effort, square footage, or purposes for which the expenses have been incurred. For the years ended June 30, 2021 and 2020, the following table represents operating expenses within both natural and functional classifications:

June 30, 2021	Program Services	Management and General	Fundraising	Total
Expenditures for benefit of Glenville State College	$ 724,028	$	$ -	$ 724,028
Scholarships	426,923	-	-	426,923
Salaries and wages	28,251	56,500	56,500	141,251
Legal, consulting, and accounting	-	18,350	-	18,350
Investment management fee	-	87,580	-	87,580
Miscellaneous	-	22,770	5,692	28,462
Promotions and publications	28,248	-	3,139	31,387
Office	377	376	1,129	1,882
Travel and advancement	7,507	-	11,261	18,768
Memberships and subscriptions	30	30	88	148
Insurance	7,776	7,776	-	15,552
Interest	48,950	48,950	-	97,900
Depreciation	71,992	71,993	-	143,985
Annual fund	-	320	2,876	3,196
Alumni	7,878	1,969	-	9,847
Database management	9,971	4,985	9,971	24,927
Total expenses	$ 1,361,931	$ 321,599	$ 90,656	$ 1,774,186

NOTE 15 - FUNCTIONAL EXPENSE (Continued)

June 30, 2020	Program Services	Management and General	Fundraising	Total
Expenditures for benefit of Glenville State College	$ 916,235	$ -	$ -	$ 916,235
Scholarships	320,911	-	-	320,911
Salaries and wages	29,036	58,070	58,070	145,176
Legal, consulting, and accounting	-	17,750	-	17,750
Investment management fee	-	76,577	-	76,577
Miscellaneous	-	2,386	597	2,983
Promotions and publications	83,912	-	9,324	93,236
Office	427	427	1,280	2,134
Travel and advancement	14,770	-	-	14,770
Memberships and subscriptions	433	433	1,297	2,163
Insurance	7,760	7,761	-	15,521
Interest	50,545	50,544	-	101,089
Depreciation	67,046	67,046	-	134,092
Meals and meetings	-	339	-	339
Annual fund	-	579	5,211	5,790
Alumni	6,214	1,553	-	7,767
Database management	14,577	7,289	14,577	36,443
Total expenses	$ 1,511,866	$ 290,754	$ 90,356	$ 1,892,976

GLENVILLE STATE COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND CONTRIBUTIONS

Schedule of Proportionate Share of TRS Net Pension Liability

Measurement Date	College's Proportionate Share as a Percentage of Net Pension Liability	College's Proportionate Share	State's Proportionate Share	Total Proportionate Share	College's Covered Employee Payroll	College's Proportionate Share as a Percentage of Covered Payroll	College's Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2014	0.525160%	$ 1,811,863	$ 4,093,721	$ 5,905,584	$ 1,305,234	139%	65.95%
June 30, 2015	0.043056%	$ 1,492,000	$ 3,404,353	$ 4,896,353	$ 1,028,446	145%	66.25%
June 30, 2016	0.039778%	$ 1,634,806	$ 3,113,871	$ 4,748,677	$ 907,360	180%	65.57%
June 30, 2017	0.045449%	$ 1,570,250	$ 3,472,445	$ 5,042,695	$ 921,675	170%	67.85%
June 30, 2018	0.030098%	$ 939,737	$ 2,434,910	$ 3,374,647	$ 700,282	134%	71.20%
June 30, 2019	0.024200%	$ 719,991	$ 1,738,186	$ 2,458,177	$ 650,657	111%	72.64%
June 30, 2020	0.023529%	$ 757,855	$ 1,646,732	$ 2,404,587	$ 584,406	130%	70.89%

Schedule of Employer Contributions

Measurement Date	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
June 30, 2014	$ 239,000	$ 241,922	$ (2,922)	$ 1,305,234	18.54%
June 30, 2015	$ 239,000	$ 195,785	$ 43,215	$ 1,028,446	19.04%
June 30, 2016	$ 166,922	$ 154,213	$ 12,709	$ 907,360	17.00%
June 30, 2017	$ 188,148	$ 188,146	$ 2	$ 921,675	20.41%
June 30, 2018	$ 133,576	$ 133,576	$ -	$ 700,282	19.07%
June 30, 2019	$ 104,835	$ 104,835	$ -	$ 650,657	16.11%
June 30, 2020	$ 109,138	$ 109,138	$ -	$ 584,406	18.68%

These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

Notes to Required Supplementary Information
For the Year Ended June 30, 2021

There are no factors that affect trends in the amounts reported, such as a change of benefit terms or assumptions. With only seven years reported in the required supplementary information, there is no additional information to include in notes. Information, if necessary, can be obtained from the CPRB Comprehensive Annual Financial Report.

GLENVILLE STATE COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF PROPORTIONATE SHARE OF NET OPEB LIABILITY AND CONTRIBUTIONS

Schedule of Proportionate Share of Net OPEB Liability

Measurement Date	College's Proportionate Share as a Percentage of Net OPEB Liability	College's Proportionate Share	State's Proportionate Share	Total Proportionate Share	College's Covered Employee Payroll	College's Proportionate Share as a Percentage of Covered Payroll	College's Plan Fiduciary Net Position as a Percentage of Total OPEB Liability
June 30, 2017	0.17441669%	$ 4,288,887	$ 880,942	$ 5,169,829	$ 3,835,528	111.82%	25.10%
June 30, 2018	0.18746617%	$ 4,021,967	$ 831,233	$ 4,853,200	$ 3,844,357	104.62%	30.98%
June 30, 2019	0.18129702%	$ 3,007,958	$ 615,562	$ 3,623,520	$ 3,490,320	86.18%	39.69%
June 30, 2020	0.17736108%	$ 783,389	$ 173,220	$ 956,609	$ 3,037,569	25.79%	73.49%

Schedule of Employer Contributions

Measurement Date	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
June 30, 2017	$ 358,249	$ 358,249	$ -	$ 3,835,528	9.34%
June 30, 2018	$ 373,889	$ 373,889	$ -	$ 3,844,528	9.73%
June 30, 2019	$ 373,523	$ 373,523	$ -	$ 3,490,320	10.70%
June 30, 2020	$ 334,645	$ 334,645	$ -	$ 3,037,569	11.02%

These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

Notes to Required Supplementary Information
For the Year Ended June 30, 2021

There are no factors that affect trends in the amounts reported, such as a change of benefit terms or assumptions. With only four years reported in the required supplementary information, there is no additional information to include in notes. Information, if necessary, can be obtained from the West Virginia Retiree Benefit Health Benefit Trust Fund Audited Schedules of Employer Other Post-Employment Benefits Allocations and Other Post-Employments Benefits Amounts by Employer.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Governors
Glenville State College
Glenville, West Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Glenville State College (the College) as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 18, 2021. Our report includes a reference to other auditors who audited the financial statements of Glenville State College Foundation, Inc., as described in our report on the College's financial statements. The financial statements of Glenville State College Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hayflich CPAs PLLC

Huntington, West Virginia
October 18, 2021