



West Virginia University

Treasury Operations

December 16, 2025

The Honorable Patrick Morrisey
Governor of West Virginia
State Capitol 1900 Kanawha Blvd., East
Charleston, WV 25305

Dear Governor Morrisey,

In accordance with the requirements of WV State Code 12-1-12d, I respectfully submit the enclosed report on behalf of the West Virginia University Board of Governors. This report provides information about the University's unrestricted investment fund and the operating investments for the period October 1, 2024 – September 30, 2025.

The September 30, 2025, values of the WVU unrestricted investment and operating investment portfolios managed by the WVU Foundation were \$67,947,487 and \$104,964, respectively. The asset allocation ranges for these funds as well as the actual allocations as of September 30, 2025, may be found in the attached report from the WVU Foundation on Page 1.

The 12-month return for the unrestricted investments can be found on Page 2. The WVU unrestricted portfolio achieved a 12-month return during the investment reporting period of 9.5%. As a point of comparison, during the same period of time the Russell 3000 returned 17.4% and the Bloomberg US Aggregate bond index returned 2.9%. WVU uses a blended benchmark to assess performance of the unrestricted investment portfolio. The benchmark blended rate for the period was 8.5%. This portfolio outperformed its blended benchmark for the period and has outperformed the blended benchmark since inception.

As mentioned on Page 1 of the WVU Foundation report, WVU reviews its asset allocation of these portfolios at least annually. Over the past few years, upon recommendation of the WVU Foundation based on WVU's expressed risk tolerance, WVU has modestly revised the asset allocation of the unrestricted investment portfolio to reflect the long-term nature of the assets being managed.

WVU and the WVU Foundation are proud that the unrestricted investment portfolio has performed well in volatile equity and fixed income market conditions. The information on Page 2 of the WVU Foundation report demonstrates a large advance in the equity markets this year after also advancing the two prior years. We continue to view the comparative performance of our portfolio detailed on Page 2 as evidence that this investment program and the prudent investment strategies allowed within the program can generate positive results.

During the 2015 legislative session, the limit on the amount of money that WVU can invest with its Foundation was removed. WVU elected to place its available operating dollars with the WVU Foundation for investment in short term, federally guaranteed investments. WVU made its first investment of such money on August 25, 2015. The returns on these investments as well as additional detail about how the money has been invested between the various investment vehicles can be found on Page 3. Funds are removed from these investments as they are needed to meet the current obligations of the University throughout the year. WVU compares returns on this investment opportunity through the WVU Foundation with returns that can be obtained through the WV Board of Treasury Investments (BTI) Money Market fund. WVU invests monies in whichever fund has the greater return. As of September 30, 2025, WVU had \$132,432,803 invested in the BTI Money Market Fund.

Should you desire additional information regarding WVU's investments managed by the WVU Foundation, please contact me directly at 304-293-4008.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Kosslow", with a long, sweeping underline.

David R. Kosslow
Associate Vice President for Finance and Treasury

Enclosure

cc: Anne Ellison, Legislative Services
Robert Hutson, WVU Board of Governors Chair
Steven Ruby, WVU Board of Governors Finance Chair
Michael T. Benson, President
Barbara Weiss, Interim Vice President for Finance and CFO



December 10, 2025

Barb Weiss
Interim Vice President
West Virginia University
Post Office Box 9000 Suite 1000
Morgantown, WV 26506

Re: Annual Report to West Virginia University
Regarding the Unrestricted Investment Funds and the Operating Investments

The West Virginia University Foundation, Incorporated, in its capacity as Investment Agent, has prepared the enclosed annual report on the Unrestricted Investment Funds (the "Investment Funds") and the WVU Operating Investments (the "Operating Investments") for the 12-month period ending September 30, 2025.

As of July 1, 2019, the Unrestricted Investments Funds pool was combined into the WVU Consolidated Investments Portfolio to obtain investment economies of scale, operational efficiencies and cost savings alongside other investment pools for West Virginia University. Individual pool market values are maintained and tracked within a plan accounting structure. The investment performance results shown herein are calculated at the total portfolio level.

Included herein are details on investment assets under management, asset allocation, and annual performance.

We are honored to serve as Investment Agent on behalf of West Virginia University. If you have any questions or would like any additional information, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Bethea'. The signature is fluid and cursive, with a large loop at the end.

Jim Bethea

Vice President & Chief Investment Officer

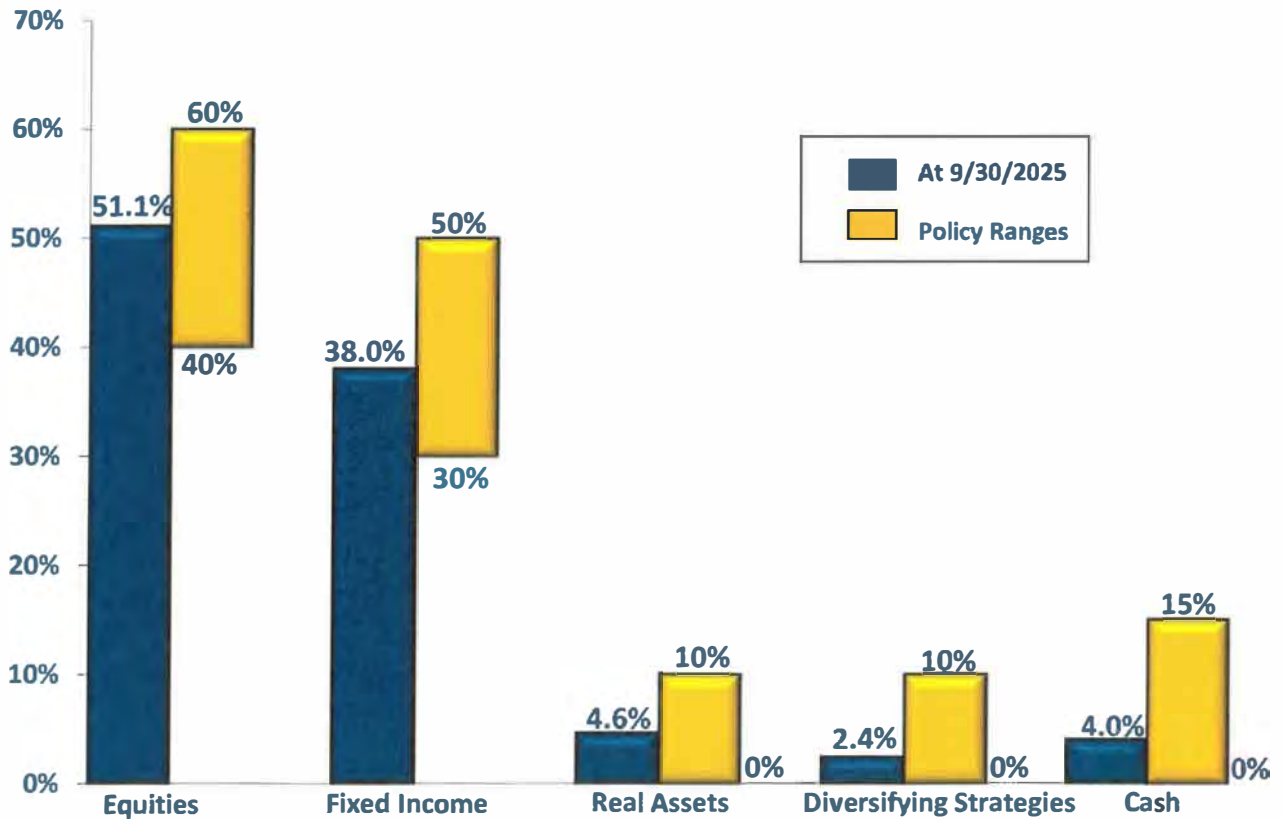
WVU Unrestricted Investment Funds

Investment Assets under Management: At September 30, 2025 the value of the Investment Funds’ portfolio was \$67.9 million. Transfers out of the pool during the 12-month period totaled \$252 thousand. The portfolio had a gain of \$5.9 million during the 1-year period and a gain of \$22.3 million in earnings for the 3-year period ending September 30, 2025.

Asset Allocation: The Investment Funds’ asset allocation policy is reviewed annually with the WVU Investment Committee.

At September 30, 2025, all asset classes were in line with their policy ranges. This portfolio is rebalanced quarterly to policy ranges subject to Committee review and approval. The Investment Policy allows for flexibility to maintain allocations outside the recommended range at the Committee’s discretion.

Asset Allocation* as of September 30, 2025



*Due to rounding, percentages may not sum to 100%

WVU Unrestricted Investment Funds
Performance Summary as of September 30, 2025

For the 12 months ending September 30, 2025, the Investment Funds returned 9.5%, resulting in a gain of \$5.9 million and beating its custom benchmark by 1%. Public equities had a strong year with domestic equity funds returning double digits at 17.3% and international equity funds returning 15.3%. Private equity investments returned 4.7% for the year. Fixed Income returned 4.5% versus the Bloomberg Aggregate Bond Index of 2.9% for the 1-year period. Real Assets had a return of 7.9% while Hedging Strategies were a drag on performance, returning -12.0% for the 1-year period. Since the inception of the Investment Funds' program in November 2006, the program has generated an annualized return of 6.0% versus the custom benchmark return of 5.8%.

Performance Returns as of September 30, 2025

	%	1 YR	3 YR	ITD
WVU Unrestricted Investment Funds	100.0	9.5	12.0	6.0
<i>Custom Benchmark*</i>		8.5	11.6	5.8
<i>Russell 3000</i>		17.4	24.1	10.6
<i>MSCI EAFE</i>		15.0	21.7	4.7
<i>Bloomberg US Aggregate Bond Index</i>		2.9	4.9	3.2

**The inception date of the portfolio for performance tracking purposes is 12/1/2006.*

WVU Operating Investments Portfolio Review

The objective of managing the WVU Operating Investments is to generate interest with very limited, if any, risk to capital using short-duration investment strategies. For the 12-month period ending September 30, 2025, an ICS savings account through United Bank was utilized. This program was initiated after receiving the State Treasurer’s Office approval on August 25, 2015.

Activity as of September 30, 2025

	9/30/24 Balance	Deposits	Interest	Transfers	Withdrawals	9/30/25 Balance
ICS Savings	100,450	-	4,514	-	-	104,964
4 Week CDARS	-	-	-	-	-	-
13 Week CDARS	-	-	-	-	-	-
Total	100,450	-	4,514	-	-	104,964

Interest Rate Range 10/1/24 – 9/30/25
ICS Savings: 3.99% - 4.93%