



*We'll get you there.*

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# West Virginia University

Audit Presentation

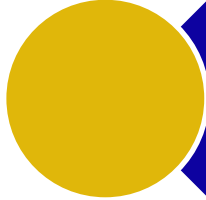
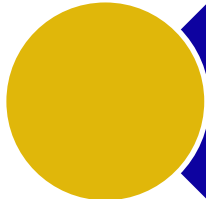
Year Ended June 30, 2023

Don Loberg, Principal

Chris Knopik, Principal

Daniel Persaud, Principal

# Overview

-  Overview of the Audit Process
-  Audit Results
-  Governance Communication Letter



# Auditors' Responsibilities

## West Virginia University

Provide an opinion on the Financial Statements as a Whole



Understand Key Internal Controls but not to Opine on the Controls



Communicate Significant or Greater Control Issues Observed During the Audit Process

## Research Corporation

Provide an opinion on the Financial Statements as a Whole



Provide an opinion on compliance with major federal awards



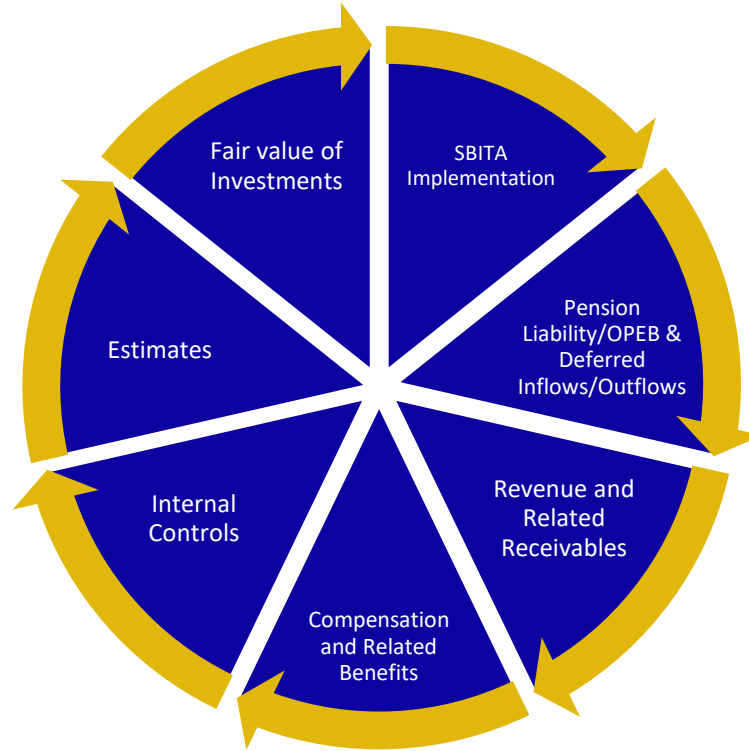
Understand Key Internal Controls but not to Opine on the Controls



Communicate Significant or Greater Control Issues Observed During the Audit Process



# Audit Process- Risk Based Approach



# West Virginia University Audit Results Summary

## Opinion

- Unmodified Opinion – highest level of assurance

## Adjustments and Results

- No material audit adjustments



# Research Corporation Audit Results Summary

## Opinion

- Unmodified Opinion – highest level of assurance
- Unmodified Opinion – compliance with Uniform Guidance

## Adjustments and Results

- No material audit adjustments
- No Findings relating to compliance issues causing material financial impact



# Internal Control Reporting- Definitions and Results

## West Virginia University

No material weaknesses

No significant  
deficiencies

## Research Corporation

No material weaknesses

No significant  
deficiencies

*Material Weaknesses* – deficiencies in internal control such that there is a reasonable possibility that a **material misstatement** would not be prevented or detected and corrected on a timely basis.

*Significant Deficiencies* – deficiencies in internal control that are **less severe than material weaknesses**, yet important enough to **merit attention by those charged with governance**.



# Governance Communication Letter

Overall	Estimates	Difficulties	Other
<ul style="list-style-type: none"><li>• Provides an update on the audit since the planning meeting</li><li>• Subscription Arrangement implemented</li><li>• No changes in scope of audit</li></ul>	<ul style="list-style-type: none"><li>• Depreciable lives</li><li>• Allowance for doubtful accounts</li><li>• Compensated absences</li><li>• Scholarship allowance</li><li>• Other postemployment benefits liability</li><li>• Unearned revenue</li><li>• Fair value of Investments</li><li>• Net pension items</li><li>• Functional Expenses (Innovation Corporation)</li><li>• We are comfortable with management's estimate</li></ul>	<ul style="list-style-type: none"><li>• No difficulties encountered</li><li>• No disagreements encountered</li><li>• No other findings to report</li></ul>	<ul style="list-style-type: none"><li>• No material adjustments recorded</li><li>• No passed adjustments</li><li>• Audit reports have been issued</li></ul>





# Questions and Feedback

- We welcome any questions pertaining to the audit, governance communication letter, management letter or other matters related to the engagement.
- We appreciate the opportunity to serve as the auditors for West Virginia University and welcome any feedback relative to our performance.



**Don Loberg**

*Principal, Higher Education*

612.397.3064

[Don.Loberg@claconnect.com](mailto:Don.Loberg@claconnect.com)

**Chris Knopik**

*Principal, Higher Education*

612.397.3266

[\*Chris.knopik@claconnect.com\*](mailto:Chris.knopik@claconnect.com)

**Dnaiel Persaud**

*Principal, Higher Education*

612.397.3084

[\*Daniel.Persaud@claconnect.com\*](mailto:Daniel.Persaud@claconnect.com)



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# Current Financial Influences in Higher Education



Enrollment pressures



HEERF Hangover



Turnover and employee retention



Increasing costs – student experience



Negative perception of higher education



Financial Sustainability

# Opportunities based on Environment



Transfer of Wealth



The Culling of institutions



Acceptance and investing in online classes



Acquisitions and mergers



Greater collaboration within the system