

West Virginia University Research Corporation

Financial Statements as of and for the Years Ended
June 30, 2011 and 2010, Independent Auditors'
Reports, Report on Federal Awards in Accordance
With OMB Circular A-133 for the Year Ended
June 30, 2011, and Additional Information
for the Year Ended June 30, 2011

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

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INDEPENDENT AUDITORS' REPORT

To the West Virginia University Research Corporation Board of Directors:

We have audited the accompanying statements of net assets of West Virginia University Research Corporation (the "Corporation") as of June 30, 2011 and 2010 and the related statements of revenues, expenses, and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the management of the Corporation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 respective financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Corporation at June 30, 2011 and 2010, and the changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 2 to 11, which is the responsibility of the Corporation's management, is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements. This schedule is the responsibility of the management of the Corporation. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements, and in our opinion, is fairly stated, in all material respects when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2011, on our consideration of the Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



November 28, 2011

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

Management's Discussion and Analysis (Unaudited) Year Ended June 30, 2011

Overview

The Management's Discussion and Analysis is required supplementary information and has been prepared in accordance with the requirements of the Governmental Accounting Standards Board ("GASB"). This section of the West Virginia University Research Corporation's (the "Corporation") annual financial report provides an overview of the Corporation's financial performance during the fiscal year ended June 30, 2011 as compared to the previous fiscal year. Comparative analysis is also presented for fiscal year 2010 compared to fiscal year 2009.

The Corporation's annual report consists of three basic financial statements: the statement of net assets, the statement of revenues, expenses and changes in net assets, and the statement of cash flows. These statements focus on the financial condition, the results of operations, and cash flows of the Corporation as a whole. Each of these statements is discussed below.

Financial Highlights

The Corporation's total net assets increased from the previous year end by \$11.9 million. This increase is mainly attributable to an increase in new Federal, as well as state, grants and contracts. During fiscal year 2011 total revenues grew while expenses decreased. Overall, management believes that the Corporation continues to be financially sound.

Net Assets

The statements of net assets present the assets (current and noncurrent), liabilities (current and noncurrent), and net assets (assets minus liabilities) of the Corporation as of the end of the fiscal years. Assets denote the resources available to continue the operations of the Corporation. Liabilities indicate how much the Corporation owes vendors, employees and the University. Net assets measure the equity or the availability of funds of the Corporation for future periods.

Net Assets are displayed in three major categories:

Invested in capital assets, net of related debt. This category represents the Corporation's total investment in capital assets net of accumulated 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 invested in capital assets, net of related debt.

Restricted net assets. This category includes net assets, the use of which is restricted, either due to externally imposed constraints or because of restrictions imposed by law. They are further divided into two additional components - nonexpendable and expendable. Nonexpendable restricted net assets include endowment and similar type funds for 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. Expendable restricted net assets include resources for which West Virginia University (the "University") is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted Net Assets. This category includes resources that are not subject to externally imposed stipulations. Such resources are derived primarily from facilities and administrative earnings and revenues from royalties and investments. Unrestricted net assets are used for transactions related to the educational and general operations of the Corporation and may be designated for specific purposes by action of the Corporation's Board of Directors.

Condensed Statements of Net Assets (in thousands)

	As of June 30		
	2011	2010	2009
Assets			
Current Assets	\$ 48,065	\$ 43,345	\$ 48,641
Noncurrent Assets	58,177	66,126	62,341
Total Assets	<u>\$ 106,242</u>	<u>\$ 109,471</u>	<u>\$ 110,982</u>
Liabilities			
Current Liabilities	\$ 36,457	\$ 41,755	\$ 36,630
Noncurrent Liabilities	29,337	39,203	40,544
Total Liabilities	<u>\$ 65,794</u>	<u>\$ 80,958</u>	<u>\$ 77,174</u>
Net Assets			
Invested in Capital Assets, net of related debt	\$ 21,662	\$ 17,341	\$ 11,944
Restricted	1,373	1,497	1,370
Unrestricted	17,413	9,675	20,494
Total Net Assets	<u>\$ 40,448</u>	<u>\$ 28,513</u>	<u>\$ 33,808</u>

Total assets of the Corporation decreased by \$3.2 million to a total of \$106.2 million as of June 30, 2011. This change was primarily due to a decrease in non-current investments and accounts receivable, net of allowances for doubtful accounts. The decrease was offset by an increase in cash and cash equivalents, as well as an increase in capital assets, net of depreciation. Total assets had experienced a decrease from fiscal year 2009 to fiscal year 2010 of \$1.5 million.

- Investments decreased by \$10.9 million primarily due to the liquidation of investments entrusted with the WVU Foundation and the scheduled redemption of the University's Auction Rate Certificates (ARCs) in October 2010. From fiscal year 2009 to fiscal year 2010 investments decreased by \$1.8 million primarily due to the October 2009 scheduled redemption of Auction Rate Certificates (ARCs).
- Net accounts receivable decreased by \$2.2 million compared to the prior year. This decrease can be attributed to Federal, state, local and non-governmental awards reaching their ending date of contract in fiscal year 2011. Net accounts receivable had increased from fiscal year 2009 to fiscal year 2010 by \$4.3 million due to American Recovery and Reinvestment Act (ARRA) awards and also an increased accounts receivable associated with existing awards.
- Cash and cash equivalents increased \$6.9 million primarily due to a scheduled redemption in October 2010 of the University's Auction Rate Certificates (ARCs) of \$4.2 million. The dean's overhead funds for facility and administrative cost recoveries on sponsored awards also showed a significant cash increase. From fiscal year 2009 to fiscal year 2010, cash and cash equivalents had decreased \$9.8 million primarily in the dean's overhead funds for facility and administrative cost recoveries on sponsored awards. The decrease was also due to a payment made to West Virginia University and West Virginia University Institute of Technology for over recovery of fringe benefit charges.

- Capital assets, net increased by \$3.0 million mainly due to the addition of land and a building located on Beechurst Avenue on the Downtown Campus of WVU. Fiscal year 2011 also experienced an increase due to construction-in-process activity related to the Health Science Center Biomedical Research Facility and NASA roof replacement, cooling tower and HVAC system. Capital assets, net had a higher increase from fiscal year 2009 to fiscal year 2010 of \$5.6 million due to similar construction-in-process activity.

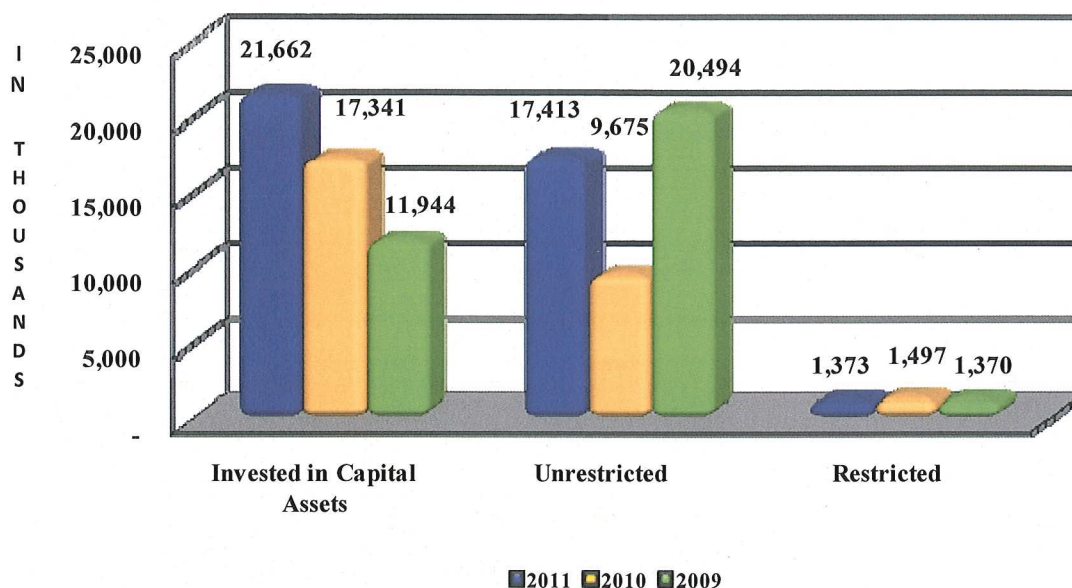
Total liabilities of the Corporation as of June 30, 2011 decreased by \$15.2 million to a total of \$65.8 million. The decrease is mainly due to a decrease in accounts payable to West Virginia University, deferred revenue and notes payable. These decreases were slightly offset by an increase in accrued payroll. Total liabilities had experienced an increase of \$3.8 million from fiscal year 2009 to fiscal year 2010.

- Accounts payable to West Virginia University decreased by \$8.2 million from the prior year. This decrease partially represents fiscal year 2011 payments, for amounts due to the University for facilities, administrative, and information technology. The remainder of the decrease is due to payments made by the Corporation on behalf of the University for endeavors such as land/building purchases. Accounts payable to West Virginia University had experienced an increase from fiscal year 2009 to fiscal year 2010 relating to the retention of payments due to the University for facilities, administrative and information technology commitments.
- Other deferred revenue decreased by \$5.8 million and is primarily attributable to many awards being completed in fiscal year 2011 and a reduction in deferred revenue on existing awards. An increase of \$3.5 million was noted in this category from fiscal year 2009 to fiscal year 2010 due to receipt of several scheduled or advance payments on sponsored awards.
- Notes payable decreased \$1.0 million. This decrease represents principal payments on construction loan agreements with the West Virginia Housing Development Fund (WVHDF), the West Virginia Economic Development Authority (WVEDA), and the West Virginia infrastructure and Jobs Development Council (IJDC). Notes payable experienced a slight decrease from fiscal year 2009 to fiscal year 2010.

The Corporation's current assets of \$48.1 million were sufficient to cover current liabilities of \$36.5 million indicating that the Corporation has sufficient available resources to meet its current obligations.

The following is a comparative illustration of net assets.

COMPARISON OF NET ASSETS June 30, 2011, 2010 and 2009



Invested in capital assets, net increased by \$4.3 million from the prior year. This increase is primarily due to the acquisition of real estate on Beechurst Avenue and also an increase in construction-in-progress related to the NASA roof replacement and cooling tower as well as the Biomedical Research Center. This category had experienced slightly higher increase of \$5.4 million from fiscal year 2010 to fiscal year 2009 due to an increase in construction-in-progress.

Unrestricted net assets increased by \$7.7 million due an increase in the dean's overhead funds for facility and administrative cost recoveries on sponsored awards. This category had experienced a decrease from fiscal year 2010 to fiscal year 2009 due to a decrease in the dean's overhead funds and a payment made to West Virginia University and West Virginia University Institute of Technology for over recovery of fringe benefit charges.

No significant change was noted in restricted net assets in the current fiscal year as well as from fiscal year 2009 to fiscal year 2010.

Revenues, Expenses and Changes in Net Assets

The statements of revenues, expenses and changes in net assets present the operating revenues, operating expenses, nonoperating revenues and expenses and other revenues, expenses, gains, or losses of the Corporation. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

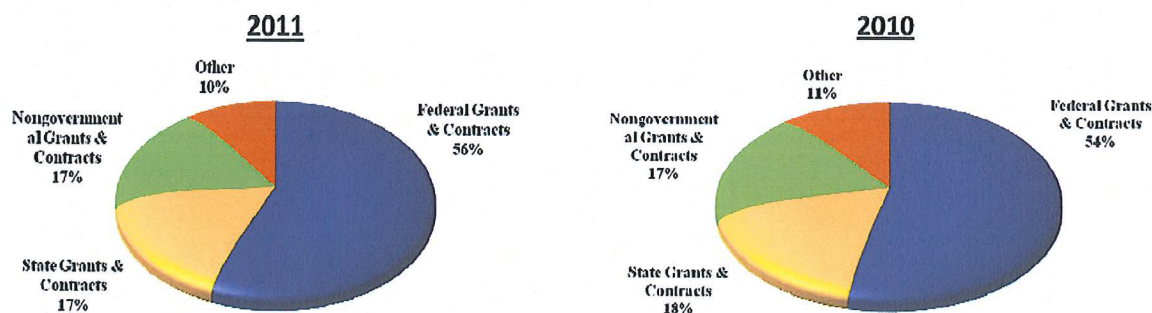
Condensed Statement of Revenues, Expenses and Changes in Net Assets

(in thousands)

	Years Ended June 30		
	2011	2010	2009
Operating Revenues	\$ 136,111	\$ 120,645	\$ 112,567
Operating Expenses	119,606	124,684	111,532
Operating Income (Loss)	16,505	(4,039)	1,035
Net Nonoperating Revenues (Expenses)	737	1,155	(2,612)
Income (Loss) before Other Revenues, Expenses, Gains, or Losses	17,242	(2,884)	(1,577)
Capital Grants and Gifts	10,181	11,276	15,801
Capital Grants (Federal)	1,678	414	
Transfer of Assets to the University	(17,166)	(14,101)	(20,514)
Transfer of Net Assets to Bridgemont CTC	-	-	(9)
Increase (Decrease) in Net Assets	11,935	(5,295)	(6,299)
Net Assets at Beginning of Year	28,513	33,808	40,107
Net Assets at End of Year	\$ 40,448	\$ 28,513	\$ 33,808

Revenues:

The following charts illustrate the composition of revenues by source for 2011 and 2010.



Total revenues for fiscal year 2011 were \$149.8 million, an increase of \$15.6 million compared to the previous year. The increase in total revenues can be primarily attributed to increased revenues from federal, state, and non-governmental grants and contracts offset by a decrease in gift revenue. Total revenues for fiscal year 2009 to fiscal year 2010 had increased \$7.5 million due to an increase in federal grants and investment income.

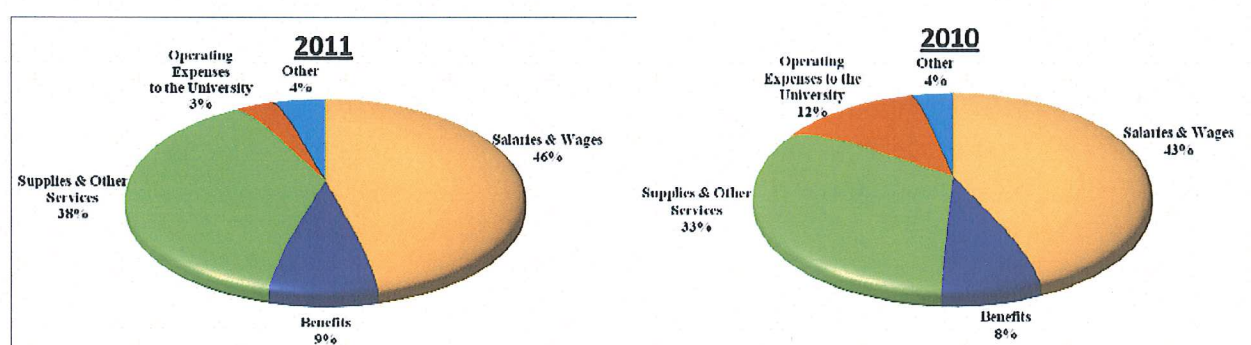
- Federal grants and contracts revenue increased by \$12.4 million. This increase can partially be attributed to a large increase in new federal awards for fiscal year 2011 including: ACT Consortium from the U.S. Department of Education, CITeR Codesign from the U.S. Department of Justice, COBRE P30 Translational from the

Department of Health and Human Service, and Aviation Safety R&D from the NASA Langley Research Center. Existing Federal and Federal ARRA (American Recovery and Reinvestment Act) awards contributed \$4.2 million to the increase. This category had experienced a similar increase of \$11.3 million in fiscal year 2010.

- Non-governmental grants and contracts increased by \$1.6 million primarily due to increased revenue from existing awards and new awards received in fiscal year 2011. Significant increases were noted on the following awards: URS Letter Subcontract from the United Research Services Corporation, INBRE from Marshall University and Hybrid Projectiles from United Research Services Corporation. Non-governmental grants and contracts experienced a decrease from fiscal year 2009 to fiscal year 2010 of \$741,000.
- State grants and contracts revenue increased by \$1.6 million. This increase can partially be attributed to an increase in new State awards including: TANF from WV Department of Health and Human Services, Bionanotechnology EPSCoR from WV Department of Health and Human Resources, TBI State Project Yr 4 from WV Department of Health and Human Resources, and PBS 2001 from WV Department of Mental Health. Revenue on existing State and State ARRA (American Recovery and Reinvestment Act) awards also experienced an increase in fiscal year 2011. This category showed a decrease from fiscal year 2009 to fiscal year 2010 of \$2.6 million.
- Gift revenue decreased by \$251,000 due to a decline in funding requests to the WVU Foundation for activity occurring in the Mary Babb Randolph Cancer Center. Gift revenue showed a slight increase from fiscal year 2009 to fiscal year 2010 of \$163,000.

Expenses:

The following is a graphic comparison of total expenses by category between 2011 and 2010.



Total expenses for the fiscal year 2011 decreased by \$5.1 million compared to prior year, to \$119.6 million. This decrease is primarily due to a decrease in net operating expenses to the University. This decrease was offset by an increase in supplies and other services as well as salaries and wages. An increase in total expenses was noted from fiscal year 2009 to fiscal year 2010 in similar categories.

- Net operating expenditures to the University decreased by \$11.3 million compared to the prior year. This net decrease is partially represented by the liquidation of facility, administrative, and information technology support due to the University by the Corporation. Also contributing to the reduction of net operating expenditures is a decrease in the Dean's Overhead fund transfers to the University. Lastly, a fiscal year 2010 payment was made to WVU Main Campus and WVU Institute of Technology for prior years over recovery of fringes. No such transfer was necessary in fiscal year 2011. An increase was experienced in this category from fiscal year 2009 to fiscal year 2010 due to the previously mentioned payment to WVU Main Campus and WVU Institute of Technology for the over recovery of fringes and an increase in the facility and administrative cost recoveries on sponsored awards.

- Supplies and other services increased by \$3.5 million primarily due to an increase in expenses in support of the following grants: Subs at 26% Direct Carbon, CITeR Codesign, USDOE ACTConsortium, and NASA IV & V Operations. A decrease in payments for Healthy Families Healthy Children, WV 226 Dream Mtn/Muddy Crk PTI, and CPDSM Off Campus offset the increase. A slight decrease was also noted in the allowance for uncollectable grants. This category experienced a similar increase of \$3.6 million from fiscal year 2009 to fiscal year 2010.
- Salaries and wages increased by \$1.4 million from the prior year primarily due to the annual merit raise available to Corporation employees during fiscal year 2011. A higher increase of \$3.1 million was noted in salaries and wages from fiscal year 2009 to fiscal year 2010.

Cash Flows

The statements of cash flows provide information about the cash receipts, cash payments, and net change in cash resulting from the operating, investing, and financing (capital and noncapital) activities of the Corporation during the year. This statement helps users assess the Corporation's ability to generate net cash flows, its ability to meet obligations as they come due, and any potential need for external financing.

The statement of cash flows is divided into five sections:

Cash flows from operating activities. This section shows the net cash provided by the operating activities of the Corporation.

Cash flows from noncapital financing activities. This section reflects the cash received and paid for nonoperating, noninvesting, and noncapital financing purposes.

Cash flows from capital financing activities. This section includes cash used for the acquisition and construction of capital and related items.

Cash flows from investing activities. This section shows the purchases, proceeds, and interest received from investing activities.

Reconciliation of operating income to net cash provided by operating activities. This section provides a schedule that reconciles the accrual-based operating income (loss) and net cash provided by operating activities.

Condensed Statements of Cash Flows (in thousands)

	Years Ended June 30		
	2011	2010	2009
Cash Provided (Used) By:			
Operating Activities	\$ 5,860	\$ (4,359)	\$ 10,064
Noncapital Financing Activities	68	321	154
Capital Financing Activities	(11,722)	(9,474)	1,797
Investing Activities	12,691	3,720	(4,073)
Increase (Decrease) in Cash and Cash Equivalents	6,897	(9,792)	7,942
Cash and Cash Equivalents, Beginning of Year	13,185	22,977	15,035
Cash and Cash Equivalents, End of Year	\$ 20,082	\$ 13,185	\$ 22,977

Total cash and cash equivalents increased by \$6.9 million during fiscal year 2011 to \$20.1million.

- Net cash provided by operating activities increased by \$10.2 million primarily due to an increase in new awards for fiscal year 2011 and also an increase of activity on existing awards. The remainder of the increase can be attributed to a reduced outflow for operating expenses to the University. Cash outflows increased in fiscal year 2011 for payments to suppliers and payments to employees for salaries and wages. A decrease of \$14.4 million was noted in cash flows provided by operating activities from fiscal year 2009 to fiscal year 2010.
- Net cash provided by noncapital financing activities experienced a slight decrease due to a reduction in expenses that are reimbursed by the WVU Foundation. No significant change was noted from fiscal year 2009 to fiscal year 2010.
- Net cash from capital financing activities changed by \$2.2 million primarily due to an increase in outflows for purchases of capital assets and principal/interest paid on capital debt. This was offset by a slight increase in Federal capital grants. A larger decrease of \$11.3 million was noted in this category from fiscal year 2009 to fiscal year 2010 due to a decrease in inflows from capital gifts and grants and proceeds from loans.
- Net cash provided by investing activities increased by \$9.0 million primarily due to an increase in cash inflows from the redemption of matured auction rate certificates (ARCs) and the liquidation of investments entrusted with the WVU Foundation. This category experienced a similar increase from fiscal year 2009 to fiscal year 2010 of \$7.8 million.

Capital Asset and Long Term Debt Activity

During fiscal year 2006, the Board of Directors of the Corporation had approved a borrowing plan by the Corporation of up to \$24.4 million to finance certain improvements at the HSC including financing the construction of the Biomedical Research Building, and the HSC Learning Center and Library Addition. The Corporation has entered into construction loan and pledge agreements with the West Virginia Housing Development Fund, the West Virginia Economic Development Authority, and the West Virginia Infrastructure and Jobs Development Council to finance such projects. All amounts from the respective State agencies had been drawn down and are recorded as notes payable in fiscal year 2009. Other capital activity during fiscal year 2011 included renovation of the NASA IV&V facility and the completed construction of the Biomedical Research Facility. Refer to the notes to the financial statements for more information.

The Corporation transferred assets to the University in the amount of \$17.2 million. The transfer of assets to the University included the transfer of construction-in-progress related to the NASA IV&V and Biomedical Research facility in the amount of \$7.0 million and equipment in the amount of \$10.2 million. The amount transferred in fiscal year 2010 was \$14.1 million (\$6.2 million of construction-in-progress and \$7.9 million of equipment). There have been no significant changes in credit ratings or debt limitations that may affect future financing for the Corporation. Refer to the notes to the financial statements for more information.

Economic Outlook

Research is an integral part of the University's mission. The Corporation supports this mission by fostering the growth of the University's research agenda through improving the research support infrastructure, facilitating interdisciplinary collaborations and partnerships with government agencies and the private sector, along with promoting economic development through technology transfer. Specifically, the Corporation serves as the University's fiscal administrator for the application and administration of funds awarded by external sponsors for the pursuit of the research mission and other scholarly activities. The Corporation's leadership further strives to increase faculty competitiveness for external funding

by sponsoring professional development activities such as grant-development seminars and workshops, mentorship programs and external peer reviews to critique proposals prior to submission.

Fiscal year 2011 was a robust year for the University's research efforts. Sponsored funding awarded in fiscal year 2011 totaled \$173.8 million – only \$4 million less than the previous year's all-time high of \$177 million (which included over \$40 million in ARRA funded awards). This activity contributed to the Corporation's total revenues of \$149.9 million in fiscal year 2011. While the increase in total revenues for fiscal year 2011 was significant (11.7 %), another important aspect of that activity was that revenues from all major funding sources (Federal, State and non-governmental) experienced increases from the prior year. This serves as a testament to the University's diverse research portfolio.

Funding from the American Recovery and Reinvestment Act (ARRA) continues to have a positive impact on the Corporation's revenues. To date, approximately 97 individual awards totaling nearly \$43.9 million have been received from ARRA related awards.

Although the full impacts of the Federal budget deficit reductions have yet to be specifically identified, some have materialized. The Corporation has experienced the elimination of all its designated earmarked federal funding. These losses have particularly impacted energy and agriculture related activities.

The University's Research Administration does not expect these earmarks to be restored but does expect competitive funding provided by agencies to remain relatively flat into the future. Therefore, the University (and in turn, the Corporation) has implemented a strategy to secure funds directly from federal agencies through the competitive application process.

This competitive process is supported by the addition of new faculty (and related infrastructure) as part of the University 2020 Strategic Plan and a focus on supporting "clusters" of researchers (both internal and external) working on interdisciplinary programs that align with agency priorities. This approach will provide a greater opportunity for the Corporation to secure larger, focused funding in energy and biomedical sciences, two research areas of importance and strength at the University.

As an example, the Corporation is playing an active role in the University's Advanced Energy Initiative (AEI). This initiative focuses resources on addressing and solving critical energy issues during the next 5 to 10 years with an emphasis on building partnerships with other universities, government agencies, and private stakeholders. The immediate goal is to grow AEI research awards to \$40.0 million per year by fiscal year 2014. The goal is challenging but reasonable for the University, and it is an outgrowth of progress that the University is already making in increasing its external research support. Moreover, the goal recognizes the capacity of the AEI to enable faculty members to become even more competitive in bidding for large interdisciplinary, multi-institution, multi-investigator awards.

However, in the event of unrecoverable reductions in research funds, the University (and the Corporation) plans to rebalance its research agenda (and its associated support structure) based on the funding landscape while continuing to provide research services to the faculty to increase their competitiveness for funding. The University and the Corporation also actively seeks funding from non-governmental sources including donors and private industry to offset some of the anticipated losses caused by governmental-based reductions.

An example of the success the University continues to experience with private donor funding sources is found in the Research Trust Fund (the "Fund") that was established by the West Virginia State Legislature in fiscal year 2008. Through this process the State of West Virginia has committed \$35.0 million in State funds to the University to support four priority interdisciplinary research areas consistent with the University's strategic research plan. These State funds need to be directly matched to qualified private donations and pledges received by the University, to create \$70.0 million in research endowments. The success of this program will undoubtedly impact the Corporation as it will stimulate sponsored awards in other areas of the University and the Corporation will need to respond by providing increased support services. The program's success is already being felt.

During the period from March 8, 2008 to June 30, 2011, the WVU Foundation received 875 qualified private gifts (donations and pledges) totaling \$18.9 million for Research Trust Fund and matching funds have been received from the State for that same amount. This level brings the University to 54% of the goal of \$35 million.

The Corporation also continues to expand its business incubator program to nurture start-up companies. The business incubator is housed in the Chestnut Ridge Research Building located on Route 705 in Morgantown. The Corporation provides business services such as business plan development, marketing, advertising, finance, and information technology assistance to the start-up companies. Initial operating expenses for this incubator were funded by a Benedum Foundation grant. The WVU Incubator is currently operating thirteen tenants and has graduated seven businesses. The Corporation is also involved in technology transfer activities such as invention disclosures, copyrights, trademarks, patents filed and issued, license agreements and new start-up companies being formed. More than \$148,500 in license and royalties were generated in fiscal year 2011. The expansion of business incubator and technology transfer activities is expected to continue, creating new jobs and establishing a research base for economic development in the State of West Virginia.

The challenges faced by the University in light of insufficient State appropriations and challenging economic conditions require the University to focus on its strengths. One of the University's strengths is its record of research and sponsored program accomplishments and funding. Through the Corporation's efforts, the University will strive to further improve its competitive research position and continue to add strength to its research enterprise.

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

COMBINED STATEMENTS OF NET ASSETS AS OF JUNE 30, 2011 AND 2010

(Dollars in Thousands)

	2011	2010
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 20,082	\$ 13,185
Accounts receivable, net of allowances for doubtful accounts of \$487 and \$1,235	27,168	29,340
Due from the Commission	581	623
Prepaid expenses	234	197
Total current assets	48,065	43,345
Noncurrent Assets:		
Investments	11,916	22,834
Capital assets, net	46,261	43,292
Total noncurrent assets	58,177	66,126
TOTAL ASSETS	\$ 106,242	\$ 109,471
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 4,186	\$ 4,332
Accounts payable - West Virginia University, current portion	9,452	9,106
Accrued liabilities	1	58
Accrued payroll	2,888	2,770
Deferred revenue	18,466	24,240
Compensated absences	212	152
Notes payable, current portion	1,252	1,097
Total current liabilities	36,457	41,755
Noncurrent Liabilities:		
Notes payable	23,351	24,527
Accounts payable - West Virginia University	5,986	14,564
Other noncurrent liabilities	-	112
Total noncurrent liabilities	29,337	39,203
TOTAL LIABILITIES	\$ 65,794	\$ 80,958
NET ASSETS		
Invested in capital assets, net of related debt	\$ 21,662	\$ 17,341
Restricted for debt service (expendable)	1,373	1,497
Unrestricted	17,413	9,675
TOTAL NET ASSETS	\$ 40,448	\$ 28,513

See notes to financial statements.

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

COMBINED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS YEARS ENDED JUNE 30, 2011 AND 2010

(Dollars in Thousands)

	2011	2010
OPERATING REVENUES		
Federal grants and contracts	\$ 84,594	\$ 72,173
State grants and contracts	25,890	24,314
Local grants and contracts	262	359
Nongovernmental grants and contracts	24,777	23,176
Sales and services of educational departments	378	431
Other operating revenues	210	192
Total operating revenues	136,111	120,645
OPERATING EXPENSES		
Salaries and wages to the University	55,218	53,858
Benefits to the University	10,648	10,275
Scholarships and fellowships	2,167	1,613
Utilities	1,077	1,101
Supplies and other services	45,492	41,988
Depreciation	986	557
Net operating expenses to the University	3,984	15,246
Other operating expenses	34	46
Total operating expenses	119,606	124,684
OPERATING INCOME (LOSS)	16,505	(4,039)
NONOPERATING REVENUES (EXPENSES)		
Gifts	68	319
Investment income (including unrealized gain of \$945 and \$1,408)	1,771	1,952
Interest on capital asset-related debt	(1,102)	(1,118)
Other nonoperating revenues - net	-	2
Net nonoperating revenues	737	1,155
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	17,242	(2,884)
Capital grants and gifts	10,181	11,276
Capital grants (federal)	1,678	414
INCREASE IN NET ASSETS BEFORE TRANSFERS	29,101	8,806
TRANSFER OF ASSETS TO THE UNIVERSITY	(17,166)	(14,101)
INCREASE (DECREASE) IN NET ASSETS	11,935	(5,295)
NET ASSETS-BEGINNING OF YEAR	28,513	33,808
NET ASSETS-END OF YEAR	\$ 40,448	\$ 28,513

See notes to financial statements.

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

COMBINED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2011 AND 2010

(Dollars in Thousands)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Grants and contracts	\$ 132,921	\$ 119,239
Payments to suppliers	(45,307)	(42,186)
Payments to employees of the University and Corporation	(55,101)	(53,622)
Payments for benefits to the University and Corporation	(10,645)	(10,699)
Payments for utilities	(1,077)	(1,116)
Payments for scholarships and fellowships	(2,176)	(1,647)
Payments of operating expenses to the University	(12,189)	(15,049)
Other (payments) receipts	(566)	721
Net cash provided by (used in) operating activities	5,860	(4,359)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Gifts	68	319
Other nonoperating receipts	-	2
Net cash provided by noncapital financing activities	68	321
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Capital gifts and grants received	10,181	11,276
Capital grants - federal received	1,678	414
Purchases of capital assets	(21,457)	(19,865)
Principal paid on capital debt	(1,097)	(610)
Interest paid on capital debt	(1,027)	(689)
Net cash used in capital financing activities	(11,722)	(9,474)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	826	544
Liquidation and redemption of investments	11,911	3,806
Purchases of investments	(46)	(630)
Net cash provided by investing activities	12,691	3,720
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,897	(9,792)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	13,185	22,977
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 20,082</u>	<u>\$ 13,185</u>

(continued)

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED) YEARS ENDED JUNE 30, 2011 AND 2010

(Dollars in Thousands)

	2011	2010
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ 16,505	\$ (4,039)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	986	557
Changes in assets and liabilities:		
Accounts receivable, net	2,172	(4,314)
Due from the Commission	42	5
Prepaid expenses	(37)	(187)
Accounts payable	(8,043)	(312)
Accrued liabilities	(51)	362
Deferred revenue	(5,774)	3,539
Compensated absences	60	30
Net cash provided by (used in) operating activities	<u>\$ 5,860</u>	<u>\$ (4,359)</u>
Noncash Transactions:		
Construction in progress additions in accounts payable	<u>\$ -</u>	<u>\$ 337</u>
Unrealized gain on investments	<u>\$ 945</u>	<u>\$ 1,408</u>
Assets transferred to the University	<u>\$ 17,166</u>	<u>\$ 14,101</u>

See notes to financial statements.

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

NOTES TO COMBINED FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2011 AND 2010

1. ORGANIZATION

West Virginia University Research Corporation (the "Corporation") is a not-for-profit corporation incorporated in 1986, pursuant to the laws of the State of West Virginia (the "State"). The purpose of the Corporation is to foster and support research at West Virginia University (the "University") and to provide commercial outlets for the research activities of the University faculty, staff and students. With the assistance of the University, the Corporation has been designated by the University to fulfill the role of public institutions to work in partnership with business, industry or government and encourages the acceptance of gifts, grants, contracts and equipment, and the sharing of facilities, equipment and skilled personnel to promote and develop joint, applied research and development, technical assistance and instructional programs in the State. The Corporation receives grants on behalf of the University, some of which are for the construction or acquisition of capital assets. These expenditures are recorded on the Corporation's records and the completed asset is transferred to the University as the beneficiary of the asset. The Corporation exists as an organization separate from the University. West Virginia state code allows the Corporation to employ personnel separate from the University. The Corporation chose to exercise this option effective January 1, 2005. The Corporation maintains a payroll and human resources information system separate from the University. The Corporation first began fulfilling its purpose in 1990.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The combined financial statements of the Corporation have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of the Corporation's assets, liabilities, net assets, revenues, expenses, changes in net assets and cash flows.

The Corporation follows all GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 and amendments thereof, and has elected not to apply the FASB Statements and Interpretations issued after November 30, 1989 to its combined financial statements.

- a. *Reporting Entity* – The Corporation is a component unit of the University, as the University is the sole member of the non-stock not-for-profit corporation and is combined in the University's financial statements. The University is an operating unit of the West Virginia Higher Education Fund and represents separate funds of the State that are not included in the State's general fund. The University is a separate entity, which, along with all State institutions of higher education, the West Virginia Higher Education Policy Commission (the "Commission") (which includes West Virginia Network for Educational Telecomputing (WVNET)), and the 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 combined financial statements include financial information as of December 31, 2010, and for the period from October 31, 2010 through December 31, 2010, of F&P Realty Company (the "Company"), in which the Corporation is the sole stockholder. The Corporation purchased all of the outstanding shares of the Company on October 31, 2010.

- b. *Basis of Accounting* – For financial reporting purposes, the Corporation is considered a special-purpose government engaged only in business-type activities. Accordingly, the combined financial statements of the Corporation have been prepared on the accrual basis of accounting with a flow of economic resources measurement focus. Revenues are reported when earned and expenses are reported when materials or services are received.
- c. *Cash and Cash Equivalents* – For purposes of the statement of net assets, the Corporation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Cash in bank accounts is invested in daily repurchase agreements or the Certificate of Deposit Account Registry Service (CDARS) program. These investments are highly liquid.

Cash and cash equivalents also include Money Market investments.

- d. *Investments* – Investments, other than alternative investments, are presented at fair value, based upon quoted market values. The alternative investments are carried at estimated fair value. These valuations include assumptions and methods that were reviewed by the Corporation's management and are primarily based on quoted market values or other readily determinable market values for underlying investments. The Corporation believes that the carrying amount of its alternative investments is a reasonable estimate of fair value. The majority of the alternative investments have a readily determinable market value. Because certain assets underlying the alternative investments are not readily marketable, and the estimated value is subject to uncertainty, the reported value may differ from the value that would have been used had a ready market existed.
- e. *Allowance for Doubtful Accounts* – It is the Corporation's policy to provide for future losses on uncollectible contracts and grants receivable based on an evaluation of the underlying contract and grant balances, the historical collectibility experienced by the Corporation on such balances and such other factors which, in the Corporation's judgment, require consideration in estimating doubtful accounts.
- f. *Noncurrent Cash, Cash Equivalents and Investments* – Investments held for more than one year and not used for current operations are classified as a noncurrent asset.
- g. *Capital Assets* – Capital assets are stated at cost at the date of acquisition or construction, or fair market value at the date of donation in the case of gifts. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings. The Corporation's capitalization

threshold for equipment is \$5,000. The accompanying combined financial statements reflect all adjustments required by GASB.

- h. Deferred Revenue* – Revenues for programs or activities to be conducted primarily in the next fiscal year are classified as deferred revenue, including advance payments on sponsored awards.
- i. Compensated Absences* – The Corporation accounts for compensated absences in accordance with the provisions of GASB. This statement requires entities 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 Corporation's full-time employees earn up to 2 days paid time off for each month of service and are entitled to compensation for accumulated, unpaid leave upon termination.

The estimated expense and expense incurred for paid time off is recorded as a component of benefits expense on the statement of revenues, expenses, and changes in net assets.

- j. Noncurrent Liabilities* – Noncurrent liabilities include liabilities that will not be paid within the next fiscal year, including certain amounts due to the University for research cost recovery.
- k. Net Assets* – 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 Corporation as a whole. Net assets are classified into four categories according to external donor restrictions or availability of assets for satisfaction of Corporation obligations. The Corporation's net assets are classified as follows:

Invested in capital assets, net of related debt: This represents the Corporation's total investment in capital assets, net of accumulated 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 invested in capital assets, net of related debt.

Restricted net assets – expendable: This includes resources which the Corporation is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted net assets – nonexpendable: This includes endowment and similar type funds 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 Corporation did not have any restricted nonexpendable net assets as of June 30, 2011 and 2010.

Unrestricted net assets: Unrestricted net assets include resources that are not subject to externally imposed stipulations. Such resources are derived from investment income and sales and services of educational activities. Unrestricted net assets are used for transactions related to the educational and general

operations of the Corporation and may be designated for specific purposes by action of the Board of Directors.

- l. Classification of Revenues:* The Corporation 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) most federal, state, local and nongovernmental grants and contracts, and (2) sales and services of educational activities.

Nonoperating Revenues: Nonoperating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenues that are defined as nonoperating revenues by GASB, such as investment income.

Other Revenues: Other revenues primarily consist of capital grants and gifts.

- m. Use of Restricted Net Assets* – The Corporation has 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 net assets are available. The Corporation attempts to utilize restricted net assets first when practicable. The Corporation did not have any designated net assets as of June 30, 2011 or 2010.
- n. Government Grants and Contracts* – Government grants and contracts normally provide for the recovery of direct and indirect costs, subject to audit. The Corporation 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 three years.
- o. Income Taxes* – The Corporation has received from the Internal Revenue Service an exemption from taxation under Section 501 (c) (3) of the Internal Revenue Code as an entity organized for educational, research and economic development purposes.
- p. Cash Flows* – Any cash and cash equivalents escrowed, restricted for noncurrent assets, or in funded reserves are included as cash and cash equivalents for the purpose of the statement of cash flows.
- q. Risk Management* – The State’s Board of Risk and Insurance Management (BRIM) provides general liability, property and auto insurance coverage to the Corporation. Such coverage is provided to the Corporation through a self-insurance program maintained by BRIM for general liability and auto insurance coverage. BRIM maintains a self-insurance program to pay the first \$1,000,000 of each property insurance claim and purchases excess property insurance from commercial insurance market to cover individual claims that exceed \$1,000,000. BRIM self-insurance programs may involve experience and exposure related premiums.

BRIM engages an independent actuary to assist in the determination of its premiums so as to minimize the likelihood of future premium adjustments to the Corporation or other participants in BRIM’s insurance programs. As a result, management does not expect significant differences between the premiums the Corporation is currently charged by BRIM and the ultimate cost of that insurance based on the Corporation’s actual loss

experience. In the event such differences arise between estimated premiums currently charged by BRIM to the Corporation and the Corporation's ultimate actual loss experience, the difference will be recorded, as the change in estimate becomes known.

- r. *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.
- s. *Risks and Uncertainties* – The Corporation utilizes various investment instruments that are exposed to risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements and accompanying notes.
- t. *Newly Adopted Statements Issued by the GASB* – During 2011, the Corporation adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes new categories for reporting fund balance and revised the definitions for governmental fund types. The adoption of this statement did not have a material impact on the financial statements.

The Corporation also adopted GASB Statement No. 59, *Financial Instruments Omnibus*, effective for fiscal years beginning after June 15, 2010. This statement improves financial reporting by providing more complete information, by improving consistency of measurements, and by providing clarifications of existing standards related to certain financial instruments and external investment pools. The adoption of this statement did not have a material impact on the financial statements.
- u. *Recent Statements Issued by the Governmental Accounting Standards Board* – The Governmental Accounting Standards Board has issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, effective for fiscal years beginning after December 15, 2011. This statement addresses how to account for and report service concession arrangements (SCAs) by establishing recognition, measurement, and disclosure requirements for SCAs for both transferors and governmental operators. The Corporation has not yet determined the effect that the adoption of GASB Statement No. 60 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, effective for fiscal years beginning after June 15, 2012. This statement improves financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of the entity. The Corporation has not yet determined the effect that the adoption of GASB Statement No. 61 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for fiscal years beginning after December 15, 2011. The objective of this statement is to incorporate into

the GASB's authoritative literature certain accounting and financial reporting guidance included in the FASB and ACIPA pronouncements issued on or before November 30, 1989. This statement will improve financial reporting by contribution to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source. The Corporation has not yet determined the effect that the adoption of GASB Statement No. 62 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for fiscal years beginning after December 15, 2011. The objective of this statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in the statement of financial position and related disclosures. The Corporation has not yet determined the effect that the adoption of GASB Statement No. 63 may have on its financial statements.

3. CASH AND CASH EQUIVALENTS

Cash in Bank. The carrying amount of cash in bank at June 30, 2011 and 2010 was \$20.1 million and \$13.2 million, respectively, as compared with bank balances of \$19.7 million and \$13.0 million, respectively. The difference was primarily caused by items in transit and outstanding checks. Interest bearing accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Non-interest bearing accounts are 100% insured through December 31, 2012. Sweep accounts tied to the bank accounts are collateralized with the bank through a Repurchase Agreement in the name of the Corporation.

Cash in Money Market. The underlying securities for the Money Market funds are U.S. Government securities.

4. INVESTMENTS

The Corporation had the following investments as of June 30 (dollars in thousands):

2011	Investment Type	Level 1	Level 2	Level 3	Fair Value
Mutual Bond Funds:					
	Dodge & Cox Income Fund	\$ 46	\$ 1,822		\$ 1,868
	Fidelity Floating Rate High Income	111	487		598
	PIMCO Unconstrained Bond Fund	342	219	\$ 38	599
Mutual Money Market Funds:					
	State Street Cash - SSGA Money Market		231		231
Other Investments-Commodity:					
	SPDR Gold Shares	365			365
State and Local Government Securities:					
	Auction Rate Certificates *		3,325		3,325
Other Alternative Investments:					
	CFI Multi-Strategy Bond Investors Fund		1,680		1,680
	CFI Multi-Strategy Equity Fund		2,684		2,684
	Robeco-Sage Capital International	4	319	243	566
		<u>\$ 868</u>	<u>\$ 10,767</u>	<u>\$ 281</u>	<u>\$ 11,916</u>
2010	Investment Type	Level 1	Level 2	Level 3	Fair Value
Mutual Bond Funds:					
	Dodge & Cox Income Fund	\$ 192	\$ 4,055	\$ -	\$ 4,247
Mutual Money Market Funds:					
	State Street Cash - SSGA Money Market		509		509
Other Investments-Commodity:					
	SPDR Gold Shares	608			608
State and Local Government Securities:					
	Auction Rate Certificates *		7,475		7,475
Other Alternative Investments:					
	CF Absolute Return Investors B Blue			47	47
	CF Multi-Strategy Bond Investors Fund	2	4,514		4,516
	CF Multi-Strategy Equity Fund	76	4,241		4,317
	Robeco-Sage Capital International		607	508	1,115
		<u>\$ 878</u>	<u>\$ 21,401</u>	<u>\$ 555</u>	<u>\$ 22,834</u>

* Investments not held with the WVU Foundation, Incorporated (the "Foundation").

Level 1 represents investments that have a quoted price in the active market. Level 2 represents investments with direct or indirect observable market inputs. Level 3 represents investments with no observable market.

As of June 30, 2011 and 2010, the Corporation's investments held with the Foundation were \$8.6 million and \$15.4 million, respectively. The Corporation's investments held with the Foundation are governed by an investment policy that determines the permissible investments by category. The holdings include U.S. debt securities, foreign debt securities, commodities and alternative investments. The investment policy outlines the acceptable exposure to each category of investment and generally outlines a liquidity goal. The policy also states that at no time will illiquid investment assets (defined as those assets that cannot be converted into cash within 90 days) exceed 5% of the Corporation's investments.

Beginning in April 2008, based on guidance from Bond Counsel, authority vested in the Corporation's investment policy and on a cost benefit comparison of available investments, the Corporation began to submit bids to purchase the University's Auction Rate Certificates (ARCs). The University, through its Board, issued ARC debt in 2004. These 2004 ARCs are variable rate debt that reset at auction every 28 days. Starting in December 2007, the market for ARCs and other Auction Rate Securities experienced significant turmoil. To address the ARC market's ability to function, the Securities and Exchange Commission (SEC) issued a letter which allowed issuers and/or their affiliates to bid on such ARCs to allow for a more reasonable interest rate relative to the issuers credit rating. Of the \$3.4 million of the University's ARCs outstanding at June 30, 2011, the Corporation owned \$3.3 million, or 97%. Of the \$7.6 million of the University's ARCs outstanding at June 30, 2010, the Corporation owned \$7.5 million, or 99%. In October 2010, there was a scheduled redemption of \$4.2 million. Future redemptions are scheduled in October 2011 for \$2.425 million and October 2012 for \$.975 million.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The Corporation's investment policy permits corporate securities rated not less than A by one major rating agency. Credit ratings were as follows at June 30:

Investment	2011 Rating	2010 Rating
State Street Cash - SSGA Money Market	AAAm	Am
CFI Multi-Strategy Bond Investors Fund	AA	AA
Auction Rate Certificates	A+	A+
Dodge and Cox Income Fund	AA-	Aa3

The remaining investments have not been rated. These funds are periodically evaluated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Corporation's investments in the CFI Multi-Strategy Bond Investors Fund, Auction Rate Certificates, Fidelity Floating Rate High Income, State Street SSgA Money Market, PIMCO Unconstrained Bond Fund, and Dodge and Cox Income Fund are subject to interest rate risk. Interest rate risk is managed by limiting the time period or duration of the specific investment.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer.

At June 30, 2011, more than 5% of the Corporation's investments were in the Fidelity Floating Rate High Income, PIMCO Unconstrained Bond Fund, and Auction Rate Certificates. At June 30, 2010, more than 5% of the Corporation's investments were in the Dodge & Cox Income Fund, Auction Rate Certificates, CF Multi-Strategy Bond Investors Fund and CFI Multi-Strategy Equity Fund.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the agency will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. For the Corporation's investments, there was custodial credit risk related to SPDR Gold Shares which are uninsured and registered in State Street's name.

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. For the Corporation's investments, 0.10% of the Fidelity Floating Rate High Income and 0.35% of the PIMCO Unconstrained Bond Fund were denominated in foreign currency. These investments represent 0.02% of the total investments.

5. CAPITAL ASSETS

Balances and changes in capital assets were as follows at June 30 (dollars in thousands):

2011	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 705	\$ 1,630	\$ -	\$ 2,335
Construction in progress	22,477	8,386	(30,621)	242
Total capital assets not being depreciated	<u>\$ 23,182</u>	<u>\$ 10,016</u>	<u>\$ (30,621)</u>	<u>\$ 2,577</u>
Other capital assets:				
Buildings	\$ 28,244	\$ 24,560	\$ -	\$ 52,804
Equipment	-	10,148	(10,148)	-
Intangible Assets	-	125	(125)	-
Total other capital assets	<u>28,244</u>	<u>34,833</u>	<u>(10,273)</u>	<u>52,804</u>
Less accumulated depreciation for:				
Buildings	<u>(8,134)</u>	<u>(986)</u>	<u>-</u>	<u>(9,120)</u>
Other capital assets, net	<u>\$ 20,110</u>	<u>\$ 33,847</u>	<u>\$ (10,273)</u>	<u>\$ 43,684</u>
Capital Assets Summary:				
Capital assets not being depreciated	\$ 23,182	\$ 10,016	\$ (30,621)	\$ 2,577
Other capital assets	<u>28,244</u>	<u>34,833</u>	<u>(10,273)</u>	<u>52,804</u>
Total cost of capital assets	<u>51,426</u>	<u>44,849</u>	<u>(40,894)</u>	<u>55,381</u>
Less accumulated depreciation	<u>(8,134)</u>	<u>(986)</u>	<u>-</u>	<u>(9,120)</u>
Capital assets, net	<u>\$ 43,292</u>	<u>\$ 43,863</u>	<u>\$ (40,894)</u>	<u>\$ 46,261</u>
2010	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 705	\$ -	\$ -	\$ 705
Construction in progress	16,784	12,292	(6,599)	22,477
Total capital assets not being depreciated	<u>\$ 17,489</u>	<u>\$ 12,292</u>	<u>\$ (6,599)</u>	<u>\$ 23,182</u>
Other capital assets:				
Buildings	\$ 27,828	\$ 416	\$ -	\$ 28,244
Equipment	-	7,919	(7,919)	-
Total other capital assets	<u>27,828</u>	<u>8,335</u>	<u>(7,919)</u>	<u>28,244</u>
Less accumulated depreciation for:				
Buildings	<u>(7,577)</u>	<u>(557)</u>	<u>-</u>	<u>(8,134)</u>
Other capital assets, net	<u>\$ 20,251</u>	<u>\$ 7,778</u>	<u>\$ (7,919)</u>	<u>\$ 20,110</u>
Capital Assets Summary:				
Capital assets not being depreciated	\$ 17,489	\$ 12,292	\$ (6,599)	\$ 23,182
Other capital assets	<u>27,828</u>	<u>8,335</u>	<u>(7,919)</u>	<u>28,244</u>
Total cost of capital assets	<u>45,317</u>	<u>20,627</u>	<u>(14,518)</u>	<u>51,426</u>
Less accumulated depreciation	<u>(7,577)</u>	<u>(557)</u>	<u>-</u>	<u>(8,134)</u>
Capital assets, net	<u>\$ 37,740</u>	<u>\$ 20,070</u>	<u>\$ (14,518)</u>	<u>\$ 43,292</u>

The Corporation capitalized interest on borrowings, net of interest earned on related debt of approximately \$1,000 and \$9,000 during fiscal years 2011 and 2010, respectively.

6. LONG-TERM LIABILITIES

Balances and changes in long-term liabilities were as follows at June 30 (dollars in thousands):

2011	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Notes payable	\$ 25,624	\$ -	\$ (1,021)	\$ 24,603	\$ 1,252
Accounts payable - West Virginia University	23,670	-	(8,232)	15,438	9,452
Other noncurrent liabilities	112	-	(112)	-	-
Total long-term liabilities	<u>\$ 49,406</u>	<u>\$ -</u>	<u>\$ (9,365)</u>	<u>\$ 40,040</u>	
2010	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Notes payable	\$ 25,796	\$ 420	\$ (592)	\$ 25,624	\$ 1,097
Accounts payable - West Virginia University	23,472	197	-	23,670	9,106
Other noncurrent liabilities	45	67	-	112	-
Total long-term liabilities	<u>\$ 49,313</u>	<u>\$ 684</u>	<u>\$ (592)</u>	<u>\$ 49,406</u>	

7. NOTES PAYABLE

On September 7, 2005, the Board of Directors of the Corporation approved a borrowing plan by the Corporation of up to \$24.4 million to finance certain improvements at the University's Health Sciences Center (HSC). The West Virginia University Board of Governors has approved the Corporation entering into such transaction. The Corporation has entered into construction loan agreements with the West Virginia Housing Development Fund (WVHDF), the West Virginia Economic Development Authority (WVEDA), and the West Virginia Infrastructure and Jobs Development Council (IJDC).

WVHDF loan. WVHDF made a construction and term loan in the principal amount of \$6.0 million for the purpose of financing the construction of the Biomedical Research building and the HSC Learning Center and Library addition, and renovations to the existing HSC laboratories. The principal balance of the WVHDF loan bears interest at a fixed rate of 5.11% per annum. The rate is calculated on the basis of a 360-day year on amounts advanced. The note is due 240 months from the closing date of October 24, 2005.

A note modification agreement dated April 26, 2007 allowed the Corporation to accrue quarterly interest for the period beginning April 1, 2007 through January 31, 2009 and to add it to the principal amount of the loan. On February 1, 2009, such accrued interest is amortized and paid over the remaining term of the loan. Total remaining to be paid, at June 30, 2011 and June 30, 2010, was \$5.9 million and \$6.1 million, respectively.

The loan is pledged by facilities and administrative revenues received by the Corporation under any grants, contracts, and other agreements on behalf of the HSC as follows:

- 1) 30% of the total HSC facilities and administrative revenues, up to a total of \$6.8 million ("threshold amount") received by the Corporation in any single fiscal year.
- 2) 70% of the total HSC facilities and administrative revenues above the threshold amount received by the Corporation in such fiscal year.

WVEDA loan. WVEDA made a construction and term loan in the principal amount of \$9.0 million for the purpose of financing a portion of the Blanchette Rockefeller Neurosciences Institute building. The principal balance of the WVEDA loan bears interest at a fixed rate of 5.51% per annum. The note is due 240 months from the closing date of October 24, 2005.

Interest on the loan accrued but payment was deferred for the first 36 months of the loan. On October 1, 2009, such accrued interest is amortized and paid over the remaining term of the loan. Total remaining to be paid, at June 30, 2011 and June 30, 2010, was \$9.3 million and \$9.7 million, respectively.

The loan is pledged by facilities and administrative revenues received by the Corporation under any grants, contracts, and other agreements on behalf of the HSC as follows:

- 1) 30% of the total HSC facilities and administrative revenues, up to a total of \$6.8 million ("threshold amount") received by the Corporation in any single fiscal year.
- 2) 70% of the total HSC facilities and administrative revenues above the threshold amount received by the Corporation in such fiscal year.

IJDC loan. IJDC made a construction and term loan in the principal amount of \$9.4 million for the purpose of financing a portion of the construction of certain improvements to the Blanchette Rockefeller Neurosciences Institute building and the Biomedical Research building. During fiscal year 2009, the Corporation drew down the entire \$9.4 million which is recorded as a note payable.

The proceeds of the IJDC loan were disbursed on a draw basis as construction progressed. The principal balance of the IJDC loan bears interest at a fixed rate of 3% per annum. The note is due 240 months from the closing date of October 24, 2005.

Interest on the loan accrued but payment was deferred for five years from the date of closing. On October 24, 2010, such accrued interest is amortized and paid over the remaining term of the loan. Total remaining to be paid, at June 30, 2011 and June 30, 2010, was \$9.5 million and \$9.8 million, respectively. The interest rate applicable to \$3.0 million in principal for the balance of the term of the loan will be based on the satisfaction of certain employment criteria.

The loan is pledged by facilities and administrative revenues received by the Corporation under any grants, contracts, and other agreements on behalf of the HSC as follows:

- 1) 30% of the total HSC facilities and administrative revenues, up to a total of \$6.8 million ("threshold amount") received by the Corporation in any single fiscal year.

- 2) 70% of the total HSC facilities and administrative revenues above the threshold amount received by the Corporation in such fiscal year.

Total principal and interest payments remaining to be paid at June 30, 2011 and June 30, 2010 were approximately \$33.5 million and \$35.5 million, respectively. Total facilities and administrative revenues earned by the HSC during fiscal years 2011 and 2010 were \$9.2 million and \$8.6 million, respectively. Total pledged revenue as of June 30, 2011 and June 30, 2010 was \$3.7 million and \$3.3 million, respectively.

The scheduled maturities of the notes payable are as follows (dollars in thousands):

Fiscal Year Ending June 30,	WVHDF Loan		WVEDA Loan		WVIJDC Loan		Total Principal
	Principal	Interest	Principal	Interest	Principal	Interest	
2012	\$ 278	\$ 293	\$ 435	\$ 502	\$ 539	\$ 281	\$ 1,252
2013	292	278	461	476	556	264	1,309
2014	308	263	488	450	573	247	1,369
2015	324	247	515	423	591	229	1,430
2016	341	230	543	394	609	212	1,493
2017-2021	1,990	864	3,221	1,469	3,338	762	8,549
2022-2026	2,327	288	3,608	457	3,266	220	9,201
Notes Payable	5,860	<u>\$ 2,463</u>	9,271	<u>\$ 4,171</u>	9,472	<u>\$ 2,215</u>	24,603
Current Portion	278		435		539		1,252
Noncurrent Portion	<u>\$ 5,582</u>		<u>\$ 8,836</u>		<u>\$ 8,933</u>		<u>\$ 23,351</u>

8. RETIREMENT PLANS

Substantially all eligible employees of the Corporation participate in the Teachers Insurance and Annuities Association – College Retirement Equities Fund (TIAA-CREF).

The TIAA-CREF is a defined-contribution benefit plan in which benefits are based upon amounts contributed plus investment earnings. Each employee who elects to participate in these plans is required to make a contribution equal to 3% of their total annual compensation. The Corporation simultaneously matches the employees' 3% contribution. Employees have the option of contributing an additional 1-3% of their total annual compensation to the plan, which is also matched by the Corporation. Contributions are immediately and fully vested.

Contributions to the TIAA-CREF were approximately as follows:

Fiscal Year Ending June 30,	Corporation	Employees	Total
2011	\$ 516,000	\$ 516,000	\$ 1,032,000
2010	416,000	416,000	832,000
2009	338,000	338,000	676,000

The Corporation's total payroll expense for fiscal years 2011 and 2010 was \$55.2 million and \$53.9 million, respectively (including payroll expense for employees of the University); total covered employees' salaries in the TIAA-CREF were \$10.8 million in fiscal year 2011 and \$8.0 million in fiscal year 2010.

9. COMMITMENTS

The Corporation has entered into contracts for the construction and improvement of various facilities. These outstanding contractual commitments totaled approximately \$273,000 and \$4.9 million at June 30, 2011 and 2010, respectively.

10. AFFILIATED ORGANIZATIONS

The University (the Corporation's parent) is the sole member of the not-for-profit corporation. The Corporation receives grants on behalf of the University, some of which are for the construction and acquisition of capital assets. These expenditures are recorded on the Corporation's records and the completed asset is transferred to the University as the beneficiary of the asset. The Corporation also receives facilities and administration earnings generated from such grants, a portion of which is shared with the University. A liability has been recorded to reflect the facilities and administration earnings due to the University. The University and the Corporation have entered into an operating agreement whereby the University provides staffing to meet a portion of the Corporation's needs; the Corporation reimburses the University for the related salaries and benefits.

11. CONTINGENCIES

The nature of the educational industry is such that, from time to time, claims will be presented against universities and their operating units 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 an award against the Corporation would not have a material effect on the financial position of the Corporation.

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 Corporation's management believes disallowances, if any, will not have a material financial impact on the Corporation's financial position.

12. NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION
(Dollars in Thousands)

The Corporation's operating expenses by functional and natural classification are as follows:

Functional Classification	Year Ended June 30, 2011							
	Natural Classification							
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Net Operating Expenses to the University	Other Operating Expenses
Instruction	\$ 4,111	\$ 677	\$ -	\$ -	\$ 3,193	\$ -	\$ -	\$ -
Research	38,256	7,218	-	1,018	30,907	-	-	-
Public Service	10,190	2,100	-	47	5,677	-	-	-
Academic Support	341	77	-	-	201	-	-	-
Operation and Maintenance of Plant	4	-	-	11	924	-	-	-
General Institutional Support	2,316	576	-	1	4,590	-	-	34
Student Financial Aid	-	-	-	-	-	-	-	-
Depreciation	-	-	2,167	-	-	986	-	-
Net Operating Expenses to the University	\$ 55,218	\$ 10,648	\$ 2,167	\$ 1,077	\$ 45,492	\$ 986	\$ 3,984	\$ -
Total Expenses							\$ 3,984	\$ 34
								\$ 119,606

Functional Classification	Year Ended June 30, 2010							
	Natural Classification							
	Salaries & Wages	Benefits	Scholarships & Fellowships	Utilities	Supplies & Other Services	Depreciation	Net Operating Expenses to the University	Other Operating Expenses
Instruction	\$ 4,372	\$ 768	\$ -	\$ -	\$ 2,680	\$ -	\$ -	\$ -
Research	37,287	6,832	-	1,068	29,343	-	-	-
Public Service	10,049	2,151	-	33	6,141	-	-	-
Academic Support	263	43	-	-	280	-	-	-
Student Services	-	-	-	-	1	-	-	-
Operation and Maintenance of Plant	3	-	-	-	6	-	-	9
General Institutional Support	1,884	481	-	-	3,537	-	-	46
Student Financial Aid	-	-	-	1,613	-	-	-	-
Depreciation	-	-	-	-	-	557	-	-
Net Operating Expenses to the University	\$ 53,858	\$ 10,275	\$ 1,613	\$ 1,101	\$ 41,988	\$ 557	\$ 15,246	\$ 46
Total Expenses							\$ 15,246	\$ 124,684

INDEPENDENT AUDITORS' 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 West Virginia University Research Corporation Board of Directors:

We have audited the accompanying financial statements of West Virginia University Research Corporation (the "Corporation") as of June 30, 2011, and have issued our report thereon dated November 28, 2011. 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.

Internal Control Over Financial Reporting

Management of the Corporation is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

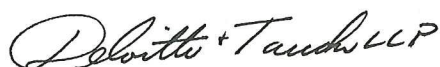
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

Management of the Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. As part of obtaining reasonable assurance about whether the Corporation's financial statements are free of 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*.

This report is intended solely for the information and use of the West Virginia University Research Corporation Board of Directors, management of the Corporation, West Virginia University and the West Virginia Higher Education Policy Commission, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



November 28, 2011

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the West Virginia University Research Corporation Board of Directors:

Compliance

We have audited West Virginia University Research Corporation's (the "Corporation") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Corporation's major federal programs for the year ended June 30, 2011. The Corporation's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Corporation's management. Our responsibility is to express an opinion on the Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Corporation's compliance with those requirements.

In our opinion, the Corporation complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

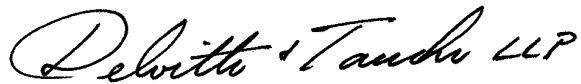
Internal Control Over Compliance

Management of the Corporation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Corporation's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended for the information and use of the West Virginia University Research Corporation Board of Directors, management of the Corporation, West Virginia University, and the West Virginia Higher Education Policy Commission, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

The logo for Deloitte & Touche LLP, featuring the company name in a stylized, cursive script font.

November 28, 2011

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Research and Development	Federal Division/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Health & Human Services	Administration for Children and Families	93.RD		\$ 505,641
US Dept of Health & Human Services	Agency for Healthcare Research and Quality	93.RD		287,792
US Dept of Health & Human Services	Center for Disease Control & Prevention	93.RD		2,363,539
US Dept of Health & Human Services	Health Resources and Services Administration	93.RD		1,499,663
	US Dept of Health & Human Services Direct Total			4,656,635
US Dept of Health & Human Services	University of Pittsburgh	93.121	N/A	(166)
US Dept of Health & Human Services	University of Pittsburgh	93.121	N/A	378,896
				378,730
US Dept of Health & Human Services	Arkansas Children's Hosp Rsrch	93.127	N/A	4,336
US Dept of Health & Human Services	University of North Carolina at Chapel Hill	93.249	UNC-CH#5-52795	18,709
US Dept of Health & Human Services	Ctr to Protect Workers' Rights	93.262	Agreement 3001-011-04 Grant 6	7,868
US Dept of Health & Human Services	Ctr to Protect Workers' Rights	93.262	Agreement 3002-011-04 U60-OH6	9,190
US Dept of Health & Human Services	Duke University	93.262	383-2353	33,856
				50,914
US Dept of Health & Human Services	University of Pittsburgh	93.279	Project # 116000-5	3,001
US Dept of Health & Human Services	University of Pittsburgh	93.279	Project No. 116000-4 and 5	7,207
				10,208
US Dept of Health & Human Services	Association of American Medical Colleges	93.283	U36/CCU319276	28,909
US Dept of Health & Human Services	WV DHHS, Health & Human Srv	93.283	G080382	(1,220)
US Dept of Health & Human Services	WV DHHS, Health & Human Srv	93.283	G110451	198,606
US Dept of Health & Human Services	WV DHHS, Health & Human Srv	93.283	N/A	5,904
				232,199
US Dept of Health & Human Services	Carnegie Mellon University	93.297	1090314-257234	17,701
US Dept of Health & Human Services	University of Pittsburgh	93.359	0001707(118255-1)	2,250
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.988	G100959	229,241
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.988	G110949	48,023
				277,264
US Dept of Health & Human Services	WV DHHS, Maternal & Child Hlth	93.994	G100375	12,643
US Dept of Health & Human Services	WV DHHS, Maternal & Child Hlth	93.994	G110433	268,392
				281,035
US Dept of Health & Human Services	Eastern Cooperative Oncology Group	93.unknown	PSAWVA-01	121,179
US Dept of Health & Human Services	University of Virginia, Peds	93.unknown	GS11037-136590	14,280
				135,459
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	ARRA93.725	G101040	34,914
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	ARRA93.725	G110990	6,199
				41,113
	US Dept of Health & Human Services Pass-Through Total			1,449,918
	US Dept of Health & Human Services Total			6,106,553
US National Institute of Health	General Med Service	93.RD		157,344
US National Institute of Health	Institute of Environmental Health	93.RD		419,993
US National Institute of Health	Natl Center for Complementary and Alternative Medicine	93.RD		125,746
US National Institute of Health	Natl Center for Research Resources	93.RD		3,967,986
US National Institute of Health	Natl Institute of Biomedical Imaging and Bioengineering	93.RD		440,706
US National Institute of Health	Natl Institute of Mental Health	93.RD		375,804
US National Institute of Health	Natl Cancer Institute	93.RD		2,090,568
US National Institute of Health	Natl Eye Institute	93.RD		939,326
US National Institute of Health	Natl Heart, Lung & Blood Institute	93.RD		2,690,689
US National Institute of Health	Natl Institute Deafness/Comm Disorders	93.RD		960,484
US National Institute of Health	Natl Institute Drug Abuse and Addiction	93.RD		369,471
US National Institute of Health	Natl Institute of Allergy & Infection	93.RD		384,605
US National Institute of Health	Natl Institute of Biomedical Imaging & Bioengineering	93.RD		64,118
US National Institute of Health	Natl Institute of Child Hlth & Hum Dev	93.RD		235,124
US National Institute of Health	Natl Institute of Dental & Craniofacial Research	93.RD		188,850
US National Institute of Health	Natl Institute of Diabetes & Digest & Kidney Dis	93.RD		1,917,754
US National Institute of Health	Natl Institute of Neur Disorders & Stroke	93.RD		689,461
US National Institute of Health	Natl Institute on Aging	93.RD		448,478
US National Institute of Health	Natl Library of Medicine	93.RD		203,685
US National Institute of Health	Nursing Research	93.RD		69,520
US National Institute of Health	General Med Service	ARRA93.RD		147,379
US National Institute of Health	Institute on Drug Abuse	ARRA93.RD		10,049
US National Institute of Health	Natl Center for Research Resources	ARRA93.RD		1,226,461
US National Institute of Health	Natl Institute of Mental Health	ARRA93.RD		613,961
US National Institute of Health	Natl Institute on Aging	ARRA93.RD		115,490
US National Institute of Health	Natl Cancer Institute	ARRA93.RD		214,454
US National Institute of Health	Natl Heart, Lung & Blood Institute	ARRA93.RD		198,365
US National Institute of Health	Natl Institute Deafness/Comm Disorders	ARRA93.RD		230,959

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Research and Development	Federal Division/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US National Institute of Health	Natl Institute of Allergy & Infection	ARRA93.RD		\$ 223,228
US National Institute of Health	Natl Institute of Diabetes & Digest & Kidney Dis	ARRA93.RD		117,092
US National Institute of Health	Natl Institute of Environmental Hlth Sciences	ARRA93.RD		668,931
US National Institute of Health	Natl Institute of Neur Disorders & Stroke	ARRA93.RD		172,646
	US National Institute of Health Direct Total			20,678,727
US National Institute of Health	University of North Carolina	93.121	Subagreement No. 09-0293.2	16,795
US National Institute of Health	University of Pittsburgh	93.121	N/A	40,676
US National Institute of Health	University of Pittsburgh	93.121	114009-2 Sub 0003867	(2,157)
				55,314
US National Institute of Health	Northeastern University	93.143	500161	24,750
US National Institute of Health	Northeastern University	93.143	500211 P1106869	237
				24,987
US National Institute of Health	Marshall University Research Corporation	93.273	PIRE Project 0458	30,064
US National Institute of Health	Pacific Ins for Research & Evl	93.273	PIRE Project 0458	127,376
				157,440
US National Institute of Health	University of Mississippi	93.279	09-07-001	86,102
US National Institute of Health	University of Pittsburgh	93.279	Subaward No. 0017792(118009-5)	195,199
US National Institute of Health	University of Pittsburgh	93.279	Subaward No. 0017792(118009-6)	118,025
US National Institute of Health	University of Pittsburgh	93.279	0008871 Proj 116353-2	4,979
				404,305
US National Institute of Health	Marshall University Research Corporation	93.389	NA	1,516,221
US National Institute of Health	Marshall University Research Corporation	93.389	PO RC-P1101809	175,148
				1,691,369
US National Institute of Health	Health Research, Inc.	93.393	55-0998-01	11,900
US National Institute of Health	St Jude Children's Rsrch Hspl	93.393	1 R21CA158568-01	990
				12,890
US National Institute of Health	NSABP Foundation	93.395	Agreement TFED 133	99,593
US National Institute of Health	Ocean Nano Tech, LLC	93.396	1R43CA154339-01	44,500
US National Institute of Health	University of Kentucky	93.397	UKRF 3048107761-11-243	143,382
US National Institute of Health	NSABP Foundation	93.399	PFED15 - WVA-02 P2	1,058
US National Institute of Health	University of Kentucky	93.399	UKRF 3049023622-10-296	28,048
				29,106
US National Institute of Health	Indiana University	93.853	R01 NS049436	81,051
US National Institute of Health	Medical University S Carolina	93.853	MUSC08-079	71,507
US National Institute of Health	University of California	93.853	Subcontract No. 6024sc	46,221
				198,779
US National Institute of Health	University of Minnesota	93.859	GM069753 PO# Q6576117101	(458)
US National Institute of Health	University of Western Ontario	93.865	2 R01 HD39916	123,727
US National Institute of Health	Wayne State University	93.865	WSU10088	12,636
				136,363
US National Institute of Health	Duke University	93.unknown	Site 148	18,681
US National Institute of Health	Hope Foundation	93.unknown	CA37429	15,834
US National Institute of Health	Massachusetts Eye&Ear Infirm	93.unknown	Ck 0380453, PO 16610	15,002
US National Institute of Health	Massachusetts Eye&Ear Infirm	93.unknown	Cost Center 75639	651
US National Institute of Health	National Childhood Cancer Foundation	93.unknown	Ck. #21688	1
US National Institute of Health	Stanford University	93.unknown	13289460-30011-A	(69,515)
US National Institute of Health	Stanford University	93.unknown	13289460-30011-A	191,530
US National Institute of Health	University of Maryland	93.unknown	SR00000503 R01 DA013583	40,445
US National Institute of Health	University of Maryland	93.unknown	SR00001501 R01 DA013583	1,110
US National Institute of Health	University of North Carolina at Chapel H	93.unknown	UNC-CH Acct # 5-36466	11,353
US National Institute of Health	University of Pittsburgh	93.unknown	0004060 Proj 404050-4	255,672
				480,764
US National Institute of Health	Marshall University Research Corporation	ARRA93.701	RC-P1000397	259,638
US National Institute of Health	Marshall University Research Corporation	ARRA93.701	RC-P1001020	147,842
US National Institute of Health	Marshall University Research Corporation	ARRA93.701	RC-P1001200	121,422
US National Institute of Health	Purdue University	ARRA93.701	4102-38140	51,778
US National Institute of Health	The Commonwealth Med College	ARRA93.701	PO# 000000000000874	1,018
US National Institute of Health	The Commonwealth Med College	ARRA93.701	PO# 0000000000001936	15,546
US National Institute of Health	Thomas Jefferson University	ARRA93.701	080-04000-S00601;PO# 100232891	121,232
US National Institute of Health	University of Florida	ARRA93.701	Sub UF09122 00077518	173,737
US National Institute of Health	University of Kentucky	ARRA93.701	UKRF 3048107965-11-300	73,192
US National Institute of Health	University of Massachusetts	ARRA93.701	1RC1MH088716-01	25,894
US National Institute of Health	University of Massachusetts	ARRA93.701	1RC1MH088716-02	32,277
US National Institute of Health	University of Minnesota	ARRA93.701	PO P000105331	50,198
US National Institute of Health	University of Montana	ARRA93.701	Sub PG11-64292-01	35,995

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Research and Development	Federal Division/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US National Institute of Health	University of Montana	ARRA93.701	Subcontract PG10-64258-01	\$ 185,975
US National Institute of Health	University of North Carolina	ARRA93.701	A09-0117-S004 3R21DE01697003S1	32,981
US National Institute of Health	University of Pittsburgh	ARRA93.701	Subaward # 0018475 (118448-1)	16,395
				<u>1,345,120</u>
	US National Institute of Health Pass-Through Total			4,823,454
	US National Institute of Health Total			25,502,181
US Dept of Education	Louisiana State University	84.133	33943	39,208
US Dept of Education	Syracuse University	84.133	21625-01300 S01	63,293
US Dept of Education	Syracuse University	84.133	23850-02375-504	10,368
				<u>112,869</u>
US Dept of Education	Center For Civic Education	84.304	CC 10-11 5804 WV	2,966
US Dept of Education	University of California	84.928	92-WV01	47,658
	US Dept of Education Pass-Through Total			163,493
	US Dept of Education Total			163,493
National Science Foundation	Biological Sciences	47.RD		554,125
National Science Foundation	Computer and Information Science and Engineering	47.RD		740,038
National Science Foundation	Education and Human Resources	47.RD		283,807
National Science Foundation	Engineering Grants	47.RD		1,386,025
National Science Foundation	Geosciences	47.RD		216,212
National Science Foundation	International Science and Engineering	47.RD		563,582
National Science Foundation	Mathematical and Physical Sciences	47.RD		972,731
National Science Foundation	Social, Behavioral & Economic Sciences	47.RD		57,140
National Science Foundation	Computer and Information Science and Engineering	ARRA47.RD		74,415
National Science Foundation	Earth Science	ARRA47.RD		79,355
National Science Foundation	Engineering Grants	ARRA47.RD		191,635
National Science Foundation	Engineering	ARRA47.RD		762
National Science Foundation	Mathematical and Physical Sciences	ARRA47.RD		640,348
	National Science Foundation Direct Total			5,760,175
National Science Foundation	Georgia Institute of Technology	47.041	R7653G	19,251
National Science Foundation	Georgia Institute of Technology	47.041	R7653-G1	14,015
National Science Foundation	University of Texas at Austin	47.041	CMMI-0927315 Subaward YTA11-00	4,137
				<u>37,403</u>
National Science Foundation	Illinois Institute Technology	47.070	SA350-0308-4477	9,283
National Science Foundation	Northern Arizona University	47.074	BIO325L-03 Subaward	1,035
National Science Foundation	WV Higher Education Policy Commission	47.076	EPS-07-01	6,413
National Science Foundation	WV Higher Education Policy Commission	47.076	EPS-07-01	77,416
				<u>83,829</u>
National Science Foundation	WV Higher Education Policy Commission	47.081	HEPC.dsr.11.04	960,139
National Science Foundation	US Civilian Research and Development Foundation	47.unknown	KAB1-2937-KT-09	2,052
National Science Foundation	Natl Radio Astronomy Observatory	47.unknown	PO# 1002	2,907
National Science Foundation	Natl Radio Astronomy Observatory	47.unknown	PO# 1002	21,709
National Science Foundation	Natl Radio Astronomy Observatory	47.unknown	PO# 1009	17,258
National Science Foundation	Natl Radio Astronomy Observatory	47.unknown	PO# 329153	12,500
National Science Foundation	Natl Radio Astronomy Observatory	47.unknown	GSSP09-0008	1,408
National Science Foundation	University of Tennessee	47.unknown	OR1102-001.07	54,614
				<u>112,448</u>
National Science Foundation	WV Higher Education Policy Commission	ARRA47.082	HEPC.dsr.10.03	165,751
National Science Foundation	WV Higher Education Policy Commission	ARRA47.082	HEPC.dsr.11.09	558,578
				<u>724,329</u>
	National Science Foundation Pass-Through Total			1,928,466
	National Science Foundation Total			7,688,641
US Dept of Agriculture	Agricultural Research Service	10.RD		1,162,926
US Dept of Agriculture	Animal and Plant Health Inspection Service	10.RD		40,244
US Dept of Agriculture	Cooperative State Research, Ed, & Extension Service	10.RD		498,871
US Dept of Agriculture	Economic Research Service	10.RD		21,610
US Dept of Agriculture	Forest Service	10.RD		894,254
US Dept of Agriculture	National Institute of Agriculture	10.RD		128,505
US Dept of Agriculture	National Institute of Food and Agriculture	10.RD		1,460,904
US Dept of Agriculture	Natural Resources Conservation Service	10.RD		116,319
US Dept of Agriculture	Rural Business-Cooperative Service	10.RD		44,800
	US Dept of Agriculture Direct Total			4,368,433
US Dept of Agriculture	Mississippi State University	10.028	Sub No 080300-330319-11	5,085
US Dept of Agriculture	Mississippi State University	10.028	Sub No 080300-330319-15	8,976
US Dept of Agriculture	Mississippi State University	10.028	Subcontract No 080300-330439-0	9,678
				<u>23,739</u>

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Research and Development	Federal Division/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Agriculture	Cornell University	10.200	61002-9325	\$ 2,968
US Dept of Agriculture	University of Maryland	10.200	CA 10-06 07-5-238423734	5,080
US Dept of Agriculture	University of Vermont	10.200	LNE06-249	5,114
				<u>13,162</u>
US Dept of Agriculture	Virginia Poly Institute	10.206	CR 19146-428435	42,952
US Dept of Agriculture	University of Vermont	10.215	ONE09-105	2,032
US Dept of Agriculture	University of Arkansas	10.303	Sub No UA-AES 90950-019	2,401
US Dept of Agriculture	University of Maryland	10.303	Z524901	960
				<u>3,361</u>
US Dept of Agriculture	Cornell University	10.304	54039-8578	15,824
US Dept of Agriculture	University of Illinois	10.309	Subaward # 2010-03728-07	10,805
US Dept of Agriculture	Virginia Poly Institute	10.310	2011-68004-30079	6,446
US Dept of Agriculture	Cornell University	10.683	57351-9055	2,657
US Dept of Agriculture	National Fish And Wildlife Foundation	10.912	2008-0110-010	191,127
US Dept of Agriculture	Canaan Valley Institute	10.unknown	MA0008	2,413
US Dept of Agriculture	Cornell University	10.unknown	59257-9136	(459)
US Dept of Agriculture	New Mexico State University	10.unknown	2008-55215-18837	25,483
US Dept of Agriculture	Samuel Roberts Noble Foundation	10.unknown	2010-859-001 2010-65115-20384	17,741
				<u>45,178</u>
	US Dept of Agriculture Pass-Through Total			<u>357,283</u>
	US Dept of Agriculture Total			<u>4,725,716</u>
Environmental Protection Agency	Office of Water	66.RD		<u>57,918</u>
	Environmental Protection Agency Direct Total			<u>57,918</u>
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1223	62,431
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1253	5,494
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1253	16,761
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1253	109,674
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1253	171,570
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1253	2,522
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1253	5,592
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1253 Amendment No. 2	4,323
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1272	7,805
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1273	143,525
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.460	NPS 1296	2,451
				<u>532,148</u>
Environmental Protection Agency	Cornell University	66.509	58781-9470	7,531
Environmental Protection Agency	Friends of the Cheat	66.unknown	CK1009882	21,631
	Environmental Protection Agency Pass-Through Total			<u>561,310</u>
	Environmental Protection Agency Total			<u>619,228</u>
US Dept of Energy	Division of Coal Conversion & Utility	81.RD		642,811
US Dept of Energy	National Energy Technology Laboratory	81.RD		1,646,472
US Dept of Energy	Office of Energy Efficiency and Renewable Energy	81.RD		1,664,900
US Dept of Energy	Office of Science	81.RD		1,273,294
US Dept of Energy	National Energy Technology Laboratory	ARRA81.RD		4,310
US Dept of Energy	Office of Energy Efficiency and Renewable Energy	ARRA81.RD		328,249
	US Dept of Energy Direct Total			<u>5,560,036</u>
US Dept of Energy	Florida A&M University	81.049	Project No. 002460 Sub# C-2824	377,267
US Dept of Energy	Florida A&M University	81.049	Project No. 002460 Sub# C-2992	889
US Dept of Energy	University of Michigan	81.049	Subaward No. 3001346280	83,304
				<u>461,460</u>
US Dept of Energy	Allegheny Power Service Corp	81.087	PO# 4500305147	222,153
US Dept of Energy	Marshall Miller & Assoc., Inc	81.089	SSEB-SECARB2-998-T10-MMA-20	34,303
US Dept of Energy	Montana State University	81.089	G137-05-W0221 Mod 3	50,178
US Dept of Energy	Montana State University	81.089	G137-05-W0221 Mod 8	41,066
US Dept of Energy	Montana State University	81.089	G137-05-W0221 Mod 8	234,357
US Dept of Energy	Montana State University	81.089	G137-05-W0221 - Richard Bajura	77,847
US Dept of Energy	Penn State Univ	81.089	2695-WVU-DOE-1874	115
US Dept of Energy	Texas Tech University	81.089	21E055-01	5,956
US Dept of Energy	University of Kentucky	81.089	UKRF 4-69001-05-505	112,865
US Dept of Energy	Virginia Poly Institute	81.089	416387-19147	93,873
US Dept of Energy	Virginia Poly Institute	81.089	416387-19147A	104,619
US Dept of Energy	Virginia Poly Institute	81.089	416387-19147B	17,283
US Dept of Energy	Virginia Poly Institute	81.089	416387-19147C	25,244
US Dept of Energy	Virginia Poly Institute	81.089	416387-19147D	23,493
US Dept of Energy	Virginia Poly Institute	81.089	416387-19147E	20,174
US Dept of Energy	Virginia Poly Institute	81.089	416387-19147F	28,724

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Research and Development	Federal Division/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Energy	Virginia Poly Institute	81.089	CR-19147-429231	\$ 36,207
US Dept of Energy	Virginia Poly Institute	81.089	CR-19147-C-429231	4,844
US Dept of Energy	Virginia Poly Institute	81.089	CR-19147-D-429231	37,672
US Dept of Energy	Virginia Poly Institute	81.089	CR-19147-E-429231	31,226
US Dept of Energy	Virginia Poly Institute	81.089	CR-19147-F-429231	121,171
				<u>1,101,217</u>
US Dept of Energy	Battelle Memorial Institute	81.unknown	Contract 49640	1,243,998
US Dept of Energy	Booz-Allen & Hamilton, Inc	81.unknown	Prime DE-FE0004001	160,922
US Dept of Energy	Booz-Allen & Hamilton, Inc	81.unknown	Sub 97662XSB25 Task Order 2	9,870
US Dept of Energy	Booz-Allen & Hamilton, Inc	81.unknown	Sub 97662XSB25 Task Order 2	27,837
US Dept of Energy	Booz-Allen & Hamilton, Inc	81.unknown	Sub 97662XSB25 Task Order 3	72,671
US Dept of Energy	Booz-Allen & Hamilton, Inc	81.unknown	Sub 97662XSB25 Task Order 3	271,539
US Dept of Energy	Coordinating Research Council, Incorporated	81.unknown	CRC Contract # AVFL-16	75,546
US Dept of Energy	Jefferson Science Assoc. LLC	81.unknown	JSA-10-Q291933	8,280
US Dept of Energy	Oak Ridge Associated Universities	81.unknown	Anti-Obesity Potential of Omega-3	50
US Dept of Energy	Oak Ridge Associated Universities	81.unknown	High Temperature Micro Sensor	4,920
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2123/41817M2100	233
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2126/41817M2100	8,670
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2129/41817M2100	132
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2133/41817M2100	75
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2134/41817M2100 Admin	(4,397)
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2137/41817M2100	3,120
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2138/41817M2100 Admin	5,354
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2139/41817M2100 Admin	(4,861)
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2159/41817M2100	11,605
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2159/41817M2100	14,395
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2160/41817M2100	9,600
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2160/41817M2100	13,936
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2166/41817M2100	(52)
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2171/41817M2100	4,000
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2172/41817M2100	28,000
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2173/41817M2100	62
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2174/41817M2100	3,133
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2179/41817M2100	17,684
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2193/41817M2100	(181)
US Dept of Energy	Research And Development Solutions (RDS), LLC	81.unknown	41817M2194/41817M2100	1,606
US Dept of Energy	University of California	81.unknown	Subcontract No. 6927788	8,601
US Dept of Energy	University of Texas, Arlington	81.unknown	26-0301-0661	5,989
US Dept of Energy	URS Corporation	81.unknown	2010-SC-RES-30033-023	1,067,429
US Dept of Energy	URS Corporation	81.unknown	2010-SC-RES-30033-023	2,473,968
US Dept of Energy	URS Corporation	81.unknown	Master Sub RES1000023	552,937
US Dept of Energy	URS Corporation	81.unknown	Master Sub RES1000023	615,527
US Dept of Energy	UT-Battelle, LLC	81.unknown	4000059216	11,171
US Dept of Energy	UT-Battelle, LLC	81.unknown	4000066071	17,742
US Dept of Energy	UT-Battelle, LLC	81.unknown	4000089562	194,985
				<u>6,936,096</u>
US Dept of Energy	American Electric Power Company	ARRA81.087	PSA 328342x215	9,600
US Dept of Energy	Gas Technology Institute	ARRA81.087	Sub S00000109	27,835
US Dept of Energy	Gas Technology Institute	ARRA81.087	Sub S00000109	28,978
				<u>66,413</u>
US Dept of Energy	Faraday Technology Inc	ARRA81.089	NA	13,940
US Dept of Energy	Keylogic Systems	ARRA81.unknown	6000-020 Task 4003.300.07.00	185,992
US Dept of Energy	Keylogic Systems	ARRA81.unknown	Sub K6000-020	45,209
US Dept of Energy	URS Corporation	ARRA81.unknown	Master Sub RES1000023	3,429
US Dept of Energy	URS Corporation	ARRA81.unknown	Master Sub RES1000023	3,547
US Dept of Energy	URS Corporation	ARRA81.unknown	Master Sub RES1000023	5,557
US Dept of Energy	URS Corporation	ARRA81.unknown	Master Sub RES1000023	53,609
				<u>297,343</u>
	US Dept of Energy Pass-Through Total			<u>9,098,622</u>
	US Dept of Energy Total			<u>14,658,658</u>
US Dept of Interior	Bureau of Land Management	15.RD		345
US Dept of Interior	Fish and Wildlife Service	15.RD		31,292
US Dept of Interior	Geological Survey	15.RD		488,328
US Dept of Interior	National Park Service	15.RD		3,539
US Dept of Interior	Office of Surface Mining Reclamation & Enforcement	15.RD		10,095
	US Dept of Interior Direct Total			<u>533,599</u>
US Dept of Interior	Americaview, Inc.	15.808	AV08-WV01	35,056
US Dept of Interior	University of Maryland	15.unknown	CA 10-29	47,210
	US Dept of Interior Pass-Through Total			<u>82,266</u>
	US Dept of Interior Total			<u>615,865</u>

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Research and Development	Federal Division/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Transportation	Federal Aviation Administration	20.RD		\$ 40,424
US Dept of Transportation	Federal Railroad Administration	20.RD		196,384
US Dept of Transportation	Federal Transit Administration	20.RD		981,190
	US Dept of Transportation Direct Total			1,217,998
US Dept of Transportation	WV Dept of Highways	20.200	Research Project # 221-C	28,023
US Dept of Transportation	WV Dept of Highways	20.200	Research Project # 256	16,158
US Dept of Transportation	WV Dept of Highways	20.200	Research Project # 263	24,511
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 241	72,565
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 244	69,892
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 245	121,922
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 248	27,764
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 251-B	25,271
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 252-B	41,769
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 253-B	28,888
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 254B	31,519
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 257	36,133
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 261	1,502
US Dept of Transportation	WV Dept of Highways	20.200	Research Project 276	32,573
				558,490
US Dept of Transportation	WV Dept of Highways	20.205	WVDOH RP 247	11,822
US Dept of Transportation	WV Dept of Highways	20.205	WVDOH RP#122	101,459
				113,281
US Dept of Transportation	Long Beach Public Trans Co	20.unknown	Agreement 09-018 No. L39507	16,124
US Dept of Transportation	Marshall University Research Corporation	20.unknown	Grant# 210233 PO# RC-P1100415	59,675
US Dept of Transportation	Natl Academy of Sciences	20.unknown	SHRP C-21(D)	10,609
US Dept of Transportation	Penn State Univ	20.unknown	3601-WVU-COP-0401 WO #14	(37)
US Dept of Transportation	Penn State Univ	20.unknown	3526-WVU-USDOT-0003	65,022
US Dept of Transportation	University of Oklahoma	20.unknown	Subaward 2006-50	30,897
US Dept of Transportation	WV Department of Transportation	20.unknown	PO RMA11019	53,965
US Dept of Transportation	WV Department of Transportation	20.unknown	Research Project 268	64,306
US Dept of Transportation	WV Dept of Highways	20.unknown	Research Project 209	108,467
US Dept of Transportation	WV Dept of Highways	20.unknown	Research Project 228	21,697
US Dept of Transportation	WV Dept of Highways	20.unknown	Research Project 240	196,478
US Dept of Transportation	WV Dept of Highways	20.unknown	Research Project RP 215	9,741
US Dept of Transportation	WV Dept of Highways	20.unknown	State Project X142-H-38.99-05	335,278
US Dept of Transportation	WV Dept of Highways	20.unknown	State Project X142-H-38.99-05	29,921
				1,002,143
	US Dept of Transportation Pass-Through Total			1,673,914
	US Dept of Transportation Total			2,891,912
US Dept of Defense	Advanced Research Projects Agency	12.RD		158,517
US Dept of Defense	Department of the Air Force, Material Command	12.RD		364,281
US Dept of Defense	Department of the Army, Office of Res & Dev	12.RD		1,052,936
US Dept of Defense	Department of the Army, Office of the Chief of Engineers	12.RD		145,912
US Dept of Defense	Department of the Navy	12.RD		265,471
US Dept of Defense	Office of Naval Research	12.RD		70,658
US Dept of Defense	US Army Material Command	12.RD		1,050,664
US Dept of Defense	US Army Medical Command	12.RD		169,029
	US Dept of Defense Direct Total			3,277,468
US Dept of Defense	Advanced Technology Institute	12.300	2010-304	1,045,179
US Dept of Defense	Augustasystems Inc.	12.300	ASI-NAVAIR-SYSOP-WVU-2008A	126,455
US Dept of Defense	Augustasystems Inc.	12.300	ASI-NAVAIR-SYSOP-WVU-2008B	55,476
US Dept of Defense	University of Arkansas	12.300	SA1002031	41,444
				1,268,554
US Dept of Defense	The Curators Univ of Missouri	12.431	W911NF-07-2-0062	2,147
US Dept of Defense	Advanced Technology Institute	12.unknown	2010-304	24,012
US Dept of Defense	Advanced Technology Institute	12.unknown	2010-304 ATI Agreement 2	103,348
US Dept of Defense	Advanced Technology Institute	12.unknown	W9113M-09-C-0158	98,726
US Dept of Defense	Augustasystems Inc.	12.unknown	ASI-NAVAIR-SYSOP-WVU-2008C	49,929
US Dept of Defense	Carnegie Mellon University	12.unknown	1130110-243898	180,461
US Dept of Defense	Grammatech, Inc	12.unknown	Agreement No: S10-01	67,999
US Dept of Defense	Iron Bay Model Company	12.unknown	Compression Ignition by Air Injection Engine	68,678
US Dept of Defense	Physical Sciences Inc.	12.unknown	Agreement No. SC 52006-1708	61,171
US Dept of Defense	Rensselaer Polytechnic Ins	12.unknown	RPI Fund No. A12173	49,960
US Dept of Defense	University of Kentucky	12.unknown	UKRF 3048103876-08-162	260,365
				964,649
	US Dept of Defense Pass-Through Total			2,235,350
	US Dept of Defense Total			5,512,818

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011**

Research and Development	Federal Division/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Justice	Bureau of Justice Assistance	16.RD		\$ 726,986
US Dept of Justice	Federal Bureau of Investigation	16.RD		1,828,577
US Dept of Justice	National Institute of Justice	16.RD		2,279,312
US Dept of Justice	Office of Community Oriented Policing Services	16.RD		14,725
	US Dept of Justice Direct Total			4,849,600
US Dept of Justice	Waynesburg College	16.unknown	Digital Forensics Course Dev	46,307
	US Dept of Justice Pass-Through Total			46,307
	US Dept of Justice Total			4,895,907
US Department of Labor	Office of Disability Employment Policy	17.RD		3,001,779
	US Department of Labor Direct Total			3,001,779
	US Department of Labor Total			3,001,779
NASA	NASA	43.RD		3,787,409
	NASA Direct Total			3,787,409
NASA	Smithsonian Astrophysical Obsr	43.unknown	GO0-11065X	24,832
NASA	Smithsonian Astrophysical Obsr	43.unknown	GO0-11092X	18,298
NASA	Smithsonian Astrophysical Obsr	43.unknown	GO1-12059X	1,294
NASA	Smithsonian Astrophysical Obsr	43.unknown	GO1-12060X	12,884
NASA	Smithsonian Astrophysical Obsr	43.unknown	GO1-12078A	147
NASA	Smithsonian Astrophysical Obsr	43.unknown	GO9-0083A	7,674
NASA	Southwest Research Institute	43.unknown	Mod # 10 Sub 799104L	38,974
NASA	Southwest Research Institute	43.unknown	Sub 799104L	29,949
NASA	Stephen F Austin State Univ	43.unknown	S09112-02	10,828
NASA	University of Wisconsin-Madison	43.unknown	083K650	38,135
NASA	University of Wisconsin-Madison	43.unknown	NNX0AO15G SubAward #179K060	9,427
				192,442
	NASA Pass-Through Total			192,442
	NASA Total			3,979,851
Appalachian Regional Commission	Appalachian Regional Development	23.RD		154,934
	Appalachian Regional Commission Direct Total			154,934
Appalachian Regional Commission	Downstream Strategies	23.unknown	ARC Forests Assets	25,178
Appalachian Regional Commission	Marshall University Research Corporation	23.unknown	PO# RC-P1100890	18,069
				43,247
	Appalachian Regional Commission Pass-Through Total			43,247
	Appalachian Regional Commission Total			198,181
US Dept of Commerce	National Institute of Standards and Technology	11.RD		68,308
US Dept of Commerce	National Oceanic and Atmospheric Admin	11.RD		1,062,731
	US Dept of Commerce Direct Total			1,131,039
US Dept of Commerce	Clarkson University	11.609	PO# CLKSN-70649	22,627
	US Dept of Commerce Pass-Through Total			22,627
	US Dept of Commerce Total			1,153,666
US Department of Homeland Security	Federal Emergency Management Agency	97.RD		25,200
	US Department of Homeland Security Direct Total			25,200
US Department of Homeland Security	University of Arizona	97.064	Purchase Order No. Y503226	30,702
US Department of Homeland Security	University of Arizona	97.064	Purchase Order No. Y503226	135,501
				166,203
	US Department of Homeland Security Pass-Through Total			166,203
	US Department of Homeland Security Total			191,403
US Dept of Veteran Affairs	Veterans Benefits Administration	64.RD		58,346
	US Dept of Veteran Affairs Direct Total			58,346
	US Dept of Veteran Affairs Total			58,346
National Endowment for the Humanities	Humanities Foundation of WV	45.129	Grant # 11,098	1,773
National Endowment for the Humanities	Humanities Foundation of WV	45.129	Grant # 11,123	7,712
				9,485
	National Endowment for the Humanities Pass-Through Total			9,485
	National Endowment for the Humanities Total			9,485
	TOTAL RESEARCH AND DEVELOPMENT			81,973,683

(Continued)

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Health & Human Services	Model State-Supported Area Health Education Centers	93.107	U77 HP16458	\$ 411,452
US Dept of Health & Human Services	Maternal & Child Health Federal Consolidated Programs	93.110	T73 MC 00043	(6,870)
US Dept of Health & Human Services	Maternal & Child Health Federal Consolidated Programs	93.110	D70MC09836	285,757
US Dept of Health & Human Services	Maternal & Child Health Federal Consolidated Programs	93.110	R40MC20444	64,360
US Dept of Health & Human Services	Maternal & Child Health Federal Consolidated Programs	93.110	T73 MC 00043	634,363
				<u>977,610</u>
US Dept of Health & Human Services	Centers for Res & Demonstr for Health Promo & Disease Prev	93.135	U48 DP001921	199,652
US Dept of Health & Human Services	Research on Healthcare Costs, Quality & Outcomes	93.226	P20 HS015930	2,621
US Dept of Health & Human Services	Research on Healthcare Costs, Quality & Outcomes	93.226	R24 HS018622	129,529
				<u>132,150</u>
US Dept of Health & Human Services	Advanced Education Nursing Grant Programs	93.247	D09HP09085	250,654
US Dept of Health & Human Services	Poison Control Stabilization and Enhancement	93.253	H4BHS15504	221,051
US Dept of Health & Human Services	Occupational Safety & Health Program	93.262	212-2009-M-30140	(20,658)
US Dept of Health & Human Services	Occupational Safety & Health Program	93.262	OH008431	(1,522)
US Dept of Health & Human Services	Occupational Safety & Health Program	93.262	212-2009-M-31886	38,246
US Dept of Health & Human Services	Occupational Safety & Health Program	93.262	OH008431	347,266
US Dept of Health & Human Services	Occupational Safety & Health Program	93.262	212-2009-M-30140	71,010
				<u>434,342</u>
US Dept of Health & Human Services	Nurse Education, Practice and Retention Grants	93.359	D11 HP09553	165,579
US Dept of Health & Human Services	Affordable Care Act (ACA)	93.513	T57HP20589	110,000
US Dept of Health & Human Services	Grants for Residency Training in Prim. Care Med. & Dentistry	93.884	D58HP15645	175,778
US Dept of Health & Human Services	Grants for Residency Training in Prim. Care Med. & Dentistry	93.884	D56HP05229	218,393
				<u>394,171</u>
US Dept of Health & Human Services	Health Care and Other Facilities	93.887	C76 HF10649	219,436
US Dept of Health & Human Services	Health Care and Other Facilities	93.887	C76HF06184	347,219
US Dept of Health & Human Services	Health Care and Other Facilities	93.887	C76HF16464	1,340,762
US Dept of Health & Human Services	Health Care and Other Facilities	93.887	C76 HF10647	2,121,598
US Dept of Health & Human Services	Health Care and Other Facilities	93.887	2 C76HF10647-02	1,404,149
				<u>5,433,164</u>
US Dept of Health & Human Services	Grants to Provide Outpatient Early Intervention Services	93.918	H76 HA 01719	371,795
US Dept of Health & Human Services	Public Health Traineeships	93.964	A 03 HP 15136	1,650
US Dept of Health & Human Services	Geriatric Education Centers	93.969	D31 HP 08832	130,902
US Dept of Health & Human Services	Geriatric Education Centers	93.969	1 UB4HP19050-01-00	334,711
				<u>465,613</u>
US Dept of Health & Human Services	ARRA - National Health Service Corps Loan Repayment	ARRA93.401	HSH250200900055CREQHRS19518	60,640
US Dept of Health & Human Services	Public Health Traineeship Program	ARRA93.405	A0AHP16419	4,267
US Dept of Health & Human Services	Equipment to Enhance Training for Health Professionals	ARRA93.411	D76HP20894	130,100
US Dept of Health & Human Services	Equipment to Enhance Training for Health Professionals	ARRA93.411	D76HP20956	242,785
				<u>372,885</u>
	US Dept of Health & Human Services Direct Total			<u>10,006,675</u>
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.070	G110468	36,507
US Dept of Health & Human Services	Childrens Hospital Philadelphia	93.110	CHOP 330180-01-13	8,355
US Dept of Health & Human Services	Childrens Hospital Philadelphia	93.110	SUB 950768RSUB Site 13	13,894
				<u>22,249</u>
US Dept of Health & Human Services	WV Division of Rehab Services	93.128	PO# DRS110262	75,621
US Dept of Health & Human Services	University of Pittsburgh	93.145	0002332 Sub Project 116052-4	3,012
US Dept of Health & Human Services	University of Pittsburgh	93.145	Subaward # 9006600	1,361
US Dept of Health & Human Services	University of Pittsburgh	93.145	Subaward # 0019469	284,085
				<u>288,458</u>
US Dept of Health & Human Services	WV Division of Rehab Services	93.235	N/A	13,773
US Dept of Health & Human Services	WV DHHS, Health & Human Srv	93.243	G110074	100,957

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Health & Human Services	University of North Carolina At Chapel Hill	93.249	PO# W001823	\$ 1,834
US Dept of Health & Human Services	Association of American Medical Colleges	93.283	U36/CCU319276	9,844
US Dept of Health & Human Services	Childrens Hospital Philadelphia	93.283	Subaward 950973RSUB Site 13	11,957
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.283	G100439	20,760
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.283	G100421	1,146
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.283	G110252	77,224
US Dept of Health & Human Services	WV DHHS, Preventive Med Serv	93.283	G100342	6,175
US Dept of Health & Human Services	WV DHHS, Preventive Med Serv	93.283	G060426	(773)
US Dept of Health & Human Services	WV DHHS, Preventive Med Serv	93.283	G110456	434,500
				<u>560,833</u>
US Dept of Health & Human Services	WV DHHS, Bureau For Children And Families	93.558	G100313	4,557
US Dept of Health & Human Services	WV DHHS, Bureau For Children And Families	93.558	G100229	47,400
US Dept of Health & Human Services	WV DHHS, Bureau For Children And Families	93.558	G110218	624,813
US Dept of Health & Human Services	WV DHHS, Bureau For Children And Families	93.558	G110133	781,742
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.558	G100234	20,463
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.558	G110132	754,079
				<u>2,233,054</u>
US Dept of Health & Human Services	Rural Community Assistance Program, Inc	93.570	N/A	1,550
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.658	G100235	83,345
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.658	BCF10001	162,437
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.658	G110134	454,939
				<u>700,721</u>
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.674	G100233	12,414
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.674	G110118	369,330
				<u>381,744</u>
US Dept of Health & Human Services	WV Division of Rehab Services	93.779	NA	61,546
US Dept of Health & Human Services	WV Division of Rehab Services	93.779	N/A	471,160
US Dept of Health & Human Services	WV Division of Rehab Services	93.779	N/A	226,746
				<u>759,452</u>
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.889	G100566	39,023
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.889	G110600	42,600
				<u>81,623</u>
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.940	G090720	1,425
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.940	G100694	13,470
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.940	G100695	91,611
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.940	G110648	12,603
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.940	G110876	96,305
				<u>215,414</u>
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.945	G100416	(1,892)
US Dept of Health & Human Services	WV DHHR	93.959	G101009	13,208
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.988	N/A	79,857
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.988	G110948	21,840
				<u>101,697</u>
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.994	G100383	56,970
US Dept of Health & Human Services	WV DHHS, Health & Human Services	93.994	G110387	429,068
				<u>486,038</u>
US Dept of Health & Human Services	Human Resource Development Foundation, Inc.	93.unknown	Youth Trans. Demo Services/HRDF, Inc.	32,085
US Dept of Health & Human Services	Molina Medicaid Solutions	93.unknown	PO# 56; Amendment No. 5	74,990
US Dept of Health & Human Services	National Collegiate Assoc	93.unknown	NCAA Div I Women's Basketball Program	51,000
US Dept of Health & Human Services	Rural Community Assistance Program, Inc	93.unknown	Community Services Block Grant RCDAP	38,970
US Dept of Health & Human Services	Unisys Corporation	93.unknown	341916	292,813
US Dept of Health & Human Services	Wheeling Jesuit University	93.unknown	0000007132	70,376
US Dept of Health & Human Services	WV DHHS, Bureau of Public Hlth	93.unknown	G110282	149,186
US Dept of Health & Human Services	WV Division of Rehab Services	93.unknown	WV Work Incentive Planning & Assistance	236,189
				<u>945,609</u>

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Health & Human Services	WV DHHS, Bureau For Children And Families	93.575	G100500	\$ 7,587
US Dept of Health & Human Services	WV DHHS, Bureau For Children And Families	93.575	G110558	5,850
				<u>13,437</u>
US Dept of Health & Human Services	WV DHHS, Bureau For Children And Families	ARRA93.713	G100972	<u>461,484</u>
	CCDF Cluster			<u>474,921</u>
US Dept of Health & Human Services Pass-Through Total				<u>7,493,371</u>
US Dept of Health & Human Services Total				<u>17,500,046</u>
US National Institute of Health	Research Related to Deafness and Communication Disorders	93.173	F32 DC010546	56,555
US National Institute of Health	National Center for Research Resources	93.389	R25 RR023274	16,348
US National Institute of Health	National Center for Research Resources	93.389	R25 RR023274	239,732
US National Institute of Health	National Center for Research Resources	93.389	R25 RR023274	<u>25,524</u>
				<u>281,604</u>
US National Institute of Health	Trans-NIH Recovery Act Research Support	ARRA93.701	R25 RR023274	115,759
US National Institute of Health	National Center for Research Resources	ARRA93.702	C06 RR030016	774,819
US National Institute of Health Direct Total				<u>1,228,737</u>
US National Institute of Health	University of Minnesota	93.393	1 R01CA141531-01 /N000715602	128,751
US National Institute of Health	University of Kentucky	93.399	3048105691-09-402	(414)
US National Institute of Health	University of Colorado	93.866	FY10.001.106 Project # 2574327	26,483
US National Institute of Health	University of Puerto Rico Medical Sciences Campus	93.unknown	UPR-MSC Grant#SH-16596-07-60-F	349
US National Institute of Health Pass-Through Total				<u>155,169</u>
US National Institute of Health Total				<u>1,383,906</u>
US Dept of Education	TRIO - Student Support Services	84.042	P042A050513	27,355
US Dept of Education	TRIO - Student Support Services	84.042	P042A050513	86,103
US Dept of Education	TRIO - Student Support Services	84.042	P042A100382	<u>220,453</u>
				<u>333,911</u>
US Dept of Education	TRIO Upward Bound	84.047	P047A070304	16,560
US Dept of Education	TRIO Upward Bound	84.047	P047A070304	<u>225,560</u>
				<u>242,120</u>
TRIO Cluster Total				<u>576,031</u>
US Dept of Education	Fund for the Improvement of Postsecondary Education	84.116	P116J090040	58,561
US Dept of Education	Fund for the Improvement of Postsecondary Education	84.116	P116M060011	51,871
US Dept of Education	Fund for the Improvement of Postsecondary Education	84.116	P116M060011	(5,338)
US Dept of Education	Fund for the Improvement of Postsecondary Education	84.116	P116N070005	<u>19,722</u>
				<u>124,816</u>
US Dept of Education	Rehabilitation Services Service Projects	84.128	H128J100017A	62,995
US Dept of Education	Rehabilitation Long-Term Training	84.129	H129B100028	85,173
US Dept of Education	Rehabilitation Long-Term Training	84.129	H129W090003	<u>169,971</u>
				<u>255,144</u>
US Dept of Education	Assistive Technology	84.224	H224A100047	304,685
US Dept of Education	Spec Ed Prep to Improve Svcs & Results for Children w/ Dis.	84.325	H325A040051	133,731
US Dept of Education	Spec Ed Prep to Improve Svcs & Results for Children w/ Dis.	84.325	H325D070074	191,489
US Dept of Education	Spec Ed Prep to Improve Svcs & Results for Children w/ Dis.	84.325	H325K051192	25,908
US Dept of Education	Spec Ed Prep to Improve Svcs & Results for Children w/ Dis.	84.325	H325K080222	142,233
US Dept of Education	Spec Ed Prep to Improve Svcs & Results for Children w/ Dis.	84.325	H325K070208	<u>127,019</u>
				<u>620,380</u>

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Education	Demo Proj to Ensure Disabled Students Receive Higher Ed	84.333	P333A080020	\$ 277,099
US Dept of Education	Child Care Access Means Parents in School	84.335	P335A060411	39,767
	US Dept of Education Direct Total			<u>2,260,917</u>
US Dept of Education	WV Department of Education	84.024	C344105 Project Code 43-1-3X	22,961
US Dept of Education	WV Department of Education	84.024	C344104 Project Code 43-1-3X	31,014
				<u>53,975</u>
US Dept of Education	WV Department of Education	84.027	C344103 Project Code 43-1-3X	5,579
US Dept of Education	WV Department of Education	84.173	C323895 Project Code 43-0-3X	1,378
US Dept of Education	WV Department of Education	84.173	C334844 Project Code 43-0-5	8,848
US Dept of Education	WV Department of Education	84.173	C301218 Project Code 43-9-3X	(12)
				<u>10,214</u>
	Special Education Cluster			<u>15,793</u>
US Dept of Education	WV Division of Rehab Services	84.224	WVATS	17,239
US Dept of Education	WV Higher Education Policy Commission	84.unknown	Grant # 2010-WVH1N1-16	5,480
US Dept of Education	WV Department of Education	84.unknown	Grant No. 61768	(14)
US Dept of Education	WV Department of Education	84.unknown	Gratn No 61768	1,282
US Dept of Education	WV Department of Education	84.unknown	C343504 Project Code 49-0-XX	7,699
				<u>14,447</u>
	US Dept of Education Pass-Through Total			<u>101,454</u>
	US Dept of Education Total			<u>2,362,371</u>
National Science Foundation	Engineering Grants	47.041	EEC 0741399	14,145
National Science Foundation	Engineering Grants	47.041	CMMI-1049150	30,000
				<u>44,145</u>
National Science Foundation	Mathematical and Physical Sciences	47.049	DMS-1107583	2,731
National Science Foundation	Mathematical and Physical Sciences	47.049	AST-1114830	28,204
				<u>30,935</u>
National Science Foundation	Education and Human Resources	47.076	DGE-1102689	264,346
National Science Foundation	Education and Human Resources	47.076	IIP-1064307	199,139
National Science Foundation	Education and Human Resources	47.076	DUE-0919800	8,845
National Science Foundation	Education and Human Resources	47.076	DUE-0525484	47,566
National Science Foundation	Education and Human Resources	47.076	DUE-0919800	77,433
National Science Foundation	Education and Human Resources	47.076	DUE-0833111	148,852
National Science Foundation	Education and Human Resources	47.076	DUE-0525484	166,614
				<u>912,795</u>
National Science Foundation	International Science and Engineering (OISE)	47.079	OISE-0936670	489
	National Science Foundation Direct Total			<u>988,364</u>
National Science Foundation	University of Kentucky	47.076	Sub - UKRF 3048032200-07-249	32,162
National Science Foundation	University of Kentucky	47.076	Sub - UKRF 3048032200-07-249	34,150
				<u>66,312</u>
National Science Foundation	American Physical Society	47.unknown	Check No. 149827	1,977
National Science Foundation	Natl Radio Astronomy Observatory	47.unknown	PO 317241 Task Order 01	11,464
National Science Foundation	Natl Radio Astronomy Observatory	47.unknown	PO 317241 Task Order 01	46,104
				<u>59,545</u>
	National Science Foundation Pass-Through Total			<u>125,857</u>
	National Science Foundation Total			<u>1,114,221</u>
US Dept of Agriculture	International Science and Education Grants	10.305	2006-51160-03393	268
US Dept of Agriculture	Cooperative Extension Service	10.500	2009-41520-05419	120,315
US Dept of Agriculture	Cooperative Extension Service	10.500	2010-41534-21623	12,737
US Dept of Agriculture	Cooperative Extension Service	10.500	2010-45043-20896	53,337
				<u>186,389</u>

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011**

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Agriculture	Forest Stewardship Program	10.678	06-DG-11244225-265	\$ 1,445
US Dept of Agriculture	Technical Assistance and Training Grants	10.761	Grant 20	(659)
US Dept of Agriculture	Technical Assistance and Training Grants	10.761	N/A	8,475
US Dept of Agriculture	Technical Assistance and Training Grants	10.761	Case No 57-030/Loan 24	405,132
				<u>412,948</u>
US Dept of Agriculture	Environmental Quality Incentive Program	10.912	68-3A75-6-145	14,617
US Dept of Agriculture	Environmental Quality Incentive Program	10.912	NRCS 69-3A75-9-144	66,295
				<u>80,912</u>
	US Dept of Agriculture Direct Total			<u>681,962</u>
US Dept of Agriculture	University of Vermont	10.215	ONE09-111	310
US Dept of Agriculture	University of Vermont	10.215	Sub# SNE08-30	2,188
				<u>2,498</u>
US Dept of Agriculture	University of Maryland	10.303	Z531001	2,431
US Dept of Agriculture	University of Minnesota	10.309	H001545607	1,255
US Dept of Agriculture	WV Agric, Rural Resources Div	10.458	09-IE-0833-0126	94,072
US Dept of Agriculture	WV Agric, Rural Resources Div	10.458	10-IE-53300-009	98,089
				<u>192,161</u>
US Dept of Agriculture	Kansas State University	10.500	S08144 2007-48661-03868	39,569
US Dept of Agriculture	Kansas State University	10.500	S08144.03	38,804
US Dept of Agriculture	University of Vermont	10.500	ENE08-109	12,921
US Dept of Agriculture	University of Vermont	10.500	SUB# SNE10-14	13,528
				<u>104,822</u>
US Dept of Agriculture	WV Department of Education	10.559	Grant No 50738	6,234
US Dept of Agriculture	WV Department of Education	10.559	Grant 51251 FY2010	10,384
US Dept of Agriculture	WV Department of Education	10.559	Grant ID # 52311	10,963
US Dept of Agriculture	WV Department of Education	10.559	Grant 61775 FY2010	12,392
US Dept of Agriculture	WV Department of Education	10.559	Grant ID # 50738	128,451
				<u>168,424</u>
US Dept of Agriculture	WV DHHS, Health & Human Srv	10.561	G100506	902,214
US Dept of Agriculture	WV DHHS, Health & Human Srv	10.561	G110564	1,369,914
				<u>2,272,128</u>
US Dept of Agriculture	National Fish And Wildlife Foundation	10.912	2008-0116-043	12,750
US Dept of Agriculture	National Fish And Wildlife Foundation	10.912	2008-0116-042	22,426
				<u>35,176</u>
US Dept of Agriculture	University of Idaho	10.unknown	BJK409-SB-001 PO# P0026287	5,731
US Dept of Agriculture	Rural Community Assistance Program, Inc	ARRA10.unknown	Guides for Water & Wastewater Sys.	79,983
	US Dept of Agriculture Pass-Through Total			<u>2,864,609</u>
	US Dept of Agriculture Total			<u>3,546,571</u>
Environmental Protection Agency	Surveys, Studies, Invest., Demos, Train. Grnts & Coop Agrmn	66.436	X7-83410001	133,645
Environmental Protection Agency	Training & Fellowships for the EPA	66.607	X-83176801	32
	Environmental Protection Agency Direct Total			<u>133,677</u>
Environmental Protection Agency	WV Forst, Comrc,Labr,Envn Prot	66.419	Grant Number 17845	2,500
Environmental Protection Agency	WV DHHS, Environment Hlth Serv	66.468	G090517	41,610
Environmental Protection Agency	WV DHHS, Environment Hlth Serv	66.468	G110473	20,481
				<u>62,091</u>
	Environmental Protection Agency Pass-Through Total			<u>64,591</u>
	Environmental Protection Agency Total			<u>198,268</u>
US Dept of Energy	Conservation Research and Development	81.086	DE-FE0011463	23,761
US Dept of Energy	Conservation Research and Development	81.086	DE-EE0001696	855,234
				<u>878,995</u>

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WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011**

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Energy	Fossil Energy Research and Development	81.089	DE-FE0001248	\$ 430,958
US Dept of Energy	Fossil Energy Research and Development	81.089	DE-FE0002994	69,875
				<u>500,833</u>
US Dept of Energy	NETL HSON	81.unknown	DE-FE0001835	107,562
US Dept of Energy	Conservation Research and Development	ARRA81.086	DE-EE0002108	1,334,988
	US Dept of Energy Direct Total			<u>2,822,378</u>
US Dept of Energy	University of Nevada, Reno	81.087	PO 11BP177158A/132011416AL	21,654
US Dept of Energy	Duke University	81.unknown	U60-OH009762	357
US Dept of Energy	Houston Advanced Research Center	81.unknown	08122-35 R10	18,714
US Dept of Energy	Petroleum Tech Transfer Council	81.unknown	PTTC SUB 09-001	(285)
US Dept of Energy	URS Corporation	81.unknown	Master Sub RES1000023	23,321
US Dept of Energy	UT-Battelle, LLC	81.unknown	4000095598	23,994
				<u>66,101</u>
US Dept of Energy	University of Minnesota	ARRA81.122	Subaward No. A000211569	3,477
	US Dept of Energy Pass-Through Total			<u>91,232</u>
	US Dept of Energy Total			<u>2,913,610</u>
US Dept of Labor	Occup Safety & Health - Susan Harwood Training Grant	17.502	SH-16607-07-06-F-54	(14)
US Dept of Labor	Occup Safety & Health - Susan Harwood Training Grant	17.502	SH-17790-08-60-F-54	27,101
US Dept of Labor	Occup Safety & Health - Susan Harwood Training Grant	17.502	SH-19490-09-60-F-54	128,488
US Dept of Labor	Occup Safety & Health - Susan Harwood Training Grant	17.502	SH20868SH0	131,771
				<u>287,346</u>
US Dept of Labor	Campaign for Disability Employment	17.unknown	DOLJ079426341 REQ 473-1094-713	216,982
US Dept of Labor	Task Order to Upgrade the Campaign for Disability Employment Website	17.unknown	DOLJ079426341 REQ 473-1094-790	45,207
				<u>262,189</u>
	US Dept of Labor Direct Total			<u>549,535</u>
US Dept of Labor	Concepts Incorporated	17.unknown	Concepts Task Order	6,301
US Dept of Labor	Workforce West Virginia	17.unknown	Grant # PY09-NAV-01	7,631
				<u>13,932</u>
US Dept of Labor	WV Council of Community and Technical College	ARRA17.275	GREENUP-09	44,824
	US Dept of Labor Pass-Through Total			<u>58,756</u>
	US Dept of Labor Total			<u>608,291</u>
US Dept of Interior	Office of Surface Mining Reclamation and Enforcement	15.250	Coop Agr # S09AC16053	159,775
US Dept of Interior	Rivers, Trails and Conservation Assistance	15.921	H4507-07-0514	42
	US Dept of Interior Direct Total			<u>159,817</u>
US Dept of Interior	West Penn Hospital Foundation	15.unknown	AV08-WV04	47,970
	US Dept of Interior Pass-Through Total			<u>47,970</u>
	US Dept of Interior Total			<u>207,787</u>
US Dept of Justice	National Institute of Justice Research, Eval & Development	16.560	2009-DI-BX-K012	148,640
US Dept of Justice	National Institute of Justice Research, Eval & Development	16.560	2009-DI-BX-K012	593,713
				<u>742,353</u>
US Dept of Justice	Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2008-DN-BX-K223	2,252
US Dept of Justice	Bureau of Prisons	16.unknown	DJB11301036	14,935
	US Dept of Justice Direct Total			<u>759,540</u>

(Continued)

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
US Dept of Justice	WV Department of Military Affairs and Public	16.unknown	8RCPG611-01	\$ 115,118
US Dept of Justice	Waynesburg College	16.unknown	Teaching with Primary Sources model	7,150
				<u>122,268</u>
	US Dept of Justice Pass-Through Total			<u>122,268</u>
	US Dept of Justice Total			<u>881,808</u>
US Dept of Homeland Security	State and Local Homeland Security Training Program	97.005	2009-DM-T9-K009	272,704
US Dept of Homeland Security	State and Local Homeland Security Training Program	97.005	2010-DM-TO-K011	383,083
				<u>655,787</u>
US Dept of Homeland Security	State Fire Training Systems Grants	97.043	2009-RB-63-0090	1,584
US Dept of Homeland Security	State Fire Training Systems Grants	97.043	2010-RB-63-0020	3,785
				<u>5,369</u>
	US Dept of Homeland Security Direct Total			<u>661,156</u>
	US Dept of Homeland Security Total			<u>661,156</u>
Corp Natl/Community Service	WV Comm for Natl/Community Service	94.006	09ACHWV0010002	101,561
Corp Natl/Community Service	WV Comm for Natl/Community Service	94.006	06ACHWV001004	1,023,037
				<u>1,124,598</u>
Corp Natl/Community Service	WV Comm for Natl/Community Service	ARRA94.006	09RFHWV001-01	8,946
	Corp Natl/Community Service Pass-Through Total			<u>1,133,544</u>
	Corp Natl/Community Service Total			<u>1,133,544</u>
National Endowment for the Humanities	Humanities Foundation of WV	45.129	Grant # 10122	5,796
National Endowment for the Humanities	Humanities Foundation of WV	45.129	Grant # 10,141	10,793
National Endowment for the Humanities	Humanities Foundation of WV	45.129	Grant # 11,506	608
National Endowment for the Humanities	Humanities Foundation of WV	45.129	Grant # 11,116	4,200
				<u>21,397</u>
	National Endowment for the Humanities Pass-Through Total			<u>21,397</u>
	National Endowment for the Humanities Total			<u>21,397</u>
US Dept of Commerce	Census Bureau Data Products	11.001	PO# YA132310SE0453	5,884
	US Dept of Commerce Direct Total			<u>5,884</u>
	US Dept of Commerce Total			<u>5,884</u>
US Dept of Defense	Collaborative Research and Development	12.114	W91237-09-P-0089	11,456
US Dept of Defense	Military Medical Research and Development	12.420	W81XWH-11-1-0133	17,208
US Dept of Defense	Information Security Grant Program	12.902	H98230-10-1-0410	31,302
	US Dept of Defense Direct Total			<u>59,966</u>
	US Dept of Defense Total			<u>59,966</u>
US Dept of Housing and Urban Development	Community Development Block Grants	14.246	B-05-SP-WV-0330	926,154
US Dept of Housing and Urban Development	Economic Development Initiative	14.251	B-06-SP-WV-1118	1,126,277
	US Dept of Housing and Urban Development Direct Total			<u>2,052,431</u>
	US Dept of Housing and Urban Development Total			<u>2,052,431</u>
Department of the Treasury	Low Income Tax Clinics	21.008	2010158	15,927
Department of the Treasury	Low Income Tax Clinics	21.008	N/A	8,324
				<u>24,251</u>
	Department of the Treasury Direct Total			<u>24,251</u>
	Department of the Treasury Total			<u>24,251</u>

(Continued)

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

Other Programs	Federal Program/Pass Through Entity	CFDA #	Contract Number	Federal Expenditures
Federal Agency:				
National Aeronautics and Space Administration	NASA - Science	43.001	NNX10AK62H	\$ 181,328
National Aeronautics and Space Administration	NASA - Science	43.001	NNX09AU77G	2,774
National Aeronautics and Space Administration	NASA - Science	43.001	NNG05GF80H	888,827
				<u>1,072,929</u>
	National Aeronautics and Space Administration Direct Total			<u>1,072,929</u>
	National Aeronautics and Space Administration Total			<u>1,072,929</u>
Small Business Administration	Small Business Development Centers	59.037	SBAHQ-08-1-0147	<u>49,779</u>
	Small Business Administration Direct Total			<u>49,779</u>
	Small Business Administration Total			<u>49,779</u>
Social Security Administration	Human Resource Development Foundation, Inc.	96.unknown	Youth Transition Demo. Serv./HRDF, Inc.	11,318
Social Security Administration	Human Resource Development Foundation, Inc.	96.unknown	Youth Transition Demo. Serv./HRDF, Inc.	77,325
Social Security Administration	WV Parent Training & Info	96.unknown	Family to Family	37,465
Social Security Administration	WV Parent Training & Info	96.unknown	Family to Family	22,718
				<u>148,826</u>
	Social Security Administration Pass-Through Total			<u>148,826</u>
	Social Security Administration Total			<u>148,826</u>
US Dept of Transportation	WV Dept of Highways	20.unknown	RP 266	10,645
US Dept of Transportation	WV Dept of Highways	20.unknown	RP 265	83,671
US Dept of Transportation	WV Dept of Highways	20.unknown	ACH071709	251,638
				<u>345,954</u>
	US Dept of Transportation Pass-Through Total			<u>345,954</u>
	US Dept of Transportation Total			<u>345,954</u>
	Total Other Programs			<u>36,292,996</u>
	Research and Development Total			<u>81,973,683</u>
	Total			<u>\$ 118,266,679</u>

(Concluded)

See notes to Schedule of Expenditures of Federal Awards.

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying financial schedule includes certain expenditure accounts of the West Virginia University Research Corporation (the “Corporation”). Such financial schedule has been prepared on the accrual basis in accordance with generally accepted accounting principles for state-assisted colleges and universities.

Subrecipients — Certain funds are passed-through to subgrantee organizations by the Corporation. Expenditures incurred by the subgrantees and reimbursed by the Corporation are included in the Schedule of Expenditures of Federal Awards. Total subrecipient disbursements for the year ended June 30, 2011, were \$10,292,125.

The Corporation is also the subrecipient of federal funds which have been reported as expenditures and listed as federal pass-through funds.

2. REIMBURSEMENT OF FACILITIES AND ADMINISTRATIVE COSTS

U.S. Office of Management and Budget (OMB) Circular A-21 (A-21), Costs Principles for Educational Institutions, requires submission of a Certificate of Facilities and Administrative (F&A) Costs (the “Certificate”) to an institution’s cognizant agency. The Certificate is prepared by the Corporation and is used in negotiations with its cognizant agency, the Department of Health and Human Services (HHS), in determining a rate at which the Corporation will be reimbursed for the F&A costs associated with the completion of sponsored research.

The Corporation receives reimbursement of F&A costs as part of the granting agreement at either the rate negotiated with HHS or at special rates negotiated with the granting agency. On December 2, 2009, HHS approved F&A cost recovery rates effective from July 1, 2009 through June 30, 2013.

Despite HHS’s approval, negotiated rates could be adjusted retroactively, and reimbursement to granting agencies could be required if costs identified as unallowable per A-21 were improperly included in amounts included in the Certificate.

* * * * *

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2011

PART I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS:

Type of auditors' report issued:	Unqualified		
Internal control over financial reporting:			
Material Weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes	<u> X </u>	N/A
Noncompliance material to financial statements noted?	_____ Yes	<u> X </u>	No

FEDERAL AWARDS:

Internal control over major programs:			
Material weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiencies identified not considered to be material weakness(es)?	_____ Yes	<u> X </u>	N/A
Type of auditors' report issued on compliance for major programs:	Unqualified		
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (section .510(a))?	_____ Yes	<u> X </u>	No

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
Various ARRA93.702	Research and Development Cluster National Center for Research Resources

Dollar threshold used to distinguish between Type A and Type B programs?	\$ <u>3,000,000</u>		
Auditee qualified as low-risk auditee?	<u> X </u> Yes	_____ No	

PART II. FINANCIAL STATEMENT FINDINGS SECTION

No matters were reportable.

PART III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No matters were reportable.

ADDITIONAL INFORMATION

INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To the West Virginia University Research
Corporation Board of Directors:

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. This additional information is the responsibility of the West Virginia University Research Corporation's management. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

November 28, 2011

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

RURAL HEALTH EDUCATION PARTNERSHIPS (RHEP) PROGRAM

ANNUAL REPORT

SOUTHERN COUNTIES

FISCAL YEAR 2010-2011

	RHEP FY 10-11 APPROVED BUDGET	RHEP FY 10-11 YTD EXPENDITURES	RHEP FY 10-11 UNEXPENDED BUDGET
BUDGET LINE ITEMS:			
1 Total salaries	\$ 94,902	\$110,655	\$ (15,753)
2 Employee benefits	24,675	27,664	(2,989)
3 On-site clinical director — contractual	2,500	10,000	(7,500)
4 Operating costs (LRC and office)	16,211	7,989	8,222
5 Travel — staff	9,000	6,968	2,032
6 Development — staff	1,000	445	555
7 Annual honorarium	27,000	10,600	16,400
8 Faculty development — (preceptor's only)	1,000	85	915
9 IDS Prep and Present	4,000	1,750	2,250
10 Graduate medical education	16,500		16,500
11 Recruitment and retention	10,000		10,000
12 Community service/health promotion	500	101	399
13 Student/resident housing	21,000	17,419	3,581
14 Administrative cost — lead agency	<u>22,828</u>	<u>17,521</u>	<u>5,307</u>
15 Subtotal	<u>251,116</u>	<u>211,197</u>	<u>39,919</u>
16 PROPERTY AND EQUIPMENT > \$1,000 (Itemize) (Designate if Housing Related by an "H"):			
16a.		(71)	71
16b.			-
16c.			-
17 Subtotal	<u>-</u>	<u>(71)</u>	<u>71</u>
18 SPECIAL PROJECTS (Other Programs):			
18a. CARDIAC Expenses (Revenue to 21a)	3,000	3,000	-
18b. GEC Expenses (Revenue to 21b)			-
18c. Oral Health Project (Revenue to 21c)			-
19 Subtotal	<u>3,000</u>	<u>3,000</u>	<u>-</u>
20 Total project cost	<u>254,116</u>	<u>214,126</u>	<u>39,990</u>
21 (LESS):			
21a CARDIAC Income	3,000	3,000	-
21b GEC Income			-
21c Childhood Oral Health Income			-
21d WVAHEC Income(Grant)			-
21e Other Grant/Special Project Income			-
21f Other Income Earned			-
21g Lead Agency Contributed Funds			-
22 Subtotal	<u>3,000</u>	<u>3,000</u>	<u>-</u>
23 TOTAL RHEP GRANT	<u>\$251,116</u>	<u>\$211,126</u>	<u>\$ 39,990</u>

**** Unexpended balance must be returned to the RHEP Administrative Office within 45 days of year end per Policy 2007-01, along with Annual Report.

See notes to the RHEP program.

WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

NOTES TO THE RURAL HEALTH EDUCATION PARTNERSHIP (RHEP) PROGRAM FOR THE YEAR ENDED JUNE 30, 2011

1. The purpose of the Rural Health Education Partnership (RHEP) Annual Report (the “Schedule”) is to present a summary of the revenues and expenditures by the Corporation for the year ended June 30, 2011, as authorized by RHEP program staff.
2. The RHEP program receives its financing from the West Virginia Higher Education Policy Commission.
3. The Schedule is prepared on the accrual basis of accounting.