

Financial Performance Report - Operating and Capital
FINANCE AND RESOURCE MANAGEMENT COMMITTEE
July 1, 2017 to September 30, 2017

The Financial Performance Report of income and expenditures is prepared from two sources: actual accounting data as recorded at Virginia Tech and the annual budgets which are also recorded in the university accounting system. The actual accounting data reflect the modified accrual basis of accounting, which recognizes revenues when received rather than when earned and commitments to buy goods and services as encumbrances when obligated and as an expenditure when paid. The Original Budget was approved by the Board of Visitors at the June meeting. The Adjusted Budget reflects adjustments to incorporate actual experience or changes made during the fiscal year. These changes are presented for review and approval by the Finance and Resource Management Committee and the Board of Visitors through this report. Where adjustments impact appropriations at the state level, the university coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to September 2017-18 budget (year-to-date) is prepared from historical data which reflects trends in expenditures from previous years as well as known changes in timing. Differences between the actual income and expenditures and the year-to-date budget may occur for a variety of reasons, such as an accelerated or delayed flow of documents through the accounting system, a change in spending patterns at the college level, or increases in revenues for a particular area.

Quarterly budget estimates are prepared to provide an intermediate measure of income and expenditures. Actual revenues and expenditures may vary from the budget estimates. The projected year-end budgets are, however, the final measure of budgetary performance.

OPERATING BUDGET
2017-18

Attachment N

Dollars in Thousands

	July 1, 2017 to September 30, 2017			Annual Budget for 2017-18		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
General Fund	\$45,719	\$45,719	\$0	\$161,675	\$162,004	\$329
Tuition and Fees	247,565	255,985	-8,420 (1)	501,950	512,221	10,271 (9)
All Other Income	11,250	11,696	-446 (2)	39,350	37,525	-1,825 (10)
Total Revenues	\$304,534	\$313,400	\$-8,866	\$702,975	\$711,750	\$8,775
<u>Expenses</u>						
Academic Programs	\$-109,060	\$-107,276	\$-1,784 (3)	\$-439,964	\$-445,456	\$-5,492
Support Programs	-69,021	-67,523	-1,498 (4)	-263,011	-266,294	-3,283
Total Expenses	\$-178,081	\$-174,799	\$-3,282	\$-702,975	\$-711,750	\$-8,775 (9,10)
NET	\$126,453	\$138,601	\$-12,148	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
General Fund	\$20,228	\$20,228	\$0	\$70,961	\$71,006	\$45 (11)
Federal Appropriation	12,704	5,776	6,928 (5)	15,640	15,640	0
All Other Income	353	187	166	880	880	0
Total Revenues	\$33,285	\$26,191	\$7,094	\$87,481	\$87,526	\$45
<u>Expenses</u>						
Academic Programs	\$-22,874	\$-23,102	\$228	\$-80,864	\$-80,909	\$-45
Support Programs	-1,736	-1,799	63	-6,617	-6,617	0
Total Expenses	\$-24,610	\$-24,901	\$291	\$-87,481	\$-87,526	\$-45 (11)
NET	\$8,675	\$1,290	\$7,385	\$0	\$0	\$0
<u>Auxiliary Enterprises</u>						
Revenues	\$125,627	\$123,122	\$2,505 (6)	\$333,313	\$332,102	\$-1,211 (6)
Expenses	-92,372	-94,331	1,959 (6)	-326,617	-342,456	-15,839 (6)
Reserve Drawdown (Deposit)	-33,255	-28,791	-4,464 (6)	-6,696	10,354	17,050 (6)
NET	\$0	\$0	\$0	\$0	\$0	\$0
<u>Sponsored Programs</u>						
Revenues	\$74,701	\$83,537	\$-8,836 (7)	\$344,174	\$344,879	\$705 (12)
Expenses	-90,605	-116,030	25,425 (7)	-344,174	-344,879	-705 (12)
Reserve Drawdown (Deposit)	15,904	32,493	-16,589	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
<u>Student Financial Assistance</u>						
Revenues	\$13,173	\$13,031	\$142	\$25,541	\$26,612	\$1,071 (13)
Expenses	-11,389	-11,352	-37	-25,541	-26,612	-1,071 (13)
Reserve Drawdown (Deposit)	-1,784	-1,679	-105	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
<u>All Other Programs *</u>						
Revenue	\$1,758	\$1,691	\$67	\$7,399	\$9,579	\$2,180 (14)
Expenses	-1,025	-1,234	209 (8)	-7,399	-10,034	-2,635 (14)
Reserve Drawdown (Deposit)	-733	-457	-276 (8)	0	455	455 (14)
NET	\$0	\$0	\$0	\$0	\$0	\$0
<u>Total University</u>						
Revenues	\$553,078	\$560,972	\$-7,894	\$1,500,883	\$1,512,448	\$11,565
Expenses	-398,082	-422,647	24,565	-1,494,187	-1,523,257	-29,070
Reserve Drawdown (Deposit)	-19,868	1,566	-21,434	-6,696	10,809	17,505
NET	\$135,128	\$139,891	\$-4,763	\$0	\$0	\$0

* All Other Programs include federal work study, surplus property, and unique military activities.

OPERATING BUDGET

1. Tuition and Fee revenue collections are behind historical projections due to the timing of tuition collections.
2. Activity levels are lower than projected in Continuing Education – Language and Culture Institute programs.
3. Academic program expenditures exceed projections due to timing of research programs and start-up expenditures.
4. Support program expenditures exceed projections due to costs associated with renovations in the Library for digital liberal arts and social sciences hub as well as the continued investment in diversity and inclusion programs which were committed early in the fiscal year.
5. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division was greater than the projected budget due to the timing of federal draw that were requested in 2016-17, but received in 2017-18.
6. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
7. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored research revenues and expenses are less than projected. Total sponsored research expenditures are 0.5% greater than September 30, 2016.
8. Expenses for All Other Programs were less than projected due to timing of surplus property expense activity.
9. The annual budget for Tuition and Fees has been increased \$1.7 million for the finalization of the budgets for tuition and E&G fees. The budget for Tuition and Fees has been increased \$8.6 million due to higher than projected undergraduate enrollment, lower than projected enrollment in the graduate programs, and a decrease in Summer session revenues. The corresponding expenditure budgets have been adjusted accordingly.
10. The All Other Income revenue budget for the University Division has been decreased \$1.4 for budget finalizations in Sales and Services and Continuing Education. The corresponding expenditure budgets have been adjusted accordingly.
11. The General Fund revenue budget was increased \$45,441 for adjustments to the state central fund distribution. The corresponding expenditure budgets have been adjusted accordingly.
12. The Sponsored Programs revenue and expense budgets were increased \$705,132 to finalize budgets.
13. During budget finalizations, the Student Financial Assistance general funds revenue and expense budgets were increased \$687,145. In the first quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased \$384,000 to facilitate enrollment growth beyond the originally planned enrollment growth.
14. The projected annual budgets for All Other Programs was increased \$2.2 million to finalize budgets and \$454,293 for outstanding 2016-17 commitments that were initiated but not completed before June 30, 2017.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Attachment N

Dollars in Thousands

	July 1, 2017 to September 30, 2017			Annual Budget for 2017-18		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls *						
Revenues	\$46,350	\$45,173	\$1,177 (1)	\$120,157	\$120,157	\$0
Expenses	-29,180	-29,534	354	-117,364	-121,856	-4,492 (5,6,7)
Reserve Drawdown (Deposit)	-17,170	-15,639	-1,531	-2,793	1,699	4,492 (5,6,7)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$6,477	\$6,338	\$139	\$13,704	\$13,704	\$0
Expenses	-2,295	-2,472	177	-13,266	-13,473	-207 (6,7)
Reserve Drawdown (Deposit)	-4,182	-3,866	-316	-438	-231	207 (6,7)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$5,972	\$6,018	\$-46	\$22,087	\$22,087	\$0
Expenses	-5,999	-5,902	-97	-23,161	-23,520	-359 (6,7,8)
Reserve Drawdown (Deposit)	27	-116	143	1,074	1,433	359 (6,7,8)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services * **						
Revenues	\$23,793	\$23,564	\$229	\$48,521	\$48,521	\$0
Expenses	-15,493	-17,788	2,295 (2)	-47,655	-49,522	-1,867 (5,6,7,9)
Reserve Drawdown (Deposit)	-8,300	-5,776	-2,524	-866	1,001	1,867 (5,6,7,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics *						
Revenues	\$25,989	\$25,572	\$417	\$69,283	\$69,283	\$0
Expenses	-21,857	-20,936	-921 (3)	-68,903	-67,241	1,662 (5,6,7,10)
Reserve Drawdown (Deposit)	-4,132	-4,636	504	-380	-2,042	-1,662 (5,6,7,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service *						
Revenues	\$7,152	\$7,326	\$-174	\$36,061	\$34,720	\$-1,341 (11)
Expenses	-8,764	-8,781	17	-\$35,531	-34,562	969 (6,7,11)
Reserve Drawdown (Deposit)	1,612	1,455	157	-530	-158	372 (6,7,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$4,476	\$3,879	\$597 (4)	\$11,855	\$11,955	\$100 (12)
Expenses	-4,016	-4,018	2	-11,799	-12,487	-688 (5,6,7,12)
Reserve Drawdown (Deposit)	-460	139	-599	-56	532	588 (5,6,7,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions ***						
Revenues	\$5,418	\$5,252	\$166	\$11,645	\$11,675	\$30 (13)
Expenses	-4,768	-4,900	132	-8,938	-19,795	-10,857 (5,6,7,13)
Reserve Drawdown (Deposit)	-650	-352	-298	-2,707	8,120	10,827 (5,6,7,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$125,627	\$123,122	\$2,505	\$333,313	\$332,102	\$-1,211
Expenses	-92,372	-94,331	1,959	-326,617	-342,456	-15,839
Reserve Drawdown (Deposit)	-33,255	-28,791	-4,464	-6,696	10,354	17,050
Net	\$0	\$0	\$0	\$0	\$0	\$0

* University Systems include Dormitory and Dining Hall System, University Services System, Intercollegiate Athletics System, and Electric Service System. The Systems were created to provide assurance to bond holders that system revenues are pledged for the payment of debt service and to allow for dedicated repair and replacement that are not subject to liens of any creditor of the university.

** University Services System includes Career Services, Center for the Arts, Health Services, Recreational Sports, Student Centers & Activities, Student Organizations, and the VT Rescue Squad.

*** Other Enterprise Functions include Golf Course, Hokie Passport, Library Café, Library Photocopy, Licensing & Trademark, Little Hokie Hangout, New Student and Family Programs, Pouring Rights, Printing Services, Software Sales, Student Athlete Academic Support Services (SAASS), Tailor Shop and Clearing Accounts.

AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls are higher than projected due to dorm occupancy and Dining self-generated revenue being greater than planned.
2. Expenses for the University Services System are lower than projected due to the timing of expenses.
3. Expenses for Intercollegiate Athletics are higher than projected due to higher than anticipated sport operating and project expenses. A second quarter budget adjustment request is anticipated.
4. Revenues for the Inn at Virginia Tech and Skelton Conference Center are higher than projected due to timing of revenues.
5. The projected annual expense and reserve budgets for Auxiliary Enterprises were adjusted \$77,093 for state compensation actions for high-turnover positions.
6. The projected annual expense budget for Auxiliary Enterprises was adjusted for \$5.9 million in outstanding 2016-17 commitments and projects that were initiated but not completed before June 30, 2017. This amount includes \$1.0 million for Residence Halls, \$3.2 million in Dining Hall commitments and projects, and \$0.3 million for Electric Service. The remainder is spread across the other auxiliary programs.
7. The projected annual expense and reserve budgets for the Auxiliary Enterprises were increased \$462,322 for the auxiliary share of the state's assessment of a one-time Virginia Retirement System (VRS) investment in 2015 which lowered future VRS actuarial rates.
8. The projected annual expense and reserve budgets for Telecommunications Services were increased for enhancement of network security software.
9. The projected annual expense and reserve budgets for the University Services System were adjusted for two additional counseling positions for Cook Counseling Center, Career and Professional Development personnel, and health and recreation sports services in Roanoke.
10. The projected annual expense and reserve draw budgets for Intercollegiate Athletics were decreased \$1.1 million for the technical realignment of Student Athlete Academic Support Services.
11. The projected annual revenue and expense budgets for the Electric Services auxiliary were adjusted for decreased 2017-18 cost of wholesale electricity.
12. The projected annual revenue, expense, and reserve budgets for the Inn at Virginia Tech and Skelton Conference Center were increased \$776,680 for construction of an outdoor patio.
13. The projected annual revenue, expense, and reserve budget for Other Enterprise Functions were increased for Licensing and Trademark activity, student affairs operating support, and \$10.0 million internal financing of board approved Athletics facilities improvements project.

CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF SEPTEMBER 30, 2017
Dollars in Thousands

PROJECT INITIATED	FISCAL YEAR ACTIVITY		TOTAL PROJECT BUDGET					
	ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES	
EDUCATIONAL AND GENERAL PROJECTS								
<u>Design Phase</u>								
Improve Kentland Facilities	Sep 2013	\$ 6,000	\$ 8	\$ 9,363	\$ -	\$ -	\$ 9,363	\$ 897 (1)
Renovate Undergraduate Science Laboratories	Jul 2016	6,250	228	-	10,000	-	10,000	651 (2)
Agriculture Production Facilities	Oct 2016	1,080	128	22,136	-	-	22,136	149 (3)
Chiller Plant Phase II	Oct 2016	4,040	540	31,024	-	9,797	40,821	595 (4)
Health Sciences & Technology	Oct 2016	10,200	-	48,307	17,765	23,793	89,865	0 (5)
Holden Hall Renovation	Oct 2016	3,840	253	44,386	-	17,500	61,886	1,154 (6)
Gas-Fired Boiler at the Central Steam Plant	Apr 2017	3,375	2	-	6,800	-	6,800	2 (7)
Planning: Intelligent Infrastructure and Construction Complex	Apr 2017	2,880	-	-	6,000	-	6,000	0 (8)
Planning: Undergraduate Science Laboratory Building	Jul 2017	2,500	-	-	3,084	-	3,084	0 (9)
<u>Construction Phase</u>								
Maintenance Reserve	On-going	12,860	1,778	20,297	-	-	20,297	7,185 (10)
Academic Buildings Renewal	Sep 2013	18,600	3,457	35,029	-	-	35,029	9,231 (11)
Address Fire Alarm Systems and Access	Jun 2014	1,265	77	4,891	-	-	4,891	3,301 (12)
<u>Close-Out</u>								
Classroom Building	Dec 2012	1,050	421	42,652	-	-	42,652	42,023 (13)
Biocomplexity Data Center	Sep 2015	900	286	-	5,900	-	5,900	5,036 (14)
Eastern Shore AREC Storage Building	Apr 2016	381	292	-	535	-	535	447 (15)
TOTAL EDUCATIONAL AND GENERAL PROJECTS		\$ 75,221	\$ 7,469	\$ 258,085	\$ 50,084	\$ 51,090	\$ 359,259	\$ 70,670

CAPITAL OUTLAY BUDGET**Educational and General Projects**

1. This project is to provide a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. The state authorized design funding effective July 2013 and construction funding effective July 2015. The project design is being modified and rebid a second time because of cost overruns with bids expected due October 2017.
2. This project will renovate seven laboratories within Derring Hall and Hahn Hall to accommodate the increased demand for introductory undergraduate science laboratory classes in biology, chemistry, physics, and microbiology. Working Drawings are underway and construction is expected to begin late fall 2017. The annual budget was adjusted in the first quarter to reflect the Board's construction authorization at the June 2017 meeting.
3. This project is for the first of two phases to renew the existing facilities for the livestock and poultry programs. This first phase includes an approximate total scope of 126,000 gross square feet of new and renovated facilities at the Blacksburg campus and three nearby university production and research farms. Schematic design is underway.
4. This project continues the strategic infrastructure advancements initiated by the Chiller Plant, Phase I project. This Phase II project includes the upgrade of campus utility systems and addresses several strategic needs for shifting the campus to a lower resource consuming cooling service with improved redundancies. Preliminary design is underway.
5. This project calls for a Public Private Partnership delivery of 139,300 gross square foot research and training building located adjacent to the existing Virginia Tech-Carilion Research Institute facility in Roanoke, Virginia. Major construction is expected to begin in December 2017.
6. This project is for a complete renovation and 60,000 gross square foot expansion of Holden Hall to accommodate the instruction and research programs of Materials Science and Engineering, Mining and Minerals Engineering, and Computer Science Engineering. Schematic design is nearly complete.
7. This project will design, purchase, and install a new Gas-Fired Boiler within the Central Steam Plant. An A/E firm has been selected and preliminary design is underway.
8. This planning project is for Hitt Hall, the Fusion Laboratories, and the Smart Dining Center. The total project funding plan calls for \$50 million to cover the three programs.
9. This planning project is for an entirely state funded 102,000 gross square foot science laboratory building adjacent to the new classroom building. The university will temporarily fund planning with nongeneral funds until the project is authorized for construction. This temporary infusion will be reimbursed once the project is fully funded by the state. An A/E firm has been selected and programming is complete.
10. The total project budget amount reflects the balance of Maintenance Reserve appropriation carried forward from fiscal year 2017 and the state's fiscal year 2018 Maintenance Reserve appropriation of \$9.719 million. The state maintenance reserve program requires a biennial budget expenditure of 85 percent, which is \$17.3 million for the 2016-18 biennium.
11. This project is for the renovation of three academic buildings located in the core of main campus bordering the Drillfield: Davidson Hall-Front Section, Sandy Hall, and the Liberal Arts Building. The project is under construction with substantial completion expected in summer 2018.
12. This project supports progress on fire alarm systems and accessibility improvements for several E&G buildings. The State has appropriated \$4.89 million of General Fund resources for the total project budget of which \$4.58 million has been committed to the following nine projects underway or completed: Food Science and Technology Building, Architecture Annex, Wallace Annex, War Memorial Hall, Lane Hall, Whittemore Hall, Patton Hall, Randolph Hall, and Norris Hall.
13. The project is complete and occupied since August 2016. The project may be closed and financial accounts terminated when final invoices are received and paid.
14. The project is complete and occupied since July 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.
15. The project is complete and occupied since August 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.

Capital Outlay Projects Authorized as of September 30, 2017 (Continued)

Dollars in Thousands

PROJECT INITIATED	FISCAL YEAR ACTIVITY		TOTAL PROJECT BUDGET					
	ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES	
AUXILIARY ENTERPRISE PROJECTS								
<u>Design Phase</u>								
Planning: Student Wellness Services	Jun 2016	\$ 2,259	\$ 195	\$ -	\$ -	\$ 2,785	\$ 2,785	\$ 721 (1)
Creativity & Innovation District Residence Hall	Oct 2016	3,200	84	-	-	26,818	26,818	339 (2)
Dietrick First Floor and Plaza Renovation	Sept 2017	500	-	-	5,000	2,000	7,000	- (3)
<u>Construction Phase</u>								
Maintenance Reserve	On-going	7,000	3,280	-	7,000	-	7,000	3,280 (4)
Unified Communications & Network Renewal	Apr 2012	1,637	7	-	9,564	6,944	16,508	14,878 (5)
Lane Substation Expansion	Sept 2015	4,000	38	-	2,000	4,500	6,500	765 (6)
O'Shaughnessy Renovation	Apr 2016	16,000	2,790	-	8,867	12,633	21,500	5,021 (7)
Athletic Facilities Improvements	Aug 2016	20,000	7,139	-	37,500	-	37,500	13,236 (8)
<u>Close-Out</u>								
Upper Quad Residential Facilities	May 2013	4,668	197	-	35,671	53,729	89,400	83,293 (9)
Residential Door Access Improvements	Dec 2015	300	102	-	7,735	-	7,735	7,081 (10)
TOTAL AUXILIARY ENTERPRISE PROJECTS		\$ 59,564	\$ 13,832	\$ -	\$ 113,337	\$ 109,408	\$ 222,746	\$ 128,613
GRAND TOTAL		\$ 134,785	\$ 21,301	\$ 258,085	\$ 163,421	\$ 160,498	\$ 582,004	\$ 199,284

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017 through September 30, 2017 and the Capital Outlay report be approved.

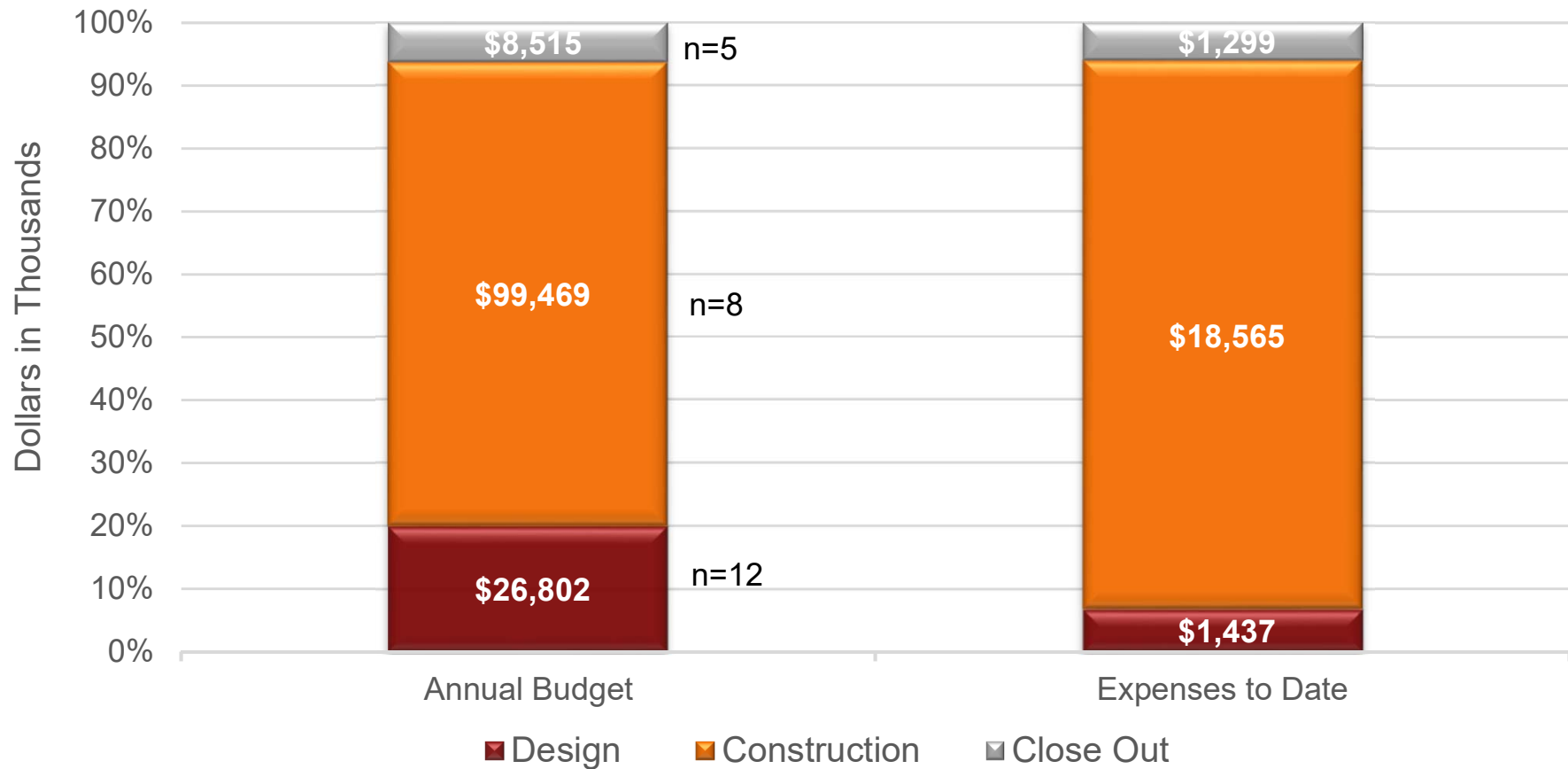
November 6, 2017

CAPITAL OUTLAY BUDGET (Continued)

Auxiliary Enterprises Projects

1. This planning project is to explore alternatives and prepare programming documents for an expanded, comprehensive student wellness services solution to meet student expectations and accreditation requirements. The annual budget was adjusted in the first quarter to reflect expected cash outflows for fiscal year 2018.
2. This project is for a new 530 bed residential community that will include academic collaborative spaces to support creativity and innovation activities and the athletics program. A programming study is underway to identify the necessary building requirements, project budget, cost review, delivery method, and schedule. The current project authorization reflects a traditional 350 bed residential program. The authorization will need adjustment based on the results of the programming study.
3. This project includes refurbishing the first floor of Dietrick Hall, inserting a modern food service venue, enclosing 6,400 gross square feet of overhang, and improvements to the outdoor plaza. The budget was established in the first quarter to reflect the Board's authorization of the project at the September 2017 meeting.
4. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget and total project budget reflect the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2018. The auxiliary maintenance reserve program covers 104 assets with a total replacement value of \$1.1 billion.
5. This project includes improvements to four communication infrastructure components: the unified communications system, upgrading the Internet Protocol (IP) Network, upgrading the cable plant, and upgrading equipment rooms in various facilities. This project is being implemented in phases and is anticipated to be complete in spring 2018. The budget was adjusted in the first quarter to reflect expected cash outflows for fiscal year 2018.
6. This project will expand the Lane Substation on Innovation Drive. The project includes the purchase and installation of two 28,000 kilovolt-amperes (kVA) transformers, two circuit switchers, six distribution reclosers with space for an additional four reclosers, a control house and associated relay, and control equipment. The project should be complete in late 2018.
7. This project will update O'Shaughnessy Hall's interior; mechanical, electrical, and plumbing systems; elevators; address other deferred maintenance items as needed; and installing air conditioning. Improvements include converting O'Shaughnessy into a living-learning community to modernize the residential program within the building. Construction started late spring 2017 with occupancy expected fall 2018.
8. This project includes four high priority Athletic facility improvements: Rector Field House, Baseball Facilities, athletic nutrition center, and Tennis Facilities. Construction for Rector Field House and Baseball Facilities is underway with completion of both expected late spring of 2018. Feasibility studies are complete for an athletic nutrition center and Tennis Facilities improvements.
9. This project is substantially complete. The total cost is expected to be \$89.4 million. The project may be closed and financial accounts terminated when final invoices are received and paid.
10. This project is substantially complete. The total cost is expected to be \$7.735 million. The project may be closed and financial accounts terminated when final invoices are received and paid.

Project Expenses by Activity First Quarter





Financial Performance Report

First Quarter 2017-18

November 6, 2017

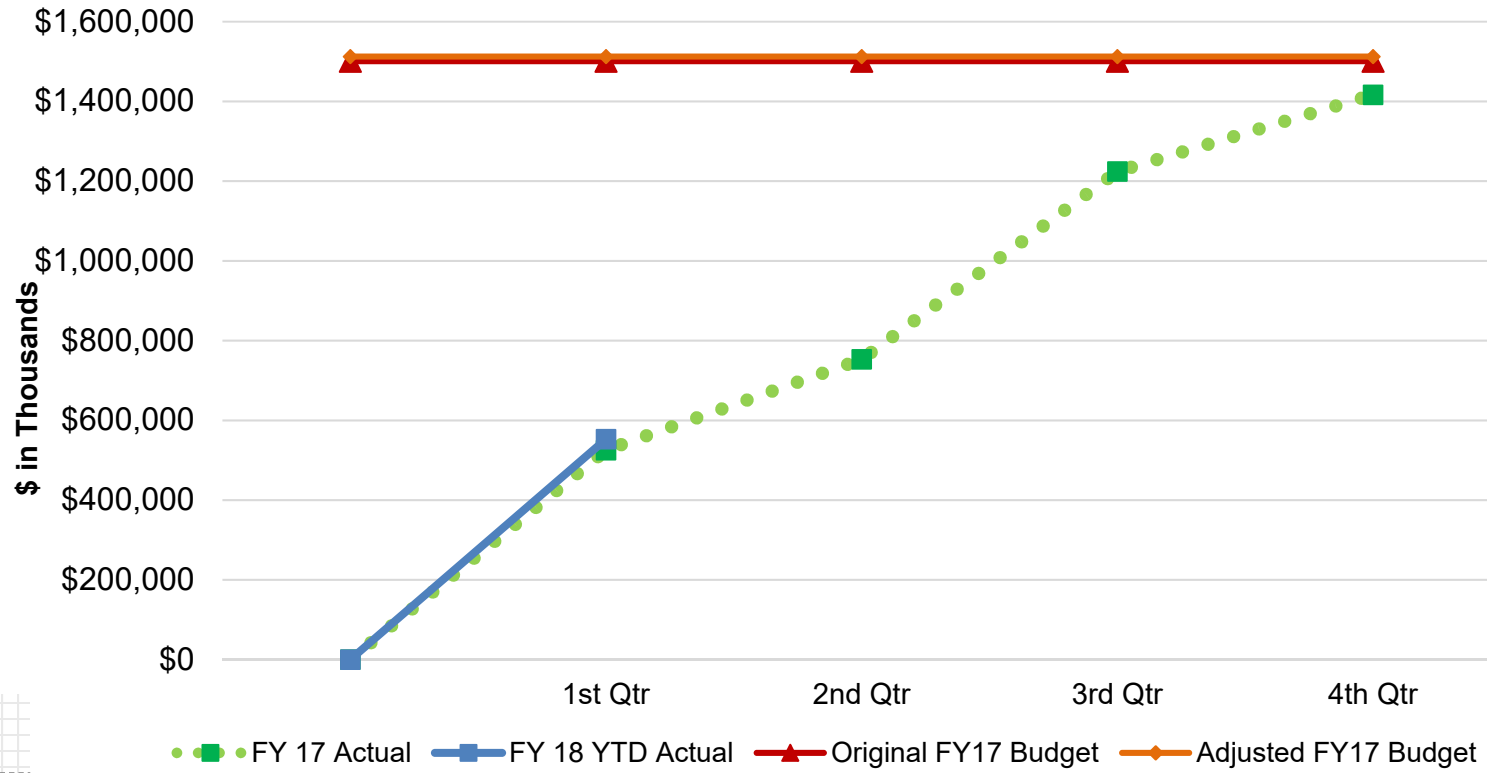


Tim Hodge, Assistant Vice President for Budget and Financial Planning

Bob Broyden, Assistant Vice President for Capital Assets and Financial Management

Operating Revenue

2017-18 vs 2016-17



E&G Budget

- **University Division**

- Tuition and Fee: \$10.3M increase comprised of:

Budget Finalization	\$1.7M
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Summer Variance	(2.0M)
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Fall Variance:

On-Campus

Undergraduate	13.8M
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Financial Aid	(0.4M)
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Graduate	(3.9M)
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Veterinary Medicine	0.1M
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<u>Off Campus</u>	1.0M
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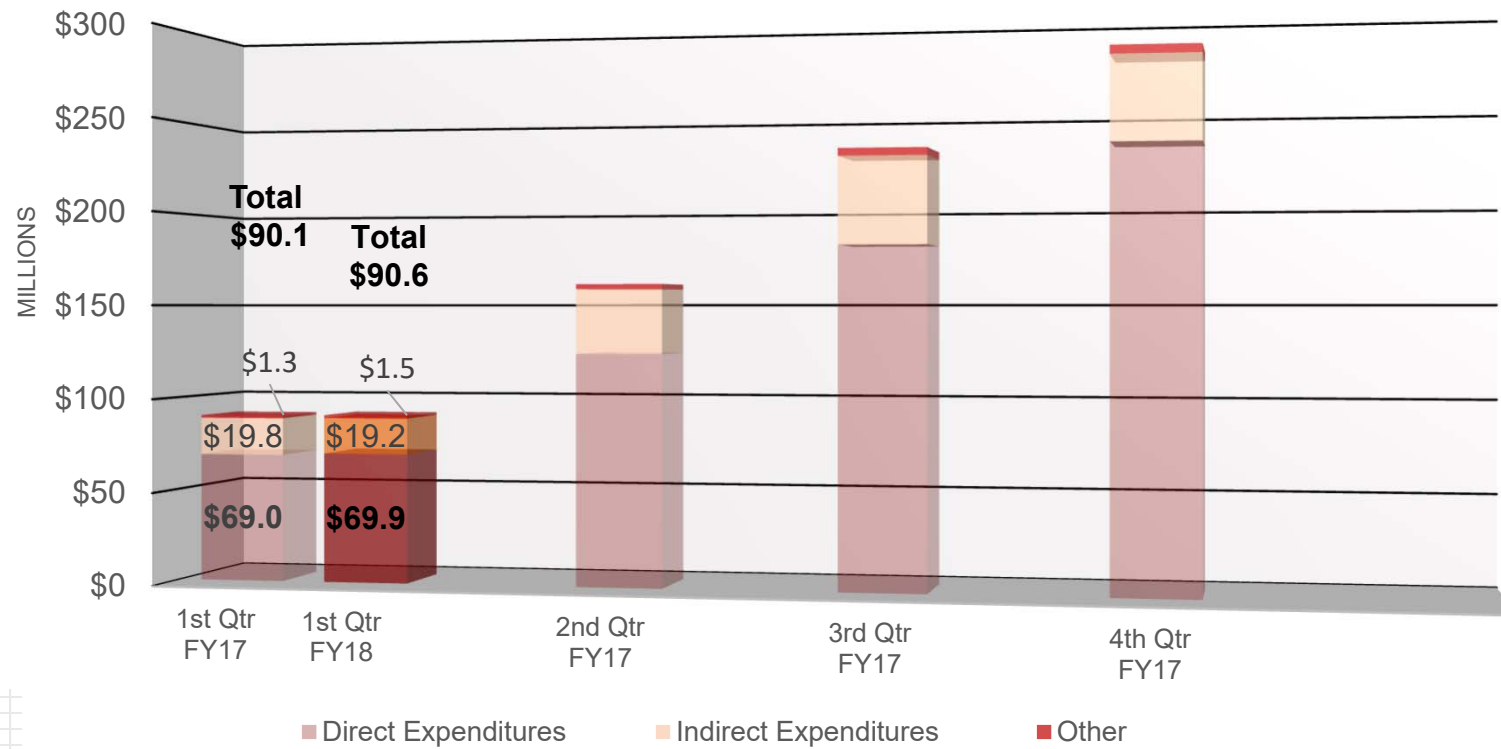
- General Fund: \$328k increase actual central appropriation distribution

- **Cooperative Extension/Agriculture Experiment Station (CE/AES)**

- General Fund: \$45K increase actual central appropriation distribution

Sponsored Program Expenditures

2016-17 VS 2017-18



*Other includes Service Centers, Enterprise Funds, Royalty, and Research Ancillary Activity



Auxiliary Enterprises

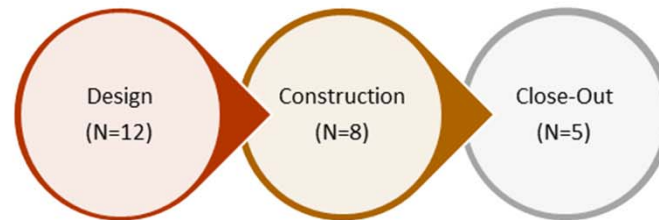
■ Annual Budgets

- Carryover of outstanding commitments & obligations: \$5.9M
 - \$3.2M Dining; \$1.0M Residential; \$1.7M Other Units
- \$10M internal financing of board approved Athletics facilities improvements
- State assessment for Virginia Retirement System (VRS): \$462K
- Inn at VT Patio Project & Operating: \$767K
- Cook Counseling staffing: \$297K

■ Financial Performance

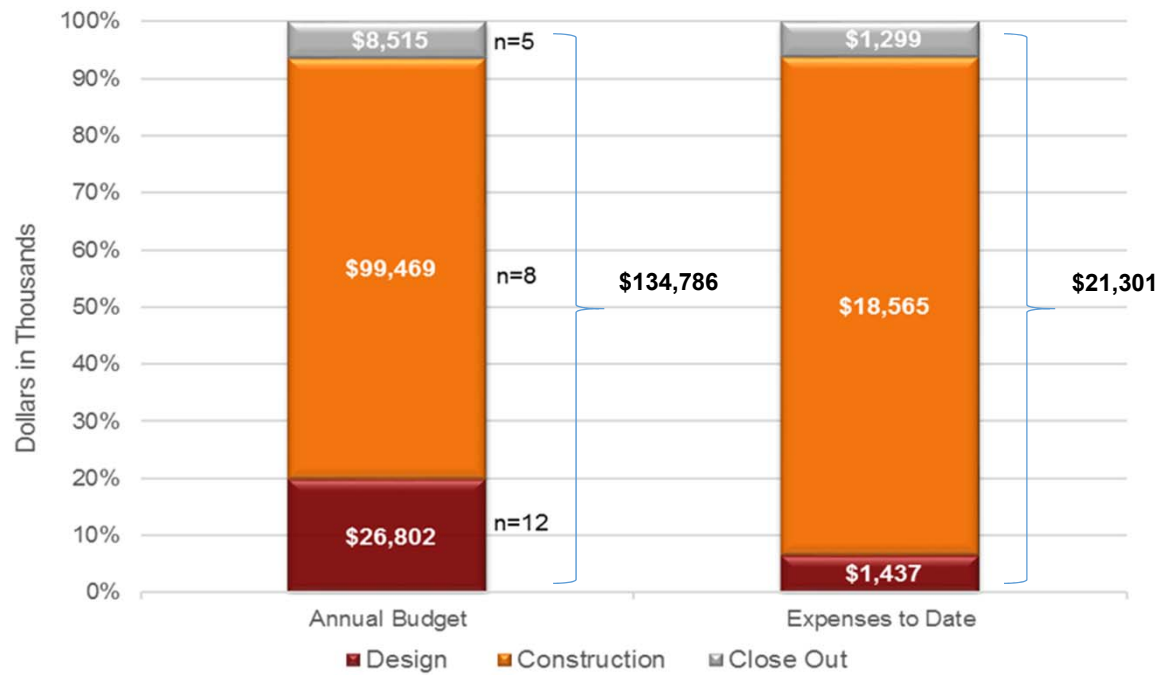
- Athletics: expenses running ahead due to sport equipment, operating, and basketball facility projects
- Dorms and Dining: higher than budgeted occupancy and meal plans sales
- Other activities are performing as planned

Capital Outlay



- Total capital program level currently authorized
 - \$582 million over multiple years
- Cumulative program expenses
 - \$199 million inception-to-date
- All spending and commitments are within authorized budgets

Project Expenses by Activity First Quarter



Capital Outlay

- Major Construction Spending Underway
 - Academic Buildings Renewal
 - O'Shaughnessy Renovation
 - Lane Substation Improvements
 - Athletic Facilities Improvements

- Major Construction Starts Expected through March 2018
 - Improve Kentland Facilities
 - Renovate Undergraduate Science Laboratories
 - Health Sciences and Technology



Questions?