

Financial Performance Report - Operating and Capital

FINANCE AND AUDIT COMMITTEE

July 1, 2015 to December 31, 2015

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 the expenditures when obligated rather than 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 Audit 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 December 2015-16 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
2015-16**

Attachment H

Dollars in Thousands

	July 1, 2015 to December 31, 2015			Annual Budget for 2015-16		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
University Division						
<u>Revenues</u>						
General Fund	\$83,341	\$83,341	\$0	\$153,336	\$153,814	\$478 (7)
Tuition and Fees	263,396	264,277	-881 (1)	445,747	457,757	12,010 (8)
All Other Income	21,758	21,584	174	40,333	40,584	251 (9)
Total Revenues	\$368,495	\$369,202	\$-707	\$639,416	\$652,155	\$12,739
<u>Expenses</u>						
Academic Programs	\$-200,358	\$-198,942	\$-1,416 (2)	\$-403,330	\$-411,366	\$-8,036 (7,8,9)
Support Programs	-115,720	-115,367	-353	-236,086	-240,789	-4,703 (7,8,9)
Total Expenses	\$-316,078	\$-314,309	\$-1,769	\$-639,416	\$-652,155	\$-12,739
NET	\$52,417	\$54,893	\$-2,476	\$0	\$0	\$0
CE/AES Division						
<u>Revenues</u>						
General Fund	\$36,734	\$36,734	\$0	\$68,509	\$68,519	\$10 (10)
Federal Appropriation	6,971	8,184	-1,213 (3)	15,643	15,643	0
All Other Income	569	479	90	893	922	29 (10)
Total Revenues	\$44,274	\$45,397	\$-1,123	\$85,045	\$85,084	\$39
<u>Expenses</u>						
Academic Programs	\$-44,062	\$-43,598	\$-464 (3)	\$-78,106	\$-78,145	-39 (10)
Support Programs	-3,469	-3,471	2	-6,939	-6,939	0
Total Expenses	\$-47,531	\$-47,069	\$-462	\$-85,045	\$-85,084	\$-39
NET	\$-3,257	\$-1,672	\$-1,585	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$174,654	\$173,185	\$1,469 (4)	\$308,818	\$311,016	\$2,198 (4)
Expenses	-163,761	-169,333	5,572 (4)	-303,366	-331,119	-27,753 (4)
Reserve Drawdown (Deposit)	-10,893	-3,852	-7,041 (4)	-5,452	20,103	25,555 (4)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$153,917	\$162,227	\$-8,310 (5)	\$337,972	\$337,972	\$0
Expenses	-165,682	-187,541	21,859 (5)	-337,972	-337,972	0
Reserve Drawdown (Deposit)	11,765	25,314	-13,549	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
Revenues	\$10,248	\$10,372	\$-124	\$20,517	\$20,748	\$231 (11)
Expenses	-9,941	-10,224	283	-20,517	-20,748	-231 (11)
Reserve Drawdown	0	0	0	0	0	0
NET	\$307	\$148	\$159	\$0	\$0	\$0
All Other Programs *						
Revenue	\$3,855	\$4,217	\$-362 (6)	\$7,941	\$8,226	\$285 (12)
Expenses	-3,589	-4,070	481 (6)	-7,941	-8,881	-940 (12)
Reserve Drawdown (Deposit)	-266	-147	-119	0	655	655 (12)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$755,443	\$764,600	\$-9,157	\$1,399,709	\$1,415,201	\$15,492
Expenses	-706,582	-732,546	25,964	-1,394,257	-1,435,959	-41,702
Reserve Drawdown (Deposit)	606	21,315	-20,709	-5,452	20,758	26,210
NET	\$49,467	\$53,369	\$-3,902	\$0	\$0	\$0

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

OPERATING BUDGET

1. Tuition and Fee revenues are slightly lags historical projections due to the timing of Spring semester tuition revenue collections.
2. Academic Program expenditures exceed projections due to the timing of project costs and higher than projected expenses in the Continuing Education program.
3. 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 less than the projected budget due to the timing of receipt of federal drawdowns.
4. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
5. 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 but are ahead of 2014-15 levels. Expenditures are 1.3% above December 31, 2014.
6. Revenues and expenses for All Other Programs were less than projected due to lower than budgeted interest earnings and timing of Surplus Property expense activity.
7. The General Fund revenue budget has been increased \$806,483 for the 2015-16 central appropriation distribution and \$31,116 for the Virginia Interlibrary Loan Program and decreased \$66,531 for a supplemental adjustment to the central appropriation distribution. It has been decreased \$293,456 for finalization of the state budget. The corresponding expenditure budgets have been adjusted accordingly.
8. The annual budget for Tuition and Fees has been decreased \$418,980 for the finalization of the budgets for tuition and E&G fees. It was increased \$12.4 million for strong fall enrollment. The corresponding expenditure budgets have been adjusted accordingly.
9. The All Other Income revenue budget for the University Division has been decreased \$15,000 for budget finalizations and increased \$250,000 for stronger than projected Veterinary Teaching Hospital revenues and \$16,000 for higher than projected activity in the Child Development Lab. The corresponding expenditure budgets have been adjusted accordingly.
10. The General Fund revenue budget has been increased \$10,438 for adjustments to the state central fund distribution. Other revenue budget has been increased \$29,000 for HABBI cell tower revenue. The corresponding expenditure budgets have been adjusted accordingly.
11. The projected year-end revenue and expense budgets for Student Financial Assistance were increased \$195,500 for the two-year College Transfer Grant and \$35,325 for the VA Military Survivors and Dependent Program.
12. The projected annual revenue budget for All Other Programs were increased \$284,341 to finalize budgets. The expense budget was increased an additional \$655,019 for outstanding 2014-15 commitments that were initiated but not completed before June 30, 2015.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Attachment H

Dollars in Thousands

	July 1, 2015 to December 31, 2015			Annual Budget for 2015-16		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls						
Revenues	\$65,233	\$64,920	\$313 (1)	\$112,712	\$114,094	\$1,382 (8)
Expenses	-59,060	-59,945	885 (1)	-109,647	-126,453	-16,806 (8,9)
Reserve Drawdown (Deposit)	-6,173	-4,975	-1,198 (1)	-3,065	12,359	15,424 (8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$7,711	\$7,983	\$-272 (2)	\$13,353	\$13,353	\$0
Expenses	-5,858	-6,318	460 (2)	-13,595	-14,383	-788 (9)
Reserve Drawdown (Deposit)	-1,853	-1,665	-188 (2)	242	1,030	788 (9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$11,998	\$11,391	\$607 (3)	\$19,110	\$19,110	\$0
Expenses	-10,568	-10,734	166	-18,977	-20,274	-1,297 (9,10)
Reserve Drawdown (Deposit)	-1,430	-657	-773 (3)	-133	1,164	1,297 (9,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services System *						
Revenues	\$24,984	\$24,648	\$336 (4)	\$43,489	\$43,629	\$140 (11)
Expenses	-26,106	-27,370	1,264 (4)	-42,571	-44,103	-1,532 (9,11)
Reserve Drawdown (Deposit)	1,122	2,722	-1,600 (4)	-918	474	1,392 (9,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics						
Revenues	\$35,373	\$35,512	\$-139	\$60,659	\$63,345	\$2,686 (12)
Expenses	-36,271	-36,884	613 (5)	-58,320	-65,292	-6,972 (9,12)
Reserve Drawdown (Deposit)	898	1,372	-474 (5)	-2,339	1,947	4,286 (9,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service						
Revenues	\$16,540	\$16,404	\$136	\$37,962	\$35,956	\$-2,006 (13)
Expenses	-16,577	-17,698	1,121 (6)	-39,790	-38,295	1,495 (9,13)
Reserve Drawdown (Deposit)	36	1,294	-1,258 (6)	1,828	2,339	511 (9,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$6,112	\$5,936	\$176	\$11,249	\$11,249	\$0
Expenses	-6,283	-6,318	35	-11,205	-11,579	-374 (9)
Reserve Drawdown (Deposit)	171	382	-211	-44	330	374 (9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions **						
Revenues	\$6,702	\$6,391	\$311 (7)	\$10,284	\$10,280	\$-4 (14)
Expenses	-3,038	-4,066	1,028 (7)	-9,261	-10,740	-1,479 (9,14)
Reserve Drawdown (Deposit)	-3,664	-2,325	-1,339 (7)	-1,023	460	1,483 (9,14)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$174,654	\$173,185	\$1,468	\$308,818	\$311,016	\$2,198
Expenses	-163,761	-169,333	5,572	-303,366	-331,119	-27,753
Reserve Drawdown (Deposit)	-10,893	-3,852	-7,041	-5,452	20,103	25,555
Net	\$0	\$0	\$0	\$0	\$0	\$0

* University Systems include Dormitory and Dining Hall System, University Service System, Intercollegiate Athletics System, and Electric Service System. 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 the Clearing Accounts, 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) and Tailor Shop.

AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls are higher than projected due to greater than anticipated Dining self-generated revenue. Expenses in Residence and Dining Halls are lower than projected due to timing of operating and project expenses.
2. Revenues and expenses in Parking and Transportation Services are lower than projected due to lower than forecasted Fleet Services business volume.
3. Revenue in Telecommunications Services is higher than projected due to additional support from residence hall telecommunication improvements. A third quarter budget adjustment is anticipated.
4. Revenues for the University Services System are higher than projected due to higher than budgeted student enrollment. Expenses are lower than projected due to the timing of operating expenses.
5. Expenditures for Intercollegiate Athletics are lower than projected due to the timing of operating expenses and facility projects.
6. Expenses for the Electric Service auxiliary are lower than projected due to lower than forecasted total cost of purchased electricity. A third quarter budget adjustment and associated decrease in customer rates is anticipated.
7. Revenues for Other Enterprise Functions are higher than projected due to greater than forecasted business volume in New Student Programs, Licensing and Trademark, and Software Sales. Expenses are lower than projected due to lower than anticipated Printing Services business volume and timing of operating expenses.
8. The projected annual revenue, expense and reserve budgets for Residence and Dining Halls were increased for dining business volume, student enrollment revenue, state compensation actions (high-turnover), expanded dining facility hours, increased dining wage rates, facility planning, residential mail services support, \$2.5 million for East Eggleston renovation project, \$7.7 million for residence halls electronic door access project, and the receipt of \$468,317 from a dining vendor settlement.
9. The projected annual expense budget for Auxiliary Enterprises was increased for \$10.5 million in outstanding 2014-15 commitments and projects that were initiated but not completed before June 30, 2015. This amount includes \$926,873 for Athletics, \$3.1 million for Residence Halls, and \$2.2 million in Dining Hall commitments and projects. The remainder is spread across the other auxiliary programs.
10. The projected annual expense and reserve budget for Telecommunications Services was increased \$824,000 to supplant portion of the previously authorized external debt with internal financing for the Unified Communications project.
11. The projected annual revenue, expense, and reserve budgets for the University Services System were increased for student enrollment revenues, state compensation actions (high-turnover), health services counselor, health services general practitioner, increased student organizations funding, professional development for health services personnel, and Recreational Sports field equipment.
12. The projected annual revenue budget for Intercollegiate Athletics was adjusted \$2.7 million to accommodate additional revenue of \$1.34 million from football ticket sales, \$215,000 from private gifts, \$180,000 from basketball courtside seat sales, \$100,000 from basketball receivable guarantees, \$18,000 from licensing, \$95,000 from merchandise activities, and \$1.0 million from the football team's participation in the Independence Bowl. These increases were partially offset by decreased revenue of \$293,000 from men's basketball season ticket sales. Annual expense and reserve draw budgets were increased \$6.0 million to accommodate \$1.7 million for Independence Bowl expenses, \$3.0 million for capital project planning associated with facility improvements, \$350,000 for Cassell Coliseum arena renovation, \$141,000 for men and women's basketball payable guarantees, \$210,000 for travel, and \$291,000 for ongoing operational needs.
13. The projected annual revenue and expense budgets for the Electric Services auxiliary were decreased for reduced 2015-16 cost of wholesale electricity and the associated reduction in customer's rates.
14. The projected annual revenue, expense, and reserve budgets for Other Enterprise Functions were adjusted for increased business volume in New Student Programs, licensing contracts in Software Sales, scholarship awards, equipment and professional development in Student Athlete Academic Services Support, and increased scholarship expenses in Licensing and Trademark.

**CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF December 31, 2015**

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Educational and General Projects									
<u>Educational and General Maintenance Reserve</u>									
Maintenance Reserve	9,038	9,038	5,475	17,728	0	0	0	17,728	11,633 (1)
<u>Design Phase</u>									
Academic Buildings Renewal	6,750	2,000	782	27,389	0	0	0	27,389	2,139 (2)
Improve Kentland Facilities	1,020	500	198	8,618	0	0	0	8,618	406 (3)
Planning: Corps Leadership & Military Science Building	0	500	0	0	0	2,100	0	2,100	0 (4)
VBI Data Center Expansion	0	3,000	220	0	0	5,900	0	5,900	220 (5)
<u>Construction Phase</u>									
Address Fire Alarm Systems and Access	2,140	2,140	706	4,891	0	0	0	4,891	1,397 (6)
Classroom Building	24,000	24,000	9,501	42,652	0	0	0	42,652	19,170 (7)
<u>Close-Out</u>									
Human & Agricultural Biosciences Building I	209	533	367	53,759	0	0	0	53,759	53,593 (8)
Marching Virginians Practice Facility	1,261	1,748	1,643	0	0	4,750	0	4,750	4,645 (9)
McBryde 100 Classroom Renovation	2,300	2,297	1,836	0	0	2,800	0	2,800	2,339 (10)
Renovate Davidson Hall, Phase I	340	332	281	32,003	0	0	0	32,003	31,952 (11)
Signature Engineering Building	3,393	4,502	959	47,609	0	18,650	28,959	95,218	91,675 (12)
TOTAL	50,451	50,590	21,967	234,649	0	34,200	28,959	297,808	219,170

CAPITAL OUTLAY BUDGET**Educational and General Projects**

1. The current year and total project budget amounts reflect the balance of maintenance reserve appropriation carried forward from fiscal year 2015 and the state's fiscal year 2016 allocation of \$8.531 million of Maintenance Reserve funds.
2. 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 in the Working Drawings phase with bids having been recently received for an early package with the remainder of the construction package anticipated later this fiscal year. The state has authorized a total project cost of \$30.5 million based on preliminary designs and appropriated General Fund resources for the project effective fiscal year 2016. The \$27.389 million amount reflects the total project less equipment funding which is allocated separately after the start of construction.
3. This project is to provide a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. The project is in the Working Drawings phase with bids having been recently received for an early site package for the Applied Reproduction Facility. Full construction is expected to be underway later this fiscal year. The state has authorized a total project cost of \$9.3 million based on preliminary designs and appropriated General Fund resources for the project effective fiscal year 2016. The \$8.618 million amount reflects the total project less equipment funding which is allocated separately after the start of construction.
4. This project is to plan a new 60,500 gross square foot Corps Leadership and Military Science Building that will be located in the northern portion of the existing Upper Quad near Lane Hall. The facility would provide a centralized and consolidated home to the wide range of Corps of Cadets and ROTC programs currently dispersed around the northern area of campus. Schematic Design is underway.
5. This project will establish a new high performance data center within the existing Virginia Bioinformatics Institute's facilities. This project will be delivered via Design-Build. Bids have been received and the data center is expected to be ready for use by fall 2016. The annual budget was established in the first quarter to reflect the project's approval to move forward at the August 2015 Board of Visitors meeting.
6. This project will support progress on fire alarm systems and accessibility improvements for several E&G buildings. The implementation plan calls for improvements to be executed in multiple packages, and construction funding will be released on a package-by-package basis. The State has appropriated \$4.89 million of General Fund resources for the total project budget of which \$4 million has been committed to the following projects underway or completed: Food Science and Technology Building, Architecture Annex, Wallace Annex, War Memorial Hall, Lane Hall, Whittemore Hall, Patton Hall, and Randolph Hall.
7. This project is for a 73,400 gross square foot classroom building to meet the university's instructional classroom and laboratory needs. Construction is underway with substantial completion expected in Summer 2016.
8. The project is complete and has been occupied since January 2014. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2015 will be processed in fiscal year 2016.
9. The project is complete and has been occupied since July 2015. The project may be closed and financial accounts terminated when final invoices are received and paid and completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2015 will be processed in fiscal year 2016.
10. The project is complete and has been occupied since August 2015. The project may be closed and financial accounts terminated when final invoices are received and paid and completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter to reflect expected cash outflows for fiscal year 2016.
11. The project was closed in November 2015 with \$50,733 of savings returned to the state.
12. The project is complete and has been occupied since June 2014. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter to reflect expected cash outflows for fiscal year 2016.

Auxiliary Enterprises Projects

1. 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 reflects the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2016. The outstanding balance is committed to a five year forward looking maintenance plan to ensure sufficient resources are available for major maintenance repairs. The auxiliary maintenance reserve program covers 104 assets with a total replacement value of \$1.1 billion.

Capital Outlay Projects Authorized as of December 31, 2015 (Continued)

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Auxiliary Enterprises Projects									
<u>Auxiliary Maintenance Reserve</u>									
Maintenance Reserve	7,000	7,000	3,941	0	0	\$ 20,739	0	20,739	3,941 (1)
<u>Design Phase</u>									
Health Center Improvements	1,100	1,100	98	0	0	0	3,071	3,071	206 (2)
Lane Substation Expansion	2,000	2,000	0	0	0	2,000	4,500	6,500	0 (3)
Planning: Athletic Facilities Improvements	490	490	3	0	0	3,500	0	3,500	3 (4)
Residential Door Access Improvements	0	800	0	0	0	7,735	0	7,735	0 (5)
<u>Construction Phase</u>									
Airport Hangar	2,000	2,000	481	0	0	2,520	0	2,520	486 (6)
Residential Connectivity	1,691	1,691	644	0	0	4,000	0	4,000	2,953 (7)
Unified Communications & Network Renewal	1,500	1,500	245	0	0	7,705	8,803	16,508	12,467 (8)
Upper Quad Residential Facilities	46,753	41,020	17,185	0	0	23,377	67,623	91,000	52,885 (9)
<u>Close-Out</u>									
East Eggleston Renovation	0	2,500	1,622	0	0	2,500	0	2,500	1,622 (10)
Indoor Athletic Training Facility	1,181	2,801	1,810	0	0	21,300	3,700	25,000	20,309 (11)
South Recreation Field Surface Replacement	276	1,850	1,811	0	0	0	4,600	4,600	3,241 (12)
<u>On Hold and Not Funded</u>									
New Residence Hall II	0	0	0	0	0	0	27,000	27,000	182 (13)
Parking Blanket Authorizations Balance	0	0	0	0	0	0	16,547	16,547	0 (14)
Phase IV of Oak Lane Community (Houses 2 - 5)	0	0	0	0	0	0	17,498	17,498	0 (15)
TOTAL	63,991	64,752	27,841	0	0	95,376	153,342	248,718	98,295
GRAND TOTAL	<u>\$ 114,442</u>	<u>\$ 115,342</u>	<u>\$ 49,808</u>	<u>\$ 234,649</u>	<u>\$ -</u>	<u>\$ 129,576</u>	<u>\$ 182,301</u>	<u>\$ 546,526</u>	<u>\$ 317,465</u>

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, 2015 through December 31, 2015 and the Capital Outlay report be accepted.

March 21, 2016

CAPITAL OUTLAY BUDGET (Continued)

2. This project was originally authorized to plan and construct a 3,500 gross square feet one-story addition to the east wing of McComas Hall and a renovation of 1,700 gross square feet to an interior portion of the existing Schiffert Health Center. A recent program review, including considerations to accommodate enrollment growth, indicates that an expanded space substantially larger than originally envisioned is necessary to accommodate student needs. A supplemental capital project resolution may be presented to the Board to request an expanded scope and budget for the necessary capital improvements.
3. 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. Specifications for the transformers are being developed, equipment is being ordered, and a contractor for the control building has been selected with completion anticipated late spring 2016. The total cost is expected to be \$6.5 million.
4. This project was originally titled Softball and Track Improvements. At the November 2015 Board meeting, the project was retitled Athletic Facilities Improvements to reflect its comprehensive scope. The adjusted planning project includes construction designs for four key areas, Rector Field House, Cassell Coliseum, Tennis Facilities, and Baseball Facilities, with a design-to total project budget of \$31 million.
5. This project will install electronic door access locks on approximately 4,520 student rooms in the existing residential system, includes a proprietary hard key code, and improve access control to approximately 1,551 non-student doors. Pre-wiring for the wireless locks has begun and installation will be completed in two phases with half of the residence halls completed in the summer of 2016 and the remaining half completed in the summer of 2017. The total cost is expected to be \$7.735 million.
6. This project will design, construct, install necessary utilities, and equip a 14,000 gross square foot building with the capacity to house two planes and to provide interior office spaces for pilots. The existing hangar will be razed at a later time as part of the future runway extension project. The total expected costs are \$2.52 million and is anticipated to be complete in spring 2016.
7. This project will install necessary components for Wi-Fi network transmission through approximately 2,000 wireless access points in thirty-eight residence halls. The project also updates the residential wired network infrastructure to accommodate the increased demand on the network from wireless devices. The project is nearly completed with an estimated total cost of \$2.95 million and the authorization will be underspent.
8. This project includes improvements to four complementary communication infrastructure components. The four components include a unified communications system, upgrading the Internet Protocol (IP) Network, upgrading the cable plant, and upgrading equipment rooms in various facilities. The total expected costs are \$16.5 million and this project is being implemented in phases and is anticipated to be complete in spring 2017.
9. This project replaces Rasche and Brodie with two new residential facilities and razes Thomas and Monteith, effectively modernizing 1,000 beds in the residential inventory. The construction phase is underway with total expected costs of \$91 million. The first hall, Pearson Hall, was occupied in November 2015. The second hall was originally scheduled to be occupied by fall 2016 but is behind schedule and anticipated to be occupied by winter 2016.
10. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer and all expenses moved to the capital project.
11. The new field house is complete and was occupied in June 2015. The total cost is expected to be \$21.3 million and the authorization will be underspent. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer.
12. This project is complete and was occupied in July 2015. The total cost is expected to be \$3.28 million and the authorization will be underspent. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer.
13. This project envisioned a new residence hall of approximately 250 beds. Cost estimates exceed the project budget and the project is on hold while the university explores alternatives. Funding for the project may be considered pending a program plan and financial plan.
14. The purpose of this unfunded parking blanket authorization balance is to complete future improvements and repair projects for the parking system as specific needs are identified and as funding becomes available.
15. This is the remaining unallocated authorization of the original \$23.5 million Oak Lane Community, Phase IV project. The outstanding Oak Lane Community expansion, houses two through five and their necessary site improvements, may be constructed as organizations come forward with program and financing plans.

CAPITAL PROGRAM ANNUAL PERFORMANCE Cumulative Monthly Expenditures

Fiscal Year 2015 and YTD Fiscal Year 2016

