



OFFICE OF THE CHANCELLOR  
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VERMONT STATE COLLEGES

CASTLETON STATE COLLEGE  
COMMUNITY COLLEGE OF VERMONT  
JOHNSON STATE COLLEGE  
LYNDON STATE COLLEGE  
VERMONT TECHNICAL COLLEGE

**MEMORANDUM**

TO: VSC Finance & Facilities Committee  
M. Jerome Diamond  
Tim Jerman  
Bill Lippert, Vice Chair  
Christopher Macfarlane, Chair  
Linda Milne  
Heidi Pelletier  
Martha O'Connor, *ex officio*

FROM: Tom Robbins, Vice President of Finance & Administration  
Chief Financial Officer

DATE: February 6, 2015

SUBJ: Finance & Facilities Committee Meeting scheduled for February 11, 2015

The Finance & Facilities Committee of the VSC Board of Trustees will meet from 2:00-5:00 p.m. in Room 101 at the Chancellor's Office in Montpelier. The agenda and back up material for the meeting are enclosed.

If you have any questions, I can be reached at (802) 224-3022.

Thank you.

cc: VSC Board of Trustees  
Council of Presidents  
Business Affairs Council  
Sam Winship, Dept. of Finance & Management  
Douglas Hoffer, State Auditor

**VERMONT STATE COLLEGES  
BOARD OF TRUSTEES  
FINANCE AND FACILITIES  
COMMITTEE MEETING**

**February 11, 2015  
Office of the Chancellor, Montpelier, VT**

**AGENDA**

**A. ITEMS FOR DISCUSSION AND ACTION**

1. Minutes of the December 3, 2014 Finance & Facilities Committee meeting
2. Review and Approve OPEB Funds Usage
3. Review and Approve Tuition and Fees
4. Endorsement of Grant Proposal

**B. ITEMS FOR INFORMATION AND DISCUSSION**

1. Discussion of FY2016 Budget Development
2. VSC Q2 Financial Performance
3. Review VSC Benchmarks
4. Update on Legislative Issues
5. Update on Ongoing VSC Construction
6. Review Capital Projects Report

**C. ITEMS FOR INFORMATION ONLY**

1. Monthly Grant Activity Report
2. Monthly Cash Report
3. VSC Q2 Endowment Performance

A. ITEMS FOR DISCUSSION AND ACTION

1. Minutes of the December 3, 2014 Finance & Facilities Committee

Committee members present: Jerry Diamond (by phone), Bill Lippert (Vice-Chair; by phone), Christopher Macfarlane (Chair), Linda Milne, Martha O'Connor, Heidi Pelletier

Other Trustees: Lynn Dickinson (by phone), Michelle Fairbrother, Kraig Hannum, Jim Masland

Absent: Tim Jerman, Gary Moore

From the Chancellor's Office:           Tim Donovan, Chancellor  
  Bill Reedy, General Counsel  
  Tom Robbins, CFO  
  Elaine Sopchak, Executive Asst. to the Chancellor  
  Sophie Zdatny, Associate General Counsel  
  Deb Robinson, VSC Controller

From the Public:           Tess Conant, VSC United Professionals  
  Scott Dikeman, Dean of Administration, Castleton State College  
  Loren Loomis Hubbell, Dean of Administration, Lyndon State College  
  Barbara Martin, Dean of Administration, Community College of VT  
  Sandy Noyes, Unit Vice Chair, VSEA Represented Staff  
  Sharron Scott, Dean of Administration, Johnson State College  
  Jeb Spaulding, Secretary of Administration  
  Lit Tyler, Dean of Administration, Vermont Technical College

Chair Macfarlane called the meeting to order at 5:01 p.m.

Chancellor Donovan reminded the committee that because some members were participating via phone, all votes needed to be by roll call.

Chair Macfarlane moved to add an update on collective bargaining as item #2 on the agenda. Trustee Milne seconded the motion. The motion passed unanimously.

A. ITEMS FOR DISCUSSION AND ACTION

1. Minutes of the October 22, 2014 Finance & Facilities Committee

Trustee Milne moved and Trustee Pelletier seconded the approval of the minutes of the October 22, 2014 committee meeting. The minutes were approved unanimously.

2. Update on Collective Bargaining

Chair Macfarlane moved that the Committee enter executive session to discuss labor relations agreements with employees. He further asked the Committee specifically to find that premature general public knowledge of the Colleges' positions and strategies for collective bargaining would place the Colleges at a substantial disadvantage. Permitted in executive session were Committee and Board members, General Counsel Reedy, Associate General Counsel Zdatny, Chancellor Donovan, the Presidents, CFO Robbins, and Secretary Spaulding. Trustee Milne seconded the motion. The Committee voted unanimously to enter executive session at 5:03 p.m. The Committee exited executive session at 5:30 and took no action.

3. Review and Approve VSC Policy 408 Revision

CFO Robbins shared revisions to Policy 408 as endorsed by the presidents and the deans of administration. Although the revisions increase the threshold for Board approval, the colleges are not loosening oversight.

Trustee Pelletier moved and Trustee Milne seconded the resolution Review and Approve Policy 408 Revision. The resolution was approved unanimously.

4. Review and Approve VSC Policy 426 Revision

CFO Robbins shared revisions to Policy 426 as endorsed by the presidents and the deans of administration.

Trustee Milne moved and Trustee Pelletier seconded the resolution Review and Approve Policy 426 Revision. The resolution was approved unanimously.

5. Establishment of Endowments: Consent Agenda

Trustee Pelletier moved and Trustee Milne seconded the resolution Establishment of Endowments: Consent Agenda. The resolution was approved unanimously.

6. Real Estate Transaction

Chair Macfarlane moved that the Committee enter executive session pursuant to 1 VSA § 313 (a)(12) to discuss the negotiating or securing of real estate purchase or lease options. Permitted in executive session were Committee and Board members, General Counsel Reedy, Associate General Counsel Zdatny, Chancellor Donovan, CFO Robbins, Johnson State College President Barbara Murphy, JSC Dean of Administration Sharron Scott, and Secretary Spaulding. Trustee Milne seconded the motion. The Committee voted unanimously to enter executive session at 5:40 p.m. The Committee exited executive session at 5:53.

B. ITEMS FOR INFORMATION AND DISCUSSION

1. VSC FY2015 Budget vs. Actual Review and Discussion

CFO Robbins reviewed the executive summary figures from the first quarter financials. Each president reviewed the colleges' current and projected positions.

*Castleton State College*

President Dave Wolk shared that Castleton started FY15 with a carry forward of \$75K. This fall saw a decrease in FTE students and yield. The number of students who accessed merit scholarships exceeded expectations. Going forward the college has level funded regular expense items with the exception of salaries and benefits. After starting with a 3-4% gap the college will have a balanced budget this year by instituting a 20% rescission and taking many cost-reducing steps. Several of the college's entrepreneurial initiatives are doing well, including the college store, the Center for Schools, the Polling Institute, conferences and events. The college is not borrowing money and does not expect to need to utilize funds from its strategic reserve. They have upgraded their efforts in retention and have instituted a new international initiative beginning in FY16.

*Johnson State College*

President Barbara Murphy reported that the college started the year with a \$300K variance. The budget the Board approved included the use of one-time funds and reserves. The budget assumed a 2% decrease in campus based undergraduates and that both EDP enrollment and room and board would be flat; actually EDP enrollment was lower and room/board higher, leaving about a \$200K variance. Wage and benefit assumptions were based on anticipated employment actions, including retirements, reduction in force, and five terminations that occurred in May of last year. They have reorganized health center staffing and have also reduced sections and reliance on part-

time staffing and overload, with a savings of about \$250K. They have issued an RFP for forestry management to harvest trees from college land. Going forward they are managing budgets tightly, holding open vacancies, and reducing expenses in travel, hospitality, supplies, and equipment. The number of full-time faculty is lower than last year's. They are currently undergoing an external review of the entire admissions process. There are demographic and family economic challenges, especially in Lamoille County. If necessary, the college would consider a range of strategies such as incentives for retirements; full-time faculty deployment could change; curricular reorganization; there could be further reductions in part-time faculty and overloads; a faculty member had suggested a furlough as a possible strategy. President Murphy expects an FY16 budget level with FY15 and aims for slight enrollment growth and retention, but will plan to budget for flat. There is a possibility the college will need to use reserves in FY16. The Committee discussed the state of current reserves. Chancellor Donovan reminded the Committee that the colleges are required to have a 2.5% reserve that the presidents cannot use without approval of the Chancellor and informing the Board. This reserve is a budget item. There is also a 5% reserve the colleges are allowed to build; not all the colleges have that reserve fully filled. This reserve is more discretionary and requires only consultation with the Chancellor before use.

As of June 30, 2014, all the colleges had fully funded the Board-required reserves with the following balances:

Community College of Vermont: \$718K

Castleton State College: \$1.24M

Johnson State College: \$738K

Lyndon State College: \$776K

Vermont Technical College: \$753K (this reserve is being used to secure the loan made by the Board to Vermont Tech last year)

Each college's discretionary reserves had the following balances as of June 30, 2014:

Community College of Vermont: \$1.435M

Castleton State College: \$766K

Johnson State College: \$1.4M (they have since drawn down \$675K)

Lyndon State College: \$1.52M (they have received permission to draw down \$160K)

Vermont Technical College: No discretionary fund balance

Trustee Luneau exited meeting at this time.

#### *Vermont Technical College*

President Dan Smith reported that their practice is to separate out Nursing/Allied Health from the rest of Vermont Tech for budgeting purposes. The college started the year with the Board-authorized \$2.4M deficit. At this time they project being off another \$380.

They had anticipated a 4.6% decline in non-nursing enrollment, but the actual figure was down 7%. Nursing enrollment is up 13%, resulting in an overall decline in enrollment of 2.2%. Expenses are consistent with projections. The milk plant with funding from federal TAACCCT grant dollars. Revenue projections have been affected by the decline in enrollment and a six-week delay in the start of the biodigester. Planned initiatives to balance the FY15 budget include consolidating spring sections; reducing adjunct and overload expenses; and holding open positions. They have moved commencement back to the Randolph campus from Norwich University and will hold one Friday and two Saturday ceremonies. They have implemented travel restrictions and are working on leveraging conferences and events. Vermont Tech has already implemented operational cuts and additional personnel action may be required. The changes to personnel announced last week will not happen until August 1, 2015 due to contractual obligations. Academic structural changes are being made including changing the credits for associate degrees and baccalaureate degrees to 64 and 124 credits respectively. Faculty are concerned about the academic impact this change will have on students. It will have an overall impact on faculty workload. Offered retirement opportunities. President Smith thanked Dean of Administration Lit Tyler and CFO Tom Robbins for their support and ongoing management. Chair Macfarlane shared his deep respect for the hard work all the presidents are doing at their colleges.

Audience member Tess Conant stated that reducing staff increases the pressure on people left behind and that the Board should not overlook this.

#### *Lyndon State College*

President Joe Bertolino reported that the first quarter of FY15 saw a \$513K decrease over last year at the same time, as a result of 100 fewer enrollments, meeting contractual obligations on compensation, and rapid use of supplies and services. They are forecasting the college will end FY15 even. Last year the college ended the year with \$1.2M surplus, with \$1M being a one-time gift. Operating revenue exceeded budget expectations as a result of higher than expected enrollment, partially offset by higher than anticipated financial aid. This year, 100 fewer students equated to a deficit of \$1.5M. To compensate for this they removed most inflation assumptions from the budget; they are holding open positions; dramatically cut back on projects in both the residence halls and academic equipment. These initiatives with the help of some entrepreneurial ventures were able to yield \$750K. They also used one-time funding totaling \$810K, which came from unspent gifts, unspent endowment funds, and budget carry forwards from prior years. The college used \$160K from strategic reserves to replace their IT infrastructure and invest in advancement and fundraising. They are now at a breakeven point in the contingency budget for the year. Earned revenues are 53% of budget, expenses 33%, both on par with last year's earning and expense run rates. There will be continued variance from the

Board-approved budget, but based on the contingency budget implemented early on, they still plan to break even for the year. At this time the college is projecting a \$3.1M deficit for FY16. The assumptions for this are no substantial rebound in entering students, no improvement in retention, continued contractual obligations for compensation, no tuition increase, and no appropriation increase. No full-time faculty tenured layoffs or program closures are planned, but there is no commitment regarding non-tenured full-time faculty. There has been a reduction in part-time faculty and staff and administrators. There have been several high end retirements, and President Bertolino expects to offer a retirement incentive. They are assuming that 100 fewer students is the new normal. There has been a 40% increase in gifts as compared to the same time last year.

*Community College of Vermont*

President Joyce Judy shared that CCV is always looking at what is the right size. Their students are 98% Vermonters; the high school population is declining. This year CCV projected a 5% decline but the actual decrease was only 3%, and their budget reflects this. Staff knows the budget is conservative yet they are always looking for innovative ways to reach Vermonters who could benefit by continuing their education. Programming like Introduction to College Studies focuses on the 40% of high school graduates who may not go to college. The college looks to philanthropy to fund those efforts, so that funding does not come from institutional resources. They also seek to meet adult students in the workplace with workforce development programming. CCV ended the year in good shape. In FY15 they projected a 5% decrease; the budget looks very strong for the rest of the year. Spring enrollment numbers look strong.

2. Discuss FY2016 Budget Development

This item was addressed as part of the previous discussion.

3. Discuss Benchmarks and Ratios

This item was addressed as part of the previous discussion.

4. Update on Ongoing VSC Construction

There was no discussion of this item.

5. Review Capital Projects Report

President Smith informed the Committee that Vermont Tech has issued an RFP for a 500kw solar project that will generate revenue. It will come to the Board in the next cycle.



C. ITEMS FOR INFORMATION ONLY

1. Monthly Grant Activity Report
2. Monthly Cash Report
3. VSC October 30, 2014 Endowment Performance

There were no comments from the public.

Trustee Milne moved and Trustee Pelletier seconded a motion to adjourn. The meeting adjourned at 7:41 p.m.

## 2. Review and Approve OPEB Funds Usage

As the committee is aware the colleges started setting money aside beginning in FY2013 as part of the VSC OPEB retirement funding solution. The plan called for the colleges and the employees both to contribute to the fund as well as make changes to the benefit by closing the group to new employees (this concept was referred to as the three legged stool). The combination of the three legs was supposed to fully fund our retirement obligation of ~ \$150M in ~ 10 years. As the committee is also aware union contract negotiations did not result in achieving the employee share of funding this concept.

During this time the colleges have been paying for both current retirees and paying into this fund - a double hit if you will. Consequently, these fund payments have placed additional financial pressure on the colleges and have added to their deficits.

Given that only the colleges are funding this retirement concept, the colleges are seeking immediate relief from making further payments during the remaining two quarters of FY2015 and to have the money paid from the first two quarters returned expeditiously. In addition, the chancellor is seeking authorization to return to the colleges any monies collected during FY2013 and FY2014 after his review and board approval of a plan from each college on how it will spend said funds strategically to either increase revenue and/or decrease expenses at least equal to those funds.

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Cease Future OPEB payments and Return Previously Collected Funds to the Colleges

- WHEREAS, As part of a comprehensive plan to fund the VSC OPEB obligations the colleges began setting money aside beginning FY2013; and
- WHEREAS, To be equitable this comprehensive plan also called for contributions by employees, however union contract negotiations have not resulted in achieving this goal; and
- WHEREAS, Given that the colleges are already funding current retiree healthcare on a pay-as-you-go basis and simultaneously paying into this fund, it has increased their financial hardship; therefore be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges authorizes the colleges to immediately cease further payments into the OPEB fund and further authorizes the return of the FY2015 monies already collected; and be it further
- RESOLVED, That the Board of Trustees of the Vermont State Colleges authorizes the Chancellor to return the FY2013 and FY2014 funds collected from the colleges once the Chancellor has reviewed and the Board has approved a plan which uses these funds to increase revenue or reduce the college expense structure, or some combination of the two, at least equal to those funds.

February 19, 2015

3. Review and Approve 2015-2016 and 2016-2017 Academic Year Tuition & Fees

Below is a resolution to set the tuition & fees for the next two years. Setting these rates two years in advance will allow the colleges to have predictability in their budgeting. Importantly, it will allow the colleges to have the ability to determine their financial aid packages much earlier than in the past. This will help from both a recruitment and retention perspective.

The colleges and the Chancellor’s Office have been working with various budget models over the last few months in an attempt to arrive at an appropriate balance of cost cutting and revenue increases. The VSC is very cognizant and sensitive to raising tuition and fees and the impact on students. The colleges and the Chancellor’s Office remain committed to containing expenses by continually analyzing cost structures and streamlining where possible. That having been said, considering that personnel costs comprise the vast majority of our expenses (~70%), there is limitation in the variable expenses that can be effectively reduced without seriously impacting the academic programs and operations of the colleges.

Expenses

We have significant increases in a few areas this year that are negatively impacting our budget. Most of these are in the personnel area where we do not have a lot of short term flexibility. In all areas other than personnel, debt service and utilities we are increasing the other expense line items by roughly CPI, or less. Listed below is a table that details our biggest FY2016 budget challenges as of this mailing.

FY2016 budget challenges:

	<u>\$ Increase</u>	<u>% Increase</u>
Wage Increase Anticipated	\$1,735,000	2.70%
FICA Increase (based upon the above wage increase)	133,000	2.70%
TIAA (based upon the above wage increase)	208,000	2.70%
Health Insurance	1,003,000	5.00%
Supplies and Other Expenses	897,000	2.00%
Debt Service	1,200,000	12.00%
Utilities	384,000	5.00%
	<hr/>	
	\$5,560,000	3.28%

The vast majority of VSC full time employees are covered by union contracts that have built in wage increases. These wage increases are reflected in this budget. FICA and TIAA are a set percentage increase of salary and wages. Discussions with our broker lead us to estimate an increase of ~5% in our medical insurance. Supplies and other expenses are increasing based on

the trend line. Utilities were increased based on the prevailing trend line. Debt Service is increasing due to deferred principal payments on the Series 2013 Revenue Bond.

Enrollment

For the last five years at the VSC enrollment has been generally flat or slightly declining. This fact adds to the college’s financial pressures. It is worth noting that between the years 2008 and 2021 Vermont high schools will see a 20% decline in graduates. This is significant to the VSC since 84% of all VSC students are Vermonters.

Operating Appropriation

Governor Shumlin’s proposed budget recommends a VSC operating appropriation that is the same as the FY2015 appropriation.

Our higher education appropriations per FTE are second to last in the country, ranking slightly ahead of New Hampshire. During FY2008 we received \$3,103 per Vermont FTE. For FY2013 that amount had dropped to \$2,655, a 14.4% decrease per FTE. In 1980, the ratio of tuition/fees to appropriation was \$1 for \$1; today it is roughly \$4 of tuition/fees to \$1 of state operating appropriation.

Tuition

*FY2016 tuition request:*

The colleges have sought to minimize any tuition increase by balancing cost cutting and the maintenance of programming for increased enrollment.

The Chancellor is requesting an up to 3% In-State tuition base increase, with an optional 2% increment dedicated to In-State financial aid. As we have in the past, we are asking the Board to focus on undergraduate tuition for Vermont residents, with non-resident tuition and graduate tuition being considered from colleges’ market perspectives.

This table shows what a 1% tuition increase means to a Vermont student as well as total college net tuition & fee income.

	<u>VT Student</u>	<u>Total Tuition</u>
CCV	\$57	\$243,000
CSC	\$98	\$287,000
JSC	\$96	\$172,000
LSC	\$97	\$179,000
VTC	\$119	\$153,000

With these increases the budgets shall remain tight and the colleges will have to continue to aggressively focus on enhancing revenues and scrutinizing expenses to balance their budgets FY2016 and beyond.

We continue to focus on helping people that can't attend college because of cost. Those with need are helped by the colleges through financial aid and grants. CCV continues to strive to keep its tuition cost below the level of the federal PELL grant plus the VSAC grant.

*FY2017 tuition request:*

As part of this two year request there will not be a tuition increase in FY2017.

VSC vs. National Average Tuition Increases

The table below compares the VSC resident undergraduate tuition and required fee increases to other comparable institutions nationwide.

*Tuition Increases vs. National Average*

	<u>VSC</u>	<u>National Average</u>
FY04	4.6%	11.6%
FY05	6.6%	9.0%
FY06	4.5%	7.1%
FY07	4.7%	6.8%
FY08	5.1%	6.1%
FY09	6.1%	6.3%
FY10	6.7%	6.7%
FY11	3.0%	6.5%
FY12	4.0%	7.6%
FY13	4.0%	5.1%
FY14	4.0%	3.0%
FY15	* 3.0%	not available

\*CSC and LSC charged an additional 2% and 1%, respectively, to be used for In-State financial aid.

During the last four years combined, despite low state funding, VSC undergraduate institutions have maintained tuition & fee increases significantly below the national average:

Colorado (highest)	56.0%
Average four-year increase	24.0%
Vermont (8 <sup>th</sup> lowest increase)	14.0%
North Dakota/Montana (lowest)	11.0%

CCV vs. National Average

The table below compares CCV resident tuition and required fee increases to other comparable institutions nationwide.

*Tuition Increases vs. National Average*

	<u>VSC</u>	<u>National Average</u>
FY04	5.4%	8.9%
FY05	5.1%	8.0%
FY06	5.8%	6.8%
FY07	4.9%	5.5%
FY08	5.3%	4.2%
FY09	6.1%	4.5%
FY10	4.2%	5.4%
FY11	3.0%	5.0%
FY12	4.0%	7.1%
FY13	4.0%	5.7%
FY14	4.0%	3.0%
FY15	3.0%	not available

During the last four years combined, despite low state funding, Community College of Vermont has maintained its competitiveness compared to the national average tuition & fee increases:

California (highest)	77.0%
Average four-year increase	22.0%
Vermont (16 <sup>th</sup> lowest increase)	16.8%
Missouri (lowest)	-11.0%

It is worth noting that despite having the second lowest, or lowest at times, state support per FTE the colleges of the VSC have been able to maintain lower tuition and fee increases than peer institutions across the country that enjoy much higher state support.

### Fees

After a considered review the fees set by the Board are requested to increase up 3% for both FY2016 and FY2017. These fees primarily pay for expenses associated with room and board. The board fees are set to contractually to increase by approximately 3% per year by our food service provider Sodexo.

After reviewing an analysis that compared the VSC colleges' tuition, room and board fees versus comparable colleges on an in-state and out of-state basis, the presidents were comfortable with the fact that they are still very competitive at the proposed FY2016 and FY2017 tuition and fee rates.

### Specific College Proposals to the Chancellor

At this time the colleges are still analyzing what percent increase they should use to set their FY2016 tuition. At the April 1, 2015 Finance & Facilities Committee meeting the chancellor will give a full report of the FY2016 tuition increases by college.



VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Tuition, Fees, Room & Board Rates for the 2015-2016 and 2016-2017 Academic Years

WHEREAS, Students, their families, and the colleges all require and deserve timely and accurate information to plan for 2015-2016 and 2016-2017 academic college costs and budgets; and

WHEREAS, The colleges have been working hard to maximize revenue, decrease costs and maximize efficiencies to help minimize tuition, fees, room & board increases; therefore be it

RESOLVED, For 2015-2016 the colleges may increase In-State tuition up to a 3% increase, with an optional 2% increase to be dedicated to In-State financial aid; and therefore be it further

RESOLVED, For 2015-2016 academic year the Non-Resident tuition and Graduate tuition increase will be established by each college based on its market perspectives; and therefore be it further

RESOLVED, For the 2015-2016 and 2016-2017 the colleges will increase Fees, Room & Board rates by no more than 3% per year; and therefore be it further

RESOLVED, For the 2016-2017 academic year there will be no tuition increases at the colleges; and therefore be it further

RESOLVED, The Finance and Facilities Committee and the Board of Trustees has reviewed and discussed the 2015-2016 and 2016-2017 Academic Year rate requests by VSC management that are listed above, and endorses their approval to the full Board; therefore be it further

RESOLVED, That the Board of Trustees of the Vermont State Colleges establishes for the 2015-2016 and 2016-2017 Academic Years the above listed tuitions, fees, room and board rates.

February 19, 2015

#### 4. Endorsement of Grant Proposal

Community College of Vermont has submitted the following grant proposal for the Committee's review. Documentation for this grant and a suggested resolution for endorsement follow.

- Community College of Vermont would like endorsement of a grant proposal titled "TRIO Student Support Services Program" in the amount of \$1,728,665 over five years from the U.S. Department of Education. The grant will serve disadvantaged students (first generation, low income, and/or individuals with a disability) annually, with objectives to increase persistence, good academic standing, graduation, and transfer to a four-year institution.

## Vermont State Colleges Grant Proposal Budget Analysis

Form A & B

College: Community College of Vermont

Grant Title: TRiO Student Support Services (SSS) Program

Grant Agency: Department of Education

Project Director: Jennifer Garrett-Ostermiller

Purpose of Grant: To serve disadvantaged students (first-generation, low-income, and/or individuals with a disability), annually, with objectives to increase persistence, good academic standing, graduation, and transfer to a four-year insitution.

Grant Period: 1-Sep-15 to 31-Aug-20

Review Period: 5 Multi-Yr\*\* / Cumulative Grant Amt: \$1,728,665  
 \*\*(please enter number of years covered)


Proposed Funding	1st Yr		2nd Yr		3rd Yr	
	Grant	College	Grant	College	Grant	College
Direct Costs	-----	-----	-----	-----	-----	-----
Salaries & Wages	\$ 205,710.00		assuming level funding for years 1 - 5 years			
Employee Benefits	\$ 84,834.00					
Operations	\$ 4,493.00					
Travel	\$ 5,642.00					
Equipment						
Library Acquisitions						
Other	\$ 21,000.00					
Total Direct	\$ 321,679.00					
Indirect Costs*	\$ 24,054.00					
Total Budget	\$ 345,733.00					


\*(In-Kind & Other costs for space, utilities, maintenance, administrative support, etc.)

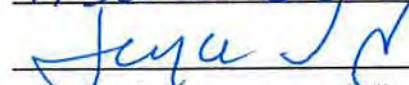
**What is (are) the sources of College Funding?**

**What continuing cost obligations does Granting Agency require/expect?**

**What Continuing cost obligations does the College intend/see likely?**

Business Officer Review by:  Date: 1-28-15

Programmatic Review by:  Date: 1/27/2015

Presidential Review by:  Date: 1/28/2015

Full required documentation is being submitted, including all appropriate assurances regarding Civil Rights, People with Disabilities, Sex Discrimination, Human Subjects, Laboratory Animals, etc.

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Endorsement of Grant Proposal

WHEREAS, VSC Policy 408 as recently revised requires Board of Trustees approval of grant proposals involving \$750,000 or more, or require funds matching or cost sharing of \$375,000 or more; and

WHEREAS, The VSC Finance & Facilities Committee has appropriately reviewed the current grant proposal titled, in the amount, and from the specific granting entity as indicated, and recommends it to the full Board; therefore, be it

RESOLVED, That the Vermont State Colleges Board of Trustees hereby endorses the following grant proposal:

CCV: Grant proposal titled “TRIO Student Support Services Program” in the amount of \$1,728,665 over five years from the U.S. Department of Education.

February 19, 2015

B. ITEMS FOR INFORMATION AND DISCUSSION

1. Discussion of FY2015 Budget Development

We have begun the FY2016 budget process. Over the next few months we will continue to analyze both our revenue and expense line items and begin to adjust for known cost and trend line variances. We are underway in discussions with our insurance brokers to review our various policy coverages and premiums. As part of the annual process we will also analyze interest income, interest expense, bad debt expense, debt retirement, OC allocation, etc.

There is every expectation that FY2016 will be a very challenging year.

## 2. VSC Q2 Financial Performance

The Q2 financials, tuition and fees monitoring reports, and narratives are attached for committee review. All colleges are below their budgeted spring enrollments; the nursing and allied health program is exceeding its spring enrollment budget. Due primarily to the less than budgeted enrollments, the colleges, with the exception of nursing and allied health, are projecting losses unless one-time funds or reserves are being used. They are actively trying to enhance other revenue sources and reduce expenses. The presidents will be prepared to give an overview of the FY2015 financials at the committee meeting.

# **Vermont State Colleges**

## **Consolidated Financial Reports**

**Period ended  
December 31, 2014**

## Executive Summary

December 31, 2014

### Total Operating Revenue:

Enrollments are under-budget, creating a budget variance of -\$4 million for student-based revenue. Non student-based revenue is up a bit from budget so the total revenue variance is -\$3.7 million for total revenue. Detail by college is:

<u>Enrollment summary</u>	Student Enrollment			
	Budgeted	Projected Actual	Variance - Enrollment	Variance Net Tuition
CCV	3,674	3,744	70	582,973
CSC	1,999	1,922	(77)	(2,584,931)
JSC	1,433	1,387	(47)	(472,611)
LSC	1,360	1,253	(107)	(1,348,515)
VTC	997	974	(23)	(646,854)
NAH	366	412	46	699,380
<b>TOTALS</b>	<b>9,830</b>	<b>9,693</b>	<b>(137)</b>	<b>(\$3,770,558)</b>
Auxiliary Revenue	\$ 25,366,562	\$ 25,043,716		(\$322,846)
		<b>Student-Based Revenue Variance</b>		<b>(\$4,093,404)</b>
Operating Revenue	143,857,602	139,921,252		(3,936,350)
Other Revenue	29,147,322	29,074,244		(73,078)
<b>TOTAL Revenue</b>	<b>173,004,924</b>	<b>168,995,496</b>		<b>(4,009,428)</b>
		<b>Total Revenue Variance</b>		<b>(4,009,428)</b>

### Total Operating Expenses:

Colleges have significantly adjusted expenses to compensate for reduced revenue. Total Expense Variance is +\$.6 million. When added to the Revenue variance, the total variance is a negative 1,221,475 for the system.

Expense Detail by college is:

<u>College:</u>	Budgeted	Actual Projected	Variance	
CCV	29,437,495	29,859,984	(422,489)	
CSC	49,760,236	48,747,002	1,013,234	
JSC	29,524,101	28,985,137	538,964	
LSC	32,112,427	31,671,559	440,868	
VTC	30,132,035	29,384,171	747,864	
CO	(5,638,256)	(4,786,990)	(851,266)	
NAH	6,070,891	6,557,392	(486,501)	
VIT	1,154,941	1,219,724	(64,783)	
WFD	1,510,421	1,424,479	85,942	
<b>TOTALS</b>	<b>174,064,291</b>	<b>173,062,458</b>	<b>1,001,833</b>	
Non-operating Expense	5,845,117	5,030,419	814,698	
<b>Total Expense</b>	<b>179,909,408</b>	<b>178,092,876</b>	<b>1,816,532</b>	
Expense variance without GASB45 (unfunded liability)		971,421	971,421	
		<b>Total Expense Variance</b>		<b>2,787,953</b>
Net Variance (Revenue and Expense)			(1,221,475)	
		<b>Total Net Variance</b>		<b>(1,221,475)</b>



**Projected Changes in Unrestricted Net Assets excluding Unfunded OPEB by College**

	Projected Total Year	Total Board Approved Budget	Projection vs Budget Variance
CCV	(47,077)	(160,000)	112,923
CSC	(2,054,584)	(75,440)	(1,979,144)
JSC	219,079	-	219,079
LSC	76,231	300,000	(223,769)
VTC	(2,585,163)	(2,405,009)	(180,154)
CO	799,337	(1)	799,338
NAH	132,186	-	132,186
VIT	418	-	418
WFD	(102,352)	-	(102,352)
	<hr/>	<hr/>	<hr/>
Total VSC-Unrestricted	(3,561,925)	(2,340,450)	(1,221,475)
WFD Restricted	-	-	-

**Statement of Revenues, Expenses and Net Assets (SRECNA)**

This quarter, our reports include the SRECNA, which shows activity in all funds. The Unrestricted matches the budget reports. The Restricted Expendable includes grant activity and earnings on endowments. The Restricted Unexpendable includes funds donated to endowments. The plant fund shows the revenues and expenses related to capital assets. The loan is activity related to Perkins student loans.

Significant changes in funds other than unrestricted are in the plant fund, where depreciation expense related to capital assets reduces our net assets, but there is limited new construction which adds to the net assets, so there is currently a loss of \$4 million system-wide in this fund.

**Statement of Net Assets (SNA)**

The Statement of Net Assets (Balance Sheet) compares our net position to last December. Total assets have declined by \$10 million, primarily in capital assets. Total Liabilities have increased by \$5.5 million. This includes an increase in our post retirement benefit liability of \$7.5 million, and a decrease of \$3.8 million in outstanding bond principal. Total Net Assets have declined by \$14.6 million, due to depreciation exceeding new investment in capital assets, and additional recognition of unfunded post retirement benefits.

Vermont State Colleges  
Consolidated  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	62,052,064	62,226,042	(173,978)	51,942,041	113,994,105	117,715,992	-	117,715,992	(3,721,887)	115,684,318
(Less Scholarship Allowances)	4,946,411	4,787,980	158,431	188,356	5,134,767	5,086,094	-	5,086,094	(48,673)	5,454,481
Net Tuition and Fees:	57,105,653	57,438,062	(332,409)	51,753,685	108,859,338	112,629,898	-	112,629,898	(3,770,560)	110,229,837
Federal Grants and Contracts	1,815	1,230	585	11,019	12,834	12,648	-	12,648	186	23,795
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	6,560	4,195	2,365	-	6,560	-	-	-	6,560	9,332
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	3,063,389	2,796,162	267,227	1,832,323	4,895,712	5,260,806	-	5,260,806	(365,094)	5,061,917
Auxiliary Enterprises	12,928,561	13,470,199	(541,638)	12,115,155	25,043,716	25,366,562	-	25,366,562	(322,846)	25,549,992
Other Operating Revenue	835,089	306,521	528,568	268,003	1,103,092	587,688	-	587,688	515,404	953,575
<b>TOTAL OPERATING REVENUE</b>	<b>73,941,067</b>	<b>74,016,369</b>	<b>(75,302)</b>	<b>65,980,185</b>	<b>139,921,252</b>	<b>143,857,602</b>	<b>-</b>	<b>143,857,602</b>	<b>(3,936,350)</b>	<b>141,828,448</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	38,684,336	38,806,389	122,053	35,521,815	74,206,151	74,079,013	-	74,079,013	(127,138)	76,202,634
Employee Benefits - Group Insurance	9,859,352	9,729,774	(129,578)	10,531,999	20,391,351	20,477,943	-	20,477,943	86,592	18,152,762
Employee Benefits - GASB 45	3,086,000	1,748,600	(1,337,400)	2,449,455	5,535,455	4,564,034	-	4,564,034	(971,421)	6,189,974
Payment to Trust for GASB45 benefits	1	1	-	3,341,907	3,341,908	3,497,029	-	3,497,029	155,121	-
Employee Benefits - Other	8,586,786	8,376,645	(210,141)	7,677,274	16,264,060	16,279,535	-	16,279,535	15,475	16,108,196
Scholarships and Fellowships	3,840,502	3,324,165	(516,337)	3,602,124	7,442,626	6,635,773	-	6,635,773	(806,853)	6,276,288
Supplies and Other Services	16,853,080	17,994,668	1,141,588	14,587,960	31,441,040	32,633,708	235,440	32,869,148	1,428,108	32,748,865
Travel	1,277,881	1,328,434	50,553	968,304	2,246,185	2,032,499	-	2,032,499	(213,686)	3,095,731
Equipment	530,640	964,151	433,511	850,113	1,380,753	1,662,171	-	1,662,171	281,418	1,055,423
Library Acquisitions	486,697	481,295	(5,402)	549,418	1,036,115	1,028,992	-	1,028,992	(7,123)	791,541
Utilities	2,949,976	2,879,743	(70,233)	4,748,631	7,698,607	7,266,970	-	7,266,970	(431,637)	7,286,102
Transfers										
Inter-entity	1,920,692	2,715,555	794,863	1,637,371	3,558,063	5,151,316	-	5,151,316	1,593,253	4,159,878
Intra-entity	(1,173,773)	902,758	2,076,531	(306,083)	(1,479,856)	(1,480,132)	-	(1,480,132)	(276)	1,413,002
<b>TOTAL OPERATING EXPENSES</b>	<b>86,902,170</b>	<b>89,252,178</b>	<b>2,350,008</b>	<b>86,160,288</b>	<b>173,062,458</b>	<b>173,828,851</b>	<b>235,440</b>	<b>174,064,291</b>	<b>1,001,833</b>	<b>173,480,396</b>
Operating Income (Loss)	(12,961,103)	(15,235,810)	2,274,707	(20,180,103)	(33,141,206)	(29,971,249)	(235,440)	(30,206,689)	(2,934,517)	(31,651,948)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	12,958,038	13,015,452	(57,414)	12,993,571	25,951,609	26,394,944	-	26,394,944	(443,335)	26,030,899
Gifts	1,126,128	2,303,069	(1,176,941)	359,385	1,485,513	982,381	-	982,381	503,132	2,629,658
Investment Income (Net of Expenses)	88,916	353,045	(264,129)	246,681	335,597	624,997	-	624,997	(289,400)	802,967
Interest Expense on Capital Debt	(2,431,040)	(2,751,006)	319,966	(2,599,379)	(5,030,419)	(5,845,117)	-	(5,845,117)	814,698	(5,916,020)
Other Non-Operating Revenues	6,561	(1,125)	7,686	(36)	6,525	-	-	-	6,525	3,374
Use of Strategic Reserve	-	-	-	1,295,000	1,295,000	845,000	300,000	1,145,000	150,000	-
VSC Line of Credit	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	11,748,603	12,919,435	(1,170,832)	12,295,222	24,043,825	23,002,205	300,000	23,302,205	741,620	23,550,879
Increase (Decrease) in Unrestricted Net Assets	(1,212,500)	(2,316,375)	1,103,875	(7,884,880)	(9,097,380)	(6,969,044)	64,560	(6,904,484)	(2,192,896)	(8,101,069)
Increase (Decrease) in GASB45 liability	3,086,000	1,748,600	1,337,400	2,449,455	5,535,455	4,564,034	-	4,564,034	971,421	6,189,974
<b>TOTAL</b>	<b>1,873,500</b>	<b>(567,775)</b>	<b>2,441,275</b>	<b>(5,435,425)</b>	<b>(3,561,925)</b>	<b>(2,405,010)</b>	<b>64,560</b>	<b>(2,340,450)</b>	<b>(1,221,475)</b>	<b>(1,911,095)</b>

VERMONT STATE COLLEGES  
- FY'15 TUITION & FEES REVENUE MONITORING REPORT -

All Schools  
December 31, 2014

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE	
	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
<b>Fall 2014</b>						
Vermonter	7,202	30,847,720	7,066	29,874,551	(135)	(973,169)
Non-Vrmt (o/s)	1,240	13,220,478	1,125	12,042,380	(116)	(1,178,098)
NEBHE	629	6,545,701	638	6,580,967	9	35,266
Grad Vermont	159	1,319,013	166	1,090,454	7	(228,559)
Grad Non- Vermont	19	252,050	15	163,340	(4)	(88,710)
<b>Total</b>	<b>9,250</b>	<b>\$52,184,962</b>	<b>9,010</b>	<b>\$49,751,692</b>	<b>(240)</b>	<b>(\$2,433,270)</b>
<b>Spring 2015</b>						
Vermonter	6,850	28,931,154	6,592	27,735,904	(258)	(1,195,250)
Non-Vrmt (o/s)	1,135	11,915,308	1,062	11,276,705	(73)	(638,603)
NEBHE	574	5,960,901	549	5,706,413	(25)	(254,488)
Grad Vermont	163	1,234,527	133	830,832	(29)	(403,695)
Grad Non- Vermont	17	228,833	10	114,128	(6)	(114,705)
<b>Total</b>	<b>8,738</b>	<b>\$48,270,723</b>	<b>8,347</b>	<b>\$45,663,982</b>	<b>(392)</b>	<b>(\$2,606,741)</b>
<b>SUMMER SESSIONS I. (J/Aug)</b>						
Vermonter	397	2,087,939	526	2,799,797	129	711,858
Non-Vrmt (o/s)	15	156,499	40	423,399	25	266,900
NEBHE	19	190,268	26	266,915	7	76,647
Grad Vermont	34	204,251	62	356,347	27	152,096
Grad Non- Vermont	3	33,974	3	38,436	1	4,462
<b>Total</b>	<b>467</b>	<b>2,672,931</b>	<b>657</b>	<b>3,884,894</b>	<b>190</b>	<b>1,211,963</b>
<b>SUMMER SESSIONS II&gt; (May/J)</b>						
Vermonter	566	3,004,279	571	3,027,424	4	23,145
Non-Vrmt (o/s)	12	134,529	17	184,420	5	49,891
NEBHE	20	191,357	29	281,409	10	90,052
Grad Vermont	24	147,052	29	176,081	5	29,029
Grad Non- Vermont	2	29,996	2	20,975	(1)	(9,021)
<b>Total</b>	<b>624</b>	<b>\$3,507,213</b>	<b>647</b>	<b>\$3,690,309</b>	<b>23</b>	<b>\$183,096</b>
<b>FY 2015 TOTAL (Avg)</b>						
<b>Fall &amp; Spring</b>						
Vermonter	7,026	\$59,778,874	6,829	\$57,610,455	(197)	(\$2,168,419)
Non-Vrmt (o/s)	1,188	25,135,786	1,093	23,319,085	(94)	(1,816,701)
NEBHE	602	12,506,602	593	12,287,380	(8)	(219,222)
Grad Vermont	161	2,553,540	150	1,921,286	(11)	(632,254)
Grad Non- Vermont	18	480,883	13	277,468	(5)	(203,415)
S/T	8,994	\$100,455,685	8,678	\$95,415,674	(316)	(\$5,040,011)
Summer Sessions (annualized)	546	6,180,144	652	7,575,203	106	1,395,059
<b>Total Student Tuition</b>	<b>9,540</b>	<b>106,635,829</b>	<b>9,330</b>	<b>\$102,990,877</b>	<b>(210)</b>	<b>(\$3,644,952)</b>
Student Fees		11,085,556		11,003,228		(82,328)
<b>Total Tuition and Fees</b>		<b>\$117,721,385</b>		<b>\$113,994,105</b>		<b>(\$3,727,280)</b>
Less: Waivers		(5,091,488)		(5,134,766)		(43,278)
<b>Total Net Tuition &amp; Fees</b>		<b>\$112,629,897</b>		<b>\$108,859,339</b>		<b>(\$3,770,558)</b>
<b>Auxiliary:</b>						
Room & Board Fall		12,733,016		12,355,897		(377,119)
Room & Board Spring		11,633,547		11,687,819		54,272
Bookstore		1,000,000		1,000,000		0
<b>Total Auxiliary</b>		<b>25,366,563</b>		<b>25,043,716</b>		<b>(322,847)</b>

\* FPE: Full Paying Equivalent, i.e. # students at full tuition value

\*\* Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested in Capital	Loans	Total Entity	Total December 31, 2013
<b>OPERATING REVENUES</b>							
Tuition and Fees (Gross)	62,052,064	-	-	-	-	\$62,052,064	85,033,359
(Less Scholarship Allowances)	4,946,411	-	-	-	-	4,946,411	4,946,411
Net Tuition and Fees	57,105,653	0	0	0	0	57,105,653	80,086,948
Federal Grants and Contracts	1,815	5,374,279	-	-	-	5,376,094	4,614,769
State and Local Grants and Contracts	-	720,121	-	-	-	720,121	616,493
Non-Governmental Grants and Contracts	6,560	776,698	-	-	-	783,258	840,855
Interest on Student Loans Receivable	-	-	-	-	41,720	41,720	38,317
Sales and Services	3,063,389	286,997	-	-	-	3,350,386	3,217,670
Auxiliary Services	12,928,561	-	-	-	-	12,928,561	20,215,457
Other Operating Revenue	835,089	-	-	-	24,846	859,935	850,517
<b>TOTAL OPERATING REVENUE</b>	<b>73,941,067</b>	<b>7,158,095</b>	<b>0</b>	<b>0</b>	<b>66,566</b>	<b>81,165,728</b>	<b>110,481,026</b>
<b>OPERATING EXPENSES</b>							
Salaries and Wages	38,684,336	2,876,241	-	-	-	41,560,577	39,590,617
Employee Benefits - Group Insurance	9,859,352	544,084	-	-	-	10,403,436	10,403,436
Employee Benefits - GASB 45	3,086,000	-	-	-	-	3,086,000	3,086,000
Payment to Trust for GASB45 benefits	1	-	-	-	-	1	-
Employee Benefits - Other	8,586,786	557,185	-	-	-	9,143,971	8,655,766
Scholarships and Fellowships	3,840,502	11,950,089	-	-	-	15,790,591	15,790,590
Supplies and Other Services	16,853,080	916,884	-	-	63,902	17,833,866	17,589,367
Travel	1,277,881	169,916	-	-	-	1,447,797	1,344,838
Equipment	530,640	23,422	-	9,367	-	563,429	548,830
Library Acquisitions	486,697	-	-	-	-	486,697	516,853
Utilities	2,949,976	-	-	-	-	2,949,976	2,504,971
Transfers	-	-	-	-	-	-	0
Inter-entity	1,920,692	676,920	-	(2,597,612)	-	-	-
Intra-entity	(1,173,773)	1,484,829	(50,222)	(260,834)	-	-	12
Depreciation	-	-	-	6,890,393	-	6,890,393	6,169,246
<b>TOTAL OPERATING EXPENSES</b>	<b>86,902,170</b>	<b>19,199,570</b>	<b>(50,222)</b>	<b>4,041,314</b>	<b>63,902</b>	<b>110,156,734</b>	<b>106,200,526</b>
Operating Income (Loss)	(12,961,103)	(12,041,475)	50,222	(4,041,314)	2,664	(28,991,006)	4,280,500
<b>NON-OPERATING REVENUES (EXPENSES)</b>							
State Appropriation	12,958,038	1,175,000	-	-	-	14,133,038	14,133,036
Non-operating Federal Grant	-	9,563,589	-	-	-	9,563,589	9,379,027
Gifts	1,126,128	233,343	-	750	-	1,360,221	1,333,638
Investment Income (Net of Expenses)	88,916	66,518	535	45	-	156,014	363,966
Interest Expenses on Capital Debt	(2,431,040)	-	-	-	-	(2,431,040)	(1,566,599)
Other Non-Operating Revenues	6,561	-	-	-	-	6,561	6,561
VTC Loan	-	-	-	-	-	-	-
Net Non-Operating Revenues	11,748,603	11,038,450	535	795	0	22,788,383	23,649,629
Income before Other Rev, Exp, Gains, Losses	(1,212,500)	(1,003,025)	50,757	(4,040,519)	2,664	(6,202,623)	27,930,129
Capital Appropriations	-	1,488,000	-	-	-	1,488,000	1,488,000
Capital Grants and Gifts	-	-	-	1,835	-	1,835	1,150
Additions to Non-Expendable Assets	-	-	194,061	-	-	194,061	178,846
Inc (Dec) in Net Assets	(1,212,500)	484,975	244,818	(4,038,684)	2,664	(4,518,727)	29,598,125
Increase (Decrease) in GASB45 liability	3,086,000	-	-	-	-	3,086,000	3,086,000
<b>TOTAL</b>	<b>1,873,500</b>	<b>484,975</b>	<b>244,818</b>	<b>(4,038,684)</b>	<b>2,664</b>	<b>(1,432,727)</b>	<b>32,684,125</b>

Vermont State Colleges  
 All Entities  
 Statement of Net Assets

	December 31, 2014					December 31, 2013	Variance 2013 to 2014	Dec Dec
	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity	Total Entity	
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and Cash Equivalents	12,381,337					12,381,337	4,538,459	7,842,878
Short Term Investments (less than 90 days)	0					0	0	-
A/R Net (includes accrued interest)	56,787,970	2,505,188		99,243		59,392,401	60,326,844	(934,443)
Deposit with Bond Trustees	427,339			2,564,840		2,992,179	6,048,814	(3,056,635)
Due To/Due From	(29,845,190)	11,202,944	16,742,082	2,248,069	(347,906)	(1)	0	(1)
Other Current Assets	2,433,341			0		2,433,341	2,296,835	136,506
<b>Total Current Assets</b>	<b>42,184,797</b>	<b>13,708,132</b>	<b>16,742,082</b>	<b>4,912,152</b>	<b>(347,906)</b>	<b>77,199,257</b>	<b>73,210,952</b>	<b>3,988,305</b>
<b>Non-Current Assets</b>								
Cash and Cash Equivalents				0	816,510	816,510	619,352	197,158
Long-term Investments	50,276,358					50,276,358	53,280,840	(3,004,482)
Capital Assets (Net)				181,889,192		181,889,192	192,030,076	(10,140,884)
Interest Rate Swap Future Inflows	10,674,356					10,674,356	10,603,309	71,047
Other Assets	57,692	597,083		0	4,850,653	5,505,428	5,691,697	(186,269)
<b>Total Non-current Assets</b>	<b>61,008,406</b>	<b>597,083</b>	<b>0</b>	<b>181,889,192</b>	<b>5,667,163</b>	<b>249,161,844</b>	<b>262,225,274</b>	<b>(13,063,430)</b>
<b>Total Assets</b>	<b>103,193,203</b>	<b>14,305,215</b>	<b>16,742,082</b>	<b>186,801,344</b>	<b>5,319,257</b>	<b>326,361,101</b>	<b>335,436,226</b>	<b>(9,075,125)</b>
<b>LIABILITIES</b>								
<b>Current Liabilities</b>								
Accounts Payable and Accrued Liabilities	66,922,734	2,665,029		0		69,587,763	67,606,115	1,981,648
Long-term Liabilities (Current portion)	23,382			2,701,301		2,724,683	2,672,823	51,860
<b>Total Current Liabilities</b>	<b>66,946,116</b>	<b>2,665,029</b>	<b>0</b>	<b>2,701,301</b>	<b>0</b>	<b>72,312,446</b>	<b>70,278,938</b>	<b>2,033,508</b>
<b>Non-Current Liabilities</b>								
Accounts Payable and Accrued Liabilities	52,029,729	171,196		0	6,041,112	58,242,037	50,992,128	7,249,909
FMV Interest Rate Swap	10,674,356					10,674,356	10,603,309	71,047
Long-term Liabilities (Non-current portion)				125,719,292		125,719,292	129,570,158	(3,850,866)
<b>Total Non-Current Liabilities</b>	<b>62,704,085</b>	<b>171,196</b>	<b>0</b>	<b>125,719,292</b>	<b>6,041,112</b>	<b>194,635,685</b>	<b>191,165,595</b>	<b>3,470,090</b>
<b>Total Liabilities</b>	<b>129,650,201</b>	<b>2,836,225</b>	<b>0</b>	<b>128,420,593</b>	<b>6,041,112</b>	<b>266,948,131</b>	<b>261,444,533</b>	<b>5,503,598</b>
<b>NET ASSETS</b>								
Invested in Capital Assets				58,380,751		58,380,751	65,456,685	(7,075,934)
Restricted Non-Expendable			16,742,082		(721,855)	16,020,227	15,488,655	531,572
Restricted Expendable: Other		11,468,990				11,468,990	11,669,914	(200,924)
Unrestricted	(26,456,998)					(26,456,998)	(18,623,561)	(7,833,437)
<b>Total Net Assets</b>	<b>(26,456,998)</b>	<b>11,468,990</b>	<b>16,742,082</b>	<b>58,380,751</b>	<b>(721,855)</b>	<b>59,412,970</b>	<b>73,991,693</b>	<b>(14,578,723)</b>
<b>Total Liabilities and Net Assets</b>	<b>103,193,203</b>	<b>14,305,215</b>	<b>16,742,082</b>	<b>186,801,344</b>	<b>5,319,257</b>	<b>326,361,101</b>	<b>335,436,226</b>	<b>(9,075,125)</b>

# **Vermont State Colleges**

## **Detailed College Financial Reports**

**Period ended December 31, 2014**

**Community College of Vermont**  
December 31, 2014

**Narrative Highlights for Budget vs. Actual**

**Projection  
vs.  
Budget**

CCV operating revenues for FY2015 are projected to be higher than our budget by \$582,973. This is due primarily to a strong summer 2014 (July-August) semester. Increased enrollment by Vermonters contributed significantly to these additional revenues. Our fall 2014 tuition and fees were in line with expected enrollments. However, CCV's spring 2015 semester enrollments are estimated to be lower than last year, and the reduction has been reflected in our current tuition and fees revenue projections.

Non-operating revenues this year are projected to be down slightly by \$48,000, mostly as the result of a rescission in the College's State of Vermont appropriation.

Our FY 15 operating expense is projected to exceed the budget by \$422,490; however, this is mostly due to additional instructor salaries to support our increased summer enrollment revenues.

**YTD Variance**

At year end, CCV is projecting a greater than expected increase to our unrestricted net assets of \$112,922.

The College is focused on controlling expenses and continues to meet its operating expense budget, which includes \$160,000 in approved 2014 carry forward to support the college's innovation and communication initiatives.

Vermont State Colleges  
Community College of Vermont  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	12,951,697	12,979,718	(28,021)	11,748,811	24,700,508	24,117,535	-	24,117,535	582,973	25,051,385
(Less Scholarship Allowances)	329,259	274,510	54,749	99,222	428,481	428,480	-	428,480	(1)	487,997
Net Tuition and Fees:	12,622,438	12,705,208	(82,770)	11,649,589	24,272,027	23,689,055	-	23,689,055	582,972	24,563,388
Federal Grants and Contracts	1,630	1,085	545	11,019	12,649	12,648	-	12,648	1	17,510
State and Local Grants and Contracts	0	0	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	0	0	-	-	-	-	-	-	-	812
Interest Income	0	0	-	-	-	-	-	-	-	-
Sales and Services	45,288	13,120	32,168	54,712	100,000	100,000	-	100,000	-	21,616
Auxiliary Enterprises	0	0	-	-	-	-	-	-	-	-
Other Operating Revenue	25,184	8,299	16,885	(184)	25,000	25,000	-	25,000	-	25,276
<b>TOTAL OPERATING REVENUE</b>	<b>12,694,540</b>	<b>12,727,712</b>	<b>(33,172)</b>	<b>11,715,136</b>	<b>24,409,676</b>	<b>23,826,703</b>	<b>-</b>	<b>23,826,703</b>	<b>582,973</b>	<b>24,628,602</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	8,646,164	8,785,841	139,677	7,263,991	15,910,155	15,505,156	-	15,505,156	(404,999)	16,409,584
Employee Benefits - Group Insurance	1,286,657	1,262,026	(24,631)	1,420,377	2,707,034	2,624,195	-	2,624,195	(82,839)	2,490,610
Employee Benefits - GASB 45	492,000	107,800	(384,200)	26,938	518,938	518,938	-	518,938	-	1,018,162
Payment to Trust for GASB45 benefits	355,336	241,514	(113,822)	372,825	728,161	710,672	-	710,672	(17,489)	461,609
Employee Benefits - Other	1,240,363	1,264,522	24,159	1,225,107	2,465,470	2,548,309	-	2,548,309	82,839	2,465,419
Scholarships and Fellowships	109,314	44,685	(64,629)	206,563	315,877	315,877	-	315,877	-	198,630
Supplies and Other Services	2,095,275	2,136,067	40,792	1,979,984	4,075,259	3,866,259	160,000	4,026,259	(49,000)	4,098,481
Travel	95,746	74,686	(21,060)	65,453	161,199	210,200	-	210,200	49,001	200,369
Equipment	33,893	20,302	(13,591)	153,159	187,052	187,052	-	187,052	-	197,129
Library Acquisitions	0	0	-	-	-	-	-	-	-	-
Utilities	132,003	142,768	10,765	157,997	290,000	290,000	-	290,000	-	319,904
Transfers										
Inter-entily	831,650	1,077,041	245,391	1,835,864	2,667,514	2,667,512	-	2,667,512	(2)	2,191,103
Intra-entily	(216,171)	(120,912)	95,259	49,496	(166,675)	(166,675)	-	(166,675)	-	465,626
<b>TOTAL OPERATING EXPENSES</b>	<b>15,102,230</b>	<b>15,036,340</b>	<b>(65,890)</b>	<b>14,757,754</b>	<b>29,859,984</b>	<b>29,277,495</b>	<b>160,000</b>	<b>29,437,495</b>	<b>(422,489)</b>	<b>30,516,625</b>
Operating Income (Loss)	(2,407,690)	(2,308,628)	(99,062)	(3,042,618)	(5,450,308)	(5,450,792)	(160,000)	(5,610,792)	160,484	(5,888,023)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	2,375,413	2,387,257	(11,844)	2,375,411	4,750,824	4,798,386	-	4,798,386	(47,562)	4,774,513
Gifts	35,206	12,750	22,456	4,795	40,001	40,000	-	40,000	1	52,466
Investment Income (Net of Expenses)	29,475	41,811	(12,336)	63,993	93,468	93,468	-	93,468	-	72,316
Interest Expense on Capital Debt	0	0	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	2,440,094	2,441,818	(1,724)	2,444,199	4,884,293	4,931,854	-	4,931,854	(47,561)	4,899,295
Increase (Decrease) in Unrestricted Net Assets	32,404	133,190	(100,786)	(598,419)	(566,015)	(518,938)	(160,000)	(678,938)	112,923	(988,728)
Increase (Decrease) in GASB45 liability	492,000	107,800	384,200	26,938	518,938	518,938	-	518,938	-	1,018,162
<b>TOTAL</b>	<b>524,404</b>	<b>240,990</b>	<b>283,414</b>	<b>(571,481)</b>	<b>(47,077)</b>	<b>-</b>	<b>(160,000)</b>	<b>(160,000)</b>	<b>112,923</b>	<b>29,434</b>



VERMONT STATE COLLEGES  
 - FY'15 TUITION & FEES REVENUE MONITORING REPORT -

Community College of Vermont  
 12/31/2014

	BUDGETED			ACTUAL/ESTIMATED		VARIANCE	
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
<b>Fall 2014</b>	(Semester)						
Vermont	2,868	2,884	\$8,271,300	2,872	\$8,236,407	(12)	(\$34,893)
Non-Vrmtr (o/s)	5,736	177	1,015,300	162	932,074	(15)	(83,226)
NEBHE	5,736	33	189,300	47	271,839	14	82,539
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
<b>Total</b>		<u>3,094</u>	<u>\$9,475,900</u>	<u>3,082</u>	<u>\$9,440,320</u>	<u>(12)</u>	<u>(\$35,580)</u>
<b>Spring 2015</b>	(Semester)						
Vermont	2,868	2,884	\$8,271,300	2,756	\$7,905,235	(128)	(\$366,065)
Non-Vrmtr (o/s)	5,736	177	1,015,300	168	964,535	(9)	(50,765)
NEBHE	5,736	33	189,300	33	189,300	0	0
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
<b>Total</b>		<u>3,094</u>	<u>\$9,475,900</u>	<u>2,957</u>	<u>\$9,059,070</u>	<u>(137)</u>	<u>(\$416,830)</u>
<b>SUMMER SESSIONS I. (J/Aug)</b>	**						
Vermont	5,568	251	\$1,397,600	369	\$2,053,630	118	\$656,030
Non-Vrmtr (o/s)	11,136	7	78,000	29	318,861	22	240,861
NEBHE	11,136	2	22,300	7	75,825	5	53,525
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
<b>Total</b>		<u>260</u>	<u>1,497,900</u>	<u>405</u>	<u>2,448,316</u>	<u>145</u>	<u>950,416</u>
<b>SUMMER SESSIONS II&gt; (May/J)</b>	**						
Vermont	5,736	310	\$1,778,200	310	\$1,778,200	0	\$0
Non-Vrmtr (o/s)	11,472	8	91,800	8	91,800	0	0
NEBHE	11,472	2	22,900	2	22,900	(0)	0
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
<b>Total</b>		<u>320</u>	<u>\$1,892,900</u>	<u>320</u>	<u>\$1,892,900</u>	<u>0</u>	<u>\$0</u>
<b>FY 2015 TOTAL</b>	(Acad Yr)	(Avg)					
Fall & Spring							
Vermont	\$5,736	2,884	\$16,542,600	2,814	\$16,141,642	(70)	(\$400,958)
Non-Vrmtr (o/s)	11,472	177	2,030,600	165	1,896,609	(12)	(133,991)
NEBHE	11,472	33	378,600	40	461,139	7	82,539
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
S/T		<u>3,094</u>	<u>\$18,951,800</u>	<u>3,019</u>	<u>\$18,499,390</u>	<u>(75)</u>	<u>(\$452,410)</u>
Summer Sessions (annualized)		580	3,390,800	725	4,341,216	73	950,416
<b>Total Student Tuition</b>		<u>3,674</u>	<u>\$22,342,600</u>	<u>3,744</u>	<u>\$22,840,606</u>	<u>70</u>	<u>\$498,006</u>
Student Fees			1,774,935		1,859,902		84,967
<b>Total Tuition and Fees</b>			<u>\$24,117,535</u>		<u>\$24,700,508</u>		<u>\$582,973</u>
Less: Waivers			(428,480)		(428,480)		0
<b>Total Net Tuition &amp; Fees</b>			<u>\$23,689,055</u>		<u>\$24,272,028</u>		<u>\$582,973</u>
Auxiliary:							
Room & Board Fall			0		0		0
Room & Board Spring			0		0		0
Bookstore			0		0		0
<b>Total Auxiliary</b>			<u>0</u>		<u>0</u>		<u>0</u>

\* FPE: Full Paying Equivalent, i.e. # students at full tuition value

\*\* Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges  
Community College of Vermont  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)	\$12,951,697	\$0	0	0	0	\$12,951,697
(Less Scholarship Allowances)	<u>329,259</u>	-	-	-	-	<u>329,259</u>
Net Tuition and Fees	12,622,438	0	0	0	0	12,622,438
Federal Grants and Contracts	1,630	995,676	0	0	0	997,306
State and Local Grants and Contracts	0	12,375	0	0	0	12,375
Non-Governmental Grants and Contracts	0	374,987	0	0	0	374,987
Interest on Student Loans Receivable	0	0	0	0	0	-
Sales and Services	45,288	0	0	0	0	45,288
Auxiliary Services	0	0	0	0	0	-
Other Operating Revenue	<u>25,184</u>	-	-	-	-	<u>25,184</u>
<b>TOTAL OPERATING REVENUE</b>	<b>12,694,540</b>	<b>1,383,038</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,077,578</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	8,646,164	549,534	0	0	0	9,195,698
Employee Benefits - Group Insurance	1,286,657	126,971	0	0	0	1,413,628
Employee Benefits - GASB 45	492,000	0	0	0	0	492,000
Payment to Trust for GASB45 benefits	355,336	0	0	0	0	355,336
Employee Benefits - Other	1,240,363	110,296	0	0	0	1,350,659
Scholarships and Fellowships	109,314	4,049,497	0	0	0	4,158,811
Supplies and Other Services	2,095,275	184,580	0	0	0	2,279,855
Travel	95,746	27,568	0	0	0	123,314
Equipment	33,893	0	0	0	0	33,893
Library Acquisitions	0	0	0	0	0	-
Utilities	132,003	0	0	0	0	132,003
Transfers						-
Inter-entity	831,650	(253,431)	0	(34,102)	0	544,117
Intra-entity	(216,171)	255,482	0	(39,311)	0	-
Depreciation	-	-	-	<u>416,989</u>	-	<u>416,989</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>15,102,230</b>	<b>5,050,497</b>	<b>0</b>	<b>343,576</b>	<b>0</b>	<b>20,496,303</b>
Operating Income (Loss)	(2,407,690)	(3,667,459)	0	(343,576)	0	(6,418,725)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	2,375,413	75,000	0	0	0	2,450,413
Non-operating Federal Grant	0	3,835,586	0	0	0	3,835,586
Gifts	35,206	44,865	0	0	0	80,071
Investment Income (Net of Expenses)	29,475	6,015	0	0	0	35,490
Interest Expenses on Capital Debt	0	0	0	0	0	-
Other Non-Operating Revenues	-	-	-	-	-	-
Net Non-Operating Revenues	<u>2,440,094</u>	<u>3,961,466</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,401,560</u>
Income before Other Rev, Exp, Gains, Losses	<u>32,404</u>	<u>294,007</u>	<u>0</u>	<u>(343,576)</u>	<u>0</u>	<u>(17,165)</u>
Capital Appropriations						-
Capital Grants and Gifts						-
Additions to Non-Expendable Assets	-	-	<u>29,443</u>	-	-	<u>29,443</u>
Inc (Dec) in Net Assets	<u>32,404</u>	<u>294,007</u>	<u>29,443</u>	<u>(343,576)</u>	<u>0</u>	<u>12,278</u>
Increase (Decrease) in GASB45 liability	492,000					492,000
<b>TOTAL</b>	<b>524,404</b>	<b>294,007</b>	<b>29,443</b>	<b>(343,576)</b>	<b>0</b>	<b>504,278</b>

**Castleton State College**  
**December 31, 2014**  
**Narrative Highlights**

**SRECNA-Budget v. Actual**

Tuition and Fees- Although overall enrollment is on par with last year, Castleton has seen what we believe to be a short-term decline in undergraduate enrollment. This has resulted in a reduction in net tuition and fee revenue by 8%.

Auxiliary - Student Housing and Meals has also seen a reduction in revenue due to the enrollment decline by approximately 5%.

Sales and Services - As of December, Castleton has already reached 95% of its budget expectation for this category, in large part due to additional Polling Institute contracts. We are optimistic that we will maintain this trend and with increases in Conference & Events and Center for Schools, will well exceed our goal for the current fiscal year by 12%. These entrepreneurial initiatives and others are critical to our future.

Operating Expenses- Salary and benefits activity are all reasonable compared to prior year, given the contract increases and expectations. Our institutional scholarships are projected to exceed budget. We are mitigating this through other operational adjustments, including a 20% rescission in all of our operating budgets as well as other reductions. All other operating expenses are following traditional patterns. There have not been any significant events to change general operational activities.

Transfers- Castleton transferred some available funds to assist with operational obligations, which is reflected in the intra-entity line item. We will be utilizing last year's carryforward to augment operations this fiscal year.

Non-Operating Revenues- There was a small revocation of appropriations after the budget was approved. This has been adjusted to actual expectations. Investment income continues to decrease and is only 23% of budget at this time.

Vermont State Colleges  
Castleton State College  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	15,921,661	15,976,047	(54,386)	13,332,894	29,254,555	31,639,486	-	31,639,486	(2,384,931)	30,157,965
(Less Scholarship Allowances)	504,534	313,817	190,717	15,466	520,000	320,000	-	320,000	(200,000)	332,414
Net Tuition and Fees:	15,417,127	15,662,230	(245,103)	13,317,428	28,734,555	31,319,486	-	31,319,486	(2,584,931)	29,825,551
Federal Grants and Contracts	0	0	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	0	0	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	5,767	1,995	3,772	-	5,767	-	-	-	5,767	6,319
Interest Income	0	0	-	-	-	-	-	-	-	-
Sales and Services	780,775	723,946	56,829	143,225	924,000	824,000	-	824,000	100,000	1,275,439
Auxiliary Enterprises	5,152,451	5,847,582	(695,131)	4,894,285	10,046,736	10,524,889	-	10,524,889	(478,153)	10,934,404
Other Operating Revenue	121,108	44,872	76,236	84,892	206,000	141,000	-	141,000	65,000	306,934
<b>TOTAL OPERATING REVENUE</b>	<b>21,477,228</b>	<b>22,280,625</b>	<b>(803,397)</b>	<b>18,439,830</b>	<b>39,917,058</b>	<b>42,809,375</b>	<b>-</b>	<b>42,809,375</b>	<b>(2,892,317)</b>	<b>42,348,647</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	9,835,320	9,279,002	(556,318)	8,845,690	18,681,010	18,525,844	-	18,525,844	(155,166)	18,380,595
Employee Benefits - Group Insurance	2,699,427	2,533,026	(166,401)	2,879,673	5,579,100	5,573,100	-	5,573,100	(6,000)	5,250,827
Employee Benefits - GASB 45	820,000	530,600	(289,400)	648,517	1,468,517	1,468,517	-	1,468,517	-	1,669,368
Payment to Trust for GASB45 benefits	436,299	282,290	(154,009)	437,142	873,441	872,597	-	872,597	(844)	561,833
Employee Benefits - Other	2,349,963	2,191,883	(158,080)	2,278,115	4,628,078	4,677,078	-	4,677,078	49,000	4,431,374
Scholarships and Fellowships	1,272,429	1,023,746	(248,683)	1,005,948	2,278,377	1,412,377	-	1,412,377	(866,000)	2,024,143
Supplies and Other Services	4,613,895	4,974,141	360,246	2,767,817	7,381,712	8,440,555	75,440	8,515,995	1,134,283	8,590,486
Travel	482,752	525,439	42,687	97,248	580,000	480,000	-	480,000	(100,000)	1,102,082
Equipment	163,225	242,934	79,709	307,775	471,000	471,000	-	471,000	-	195,890
Library Acquisitions	133,947	144,907	10,960	288,553	422,500	422,500	-	422,500	-	252,018
Utilities	804,576	778,780	(25,796)	1,472,571	2,277,147	2,277,147	-	2,277,147	-	2,199,156
Transfers										
Inter-entily	2,086,251	2,498,465	412,214	2,665,784	4,752,035	5,367,996	-	5,367,996	615,961	3,444,273
Intra-entily	(415,312)	1,048,022	1,463,334	(230,603)	(645,915)	(303,915)	-	(303,915)	342,000	1,355,631
<b>TOTAL OPERATING EXPENSES</b>	<b>25,282,772</b>	<b>26,053,235</b>	<b>770,463</b>	<b>23,464,230</b>	<b>48,747,002</b>	<b>49,684,796</b>	<b>75,440</b>	<b>49,760,236</b>	<b>1,013,234</b>	<b>49,457,675</b>
<b>Operating Income (Loss)</b>	<b>(3,805,544)</b>	<b>(3,772,610)</b>	<b>(32,934)</b>	<b>(5,024,400)</b>	<b>(8,829,944)</b>	<b>(6,875,421)</b>	<b>(75,440)</b>	<b>(6,950,861)</b>	<b>(1,879,083)</b>	<b>(7,109,028)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	2,375,413	2,387,257	(11,844)	2,375,412	4,750,825	4,798,386	-	4,798,386	(47,561)	4,774,513
Gifts	274,571	374,890	(100,319)	180,429	455,000	455,000	-	455,000	-	561,542
Investment Income (Net of Expenses)	36,240	107,230	(70,990)	67,278	103,518	153,518	-	153,518	(50,000)	182,252
Interest Expense on Capital Debt	(1,576)	(1,867)	291	(924)	(2,500)	-	-	-	(2,500)	(3,206)
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	2,684,648	2,867,510	(182,862)	2,622,195	5,306,843	5,406,904	-	5,406,904	(100,061)	5,515,102
Increase (Decrease) in Unrestricted Net Assets	(1,120,896)	(905,100)	(215,796)	(2,402,205)	(3,523,101)	(1,468,517)	(75,440)	(1,543,957)	(1,979,144)	(1,593,926)
Increase (Decrease) in GASB45 liability	820,000	530,600	289,400	648,517	1,468,517	1,468,517	-	1,468,517	-	1,669,368
<b>TOTAL</b>	<b>(300,896)</b>	<b>(374,500)</b>	<b>73,604</b>	<b>(1,753,688)</b>	<b>(2,054,584)</b>	<b>-</b>	<b>(75,440)</b>	<b>(75,440)</b>	<b>(1,979,144)</b>	<b>75,442</b>

VERMONT STATE COLLEGES  
 - FY'15 TUITION & FEES REVENUE MONITORING REPORT -

Castleton State College  
 12/31/2014

	BUDGETED			ACTUAL/ESTIMATED		VARIANCE	
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
<b>Fall 2014</b>	(Semester)						
Vermont	4,884	1,435	7,378,486	1,381	6,742,987	(54)	(\$635,499)
Non-Vrmt (o/s)	12,216	600	7,243,897	533	6,512,371	(67)	(731,526)
NEBHE	12,216	2	24,432	12	146,592	10	122,160
Grad Vermont	6,598	38	509,692	57	378,935	19	(130,757)
Grad Non- Vermont	9,600	14	182,399	10	95,408	(4)	(86,991)
<b>Total</b>		<u>2,089</u>	<u>\$15,338,906</u>	<u>1,993</u>	<u>\$13,876,293</u>	<u>(96)</u>	<u>(\$1,462,613)</u>
<b>Spring 2015</b>	(Semester)						
Vermont	4,884	1,320	6,676,648	1,289	6,293,350	(31)	(\$383,298)
Non-Vrmt (o/s)	12,216	540	6,414,494	484	5,913,006	(56)	(501,488)
NEBHE	12,216	2	24,432	7	85,512	5	61,080
Grad Vermont	6,598	34	449,692	31	202,933	(3)	(246,759)
Grad Non- Vermont	9,600	13	182,399	5	50,000	(8)	(132,399)
<b>Total</b>		<u>1,909</u>	<u>\$13,747,665</u>	<u>1,816</u>	<u>\$12,544,801</u>	<u>(93)</u>	<u>(\$1,202,864)</u>
<b>SUMMER SESSIONS I. (J/Aug)</b>	**						
Vermont	4,464			12	55,035	12	\$55,035
Non-Vrmt (o/s)	6,696			2	10,867	2	10,867
NEBHE	-			-	-	0	0
Grad Vermont	5,580			21	116,558	21	116,558
Grad Non- Vermont	8,352			1	6,655	1	6,655
<b>Total</b>		<u>0</u>	<u>0</u>	<u>36</u>	<u>189,115</u>	<u>36</u>	<u>189,115</u>
<b>SUMMER SESSIONS II&gt; (May/J)</b>	**						
Vermont	4,656	-	-	0	\$0	0	\$0
Non-Vrmt (o/s)	6,984	-	-	0	0	0	0
NEBHE	-			-	0	0	0
Grad Vermont	5,803			0	0	0	0
Grad Non- Vermont	8,937			0	0	0	0
<b>Total</b>		<u>0</u>	<u>\$0</u>	<u>0</u>	<u>\$0</u>	<u>0</u>	<u>\$0</u>
<b>FY 2015 TOTAL</b>	(Acad Yr)	(Avg)					
<b>Fall &amp; Spring</b>							
Vermont	\$9,768	1,378	\$14,055,134	1,335	\$13,036,337	(43)	(\$1,018,797)
Non-Vrmt (o/s)	24,432	570	13,658,391	509	12,425,377	(61)	(1,233,014)
NEBHE	24,432	2	48,864	10	232,104	8	183,240
Grad Vermont	13,196	36	959,384	44	581,868	8	(377,516)
Grad Non- Vermont	19,200	14	364,798	8	145,408	(6)	(219,390)
S/T		1,999	\$29,086,571	1,904	\$26,421,094	(95)	(\$2,665,477)
Summer Sessions (annualized)		0	0	18	189,115	18	189,115
<b>Total Student Tuition</b>		<u>1,999</u>	<u>29,086,571</u>	<u>1,922</u>	<u>\$26,610,209</u>	<u>(77)</u>	<u>(\$2,476,362)</u>
Student Fees			2,552,915		2,644,346		91,431
<b>Total Tuition and Fees</b>			<u>\$31,639,486</u>		<u>\$29,254,555</u>		<u>(\$2,384,931)</u>
Less: Waivers			(320,000)		(520,000)		(200,000)
<b>Total Net Tuition &amp; Fees</b>			<u>\$31,319,486</u>		<u>\$28,734,555</u>		<u>(\$2,584,931)</u>
<b>Auxiliary:</b>							
Room & Board Fall			4,864,159		4,596,736		(267,423)
Room & Board Spring			4,660,731		4,450,000		(210,731)
Bookstore			1,000,000		1,000,000		0
<b>Total Auxiliary</b>			<u>10,524,890</u>		<u>10,046,736</u>		<u>(478,154)</u>

\* FPE: Full Paying Equivalent, i.e. # students at full tuition value

\*\* Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges  
Castleton State College  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)	\$15,921,661					\$15,921,661
(Less Scholarship Allowances)	504,534	-	-	-	-	504,534
Net Tuition and Fees	15,417,127	0	0	0	0	15,417,127
Federal Grants and Contracts	0	643,516	0	0	0	643,516
State and Local Grants and Contracts	0	81,747	0	0	0	81,747
Non-Governmental Grants and Contracts	5,767	86,962	0	0	0	92,729
Interest on Student Loans Receivable	0	0	0	0	16,122	16,122
Sales and Services	780,775	0	0	0	0	780,775
Auxiliary Services	5,152,451	0	0	0	0	5,152,451
Other Operating Revenue	121,108	-	-	-	478	121,586
<b>TOTAL OPERATING REVENUE</b>	<b>21,477,228</b>	<b>812,225</b>	<b>0</b>	<b>0</b>	<b>16,600</b>	<b>22,306,053</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	9,835,320	218,354	0	0	0	10,053,674
Employee Benefits - Group Insurance	2,699,427	5,701	0	0	0	2,705,128
Employee Benefits - GASB 45	820,000	0	0	0	0	820,000
Payment to Trust for GASB45 benefits	436,299	0	0	0	0	436,299
Employee Benefits - Other	2,349,963	39,564	0	0	0	2,389,527
Scholarships and Fellowships	1,272,429	2,033,297	0	0	0	3,305,726
Supplies and Other Services	4,613,895	160,824	0	0	42,603	4,817,322
Travel	482,752	29,720	0	0	0	512,472
Equipment	163,225	0	0	0	0	163,225
Library Acquisitions	133,947	0	0	0	0	133,947
Utilities	804,576	0	0	0	0	804,576
Transfers						-
Inter-entity	2,086,251	(100,467)	0	(447,266)	0	1,538,518
Intra-entity	(415,312)	435,932	(20,620)	0	0	-
Depreciation	-	-	-	1,531,089	-	1,531,089
<b>TOTAL OPERATING EXPENSES</b>	<b>25,282,772</b>	<b>2,822,925</b>	<b>(20,620)</b>	<b>1,083,823</b>	<b>42,603</b>	<b>29,211,503</b>
Operating Income (Loss)	(3,805,544)	(2,010,700)	20,620	(1,083,823)	(26,003)	(6,905,450)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	2,375,413	75,000	0	0	0	2,450,413
Non-operating Federal Grant	0	1,592,089	0	0	0	1,592,089
Gifts	274,571	34,962	0	750	0	310,283
Investment Income (Net of Expenses)	36,240	22,156	0	0	0	58,396
Interest Expenses on Capital Debt	(1,576)	0	0	0	0	(1,576)
Other Non-Operating Revenues	-	-	-	-	-	-
Net Non-Operating Revenues	2,684,648	1,724,207	0	750	0	4,409,605
Income before Other Rev, Exp, Gains, Losses	(1,120,896)	(286,493)	20,620	(1,083,073)	(26,003)	(2,495,845)
Capital Appropriations						-
Capital Grants and Gifts						-
Additions to Non-Expendable Assets	-	-	23,809	-	-	23,809
Inc (Dec) in Net Assets	(1,120,896)	(286,493)	44,429	(1,083,073)	(26,003)	(2,472,036)
Increase (Decrease) in GASB45 liability	820,000					820,000
<b>TOTAL</b>	<b>(300,896)</b>	<b>(286,493)</b>	<b>44,429</b>	<b>(1,083,073)</b>	<b>(26,003)</b>	<b>(1,652,036)</b>

**Johnson State College**  
Period Ending Date - 12/31/14

**Narrative Highlights for Budget vs. Actual**

**Projection vs. Budget** Fall enrollment for Johnson State College was 41 Full Paying Equivalent or 2.9% below budget for the fall semester. The shortfall in enrollment is comprised mainly of two factors, a reduction in new transfer students, and reduced persistence in the External Degree Program. This enrollment shortfall was partially off-set by Room and Board that is 5.0% better than budget. The net effect of these revenue adjustments is an estimated \$175K or 0.8% less than budget. It should also be noted that the rescission by the State Legislature resulted in a reduction of approximately \$24K in non-operating revenues.

Due to the lower enrollment numbers Johnson State College has closely monitored the number of sections opened, especially in the External Degree Program. Additionally, vacant positions have been held open where possible resulting in further savings. One-time revenue enhancement opportunities included in our FY15 budget including sustainable forestry, solar installation and property sale are currently underway. Adjustments to other budget lines are estimated to be approximately \$502K resulting in a currently projected surplus, after the approved use of reserves, of \$219K.

Johnson State College is projecting continued strong occupancy in the residential halls for the spring semester, which will help to partially off-set the spring semester enrollment shortfall. In addition, the College is working to reduce operational expenses and continue to carefully assess the viability of courses with small class numbers.

Johnson State College continues is working to align our instructional expenses with the numbers of students served.

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Toby C. Stewart, Controller Date

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Sharron R. Scott, Dean of Administration Date

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Barbara E. Murphy, President Date

Vermont State Colleges  
Johnson State College  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	9,907,841	9,923,294	(15,453)	8,176,446	18,084,287	18,536,278	-	18,536,278	(451,991)	18,276,281
(Less Scholarship Allowances)	817,733	783,107	34,626	50,632	868,365	847,744	-	847,744	(20,621)	829,017
Net Tuition and Fees:	9,090,108	9,140,187	(50,079)	8,125,814	17,215,922	17,688,534	-	17,688,534	(472,612)	17,447,264
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	793	2,200	(1,407)	-	793	-	-	-	793	2,200
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	280,031	250,248	29,783	166,252	446,283	548,506	-	548,506	(102,223)	398,818
Auxiliary Enterprises	2,587,614	2,401,614	186,000	2,417,238	5,004,852	4,606,173	-	4,606,173	398,679	4,657,483
Other Operating Revenue	79,234	102,774	(23,540)	46,404	125,638	125,638	-	125,638	-	196,642
<b>TOTAL OPERATING REVENUE</b>	<b>12,037,780</b>	<b>11,897,023</b>	<b>140,757</b>	<b>10,755,708</b>	<b>22,793,488</b>	<b>22,968,851</b>	<b>-</b>	<b>22,968,851</b>	<b>(175,363)</b>	<b>22,702,407</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	5,723,283	6,082,930	359,647	5,440,913	11,164,196	11,166,956	-	11,166,956	2,760	11,859,104
Employee Benefits - Group Insurance	1,589,924	1,647,457	57,533	1,717,558	3,307,482	3,486,839	-	3,486,839	179,357	3,339,597
Employee Benefits - GASB 45	346,000	180,200	(165,800)	346,000	692,000	729,119	-	729,119	37,119	701,259
Payment to Trust for GASB45 benefits	273,578	176,113	(97,465)	273,578	547,156	547,155	-	547,155	(1)	330,621
Employee Benefits - Other	1,341,769	1,333,538	(8,231)	1,085,155	2,426,924	2,499,406	-	2,499,406	72,482	2,503,313
Scholarships and Fellowships	1,021,545	864,255	(157,290)	1,043,216	2,064,761	2,069,000	-	2,069,000	4,239	1,687,622
Supplies and Other Services	1,991,111	2,022,293	31,182	1,988,593	3,979,704	3,973,260	-	3,973,260	(6,444)	4,042,029
Travel	151,360	223,681	72,321	243,886	395,246	326,180	-	326,180	(69,066)	568,864
Equipment	61,325	136,039	74,714	158,706	220,031	220,031	-	220,031	-	120,114
Library Acquisitions	104,221	87,356	(16,865)	42,595	146,816	137,880	-	137,880	(8,936)	141,975
Utilities	672,337	713,067	40,730	861,086	1,533,423	1,508,423	-	1,508,423	(25,000)	1,549,354
Transfers										
Inter-entity	1,360,737	1,673,422	312,685	1,889,103	3,249,840	3,602,294	-	3,602,294	352,454	3,253,096
Intra-entity	(311,736)	(319,687)	(7,951)	(430,706)	(742,442)	(742,442)	-	(742,442)	-	(567,276)
<b>TOTAL OPERATING EXPENSES</b>	<b>14,325,454</b>	<b>14,820,664</b>	<b>495,210</b>	<b>14,659,683</b>	<b>28,985,137</b>	<b>29,524,101</b>	<b>-</b>	<b>29,524,101</b>	<b>538,964</b>	<b>29,529,673</b>
Operating Income (Loss)	(2,287,674)	(2,923,641)	635,967	(3,903,975)	(6,191,649)	(6,555,250)	-	(6,555,250)	363,601	(6,827,265)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	2,375,413	2,387,257	(11,844)	2,399,100	4,774,513	4,798,386	-	4,798,386	(23,873)	4,774,513
Gifts	107,278	191,084	(83,806)	82,573	189,851	189,851	-	189,851	-	277,865
Investment Income (Net of Expenses)	43,958	75,117	(31,159)	28,881	72,839	162,894	-	162,894	(90,055)	128,998
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	6,525	(1,650)	8,175	-	6,525	-	-	-	6,525	3,374
Use of Strategic Reserve	-	-	-	675,000	675,000	675,000	-	675,000	-	-
Net Non-Operating Revenues	2,533,174	2,651,808	(118,634)	3,185,554	5,718,728	5,826,131	-	5,826,131	(107,403)	5,184,749
Increase (Decrease) in Unrestricted Net Assets	245,500	(271,833)	517,333	(718,421)	(472,921)	(729,119)	-	(729,119)	256,198	(1,642,516)
Increase (Decrease) in GASB45 liability	346,000	180,200	165,800	346,000	692,000	729,119	-	729,119	(37,119)	701,259
<b>TOTAL</b>	<b>591,500</b>	<b>(91,633)</b>	<b>683,133</b>	<b>(372,421)</b>	<b>219,079</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219,079</b>	<b>(941,257)</b>



VERMONT STATE COLLEGES  
 - FY'15 TUITION & FEES REVENUE MONITORING REPORT -

Johnson State College  
 12/31/2014

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE		
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
<b>Fall 2014</b>	(Semester)						
Vermonter	4,796	1,044	5,005,682	1,012	4,852,433	(32)	(153,249)
Non-Vrmttr (o/s)	10,803	155	1,673,982	122	1,319,400	(33)	(354,582)
NEBHE	10,803	84	909,901	113	1,222,386	29	312,485
Grad Vermonter	6,131	89	546,169	84	517,807	(5)	(28,362)
Grad Non- Vermonter	13,238	5	69,651	5	66,354	(0)	(3,297)
<b>Total</b>		<u>1,377</u>	<u>8,205,385</u>	<u>1,337</u>	<u>7,978,380</u>	<u>(41)</u>	<u>(227,005)</u>
<b>Spring 2015</b>	(Semester)						
Vermonter	4,796	926	4,439,001	885	4,244,118	(41)	(194,883)
Non-Vrmttr (o/s)	10,803	143	1,545,214	116	1,250,478	(27)	(294,736)
NEBHE	10,803	69	744,465	84	902,743	15	158,278
Grad Vermonter	6,131	97	591,683	92	565,569	(4)	(26,114)
Grad Non- Vermonter	13,238	4	46,434	5	60,876	1	14,442
<b>Total</b>		<u>1,238</u>	<u>7,366,797</u>	<u>1,181</u>	<u>7,023,784</u>	<u>(56)</u>	<u>(343,013)</u>
<b>SUMMER SESSIONS I. (J/Aug)</b>	**						
Vermonter	4,656	96	445,477	96	446,408	0	\$931
Non-Vrmttr (o/s)	10,488	3	28,579	3	28,579	0	0
NEBHE	10,488	4	38,176	4	38,176	0	0
Grad Vermonter	5,952	31	186,863	31	186,863	0	0
Grad Non- Vermonter	12,852	3	33,974	2	31,781	(0)	(2,193)
<b>Total</b>		<u>136</u>	<u>733,069</u>	<u>136</u>	<u>731,807</u>	<u>0</u>	<u>(1,262)</u>
<b>SUMMER SESSIONS II&gt; (May/J)</b>	**						
Vermonter	4,796	86	412,395	79	379,447	(7)	(32,948)
Non-Vrmttr (o/s)	10,803	2	21,969	6	63,160	4	41,191
NEBHE	10,803	3	29,347	5	58,409	3	29,062
Grad Vermonter	6,131	23	141,016	28	170,045	5	29,029
Grad Non- Vermonter	13,238	2	29,996	2	20,975	(1)	(9,021)
<b>Total</b>		<u>116</u>	<u>634,723</u>	<u>120</u>	<u>692,036</u>	<u>4</u>	<u>57,313</u>
<b>FY 2015 TOTAL</b>	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonter	9,592	985	9,444,683	948	9,096,551	(36)	(348,132)
Non-Vrmttr (o/s)	21,606	149	3,219,196	119	2,569,878	(30)	(649,318)
NEBHE	21,606	77	1,654,366	98	2,125,129	22	470,763
Grad Vermonter	12,262	93	1,137,852	88	1,083,376	(4)	(54,476)
Grad Non- Vermonter	26,476	4	116,085	5	127,230	0	11,145
S/T		1,307	15,572,182	1,259	15,002,164	(49)	(570,018)
Summer Sessions (annualized)		126	1,367,792	128	1,423,843	2	56,051
<b>Total Student Tuition</b>		<u>1,433</u>	<u>16,939,974</u>	<u>1,387</u>	<u>\$16,426,007</u>	<u>(47)</u>	<u>(\$513,967)</u>
Student Fees			1,601,697		1,658,279		56,582
<b>Total Tuition and Fees</b>			<u>18,541,671</u>		<u>18,084,286</u>		<u>(457,385)</u>
Less: Waivers			(853,139)		(868,365)		(15,226)
<b>Total Net Tuition &amp; Fees</b>			<u>17,688,532</u>		<u>17,215,921</u>		<u>(472,611)</u>
Auxiliary:							
Room & Board Fall			2,458,176		2,587,614		129,438
Room & Board Spring			2,147,997		2,417,238		269,241
Bookstore							0
<b>Total Auxiliary</b>			<u>4,606,173</u>		<u>5,004,852</u>		<u>398,679</u>

\* FPE- Full Paying Equivalent, i.e. # students at full tuition value  
 \*\* Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges  
Johnson State College  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)	\$9,907,841					\$9,907,841
(Less Scholarship Allowances)	<u>817,733</u>	-	-	-	-	<u>817,733</u>
Net Tuition and Fees	9,090,108	0	0	0	0	9,090,108
Federal Grants and Contracts	0	913,859	0	0	0	913,859
State and Local Grants and Contracts	0	152,396	0	0	0	152,396
Non-Governmental Grants and Contracts	793	139,109	0	0	0	139,902
Interest on Student Loans Receivable	0	0	0	0	7,001	7,001
Sales and Services	280,031	0	0	0	0	280,031
Auxiliary Services	2,587,614	0	0	0	0	2,587,614
Other Operating Revenue	<u>79,234</u>	-	-	-	<u>8,340</u>	<u>87,574</u>
<b>TOTAL OPERATING REVENUE</b>	<b>12,037,780</b>	<b>1,205,364</b>	<b>0</b>	<b>0</b>	<b>15,341</b>	<b>13,258,485</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	5,723,283	442,963	0	0	0	6,166,246
Employee Benefits - Group Insurance	1,589,924	84,317	0	0	0	1,674,241
Employee Benefits - GASB 45	346,000	0	0	0	0	346,000
Payment to Trust for GASB45 benefits	273,578	0	0	0	0	273,578
Employee Benefits - Other	1,341,769	63,792	0	0	0	1,405,561
Scholarships and Fellowships	1,021,545	2,038,630	0	0	0	3,060,175
Supplies and Other Services	1,991,111	122,167	0	0	6,297	2,119,575
Travel	151,360	31,190	0	0	0	182,550
Equipment	61,325	18,393	0	0	0	79,718
Library Acquisitions	104,221	0	0	0	0	104,221
Utilities	672,337	0	0	0	0	672,337
Transfers						-
Inter-entire	1,360,737	500	0	(173,495)	0	1,187,742
Intra-entire	(311,736)	311,736	0	0	0	-
Depreciation	-	-	-	<u>788,653</u>	-	<u>788,653</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>14,325,454</b>	<b>3,113,688</b>	<b>0</b>	<b>615,158</b>	<b>6,297</b>	<b>18,060,597</b>
Operating Income (Loss)	(2,287,674)	(1,908,324)	0	(615,158)	9,044	(4,802,112)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	2,375,413	75,000	0	0	0	2,450,413
Non-operating Federal Grant	0	1,662,916	0	0	0	1,662,916
Gifts	107,278	66,860	0	0	0	174,138
Investment Income (Net of Expenses)	43,958	12,723	0	0	0	56,681
Interest Expenses on Capital Debt	0	0	0	0	0	-
Other Non-Operating Revenues	<u>6,525</u>	-	-	-	-	<u>6,525</u>
Net Non-Operating Revenues	2,533,174	1,817,499	0	0	0	4,350,673
Income before Other Rev, Exp, Gains, Losses	<u>245,500</u>	<u>(90,825)</u>	<u>0</u>	<u>(615,158)</u>	<u>9,044</u>	<u>(451,439)</u>
Capital Appropriations	0	-	0	0	0	-
Capital Grants and Gifts	0	-	0	0	0	-
Additions to Non-Expendable Assets	-	-	<u>105,165</u>	-	-	<u>105,165</u>
Inc (Dec) in Net Assets	245,500	(90,825)	105,165	(615,158)	9,044	(346,274)
Increase (Decrease) in GASB45 liability	346,000					346,000
<b>TOTAL</b>	<b>591,500</b>	<b>(90,825)</b>	<b>105,165</b>	<b>(615,158)</b>	<b>9,044</b>	<b>(274)</b>

Lyndon State College  
12/31/2014

Narrative - Budget vs. Actual

Lyndon's overall fall semester enrollment and tuition revenues fell below budget estimates. Total FPE enrollment was 1276 against an approved budget of 1371 and LSC's contingency budget of 1271. This is a 6.9% decrease from the approved budget and a 0.5% increase from the contingency budget. Graduate enrollments fell behind expectations; however, undergraduate enrollment decreased the most. Although all categories of matriculated students saw a decline in enrollments, the Non-Vermonters were within budgeted targets. Vermonter enrollments saw the most significant variance from budget at 57 FPEs down. This decrease in enrollment of matriculated students was offset slightly by the growth in non-matriculated headcount which can be attributed to the increase in dual enrollment, the implementation of early college, and our new partnership with College Steps. This overall enrollment decline equates to a negative variance from budget in net tuition and fee revenue of \$1.35million. With less heads, auxiliary revenues are also projected to be below budget. With the positive variances in sales and services and other operating revenue, the net operating revenue variance projected is a negative \$1.12 million.

Operating expenses and transfers are projected to total \$31,672,000 for the fiscal year, approximately 1.4% below the total approved budget. This is a direct result of the college's conscious decision to implement its' contingency budget for operations based on the decline in Fall enrollments projected in early summer. The contingency budget included cuts to operations, holding open certain vacancies, and scaling back projects. It also includes the use of unspent gift funds, available endowment earnings from prior years that have not been spent, carry forward funds from fiscal 2014 and unspent carry forwards from prior years.

With these measures in place, our current projection for the fiscal year is for a modest surplus of approximately \$76,000 when all categories of operating revenues, operating expenses and transfers, and non-operating revenues are considered. This amount represents approximately .3% of the total approved budget for FY2015.

Associate Dean of Administration  
Sheilah M Evans

12/31/14

Dean of Administration  
Loren Loomis-Hubbell

President  
Joseph A. Bertolino

Vermont State Colleges  
Lyndon State College  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	12,002,459	12,290,101	(287,642)	8,465,446	20,467,905	21,977,669	-	21,977,669	(1,509,764)	21,527,475
(Less Scholarship Allowances)	2,351,884	2,259,797	92,087	178,837	2,530,721	2,691,970	-	2,691,970	161,249	2,651,306
Net Tuition and Fees:	9,650,575	10,030,304	(379,729)	8,286,609	17,937,184	19,285,699	-	19,285,699	(1,348,515)	18,876,168
Federal Grants and Contracts	135	105	30	-	135	-	-	-	135	3,380
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	649,861	556,184	93,677	281,007	930,868	724,377	-	724,377	206,491	946,455
Auxiliary Enterprises	3,134,248	3,134,265	(17)	2,913,580	6,047,828	6,080,000	-	6,080,000	(32,172)	5,959,096
Other Operating Revenue	100,415	40,399	60,016	39,424	139,839	90,000	-	90,000	49,839	134,547
<b>TOTAL OPERATING REVENUE</b>	<b>13,535,234</b>	<b>13,761,257</b>	<b>(226,023)</b>	<b>11,520,620</b>	<b>25,055,854</b>	<b>26,180,076</b>	<b>-</b>	<b>26,180,076</b>	<b>(1,124,222)</b>	<b>25,919,647</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	6,068,338	5,834,934	(233,404)	5,384,290	11,452,628	11,371,819	-	11,371,819	(80,809)	11,400,230
Employee Benefits - Group Insurance	1,793,097	1,777,711	(15,386)	1,946,895	3,739,992	3,694,667	-	3,694,667	(45,325)	3,683,113
Employee Benefits - GASB 45	524,000	321,800	(202,200)	524,000	1,048,000	650,000	-	650,000	(398,000)	1,056,790
Payment to Trust for GASB45 benefits	307,255	180,891	(126,364)	266,800	574,055	614,510	-	614,510	40,455	357,415
Employee Benefits - Other	1,525,885	1,448,862	(77,023)	1,255,424	2,781,309	2,720,793	-	2,720,793	(60,516)	2,694,320
Scholarships and Fellowships	989,246	1,103,746	114,500	934,973	1,924,219	1,957,219	-	1,957,219	33,000	1,814,687
Supplies and Other Services	2,751,364	2,718,718	(32,646)	2,359,001	5,110,365	5,223,476	-	5,223,476	113,111	5,340,198
Travel	243,759	221,952	(21,807)	340,391	584,150	574,150	-	574,150	(10,000)	619,587
Equipment	152,235	346,082	193,847	175,473	327,708	632,708	-	632,708	305,000	218,046
Library Acquisitions	92,572	84,273	(8,299)	88,727	181,299	183,112	-	183,112	1,813	152,480
Utilities	586,397	581,683	(4,714)	1,037,603	1,624,000	1,624,000	-	1,624,000	-	1,474,848
Transfers										
Inter-entity	996,042	1,420,916	424,874	1,727,792	2,723,834	3,182,973	-	3,182,973	459,139	2,927,145
Intra-entity	(152,140)	(196,292)	(44,152)	(247,860)	(400,000)	(317,000)	-	(317,000)	83,000	170,415
<b>TOTAL OPERATING EXPENSES</b>	<b>15,878,050</b>	<b>15,845,276</b>	<b>(32,774)</b>	<b>15,793,509</b>	<b>31,671,559</b>	<b>32,112,427</b>	<b>-</b>	<b>32,112,427</b>	<b>440,868</b>	<b>31,909,275</b>
Operating Income (Loss)	(2,342,816)	(2,084,019)	(258,797)	(4,272,889)	(6,615,705)	(5,932,351)	-	(5,932,351)	(683,354)	(5,989,628)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	2,375,413	2,387,257	(11,844)	2,387,263	4,762,676	4,798,386	-	4,798,386	(35,710)	4,774,513
Gifts	83,432	1,171,546	(1,088,114)	66,568	150,000	171,530	-	171,530	(21,530)	1,185,535
Investment Income (Net of Expenses)	56,731	113,457	(56,726)	54,529	111,260	142,435	-	142,435	(31,175)	190,717
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	36	525	(489)	(36)	-	-	-	-	-	-
Use of Strategic Reserve	-	-	-	620,000	620,000	170,000	300,000	470,000	150,000	-
Net Non-Operating Revenues	2,515,612	3,672,785	(1,157,173)	3,128,324	5,643,936	5,282,351	300,000	5,582,351	61,585	6,150,765
Increase (Decrease) in Unrestricted Net Assets	172,796	1,588,766	(1,415,970)	(1,144,565)	(971,769)	(650,000)	300,000	(350,000)	(621,769)	161,137
Increase (Decrease) in GASB45 liability	524,000	321,800	202,200	524,000	1,048,000	650,000	-	650,000	398,000	1,056,790
<b>TOTAL</b>	<b>696,796</b>	<b>1,910,566</b>	<b>(1,213,770)</b>	<b>(620,565)</b>	<b>76,231</b>	<b>-</b>	<b>300,000</b>	<b>300,000</b>	<b>(223,769)</b>	<b>1,217,927</b>

VERMONT STATE COLLEGES  
- FY'15 TUITION & FEES REVENUE MONITORING REPORT -

Lyndon State College  
12/31/2014

	BUDGETED			ACTUAL/ESTIMATED		VARIANCE	
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
<b>Fall 2014</b>	(Semester)						
Vermonter	4,848	734	3,558,432	677	3,283,231	(57)	(275,201)
Non-Vrmtr (o/s)	10,380	221	2,293,980	215	2,228,186	(6)	(65,794)
NEBHE	10,380	384	3,985,920	361	3,742,152	(23)	(243,768)
Grad Vermonter	6,036	32	193,152	24	143,712	(8)	(49,440)
Grad Non- Vermonter	13,008	-	0	0	1,578	0	1,578
<b>Total</b>		<u>1,371</u>	<u>10,031,484</u>	<u>1,276</u>	<u>9,398,859</u>	<u>(95)</u>	<u>(632,625)</u>
<b>Spring 2015</b>	(Semester)						
Vermonter	4,848	681	3,301,488	603	2,922,024	(78)	(379,464)
Non-Vrmtr (o/s)	10,380	189	1,961,820	200	2,074,630	11	112,810
NEBHE	10,380	348	3,612,240	316	3,278,475	(32)	(333,765)
Grad Vermonter	6,036	32	193,152	10	62,330	(22)	(130,822)
Grad Non- Vermonter	13,008	-	0	0	3,252	0	3,252
<b>Total</b>		<u>1,250</u>	<u>9,068,700</u>	<u>1,129</u>	<u>8,340,711</u>	<u>(121)</u>	<u>(727,989)</u>
<b>SUMMER SESSIONS I. (J/Aug)</b>	**						
Vermonter	4,656	40	186,240	34	159,664	(6)	(26,576)
Non-Vrmtr (o/s)	9,984	5	49,920	6	57,879	1	7,959
NEBHE	9,984	13	129,792	14	139,230	1	9,438
Grad Vermonter	5,796	3	17,368	9	52,926	6	35,538
Grad Non- Vermonter	12,504	-	0	0	0	0	0
<b>Total</b>		<u>61</u>	<u>383,340</u>	<u>63</u>	<u>409,699</u>	<u>2</u>	<u>26,359</u>
<b>SUMMER SESSIONS II&gt; (May/J)</b>	**						
Vermonter	4,848	30	145,440	30	145,440	0	0
Non-Vrmtr (o/s)	10,380	2	20,760	2	20,760	0	0
NEBHE	10,380	5	51,900	5	51,900	0	0
Grad Vermonter	6,036	1	6,036	1	6,036	0	0
Grad Non- Vermonter	13,008	-	0	0	0	0	0
<b>Total</b>		<u>38</u>	<u>224,136</u>	<u>38</u>	<u>224,136</u>	<u>0</u>	<u>0</u>
<b>FY 2015 TOTAL</b>	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonter	\$9,696	708	6,859,920	640	6,205,255	(68)	(654,665)
Non-Vrmtr (o/s)	20,760	205	4,255,800	207	4,302,816	2	47,016
NEBHE	20,760	366	7,598,160	338	7,020,627	(28)	(577,533)
Grad Vermonter	12,072	32	386,304	17	206,042	(15)	(180,262)
Grad Non- Vermonter	26,016	0	0	0	4,830	0	4,830
S/T		1,311	19,100,184	1,203	17,739,570	(108)	(1,360,614)
Summer Sessions (annualized)		50	607,476	51	633,835	1	26,359
<b>Total Student Tuition</b>		<u>1,360</u>	<u>19,707,660</u>	<u>1,253</u>	<u>18,373,405</u>	<u>(107)</u>	<u>(1,334,255)</u>
NEKSDC Tuition & Misc			70,000		50,000		(20,000)
Student Fees			2,200,009		2,044,501		(155,508)
<b>Total Tuition and Fees</b>			<u>21,977,669</u>		<u>20,467,906</u>		<u>(1,509,763)</u>
Less: Waivers			(2,691,969)		(2,530,721)		161,248
<b>Total Net Tuition &amp; Fees</b>			<u>19,285,700</u>		<u>17,937,185</u>		<u>(1,348,515)</u>
<b>Auxiliary:</b>							
Room & Board Fall			3,208,281		3,123,547		(84,734)
Room & Board Spring			2,871,719		2,924,281		52,562
Bookstore							
<b>Total Auxiliary</b>			<u>6,080,000</u>		<u>6,047,828</u>		<u>(32,172)</u>

\* FPE: Full Paying Equivalent, i.e. # students at full tuition value

\*\* Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges  
Lyndon State College  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)	\$12,002,459	\$0				\$12,002,459
(Less Scholarship Allowances)	<u>2,351,884</u>	-	-	-	-	<u>2,351,884</u>
Net Tuition and Fees	9,650,575	0	0	0	0	9,650,575
Federal Grants and Contracts	135	847,180	0	0	0	847,315
State and Local Grants and Contracts	0	31,094	0	0	0	31,094
Non-Governmental Grants and Contracts	0	157,612	0	0	0	157,612
Interest on Student Loans Receivable	0	0	0	0	14,025	14,025
Sales and Services	649,861	56,166	0	0	0	706,027
Auxiliary Services	3,134,248	0	0	0	0	3,134,248
Other Operating Revenue	<u>100,415</u>	-	-	-	<u>10,059</u>	<u>110,474</u>
TOTAL OPERATING REVENUE	13,535,234	1,092,052	0	0	24,084	14,651,370
<b>OPERATING EXPENSES</b>						
Salaries and Wages	6,068,338	414,365	0	0	0	6,482,703
Employee Benefits - Group Insurance	1,793,097	84,179	0	0	0	1,877,276
Employee Benefits - GASB 45	524,000	0	0	0	0	524,000
Payment to Trust for GASB45 benefits	307,255	0	0	0	0	307,255
Employee Benefits - Other	1,525,885	69,030	0	0	0	1,594,915
Scholarships and Fellowships	989,246	1,622,152	0	0	0	2,611,398
Supplies and Other Services	2,751,364	239,762	0	0	5,514	2,996,640
Travel	243,759	27,608	0	0	0	271,367
Equipment	152,235	181	0	0	0	152,416
Library Acquisitions	92,572	0	0	0	0	92,572
Utilities	586,397	0	0	0	0	586,397
Transfers						-
Inter-entirety	996,042	(113,807)	0	(302,441)	0	579,794
Intra-entirety	(152,140)	312,416	(29,602)	(130,673)	0	1
Depreciation	-	-	-	<u>810,186</u>	-	<u>810,186</u>
TOTAL OPERATING EXPENSES	15,878,050	2,655,886	(29,602)	377,072	5,514	18,886,920
Operating Income (Loss)	(2,342,816)	(1,563,834)	29,602	(377,072)	18,570	(4,235,550)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	2,375,413	75,000	0	0	0	2,450,413
Non-operating Federal Grant	0	1,305,506	0	0	0	1,305,506
Gifts	83,432	30,874	0	0	0	114,306
Investment Income (Net of Expenses)	56,731	12,546	0	0	0	69,277
Interest Expenses on Capital Debt	0	0	0	0	0	-
Other Non-Operating Revenues	<u>36</u>	-	-	-	-	<u>36</u>
Net Non-Operating Revenues	2,515,612	1,423,926	0	0	0	3,939,538
Income before Other Rev, Exp, Gains, Losses	<u>172,796</u>	<u>(139,908)</u>	<u>29,602</u>	<u>(377,072)</u>	<u>18,570</u>	<u>(296,012)</u>
Capital Appropriations	0	-	0	0	0	-
Capital Grants and Gifts	0	-	0	1,835	0	1,835
Additions to Non-Expendable Assets	-	-	<u>20,646</u>	-	-	<u>20,646</u>
Inc (Dec) in Net Assets	172,796	(139,908)	50,248	(375,237)	18,570	(273,531)
Increase (Decrease) in GASB45 liability	524,000					524,000
TOTAL	<u>696,796</u>	<u>(139,908)</u>	<u>50,248</u>	<u>(375,237)</u>	<u>18,570</u>	<u>250,469</u>

January 26, 2015

## SUMMARY

At the close of the 2<sup>nd</sup> quarter, Vermont Technical College (VTC) has seen a slight improvement in its overall financial picture. Projected at the end of the 1<sup>st</sup> quarter to exceed its budgeted \$2.4M shortfall by \$400k, a modest rebound in spring enrollment along with found efficiencies on the expense side have allowed VTC to shave \$200k from their shortfall.

## REVENUES

Tuition revenue has rebounded modestly from first quarter close, though VTC revenue continues to be under budget. We project an end-of-year variance against budget of approximately 4%. As mentioned in our first quarter report, this shortfall is compounded by delays in achieving full energy output from the Anaerobic Digester, which was originally budgeted to generate robust electricity revenue over the course of the fiscal year.

## EXPENSES

Vermont Tech continues to react aggressively to meet this challenging financial situation. A number of administrative positions have been left vacant, and beginning this past summer, the Academic Dean's office has spearheaded an effort across all Academic Departments to close and consolidate course sections. At our current spend rate, FY2015 salary, wage, and non-GASB benefit expenses are on pace to come in under budget by 2%, and our supply expenditures are on pace for 10% less. Our overall expense projections suggest efficiencies along the order of 2.5%.

## ACTION SUMMARY

Vermont Tech continues to closely monitor its financial progress with the goal of reacting aggressively to budgetary challenges. In addition to proactive measures already taken, including operational budget cuts and personnel actions, we are evaluating a number of corrective measures: additional personnel action; the installation of \$500k worth of TAACCCT-funded milk processing equipment to modernize our dairy operation; a broad based, institution-wide effort to revamp, and find efficiency within, our academic curriculum. It is our goal to close FY2015 within the parameters laid out in our board approved budget: a \$2.4M loss.

Vermont State Colleges  
Vermont Technical College  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	8,576,136	9,069,056	(492,920)	7,253,518	15,829,654	16,543,508	-	16,543,508	(713,854)	15,989,809
(Less Scholarship Allowances)	754,008	1,043,387	(289,379)	(184,008)	570,000	637,000	-	637,000	67,000	983,304
Net Tuition and Fees:	7,822,128	8,025,669	(203,541)	7,437,526	15,259,654	15,906,508	-	15,906,508	(646,854)	15,006,505
Federal Grants and Contracts	50	40	10	-	50	-	-	-	50	2,905
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	714,489	640,555	73,934	633,589	1,348,078	1,614,300	-	1,614,300	(266,222)	1,205,191
Auxiliary Enterprises	2,054,248	2,086,738	(32,490)	1,890,052	3,944,300	4,155,500	-	4,155,500	(211,200)	3,999,009
Other Operating Revenue	122,733	106,667	16,066	97,267	220,000	206,050	-	206,050	13,950	285,264
<b>TOTAL OPERATING REVENUE</b>	<b>10,713,648</b>	<b>10,859,669</b>	<b>(146,021)</b>	<b>10,058,434</b>	<b>20,772,082</b>	<b>21,882,358</b>	<b>-</b>	<b>21,882,358</b>	<b>(1,110,276)</b>	<b>20,498,875</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	5,445,614	5,794,617	349,003	5,455,885	10,901,499	11,123,633	-	11,123,633	222,134	11,567,992
Employee Benefits - Group Insurance	1,737,704	1,756,721	19,017	1,808,631	3,546,335	3,591,400	-	3,591,400	45,065	3,569,309
Employee Benefits - GASB 45	536,000	423,800	(112,200)	536,000	1,072,000	847,600	-	847,600	(224,400)	1,022,141
Payment to Trust for GASB45 benefits	238,598	154,143	(84,455)	238,597	477,195	477,195	-	477,195	-	264,708
Employee Benefits - Other	1,399,545	1,416,373	16,828	1,241,106	2,640,651	2,677,050	-	2,677,050	36,399	2,682,498
Scholarships and Fellowships	375,976	257,080	(118,896)	333,424	709,400	785,000	-	785,000	75,600	487,115
Supplies and Other Services	2,884,528	2,927,663	43,135	3,134,720	6,019,248	6,427,218	-	6,427,218	407,970	5,836,897
Travel	178,010	158,888	(19,122)	110,000	288,010	215,535	-	215,535	(72,475)	351,704
Equipment	116,758	211,475	94,717	50,000	166,758	58,500	-	58,500	(108,258)	308,310
Library Acquisitions	155,957	164,759	8,802	129,543	285,500	285,500	-	285,500	-	245,068
Utilities	716,692	626,160	(90,532)	1,169,339	1,886,031	1,545,400	-	1,545,400	(340,631)	1,659,142
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	49,762	(19,262)	(69,024)	692,008	741,770	2,048,104	-	2,048,104	1,306,334	(1,429,081)
Intra-entity	(65,371)	478,261	543,632	715,145	649,774	49,900	-	49,900	(599,874)	420,012
<b>TOTAL OPERATING EXPENSES</b>	<b>13,769,773</b>	<b>14,350,678</b>	<b>580,905</b>	<b>15,614,398</b>	<b>29,384,171</b>	<b>30,132,035</b>	<b>-</b>	<b>30,132,035</b>	<b>747,864</b>	<b>26,985,816</b>
Operating Income (Loss)	(3,056,125)	(3,491,009)	434,884	(5,555,964)	(8,612,089)	(8,249,677)	-	(8,249,677)	(362,412)	(6,486,940)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	2,375,413	2,387,257	(11,844)	2,375,413	4,750,826	4,798,386	-	4,798,386	(47,560)	4,774,513
Gifts	123,188	111,457	11,731	25,000	148,188	126,000	-	126,000	22,188	110,883
Investment Income (Net of Expenses)	25,912	189,090	(163,178)	30,000	55,912	72,682	-	72,682	(16,770)	309,015
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
VSC Line of Credit	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	2,524,513	2,687,804	(163,291)	2,430,413	4,954,926	4,997,068	-	4,997,068	(42,142)	5,194,411
Increase (Decrease) in Unrestricted Net Assets	(531,612)	(803,205)	271,593	(3,125,551)	(3,657,163)	(3,252,609)	-	(3,252,609)	(404,554)	(1,292,529)
Increase (Decrease) in GASB45 liability	536,000	423,800	112,200	536,000	1,072,000	847,600	-	847,600	224,400	1,022,141
<b>TOTAL</b>	<b>4,388</b>	<b>(379,405)</b>	<b>383,793</b>	<b>(2,589,551)</b>	<b>(2,585,163)</b>	<b>(2,405,009)</b>	<b>-</b>	<b>(2,405,009)</b>	<b>(180,154)</b>	<b>(270,389)</b>



VERMONT STATE COLLEGES  
 - FY'15 TUITION & FEES REVENUE MONITORING REPORT -

Vermont Technical College  
 12/31/2014

	BUDGETED			ACTUAL/ESTIMATED		VARIANCE	
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
<b>Fall 2014</b>	(Semester)						
Vermonter	5,928	830	4,918,870	821	\$4,869,146	(8)	(\$49,724)
Non-Vrmtr (o/s)	11,352	79	900,295	81	919,410	2	19,115
NEBHE	11,352	105	1,191,960	76	863,314	(29)	(328,646)
Grad Vermonter							
Grad Non- Vermonter							
<b>Total</b>		<u>1,014</u>	<u>\$7,011,125</u>	<u>978</u>	<u>\$6,651,870</u>	<u>(36)</u>	<u>(\$359,255)</u>
<b>Spring 2015</b>	(Semester)						
Vermonter	5,928	780	\$4,621,187	771	\$4,572,315	(8)	(\$48,872)
Non-Vrmtr (o/s)	11,352	78	885,456	86	977,772	8	92,316
NEBHE	11,352	102	1,157,904	81	923,803	(21)	(234,101)
Grad Vermonter							
Grad Non- Vermonter							
<b>Total</b>		<u>960</u>	<u>\$6,664,547</u>	<u>939</u>	<u>\$6,473,890</u>	<u>(21)</u>	<u>(\$190,657)</u>
<b>SUMMER SESSIONS I. (JJAUG)</b>	**						
Vermonter	5,760	10	58,622	15	\$85,060	5	\$26,438
Non-Vrmtr (o/s)	11,016	0	-	1	7,213	1	7,213
NEBHE	11,016	0	-	1	13,684	1	13,684
Grad Vermonter							
Grad Non- Vermonter							
<b>Total</b>		<u>10</u>	<u>58,622</u>	<u>17</u>	<u>105,957</u>	<u>6</u>	<u>47,335</u>
<b>SUMMER SESSIONS II&gt; (MAY/J)</b>	**						
Vermonter	5,928	10	61,014	13	\$79,737	3	\$18,723
Non-Vrmtr (o/s)	11,352	0	-	0	0	0	0
NEBHE	11,352	0	-	0	0	0	0
Grad Vermonter							
Grad Non- Vermonter							
<b>Total</b>		<u>10</u>	<u>\$61,014</u>	<u>13</u>	<u>\$79,737</u>	<u>3</u>	<u>\$18,723</u>
<b>FY 2015 TOTAL</b>	(Acad Yr)	(Avg)					
<b>Fall &amp; Spring</b>							
Vermonter	\$11,856	805	\$9,540,057	796	\$9,441,461	(8)	(\$98,596)
Non-Vrmtr (o/s)	22,704	79	1,785,751	84	1,897,182	5	111,431
NEBHE	22,704	104	2,349,864	79	1,787,117	(25)	(562,747)
Grad Vermonter	0	0	0	0	0	0	0
Grad Non- Vermonter	0	0	0	0	0	0	0
S/T		987	\$13,675,672	959	\$13,125,760	(28)	(\$549,912)
Summer Sessions (annualized)		10	119,636	15	185,694	5	\$66,058
<b>Total Student Tuition</b>		<u>997</u>	<u>13,795,308</u>	<u>974</u>	<u>\$13,311,454</u>	<u>(23)</u>	<u>(\$483,854)</u>
Student Fees			2,748,200		2,518,200		(230,000)
<b>Total Tuition and Fees</b>			<u>\$16,543,508</u>		<u>\$15,829,654</u>		<u>(\$713,854)</u>
Less: Waivers			(637,000)		(570,000)		67,000
<b>Total Net Tuition &amp; Fees</b>			<u>\$15,906,508</u>		<u>\$15,259,654</u>		<u>(\$646,854)</u>
<b>Auxiliary:</b>							
Room & Board Fall			2,202,400		2,048,000		(154,400)
Room & Board Spring			1,953,100		1,896,300		(56,800)
Bookstore							0
<b>Total Auxiliary</b>			<u>4,155,500</u>		<u>3,944,300</u>		<u>(211,200)</u>

\* FPE: Full Paying Equivalent, i.e. # students at full tuition value

\*\* Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges  
Vermont Technical College  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)	\$8,576,136					\$8,576,136
(Less Scholarship Allowances)	<u>754,008</u>	-	-	-	-	<u>754,008</u>
Net Tuition and Fees	7,822,128	0	0	0	0	7,822,128
Federal Grants and Contracts	50	912,952	0	0	0	913,002
State and Local Grants and Contracts	0	1,149	0	0	0	1,149
Non-Governmental Grants and Contracts	0	0	0	0	0	-
Interest on Student Loans Receivable	0	0	0	0	4,286	4,286
Sales and Services	714,489	0	0	0	0	714,489
Auxiliary Services	2,054,248	0	0	0	0	2,054,248
Other Operating Revenue	<u>122,733</u>	-	-	-	<u>5,463</u>	<u>128,196</u>
<b>TOTAL OPERATING REVENUE</b>	<b>10,713,648</b>	<b>914,101</b>	<b>0</b>	<b>0</b>	<b>9,749</b>	<b>11,637,498</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	5,445,614	300,144	0	0	0	5,745,758
Employee Benefits - Group Insurance	1,737,704	65,852	0	0	0	1,803,556
Employee Benefits - GASB 45	536,000	0	0	0	0	536,000
Payment to Trust for GASB45 benefits	238,598	0	0	0	0	238,598
Employee Benefits - Other	1,399,545	60,469	0	0	0	1,460,014
Scholarships and Fellowships	375,976	1,472,584	0	0	0	1,848,560
Supplies and Other Services	2,884,528	89,824	0	0	9,488	2,983,840
Travel	178,010	15,542	0	0	0	193,552
Equipment	116,758	4,848	0	0	0	121,606
Library Acquisitions	155,957	0	0	0	0	155,957
Utilities	716,692	0	0	0	0	716,692
Transfers						-
Inter-entity	49,762	26,718	0	(111,923)	0	(35,443)
Intra-entity	(65,371)	118,862	0	(53,492)	0	(1)
Depreciation	-	-	-	<u>948,423</u>	-	<u>948,423</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>13,769,773</b>	<b>2,154,843</b>	<b>0</b>	<b>783,008</b>	<b>9,488</b>	<b>16,717,112</b>
Operating Income (Loss)	(3,056,125)	(1,240,742)	0	(783,008)	261	(5,079,614)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	2,375,413	75,000	0	0	0	2,450,413
Non-operating Federal Grant	0	1,167,492	0	0	0	1,167,492
Gifts	123,188	54,682	0	0	0	177,870
Investment Income (Net of Expenses)	25,912	9,478	0	0	0	35,390
Interest Expenses on Capital Debt	0	0	0	0	0	-
Other Non-Operating Revenues	-	-	-	-	-	-
Loan to VTC	-	-	-	-	-	-
Net Non-Operating Revenues	<u>2,524,513</u>	<u>1,306,652</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,831,165</u>
Income before Other Rev, Exp, Gains, Losses	(531,612)	65,910	0	(783,008)	261	(1,248,449)
Capital Appropriations						-
Capital Grants and Gifts						-
Additions to Non-Expendable Assets	-	-	9,246	-	-	9,246
Inc (Dec) in Net Assets	(531,612)	65,910	9,246	(783,008)	261	(1,239,203)
Increase (Decrease) in GASB45 liability	536,000					536,000
<b>TOTAL</b>	<b>4,388</b>	<b>65,910</b>	<b>9,246</b>	<b>(783,008)</b>	<b>261</b>	<b>(703,203)</b>

## Chancellor's Office

December 31, 2014

### Narrative Highlights

#### Budget vs Actual

During FY2015 the OC is projecting an overall positive variance with the budget of \$800K. This is primarily from unbudgeted income from gifts and other revenue.

Vermont State Colleges  
System Office  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	-	-	-	-	-	-	-	-	-	-
(Less Scholarship Allowances)	-	-	-	-	-	-	-	-	-	-
Net Tuition and Fees:	-	-	-	-	-	-	-	-	-	-
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	-	-	-	-	-	-	-	-	-	-
Auxiliary Enterprises	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	382,414	3,089	379,325	-	382,414	-	-	-	382,414	3,089
<b>TOTAL OPERATING REVENUE</b>	<b>382,414</b>	<b>3,089</b>	<b>379,325</b>	<b>-</b>	<b>382,414</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>382,414</b>	<b>3,089</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	1,111,747	1,157,367	45,620	1,112,000	2,223,747	2,274,876	-	2,274,876	51,129	2,426,107
Employee Benefits - Group Insurance	294,381	291,702	(2,679)	300,000	594,381	604,646	-	604,646	10,265	(1,102,568)
Employee Benefits - GASB 45	130,000	56,400	(73,600)	130,000	260,000	206,860	-	206,860	(53,140)	255,904
Payment to Trust for GASB45 benefits	(1,682,015)	(1,079,743)	602,272	1,682,015	-	-	-	-	-	(2,061,876)
Employee Benefits - Other	345,516	278,336	(67,180)	206,000	551,516	259,242	-	259,242	(292,274)	403,529
Scholarships and Fellowships	-	-	-	-	-	-	-	-	-	-
Supplies and Other Services	1,798,671	2,643,783	845,112	1,500,000	3,298,671	3,235,052	-	3,235,052	(63,619)	3,560,188
Travel	56,034	47,088	(8,946)	1,000	57,034	54,693	-	54,693	(2,341)	98,436
Equipment	1,719	136	(1,583)	-	1,719	65,614	-	65,614	63,895	554
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	33,006	29,867	(3,139)	33,000	66,006	-	-	-	(66,006)	62,764
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	(3,924,662)	(4,168,384)	(243,722)	(7,952,760)	(11,877,422)	(12,339,239)	-	(12,339,239)	(461,817)	(6,670,551)
Intra-entity	37,358	(4,244)	(41,602)	-	37,358	-	-	-	(37,358)	(249,715)
<b>TOTAL OPERATING EXPENSES</b>	<b>(1,798,245)</b>	<b>(747,692)</b>	<b>1,050,553</b>	<b>(2,988,745)</b>	<b>(4,786,990)</b>	<b>(5,638,256)</b>	<b>-</b>	<b>(5,638,256)</b>	<b>(851,266)</b>	<b>(3,277,227)</b>
Operating Income (Loss)	2,180,659	750,781	1,429,878	2,988,745	5,169,404	5,638,256	-	5,638,256	(468,852)	3,280,316
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	-	-	-	-	-	-	-	-	-	-
Gifts	502,433	441,322	61,111	-	502,433	-	-	-	502,433	441,322
Investment Income (Net of Expenses)	(104,582)	(210,547)	105,965	-	(104,582)	-	-	-	(104,582)	(139,500)
Interest Expense on Capital Debt	(2,429,464)	(2,749,139)	319,675	(2,598,455)	(5,027,919)	(5,845,117)	-	(5,845,117)	817,198	(5,912,815)
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
VSC Line of Credit	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	(2,031,613)	(2,518,364)	486,751	(2,598,455)	(4,630,068)	(5,845,117)	-	(5,845,117)	1,215,049	(5,610,994)
Increase (Decrease) in Unrestricted Net Assets	149,046	(1,767,584)	1,916,630	390,291	539,337	(206,861)	-	(206,861)	746,198	(2,330,677)
Increase (Decrease) in GASB45 liability	130,000	56,400	73,600	130,000	260,000	206,860	-	206,860	53,140	255,904
<b>TOTAL</b>	<b>279,046</b>	<b>(1,711,184)</b>	<b>1,990,230</b>	<b>520,291</b>	<b>799,337</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>	<b>799,338</b>	<b>(2,074,774)</b>

Vermont State Colleges  
Chancellor's Office  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)						\$0
(Less Scholarship Allowances)	-	-	-	-	-	-
Net Tuition and Fees	0	0	0	0	0	0
Federal Grants and Contracts	0	165,989	0	0	0	165,989
State and Local Grants and Contracts	0	46,662	0	0	0	46,662
Non-Governmental Grants and Contracts	0	0	0	0	0	-
Interest on Student Loans Receivable	0	0	0	0	0	-
Sales and Services	0	0	0	0	0	-
Auxiliary Services	0	0	0	0	0	-
Other Operating Revenue	382,414	-	-	-	-	382,414
<b>TOTAL OPERATING REVENUE</b>	<b>382,414</b>	<b>212,651</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>595,065</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	1,111,747	30,439	0	0	0	1,142,186
Employee Benefits - Group Insurance	294,381	7,371	0	0	0	301,752
Employee Benefits - GASB 45	130,000	0	0	0	0	130,000
Payment to Trust for GASB45 benefits	(1,682,015)	0	0	0	0	(1,682,015)
Employee Benefits - Other	345,516	7,488	0	0	0	353,004
Scholarships and Fellowships	0	733,929	0	0	0	733,929
Supplies and Other Services	1,798,671	45,523	0	0	0	1,844,194
Travel	56,034	8	0	0	0	56,042
Equipment	1,719	0	0	0	0	1,719
Library Acquisitions	0	0	0	0	0	-
Utilities	33,006	0	0	0	0	33,006
Transfers						-
Inter-entity	(3,924,662)	1,033,366	0	(1,519,221)	0	(4,410,517)
Intra-entity	37,358	0	0	(37,358)	0	-
Depreciation	-	-	-	246,499	-	246,499
<b>TOTAL OPERATING EXPENSES</b>	<b>(1,798,245)</b>	<b>1,858,124</b>	<b>0</b>	<b>(1,310,080)</b>	<b>0</b>	<b>(1,250,201)</b>
Operating Income (Loss)	2,180,659	(1,645,473)	0	1,310,080	0	1,845,266
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	0	800,000	0	0	0	800,000
Non-operating Federal Grant	0	0	0	0	0	-
Gifts	502,433	0	0	0	0	502,433
Investment Income (Net of Expenses)	(104,582)	3,123	535	45	0	(100,879)
Interest Expenses on Capital Debt	(2,429,464)	0	0	0	0	(2,429,464)
Other Non-Operating Revenues	-	-	-	-	-	-
VTC Loan	-	-	-	-	-	-
Net Non-Operating Revenues	(2,031,613)	803,123	535	45	0	(1,227,910)
Income before Other Rev. Exp. Gains, Losses	149,046	(842,350)	535	1,310,125	0	617,356
Capital Appropriations	0	1,488,000	0	0	0	1,488,000
Capital Grants and Gifts	0	-	0	0	0	-
Additions to Non-Expendable Assets	-	-	5,752	-	-	5,752
Inc (Dec) in Net Assets	149,046	645,650	6,287	1,310,125	0	2,111,108
Increase (Decrease) in GASB45 liability		130,000				130,000
<b>TOTAL</b>	<b>279,046</b>	<b>645,650</b>	<b>6,287</b>	<b>1,310,125</b>	<b>0</b>	<b>2,241,108</b>

NAH FY15 Second Quarter Budget Narrative

**SUMMARY**

Nursing and Allied Health (NAH) concludes the second quarter on a similar trajectory as at the close of first quarter: strong enrollment and cautious spending put NAH on pace to exceed its FY2015 budgetary target by approximately \$130k.

Current enrollment & revenue continues to compare favorably to that of FY2014. FTE enrollments are up by 12.9%, due in large part to robust enrollments in ADN and PN programs, particularly in our satellite campuses and Brattleboro--the sight of a recently opened, shared bricks & mortar building with CCV.

The Nursing & Allied Health division remains a strong financial contributor to Vermont Technical College.

Vermont State Colleges  
Allied Health  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	2,692,270	1,987,826	704,444	2,964,926	5,657,196	4,901,516	-	4,901,516	755,680	4,681,403
(Less Scholarship Allowances)	188,993	113,362	75,631	28,207	217,200	160,900	-	160,900	(56,300)	170,443
Net Tuition and Fees:	2,503,277	1,874,464	628,813	2,936,719	5,439,996	4,740,616	-	4,740,616	699,380	4,510,960
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	142,591	133,747	8,844	35,000	177,591	172,500	-	172,500	5,091	196,196
Auxiliary Enterprises	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	3,583	46	3,537	200	3,783	-	-	-	3,783	61
<b>TOTAL OPERATING REVENUE</b>	<b>2,649,451</b>	<b>2,008,257</b>	<b>641,194</b>	<b>2,971,919</b>	<b>5,621,370</b>	<b>4,913,116</b>	<b>-</b>	<b>4,913,116</b>	<b>708,254</b>	<b>4,707,216</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	1,199,627	1,211,804	12,177	1,526,798	2,726,425	2,745,600	-	2,745,600	19,175	2,775,538
Employee Benefits - Group Insurance	267,563	278,308	10,745	267,563	535,126	553,700	-	553,700	18,574	553,812
Employee Benefits - GASB 45	72,000	-	(72,000)	72,000	144,000	-	-	-	(144,000)	137,443
Payment to Trust for GASB45 benefits	70,950	44,793	(26,157)	70,950	141,900	141,900	-	141,900	-	85,690
Employee Benefits - Other	254,315	308,728	54,413	275,508	529,823	590,500	-	590,500	60,677	643,048
Scholarships and Fellowships	71,992	30,653	(41,339)	78,000	149,992	96,300	-	96,300	(53,692)	64,091
Supplies and Other Services	367,622	263,531	(104,091)	431,560	799,182	809,437	-	809,437	10,255	574,454
Travel	13,153	25,622	12,469	27,000	40,153	46,500	-	46,500	6,347	45,782
Equipment	632	4,299	3,667	5,000	5,632	17,966	-	17,966	12,334	9,631
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	4,965	7,418	2,453	17,035	22,000	22,000	-	22,000	-	20,935
Transfers										
Inter-entity	773,926	506,229	(267,697)	926,022	1,699,948	1,046,988	-	1,046,988	(652,960)	1,027,940
Intra-entity	(119,449)	(80,911)	38,538	(117,340)	(236,789)	-	-	-	236,789	(195,660)
<b>TOTAL OPERATING EXPENSES</b>	<b>2,977,296</b>	<b>2,600,474</b>	<b>(376,822)</b>	<b>3,580,096</b>	<b>6,557,392</b>	<b>6,070,891</b>	<b>-</b>	<b>6,070,891</b>	<b>(486,501)</b>	<b>5,742,703</b>
Operating Income (Loss)	(327,845)	(592,217)	264,372	(608,177)	(936,022)	(1,157,775)	-	(1,157,775)	221,753	(1,035,486)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	460,493	460,594	(101)	460,493	920,986	1,157,775	-	1,157,775	(236,789)	921,186
Gifts	20	20	-	20	40	-	-	-	40	46
Investment Income (Net of Expenses)	1,182	36,887	(35,705)	2,000	3,182	-	-	-	3,182	59,171
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	461,695	497,501	(35,806)	462,513	924,208	1,157,775	-	1,157,775	(233,567)	980,403
Increase (Decrease) in Unrestricted Net Assets	133,850	(94,716)	228,566	(145,664)	(11,814)	-	-	-	(11,814)	(55,083)
Increase (Decrease) in GASB45 liability	72,000	-	72,000	72,000	144,000	-	-	-	144,000	137,443
<b>TOTAL</b>	<b>205,850</b>	<b>(94,716)</b>	<b>300,566</b>	<b>(73,664)</b>	<b>132,186</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132,186</b>	<b>82,360</b>

**VERMONT STATE COLLEGES**  
**- FY'15 TUITION & FEES REVENUE MONITORING REPORT -**  
Nursing and Allied Health  
 12/31/2014

	BUDGETED			ACTUAL/ESTIMATED		VARIANCE	
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
<b>Fall 2014</b>	(Semester)						
Vermonter	6,228	275	\$1,714,950	304	\$1,890,347	28	\$175,397
Non-Vrmt (o/s)	11,628	8	93,024	11	130,939	3	37,915
NEBHE	11,628	21	244,188	29	334,684	8	90,496
Grad Vermont							
Grad Non- Vermont							
<b>Total</b>		<b>304</b>	<b>\$2,052,162</b>	<b>344</b>	<b>\$2,355,970</b>	<b>39</b>	<b>\$303,808</b>
<b>Spring 2015</b>	(Semester)						
Vermonter	6,228	260	\$1,621,530	289	\$1,798,862	28	\$177,332
Non-Vrmt (o/s)	11,628	8	93,024	8	96,284	0	3,260
NEBHE	11,628	20	232,560	28	326,580	8	94,020
Grad Vermont							
Grad Non- Vermont							
<b>Total</b>		<b>288</b>	<b>\$1,947,114</b>	<b>325</b>	<b>\$2,221,726</b>	<b>37</b>	<b>\$274,612</b>
<b>SUMMER SESSIONS I. (J/Aug)</b>	**						
Vermonter	-	-	-	-	-	-	-
Non-Vrmt (o/s)	-	-	-	-	-	-	-
NEBHE	-	-	-	-	-	-	-
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SUMMER SESSIONS II&gt; (May/J)</b>	**						
Vermonter	4,671	130	607,230	138	\$644,600	8	\$37,370
Non-Vrmt (o/s)	8,721	-	-	1.00	8,700.00	1.00	8,700.00
NEBHE	8,721	10	87,210	17	148,200	6.99	60,990.00
Grad Vermont							
Grad Non- Vermont							
<b>Total</b>		<b>140</b>	<b>694,440</b>	<b>156</b>	<b>801,500</b>	<b>16</b>	<b>107,060</b>
<b>FY 2015 TOTAL</b>	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonter	12,456	268	3,336,480	296	3,689,209	28	352,729
Non-Vrmt (o/s)	23,256	8	186,048	10	227,223	2	41,175
NEBHE	23,256	21	476,748	28	661,264	8	184,516
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
S/T		296	3,999,276	334	4,577,696	38	578,420
Summer Sessions (annualized)		70	694,440	78	801,500	8	\$107,060
<b>Total Student Tuition</b>		<b>366</b>	<b>4,693,716</b>	<b>412</b>	<b>5,379,196</b>	<b>46</b>	<b>685,480</b>
Student Fees			207,800		278,000		70,200
<b>Total Tuition and Fees</b>			<b>4,901,516</b>		<b>5,657,196</b>		<b>755,680</b>
Less: Waivers			(160,900)		(217,200)		(56,300)
<b>Total Net Tuition &amp; Fees</b>			<b>4,740,616</b>		<b>5,439,996</b>		<b>699,380</b>
Auxiliary:							
Room & Board Fall			0		0		0
Room & Board Spring			0		0		0
Bookstore			0		0		0
<b>Total Auxiliary</b>			<b>0</b>		<b>0</b>		<b>0</b>

\* FPE: Full Paying Equivalent, i.e. # students at full tuition value

\*\* Summer Sessions charge rates utilized in preceeding Academic Year



Vermont State Colleges  
Allied Health  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)	\$2,692,270					\$2,692,270
(Less Scholarship Allowances)	<u>188,993</u>	-	-	-	-	<u>188,993</u>
Net Tuition and Fees	2,503,277	0	0	0	0	2,503,277
Federal Grants and Contracts	0	114,507	0	0	0	114,507
State and Local Grants and Contracts	0	0	0	0	0	-
Non-Governmental Grants and Contracts	0	0	0	0	0	-
Interest on Student Loans Receivable	0	0	0	0	286	286
Sales and Services	142,591	0	0	0	0	142,591
Auxiliary Services	0	0	0	0	0	-
Other Operating Revenue	<u>3,583</u>	-	-	-	<u>506</u>	<u>4,089</u>
<b>TOTAL OPERATING REVENUE</b>	<b>2,649,451</b>	<b>114,507</b>	<b>0</b>	<b>0</b>	<b>792</b>	<b>2,764,750</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	1,199,627	0	0	0	0	1,199,627
Employee Benefits - Group Insurance	267,563	0	0	0	0	267,563
Employee Benefits - GASB 45	72,000	0	0	0	0	72,000
Payment to Trust for GASB45 benefits	70,950	0	0	0	0	70,950
Employee Benefits - Other	254,315	0	0	0	0	254,315
Scholarships and Fellowships	71,992	0	0	0	0	71,992
Supplies and Other Services	367,622	0	0	0	0	367,622
Travel	13,153	0	0	0	0	13,153
Equipment	632	0	0	0	0	632
Library Acquisitions	0	0	0	0	0	-
Utilities	4,965	0	0	0	0	4,965
Transfers						-
Inter-entity	773,926	0	0	0	0	773,926
Intra-entity	(119,449)	119,449	0	0	0	-
Depreciation	-	-	-	<u>52,169</u>	-	<u>52,169</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>2,977,296</b>	<b>119,449</b>	<b>0</b>	<b>52,169</b>	<b>0</b>	<b>3,148,914</b>
Operating Income (Loss)	(327,845)	(4,942)	0	(52,169)	792	(384,164)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	460,493	0	0	0	0	460,493
Non-operating Federal Grant	0	0	0	0	0	-
Gifts	20	1,100	0	0	0	1,120
Investment Income (Net of Expenses)	1,182	477	0	0	0	1,659
Interest Expenses on Capital Debt	0	0	0	0	0	-
Other Non-Operating Revenues	-	-	-	-	-	-
Net Non-Operating Revenues	<u>461,695</u>	<u>1,577</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>463,272</u>
Income before Other Rev, Exp, Gains, Losses	<u>133,850</u>	<u>(3,365)</u>	<u>0</u>	<u>(52,169)</u>	<u>792</u>	<u>79,108</u>
Capital Appropriations						-
Capital Grants and Gifts						-
Additions to Non-Expendable Assets	-	-	-	-	-	-
Inc (Dec) in Net Assets	133,850	(3,365)	0	(52,169)	792	79,108
Increase (Decrease) in GASB45 liability	72,000					72,000
<b>TOTAL</b>	<b>205,850</b>	<b>(3,365)</b>	<b>0</b>	<b>(52,169)</b>	<b>792</b>	<b>151,108</b>



## VIT FY 15 Second Quarter Budget Narrative

January 26, 2015

### REVENUES

In this first quarter of FY 15, VIT's total revenue, which includes sales & services (470) and inter-entity transfers (910), is down slightly compared to last year. However, year-to-date sales & service income, plus projected income (reservations already on the VIT schedule for the second half of FY 15) total \$265,000. New reservations are received daily. With 6 months still remaining in this fiscal year, the FY 15 sales goal of \$330,000 remains aggressive, but not unattainable.

### EXPENSES

VIT's expenses are up this year mainly due to a sizeable increase in the GASB45 post retirement fund payment. In the first six months of this fiscal year, \$52,000 was charged to VIT, compared to only \$3,800 during the same time period last year. In addition, a new expense line, reimbursement to Vermont Tech for overhead services provided, totals \$25,000 annually. A total of \$12,500 was charged to VIT before the close of the second quarter and is reflected in inter-entity transfers (910). As a result, the transfer income appears lower than the actual total of \$31,617. On a separate but related note, VIT expects to achieve some savings in the second half of the fiscal year due to a change in transmission contracts. VIT will likely close FY 15 under budget on the expense side. This could close the gap on any possible sales shortfall.

### SUMMARY

VIT's biggest users are in the education, nonprofit and government categories. All three categories are experiencing serious financial constraints that are limiting their utilization of VIT. As always, the VIT staff and Council will continue to track revenue and expenses carefully and make any adjustments necessary.

At the end of the second quarter, VIT is still in good health and is expected to close fiscal year 2015 with a balanced budget.

Prepared by Tara Lidstone, Executive Director

Vermont State Colleges  
Vermont Interactive TV  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	-	-	-	-	-	-	-	-	-	-
(Less Scholarship Allowances)	-	-	-	-	-	-	-	-	-	-
Net Tuition and Fees:	-	-	-	-	-	-	-	-	-	-
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	92,503	95,710	(3,207)	205,880	298,383	330,000	-	330,000	(31,617)	158,556
Auxiliary Enterprises	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	418	375	43	-	418	-	-	-	418	853
<b>TOTAL OPERATING REVENUE</b>	<b>92,921</b>	<b>96,085</b>	<b>(3,164)</b>	<b>205,880</b>	<b>298,801</b>	<b>330,000</b>	<b>-</b>	<b>330,000</b>	<b>(31,199)</b>	<b>159,409</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	276,759	283,169	6,410	304,441	581,200	581,200	-	581,200	-	565,879
Employee Benefits - Group Insurance	97,796	100,487	2,691	111,204	209,000	209,000	-	209,000	-	196,468
Employee Benefits - GASB 45	52,000	3,800	(48,200)	52,000	104,000	7,600	-	7,600	(96,400)	102,402
Payment to Trust for GASB45 benefits	-	-	-	-	-	-	-	-	-	-
Employee Benefits - Other	56,911	57,987	1,076	70,636	127,547	127,547	-	127,547	-	115,787
Scholarships and Fellowships	-	-	-	-	-	-	-	-	-	-
Supplies and Other Services	78,623	76,426	(2,197)	106,472	185,095	185,095	-	185,095	-	171,317
Travel	5,920	8,341	2,421	13,579	19,499	19,499	-	19,499	-	16,612
Equipment	-	-	-	-	-	-	-	-	-	-
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	(19,117)	(40,831)	(21,714)	12,500	(6,617)	25,000	-	25,000	31,617	(147,086)
Intra-entity	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>548,892</b>	<b>489,379</b>	<b>(59,513)</b>	<b>670,832</b>	<b>1,219,724</b>	<b>1,154,941</b>	<b>-</b>	<b>1,154,941</b>	<b>(64,783)</b>	<b>1,021,378</b>
Operating Income (Loss)	(455,971)	(393,294)	(62,677)	(464,952)	(920,923)	(824,941)	-	(824,941)	(95,982)	(861,970)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	408,671	404,625	4,046	408,670	817,341	817,341	-	817,341	-	809,249
Gifts	-	-	-	-	-	-	-	-	-	-
Investment Income (Net of Expenses)	-	-	-	-	-	-	-	-	-	-
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	408,671	404,625	4,046	408,670	817,341	817,341	-	817,341	-	809,249
Increase (Decrease) in Unrestricted Net Assets	(47,300)	11,331	(58,631)	(56,282)	(103,582)	(7,600)	-	(7,600)	(95,982)	(52,721)
Increase (Decrease) in GASB45 liability	52,000	3,800	48,200	52,000	104,000	7,600	-	7,600	96,400	102,402
<b>TOTAL</b>	<b>4,700</b>	<b>15,131</b>	<b>(10,431)</b>	<b>(4,282)</b>	<b>418</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>418</b>	<b>49,681</b>

Vermont State Colleges  
Vermont Interactive TV  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested in Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)						\$0
(Less Scholarship Allowances)	-	-	-	-	-	-
Net Tuition and Fees	0	0	0	0	0	0
Federal Grants and Contracts						-
State and Local Grants and Contracts						-
Non-Governmental Grants and Contracts						-
Interest on Student Loans Receivable						-
Sales and Services	92,503					92,503
Auxiliary Services	0					-
Other Operating Revenue	418					418
<b>TOTAL OPERATING REVENUE</b>	<b>92,921</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>92,921</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	276,759	0	0	0	0	276,759
Employee Benefits - Group Insurance	97,796	0	0	0	0	97,796
Employee Benefits - GASB 45	52,000	0	0	0	0	52,000
Payment to Trust for GASB45 benefits	0	0	0	0	0	-
Employee Benefits - Other	56,911	0	0	0	0	56,911
Scholarships and Fellowships	0	0	0	0	0	-
Supplies and Other Services	78,623	0	0	0	0	78,623
Travel	5,920	0	0	0	0	5,920
Equipment	0	0	0	9,367	0	9,367
Library Acquisitions	0	0	0	0	0	-
Utilities	0	0	0	0	0	-
Transfers						-
Inter-entity	(19,117)	0	0	(9,164)	0	(28,281)
Intra-entity	0	0	0	0	0	-
Depreciation	-	-	-	8,763	-	8,763
<b>TOTAL OPERATING EXPENSES</b>	<b>548,892</b>	<b>0</b>	<b>0</b>	<b>8,966</b>	<b>0</b>	<b>557,858</b>
Operating Income (Loss)	(455,971)	0	0	(8,966)	0	(464,937)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	408,671					408,671
Non-operating Federal Grant						-
Gifts						-
Investment Income (Net of Expenses)						-
Interest Expenses on Capital Debt						-
Other Non-Operating Revenues	-	-	-	-	-	-
Net Non-Operating Revenues	408,671	0	0	0	0	408,671
Income before Other Rev, Exp, Gains, Losses	(47,300)	0	0	(8,966)	0	(56,266)
Capital Appropriations						-
Capital Grants and Gifts						-
Additions to Non-Expendable Assets	-	-	-	-	-	-
Inc (Dec) in Net Assets	(47,300)	0	0	(8,966)	0	(56,266)
Increase (Decrease) in GASB45 liability	52,000					52,000
<b>TOTAL</b>	<b>4,700</b>	<b>0</b>	<b>0</b>	<b>(8,966)</b>	<b>0</b>	<b>(4,266)</b>

VERMONT TECHNICAL COLLEGE **(Workforce Development)**

January 26, 2015

**NARRATIVE HIGHLIGHTS FOR BUDGET VS ACTUAL – 2nd Qtr Review**

**Workforce Development Entity is comprised of Vermont Manufacturing Extension Center (VMEC), Small Business Development Center (SBDC), Continuing Education and Workforce Development (CEWD), and Vermont Corporate College (VCC).**

**Unrestricted Fund:**

Sales and services revenue is projected to lower than budget due to lower training program income. A reduction in expenditures is projected to offset most of the revenue decline.

**Restricted Fund:**

Many of WFD grants continue year to year. Currently for FY15, there are 7 federal grants and 6 state grants reflected in the WFD restricted report. The federal SBDC E-Commerce Grant finished in October and the State CEWD Department of Economic Housing & Community Development Training Grant completed at the end of September.

Vermont State Colleges  
Workforce Development  
For the Six Months Ending December 31, 2014  
Budget vs Actual Report

	Actual 2015	Actual 2014	Variance Prior Yr Fav/(Unfav)	Projected Balance of 2015	Projected Total Year 2015	Board Approved Budget 2015	Approved Carry Forward	Total Board Approved Budget 2015	Projection vs Budget Variance Fav/(Unfav)	Total Year 2014 Actual
<b>OPERATING REVENUES</b>										
Tuition and Fees (Gross)	-	-	-	-	-	-	-	-	-	-
(Less Scholarship Allowances)	-	-	-	-	-	-	-	-	-	-
Net Tuition and Fees:	-	-	-	-	-	-	-	-	-	-
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	357,851	382,652	(24,801)	312,658	670,509	947,123	-	947,123	(276,614)	859,646
Auxiliary Enterprises	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-	910
<b>TOTAL OPERATING REVENUE</b>	<b>357,851</b>	<b>382,652</b>	<b>(24,801)</b>	<b>312,658</b>	<b>670,509</b>	<b>947,123</b>	<b>-</b>	<b>947,123</b>	<b>(276,614)</b>	<b>860,556</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	377,484	376,725	(759)	187,807	565,291	783,929	-	783,929	218,638	817,605
Employee Benefits - Group Insurance	92,803	82,336	(10,467)	80,098	172,901	140,396	-	140,396	(32,505)	171,594
Employee Benefits - GASB 45	114,000	124,200	10,200	114,000	228,000	135,400	-	135,400	(92,600)	226,506
Payment to Trust for GASB45 benefits	-	-	-	-	-	133,000	-	133,000	133,000	-
Employee Benefits - Other	72,519	76,416	3,897	40,223	112,742	179,610	-	179,610	66,868	168,908
Scholarships and Fellowships	-	-	-	-	-	-	-	-	-	-
Supplies and Other Services	271,991	232,046	(39,945)	319,813	591,804	473,356	-	473,356	(118,448)	534,814
Travel	51,147	42,737	(8,410)	69,747	120,894	105,742	-	105,742	(15,152)	92,296
Equipment	853	2,884	2,031	-	853	9,300	-	9,300	8,447	5,749
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	(233,897)	(232,041)	1,856	(158,942)	(392,839)	(450,312)	-	(450,312)	(57,473)	(436,961)
Intra-entity	69,048	98,521	29,473	(44,215)	24,833	-	-	-	(24,833)	13,969
<b>TOTAL OPERATING EXPENSES</b>	<b>815,948</b>	<b>803,824</b>	<b>(12,124)</b>	<b>608,531</b>	<b>1,424,479</b>	<b>1,510,421</b>	<b>-</b>	<b>1,510,421</b>	<b>85,942</b>	<b>1,594,479</b>
Operating Income (Loss)	(458,097)	(421,172)	(36,925)	(295,873)	(753,970)	(563,298)	-	(563,298)	(190,672)	(733,923)
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
State Appropriations	211,809	213,948	(2,139)	211,809	423,618	427,898	-	427,898	(4,280)	427,898
Gifts	-	-	-	-	-	-	-	-	-	-
Investment Income (Net of Expenses)	-	-	-	-	-	-	-	-	-	-
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	211,809	213,948	(2,139)	211,809	423,618	427,898	-	427,898	(4,280)	427,898
Increase (Decrease) in Unrestricted Net Assets	(246,288)	(207,224)	(39,064)	(84,064)	(330,352)	(135,400)	-	(135,400)	(194,952)	(306,025)
Increase (Decrease) in GASB45 liability	114,000	124,200	(10,200)	114,000	228,000	135,400	-	135,400	92,600	226,506
<b>TOTAL</b>	<b>(132,288)</b>	<b>(83,024)</b>	<b>(49,264)</b>	<b>29,936</b>	<b>(102,352)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(102,352)</b>	<b>(79,519)</b>

Vermont State Colleges  
Workforce Development  
For Six Months Ending December 31, 2014  
Statement of Revenues and Expenses and Changes in Net Assets

	Unrestricted	Restricted Expendable	Restricted Unexpendable	Invested In Capital	Loans	Total Entity
<b>OPERATING REVENUES</b>						
Tuition and Fees (Gross)						\$0
(Less Scholarship Allowances)						
Net Tuition and Fees	0	0	0	0	0	0
Federal Grants and Contracts	0	780,600	0	0	0	780,600
State and Local Grants and Contracts	0	394,698	0	0	0	394,698
Non-Governmental Grants and Contracts	0	18,028	0	0	0	18,028
Interest on Student Loans Receivable	0	0	0	0	0	-
Sales and Services	357,851	230,831	0	0	0	588,682
Auxiliary Services	0	0	0	0	0	-
Other Operating Revenue						
<b>TOTAL OPERATING REVENUE</b>	<b>357,851</b>	<b>1,424,157</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,782,008</b>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	377,484	920,442	0	0	0	1,297,926
Employee Benefits - Group Insurance	92,803	169,693	0	0	0	262,496
Employee Benefits - GASB 45	114,000	0	0	0	0	114,000
Payment to Trust for GASB45 benefits	0	0	0	0	0	-
Employee Benefits - Other	72,519	206,546	0	0	0	279,065
Scholarships and Fellowships	0	0	0	0	0	-
Supplies and Other Services	271,991	74,204	0	0	0	346,195
Travel	51,147	38,280	0	0	0	89,427
Equipment	853	0	0	0	0	853
Library Acquisitions	0	0	0	0	0	-
Utilities	0	0	0	0	0	-
Transfers						
Inter-entity	(233,897)	84,041	0	0	0	(149,856)
Intra-entity	69,048	(69,048)	0	0	0	-
Depreciation				2,087,622		2,087,622
<b>TOTAL OPERATING EXPENSES</b>	<b>815,948</b>	<b>1,424,158</b>	<b>0</b>	<b>2,087,622</b>	<b>0</b>	<b>4,327,728</b>
Operating Income (Loss)	(458,097)	(1)	0	(2,087,622)	0	(2,545,720)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
State Appropriation	211,809					211,809
Non-operating Federal Grant						-
Gifts						-
Investment Income (Net of Expenses)						-
Interest Expenses on Capital Debt						-
Other Non-Operating Revenues						-
Net Non-Operating Revenues	211,809	0	0	0	0	211,809
Income before Other Rev. Exp. Gains, Losses	(246,288)	(1)	0	(2,087,622)	0	(2,333,911)
Capital Appropriations						-
Capital Grants and Gifts						-
Additions to Non-Expendable Assets						-
Inc (Dec) in Net Assets	(246,288)	(1)	0	(2,087,622)	0	(2,333,911)
Increase (Decrease) in GASB45 liability	114,000					114,000
<b>TOTAL</b>	<b>(132,288)</b>	<b>(1)</b>	<b>0</b>	<b>(2,087,622)</b>	<b>0</b>	<b>(2,219,911)</b>





3. Review VSC Benchmarks

We have been working on dashboards for each college that we hope will be useful. Given that our colleges are different it is hard to make one set of dashboards that will be meaningful for comparison purposes. If nothing else these spreadsheets will show important data on two pages per college. We would like the committee to review the proposed dashboards to determine if anything else would be helpful, or anything should be deleted, before we populate the numbers for the next committee meeting.

## Vermont State Colleges Dashboard Analysis

### College Name

Updated	Income Statement	FY2015 Proj.	FY2015 Budget	FY2014	FY2013	FY2012	trendline	
quarterly	Total Operating Revenue	\$0	\$0	↑#	\$0	\$0	\$0	
quarterly	Total Operating Expenses	\$0	\$0	↑#	\$0	\$0	\$0	
quarterly		\$0	\$0	↑#	\$0	\$0	\$0	
quarterly	Non Operating Revenues	\$0	\$0	↑#	\$0	\$0	\$0	
quarterly	Increase/(decrease) net assets	\$0	\$0	↑#	\$0	\$0	\$0	
quarterly	GASB 45	\$0	\$0	↑#	\$0	\$0	\$0	

	FTE Student	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	trendline	
Oct & Mar	full time in-state	0	0	↑0	0	0	0	
Oct & Mar	full time out-of-state	0	0	↑0	0	0	0	
Oct & Mar	part time in-state	0	0	↑0	0	0	0	
Oct & Mar	part time out-of-state	0	0	↑0	0	0	0	
	TOTAL	0	0	↑0	0	0	0	

	Headcount Student	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	trendline	
Oct & Mar	full time in-state	0	0	↑0	0	0	0	
Oct & Mar	full time out-of-state	0	0	↑0	0	0	0	
Oct & Mar	part time in-state	0	0	↑0	0	0	0	
Oct & Mar	part time out-of-state	0	0	↑0	0	0	0	
	TOTAL	0	0	↑0	0	0	0	

	Student/Faculty Ratio	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	trendline	
Oct	Full-time students	0	0	↑0	0	0	0	
Oct	Part-time Students	0	0	↑0	0	0	0	
Oct	Full-time Faculty	0	0	↑0	0	0	0	
Oct	Part-time Faculty	0	0	↑0	0	0	0	
	Student/Faculty Ratio	0.0	0.0	↑0	0.0	0.0	0.0	

	Instructional Cost per Annual FTE	FY2014	FY2013	FY2012	FY2011	FY2010	trendline	
Oct only	Annual FTE for Undergraduates (IPEDS)	0	0	↑0	0	0	0	
	Annual FTE for Graduates (IPEDS)	0	0	↑0	0	0	0	
	Total FTE	0	0	↑0	0	0	0	
	Total cost of Instruction	\$0	\$0	↑0	\$0	\$0	\$0	
	Instructional Cost/ Total FTE	0	0	↑0	0	0	0	

## Vermont State Colleges Dashboard Analysis

### College Name

	FY2014	FY2013	FY2012	FY2011	FY2010	trendline
Oct only						
Non-Instructional Cost per Annual FTE						
Annual FTE for Undergraduates (IPEDS)	0	0 ↑ 0	0	0	0	
Annual FTE for Graduates (IPEDS)	0	0 ↑ 0	0	0	0	
Total FTE	0	0 ↑ 0	0	0	0	
Total non-Instructional Cost	\$0	\$0 ↑ 0	\$0	\$0	\$0	
Non Instructional Cost/ Total FTE	0	0 ↑ 0	0	0	0	

	FY2015	FY2014	FY2013	FY2012	FY2011	trendline
Oct & Mar						
<b>Headcount Students/Non-Faculty</b>						
Headcount Students	0	0 ↑ 0	0	0	0	
Non-Faculty	0	0 ↑ 0	0	0	0	
Non-Faculty/Student Ratio	0.00	0.00 ↑ 0	0.00	0.00	0.00	

	FY2015	FY2014	FY2013	FY2012	FY2011	trendline
quarterly						
<b>Employee Headcount</b>						
Full Time Faculty	0	0 ↑ 0	0	0	0	
Part Time Faculty - (PTFF)	0	0 ↑ 0	0	0	0	
PAT	0	0 ↑ 0	0	0	0	
SUP	0	0 ↑ 0	0	0	0	
VSEA	0	0 ↑ 0	0	0	0	
NBU - administrators	0	0 ↑ 0	0	0	0	
NBU - administrative staff	0	0 ↑ 0	0	0	0	
NBU - temporary work agreements	0	0 ↑ 0	0	0	0	
Other part time faculty	0	0 ↑ 0	0	0	0	
	0	0 ↑ 0	0	0	0	

	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	trendline
Annually						
<b>Aps/Admits/Enroll</b> (full time freshmen only)						
Applications	0	0 ↑ 0	0	0	0	
Admits	0	0 ↑ 0	0	0	0	
Enrollments	0	0 ↑ 0	0	0	0	

	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	trendline
Annually						
<b>Retention of First Time Full-Time Freshman</b>						
First term students	0	0 ↑ 0	0	0	0	
Returned after 1st year	0	0 ↑ 0	0	0	0	

## Vermont State Colleges Dashboard Analysis

College Name								
Annually	1st year retention rate	0%	0% ↑#	0%	0%	0%	0%	
<b>Graduation Rates</b>		Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	trendline	
Annually	Students in Cohort	0	0 ↑0	0	0	0	0	
Annually	Total completers in 150% of normal time	0	0 ↑0	0	0	0	0	
Annually	Graduation Rate	0%	0% ↑#	0%	0%	0%	0%	
<b>Certificates and Degrees Awarded Annually</b>		2013-14 AY	2012-13 AY	2011-12 AY	2010-11 AY	2009-10 AY	trendline	
Annually	Certificates (Undergraduate)	0	0 ↑0	0	0	0	0	
Annually	Associate Degrees	0	0 ↑0	0	0	0	0	
Annually	Baccalaureate Degrees	0	0 ↑0	0	0	0	0	
Annually	Masters Degrees	0	0 ↑0	0	0	0	0	
Annually	Total Degrees (excluding certificates)	0	0 ↑0	0	0	0	0	
<b>Debt Relationships</b>		FY2015	FY2014	FY2013	FY2012	FY2011	trendline	
Annually	Total Revenue	\$0	\$0 ↑0	\$0	\$0	\$0	\$0	
Annually	Debt	\$0	\$0 ↑0	\$0	\$0	\$0	\$0	
	%	0.00%	0.00% ↑0	0.00%	0.00%	0.00%	0.00%	
Annually	Total Expense	\$0	\$0 ↑0	\$0	\$0	\$0	\$0	
Annually	Debt	\$0	\$0 ↑0	\$0	\$0	\$0	\$0	
	%	0.00%	0.00% ↑0	0.00%	0.00%	0.00%	0.00%	

4. Update on Legislative Issues

The committee will receive an update on VSC legislative issues.

## 5. Update on Ongoing VSC Construction

### Project updates:

Construction of the Johnson 150kw solar array project has been completed. In the last update it was noted that the construction of the array had been completed and we were waiting for FairPoint to install new utility poles to the site. Shortly after that report FairPoint installed the utility poles and the array was energized and brought on line. Encore and their partners provided JSC with a website to monitor the array's output. The College is in the process of exploring display options so that the output information can be sent to a display board for the college community to view.

### Level 3 Projects for OC approval:

Northern Architects and the design team for the VTC milk processing facility are very close to completing the project construction documents. The design for this facility has been on a very short timeline, and needed to be completed by late January for construction bidding in February. A construction start is planned for early April with a completion date of late June 2015.

In mid-September VTC also released an RFP to partner with a developer for the construction of a 500kw solar farm to be located near the Langevin House. The selection committee selected All Earth Renewables as their partner and we are now in the process of negotiating the terms of the contract. All Earth has begun permitting the project and is anticipating starting construction in late spring.

6. Review Capital Projects Report

For this month's Project Status Report, we removed 5 completed projects which gives us a total of 21 projects remaining on the Capital Project List.

February 2015 Capital Project Update									
Board Approved State Capital Projects	Preliminary Estimate	Budget	Final / Est. Cost	(Under)/ Over Budget	% Cash Dispersed	% Work Complete	Start	Finish	Notes
CSC FY 06 Glenbrook Waterline	\$ 42,196	\$ 42,196	\$ 42,196		50%	50%	7/1/08	6/30/15	
CSC FY 15 Leavenworth Window Replacement	\$ 325,000	\$ 270,250	\$ 408,823		100%	100%	7/1/14	11/14/14	Overage covered by unspent funds from other projects.
<b>Castleton Totals</b>		<b>\$ 312,446</b>	<b>\$ 451,019</b>	<b>44%</b>					
JSC FY 13 Campus Electrical Efficiency Upgrades	\$ 21,250	\$ 21,250	\$ 21,250		0%	25%	7/2/12	6/30/15	
<b>Johnson Totals</b>		<b>\$ 21,250</b>	<b>\$ 21,250</b>						
LSC FY13 Campus Building Brick Repairs	\$ 50,000	\$ 50,000	\$ 50,000		65%	80%	7/2/12	6/30/15	
LSC FY 14 Campus Landscaping & Walkway Replacement	\$ 70,250	\$ 70,250	\$ 70,250		50%	60%	7/1/13	6/30/15	
<b>Lyndon Totals</b>		<b>\$ 120,250</b>	<b>\$ 120,250</b>						
VTC FY 15 Exterior Painting & Building Repairs	\$ 56,000	\$ 56,000	\$ 56,000		70%	80%	7/1/14	6/30/15	
VTC FY 15 Campus Flooring Replacement	\$ 109,000	\$ 109,000	\$ 109,000		70%	80%	7/1/14	6/30/15	
VTC FY 15 Barn Roof Replacement	\$ 80,000	\$ 80,000	\$ 80,000		10%	10%	7/1/14	6/30/15	
VTC FY 15 Energy Management System Upgrades	\$ 25,250	\$ 25,250	\$ 25,250		0%	0%	7/1/14	6/30/15	
<b>VTC Totals</b>	<b>\$ 270,250</b>	<b>\$ 270,250</b>	<b>\$ 270,250</b>						
CCV FY 14 Facility Improvements	\$ 75,000	\$ 75,000	\$ 75,000		60%	60%	7/1/13	6/30/15	
CCV FY 15 Facility Improvements	\$ 75,000	\$ 75,000	\$ 75,000		0%	0%	7/1/14	6/30/15	
<b>CCV Totals</b>		<b>\$ 150,000</b>	<b>\$ 150,000</b>						
VSC FY 13 Brattleboro Academic Facility	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000		100%	100%	11/7/12	8/1/14	
<b>VSC Total</b>		<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>						

Green Indicates project completed and will be removed from next report.



Board Approved VSC Dorm/Dining Projects	Preliminary Estimate	Budget	Final / Est. Cost	(Under)/ Over Budget	% Cash Dispersed	% Work Complete	Start	Finish	Notes
CSC FY 15 Residence Hall Reno Projects	\$ 250,000	\$ 250,000	\$ 250,000				7/1/14	6/30/15	
<b>Castleton Totals</b>		<b>\$ 250,000</b>	<b>\$ 250,000</b>						
JSC FY 15 Governors / Senators Electrical Upgrades Phase I	\$ 132,000	\$ 132,000	\$ 132,000		50%	50%	7/1/14	6/30/15	
<b>Johnson Totals</b>		<b>\$ 132,000</b>	<b>\$ 132,000</b>						
LSC FY 15 Wheelock Restroom Renovations	\$ 160,000	\$ 160,000	\$ 160,000		0%	0%	7/1/14	6/30/15	
LSC FY 15 Dining Services Equipment Replacement	\$ 90,000	\$ 90,000	\$ 90,000		33%	70%	7/1/14	6/30/15	
<b>Lyndon Totals</b>		<b>\$ 250,000</b>	<b>\$ 250,000</b>						
VTC FY 15 Morey / Nutting Lighting Upgrades	\$ 27,000	\$ 27,000	\$ 27,000		0%	0%	7/1/14	6/30/15	
VTC FY 15 Old Dorm Shower Repairs and Upgrades	\$ 55,000	\$ 55,000	\$ 55,000		0%	0%	7/1/14	6/30/15	
VTC FY 15 44 Water St. Fire Alarm Replacement	\$ 21,000	\$ 21,000	\$ 21,000		0%	5%	7/1/14	6/30/15	
<b>VTC Totals</b>	<b>\$ 103,000</b>	<b>\$ 103,000</b>	<b>\$ 103,000</b>						
Green Indicates project completed and will be removed from next report.									
OC Approved Self Financed	Preliminary Estimate	Budget	Final / Est. Cost	(Under)/ Over Budget	% Cash Dispersed	% Work Complete	Start	Finish	Notes
JSC Babcock Preserve	\$ 5,000	\$ 5,000	\$ 5,000		0%	0%	7/2/12	6/30/15	
OC Approved Green Revolving Fund	Preliminary Estimate	Budget	Final / Est. Cost	(Under)/ Over Budget	% Cash Dispersed	% Work Complete	Start	Finish	Notes
VTC Bio-digester Heat Recovery Phases I & II	\$ 225,000	\$ 335,000	\$ 335,000		33%	33%	12/2/13	8/9/15	Funding Sources: \$225,000 GRF, \$25,000 Clean Energy Fund, \$85,000 Efficiency Vt. Incentive
Green Indicates project completed and will be removed from next report.									

C. ITEMS FOR INFORMATION ONLY

1. Monthly Grant Activity Report

Attached is the monthly grant report.

There are 77 current grants, of which, 2 is new.

There are 17 pending grants, of which, 8 are new.

There are 12 denied grant, of which 1 are new.

There are 106 total grants all together.

Vermont State Colleges  
- Annual Grant Activity Report -  
FY2015 New Grants and Currently Active Grants

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Item	College	Grant Title (Project Director)	Status	CFDA #	Granting Agency (Fed,State,Other)	Funding Agency/Grant Period	Brief Description	Amount Requested	VSC Match	Amount Awarded	Reported to Board
	CCV	TRIO Student Support Services Program (Jen Garrett-Ostermiller)	Awarded	84.042A	Federal	US Dept of Education (9/1/10 - 8/31/15)	Program to serve students who are first generation, low income and/or have a disability. The objects are persistence, graduation and transfer, and financial literacy education. (1st yr: \$357K; 2nd & 3rd yr: \$346K; 4th yr: \$328K; 5th yr: \$346K)	\$ 1,754,827		\$ 1,721,644	Mar-11
	CCV	Community College Career Training Grant: Vermont ExpressED (Revised title to: Trade Adjustment Assistance Community College and Career Training Grants Program) (Penne Lynch)	Awarded	17.282	Federal	US Department of Labor (Jul 11 - Jun 14)-Revised to Oct11-Sept14	To support trade impacted workers in high demand occupations. CCV proposes to develop three new degree programs and a new, fast track degree model that includes embedded remediation, blended courses, and career coaches. (1st yr: \$860K; 2nd yr: \$978K; 3rd yr: \$662K)	\$2,500,000		\$2,500,000	Jun-11
	CCV	Vermont Digital Economy Project (Eric Sakai)	Awarded	11.307	Federal	Vermont Council on Rural Development (1/1/13 - 6/30/14) Extended to 12/31/14	Place CCV students in libraries of Vermont towns affected by 2011 storms to assist community members with internet tasks such as information and job searches, community engagement, educational activities, and communications with family.	\$ 108,100		\$ 114,360	
	CCV	Vermont State GEAR UP (Deb Stewart)	Awarded	84.334	Federal	Vermont Student Assistance Corporation (8/1/13 - 8/31/14)	Embed peer mentors into the Dimensions First Initiative (Award amount increased by \$1,000)	\$15,000		\$16,000	
	CCV	Consolidated Perkins Postsecondary and Tech Prep (Debby Stewart)	Awarded	84.048	Federal	State of Vermont, Agency of Education (7/1/14 - 6/30/15)	Improving vocational and technical education at the secondary and post-secondary level	\$678,734		\$678,734	Sep-14
	CCV	Northern Lights Career Development Center (NLCDC) (Nancy Sugarman)	Awarded	93.596 & 93.575	Federal	State of Vermont, DHHD / Administration for Children and Families (7/1/14 - 6/30/15)	To enhance child care opportunities and sustain and improve the quality of programs for Vermont children.	\$347,676		\$350,269	Sep-14
	CCV	Trade Adjustment Assistance Community College and Career Training Grants Program (Penne Lynch)	Awarded	17.282	Federal	Employment and Training Administration (10/1/14 - 9/30/18)	Improve retention and achievement rates to reduce time to completion (1st yr: \$936K; 2nd yr: \$699K; 3rd yr: \$765K; 4th yr: \$100K)	\$2,500,000		\$2,394,110	Sep-14
	CCV	Perkins Reserve (part 1) (Debby Stewart)	Awarded	84.048	Federal	Vermont Department of Education (7/1/14 - 6/30/15)	Fast Forward dual enrollment model at regional career centers.	\$43,000		\$48,300	
	CCV	Perkins Reserve (part 2) (Debby Stewart)	Awarded	84.048	Federal	Vermont Department of Education (7/1/14 - 9/30/14)	Fast Forward dual enrollment model at regional career centers.			\$1,700	
	CCV	Vermont State GEAR UP (Heather Weinstein)	Awarded	84.334	Federal	Vermont Student Assistance Corporation (8/1/14 - 8/31/15)	Embed peer mentors into the Dimensions First Initiative	\$24,733	\$25,000	\$25,000	
	CSC	TRIO Student Support Services Program (Kelly Beckwith)	Awarded		Federal	US Dept of Education (9/1/10 - 8/31/15)	To increase college retention and graduation rates of first-generation and low-income students and students with disabilities. (5 yr -\$301,694 1st yr + 3-5% annual incr/yr thereafter)	\$1,508,470	\$ 611,750	\$ 301,694 1st yr funding	Jan-10
	CSC	CSC Woodruff Energy Efficiency Renovations (Chuck Lavoie)	Awarded	81.041	Federal	Vermont Clean Energy Development Fund (2 yrs from date of award)	To remove and replace 90 windows and improve insulation deficiencies in Woodruff Hall.	\$143,271	\$132,658	\$137,964	
	CSC	2013 Division III Strategic Alliance Matching Grant (Deanna Tyson)	Awarded		Other	National Collegiate Athletic Association (9/1/13 - 8/31/16)	To hire full-time female/minority administrator in athletics (1st yr: \$50K; 2nd yr: \$34K; 3rd yr: \$18K)	\$101,904	\$101,323	\$101,904	Feb-13
	CSC	Deans' Summer Research (Ingrid Johnson-Robledo)	Awarded		Other	The Jack and Dorothy Byrne Foundation (5/19/14 - 8/16/14)	To fund summer faculty-student research projects	\$20,000		\$5,000	
	CSC	Vermont Geographic Alliance (Scott Roper, Ph.D.)	Awarded		Other	National Geographic Education Foundation (9/1/13 - 11/1/14)	Fund activities of Vermont Geographic Alliance.	\$34,500	\$13,480	\$29,000	
	CSC	North East Water Resources Network (Andrew Vermilyea, Ph.D.)	Awarded		Other	National Science Foundation - EPSCoR subaward (9/1/13 - 8/31/16)	To study changes to the Lake Champlain watershed brought about in part by the increasing number of severe storms that have been hitting the region in recent years. (1st yr: \$8K; 2nd yr: \$15K; 3rd yr: \$16K)	\$38,857		\$38,857	
	CSC	Leavenworth Window Replacement Project (Scott Dikeman / Chuck Lavoie)	Awarded		Other	Price Chopper's Golub Foundation (5/1/14 - 8/15/14)	To replace windows in Leavenworth Hall (\$750 Nov 2013; \$750 in Nov 2014)	\$75,000	\$225,000	\$1,500	Oct-13
	CSC	RUI: Collaborative Research: Proterozoic Mountain Building and Collapse, Eastern Adirondacks, New York (Timothy Grover)	Awarded		Other	National Science Foundation (7/1/14 - 6/30/16)	Understand: i) nature of the crust during these various orogenic processes, ii) the effects of Shawangian granulite facies metamorphism and anatexis relative to Ottawa granulite facies metamorphism and anatexis, and iii) how the crust evolved through time as the Grenville orogeny was constructed.	\$66,419		\$59,713	
	CSC	Spanish Club Film Festival (Ana Maia Alfaro-Alexander)	Awarded		Other	PRAGDA (9/1/14 - 10/31/14)	Show 5 Spanish films	\$1,000	\$1,500	\$100	
	CSC	Network of Alliances for Geographic Education (Scott Roper)	Awarded		Other	National Geographic Education Foundation (9/1/2014 - 5/31/2015)	Funding for Vermont Geographic Alliance	\$27,500	\$18,425	\$27,500	
	CSC	White Coat Ceremony (Ellen Cepetelli)	Awarded		Other	Arnold P Gold Foundation (9/1/2014 - 12/12/2014)	To fund the Nursing Department's White Coat Ceremony.	\$3,000		\$3,000	
	JSC	Student Support Services (Dr. Karen Madden)	Awarded	84.042A	Federal	U. S. Dept. of Education (9/05 - 8/09); (Renewed 9/1/10 - 8/31/15)	To increase the retention and graduation rates of JSC students who are low income, first generation students and students with disabilities who clearly demonstrate academic need. (1st of 5 yrs: \$406,072)	\$ 406,702		\$ 406,702	Oct-10
	JSC	Transition and Postsecondary Programs for Students with Intellectual Disabilities (TPSID) (Perry LaRoque)	Awarded	84.407A	Federal	University of Vermont / U.S. Dept of Education (9/23/10 - 6/30/15)	To provide individual supports and services for the academic, physical, and social inclusion of students with intellectual disabilities in academic courses, extracurricular activities, and other aspects of the institution of higher education's regular postsecondary program including internships leading to gainful employment based upon the CDC principles. (1st yr: \$32K; 2nd yr: \$39K; 3rd yr: \$54K; 4th yr: \$60K; 5th yr: \$59K)	\$264,058	\$72,844	\$264,058	Jan-11
	JSC	Mammals on the Move: Managing Cascadia Wildlife in the Face of Climate Change (Kevin Johnston)	Awarded Renewed	15.222	Federal	US Department of the Interior / Bureau of Land Management (12/10/10 - 8/31/15)	The core objective of this research is to inform and improve management by describing a range of potential outcomes and identifying high-priority species and habitats.	\$25,000		\$25,000	
	JSC	Adaptation to Climate Change in the Lake Champlain Basin (Dr. Robert Genter)	Awarded	47.076	Federal	Pass-through (9/1/11 - 6/30/16)	Vermont EPSCoR Research the climate change in the Lake Champlain Basin (1st yr: \$186K; 2nd yr: \$156K; 3rd yr: \$160K; 4th yr: \$164K; 5th yr: \$168K)	\$834,022		\$834,022	Oct-11
	JSC	Badger Leadership Promoting Healthy Choices (Camille Campanile)	Awarded		Other	NCAA (8/1/12 - 5/30/15)	Campus-wide collaboration for Alcohol Education & Student Leadership Training. Foster spirit of peer-caretaking & support for healthy choices. (1st yr: \$15K; 2nd yr: \$10K; 3rd yr: \$5K)	\$30,000	\$40,114	\$30,000	
	JSC	2012 Division III Strategic Alliance Matching Grant (Jamey Ventura)	Awarded		Other	NCAA (7/1/12 - 6/30/15)	To enhance gender and ethnic diversity through full-time professional positions in athletics administration. (1st yr: \$51K; 2nd yr: \$36K; 3rd yr: \$19K)	\$106,571	\$104,224	\$106,581	
	JSC	Student Transition, Achievement, Retention and Teaching (Leslie Kanat)	Awarded	47.076	Federal	Pass-through (Aug 2012 - Jun 2017)	National Science Foundation Students, faculty, support staff, and the administration will work together to prepare students for graduate school and future employment by providing realistic, relevant and challenging learning opportunities. Scholarships will be provided to 17 students who major in the Dept. of Environmental and Health Sciences. (1st yr: \$97K; 2nd yr: \$131K; 3rd yr: \$159K; 4th yr: \$133K; 5th yr: \$74K)	\$594,637		\$594,637	Oct-11
	JSC	Upward Bound (Tony Bluetter)	Awarded	84.047A	Federal	U. S. Dept. of Education (6/01/2011-5/31/2015) Multiple Year Award	Help low income high school students transition to college	\$ 1,826,004		\$ 1,826,004	Jun-07
	JSC	Social Referencing and the Influence of Parental Affect on NonAmbulatory Infants (Gina Mireault, Ph.D.)	Awarded	47.074	Federal	National Institutes of Health (National Institute of Child Health & Human Development) (1/1/13 - 12/31/15)	Investigation of social referencing and parental affect on infant behavior, affect & physiology in the first 6 months of life. (1st yr: \$107K; 2nd yr: \$69K; 3rd yr: \$74K)	\$250,000		\$250,000	Apr-12
	JSC	Mammals on the Move: Managing Cascadia Wildlife in the Face of Climate Change (Kevin Johnston)	Awarded	15.222	Federal	US Dept of the Interior / Bureau of Land Management (7/1/12 - 8/31/15)	To inform and improve management by describing a range of potential outcomes and identifying high-priority species and habitats.	\$ 10,510	\$ -	\$ 10,510	
	JSC	Support for Veteran Students and Their Families (Dean David Bergh)	Awarded		Other	Vt. Community Foundation (6/1/13 - 12/31/14)	To develop a process for supporting veterans from admission through graduation.	\$ 10,000	\$ 1,655	\$ 10,000	
	JSC	Project Green's JSC High School Greening Summit Project (Russ Weis)	Awarded		Other	Canaday Family Charitable Trust (9/1/13 - 8/31/16)	To secure additional funding for the sixth, seventh, & eighth JSC H.S. Greening Summits (\$25K/year)	\$ 75,000		\$ 75,000	
	JSC	Project Green's JSC High School Greening Summit Project (Russ Weis)	Awarded		Other	Vermont Community Foundation's Green Mountain Fund (9/1/13 - 8/31/14)	To secure additional funding for the sixth JSC H.S. Greening Summit	\$ 5,000	\$ 600	\$ 5,000	

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JSC	(Michele Whitmore)	GEAR UP	Awarded	84.334	Federal	Vermont Student Assistance Corporation (pass thru Dept of Ed) (8/1/13 - 5/30/14)	To support the success of students in their first year of postsecondary education so they can make a successful transition to the full college experience.	\$15,000		\$15,000	
JSC	(Michele Whitmore)	AlcoholEdu/Haven Grant	Awarded		Other	Lamolle Family Center/Partnership for Success Grant (Sept 2013 - Aug 2016) \$11K/yr for 3 yrs	To implement the on-line educational course AlcoholEdu and Haven to our first year and transfer students as a proactive approach in addressing alcohol use and unhealthy relationships in college.	\$33,000	\$14,000	\$33,000	
JSC	(Jeff Angione)	Community Grant / Bronze	Awarded		Other	IBM (4/1/14 - 4/1/15)	Radio station sundries / CD player & storage unit	\$500		\$500	
JSC	(Dr. Kevin Johnston)	Mammals on the Move: Managing Cascadia Wildlife in the Face of Climate Change - Phase 4	Awarded	15.222	Federal	US Dept of the Interior / Bureau of Land Management (6/1/14 - 8/3/15)	Core objective of this research is to inform and improve management by describing a range of potential outcomes and identifying high-priority species and habitats. In phase 4, we will run several different climate models and examine where they agree and disagree.	\$20,000		\$20,000	
JSC	(Dr. Elizabeth Dolc)	Microbial Community Structure of the Vermont Asbestos Group Mine	Awarded	93.389	Federal	Vermont Genetics Network (6/1/14 - 5/31/15)	To study microbial community interactions at the Vermont Asbestos Group Mine.	\$69,994		\$69,994	
JSC	(Amy Welsh, PhD)	Comparative Effectiveness of Biofeedback vs. Exercise for Stressed Students	Awarded	93.389	Federal	Vermont Genetics Network (6/1/14 - 5/31/15)	The proposed research project will seek to identify whether regular, short bouts of physical exercise and biofeedback improve anxiety-related physiological and psychological states in stressed students, and will explore factors that influence the effectiveness of these interventions.	\$69,801		\$69,801	
JSC	(Dr. Elizabeth Dolc)	Undergraduate summer research investigating microbial community structure at the Vermont Asbestos Group Mine (Hannah Sargent)	Awarded	93.389	Federal	Vermont Genetics Network (6/1/14 - 5/31/15)	To provide students with the opportunity to directly experience scientific research by assisting on a project that is investigating microbial community structure.	\$5,000			
JSC	(Dr. Elizabeth Dolc)	Undergraduate summer research investigating microbial community structure at the Vermont Asbestos Group Mine (Shayna Bennett)	Awarded	93.389	Federal	Vermont Genetics Network (6/1/14 - 5/31/15)	To provide students with the opportunity to directly experience scientific research by assisting on a project that is investigating microbial community structure.	\$5,000			
JSC	(Dr. Elizabeth Dolc)	Undergraduate summer research investigating microbial community structure at the Vermont Asbestos Group Mine (Javayla Davis)	Awarded	93.389	Federal	Vermont Genetics Network (6/1/14 - 5/31/15)	To provide students with the opportunity to directly experience scientific research by assisting on a project that is investigating microbial community structure.	\$5,000			
JSC	(David Bergh)	Disc Golf Project	Awarded		Other	Lamolle Family Center/Partnership for Success Grant (10/1/14 - 6/30/15)	To provide messaging around alcohol and drug use in a high visibility location while promoting healthy lifestyle alternatives.	\$2,662		\$2,662	
LSC	(Rick Williams)	TRIO Upward Bound (84.047) ED-Grants-121911-001	Awarded	84.047	Federal	US Department of Education (9/1/12 - 8/31/17)	To obtain funding for the Upward Bound project at LSC to serve nine target high schools in a three-county area to help students navigate the path towards success in postsecondary education. (1st yr: \$324,765)	\$1,623,825		\$324,765	May-12
LSC	(Bob McCabe)	TRIO Student Support Services Program	Awarded	84.042A	Federal	US Dept of Education (9/1/10 - 8/31/15)	To increase college retention and graduation rates of first-generation and low-income students and students with disabilities. (5 yr -\$288,707 /yr)	\$1,443,535		\$ 279,757 3rd yr funding	Mar-11
LSC	(Dr. Heather Bouche)	Early Promise Community Outreach Coordinator	Awarded		Other	The Canaday Family Charitable Trust (7/31/13 - 7/31/16)	To help us implement and expand our existing Early Promise Program to increase postsecondary degree attainment in Northeast Kingdom. (\$50,000/yr for 3 yrs)	\$ 150,000	\$ 257,618 \$86K/yr		Dec-13
VTC	(Geoffrey Lindemer)	Central Recovered Biomass Facility (Donna Barlow-Casey)	Awarded	81.087	Federal	U.S. Dept. of Energy (11/1/11 - 12/31/13) (Extended to 3/31/15)	Construction of large biodigester; securing feedstock, designing & permitting, project management (1st yr of 2 yrs: \$1,421,500)	\$1,421,500	\$2,477,471	\$1,421,500	Oct-12
VTC	(Jeff Higgins)	Applied Agriculture Institute (TAACCT) (Chris Beattie)	Awarded	17.282	Federal (Pass Through)	US Department of Labor (10/1/12 - 9/30/15)	Workforce development (1st yr: \$1,141K; 2nd yr: \$656K; 3rd yr: \$689K)	\$ 2,485,920	\$ -	\$ 3,357,703	Oct-12
VTC	(Donna Barlow-Casey)	Northeast Photovoltaic Instructor Training Network US Dept of Energy	Awarded	81.087	Federal	Hudson Valley Community College is Administrator (Jul 2011 - Dec 2014) (Ended 12/31/14)	The college will work in conjunction with the US DOE to support 25 Northeast Photovoltaic Training Network Participating Institutions throughout the states of CT, MA, NH, NY, RI, and VT to provide renewable energy training in VT (1st yr: \$9K; cumulative \$56K)	\$9,000		\$56,000	
VTC	(Maureen Hebert)	Vermont Training Program	Awarded		State	Vermont Dept. of Economic, housing, and Community Development (12/24/12 - 5/31/13) (6/7/13 - 5/31/14) (to 9/30/14)	To cover 40% of tuition costs for eligible applicants for existing Vermont Tech Continuing Education programs in Healthcare, HR, Leadership, BPI, Manufacturing and Environmental Engineering.	\$50,000		\$100,000	
VTC	(Lenae Quillen-Blume)	SBDC Cooperative Agreement	Awarded	59.037	Federal	Small Business Administration (10/1/12 - 9/30/15)	Statewide Business Counseling and Training (\$625K/yr)	\$1,875,000	\$817,155	\$625,000 1st yr	Oct-12
VTC	(Lenae Quillen-Blume)	e-Commerce for EDA/VCRD	Awarded	11.307	Federal	Sub-Award through Vermont Council on Rural Development (2/1/13 - 7/31/14) Extended to 12/31/14 (Ended 10/31/14)	Develop resiliency in businesses through e-Commerce as an after effect of Irene (1st yr: \$220K; 2nd yr: \$110K)	\$330,000		\$330,000	Apr-13
VTC	(Susan Polen)	TRIO-Student Support Services	Awarded	84.042A	Federal	U.S. Dept of Education (9/1/12 - 8/31/13) (9/1/14 - 8/31/15)	SSS Program designed to increase the number of disadvantaged low-income college students, first generation students and college students with a disability in the U.S. who successfully complete a program of study. (1st yr: \$220K; 2nd yr: \$110K; 3rd yr: \$286K)	\$298,575	\$32,967	\$286,140	May-13
VTC	(Lenae Quillen-Blume)	EDA Disaster Assistance	Awarded	11.307	Federal	Economic Development Administration (EDA), U.S. Dept of Commerce (6/1/13 - 12/31/15)	Disaster assistance	\$115,000	\$47,404	\$115,000	
VTC	(Mary L. O'Leary)	Anaerobic Digester Heat Recovery	Awarded		Other	Green Mountain Power (8/6/13 - 9/30/14)	First phase of the Digester Heat Recovery Project, which will provide hot water from the generator to the Maintenance Building.	\$25,000		\$25,000	
VTC	(Susan Polen)	TRIO-Student Support Services	Awarded	84.042A	Federal	US Dept of Education (9/1/13 - 8/31/14) (4th year of 5 year grant)	SSS Program designed to increase the number of disadvantaged low-income college students, first generation students and college students with a disability in the U.S. who successfully complete a program of study.	\$271,175	\$32,967	\$271,175	Oct-13
VTC	(Peter Crawford)	VT-ANR Pollution Prevention Grant / VTSBDC Business Environmental Assistance	Awarded	66.708	Federal	Vt. Agency of Natural Resources (10/1/13 - 9/30/14)	To fund Vt SBDC to provide environmental assistance to VT businesses through the Vermont Business Environmental Partnership.	\$47,500		\$47,500	
VTC	(Peter Crawford)	VTSBDC Business Environmental Assistance	Awarded	66.708	Federal	Vt. Agency of Natural Resources / Dept of Environmental Conservation (10/1/14 - 9/30/15)	To fund Vt SBDC to provide environmental assistance to VT businesses through the Vermont Business Environmental Partnership.	\$47,500		\$47,500	
VTC	(Linda Rossi)	2014 SBA Core Funding Grant	Awarded	59.037	Federal	U.S. Small Business Administration (10/1/13 - 9/30/14)	Business advising and training	\$574,667		\$631,250 Rec'd additional \$56,583 award	Feb-14
VTC	(Chris Dutton)	Agency of Agriculture Digester Pond Liner	Awarded		State	State of Vermont Agency of Agriculture, Food & Markets (10/1/13 - 12/31/15)	To improve farm management - which should improve water quality - by installing a flexible membrane pond liner/sealing.	\$50,000		\$50,000	
VTC	(Carl Brandon)	CubeSat VTC Mentored Undergraduate Research Support	Awarded	43.001	Federal	National Aeronautics and Space Administration (9/1/12 - 8/31/14)	Additional \$10,000 for work on CubeSat Project (\$10K/yr)	\$20,000		\$20,000	
VTC	(Chris Dutton)	Capital & Infrastructure Investment Grant (Ag., Forestry, & Forest Products)	Awarded		Other	Vermont Working Lands Enterprise Initiative (Apr 2014 - Oct 2015)	Provide funds for dairy processing plant fit-up at the VTC farm.	\$75,000	\$75,000	\$75,000	Sep-14
VTC	(Bob Zider)	VMEC NIST GRANT - Hollings Manufacturing Extension Partnership	Awarded	11.611	Federal	US Department of Commerce (7/1/2014 - 6/30/2015)	Improve manufacturing in Vermont and strengthen the global competitiveness of the state's smaller manufacturers. Focus on small to medium sized manufacturers; help them increase productivity, modernize processes, adopt advanced technologies, reduce costs, and stabilize the workforce. VMEC has a separate budget from the rest of the college.	\$600,000	\$1,200,000	\$600,000	May-14
VTC	(Bob Zider)	Vermont Manufacturing Extension Center (VMEC)	Awarded		State	State of Vermont Agency of Commerce and Community Development (9/1/2013 - 10/31/2014)	To provide facilitation and coaching services and support to the Northeast Kingdom (NEK) Workforce Development Team and maximize benefits to Vermonters in that region.			\$10,250	
VTC	(Linda Rossi, State Director)	Vermont Procurement Technical Assistant Center	Awarded	12.002	Federal	State of Vermont Agency of Commerce and Community Development (7/1/14 - 6/30/15)	Administering counseling, outreach event management, and training services to Vermont businesses interesting in government contracting.	\$94,798		\$94,798	
VTC	(Jane Kearns)	Federal FY2014 Resource Sharing Grant	Awarded	45.310	Federal	Vermont Dept of Libraries (Jul 2014 - Jun 2015)	To facilitate interlibrary loan in Vermont	\$500		\$500	

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	VTC (Linda Rossi)	Northern Borders Contract #26162	Awarded		State	State of Vermont - Agency of Commerce & Community Development (3/1/14 - 12/31/14)	Website enhancements and development of marketing materials	\$100,000		\$100,000	
	VTC (Sosten Lungu)	Nutrient Management Incentive Grant	Awarded		State	Vermont Agency of Agriculture, Food and Markets (Feb 2014 - Aug 2014) (Extended to 12/31/14) (Ended 12/31/14)	Update nutrient management plan for the VTC, and OSHA farms	\$7,812		\$7,812	
	VTC (Linda Rossi)	FAST Grant	Awarded	59.058	Federal	U.S. Small Business Administration, Office of Technology (9/1/13 - 9/30/15) (One yr extension to 9/30/15)	Business advising and training	\$95,000	\$70,000	\$95,000	Sep-14
	VTC (Rosemary Distel)	Perkins IV Basic Grant - Secondary & Postsecondary	Awarded	84.048	Federal	US Department of Education (7/1/14 - 6/30/15)	Improve the educational achievement of secondary and post-secondary students enrolled in vocational/technical programs through integrating rigorous academic skills with technical skills as related to all aspects of business and industry.	\$160,487		\$160,487	Sep-14
<b>U</b>	VTC (Linda Rossi)	USDA Rural Business Enterprise Grant Project Proposal	<b>Awarded</b>	10.769	Federal	USDA Rural Development (10/1/14 - 9/30/15)	Advising and broadband services	\$32,500	\$40,525	\$32,501	
<b>N,U</b>	VTC (Bonnie Chamberlin)	Electrical and Plumbing Apprenticeship Programs	<b>Awarded</b>		State	Vermont Department of Labor (7/1/14 - 6/30/15)	Management of related instruction component of VBoL Electrical & Plumbing Apprenticeship programs. This includes oversight of six (6) traditional sites through VT, eight (8) levels of Distance Learning, 35 classes & over 500 students.	\$495,491		\$495,491	
	SOS (Tim Donovan)	Leadership for Pre-K Through 16 Council	Awarded		Other	J. Warren and Lois McClure Foundation (7/1/13 - 6/30/15)	To support the Pre-K through 16 Council	\$25,000		\$25,000	
	SOS (Joyce Judy)	GEAR-UP Dual Enrollment Subaward (VSAC)	Awarded	84.334	Federal	VSAC Pass-through (9/30/13 - 8/31/14)	To support existing Partnership agreement for the dual enrollment program and Intro to College Studies.	\$350,000	\$400,000	\$350,000	Oct-13
	SOS (Joyce Judy)	GEAR-UP Dual Enrollment Subaward (VSAC)	Awarded	84.334	Federal	VSAC Pass-through (9/30/14 - 8/31/15)	To support existing Partnership agreement for the dual enrollment program and Intro to College Studies.	\$350,000	\$400,000		Sep-14
	SOS (Natalie Searle, Steve Vantine)	Dual Enrollment Program Management (Contract)	Awarded		State	Vt. Agency of Education (7/1/14 - 6/30/15)	To provide overall administration of dual enrollment program	\$140,000		\$140,000	

Vermont State Colleges  
- Annual Grant Activity Report -  
FY2014 & FY2015 Pending Grants

A = Action Item  
N = New Grants This Period  
U = Updated (Awarded/Denied or Withdrawn)

Item	College	Grant Title (Project Director)	Funding Agency/Grant Period	Brief Description	Requested	VSC Match	Awarded	Reported to
	CCV	VT DOL - WET Fund Training Grant (Penne Lynch)	Vermont Department of Labor (9/1/14 - 8/31/15)	To give a strong basic career ready skill set to aspiring and underemployed Vermont workers looking to enter Manufacturing, Healthcare, Customer Service, and STEM careers.	\$108,918			
<b>N</b>	CCV	TRiO Student Support Services (SSS) Program (Jennifer Garrett-Ostermiller)	Department of Education (9/1/15 - 8/31/20)	To serve disadvantaged students (first-generation, low-income, and/or individuals with a disability), annually, with objectives to increase persistence, good academic standing, graduation, and transfer to a four-year institution. (\$346K/yr for 5 yrs)	\$1,728,665			
	CSC	Castleton State College Virtual Hospital (Marie McDuff)	Gladys Brooks Foundation (7/1/14 - 6/30/16)	Purchase a high fidelity simulation manikin for the Virtual Hospital located in the Nursing Department.	\$64,297	\$3,850		
	CSC	Using "negative acknowledgement" to restore a rape victim's credibility in court (Kathryn Sperry)	Vermont Genetics Network (6/1/14 - 5/31/15)	Examine the efficacy of "negative acknowledgement" as a way to combat the negative impact of perceived blameworthiness for victims of sexual assault.	\$24,305			
	CSC	Supporting Excellence and building Community in the Sciences (Catherine Garland, Ph.D)	National Science Foundation (7/1/15 - 6/30/20)	Improve the recruitment, retention, student community dynamics, financial support, success and career and graduate school placement of academically talented and financially needy undergraduate students working towards Bachelor of Science degrees in biology, chemistry, environmental science and geology. (1st yr: \$89K; 2nd yr: \$123K; 3rd yr: \$113K; 4th yr: \$149K; 5th yr: \$149K)	\$621,471			Sep-14
	CSC	"What is a Peaceful World?" (Candy Fox)	National Endowment for the Humanities (6/1/15 - 5/31/17)	Support development of What is a Peaceful World course through the NEH Enduring Questions division. (1st yr: \$19K; 2nd yr: \$2K)	\$20,512			
	CSC	Castleton College Virtual Hospital (Marie McDuff)	Kinney Drugs Foundation (TBD)	Fund purchase of simulator manikin	\$80,445	\$14,525		
<b>N</b>	CSC	Castleton College Virtual Hospital (Marie McDuff)	Jane's Trust (TBD)	Purchase high fidelity simulator manikin for Nursing Dept	\$40,000	\$74,434		
<b>N</b>	CSC	Castleton College Virtual Hospital (Marie McDuff)	The R.C. Johnson, Jr. Foundation (TBD)	Purchase high fidelity simulator manikin for Nursing Dept	\$53,234	\$61,200		
<b>N</b>	CSC	Castleton Student Faculty Summer Research Project (Ingrid Johnston-Robledo)	The Robert Fleming & Jane Howe Patrick Foundation, Inc (5/10/15 - 8/23/15)	Fund 4 summer undergraduate research projects (2015)	\$10,000			
<b>N</b>	CSC	CashCourse (Rebecca Eno)	National Endowment for Financial Education (NEFE) (1/1/15 - 6/30/15)	Promote financial literacy	\$1,000			
<b>N</b>	CSC	Castleton Entrepreneurial Collaborative (Lyle Jepson)	Vermont Community Foundation (7/1/15 - 6/30/16)	Seed money to establish Castleton Entrepreneurial Collaborative	\$20,000			
<b>N</b>	CSC	TRiO-Student Support Services (Kelley Beckwith)	US Dept of Education - Office of Postsecondary Education (7/1/15 - 6/30/16)	To fund student support services.	\$292,341	\$134,486		
	LSC	Lyndon Promise Scholarship Challenge Grant (Bob Whittaker)	LSC Foundation FY2010 - FY2013	This challenge grant will provide an annual \$10K challenge to attract a total of \$10K in private support towards the Lyndon Promise Scholarship program. (\$10,000/yr for 4 yrs)	\$ 40,000	\$ 40,000		
	VTC	VMEC - Vermont Training Program	State of Vermont, Dept of Economic Development, Vermont Training Program	Provide upgrade classroom training for employees in the following sectors: Manufacturing, Information Technology, Telecommunications, Healthcare, and Environmental	\$200,000			Sep-14

Vermont State Colleges  
 - Annual Grant Activity Report -  
 FY2014 & FY2015 Pending Grants

A = Action Item  
 N = New Grants This Period  
 U = Updated (Awarded/Denied or Withdrawn)

<u>Item</u>	<u>College</u>	<u>Grant Title (Project Director)</u>	<u>Funding Agency/Grant Period</u>	<u>Brief Description</u>	<u>Amount Requested</u>	<u>Amount VSC Match</u>	<u>Amount Awarded</u>	<u>Reported to Board</u>
		(Bob Zider)	(7/1/14 - 6/30/15)					
	VTC	Measuring Effectiveness of Competency Models for Professional Development (Scott Sabol)	New England Transportation Consortium (Mar 2015 - Aug 2016)	Develop competency models that can be used by New England state transportation agencies to use related to workforce needs. Pilot a proposed model with at least one state transportation agency. (1st yr: \$56K; 2nd yr: \$43K)	\$99,081			
<b>N</b>	VTC	Northeast Delta Dental: Radiology Equipment (Ellen Grimes)	Northeast Delta Dental (Jan 2015 - Dec 2015)	To purchase new, replacement radiology equipment for the Dental Hygiene clinic.	\$15,200			

**Vermont State Colleges**  
- Annual Grant Activity Report -  
FY2015 Grants Denied

A = Action Item (Grants over \$150,000 need Board Approval)  
N = New Grants This Period  
U = Updated (Awarded/Denied or Withdrawn)  
E = Extended

Item	College	Grant Title (Project Director)	Status	CFDA #	Granting Agency (Fed,State,Other)	Funding Agency/Grant Period	Brief Description	Amount Requested	VSC Match	Amount Awarded	Reported to Board
CSC		STEM Scholarships (Catherine Garland / Andrew Vermilyea / Tim Grover / Deborah Along)	Denied			National Science Foundation (8/1/14 - 7/31/19)	To fund scholarships for students in STEM fields (1st yr: \$86K; 2nd yr: \$123K; 3rd yr: \$113K; 4th yr: \$149K; 5th yr: \$149K)	\$621,471			Oct-13
CSC		Study Skills for Developmental Learners (Kelley Beckwith)	Denied			People's United Foundation (Aug 2014-May 2015)	Improve Developmental Learners math & study skills	\$4,191			
CSC		Adventure-Based Personal Development with Rutland County Youth (David Ievoli)	Denied			Explore Fund/Northface (7/1/14 - 8/15/14)	Funding to conduct a week-long adventure-based experience for ten (10) at-risk youth in Rutland County, Vermont	\$4,962			
CSC		Upward Bound STEM Immersion Project (Jennifer Jones)	Denied			American Honda Foundation (8/1/14 - 8/31/15)	Increase participation of Castleton Upward Bound students in college STEM majors.	\$30,627			
CSC		Spartan Study Abroad Office (Ana Alexander)	Denied			US Dept of Ed - UISFL (9/15/14 - 9/14/16)	Establish Study Abroad Office at Castleton (1st yr: \$44K; 2nd yr: \$74K)	\$117,672	\$67,475		Dec-14
CSC		EcoExplor Summer Camp (Mary Droege)	Denied			Melinda Gray Ardia Environmental Foundation Sumer 2015	Help support science themed summer camp in conjunction with Castleton Town Rec Dept.	\$2,961	\$2,195		
<b>U</b>	CSC	Castleton Archives Digital Preservation Initiative (Karen Sanborn)	<b>Denied</b>			NEH (9/1/14 - 6/30/15)	Advise the Castleton State College Archives in developing its first digital preservation plan	\$6,000			
LSC		NSF Scholarships in Science, Technology, Engineering, and Mathematics (S-STEM) (Janel Hanrahan)	Denied			National Science Foundation (3/1/14 - 2/28/19)	To provide scholarships, improve retention, expand academic interests, and increase gender diversity for S-STEM interested students. (1st yr: \$45K; 2nd yr: \$91K; 3rd yr: \$134K; 4th yr: \$176K; 5th yr: \$190K; 6th yr: \$0; 7th yr: \$40K; 8th yr: \$20K)	\$ 696,221	\$ 60,000		Dec-13
LSC		Promise Neighborhoods Program Planning Grant Competition (Heather Bouchey)	Denied			US Dept of Education - Northeast Kingdom Promise Region (1/1/13 - 12/31/13)	To create a continuum of care in the region that prepares all youth to successfully transition to post-secondary education, training, and career opportunities.	\$486,745	\$284,897		Dec-12
VTC		Developing a Successful Food System: Diversified Workshop series/Internship Curriculum (Molly Willard)	Denied			Northeast Sustainable Agriculture Research & Education NE SARE (Aug 13 - May 2015)	Build a program to support the Diversified Agriculture Degree. (1st yr: \$7.7K; 2nd yr: \$7.7K)	\$15,439			
VTC		High Meadows Fund: Governor's Institute: Farms, Food, & Your Future (Maureen Hebert (Mgr) w/Molly Willard)	Denied			High Meadows Fund (Jun 2014 - Aug 2014)	To support the 2014 Governor's Institute: Farms, Food, & Your Future	\$7,500			
VTC		FAST Grant (Linda Rossi)	Denied			U.S. Small Business Administration, Office of Technology (10/1/14 - 9/30/15)	Business advising and training	\$100,000			



## 2. Monthly Cash Report

We continue to actively manage our cash investments. Due to the rise in the stock markets we are seeing unrealized losses on our bonds. Since we plan on holding them to maturity this does matter. However, due to the stock market increase and the inverse relationship between stock and bond prices any bonds that we purchase will pay lower interest rates. We are analyzing our remaining FY2015 interest income forecast and have reduced it for the remaining 6 months of FY2015.

**VERMONT STATE COLLEGES  
 CASH & INVESTMENT REPORT: As of 12/31/2014**

*(Excludes non-operating/non-endowment investments made by VSC capital bond trustees)*

	FY2013			FY2014			FY2015		
	CASH Avg Daily Balance	INV'MT Avg Daily Balance	CASH & INV'MT Avg Daily Balance	CASH Avg Daily Balance	INV'MT Avg Daily Balance	CASH & INV'MT Avg Daily Balance	CASH Avg Daily Balance	INV'MT Avg Daily Balance	CASH & INV'MT Avg Daily Balance
JULY	34,609,914	21,101,708	55,711,622	5,296,427	48,332,067	53,628,494	5,693,454	49,867,648	55,561,102
AUGUST	36,786,951	21,468,719	58,255,670	9,825,415	47,302,618	57,128,033	10,617,091	50,457,909	61,075,000
SEPTEMBER	42,285,137	21,801,840	64,086,977	15,632,690	48,110,810	63,743,500	15,870,921	49,854,030	65,724,951
OCTOBER	52,777,737	21,700,666	74,478,403	21,718,225	53,810,622	75,528,848	23,455,481	50,257,327	73,712,808
NOVEMBER	49,615,535	20,388,853	70,004,388	13,853,469	54,060,408	67,913,877	22,488,791	50,662,244	73,151,035
DECEMBER	40,338,584	30,663,887	71,002,471	7,762,978	54,602,700	62,365,678	16,582,373	50,599,560	67,181,933
JANUARY	30,883,373	31,252,127	62,135,500	6,504,135	54,227,520	60,731,656	0	0	0
FEBRUARY	44,761,468	36,335,990	81,097,458	15,834,562	55,091,809	70,926,372	0	0	0
MARCH	33,357,876	51,827,022	85,184,898	24,539,278	55,145,994	79,685,272	0	0	0
APRIL	24,201,268	52,253,163	76,454,432	17,902,254	55,309,876	73,212,131	0	0	0
MAY	14,040,628	58,084,383	72,125,011	13,495,445	55,805,308	69,300,753	0	0	0
JUNE	5,486,546	52,596,707	58,083,253	5,486,546	52,596,707	58,083,253	0	0	0
<b>Cash &amp; Inv Avg thru 6 months</b>	<b>\$42,735,643</b>	<b>\$22,854,279</b>	<b>\$65,589,922</b>	<b>\$12,348,201</b>	<b>\$51,036,538</b>	<b>\$63,384,738</b>	<b>\$15,784,685</b>	<b>\$50,283,120</b>	<b>\$66,067,805</b>

Summary of VSC Investments: December, 2014 (Daily Average Balances)

	Amt	Annual Yield
TD Bank Concentration Account	15,946,912	0.20%
TD Bank Wealth Medical Mgt	282,292	0.01%
TD Bank Money Market	343,475	0.15%
TD Wealth Investments	26,156,196	
Morgan Stanley (Endowment)	24,099,889	
<b>Total Investment</b>	<b>\$66,828,764</b>	
Remainder of money at local college banks earning varying interest rates. Average rate:	\$353,169	0.14%

### 3. VSC Q2 Endowment Performance

On December 31, 2014 the value of the VSC endowment was \$24,099,887 including \$99,016 of non-managed AGI stock. This money is spread over seven investment managers with well diversified portfolios. The assets allocation is within the VSC guidelines. The table below shows the VSC returns versus the representative index:

	<u>yr to date</u>	<u>last fiscal yr</u>	<u>last 5 yrs</u>	<u>since inception</u>
VSC returns	6.3%	17.2%	9.1%	7.0%
Index	6.1%	14.4%	8.8%	7.2%

The endowments have had total returns of \$1,415,818 in value since December 31, 2013. We have had Net Contributions of \$206,074 over the last year.

Morgan Stanley

4Q14

Friday, January 23, 2015

Prepared for: Vermont State Colleges

Brian A. Pelkey, Senior Vice President, Financial Advisor  
John O. Myhre, Vice President, Financial Advisor

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# Investment Perspectives

From the Global Investment Committee



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## Capital Markets Overview: 4Q 2014

### Introduction

As of 4Q 2014

- Domestic equities continued to race ahead during the fourth quarter of 2014 amid spikes in volatility, dramatic declines in oil prices, the Fed's conclusion of QE3 and the continued strength of the US dollar. There were positive signs of a healing US economy as third-quarter US GDP growth was revised to a staggering 5%—the best pace in more than 11 years.
- The Dow Jones Industrial Average rose 5.2% in the fourth quarter. The NASDAQ Composite Index advanced 5.8% for the quarter. The S&P 500 Index rose 4.9% for the quarter, its eighth consecutive quarterly increase.
- Seven of the 10 sectors of the S&P 500 Index advanced in the fourth quarter. Utilities fared the best, with a 13.2% uptick. Consumer Discretionary rose 8.7% and Consumer Staples advanced 8.2%. The laggards were Energy, which declined 10.7%, Telecommunication Services, which fell 4.2%, and Materials, which declined 1.8%.
- Morgan Stanley & Co. economists expect U.S. real GDP will be 2.0% in 2014 and 2.7% in 2015. They forecast global GDP growth to be 3.2% in 2014 and 3.5% in 2015.
- Commodities struggled throughout the fourth quarter; the Bloomberg Commodity Index declined 12.1%. For the quarter, gold was down 2.3%.
- For the fourth quarter of 2014, global mergers and acquisitions (M&A) deal volume was \$881 billion, compared to \$573 billion for the fourth quarter of 2013. Global M&A activity increased to \$3.3 trillion in 2014 from \$2.3 trillion in 2013.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research.

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material.

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## Capital Markets Overview: 4Q 2014

### US Equity Markets

As of 4Q 2014

The Dow Jones Industrial Average rose 5.2% in the fourth quarter. The NASDAQ Composite Index advanced 5.8% for the quarter. The S&P 500 Index rose 4.9% for the quarter, its eighth consecutive quarterly increase.

Seven of the 10 sectors of the S&P 500 Index advanced in the fourth quarter. Utilities fared the best, with a 13.2% uptick. Consumer Discretionary rose 8.7% and Consumer Staples advanced 8.2%. The laggards were Energy, which declined 10.7%, Telecommunication Services, which fell 4.2% and Materials, which declined 1.8%.

Growth-style stocks of large-cap companies rose during the fourth quarter. The large-cap Russell 1000 Growth Index advanced 4.8%. The Russell 1000 Index, a large-cap index, rose 4.9% for the quarter.

The Russell 1000 Value Index, also a large-cap index, increased 5.0% for the quarter. The Russell Midcap Growth Index rose 5.8% for the quarter. The Russell Midcap Index increased 5.9% for the quarter. The Russell Midcap Value Index rose 6.1% for the quarter. The Russell 2000 Growth Index, a small-cap index, increased 10.1% for the quarter. The small-cap Russell 2000 Index rose 9.7% for the quarter. The Russell 2000 Value Index, also a small-cap index, increased 9.4% for the quarter.

Key US Stock Market Index Returns (%) for the Period Ending 12/31/2014				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
S&P 500	4.9%	13.7%	15.4%	7.3%
Dow Jones	5.2%	10.0%	14.2%	7.2%
Russell 2000	9.7%	4.9%	15.5%	8.2%
Russell Midcap	5.9%	13.2%	17.2%	8.9%
Russell 1000	4.9%	13.2%	15.6%	7.5%

Source: FactSet, Bloomberg.

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## Capital Markets Overview: 4Q 2014

### The US Bond Market

As of 4Q 2014

In the fourth quarter, bond market returns increased slightly—the Barclays U.S. Aggregate Bond Index, a general measure of the bond market, rose 1.8% for the quarter. Interest rates declined during the fourth quarter, as the yield on the 10-Year U.S. Treasury note fell to a quarter-end 2.17% from 2.49% at the end of the third quarter.

Also in the fourth quarter, riskier parts of the bond market such as U.S. High Yield debt registered negative returns. As a result, the Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, declined 1.0% for the quarter.

Investors were positive on mortgage-backed securities in the fourth quarter. Consequently, the Barclays Capital Mortgage Backed Index rose 1.8% for the quarter. During the fourth quarter, investors held steady in the municipal bond market. As a result, the Barclays Capital Muni Index rose 1.4% for the quarter.

Key US Bond Market Index Returns (%) for the Period Ending 12/31/2014				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Barclays Capital US Aggregate	1.8%	6.0%	4.4%	4.8%
Barclays Capital High Yield	-1.0%	2.5%	9.0%	8.8%
Barclays Capital Govt/Credit	1.8%	5.8%	4.6%	4.8%
Barclays Capital Government	1.9%	5.1%	3.9%	4.1%
Barclays Capital Intermediate Govt/Credit	0.9%	3.1%	3.5%	4.0%
Barclays Capital Long Govt/Credit	5.6%	19.3%	9.8%	8.4%
Barclays Capital Mortgage Backed Securities	1.8%	6.1%	3.7%	4.7%
Barclays Capital Muni	1.4%	9.1%	5.2%	5.1%

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research.

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## Capital Markets Overview: 4Q 2014

### Global Equity Markets

As of 4Q 2014

In the fourth quarter, emerging markets (EM) and global equities had mixed results. The MSCI EAFE Index (a benchmark for developed markets) fell 3.53% for U.S.-currency investors and rose 1.8% for local-currency investors, as the U.S. dollar appreciated in relation to the currencies of many nations in the index. In the third quarter of 2014, the MSCI EAFE Index fell 5.8% in U.S. dollar terms and rose 1.0% in local currency terms.

For the fourth quarter, the MSCI Emerging Markets Index declined 4.4% for U.S.-currency investors and rose 0.1% for local-currency investors, as the U.S. dollar appreciated in relation to many emerging-market currencies. In the previous quarter, the MSCI Emerging Markets Index fell 3.4% for U.S.-dollar-based investors and increased 0.7% for local-currency investors.

The MSCI Europe Index fell 4.2% for U.S.-currency investors and decreased 0.01% for local-currency investors during the fourth quarter. In the previous quarter, the MSCI Europe Index fell 6.9% for U.S.-dollar-based investors and increased 0.9% for local-currency investors.

More specific emerging economy equity market indices were mixed in the fourth quarter. The MSCI BRIC (Brazil, Russia, India and China) Index fell 4.0% for the quarter in U.S. dollar terms and advanced 1.3% in terms of local currencies. In comparison, for the fourth quarter, the MSCI EM Asia Index declined 0.5% in U.S. dollar terms and rose 1.8% in local terms.

Key Global Equity Market Index Returns (%) for the Period Ending 12/31/2014				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	-3.5%	-4.5%	5.8%	0.0%
MSCI EAFE Growth	-2.3%	-4.1%	6.5%	0.4%
MSCI EAFE Value	-4.8%	-4.9%	5.0%	-0.4%
MSCI Europe	-4.3%	-5.7%	5.9%	-0.2%
MSCI Japan	-2.4%	-3.7%	5.7%	-0.1%
MSCI Emerging Markets	-4.4%	-1.8%	2.1%	-1.0%

Source: FactSet, Bloomberg.

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## Asset Allocation Models & Insurance Products Disclosures

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### GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS

The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC.

### CLIENTS TO CONSIDER THEIR OWN INVESTMENT NEEDS

The GIC Asset Allocation Models are formulated based on general client characteristics such as investable assets and risk tolerance. This report is not intended to be a client-specific suitability analysis or recommendation, or offer to participate in any investment. Therefore, do not use this report as the sole basis for investment decisions.

Clients should consider all relevant information, including their existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. Such a suitability determination may lead to asset allocation(s) results that are materially different from the asset allocation shown in this report. Clients should talk to their Financial Advisor about what would be a suitable asset allocation for them.

### HYPOTHETICAL MODEL PERFORMANCE (GROSS)

Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation.

Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated.

Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment a client selects.

Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date.

**Fees reduce the performance of actual accounts** None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at [www.morganstanley.com/adv](http://www.morganstanley.com/adv). The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material.

### INSURANCE PRODUCTS AND ETF DISCLOSURES

Morgan Stanley Smith Barney LLC offers **insurance products** in conjunction with its licensed insurance agency affiliates.

An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices.

**Variable annuities and ETFs are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges and expenses, and other information regarding the variable annuity contract and the underlying investments, or the ETF, which should be considered carefully before investing. Prospectuses for both the variable annuity contract and the underlying investments, or the ETF, are available from your Financial Advisor. Please read the prospectus carefully before you invest.**

**Variable annuities** are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options.

Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract.

If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection.

Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

## Asset Class Risk Considerations

**For index definitions to the indices referenced in this report please visit the following: [Index Definitions](#)**

**Equity securities** may fluctuate in response to news on companies, industries, market conditions and general economic environment.

**Investing in foreign markets** entails risks not typically associated with domestic markets, such as currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, and the potential for political instability. These risks may be magnified in countries with **emerging markets and frontier markets**, since these countries may have relatively unstable governments and less established markets and economies.

**Investing in small- to medium-sized companies** entails special risks, such as limited product lines, markets and financial resources, and greater volatility than securities of larger, more established companies.

The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer.

**High yield bonds (bonds rated below investment grade)** may have speculative characteristics and present significant risks beyond those of other securities, including greater credit risk, price volatility, and limited liquidity in the secondary market. High yield bonds should comprise only a limited portion of a balanced portfolio.

Interest on **municipal bonds** is generally exempt from federal income tax; however, some bonds may be subject to the alternative minimum tax (AMT). Typically, state tax-exemption applies if securities are issued within one's state of residence and, if applicable, local tax-exemption applies if securities are issued within one's city of residence.

**Treasury Inflation Protection Securities' (TIPS)** coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation.

**Alternative investments** may be either traditional alternative investment vehicles, such as hedge funds, fund of hedge funds, private equity, private real estate and managed futures or, non-traditional products such as mutual funds and exchange-traded funds that also seek alternative-like exposure but have significant differences from traditional alternative investments. The risks of traditional alternative investments may include: can be highly illiquid, speculative and not suitable for all investors, loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized, absence of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than open-end mutual funds, and risks associated with the operations, personnel and processes of the manager. Non-traditional alternative strategy products may employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. **Master Limited Partnerships (MLPs)** Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. **Investing in commodities** entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require current income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor. **REITs** investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions.

Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage.

Principal is returned on a monthly basis over the life of a **mortgage-backed security**. Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds.

**Asset-backed securities** generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments.

**Floating-rate securities** The initial interest rate on a floating-rate security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk.

## Asset Class Risk Considerations (cont'd)

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**Yields** are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision.

**Credit ratings** are subject to change.

Companies paying **dividends** can reduce or cut payouts at any time.

**Asset allocation and diversification** do not assure a profit or protect against loss in declining financial markets.

The **indices** are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment.

The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time.

Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

**Growth investing** does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

**Value investing** does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.

**Rebalancing** does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. Investors should consult with their tax advisor before implementing such a strategy.

**Duration**, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates.

Besides the general risk of holding securities that may decline in value, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

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The securities/instruments discussed in this material may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Morgan Stanley Wealth Management recommends that investors independently evaluate specific investments and strategies, and encourages investors to seek the advice of a financial advisor.

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VERMONT STATE COLLEGES  
PORTFOLIO SUMMARY - ASSET ALLOCATION  
December 31, 2014

	Large Cap Growth	Large Cap Value	Small / Mid Growth	Small / Mid Value	International	International Emerging	Domestic and High Yield Fixed	International Fixed	Alternatives	Cash	Total	% of Total Portfolio
<b>CG Advisor</b>												
I shares Russell 1000 Growth	\$ 2,467,216										\$ 2,467,216	10.3%
I shares Russell 1000 Value		\$ 3,166,452									\$ 3,166,452	13.2%
I shares Trust S&P Mid Cap 400			\$ 26,506								\$ 26,506	0.1%
Royce Premier Fund				\$ 367,657							\$ 367,657	1.5%
William Blair Int Growth					\$ 1,188,750						\$ 1,188,750	5.0%
Oppenheimer Developing Mkts						\$ 439,335					\$ 439,335	1.8%
American Century International Bond								\$ 786,998			\$ 786,998	3.3%
Loomis Bond Fund						\$ 1,181,627					\$ 1,181,627	4.9%
Ishares Dj US Real Estate									\$ 351,159		\$ 351,159	1.5%
Vanguard REIT ETF									\$ 363,852		\$ 363,852	1.5%
Vanguard FI SECS Short Term GD							\$ 1,062,352				\$ 1,062,352	4.4%
Lazard Emerging Markets						\$ 441,765					\$ 441,765	1.8%
Money Funds										\$ 75,595	\$ 75,595	0.3%
<b>Ironwood HF</b>									\$ 498,434		\$ 498,434	2.1%
<b>Skybridge HF</b>									\$ 496,179		\$ 496,179	2.1%
<b>Anchor</b>				\$ 705,707							\$ 705,707	2.9%
<b>Delaware</b>					\$ 958,301						\$ 958,301	4.0%
<b>Clearbridge</b>	\$ 1,388,987	\$ -	\$ 865,862	\$ -	\$ -						\$ 2,254,849	9.4%
<b>Madison</b>							\$ 2,730,088				\$ 2,730,088	11.4%
<b>Seix</b>							\$ 1,392,411				\$ 1,392,411	5.8%
<b>Thomas Partners</b>	\$ 632,964	\$ 1,615,883	\$ 184,107	\$ 184,107	\$ 426,033						\$ 3,043,095	12.7%
<b>Total Fund</b>	<b>\$ 4,489,167</b>	<b>\$ 4,782,335</b>	<b>\$ 1,076,475</b>	<b>\$ 1,257,472</b>	<b>\$ 2,573,084</b>	<b>\$ 881,099</b>	<b>\$ 6,366,478</b>	<b>\$ 786,998</b>	<b>\$ 1,709,624</b>	<b>\$ 75,595</b>	<b>\$ 23,998,327</b>	<b>100.00%</b>
Allocation	18.71%	19.93%	4.49%	5.24%	10.72%	3.67%	26.53%	3.28%	7.12%	0.32%	100.00%	
<i>Strategic Target Allocation a/o 6.30.11</i>												
By Percent	12.00%	12.00%	6.00%	6.00%	17.00%	7.00%	28.00%	4.00%	8.00%	0.00%	0.00%	
By Dollar	\$ 2,879,799	\$ 2,879,799	\$ 1,439,900	\$ 1,439,900	\$ 4,079,716	\$ 1,679,883	\$ 6,719,531	\$ 959,933	\$ 1,919,866	\$ -	\$ 23,998,327	
<b>Current Tactical Allocation</b>	<b>18%</b>	<b>18%</b>	<b>4%</b>	<b>4%</b>	<b>12%</b>	<b>4%</b>	<b>28%</b>	<b>4%</b>	<b>8%</b>	<b>0%</b>	<b>100%</b>	
<b>Operations Account</b>		\$ 99,016.00			\$ 2,543.88	(money funds)					\$ 101,560	
<b>Total All Accounts</b>											<b>\$ 24,099,887</b>	
<b>Basic Asset Allocation:</b>												
						<b>Stocks</b>	<b>63%</b>					
						<b>Alternatives</b>	<b>7%</b>					
						<b>Fixed Income/Cash</b>	<b>30%</b>					

The above summary/prices/quote/statistics have been obtained from sources we believe to be reliable, but we cannot guarantee its accuracy or completeness. Past performance is no guarantee of future results. The information provided in this summary is for illustrative purposes only and does not represent an official statement by the firm. You must refer to your monthly statements for an accurate and complete record of your transactions, holdings & balances. Best efforts have been made to reflect the true values of the figures, but we can not guarantee the accuracy or completeness due to the element of human error. This is not a binding or legal document. This information is based upon the market value of your account as of the close of business on 12.31.14 and is subject to daily market fluctuation.  
Morgan Stanley Smith Barney, LLC. Member SIPC. Prepared by: John O. Myhre, Vice President, Financial Advisor

Prepared for:

## Vermont State Colleges

Prepared by:

**Brian A Pelkey**  
*Senior Vice President - Wealth Management*

**John O Myhre**  
*Vice President-Wealth Management*

69 Swift Street, 4th Floor  
South Burlington VT 05403

## Portfolio Review

### Managed Endowment

Information as of December 31, 2014  
Prepared on January 15, 2015

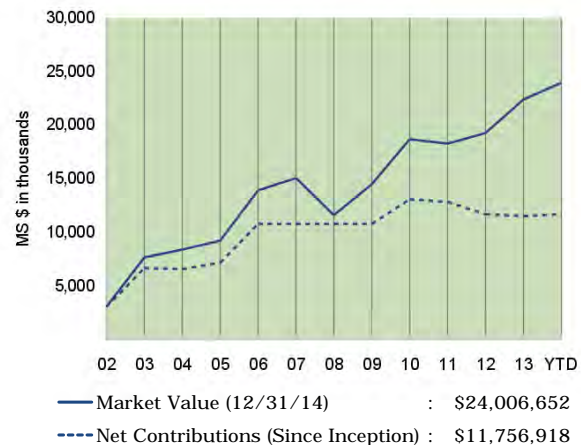
Investment Summary	2
Composite Allocation	3
Composite Analysis	5
Composite Performance	6

Morgan Stanley

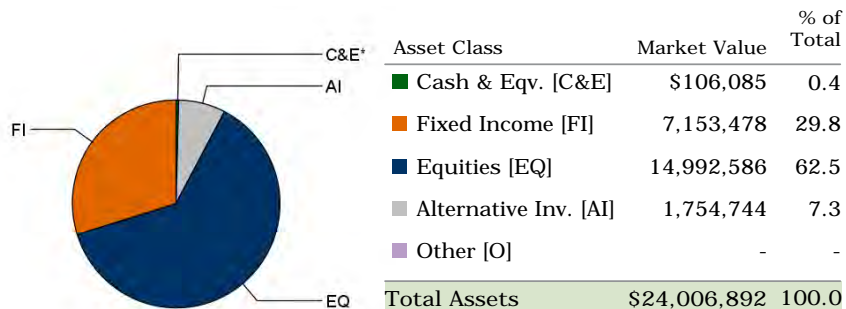
Investment Summary prepared for Managed Endowment as of 12/31/14

Asset Growth and Portfolio Returns<sup>1</sup>

	Year-to-Date 12/31/13 to 12/31/14	Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	For the Period 12/26/02 to 12/31/14
Beginning Value	\$22,384,760	\$14,504,935	\$20,471,723	\$3,085,318
Net Contributions	206,074	902,122	(563,059)	8,671,600
Ending Value	24,006,652	24,006,652	23,384,408	24,006,652
<b>Total Returns</b>	<b>\$1,415,818</b>	<b>\$8,599,596</b>	<b>\$3,475,743</b>	<b>\$12,249,733</b>
Dollar Weighted Rate of Return (IRR)	Annualized		Annualized	
Advisory Net Returns (%)	6.4	9.1	17.2	6.7
Brokerage Net Returns (%)	N/A	N/A	N/A	N/A
<b>Total Net Returns (%)</b>	<b>6.3</b>	<b>9.1</b>	<b>17.2</b>	<b>7.0</b>
40%S&P 15%EAFE 45%BCGC INT	6.1	8.8	14.4	7.2



Asset Allocation



\*Available Cash is \$525,625 or 2.19%.

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

Income Summary

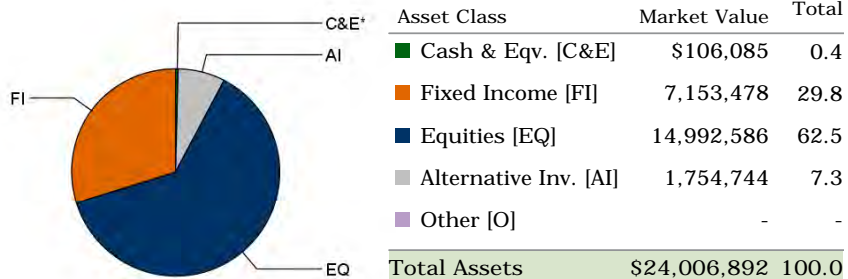
	Year-to-Date 01/01/14 12/31/14	Estimated	
		Year 2014 01/01/14 12/31/14	Next 12 Months 02/01/15 01/31/16
Taxable	615,180	521,650	512,832
Non Taxable	-	-	-
Tax Deferred	-	-	-
<b>Morgan Stanley Total Income</b>	<b>615,180</b>	<b>521,650</b>	<b>512,832</b>

If external holdings were provided, they have been included in this report in order to provide you with a more complete picture of your financial holdings. Please note: Morgan Stanley Smith Barney LLC is not responsible for information (including valuations) from external sources. Please contact your financial advisor to update your information.



Composite Allocation prepared for Managed Endowment as of 12/31/14

Asset Allocation



\*Available Cash is \$525,625 or 2.19%.

Style Analysis

Fixed Income (% of Asset Class)  
Domestic

Short	Intern.	Long	
0.0	26.2	0.0	High Quality
1.7	11.4	0.0	Medium Quality
16.1	0.0	0.2	Low Quality

International N/A

11.5	32.9
------	------

Equity (% of Asset Class)  
Domestic

Value	Core	Growth	
29.1	4.9	27.4	Large Size
4.7	1.4	6.0	Medium Size
2.5	0.0	0.0	Small Size

International Other  
Core Emerg.

17.1	5.9	1.0
------	-----	-----

Asset Allocation Detail

Account No.	Account	Cash Equivalents <sup>1</sup>	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
Household Total		\$106,085	\$7,153,478	\$14,992,586	\$1,754,744	-	\$24,006,892
		-	29.8%	62.5%	7.3%	-	100.0%

Managed Endowment

383-108872	VERMONT STATE COLLEGES	75,595	3,030,977	8,097,679	715,011	-	11,919,262
	Consulting Group Advisor	0.6%	25.4%	67.9%	6.0%	-	100.0%
	Consulting Group Advisor						
383-108874	VERMONT STATE COLLEGES	-	-	960,870	-	-	960,870
	Delaware Investments - Internationa	-	-	100.0%	-	-	100.0%
	Fiduciary Services						

continued on next page

<sup>1</sup> May include fixed income due within a year.

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Composite Allocation prepared for Managed Endowment as of 12/31/14

**Asset Allocation Detail** *continued from previous page*

Account No.	Account	Cash Equivalents <sup>1</sup>	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
383-108918	VERMONT STATE COLLEGES	-	-	706,809	-	-	706,809
	Anchor Capital - Mid Cap Value	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-108919	VERMONT STATE COLLEGES	-	-	-	-	-	-
	REG	-	-	-	-	-	100.0%
383-108920	VERMONT STATE COLLEGES	-	2,730,089	-	-	-	2,730,089
	Madison - Intermediate Govt-Corp	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-110533	VERMONT STATE COLLEGES	-	-	2,255,520	-	-	2,255,520
	ClearBridge - Multi Cap Growth	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-110534	VERMONT STATE COLLEGES	-	1,392,411	-	-	-	1,392,411
	Seix Advisors - High Yield Bond	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-122584	VERMONT STATE COLLEGES	30,483	-	2,971,708	45,126	-	3,047,317
	ThomasPartners	1.0%	-	97.5%	1.5%	-	100.0%
	Investment Management Services						
383-020919	VERMONT STATE COLLEGES	4	-	-	496,176	-	496,179
	AAA	-	-	-	100.0%	-	100.0%
383-020918	VERMONT STATE COLLEGES	4	-	-	498,431	-	498,435
	AAA	-	-	-	100.0%	-	100.0%
<b>Portfolio Total</b>		<b>\$106,085</b>	<b>\$7,153,478</b>	<b>\$14,992,586</b>	<b>\$1,754,744</b>	<b>-</b>	<b>\$24,006,892</b>
		-	29.8%	62.5%	7.3%	-	100.0%
<b>Household Total</b>		<b>\$106,085</b>	<b>\$7,153,478</b>	<b>\$14,992,586</b>	<b>\$1,754,744</b>	<b>-</b>	<b>\$24,006,892</b>
		-	29.8%	62.5%	7.3%	-	100.0%

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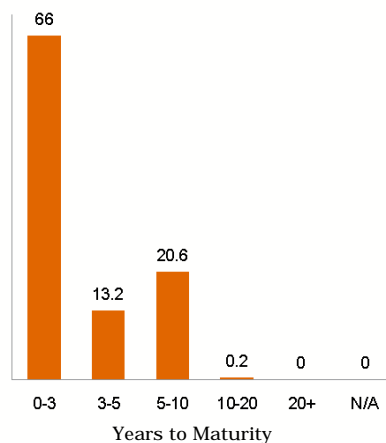
<sup>1</sup> May include fixed income due within a year.

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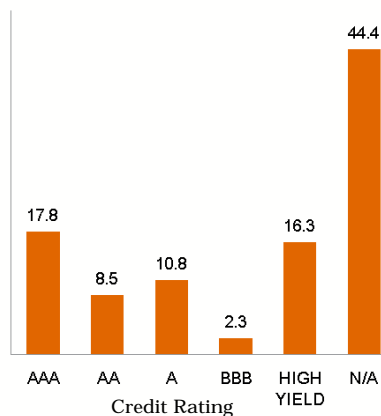
Composite Analysis prepared for Managed Endowment as of 12/31/14

Fixed Income

Maturity Schedule (%)



Credit Rating (%)



Fixed Income

Top Holdings

Security Name	Market Value	% of Fixed
LOOMIS SAYLES BOND INST	\$1,181,627	16.5
VANGUARD SH TM INVT GR INV	1,062,352	14.9
AMER CENT INTL BOND INV	786,998	11.0
UNITED STATES TREASURY NOTE	176,106	2.5
UNITED STATES TREASURY NOTE	174,228	2.4
UNITED STATES TREASURY NOTE	153,232	2.1
FED HOME LN MTG CORP	152,347	2.1
UNITED STATES TREASURY NOTE	146,115	2.0
UNITED STATES TREASURY NOTE	136,132	1.9
JP MORGAN CHASE & CO	127,278	1.8
<b>Total Fixed Income Top Holdings</b>	<b>4,096,415</b>	<b>57.3</b>
<b>Total Fixed Income</b>	<b>7,153,478</b>	<b>100.0</b>

Equities

Sector Allocation

Sector	Market Value	% of Equities
Consumer Discretionary	1,015,494	6.8
Consumer Staples	522,916	3.5
Energy	476,525	3.2
Financials	645,901	4.4
Health Care	1,169,632	7.9
Industrials	991,246	6.7
Information Technology	1,089,443	7.3
Materials	178,503	1.2
Telecommunication Services	315,665	2.1
Utilities	210,570	1.4
Others	8,214,757	55.4
<b>Total</b>	<b>14,830,652</b>	<b>100.0</b>

Top Holdings

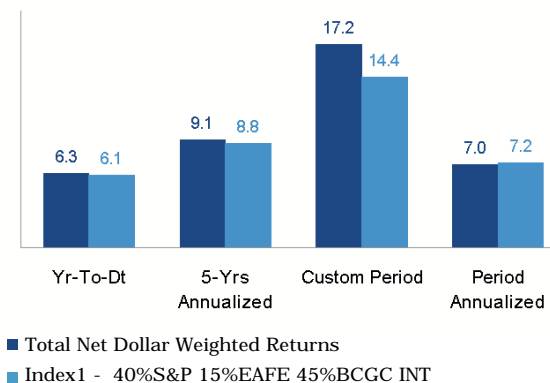
Security Name	Market Value	% of Equities
ISHARES RUSSELL 1000 VALUE ETF	\$3,166,452	21.1
ISHARES RUSSELL 1000 GRW ETF	2,467,216	16.5
WILLIAM BLAIR INTL GROWTH I	1,188,750	7.9
LAZARD EMERGING MKTS EQ I	441,764	2.9
OPPENHEIMER DEVELOPING MKTS Y	439,335	2.9
ROYCE PREMIER INV	367,657	2.5
COMCAST CORP CL A SPECIAL NEW	194,109	1.3
UNITEDHEALTH GP INC	166,697	1.1
ACTAVIS PLC	165,515	1.1
NOVARTIS AG ADR	113,323	0.8
<b>Total Equities Top Holdings</b>	<b>8,710,818</b>	<b>58.1</b>
<b>Total Equities</b>	<b>14,992,586</b>	<b>100.0</b>

If external holdings were provided, they have been included in this report in order to provide you with a more complete picture of your financial holdings. Please note: Morgan Stanley Smith Barney LLC is not responsible for information (including valuations) from external sources. Please contact your financial advisor to update your information.

Morgan Stanley Composite Performance prepared for Managed Endowment as of 12/31/14

Portfolio Returns (%) <sup>1</sup>  
Morgan Stanley Accounts Only

	Year-to-Date 12/31/13 to 12/31/14	Annualized	Annualized	Annualized
		Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	For the Period 12/26/02 to 12/31/14
<b>Total Net Dollar Weighted Returns</b>	<b>6.3</b>	<b>9.1</b>	<b>17.2</b>	<b>7.0</b>



Representative Index

40%S&P 15%EAFE 45%BCGC INT	6.1	8.8	14.4	7.2
----------------------------	-----	-----	------	-----

Account Performance<sup>1</sup>  
Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 12/31/14	Return (%)				Date of Inception	Inception Value
			Year-to-Date 12/31/13 to 12/31/14	Annualized Last-5-Years 12/31/09 to 12/31/14	Annualized Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 12/31/14		
<b>Total Net Dollar Weighted Returns</b>		<b>\$24,006,652</b>	<b>6.3</b>	<b>9.1</b>	<b>17.2</b>	<b>7.0</b>	<b>12/26/02</b>	<b>\$3,085,318</b>
<b>Advisory</b>								
383-108872	VERMONT STATE COLLEGES (Consulting Group Advisor) Consulting Group Advisor	11,919,262	6.1	9.5	18.0	N/A	12/26/02	3,085,318

Continued on next page

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

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Morgan Stanley Composite Performance prepared for Managed Endowment as of 12/31/14

Account Performance<sup>1</sup> *Continued from previous page*  
 Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 12/31/14	Return (%)				Date of Inception	Inception Value
			Year-to-Date 12/31/13 to 12/31/14	Annualized Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 12/31/14		
383-108874	VERMONT STATE COLLEGES (Fiduciary Services) Delaware Investments - Internationa	960,870	(2.1)	4.5	26.3	12.2	02/06/03	2,483,086
383-108918	VERMONT STATE COLLEGES (Fiduciary Services) Anchor Capital - Mid Cap Value	706,809	10.5	11.5	18.6	16.0	02/27/03	795,409
383-108920	VERMONT STATE COLLEGES (Fiduciary Services) Madison - Intermediate Govt-Corp	2,730,089	1.6	2.3	1.5	3.3	02/28/03	4,039,638
383-110533	VERMONT STATE COLLEGES (Fiduciary Services) ClearBridge - Multi Cap Growth	2,255,524	14.6	18.4	35.1	9.8	04/21/06	1,040,220
383-110534	VERMONT STATE COLLEGES (Fiduciary Services) Seix Advisors - High Yield Bond	1,392,411	3.6	7.5	8.9	6.5	04/21/06	700,952
383-122584	VERMONT STATE COLLEGES (Investment Management Services) ThomasPartners	3,047,317	10.0	N/A	19.8	15.6	03/09/12	1,627,719
<b>Total Advisory</b>		<b>\$23,012,283</b>	<b>6.4</b>	<b>9.1</b>	<b>17.2</b>	<b>6.7</b>	<b>12/26/02</b>	<b>\$3,085,318</b>
<b>Brokerage</b>								
383-108919**	VERMONT STATE COLLEGES (REG)	-	N/A	N/A	N/A	N/A	02/27/03	1,006,477
383-020918	VERMONT STATE COLLEGES (AAA)	498,437	(0.3)	N/A	N/A	(0.3)	09/24/14	500,000
383-020919	VERMONT STATE COLLEGES (AAA)	495,932	(0.8)	N/A	N/A	(0.8)	09/24/14	500,000

*Continued on next page*

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

\*\* Account is ineligible for performance reporting.

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Morgan Stanley Composite Performance prepared for Managed Endowment as of 12/31/14

**Account Performance**<sup>1</sup> *Continued from previous page*  
 Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 12/31/14	Year-to-Date 12/31/13 to 12/31/14	Return (%)			Date of Inception	Inception Value
				Annualized Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 12/31/14		
	<b>Total Brokerage</b>	\$994,369	N/A	N/A	N/A	N/A	02/27/03	\$1,006,477
	<b>Total Net Dollar Weighted Returns</b>	\$24,006,652	6.3	9.1	17.2	7.0	12/26/02	\$3,085,318

*Continued on next page*

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

## Disclaimers prepared for Managed Endowment as of 12/31/14

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### General Disclosures

#### Information Disclosures:

This performance report has been prepared for your information only and is not a substitute for your official Morgan Stanley Smith Barney LLC account statements. Do not use the information in this report as the sole basis for investment decisions, nor take action relying on this information without confirming its accuracy and completeness. Please carefully review the attached glossary. Past performance is not a guarantee of future results.

Information is approximate: The information in this report is approximate and subject to updating, correction and other changes. We are not obligated to notify you if information changes. If there are discrepancies between your official account statement and this report, rely on your official account statement. Prices shown in your official account statement may differ from the prices shown in this report due to, among other things, different reporting methods, delays, market conditions and interruptions. Also, the figures in this report do not include all relevant costs (e.g., fees, commissions and taxes).

We obtain pricing and other information from various standard quotation services and other sources which we believe to be reliable, but we do not warrant or guarantee the accuracy or completeness of this information. The price that you would actually receive in the market for any investment may be higher or lower than the price shown in this report. The prices of securities and other investments not actively traded may be estimated or may not be available. For example:

- Bonds trading less frequently: We rely on outside pricing services or a computerized trading model, which cannot always give us actual market values.
- Annuities: Data in this report may have been provided by third party insurance carriers. (Not all insurance carriers provide data on annuities for performance calculations. The list of providers that provide data is available on request. Performance calculations are based on annuity values as of December 31, 2006 or later, depending on carrier participation.) This report might not reflect a transaction that posted at the insurance company before this reporting period. Depending on the carrier, annuities transactions may be net of certain fees or expenses.
- Alternative investments: The assets in these investments (and in corresponding benchmark indices) are difficult to value, values may be several weeks or more old, and the index values reflect pricing from multiple sources. Index values may be more up-to-date than the data for the alternative investments shown in this report. This report shows the latest generally available alternative investment and index data as of the date of this report.
- Non-traded Real Estate Investment Trusts (REITs) and certain other investments: These are illiquid and have no public markets.
- For floating rate securities, the estimated accrued interest and estimated annual income are based on the current floating coupon rate and may not reflect historic rates within the accrual period.

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#### Sources and Intent:

This investment evaluation is directed only to the client for whom the evaluation was performed. The underlying data has been obtained from sources considered to be reliable but its accuracy and completeness cannot be assured. This evaluation is for informational purposes only and is not intended to be an offer, solicitation, or recommendation with respect to the purchase or sale of any security. Performance for periods greater than one year is annualized. This information is being provided at your request and does not replace or supersede your monthly client account statement.

#### Not Tax or Other Advice:

The information in this report (including any gain and loss information) is not investment, legal, tax, accounting or other professional advice. Please contact your tax advisor to determine the appropriate information to be used in preparing your tax return. Gain/loss is provided for informational purposes only and should not be used for tax preparation. We do not guarantee nor independently verify the accuracy of gain and loss information.

#### Use of Report:

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## Disclaimers prepared for Managed Endowment as of 12/31/14

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Asset classifications and performance calculation methodologies can differ among the various supplemental performance reports available through us. For example, some reports calculate Time Weighted performance using a weighted or Modified Dietz approach while others use a daily approach. In addition, some reports may display Dollar Weighted Returns. These differences can generate meaningful dispersions in the performance numbers displayed on different reports.

### Liability and indemnification:

You agree not to hold Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC, their affiliates or third party information providers liable for any investment decision you make based on information in this report. You also agree to indemnify Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC and their affiliates and hold Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC and their affiliates harmless from and against any and all actions, claims, demands, losses or expenses whatsoever (including attorneys' fees and costs) resulting directly or indirectly from any breaches or violations by you of the terms and conditions on this page.

### Classifications of Assets:

The security classifications in this report are based on information from several sources including: Morningstar, Moody's, Standard & Poor's and Morgan Stanley Investment Research. For the purposes of this report, fixed income assets that mature within 1 year may be classified as cash if they are a packaged product, or classified as fixed income if they are an individual security. Equity assets may be categorized based on their Capitalization as Large Cap, Mid Cap or Small Cap. Large Cap is defined as equities in the top 70 percent of investible market capitalization, Mid Cap is defined as the next 20 percent of investible market capitalization and Small Cap is defined as the next 7 percent of investible market cap. An "N/A" credit rating represents fixed income products that are not covered by S&P or Morningstar (or Moody's Rating). An "N/A" maturity rating represents fixed income products that are not covered by S&P or Morningstar (or Moody's). As a firm we classify assets based on general characteristics such as: asset type, underlying capital structure, and issuing organization. As many assets contain characteristics of more than one asset class, this asset classification may differ from others you may receive. These classifications are not intended to serve as a suitability analysis. For more information on asset classification methodology, please contact your Financial Advisor.

Advisory accounts are classified according to the manager's style mandate and may not match the classifications of the holdings at the time of this report.

### Income Summary:

Current Year Estimated and 12 Month Forward projected income figures are based on a combination of stated interest and/or dividend yield, as well as recent payment history, and are not a guarantee of future payments.

### Benchmarks, Charts and Graphs:

Benchmark indices are provided for general reference purposes only. Indices are unmanaged and do not reflect payment of any expenses, fees or sales charges an investor would pay to purchase the securities it represents. Such costs would lower performance. You cannot invest directly in an index. An index's past performance is not a guarantee of future results. Index values for certain types of investments (e.g. alternative investments) are approximate and subject to updating, correction and other changes. Charts and graphs are for illustrative purposes only and are not intended to represent the performance of any Morgan Stanley Smith Barney LLC offering. Also, if your account was enrolled in performance reporting prior to May 1, 2003, your gross portfolio returns and the returns for all comparative indices have a start date of the month following the account's inception date. Additionally, the following indices are available only on a monthly basis and are, therefore, measured from the beginning of the month following the account's inception: CPI, IFC Investable Emerging Markets, National Association REIT, Wilshire REIT, all Merrill Lynch Municipal Indices, the Merrill Lynch Investment Grade Convertible and the Merrill Lynch High Yield Master.

## Performance Calculations

### Contribution / Withdrawal Valuation:

The total value of capital contributed to or withdrawn from the account during the reporting period. The dollar amount represented by contribution or withdrawal transactions is excluded from the calculation of Portfolio Appreciation.



## Disclaimers prepared for Managed Endowment as of 12/31/14

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### Internal Rate of Return (Dollar-Weighted):

Internal Rate of Return (IRR) tracks the performance of actual dollars invested over time. IRR is the discount rate that equates the cost of an investment with the cash generated by that investment. IRR accounts for the timing and magnitude of cash flows. IRR should not be used to compare an account's performance to benchmark indices (e.g. S&P 500) since index performance does not take into account the effect of cash flows.

### Time Weighted Rate of Return:

Time Weighted Rate of Return (TWR) measures an account's compounded rate of growth over the specified time period. TWR is the return produced over time by an account independent of contributions or withdrawals. TWR is used to compare an account's performance to relevant benchmark indices (e.g. S&P 500). Different methodologies for calculating performance at the Household/Portfolio level and the Account level exist, making it possible for returns to be slightly different depending on the level being displayed. Households/Portfolios and Accounts with a historical period use a Modified Dietz calculation while Accounts with no historical periods use Modified Dietz but revalue on dates of large cash flows.

## Morgan Stanley Accounts

### Historical Data:

Portfolio Minder provides a life view of an account's history with the firm and will include performance to the original performance inception of the account. Performance inception date does not necessarily correspond to account inception. Please reference the inception column to establish performance coverage.

### Return Reconciliation

Although checks and balances are in place, we strongly encourage you to review all returns carefully. This is especially true for returns up to a current date. Daily performance data is un-reconciled and is intended for illustrative purposes only. The CSG Performance Group will not reconcile daily performance inquiries.

### Unsupervised Assets:

This report utilizes the total account view. Unsupervised assets contained within advisory accounts have been included under the advisory section and will be taken into account for both market value and performance.

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Prepared for:

## Vermont State Colleges

Prepared by:

**Brian A Pelkey**  
*Senior Vice President - Wealth Management*

**John O Myhre**  
*Vice President-Wealth Management*

69 Swift Street, 4th Floor  
South Burlington VT 05403

## Portfolio Review

Information as of December 31, 2014  
Prepared on January 15, 2015

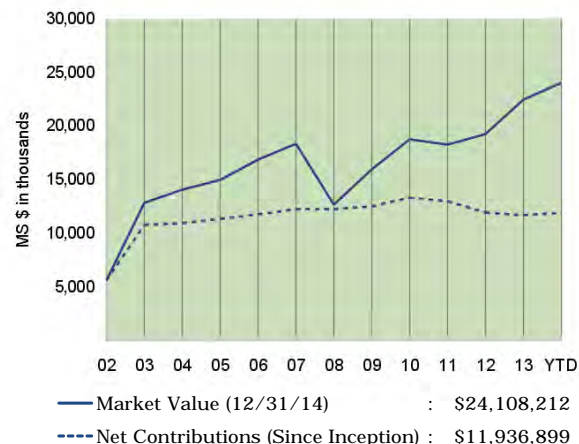
Investment Summary	2
Composite Allocation	3
Composite Analysis	5
Composite Performance	6

Morgan Stanley

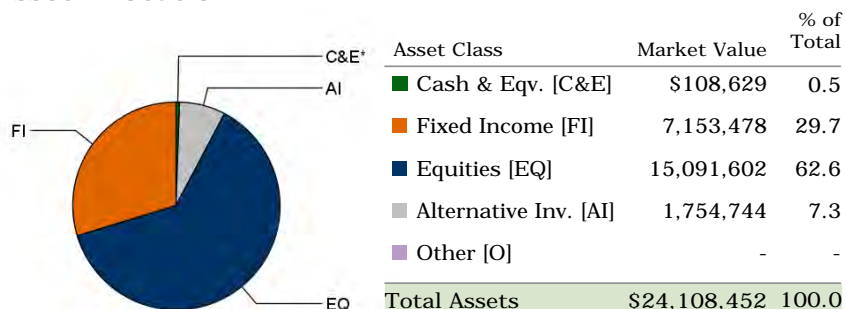
Investment Summary prepared for Vermont State Colleges as of 12/31/14

Asset Growth and Portfolio Returns<sup>1</sup>

	Year-to-Date 12/31/13 to 12/31/14	Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	For the Period 12/26/02 to 12/31/14
Beginning Value	\$22,475,160	\$16,023,059	\$20,551,208	\$5,616,088
Net Contributions	203,030	(634,247)	(160,389)	6,320,811
Ending Value	24,108,212	24,108,212	23,887,626	24,108,212
<b>Total Returns</b>	<b>\$1,430,022</b>	<b>\$8,719,401</b>	<b>\$3,496,807</b>	<b>\$12,171,313</b>
Dollar Weighted Rate of Return (IRR)	Annualized		Annualized	
Advisory Net Returns (%)	6.4	9.1	17.2	6.7
Brokerage Net Returns (%)	2.3	6.7	22.0	2.3
<b>Total Net Returns (%)</b>	<b>6.4</b>	<b>9.1</b>	<b>17.2</b>	<b>6.1</b>
40%S&P 15%EAFE 45%BCGC INT	6.1	8.8	14.4	7.2



Asset Allocation



\*Available Cash is \$528,169 or 2.19%.

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

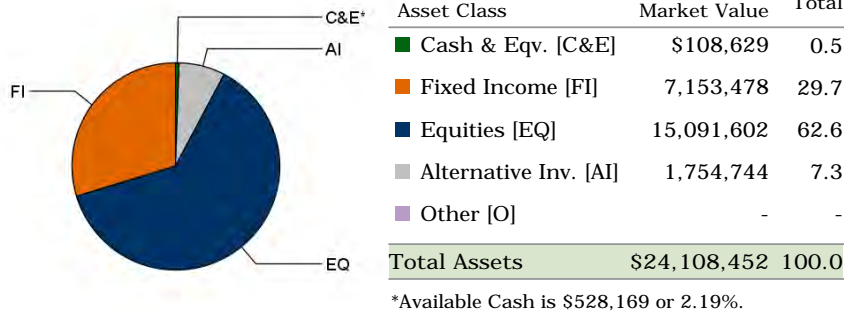
Income Summary

	Year-to-Date 01/01/14 12/31/14	Estimated	
		Year 2014 01/01/14 12/31/14	Next 12 Months 02/01/15 01/31/16
Taxable	615,898	522,366	513,548
Non Taxable	-	-	-
Tax Deferred	-	-	-
<b>Morgan Stanley Total Income</b>	<b>615,898</b>	<b>522,366</b>	<b>513,548</b>

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Composite Allocation prepared for Vermont State Colleges as of 12/31/14

Asset Allocation



Style Analysis

Fixed Income (% of Asset Class)  
Domestic

Short	Intern.	Long	
0.0	26.2	0.0	High Quality
1.7	11.4	0.0	Medium Quality
16.1	0.0	0.2	Low Quality

International N/A

11.5	32.9
------	------

Equity (% of Asset Class)  
Domestic

Value	Core	Growth	
29.6	4.9	27.2	Large Size
4.7	1.4	5.9	Medium Size
2.4	0.0	0.0	Small Size

International Other  
Core Emerg.

17.0	5.8	1.1
------	-----	-----

Asset Allocation Detail

Account No.	Account	Cash Equivalents <sup>1</sup>	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
<b>Household Total</b>		<b>\$108,629</b>	<b>\$7,153,478</b>	<b>\$15,091,602</b>	<b>\$1,754,744</b>	<b>-</b>	<b>\$24,108,452</b>
		-	29.7%	62.6%	7.3%	-	100.0%

Managed Endowment

383-108872	VERMONT STATE COLLEGES Consulting Group Advisor Consulting Group Advisor	75,595 0.6%	3,030,977 25.4%	8,097,679 67.9%	715,011 6.0%	-	11,919,262 100.0%
383-020919	VERMONT STATE COLLEGES AAA	4 -	- -	- -	496,176 100.0%	-	496,179 100.0%
383-108874	VERMONT STATE COLLEGES Delaware Investments - Internationa Fiduciary Services	- -	- -	960,870 100.0%	- -	-	960,870 100.0%

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<sup>1</sup> May include fixed income due within a year.

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Composite Allocation prepared for Vermont State Colleges as of 12/31/14

Asset Allocation Detail *continued from previous page*

Account No.	Account	Cash Equivalents <sup>1</sup>	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
383-108918	VERMONT STATE COLLEGES	-	-	706,809	-	-	706,809
	Anchor Capital - Mid Cap Value	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-108919	VERMONT STATE COLLEGES	-	-	-	-	-	-
	REG	-	-	-	-	-	100.0%
383-108920	VERMONT STATE COLLEGES	-	2,730,089	-	-	-	2,730,089
	Madison - Intermediate Govt-Corp	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-110533	VERMONT STATE COLLEGES	-	-	2,255,520	-	-	2,255,520
	ClearBridge - Multi Cap Growth	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-110534	VERMONT STATE COLLEGES	-	1,392,411	-	-	-	1,392,411
	Seix Advisors - High Yield Bond	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-122584	VERMONT STATE COLLEGES	30,483	-	2,971,708	45,126	-	3,047,317
	ThomasPartners	1.0%	-	97.5%	1.5%	-	100.0%
	Investment Management Services						
383-020918	VERMONT STATE COLLEGES	4	-	-	498,431	-	498,435
	AAA	-	-	-	100.0%	-	100.0%
<b>Portfolio Total</b>		<b>\$106,085</b>	<b>\$7,153,478</b>	<b>\$14,992,586</b>	<b>\$1,754,744</b>	<b>-</b>	<b>\$24,006,892</b>
		-	29.8%	62.5%	7.3%	-	100.0%

Operations

383-108873	VERMONT STATE COLLEGES	2,544	-	99,016	-	-	101,560
	AAA	2.5%	-	97.5%	-	-	100.0%
<b>Portfolio Total</b>		<b>\$2,544</b>	<b>-</b>	<b>\$99,016</b>	<b>-</b>	<b>-</b>	<b>\$101,560</b>
		2.5%	-	97.5%	-	-	100.0%
<b>Household Total</b>		<b>\$108,629</b>	<b>\$7,153,478</b>	<b>\$15,091,602</b>	<b>\$1,754,744</b>	<b>-</b>	<b>\$24,108,452</b>
		-	29.7%	62.6%	7.3%	-	100.0%

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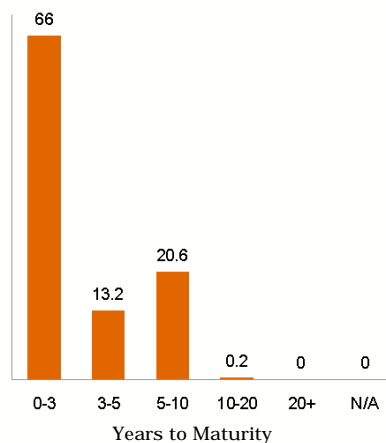
<sup>1</sup> May include fixed income due within a year.

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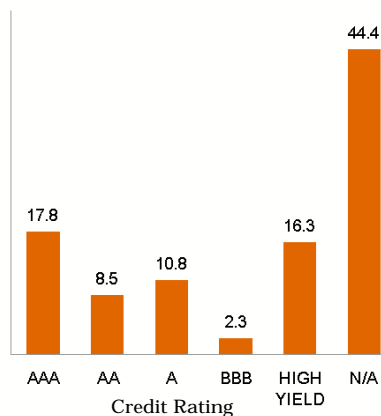
Composite Analysis prepared for Vermont State Colleges as of 12/31/14

Fixed Income

Maturity Schedule (%)



Credit Rating (%)



Fixed Income

Top Holdings

Security Name	Market Value	% of Fixed
LOOMIS SAYLES BOND INST	\$1,181,627	16.5
VANGUARD SH TM INVT GR INV	1,062,352	14.9
AMER CENT INTL BOND INV	786,998	11.0
UNITED STATES TREASURY NOTE	176,106	2.5
UNITED STATES TREASURY NOTE	174,228	2.4
UNITED STATES TREASURY NOTE	153,232	2.1
FED HOME LN MTG CORP	152,347	2.1
UNITED STATES TREASURY NOTE	146,115	2.0
UNITED STATES TREASURY NOTE	136,132	1.9
JP MORGAN CHASE & CO	127,278	1.8
<b>Total Fixed Income Top Holdings</b>	<b>4,096,415</b>	<b>57.3</b>
<b>Total Fixed Income</b>	<b>7,153,478</b>	<b>100.0</b>

Equities

Sector Allocation

Sector	Market Value	% of Equities
Consumer Discretionary	1,015,494	6.8
Consumer Staples	522,916	3.5
Energy	476,525	3.2
Financials	744,917	5
Health Care	1,169,632	7.8
Industrials	991,246	6.6
Information Technology	1,089,443	7.3
Materials	178,503	1.2
Telecommunication Services	315,665	2.1
Utilities	210,570	1.4
Others	8,214,757	55
<b>Total</b>	<b>14,929,668</b>	<b>100.0</b>

Top Holdings

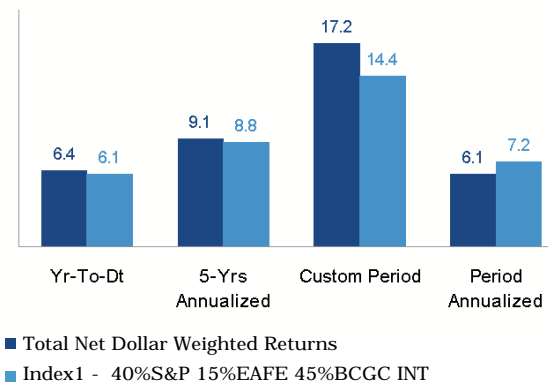
Security Name	Market Value	% of Equities
ISHARES RUSSELL 1000 VALUE ETF	\$3,166,452	21.0
ISHARES RUSSELL 1000 GRW ETF	2,467,216	16.3
WILLIAM BLAIR INTL GROWTH I	1,188,750	7.9
LAZARD EMERGING MKTS EQ I	441,764	2.9
OPPENHEIMER DEVELOPING MKTS Y	439,335	2.9
ROYCE PREMIER INV	367,657	2.4
COMCAST CORP CL A SPECIAL NEW	194,109	1.3
UNITEDHEALTH GP INC	166,697	1.1
ACTAVIS PLC	165,515	1.1
NOVARTIS AG ADR	113,323	0.8
<b>Total Equities Top Holdings</b>	<b>8,710,818</b>	<b>57.7</b>
<b>Total Equities</b>	<b>15,091,602</b>	<b>100.0</b>

If external holdings were provided, they have been included in this report in order to provide you with a more complete picture of your financial holdings. Please note: Morgan Stanley Smith Barney LLC is not responsible for information (including valuations) from external sources. Please contact your financial advisor to update your information.

Morgan Stanley Composite Performance prepared for Vermont State Colleges as of 12/31/14

Portfolio Returns (%) <sup>1</sup>  
Morgan Stanley Accounts Only

	Year-to-Date 12/31/13 to 12/31/14	Annualized		Annualized
		Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	For the Period 12/26/02 to 12/31/14
<b>Total Net Dollar Weighted Returns</b>	<b>6.4</b>	<b>9.1</b>	<b>17.2</b>	<b>6.1</b>



Representative Index

	6.1	8.8	14.4	7.2
40%S&P 15%EAFE 45%BCGC INT				

Account Performance<sup>1</sup>  
Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 12/31/14	Return (%)				Date of Inception	Inception Value
			Year-to-Date 12/31/13 to 12/31/14	Annualized Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 12/31/14		
<b>Total Net Dollar Weighted Returns</b>		<b>\$24,108,212</b>	<b>6.4</b>	<b>9.1</b>	<b>17.2</b>	<b>6.1</b>	<b>12/26/02</b>	<b>\$5,616,088</b>
<b>Advisory</b>								
383-108872	VERMONT STATE COLLEGES (Consulting Group Advisor) Consulting Group Advisor	11,919,262	6.1	9.5	18.0	N/A	12/26/02	3,085,318

Continued on next page

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

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Morgan Stanley Composite Performance prepared for Vermont State Colleges as of 12/31/14

Account Performance<sup>1</sup> *Continued from previous page*  
 Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 12/31/14	Return (%)				Date of Inception	Inception Value
			Year-to-Date 12/31/13 to 12/31/14	Annualized Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 12/31/14		
383-108874	VERMONT STATE COLLEGES (Fiduciary Services) Delaware Investments - Internationa	960,870	(2.1)	4.5	26.3	12.2	02/06/03	2,483,086
383-108918	VERMONT STATE COLLEGES (Fiduciary Services) Anchor Capital - Mid Cap Value	706,809	10.5	11.5	18.6	16.0	02/27/03	795,409
383-108920	VERMONT STATE COLLEGES (Fiduciary Services) Madison - Intermediate Govt-Corp	2,730,089	1.6	2.3	1.5	3.3	02/28/03	4,039,638
383-110533	VERMONT STATE COLLEGES (Fiduciary Services) ClearBridge - Multi Cap Growth	2,255,524	14.6	18.4	35.1	9.8	04/21/06	1,040,220
383-110534	VERMONT STATE COLLEGES (Fiduciary Services) Seix Advisors - High Yield Bond	1,392,411	3.6	7.5	8.9	6.5	04/21/06	700,952
383-122584	VERMONT STATE COLLEGES (Investment Management Services) ThomasPartners	3,047,317	10.0	N/A	19.8	15.6	03/09/12	1,627,719
<b>Total Advisory</b>		<b>\$23,012,283</b>	<b>6.4</b>	<b>9.1</b>	<b>17.2</b>	<b>6.7</b>	<b>12/26/02</b>	<b>\$3,085,318</b>
<b>Brokerage</b>								
383-108873	VERMONT STATE COLLEGES (AAA)	101,560	15.7	14.9	22.0	(18.6)	12/26/02	2,530,770
383-108919**	VERMONT STATE COLLEGES (REG)	-	N/A	N/A	N/A	N/A	02/27/03	1,006,477
383-020918	VERMONT STATE COLLEGES (AAA)	498,437	(0.3)	N/A	N/A	(0.3)	09/24/14	500,000
383-020919	VERMONT STATE COLLEGES (AAA)	495,932	(0.8)	N/A	N/A	(0.8)	09/24/14	500,000

*Continued on next page*

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

\*\* Account is ineligible for performance reporting.

\*\*\* Performance includes closed accounts. For a complete list of closed accounts included in performance please see the disclaimer page.

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Morgan Stanley Composite Performance prepared for Vermont State Colleges as of 12/31/14

**Account Performance**<sup>1</sup> *Continued from previous page*  
 Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 12/31/14	Year-to-Date 12/31/13 to 12/31/14	Return (%)			Date of Inception	Inception Value
				Annualized Last-5-Years 12/31/09 to 12/31/14	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 12/31/14		
	<b>Total Brokerage</b>	\$1,095,929	2.3	6.7	22.0	2.3	12/26/02	\$2,530,770
	<b>Total Net Dollar Weighted Returns</b>	\$24,108,212	6.4	9.1	17.2	6.1	12/26/02	\$5,616,088

*Continued on next page*

<sup>1</sup> The investment results depicted here represent a net return after the deduction of advisory fees for Morgan Stanley accounts only.

\*\*\* Performance includes closed accounts. For a complete list of closed accounts included in performance please see the disclaimer page.

## Disclaimers prepared for Vermont State Colleges as of 12/31/14

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### General Disclosures

#### Information Disclosures:

This performance report has been prepared for your information only and is not a substitute for your official Morgan Stanley Smith Barney LLC account statements. Do not use the information in this report as the sole basis for investment decisions, nor take action relying on this information without confirming its accuracy and completeness. Please carefully review the attached glossary. Past performance is not a guarantee of future results.

Information is approximate: The information in this report is approximate and subject to updating, correction and other changes. We are not obligated to notify you if information changes. If there are discrepancies between your official account statement and this report, rely on your official account statement. Prices shown in your official account statement may differ from the prices shown in this report due to, among other things, different reporting methods, delays, market conditions and interruptions. Also, the figures in this report do not include all relevant costs (e.g., fees, commissions and taxes).

We obtain pricing and other information from various standard quotation services and other sources which we believe to be reliable, but we do not warrant or guarantee the accuracy or completeness of this information. The price that you would actually receive in the market for any investment may be higher or lower than the price shown in this report. The prices of securities and other investments not actively traded may be estimated or may not be available. For example:

- Bonds trading less frequently: We rely on outside pricing services or a computerized trading model, which cannot always give us actual market values.
- Annuities: Data in this report may have been provided by third party insurance carriers. (Not all insurance carriers provide data on annuities for performance calculations. The list of providers that provide data is available on request. Performance calculations are based on annuity values as of December 31, 2006 or later, depending on carrier participation.) This report might not reflect a transaction that posted at the insurance company before this reporting period. Depending on the carrier, annuities transactions may be net of certain fees or expenses.
- Alternative investments: The assets in these investments (and in corresponding benchmark indices) are difficult to value, values may be several weeks or more old, and the index values reflect pricing from multiple sources. Index values may be more up-to-date than the data for the alternative investments shown in this report. This report shows the latest generally available alternative investment and index data as of the date of this report.
- Non-traded Real Estate Investment Trusts (REITs) and certain other investments: These are illiquid and have no public markets.
- For floating rate securities, the estimated accrued interest and estimated annual income are based on the current floating coupon rate and may not reflect historic rates within the accrual period.

We are not responsible for any clerical, computational or other errors or omissions. You are responsible for promptly reviewing your report and seeking clarification about entries that you do not understand. If you do not understand an entry in this report, suspect an error, or want more details on current prices or other information, contact your Financial Advisor.

#### Sources and Intent:

This investment evaluation is directed only to the client for whom the evaluation was performed. The underlying data has been obtained from sources considered to be reliable but its accuracy and completeness cannot be assured. This evaluation is for informational purposes only and is not intended to be an offer, solicitation, or recommendation with respect to the purchase or sale of any security. Performance for periods greater than one year is annualized. This information is being provided at your request and does not replace or supersede your monthly client account statement.

#### Not Tax or Other Advice:

The information in this report (including any gain and loss information) is not investment, legal, tax, accounting or other professional advice. Please contact your tax advisor to determine the appropriate information to be used in preparing your tax return. Gain/loss is provided for informational purposes only and should not be used for tax preparation. We do not guarantee nor independently verify the accuracy of gain and loss information.

#### Use of Report:

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## Disclaimers prepared for Vermont State Colleges as of 12/31/14

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Asset classifications and performance calculation methodologies can differ among the various supplemental performance reports available through us. For example, some reports calculate Time Weighted performance using a weighted or Modified Dietz approach while others use a daily approach. In addition, some reports may display Dollar Weighted Returns. These differences can generate meaningful dispersions in the performance numbers displayed on different reports.

### Liability and indemnification:

You agree not to hold Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC, their affiliates or third party information providers liable for any investment decision you make based on information in this report. You also agree to indemnify Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC and their affiliates and hold Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC and their affiliates harmless from and against any and all actions, claims, demands, losses or expenses whatsoever (including attorneys' fees and costs) resulting directly or indirectly from any breaches or violations by you of the terms and conditions on this page.

### Classifications of Assets:

The security classifications in this report are based on information from several sources including: Morningstar, Moody's, Standard & Poor's and Morgan Stanley Investment Research. For the purposes of this report, fixed income assets that mature within 1 year may be classified as cash if they are a packaged product, or classified as fixed income if they are an individual security. Equity assets may be categorized based on their Capitalization as Large Cap, Mid Cap or Small Cap. Large Cap is defined as equities in the top 70 percent of investible market capitalization, Mid Cap is defined as the next 20 percent of investible market capitalization and Small Cap is defined as the next 7 percent of investible market cap. An "N/A" credit rating represents fixed income products that are not covered by S&P or Morningstar (or Moody's Rating). An "N/A" maturity rating represents fixed income products that are not covered by S&P or Morningstar (or Moody's). As a firm we classify assets based on general characteristics such as: asset type, underlying capital structure, and issuing organization. As many assets contain characteristics of more than one asset class, this asset classification may differ from others you may receive. These classifications are not intended to serve as a suitability analysis. For more information on asset classification methodology, please contact your Financial Advisor.

Advisory accounts are classified according to the manager's style mandate and may not match the classifications of the holdings at the time of this report.

### Income Summary:

Current Year Estimated and 12 Month Forward projected income figures are based on a combination of stated interest and/or dividend yield, as well as recent payment history, and are not a guarantee of future payments.

### Benchmarks, Charts and Graphs:

Benchmark indices are provided for general reference purposes only. Indices are unmanaged and do not reflect payment of any expenses, fees or sales charges an investor would pay to purchase the securities it represents. Such costs would lower performance. You cannot invest directly in an index. An index's past performance is not a guarantee of future results. Index values for certain types of investments (e.g. alternative investments) are approximate and subject to updating, correction and other changes. Charts and graphs are for illustrative purposes only and are not intended to represent the performance of any Morgan Stanley Smith Barney LLC offering. Also, if your account was enrolled in performance reporting prior to May 1, 2003, your gross portfolio returns and the returns for all comparative indices have a start date of the month following the account's inception date. Additionally, the following indices are available only on a monthly basis and are, therefore, measured from the beginning of the month following the account's inception: CPI, IFC Investable Emerging Markets, National Association REIT, Wilshire REIT, all Merrill Lynch Municipal Indices, the Merrill Lynch Investment Grade Convertible and the Merrill Lynch High Yield Master.

## Performance Calculations

### Contribution / Withdrawal Valuation:

The total value of capital contributed to or withdrawn from the account during the reporting period. The dollar amount represented by contribution or withdrawal transactions is excluded from the calculation of Portfolio Appreciation.

## Disclaimers prepared for Vermont State Colleges as of 12/31/14

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### Internal Rate of Return (Dollar-Weighted):

Internal Rate of Return (IRR) tracks the performance of actual dollars invested over time. IRR is the discount rate that equates the cost of an investment with the cash generated by that investment. IRR accounts for the timing and magnitude of cash flows. IRR should not be used to compare an account's performance to benchmark indices (e.g. S&P 500) since index performance does not take into account the effect of cash flows.

### Time Weighted Rate of Return:

Time Weighted Rate of Return (TWR) measures an account's compounded rate of growth over the specified time period. TWR is the return produced over time by an account independent of contributions or withdrawals. TWR is used to compare an account's performance to relevant benchmark indices (e.g. S&P 500). Different methodologies for calculating performance at the Household/Portfolio level and the Account level exist, making it possible for returns to be slightly different depending on the level being displayed. Households/Portfolios and Accounts with a historical period use a Modified Dietz calculation while Accounts with no historical periods use Modified Dietz but revalue on dates of large cash flows.

## Morgan Stanley Accounts

### Historical Data:

Portfolio Minder provides a life view of an account's history with the firm and will include performance to the original performance inception of the account. Performance inception date does not necessarily correspond to account inception. Please reference the inception column to establish performance coverage.

### Return Reconciliation

Although checks and balances are in place, we strongly encourage you to review all returns carefully. This is especially true for returns up to a current date. Daily performance data is un-reconciled and is intended for illustrative purposes only. The CSG Performance Group will not reconcile daily performance inquiries.

### Unsupervised Assets:

This report utilizes the total account view. Unsupervised assets contained within advisory accounts have been included under the advisory section and will be taken into account for both market value and performance.

### Closed Accounts:

999-209262, 999-209263

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