

MEMORANDUM

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

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

DATE: May 7, 2015

SUBJ: Finance & Facilities Committee Meeting scheduled for May 13, 2015

The Finance & Facilities Committee of the VSC Board of Trustees will meet **beginning at 1 pm** 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

Finance and Facilities Committee Meeting
May 13, 2015

AGENDA

A. ITEMS FOR DISCUSSION AND ACTION

1. Minutes of the April 1, 2015 Finance & Facilities Committee Meeting
2. Minutes of the February 11, 2015 Finance & Facilities Committee Meeting
3. Review and Recommend Approval of FY2016 Budget
 - a. VSC Budget
 - b. VIT Budget
 - c. Workforce Development Budget
4. Review and Recommend Approval of Additional VTC Operating Loan Commitment
5. Review and Recommend Approval of OPEB Funds Usage
6. Review and Recommend Approval of Annual Banking and Investment Resolution
7. Endorsement of Grant Proposal
8. Real Estate Matter

B. ITEMS FOR INFORMATION AND DISCUSSION

1. Review Q3 Financials
2. Update on Legislative Issues
3. LSC Solar Farm Partnership
4. Update on Ongoing VSC Construction
5. Review Capital Projects Report

C. ITEMS FOR INFORMATION ONLY

1. Monthly Grant Activity Report
2. VSC Q3 Endowment Report
3. Monthly Cash Report

A. ITEMS FOR DISCUSSION AND ACTION

1. Minutes of the April 1, 2015 Finance & Facilities Committee

The Vermont State Colleges Board of Trustees Finance & Facilities Committee conducted a meeting Wednesday, April 1, 2015 at the Office of the Chancellor in Montpelier, Vermont.

Committee members present: Church Hinds, Christopher Macfarlane (Chair), Linda Milne

Absent: Jerry Diamond, Tim Jerman, Bill Lippert, Heidi Pelletier

Other Trustees Present: Karen Luneau, Martha O'Connor, Alyssa Slaimen

College Presidents: Joe Bertolino, Joyce Judy, Barbara Murphy, Dan Smith, Dave Wolk (by phone)

From the Chancellor's Office: Tricia Coates, Director of External & Governmental Affairs
Bill Reedy, General Counsel
Tom Robbins, CFO
Elaine Sopchak, Executive Asst. to the Chancellor
Jeb Spaulding, Chancellor
Sophie Zdatny, Associate General Counsel
Yasmine Ziesler, Chief Academic & Academic Tech Officer

From the Colleges: 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
Lit Tyler, Dean of Administration, Vermont Technical College

From the Public: Samantha Montgomery, AFT Vermont

Chancellor Spaulding informed the group that there would not be an official meeting because several members of the Committee were unable to attend and therefore quorum has not been reached. Instead the group will go over the agenda items without taking any action. There was no objection to this change.

A. ITEMS FOR DISCUSSION AND ACTION

1. Minutes of the February 11, 2015 Finance & Facilities Committee Meeting

The minutes were not approved due to lack of a quorum.

2. Distribution of Stafford Community Grant for Spartan Dome Installation

Due to a lack of quorum, there was discussion of this item only, and no action was taken. The item will go to the full Board on April 9th. Castleton President Wolk and Dean of Administration Scott Dikeman briefed the group on the use of funds from a federal earmark obtained by Senator Jeffords several years ago to install the Spartan Dome. The college will provide transportation to the dome from campus as needed. The endowment being used to install the dome did not have any requirements attached to it regarding naming of facilities. The dome will last a minimum of 8 to 10 years, and up to 20 if well maintained. Castleton will start setting aside funds over time for an eventual replacement. It is anticipated that revenue generated by the dome will exceed the debt service. Trustee Milne emphasized the importance of documenting the funding accurately for federal grant reporting purposes.

B. ITEMS FOR INFORMATION AND DISCUSSION

1. Review VSC Benchmarks

CFO Robbins shared with the group a new set of benchmarks for the Board to use to analyze the financial status of the colleges at certain points in time. The source of the data in the benchmarks is the audited financial statements used to report to IPEDS. Based on comments from the group he will revise the benchmarks and bring them back for a review at a later date. The following changes to the benchmarks will be made:

- Note that the income statement numbers include GASB.
- Note that the arrows generally represent a favorable/unfavorable change relative to the two columns to their left.
- The trend line relates to the five numerical columns.
- We will benchmark for endowments and gifts.
- There was discussion about using headcount and FTE. The VSC will determine the best option and incorporate that into future benchmarks.
- Include key definitions.
- Make sure dollar amounts have dollar signs and quantities don't.

2. Discussion of College OPEB Use

Johnson State College President Barbara Murphy shared her plan to use the OPEB funds for two projects. One is to mount an intensive outreach campaign for the External Degree Program. The other is a project for increasing retention through advising by moving away from faculty-based advising and towards an intensive advising system. The focus will be on first-year and transfer students and will add two advisor positions to the advisor center; it is anticipated the program will pay for itself after two years by an increase in retention.

Community College of Vermont President Joyce Judy stated that her plan for most of the OPEB funds include two proposals. The college would like to invest in voice over IP technology (VOIP), which will reduce existing expenses. The second proposal will be an investment in virtual desktop infrastructure (VDI) technology, which will allow a savings in computer replacement costs.

Lyndon State College President Joe Bertolino stated that the college will be pursuing four projects with its OPEB funds. The first is to continue an analysis and improvement of the college's enrollment management system. The second project is an investment (to be supplemented by additional fundraising) to supply the electronic journalism arts program with a renovated studio and new cameras. The third project is to hire a transfer coordinator to improve the college's outreach to transfer students; it is expected this investment in transfer student services will pay for itself within two years. The final project will be to start the renovation of the Goth Hill House. The college purchased the house several years ago and once renovated will use it for housing and conference services.

Vermont Technical College President Dan Smith stated that allied health OPEB funds will be used to address recommendations that arose during the recent accreditation process to fill vacancies related to nursing student support. Non-allied health funds will be used to bolster recruitment efforts at over a dozen local high schools and restoring some capacity in admissions staff. The college will also enhance its international recruitment and retention strategies, as well as advising capacity. This amounts to two to three new positions over two years. If the legislature comes through with the anticipated funds for updated labs, President Smith stated he will most likely use all the funds to meet the required match.

Castleton State College President Dave Wolk shared his proposed use of the funds for recruitment and support services for international students. Funds will also be used to further develop the Center for Schools and its relationships with local and statewide organizations, particularly since UVM is stepping back in teacher education. The college will also invest in its already robust athletics program by starting men's and women's Nordic skiing, women's golf, and track and field programs. The addition of these teams is expected to increase enrollment and

retention. Over the next two years the college will also update and enhance its marketing program, including search engine optimization, internet marketing, and new media opportunities.

President Murphy asked Board members if they felt they could approve the proposals shared by the presidents. Trustee Macfarlane stated that all the plans sound good but that the Committee would like to see included how the success of each proposal will be measured, along with estimates of revenue or savings generated, and exit strategies.

3. Discussion of FY2016 Budget Development

Trustee Macfarlane reminded the group that the Board will be voting on budgets in May. Chancellor Spaulding explained that he wants to give the Board additional time to learn about and consider budget options, and provide feedback, and avoid having them make such a significant decision with only a week's time to review the materials.

CFO Robbins shared the budget timeline. On May 1st the budgets are due to the Chancellor's Office. On May 6th the budget materials will be sent out to the Finance & Facilities Committee. On May 13th the Committee meets, and the Board meets on May 21st.

Colleges are refining their recruitment and retention numbers. Net tuition revenue is \$113M, or 65% of total revenue. The state appropriation is \$26M, or another 15%; this is a flat appropriation. Another 15%, or \$26M, is auxiliary revenue from room and board and other revenue from students. Seventy percent of expenses are comprised of personnel costs. Each president gave a brief overview of the steps they are taking to bring their FY2016 budgets into balance.

4. Update on Legislative Issues

This agenda item was not discussed.

5. Update on Ongoing VSC Construction

This agenda item was not discussed.

6. Review Capital Projects Report

This agenda item was not discussed.

C. ITEMS FOR INFORMATION ONLY

1. Monthly Grant Activity Report
2. Monthly Cash Report

The meeting ended at 7:15 p.m.

2. Minutes of the February 11, 2015 Finance & Facilities Committee

The Vermont State Colleges Board of Trustees Finance & Facilities Committee conducted a meeting Wednesday, February 11, 2015 at the Office of the Chancellor in Montpelier, Vermont.

Committee members present: Jerry Diamond, Tim Jerman, Bill Lippert (Vice-Chair), Christopher Macfarlane (Chair), Linda Milne, Heidi Pelletier (by phone)

Other Trustees Present: Lynn Dickinson, Kraig Hannum, Karen Luneau, Jim Masland, Gary Moore, Martha O'Connor, Alyssa Slaimen

College Presidents: Joe Bertolino, Joyce Judy, Barbara Murphy, Dan Smith, Dave Wolk

From the Chancellor's Office: Rick Bourassa, VSC Senior Accountant
Tricia Coates, Director, External & Governmental Affairs
Bill Reedy, General Counsel
Tom Robbins, CFO
Deb Robinson, VSC Controller
Elaine Sopchak, Executive Asst. to the Chancellor
Jeb Spaulding, Chancellor
Sophie Zdatny, Associate General Counsel
Yasmine Ziesler, Chief Academic & Academic Tech Officer

From the Colleges: Tess Conant, VSC United Professionals
Scott Dikeman, Dean of Administration, Castleton State College
Janis Henderson, Staff Federation Unit Chair
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
Maurice Ouimet, CSC Dean of Enrollment
Phil Petty, VTC Academic Dean
Sharron Scott, Dean of Administration, Johnson State College
Lit Tyler, Dean of Administration, Vermont Technical College

From the Public: Nasser Abdel-Fatah, JSC Student, President, VSCSA
Benjamin Simone, JSC Student, President, JSC Student Government Assoc.

Chair Macfarlane called the meeting to order at 2:06 p.m.

A. ITEMS FOR DISCUSSION AND ACTION

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

The following corrections to the minutes were recommended: Trustee Moore should not be listed as a member of the committee. Trustee Luneau should be listed as attending the meeting by phone.

Trustee Milne moved and Trustee Pelletier seconded the approval of the minutes as amended.

Roll call vote:

Trustee Jerman: abstain

Trustee Lippert: yes

Trustee Macfarlane: yes

Trustee Milne: yes

Trustee Pelletier: yes

2. Review and Approve OPEB Funds Usage

Chancellor Spaulding reviewed the discussion held at the December 2014 Board of Trustees meeting regarding the plan established to pay OPEB obligations. The original proposal was that the colleges and employees would pay into a Fund, and eventually the Fund would be sufficiently built up to pay the benefits. The colleges have paid into the fund in FY2013-2014. No trust was set up but the funds were held aside. In light of the fact that the employee pay-in is not likely to materialize, former Chancellor Donovan had proposed in December that the colleges stop paying into the fund, and that the VSC return the FY2013-2014 funds to the colleges, subject to approval by the Chancellor and Board. Chancellor Spaulding stated that he supports that proposal and that, given the magnitude of the decision and prior Board involvement, the decision on both pieces should be made at the Board level. He reminded the Committee that the VSC has closed the benefit to new entries as they have negotiated new contracts with employees; the group is still open to full-time faculty at this time.

Chancellor Spaulding stated that his highest priority is to get the colleges on stable financial ground as soon as possible.

The Chancellor proposed that starting in FY2015 the colleges will no longer pay in for a GASB/OPEB Fund and that the amount already collected in FY2013 and 2014 from the colleges be returned subject to approval by the Chancellor and the Board of a strategic and specific plan for these funds that will increase revenues or decrease expenses on an ongoing basis. Chair Macfarlane reviewed the dollar amounts each college has contributed to the OPEB fund up to this time.

Trustee Jerman moved and Trustee Lippert seconded the resolution and opened the proposal for discussion. Trustee Lippert asked to clarify and Chair Macfarlane confirmed that the monies collected in the first half of FY2015 would be returned to the colleges in this budget year, and the monies would not be collected in the second half. Trustees Jerman and Pelletier stated they support the resolution.

Trustee Milne inquired if all groups are closed. General Counsel Reedy responded that the full-time faculty group is not closed at this time. Trustee Milne stated that she is opposed to the proposal and that the VSC made a commitment to fully fund the benefits. Chair Macfarlane agreed with Trustee Milne.

Trustee Lippert asked if the funding plan was based on the number of full-time employees, or some other metric. CFO Robbins answered that the proxy for the calculations was tuition. Trustee Lippert expressed concern that, because CCV has primarily part-time faculty, CCV is bearing a disproportional burden of funding full-time retirees. Trustee Lippert stated the calculations should be based on usage.

Trustee Jerman questioned whether the Committee should table the discussion at this time in order to gather more information to address the issues raised. Presidents Bertolino and Smith stated that the timing of the decision is important due to contractual obligations and the potential to negatively impact the student experience as a result of further delay. President Wolk stated that Castleton plans to invest the majority of the funds in scholarships.

Chancellor Spaulding reminded the Committee that the VSC will still continue to pay retiree health benefits annually, so the effect of the current plan is that colleges are paying twice at this time, for the annual bill and to build up an OPEB/GASB Fund. He states that given other known fiscal challenges, this is putting the colleges in a very difficult position. Trustees Luneau, Pelletier, and Moore stated their support of the proposal. President Murphy stated that the proposal gives the colleges the time and investment capital necessary to improve their current situations. Trustee Moore stated the proposal would only have worked if all three parts of the plan were implemented; because negotiations haven't gone that way, he supports the resolution. Audience member Tess Conant stated that over the years employees took lower wages in trade for good benefits, and with this proposal they would also be paying for former and future employees, so they feel they've paid their share and that's why they didn't support the plan. Trustee Diamond joined the meeting at this time.

Trustee O'Connor reminded the Committee that this resolution is a compromise, and that it was supported by the previous chancellor as well as the presidents and the current chancellor. Trustee Lippert stated that he wants the presidents to report back how they have used the FY2015 funds, as well as the FY2013-2014 funds. Audience member Nasser Abdel-Fatah asked about

accountability for the colleges' plans for the funds and stated that students would appreciate actually seeing where that money goes.

The Committee discussed amending the resolution to require the colleges to provide strategic and specific plans for the use of the FY2015 funds already collected, as well as the FY2013-2014 funds. The Committee agreed to consider this idea without having a formal resolution in front of them. After considerable discussion, Trustee Jerman called the question to cease debate on the amendment. Roll call vote:

Trustee Diamond: yes

Trustee Jerman: yes

Trustee Lippert: yes

Trustee Macfarlane: yes

Trustee Milne: yes

Trustee Pelletier: yes

Debate on the amendment ended.

The Committee then voted on the potential amendment to the original resolution. Roll call vote:

Trustee Diamond: no

Trustee Jerman: no

Trustee Lippert: no

Trustee Macfarlane: yes

Trustee Milne: no

Trustee Pelletier: no

The amendment was defeated 1-5.

The Committee then voted on the resolution as originally presented. Roll call vote:

Trustee Diamond: yes

Trustee Jerman: yes

Trustee Lippert: yes

Trustee Macfarlane: no

Trustee Milne: no

Trustee Pelletier: yes

The resolution was approved 4-2 and is recommended to the full Board. At this time Trustee Pelletier left the meeting.

3. Review and Approve Tuition and Fees

Chancellor Spaulding presented a proposal and resolution for a two-year tuition and fees decision, which in general form would be a 3% base tuition increase in year one, along with an optional 2% increase for scholarships. Tuition in the following year would be frozen - no

increase. Fees, room and board will increase up to 3% for both FY2016 and FY2017. The Chancellor stated this proposal will give flexibility and breathing room for the colleges to deal with their immediate individual fiscal challenges, along with enough advance notice to prepare for and market a tuition freeze in year two. A spreadsheet which is incorporated in the presented resolution showing in detail the specific increases for the various categories of tuition and fees requiring Board approval was distributed to the Committee is attached as a part of these minutes.

Trustee Diamond expressed concern about the proposal, due to prior experience where the combination of a significant tuition increase tied to greater tuition discounting did not work, but stated he would support the resolution in order to allow the colleges sufficient time to demonstrate the effectiveness of their decisions. Trustees Masland, and Luneau stated their support for the tuition and fees proposal. Audience member Nasser Abdel-Fatah asked what will happen if, between now and the fall, enrollment continues to decline. President Smith stated that it will take time for the tuition increases and the colleges' plans to see their effects. Trustees Slaimen and Hannum stated their support for the proposal.

The Committee voted on the proposed tuition and fees for FY15-16 and FY16-17. The resolution passed with a vote of 4-1 and is recommended to the full Board. Chair Macfarlane cast the dissenting vote.

4. Endorsement of Grant Proposal

President Judy reported this grant application is a renewal of a grant CCV has had for 20 years. Trustee Jerman moved and Trustee Milne seconded the resolution. The resolution passed unanimously.

B. ITEMS FOR INFORMATION AND DISCUSSION

1. Discussion of FY2016 Budget Development

There was no discussion of this item.

2. VSC Q2 Financial Performance

Each president gave a quick review of their colleges' positions at the end of Q2.

3. Review VSC Benchmarks

Due to time constraints, there was no discussion of this item.

4. Update on Legislative Issues

Due to time constraints, there was no discussion of this item.

5. Update on Ongoing VSC Construction

Due to time constraints, there was no discussion of this item.

6. Review Capital Projects Report

Due to time constraints, there was no discussion of this item.

C. ITEMS FOR INFORMATION ONLY

Due to time constraints, there was no discussion of these items.

1. Monthly Grant Activity Report

2. Monthly Cash Report

3. VSC Q2 Endowment Performance

The meeting adjourned at 4:53 p.m.

3. Review and Recommend Approval of FY2016 Budget

a. VSC Budget

Adopting the upcoming fiscal year's operating budget is among the most important annual activities of the Board of Trustees. The FY2016 budget proposed incorporates the FY2016 student charges set at the February 19, 2015 meeting.

Immediately after the resolution are the FY2016 operating budget spreadsheets for the VSC aggregated, and then each college plus the system office, along with corresponding narratives. Each college/entity used the approved assumptions while creating their budgets. Any additional assumptions were added in the "College Adjustment" column. These additional assumptions are detailed in the narrative accompanying the budgets.

The budget proposals are characterized by the following key elements:

- Full Paying Equivalent (FPE) Student Enrollments
Tuition and fees from FPE students constitute revenue to the college's operating budgets, and for FY2016 FPEs are projected to be down from FY2015 budget levels at CCV, CSC, JSC, LSC and VTC. Within these projections, the mix of in-state versus out-of-state students is continually shifting.
- Tuition & Fees
The colleges used the tuition and fee rates approved at the February 19th Board of Trustees meeting.
- State Operating Appropriation
The state operating appropriation for FY2016 is anticipated at the governor's recommended amount of \$23,872,565 for the VSC colleges and \$1,157,775 for N&AHP.
- Salaries/Benefits
Unless otherwise stipulated by union contract VSC employees generally received a 2% pay increase. Health insurance will increase ~ 8%. Our experience and trend line for FY2016 lead us to believe this is the appropriate increase to maintain a balance of covering predicted costs and maintaining a sufficient cushion for unanticipated increases.

Wages and attendant costs continue to dominate our expense structure accounting for 67% of our unrestricted operating expenses. A large majority of the VSC full time employees belong to one of the five unions. The union contracts contain agreed upon pay increases over the life of the contracts.

The total VSC GASB 45 annual accrual (Other Post-Employment Benefits) impact on FY2016 is approximately \$5,901,000. The total VSC liability for the GASB 45 liability, which includes both past and future obligations Medical/Dental/Life, is \$171,121,000. This amount includes medical and life insurance for all employees. This is being allocated according to employee headcount.

- Other Operating
Throughout the budget, colleges have undertaken substantial adjustments and realignments in order to mitigate the impact of inflation on expenses, enrollment and other priorities.

The State of Vermont's FY2016 budget included the following appropriations:

VSC Appropriations	FY2014	FY2015	FY2016
Base	\$22,679,349	\$23,372,565	\$23,372,565
Addition to Base	\$693,216	\$0	\$0
Transfer of Next Gen Scholarships into Base	\$500,000	\$500,000	\$500,000
Total	\$23,872,565	\$23,872,565	\$23,872,565

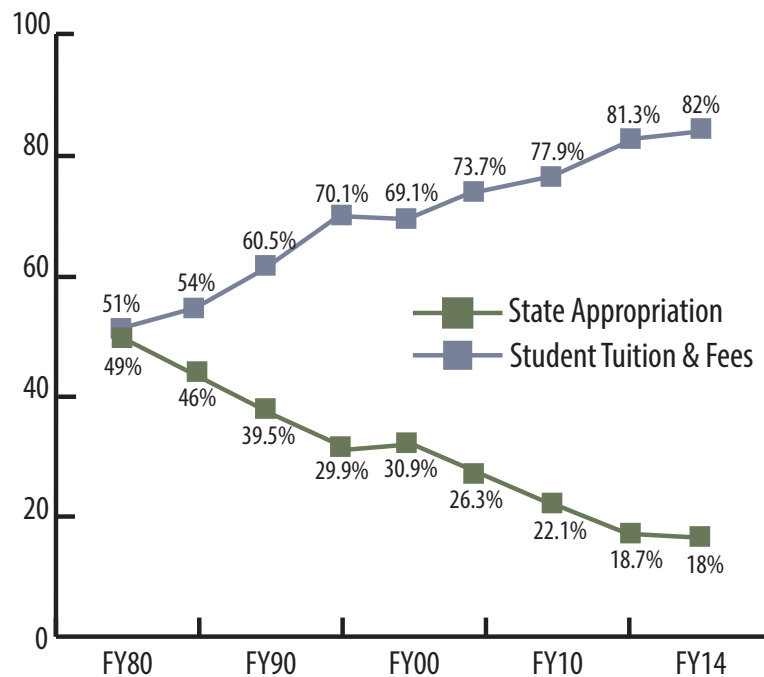
VSC Appropriations	FY2014	FY2015	FY2016
Allied Health General Fund	\$744,591	\$748,314	\$748,314
Allied Health Global Commitment	\$405,407	\$409,461	\$409,461
Allied Health Total	\$1,149,998	\$1,157,775	\$1,157,775

Targeted Appropriations

	FY2014	FY2015	FY2016
VSC-Capital	\$1,392,000	\$1,392,000	\$1,392,000
VMEC	\$427,898	\$427,898	\$427,898
VIT-Operating	\$809,249	\$817,341	\$440,000
VIT-Capital	\$286,285	\$286,285	\$0
Dual Enrollment	\$800,000	\$800,000	\$800,000

Higher education appropriations in Vermont per FTE continue to rank either last or second to last in the country by a substantial margin. In FY2014, the state of Vermont provided \$2,816 per FTE. The only state with less appropriation per FTE was New Hampshire. In FY2014, New York provided \$8,454 per FTE and Massachusetts provided \$6,073 per FTE. The top five states per FTE in FY2014: Wyoming - \$15,561; Alaska - \$13,978; Illinois - \$12,293; North Carolina - \$8,562 and New York - \$8,454. (*Source: SHEEO, State Higher Education Finance Report, FY 2014*).

The graph below tracks VSC revenue streams over ~ thirty-years.



It is worth noting that in 1980, the state operating appropriation contributed more than tuition and fees. The current mix is more than \$4 of tuition and fees to \$1 of state appropriation. The lack of state funding puts a significant amount of pressure on the VSC mission of maintaining affordability through low levels of tuitions and fees. These five colleges are the access institutions for many Vermonters. Eighty-four percent of all VSC students are Vermonters and 50% of the Vermont students enrolled in the VSC are the first in their families to attend college.

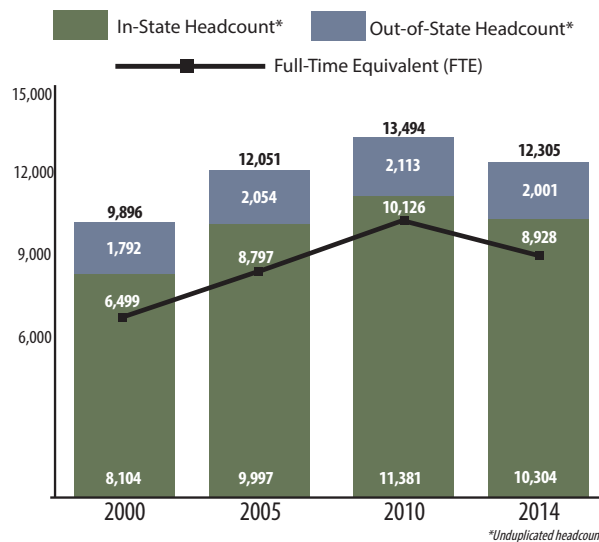
Operating and capital funding levels continue to put our colleges at a competitive disadvantage with regards to facilities, building maintenance and academic equipment purchases.

Despite these challenges, the colleges continue to have an impact in every region of our state. During 2015, the VSC served ~9,000 full time equivalent students.

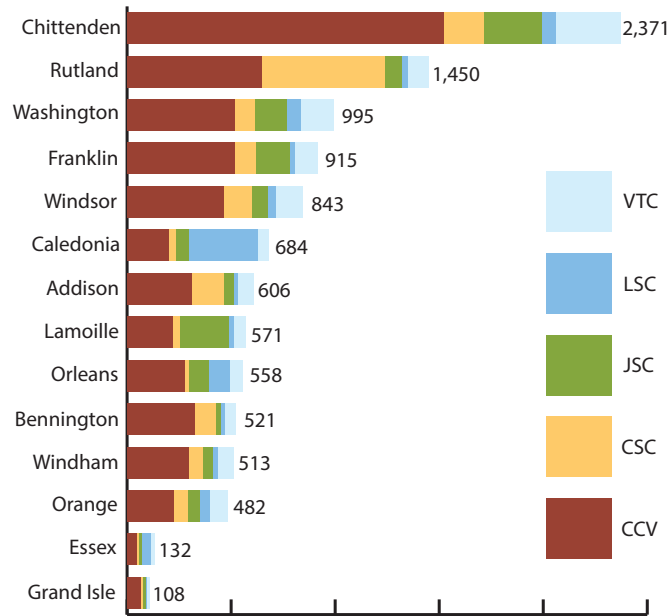
In spite of the financial challenges faced by the VSC we remain highly cognizant and sensitive to the burden of tuition and fees on our students. We strive to keep our increases to a minimum. The Vermont State Colleges continue to be the most affordable colleges in Vermont.

We are entering the seventh year of a significant reduction in the number of high school graduates in Vermont. Our extensive work with high schools, dual enrollment, and the PreK-16 continuum should contribute to an increase in college continuation rates in Vermont and increased affiliation with the state colleges. For the past few years more than 900 high school students per year participated in our dual enrollment programs. The guidance counselor perception of quality at the VSC is high.

VSC Fall Enrollment



VSC Headcount Enrollment by County of Residence, Fall 2014



VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONFY2016 VSC Budget

- WHEREAS, The Finance & Facilities Committee of the Board of Trustees has reviewed the FY2016 budget information presented for the Vermont State Colleges, has discussed individual aspects of the proposals with institutional representatives, and endorses approval by the full Board; therefore, be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby approves the pre-GASB 45 FY2016 Operating Budget of \$168,473,872 and the post-GASB 45 and VTC deficit decrease in net assets of \$7,443,483. These budgets are consistent with the attached material and subject to final determination of fund balances available on June 30, 2015, and with the use of available carry-over funds to be approved at a later date.

May 21, 2015

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
CCV

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	24,117,535	3.00%	723,526	(1,213,746)	23,627,315
(Less Scholarship Allowance)	428,480	3.00%	12,854	(12,854)	428,480
410 Net Tuition and Fees:	23,689,055		710,672	(1,200,892)	23,198,835
420 Federal Grants and Contracts	12,648	0.00%	0	0	12,648
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	100,000	0.00%	0	25,000	125,000
480 Auxiliary Enterprises	0	0.00%	0	0	0
490 Other Operating Revenue	25,000	3.00%	750	(750)	25,000
TOTAL OPERATING REVENUE	23,826,703		711,422	(1,176,642)	23,361,483
EXPENSES					
Operating Expenses					
510 Salaries and Wages	15,505,155	actual	463,087	(635,251)	15,332,991
Employee Benefits - Group Insurance	2,624,195	5.70%	149,579	136,469	2,910,243
Employee Benefits - GASB 45	518,938	actual	0	449,062	968,000
Payment to Trust Fund for GASB 45 Benefits	710,672	actual	0	(710,672)	0
520 Employee Benefits - All Other	2,548,309	3.00%	76,449	(86,811)	2,537,947
530 Scholarships and Fellowships	315,877	3.00%	9,476	(9,476)	315,877
540 Supplies and Other Services	3,866,259	2.00%	77,325	(125,985)	3,817,599
Travel	210,200	5.00%	10,510	(20,710)	200,000
Equipment	187,052	2.00%	3,741	0	190,793
Library Acquisitions	0	2.00%	0	0	0
550 Utilities	290,000	5.00%	14,500	(24,500)	280,000
Transfers	0	actual	0	0	0
910 Inter-Entity	2,667,513	actual	0	243,152	2,910,665
920 Intra-Entity	(166,675)	actual	0	(70,003)	(236,678)
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	29,277,495		804,668	(854,725)	29,227,438
Operating Income (Loss)	(5,450,792)		(93,246)	(321,917)	(5,865,955)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	4,798,386	0.00%	0	(23,873)	4,774,513
720 Gifts	40,000	0.00%	0	10,000	50,000
730 Investment Income (Net of Expense)	93,468	0.00%	0	(20,026)	73,442
740 Interest Expenses on Capital Debt	0	0.00%	0	0	0
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Use of Strategic Reserve	0	0.00%	0	0	0
Net Non-Operating Revenues	4,931,854		0	(33,899)	4,897,955
Income before Other Rev, Exp, Gains, Losses	(518,938)		(93,246)	(355,816)	(968,000)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assests	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(518,938)		(93,246)	(355,816)	(968,000)
Increase (Decrease) in GASB 45 Liability	518,938		0	449,062	968,000
TOTAL	0		(93,246)	93,246	(0)

Community College of Vermont
FY 2016 Budget Submission
Adjustment Narrative

The following narrative briefly explains the college adjustments reflected in the Statement of Revenues, Expenses and Changes in Net Assets submitted for Fiscal Year 2016.

Operating Revenues:

Net Tuition and Fees – reduction reflects a conservative projection in student enrollment.

Sales and Service – anticipated modest increase due to growth in workforce education.

Other Operating Revenue – projected to remain stable.

Operating Expenses:

Salaries and Wages – a 3% increase in staff and faculty salaries is reflected. Adjustments reflect position adjustments due to retirements, position turnover and adjusting projected faculty hires to reflect projected class needs.

Employee Benefits - Group Insurance: Based upon actual participation that changes from year to year and employee to employee and reflective of current positions.

Employee Benefits – Other: Based upon actual predicted costs that are slightly less than budgeted 2015.

Scholarships and Fellowships – planned to remain at FY 2015 level.

Supplies and Services – reduction based upon actual performance of FY 2015 and planned efficiencies.

Travel – includes employee travel based upon actual performance of FY 2015 and projected needs for student study abroad.

Utilities – adjusted to reflect historical pattern now that new facilities are on line and systems are balanced.

Transfers – Inter-Entity: reflects actual costs as well as reflect projections of college transfers for student tuition.

Transfers – Intra-Entity – increased to reflect TAACCCCT IV grant administration

Gifts – modest increase projected to reflect actual recent pattern

Investment Income – Projected by OC to decrease

**Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
CSC**

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	31,639,486	5.00%	1,581,974	(1,824,613)	31,396,847
(Less Scholarship Allowance)	320,000	5.00%	16,000	194,000	530,000
410 Net Tuition and Fees:	31,319,486		1,565,974	(2,018,613)	30,866,847
420 Federal Grants and Contracts	0	0.00%	0	0	0
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	824,000	3.00%	24,720	37,780	886,500
480 Auxiliary Enterprises	10,524,890	3.00%	315,747	(477,851)	10,362,786
490 Other Operating Revenue	141,000	3.00%	4,230	9,770	155,000
TOTAL OPERATING REVENUE	42,809,376		1,910,671	(2,448,914)	42,271,133
EXPENSES					
Operating Expenses					
510 Salaries and Wages	18,525,844	actual	466,586	(897,024)	18,095,406
Employee Benefits - Group Insurance	5,573,100	5.70%	317,667	45,663	5,936,430
Employee Benefits - GASB 45	1,468,517	actual	0	3,483	1,472,000
Payment to Trust Fund for GASB 45 Benefits	872,597	actual	0	(872,597)	0
520 Employee Benefits - All Other	4,677,078	3.00%	140,312	(200,762)	4,616,628
530 Scholarships and Fellowships	1,412,377	5.00%	70,619	1,517,004	3,000,000
540 Supplies and Other Services	8,440,555	2.00%	168,811	(1,890,495)	6,718,871
Travel	480,000	5.00%	24,000	500,000	1,004,000
Equipment	471,000	2.00%	9,420	(150,000)	330,420
Library Acquisitions	422,500	2.00%	8,450	(150,000)	280,950
550 Utilities	2,277,147	5.00%	113,857	(430,904)	1,960,100
Transfers	0	actual	0	0	0
910 Inter-Entity	5,367,996	actual	0	531,017	5,899,013
920 Intra-Entity	(303,915)	actual	0	26,001	(277,914)
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	49,684,796		1,319,722	(1,968,614)	49,035,904
Operating Income (Loss)	(6,875,420)		590,949	(480,300)	(6,764,771)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	4,798,386	0.00%	0	(23,873)	4,774,513
720 Gifts	455,000	0.00%	0	(25,000)	430,000
730 Investment Income (Net of Expense)	153,517	0.00%	0	(65,259)	88,258
740 Interest Expenses on Capital Debt	0	0.00%	0	0	0
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Use of Strategic Reserve	0	0.00%	0	0	0
Net Non-Operating Revenues	5,406,903		0	(114,132)	5,292,771
Income before Other Rev, Exp, Gains, Losses	(1,468,517)		590,949	(594,432)	(1,472,000)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assets	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(1,468,517)		590,949	(594,432)	(1,472,000)
Increase (Decrease) in GASB 45 Liability	1,468,517		0	3,483	1,472,000
TOTAL	0		590,949	(590,949)	(0)



Castleton State College

FY2016 Budget Submission Explanation of Adjustments

Some of our budget line items do not reflect a straight across the board percentage increase, so adjustments have been made to bring them in line with the actual expectations of the upcoming fiscal year. Explanations of these line item adjustments are listed below:

Operating Revenues

Net Tuition and Fees- The adjustments incorporate all changes to the tuition rates approved by the Board, with consideration of the new and returning student enrollment projections. Based on these forecasts, and although there has been an increase in new students (particularly out of state students) over last year, Castleton expects to see a reduction of approximately 3% from actual enrollment results for FY15. This results in an overall adjustment of (\$1.8M).

Sales and Services- There is a slight increase of \$37K in the Sales and Service budget line, primarily based on the expectations related to Conferences and Events and our Polling Institute.

Auxiliary- Given the actual result of FY15 and the expected enrollment projections for FY16, an adjustment is needed for our auxiliary services (room and board) by approximately 3% as well, resulting in an adjustment of (\$477K).

Other Operating- The detail in this line is based on historical actuals. An adjustment in this line will reflect anticipated activity in FY16.

Operating Expenses

Salaries and Wages- Castleton plans to slow/reduce salaries and wages through attrition (retirements), holding open vacant positions where possible, and by conducting an analysis of all positions on campus for viability. There will be no increases for non-bargaining members and a further reduction in PT Faculty salaries. The salary freeze affects all non-union employees. This will result in a net adjustment of (\$897K).

Insurance/Other Benefits - Group insurance is based on actual employees with allocations for currently open positions. Other benefit increases are for tuition/room remission, and professional development funds that are based on a combination of projected actual results and contract percentage increases. Net results are a reduction of (\$155K).

GASB Trust- This adjustment reflects cessation of current payments to the OPEB fund as approved by the Vermont State Colleges Board of Trustees on February 19, 2015. This resulted in a savings of (\$872K).

Scholarships- This line reflects what is projected to be awarded to students this upcoming academic year with the additional 2% tuition rate increase for Vermonters. In order to adjust for previous years, the increase is expected to be \$1.5M.

Supplies and Travel- Adjustments to our operational budgets have been made to compensate for resulting budgets adjustments in other areas. Another 10% rescission across the board provides an accumulated change of (\$1.7M).

Utilities- Castleton was able to lock in fuel prices at a substantially lower rate than last fiscal year. Along with an analysis of other utility lines, a savings of (\$430K) is realistic for FY16.

Transfers- The adjustment to these lines reflect the net result of scheduled increases in our debt service, and other additional Chancellor's Office chargebacks for a total increase of \$531K.

Non-Operating Revenues

Investment Income- This adjustment is based on the change in investment instruments over the preceding few years which have resulted in a reduction of anticipated investment income provided by the Chancellor's Office. FY16 will experience a reduction of (\$65K).

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
JSC

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	18,536,278	4.00%	741,451	(779,963)	18,497,766
(Less Scholarship Allowance)	847,745	4.00%	33,910	15,506	897,161
410 Net Tuition and Fees:	17,688,533		707,541	(795,469)	17,600,605
420 Federal Grants and Contracts	0	0.00%	0	0	0
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	548,506	3.00%	16,455	(86,895)	478,066
480 Auxillary Enterprises	4,606,173	3.00%	138,185	394,556	5,138,914
490 Other Operating Revenue	125,638	3.00%	3,769	(3,769)	125,638
TOTAL OPERATING REVENUE	22,968,850		865,951	(491,577)	23,343,224
EXPENSES					
Operating Expenses					
510 Salaries and Wages	11,166,960	actual	277,219	(197,132)	11,247,047
Employee Benefits - Group Insurance	3,486,839	5.70%	198,750	(63,369)	3,622,220
Employee Benefits - GASB 45	729,119	actual	0	58,881	788,000
Payment to Trust Fund for GASB 45 Benefits	547,155	actual	0	(547,155)	0
520 Employee Benefits - All Other	2,499,406	3.00%	74,982	(154,920)	2,419,468
530 Scholarships and Fellowships	2,069,000	4.00%	82,760	88,001	2,239,761
540 Supplies and Other Services	3,973,260	2.00%	79,465	(196,801)	3,855,924
Travel	326,180	5.00%	16,309	52,757	395,246
Equipment	220,031	2.00%	4,401	(94,899)	129,533
Library Acquisitions	137,880	2.00%	2,758	(20,543)	120,095
550 Utilities	1,508,423	5.00%	75,421	(224,813)	1,359,031
Transfers	0	actual	0	0	0
910 Inter-Entity	3,602,296	actual	0	192,993	3,795,289
920 Intra-Entity	(742,446)	actual	0	190,003	(552,443)
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	29,524,103		812,064	(916,997)	29,419,170
Operating Income (Loss)	(6,555,253)		53,887	425,420	(6,075,946)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	4,798,386	0.00%	0	(23,873)	4,774,513
720 Gifts	189,854	0.00%	0	37,970	227,824
730 Investment Income (Net of Expense)	162,894	0.00%	0	(52,285)	110,609
740 Interest Expenses on Capital Debt	0	0.00%	0	0	0
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Use of Strategic Reserve	675,000	0.00%	0	(500,000)	175,000
Net Non-Operating Revenues	5,826,134		0	(538,188)	5,287,946
Income before Other Rev, Exp, Gains, Losses	(729,119)		53,887	(112,768)	(788,000)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assests	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(729,119)		53,887	(112,768)	(788,000)
Increase (Decrease) in GASB 45 Liability	729,119		0	58,881	788,000
TOTAL	0		53,887	(53,887)	(0)



FY2016 College Budget Narrative

REVENUES

Net Tuition and Fees

change in budget (88k)

FY16 Net Tuition and Fees revenue is forecasted to be 88k less than FY15 budget. This budget adjustment reflects actual performance from FY15, at 2.4% below budget coupled with an anticipated 2.5% decrease in overall enrollment for FY16. Assuming this trend persists to FY16 the loss in associated revenue would be wholly off-set by tuition increases of 4% for Vermonters and 5% for non-Vermonters resulting in an essentially flat year over year budget for Net Tuition and Fees.

Auxiliary Enterprises

change in budget +532k

The number of students living on campus during FY15 was 7.7% higher than budget due chiefly to an increased number of students with junior and senior standing living on-campus. Current indicators related to room and board point toward a further increase in on-campus students during FY16. Therefore, the college has conservatively budgeted a 2% increase, year over year, in the actual number of students residing on campus. The resulting budget is 11.6% higher than FY15 reflecting a 9% budgeted increase in students coupled with a 3% increase in room and board rates.

Sales, Services and Other Revenue

change in budget (70k)

The FY16 budget has been adjusted to reflect reductions in sales and service revenue associated with the sales of timber and health center charges.

EXPENSES

Wages and Benefits exclusive of GASB 45 Liability

change in budget 135k

Johnson State College has slowed the growth of wages and benefits through attrition, holding open vacant positions where possible, reduced obligations for early retirees and tight management of part-time faculty budgets. Further reductions were made in the form of a wage challenge that will be met in FY16 via slowed replacement of vacancies. The resulting change is an increase in wages and benefits, exclusive of the GASB 45 Liability, of 135k or approximately 1%.

*Johnson State College Budget Narrative – p. 2***Payment to Trust Fund for GASB 45 net of Liability** *change in budget (547k)*

This adjustment reflects cessation of current payments to the OPEB fund as approved by the Vermont State Colleges Board of Trustees on February 19, 2015.

Scholarships and Fellowships *change in budget 170k*

This adjustment reflects an increased commitment in aid for Vermonters calculated as a two-part adjustment. As required, the College has increased this aid by 100k in response to the additional 1% tuition rate increase for Vermonters plus added another 70k to fully fund the program.

Utilities *change in budget (149k)*

Johnson State College was fortunate enough to lock in on fuel oil and propane pricing that is substantially favorable to prior year. This reduction in price per gallon has resulted in this reduction in anticipated utilities expenses for FY16.

Inter Entity Transfers *change in budget 192k*

The adjustment to budget in this line reflects increases in the allocation for support of the Chancellor's Office as well as stepped up debt service obligations.

Intra Entity Transfers *change in budget 190k*

In FY15 Johnson State College sold a piece of property, the proceeds of which were budgeted as part of the FY15 intra entity transfers budget. This adjustment reflects that this was a one-time activity.

NON-OPERATING REVENUES**College Reserves** *change in budget (500k)*

In FY15 Johnson State College received approval to use 675k of strategic reserve to fund operations for the year. Fortunately, the College anticipates actually concluding FY15 without the need to tap into this line of reserves due chiefly to the cessation of current payments to the OPEB fund coupled with tight budget management throughout all of FY15.

Johnson State College requests the use of 175k of strategic reserve as part of a strategy to realign revenue with expenses. Among the tactics to achieving a stronger fiscal position are adjustments to academic programming, recruitment of students, revisions to instructional staffing, improved student persistence and fund raising. By preserving the structure necessary to deliver high academic and co-curricular programming, the college can focus on diversifying and expanding enrollment and restructuring expenses.

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
LSC

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	21,977,669	3.00%	659,330	(3,214,063)	19,422,936
(Less Scholarship Allowance)	2,691,969	3.00%	80,759	(553,103)	2,219,625
410 Net Tuition and Fees:	19,285,700		578,571	(2,660,960)	17,203,311
420 Federal Grants and Contracts	0	0.00%	0	4,000	4,000
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	724,377	3.00%	21,731	147,592	893,700
480 Auxiliary Enterprises	6,080,000	3.00%	182,400	(198,699)	6,063,701
490 Other Operating Revenue	90,000	3.00%	2,700	29,800	122,500
TOTAL OPERATING REVENUE	26,180,077		785,402	(2,678,267)	24,287,212
EXPENSES					
Operating Expenses					
510 Salaries and Wages	11,371,819	actual	288,752	(1,410,445)	10,250,126
Employee Benefits - Group Insurance	3,694,667	5.70%	210,596	215,458	4,120,721
Employee Benefits - GASB 45	650,000	actual	0	386,000	1,036,000
Payment to Trust Fund for GASB 45 Benefits	614,510	actual	0	(614,510)	0
520 Employee Benefits - All Other	2,720,793	3.00%	81,624	(102,655)	2,699,762
530 Scholarships and Fellowships	1,957,219	3.00%	58,717	(228,217)	1,787,719
540 Supplies and Other Services	5,223,476	2.00%	104,470	(153,933)	5,174,013
Travel	574,150	5.00%	28,708	(81,438)	521,420
Equipment	632,708	2.00%	12,654	(72,709)	572,653
Library Acquisitions	183,112	2.00%	3,662	(37,160)	149,614
550 Utilities	1,624,000	5.00%	81,200	(170,000)	1,535,200
Transfers	0	actual	0	0	0
910 Inter-Entity	3,182,973	actual	0	206,415	3,389,388
920 Intra-Entity	(317,000)	actual	0	(194,575)	(511,575)
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	32,112,427		870,382	(2,257,769)	30,725,040
Operating Income (Loss)	(5,932,350)		(84,980)	(420,498)	(6,437,828)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	4,798,386	0.00%	0	(23,873)	4,774,513
720 Gifts	171,530	0.00%	0	(21,530)	150,000
730 Investment Income (Net of Expense)	142,434	0.00%	0	(3,818)	138,616
740 Interest Expenses on Capital Debt	0	0.00%	0	0	0
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Use of Strategic Reserve	170,000	0.00%	0	168,699	338,699
Net Non-Operating Revenues	5,282,350		0	119,478	5,401,828
Income before Other Rev, Exp, Gains, Losses	(650,000)		(84,980)	(301,020)	(1,036,000)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assets	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(650,000)		(84,980)	(301,020)	(1,036,000)
Increase (Decrease) in GASB 45 Liability	650,000		0	386,000	1,036,000
TOTAL	0		(84,980)	84,980	0

Lyndon State College Budget Narrative

LSC is presenting a balanced budget for Board approval. It is based upon a conservative enrollment forecast and is balanced by a combination of sustainable budget reductions, and certain one-time funds to bridge the gap.

Therefore, many lines changed by more than the \$100,000 threshold for the budget narrative. This write-up is an attempt to summarize all the changes and provide detail on the major drivers for the FY16 proposed budget.

Specifically:

- Tuition and fees, net of waivers, are \$2.7 million less than the pro forma. This is the result of projecting 355 entering students, down from 392 last year. Retention is projected to improve very slightly and in fact we have almost met our goal of 801 returning students. In prior years we would not meet that mark until summer. Retention, however, only partially offsets the decline in entering students. Combined the with roll forward impact of last year's smaller entering class, we have an overall decline in expected tuition dollars.
- Sales and services have increased by \$148 thousand, not as a result of more earnings, but as a result of improved budgeting for our "activities" with net zero bottom line impact. The increase in revenue is matched by an increase in expense producing a more accurate budget, but no new net revenues to the bottom line.
- Auxiliary enterprises, like tuition dollars, are impacted by the decline in students. This category is projected to decrease \$199 thousand.
- On the expense side, the college undertook a "10% exercise" beginning last fall to restructure the college to a sustainable operation at a 10% smaller size. There have been reductions to salary and operating lines of more than \$2 million. Therefore the detail explanation for many of the lines is simply that we reduced our budgets.
- Salaries and wages decline by \$1.4 million. We have taken advantage of retirements and vacancies. Unfortunately we also had to have a layoff, effective June 30th. Many course reductions on the academic side have allowed us to budget a substantial reduction in part time faculty.
- Employee benefits (group insurance) are up \$215 thousand while employee benefits (all other) are down \$103 thousand. This is a result of higher than anticipated increases in insurance rates and improved budgeting for the precise rates applicable to each individual (instead of macro budget assumptions). Additionally this reflects the change from last year's budget assumption about the retention or return of the excess health reserve, about a \$200 thousand impact.
- Supplies, travel, equipment, and library acquisitions are, together, down \$321 thousand. This is a result of budget cuts.

- Savings in utilities are the result of locking in lower oil rates for next year. Lyndon is working on a net metering solar array which will provide future, further savings, in electric costs. That energy contract will provide savings starting in the summer of 2016.
- Scholarships are proportional to the net tuition and fees and move downward with the decrease in student enrollment.
- Inter-entity transfers reflect actual expected costs for debt service and the costs of the central office.
- Intra-entity transfers reflect expected indirect cost recovery and project funding.
- To balance the budget, we are proposing to use \$339 thousand of carry forwards previously approved by the Board. We are not proposing to use strategic reserves.

Collectively, these factor and the underlying budget assumptions produce a summary budget as follows.

Operating revenue	\$24,287,212
Operating expense	<u>-30,748,913</u>
Operating income (loss)	-6,461,701
Non-operating net revenue	<u>5,425,701</u>
Change in net assets	-1,036,000
GASB 45 liability	<u>1,036,000</u>
Net budget	0

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
VTC & NAHP

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	21,445,024	5.00%	1,072,251	(812,904)	21,704,371
(Less Scholarship Allowance)	797,900	5.00%	39,895	17,869	855,664
410 Net Tuition and Fees:	20,647,124		1,032,356	(830,773)	20,848,707
420 Federal Grants and Contracts	0	0.00%	0	0	0
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	1,786,800	3.00%	53,604	(363,670)	1,476,734
480 Auxiliary Enterprises	4,155,500	3.00%	124,665	(287,192)	3,992,973
490 Other Operating Revenue	206,050	3.00%	6,182	(15,118)	197,114
TOTAL OPERATING REVENUE	26,795,474		1,216,807	(1,496,753)	26,515,528
EXPENSES					
Operating Expenses					
510 Salaries and Wages	13,869,233	actual	331,190	(899,933)	13,300,490
Employee Benefits - Group Insurance	4,145,100	5.70%	236,271	(53,719)	4,327,652
Employee Benefits - GASB 45	847,600	actual	0	304,400	1,152,000
Payment to Trust Fund for GASB 45 Benefits	619,095	actual	0	(619,095)	0
520 Employee Benefits - All Other	3,267,550	3.00%	98,027	(131,933)	3,233,644
530 Scholarships and Fellowships	881,300	5.00%	44,065	193,020	1,118,385
540 Supplies and Other Services	7,236,655	2.00%	144,733	(547,404)	6,833,984
Travel	262,035	5.00%	13,102	(53,702)	221,435
Equipment	76,466	2.00%	1,529	66,581	144,576
Library Acquisitions	285,500	2.00%	5,710	(6,110)	285,100
550 Utilities	1,567,400	5.00%	78,370	(192,369)	1,453,401
Transfers	0	actual	0	0	0
910 Inter-Entity	3,095,092	actual	0	348,116	3,443,208
920 Intra-Entity	49,900	actual	0	(17,050)	32,850
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	36,202,926		952,997	(1,609,198)	35,546,725
Operating Income (Loss)	(9,407,452)		263,810	112,445	(9,031,197)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	5,956,161	0.00%	0	(23,873)	5,932,288
720 Gifts	126,000	0.00%	0	(66,000)	60,000
730 Investment Income (Net of Expense)	72,681	0.00%	0	(20,107)	52,574
740 Interest Expenses on Capital Debt	0	0.00%	0	0	0
770 Other Non-Operating Revenues	0	0.00%	0	0	0
VSC Line of Credit	0		0	0	0
Net Non-Operating Revenues	6,154,842		0	(109,980)	6,044,862
Income before Other Rev, Exp, Gains, Losses	(3,252,610)		263,810	2,465	(2,986,335)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assets	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(3,252,610)		263,810	2,465	(2,986,335)
Increase (Decrease) in GASB 45 Liability	847,600		0	304,400	1,152,000
TOTAL	(2,405,010)		263,810	306,865	(1,834,335)

VTC & NAH Budget Narratives

In order to increase transparency and streamline reporting functions, beginning in FY2016, VTC will combine the reporting of its previously distinct VTC and N&AHP entities.

- 410 – Net Tuition & Fees
 - VTC & NAH's FY2015 budgets were \$20,647,124. Our actual revenues are currently off by 2.0%, projected at \$20,242,641. Applying a 5% tuition increase and accounting for an overall 2.0% decline in enrollment, we arrive at our FY2016 target of \$20,848,707. The decrease in enrollment includes a combination of factors: a diminished returning class due to last year's small freshman class; a decline in applications for new students for fall '15; the mitigating factor of growth in the Bachelors of Science in Nursing (BSN) program.
- 470 – Sales & Service
 - VTC & NAH's FY2015 budget was \$1,828,700; however, actual revenue projections suggest we will close the year closer to \$1,464,152. Our FY2016 expectation of \$1,476,734 is similar to this year's actual performance. Two of the more significant contributing factors for the coming year include: increased energy output from the Anaerobic Digester, which has been highly responsive to a glycerol-based feedstock diet; Vermont's cancellation of a 6-figure service contract for maintenance of the Veteran's Cemetery in Randolph Vermont.
- 480 – Auxiliary Enterprises
 - Comprised of dorm & dining revenue, auxiliary enterprises are projected to decline at a rate roughly proportional to that of net tuition & fees, and for the same reasons.
- 510 – Salary & Wages
 - Salary expenses are expected to come in at \$13,300,490, 6% below the \$14,200,423 suggested by applying contractual inflationary factors to the FY2015 budget. This is the result of continued and aggressive cost-saving efforts at VTC which include: many unfilled positions in both faculty & administration as a consequence of several waves of reduction in workforce, including layoffs, attrition, voluntary leave-of-absence, & retirement incentives; a broad-based institution-wide curriculum redesign undertaken with the goal of increasing instructional efficiency; a dramatic new direction in the institution's approach to providing general education courses to its students.
- 520 – Employee Benefits
 - VTC has realized savings in benefit costs at a rate proportional to that in salary & wages; however, these savings are offset in large part by two factors: increased retirement costs; and health care costs which are expected to far outpace the 3% inflationary factor planned for.
- 530 – Scholarship
 - VTC has added scholarship programs targeted at eliminating enrollment barriers for Vermont students with a high degree of unmet need. The program's design will allow many students to attend at lower rates less than in AY14-15. Additionally, VTC has renewed its commitment to the \$225,000 Green Mountain Scholarship fund, a program previously slated for discontinuation.
- 540 – Supplies & Other Services
 - VTC has trimmed \$523,531 out of its operational budget. The two main contributing factors are a number of changes and renegotiations in leased facilities, as well as an ongoing institution wide effort at austerity.
- 550 – Utilities
 - Utilities are projected to come in close to \$200k lower than FY2015, in large part due to a favorable oil contract.
- 910 – Inter-entity transfers
 - VTC's debt payment, including principal & interest, will increase by more than 30% in FY2016— an increase of approximately \$400k.

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
OC

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	0	0.00%	0	0	0
(Less Scholarship Allowance)	0	0.00%	0	0	0
410 Net Tuition and Fees:	0		0	0	0
420 Federal Grants and Contracts	0	0.00%	0	0	0
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	0	0.00%	0	0	0
480 Auxiliary Enterprises	0	0.00%	0	0	0
490 Other Operating Revenue	0	0.00%	0	0	0
TOTAL OPERATING REVENUE	0		0	0	0
EXPENSES					
Operating Expenses					
510 Salaries and Wages	2,274,876	actual	45,498	80,089	2,400,463
Employee Benefits - Group Insurance	604,646	5.70%	34,465	35,426	674,537
Employee Benefits - GASB 45	206,860	actual	0	(13,713)	193,147
Payment to Trust Fund for GASB 45 Benefits	0	actual	0	0	0
520 Employee Benefits - All Other	259,242	3.00%	7,777	12,185	279,204
530 Scholarships and Fellowships	0	0.00%	0	0	0
540 Supplies and Other Services	3,235,052	2.00%	64,701	(85,463)	3,214,290
Travel	54,693	5.00%	2,735	(23,064)	34,364
Equipment	65,614	2.00%	1,312	18,688	85,614
Library Acquisitions	0	2.00%	0	0	0
550 Utilities	0	5.00%	0	0	0
Transfers	0	actual	0	0	0
910 Inter-Entity	(12,339,239)	actual	0	(22,783)	(12,362,022)
920 Intra-Entity	0	actual	0	0	0
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	(5,638,256)		156,488	1,365	(5,480,403)
Operating Income (Loss)	5,638,256		(156,488)	(1,365)	5,480,403
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	0	0.00%	0	0	0
720 Gifts	0	0.00%	0	0	0
730 Investment Income (Net of Expense)	0	0.00%	0	0	0
740 Interest Expenses on Capital Debt	(5,845,116)	0.00%	0	171,566	(5,673,550)
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Use of Strategic Reserve	0	0.00%	0	0	0
Net Non-Operating Revenues	(5,845,116)		0	171,566	(5,673,550)
Income before Other Rev, Exp, Gains, Losses	(206,860)		(156,488)	170,201	(193,147)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assests	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(206,860)		(156,488)	170,201	(193,147)
Increase (Decrease) in GASB 45 Liability	206,860		0	(13,713)	193,147
TOTAL	0		(156,488)	156,488	0

Office of the Chancellor
FY2016 Budget Narrative

EXPENSES

Overall

The FY2016 OC budget increased 2.9% over FY2015. A substantial portion of this increase was from the creation of an associate general counsel position.

Salaries and Wages

OC staff generally received a 2% increase.

Employee Benefits

Health insurance increased by ~8%. A couple of staff members changed their plan status as well.

Supplies and Other Services

This line decreased year over year primarily due to reduced spending in the departments.

Travel

This line decreased year over year.

Equipment

No significant change.

Inter-Entity Transfer

This increase reflects the change of expense activity flowing through the OC books for the colleges.

Interest Expenses on Capital Debt

This is based upon the VSC debt amortization schedule.

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
TOTAL (Before VIT, WD)

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	117,715,992	4.06%	4,778,533	(7,845,289)	114,649,236
(Less Scholarship Allowance)	5,086,094	3.61%	183,418	(338,582)	4,930,930
410 Net Tuition and Fees:	112,629,898		4,595,114	(7,506,707)	109,718,305
420 Federal Grants and Contracts	12,648	0.00%	0	4,000	16,648
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	3,983,683	0.00%	116,510	(240,193)	3,860,000
480 Auxiliary Enterprises	25,366,563	4.00%	760,997	(569,186)	25,558,374
490 Other Operating Revenue	587,688	3.00%	17,631	19,933	625,252
TOTAL OPERATING REVENUE	142,580,480		5,490,252	(8,292,153)	139,778,579
EXPENSES					
Operating Expenses					
510 Salaries and Wages	72,713,887	actual	1,872,331	(3,959,696)	70,626,522
Employee Benefits - Group Insurance	20,128,547	5.70%	1,147,327	315,928	21,591,802
Employee Benefits - GASB 45	4,421,034	actual	0	1,188,113	5,609,147
Payment to Trust Fund for GASB 45 Benefits	3,364,029	actual	0	(3,364,029)	0
520 Employee Benefits - All Other	15,972,378	3.00%	479,171	(664,896)	15,786,653
530 Scholarships and Fellowships	6,635,773	4.06%	265,637	1,560,332	8,461,742
540 Supplies and Other Services	31,975,257	2.00%	639,505	(3,000,081)	29,614,681
Travel	1,907,258	5.00%	95,363	373,843	2,376,464
Equipment	1,652,871	2.00%	33,057	(232,339)	1,453,589
Library Acquisitions	1,028,992	2.00%	20,579	(213,813)	835,758
550 Utilities	7,266,970	5.00%	363,349	(1,042,586)	6,587,733
Transfers	0	actual	0	0	0
910 Inter-Entity	5,576,631	actual	0	1,498,910	7,075,541
920 Intra-Entity	(1,480,136)	actual	0	(65,624)	(1,545,760)
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	171,163,491		4,916,319	(7,605,938)	168,473,872
Operating Income (Loss)	(28,583,011)		573,933	(686,215)	(28,695,293)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	25,149,705	0.00%	0	(119,365)	25,030,340
720 Gifts	982,384	0.00%	0	(64,560)	917,824
730 Investment Income (Net of Expense)	624,994	-50.00%	0	(161,497)	463,497
740 Interest Expenses on Capital Debt	(5,845,116)	0.00%	0	171,566	(5,673,550)
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Use of Strategic Reserve/VSC Line of Credit	845,000	0.00%	0	(331,301)	513,699
Net Non-Operating Revenues	21,756,967		0	(505,157)	21,251,810
Income before Other Rev, Exp, Gains, Losses	(6,826,044)		573,933	(1,191,372)	(7,443,483)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assets	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(6,826,044)		573,933	(1,191,372)	(7,443,483)
Increase (Decrease) in GASB 45 Liability	4,421,034		0	1,188,113	5,609,147
TOTAL	(2,405,010)		573,933	(3,259)	(1,834,335)

b. VIT Budget

In FY2016, VIT will be closing down its services after the State of Vermont canceled its appropriation.

- *Sales & Service*

VIT will only be operating for the first half of FY2016. Due to that and lagging reservations going into Fall 2015 revenue is expected to be down by \$230,000.

- *Salary & Wages*

VIT will be phasing out employees between July 1 and December 31st. The objective is to continue to meet need through the conclusion of calendar year 2015, in keeping with legislative intent, while aggressively taking action to ensure a balanced final-year budget.

- *State Appropriation*

VIT will be receiving one-time funds of \$440K to finance continued service through December 31st. There will be no further appropriation after that time.

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONFY2016 VIT Budget

WHEREAS, The Finance & Facilities Committee of the Board of Trustees has reviewed the FY2016 budget information presented for the Vermont Interactive Technologies, has discussed individual aspects of the proposal with institutional representatives, and endorses approval by the full Board, therefore, be it

RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby approves the pre-GASB 45 FY2016 balanced Operating Budget of \$657,900 and the post-GASB 45 decrease in net assets of \$108,000 for Vermont Interactive Technologies. This budget is consistent with the attached material and subject to final determination of fund balances available on June 30, 2015, and with the use of available carry-over funds to be approved at a later date.

May 21, 2015

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
VIT

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	0	0.00%	0	0	0
(Less Scholarship Allowance)	0	0.00%	0	0	0
410 Net Tuition and Fees:	0		0	0	0
420 Federal Grants and Contracts	0	0.00%	0	0	0
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	330,000	3.00%	9,900	(230,000)	109,900
480 Auxiliary Enterprises	0	4.00%	0	0	0
490 Other Operating Revenue	0	3.00%	0	0	0
TOTAL OPERATING REVENUE	330,000		9,900	(230,000)	109,900
EXPENSES					
Operating Expenses					
510 Salaries and Wages	581,200	actual	11,624	(333,297)	259,527
Employee Benefits - Group Insurance	209,000	5.70%	11,913	(82,045)	138,868
Employee Benefits - GASB 45	7,600	actual	0	100,400	108,000
Payment to Trust Fund for GASB 45 Benefits	0	actual	0	0	0
520 Employee Benefits - All Other	127,547	3.00%	3,826	(82,165)	49,208
530 Scholarships and Fellowships	0	0.00%	0	0	0
540 Supplies and Other Services	185,095	2.00%	3,702	(96,250)	92,547
Travel	19,499	5.00%	975	(10,724)	9,750
Equipment	0	2.00%	0	0	0
Library Acquisitions	0	2.00%	0	0	0
550 Utilities	0	5.00%	0	0	0
Transfers	0	actual	0	0	0
910 Inter-Entity	25,000	actual	0	(25,000)	0
920 Intra-Entity	0	actual	0	0	0
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	1,154,941		32,040	(529,081)	657,900
Operating Income (Loss)	(824,941)		(22,140)	299,081	(548,000)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	817,341	0.00%	0	(377,341)	440,000
720 Gifts	0	0.00%	0	0	0
730 Investment Income (Net of Expense)	0	0.00%	0	0	0
740 Interest Expenses on Capital Debt	0	0.00%	0	0	0
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Net Non-Operating Revenues	817,341		0	(377,341)	440,000
Income before Other Rev, Exp, Gains, Losses	(7,600)		(22,140)	(78,260)	(108,000)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assets	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(7,600)		(22,140)	(78,260)	(108,000)
Increase (Decrease) in GASB 45 Liability	7,600		0	100,400	108,000
TOTAL	0		(22,140)	22,140	(0)

c. Workforce Development Budget

Workforce Development includes activities of the Vermont Manufacturing Extension Center (VMEC), Technology Extension Division (TED) and Small Business Development Center (SBDC).

Sales & Services:

Sales and Services FY16 budget has slightly from FY15. The decrease is the net of:

- CEWD is projecting 5% higher sales and services in their non-credit bearing training activities for FY16. (CEWD also anticipates increased activity in their credit-bearing courses that are reflected in the inter-entity transfer line rather than in sales and services.)
- The SBDC is projecting level contract revenue and program income.
- The VMEC income is reduced to reflect current manufacturing training funds.

Salary/Wage Line thru Transfer Line:

The increase in the operating expenditures reflects contract and program changes for CEWD, SBDC, and VMEC combined. VMEC intra-entity transfer expense is now reflected in supplies/services and travel.

VMEC state appropriation funding is the same as FY2015.

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONFY2016 Workforce Development Budget

WHEREAS, The Finance & Facilities Committee of the Board of Trustees has reviewed the FY2016 budget information presented for VSC Workforce Development programs, has discussed individual aspects of the proposals with institutional representatives, and endorses approval by the full Board, therefore, be it

RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby approves the pre-GASB 45 FY2016 balanced Operating Budget of \$1,581,621 and the post-GASB 45 decrease in net assets of \$184,000 for Workforce Development. This budget is consistent with the attached material and subject to final determination of fund balances available on June 30, 2015, and with the use of available carry-over funds to be approved at a later date.

May 21, 2015

Statement of Revenues, Expenses and Changes in Net Assets
Draft Unrestricted Budget - FY2016
Workforce Development

5/21/15

	FY2015 Budget	FY2016 % Assumptions	FY2016 \$ Assumptions	College Adjustments	FY2016 Budget
REVENUES					
Operating Revenues					
Tuition and Fees (Gross)	0	0.00%	0	0	0
(Less Scholarship Allowance)	0	0.00%	0	0	0
410 Net Tuition and Fees:	0		0	0	0
420 Federal Grants and Contracts	0	0.00%	0	0	0
430 State and Local Grants and Contracts	0	0.00%	0	0	0
440 Non-Governmental Grants and Contracts	0	0.00%	0	0	0
450 Interest Income (from Accts Receivable)	0	0.00%	0	0	0
460 Interest on Student Loans Receivable	0	0.00%	0	0	0
470 Sales and Services	947,123	3.00%	28,414	(5,813)	969,724
480 Auxiliary Enterprises	0	4.00%	0	0	0
490 Other Operating Revenue	0	3.00%	0	0	0
TOTAL OPERATING REVENUE	947,123		28,414	(5,813)	969,724
EXPENSES					
Operating Expenses					
510 Salaries and Wages	783,929	actual	16,142	(103,665)	696,406
Employee Benefits - Group Insurance	140,396	5.70%	8,003	(2,016)	146,383
Employee Benefits - GASB 45	135,400	actual	0	48,600	184,000
Payment to Trust Fund for GASB 45 Benefits	133,000	actual	0	(133,000)	0
520 Employee Benefits - All Other	179,610	3.00%	5,388	(27,203)	157,795
530 Scholarships and Fellowships	0	0.00%	0	0	0
540 Supplies and Other Services	473,356	2.00%	9,467	185,758	668,581
Travel	105,742	5.00%	5,287	(36,373)	74,656
Equipment	9,300	2.00%	186	(6,286)	3,200
Library Acquisitions	0	2.00%	0	0	0
550 Utilities	0	5.00%	0	0	0
Transfers	0	actual	0	0	0
910 Inter-Entity	(450,312)	actual	0	100,912	(349,400)
920 Intra-Entity	0	actual	0	0	0
560 Depreciation	0	actual	0	0	0
TOTAL OPERATING EXPENSES	1,510,421		44,473	26,727	1,581,621
Operating Income (Loss)	(563,298)		(16,060)	(32,540)	(611,898)
NON-OPERATING REVENUES (EXPENSES)					
710 State Appropriation	427,898	0.00%	0	0	427,898
720 Gifts	0	0.00%	0	0	0
730 Investment Income (Net of Expense)	0	0.00%	0	0	0
740 Interest Expenses on Capital Debt	0	0.00%	0	0	0
770 Other Non-Operating Revenues	0	0.00%	0	0	0
Net Non-Operating Revenues	427,898		0	0	427,898
Income before Other Rev, Exp, Gains, Losses	(135,400)		(16,060)	(32,540)	(184,000)
760 Capital Appropriations	0	0.00%	0	0	0
760 Capital Grants and Gifts	0	0.00%	0	0	0
750 Additions to Non-Expendable Assests	0	0.00%	0	0	0
Increase/(Decrease)in Net Assets	(135,400)		(16,060)	(32,540)	(184,000)
Increase (Decrease) in GASB 45 Liability	135,400		0	48,600	184,000
TOTAL	0		(16,060)	16,060	0

4. Review and Recommend Approval of Additional Vermont Tech Operating Loan Commitment

During FY2013 and FY2014 VTC borrowed \$818,000 and \$2,283,000 respectively to cover their operating deficit. For FY2015 the VSC Board approved an additional credit line of \$2,500,000 to cover their operating deficit. The preliminary indications, according to the VTC 3rd quarter operating results, are that VTC will utilize ~ \$2,192,507 of this loan commitment.

The requirement for these loan commitments was that VTC had to make demonstrable progress towards getting its finances back in order. VTC has made progress in program review and consolidation, marketing development and outreach, recruitment and retention efforts, as well as expense restructuring. The Board has recognized that this would be a multi-year initiative.

For FY2016 VTC is projecting a budgeted loss of \$1,834,335. This budget is felt to be accurate and achievable and reflects current trend lines in the FY2016 assumptions. VTC will spend FY2016 continuing to focus on strengthening enrollment and its core business. FY2016 will also be spent increasing revenues, minimizing expenses and maximizing efficiencies throughout the college, at all locations. VTC continues to review every academic program to determine its profitability on both a direct and a direct plus overhead cost basis. These initiatives, and others, will continue throughout FY2016. Budget managers receive monthly reports and are held accountable for spending.

VTC is seeking a supplemental commitment of \$1,900,000 to cover the projected FY2016 deficit. This loan will carry the same terms of an annual interest rate of 4.5% and take priority for repayment after the college reaches profitability. These funds are made available from VSC system cash flows that are linked to long term assets and reserves.

While it is the objective of management to reach financial balance as soon as possible, it is likely that VTC will need another loan for FY2017, albeit smaller than this one, while it executes its financial turnaround.

Below is a table of the loans granted to VTC – this includes the unapproved FY2016 loan for reference.

<u>VSC Loans to VTC</u>	
FY2013	\$818,000
FY2014	2,283,000
FY2015	2,192,507
FY2016 (projected)	1,900,000
TOTAL	\$7,193,507

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONVermont Tech Internal Loan Commitment

- WHEREAS, Vermont Tech is projecting an FY2016 deficit of \$1,834,335; and
- WHEREAS, Prior to FY2016 the VSC has loaned VTC \$5,293,507 to cover its deficit; and
- WHEREAS, The Vermont Tech community continues to remain entirely focused on the work it needs to do to stabilize itself financially and achieve a position of fiscal balance; and
- WHEREAS, The Finance & Facilities Committee of the Board of Trustees has had the FY2016 VTC budget information presented and considered the required loan, and endorses approval of the \$1,900,000 by the full Board; therefore, be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby authorizes the VTC Internal Loan of \$1,900,000.

May 21, 2015

5. Review and Recommend Approval of OPEB Fund Usage

At the April 1st Finance and Facilities Committee meeting the college presidents discussed their preliminary thoughts about the utilization of the FY2013 and FY2014 OPEB funds. These funds should be used to increase revenues, reduce expenses and/or increase efficiencies. At this meeting the presidents will review their final plans for the OPEB funds and seek authorization to use the OPEB funds for those plans. The distribution of those funds will be noted in the Approved Carry Forward column in the colleges operating budgets.

The plans, which are attached for your review, vary according to the college and its particular strategic focus and needs. The timing of the plans range from the immediate to over the next couple of years.

**OFFICE OF THE CHANCELLOR**

575 STONE CUTTERS WAY
PO Box 7
MONTPELIER VT 05601

VERMONT STATE COLLEGES

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

To: VSC Board of Trustees
From: Jeb Spaulding, Chancellor
Date: May 7, 2015
Re: College Plans for OPEB Funds

Attached please find write-ups on college proposals for the reinvestment of FY 13 and 14 OPEB funds, consistent with prior Board action. These materials will be included Committee and BOT meeting packets, but I thought it might be helpful to share them with you separately as well. I support all five of the proposals. They are very different, reflecting the different circumstances and needs of the individual colleges. I believe that not only makes sense, but is a good thing strategically. The colleges in the VSC system and the Board will be able to evaluate and learn from the results of these diverse initiatives. We can expand on success and avoid further investments in initiatives that turn out to be non-productive. Importantly, in situations where presidents plan to hire personnel utilizing onetime funds, with the expectation those investments will not only pay for themselves and generate additional long term revenues, they have all assured me they are prepared to eliminate those positions if that expectation does not materialize. In alphabetical order, here is a brief explanation of why I support the five proposals that follow this memo.

Castleton State College: This College has steadily evolved over the past decade in a very positive way. The student experience, academically and experientially, has improved significantly. The campus is energized and the College is becoming the key player in the economic development efforts of their region. Strong enrollment and the development of alternative revenues will be critical to Castleton's future. Dave's proposed investments in international recruitment (\$161,000), the Center for Entrepreneurship/Center for Schools (\$200,000), expanded athletics (\$77,000), and sophisticated recruitment marketing techniques (\$63,300), support the upward trajectory Castleton is on. I do recognize that a portion of the GASB reinvestment funds will be used to support efforts that were started this year, but I also recognize that without their inclusion in the funding proposal, there is a likelihood these would be curtailed and that would be counterproductive. Castleton's continued success and growth will be critical to the strength of the VSC system as a whole.

Community College of Vermont: This College proposes to invest in technology upgrades, most of which will provide easily quantifiable payback. For example, the \$100,000 to replace existing phone service with Voice Over Internet Protocol (VOIP) should save \$50,000 annually. The \$400,000 to move CCV from traditional desktop computers for staff to Virtual Desktop Technology will not only increase server capacity, save electricity, and enhance staff and faculty productivity, it should generate a minimum projected savings of \$310,000 in the just the next administrative computer replacement rotation, with additional savings in the future, due to a longer replacement cycle with the new equipment. The investment to provide “smart” podiums at all CCV sites, which allow instructors to utilize best electronic instructional practices, will not only provide more a more equitable learning environment across the state, but will also improve the competitive position of CCV with individual and business consumers, and support higher enrollment.

Johnson State College: This College proposes to invest in strategies to improve student retention and completion, potentially the quickest and most efficient way to boost enrollment and net revenues. In addition, Barbara would like expand marketing and outreach for the External Degree Program. Approximately 75% of JSC students are either low income, first generation status or have a documented disability. Providing proactive support systems and advising have been shown to increase academic success and completion for at risk students. Of the \$493,413 potentially available for investment, Barbara proposes utilizing approximately \$346,000 to enhance early advising and to expand on first year programming, such as the “learning communities” piloted in the 2014-15 academic year. The rest of their reinvestment funds will be utilized for marketing and outreach to increase enrollment in their hallmark EDP program, which has suffered a significant decline in enrollment in recent years, despite its high relevance in today’s educational market.

Lyndon State College: This College seeks approval to use \$460,000 of its \$508,119 in reinvestment funds at this time. Of that, \$240,000 will be utilized to modernize studio facilities for the award winning LSC electronic journalism program, with the expectation they can grow enrollment. It is important to have facilities that match and maintain the strong reputation of this flagship program at LSC. Joe also proposes to invest \$70,000 in sophisticated recruitment analytics and consulting expertise to improve admission results, including an evaluation component allowing them to make an informed decision as to whether or not to continue with this initiative. In addition, Joe proposes to utilize \$150,000 to hire a dedicated transfer counselor in the Admissions Department. Together these initiatives are designed to enhance recruitment and support retention, such that they pay for themselves quickly.

Vermont Technical College: This College has \$391,000 in potential OPEB reinvestment funds and proposes to utilize these funds to add two admissions positions designed to have a positive impact on enrollment in FY 2016 and 2017. Compared to other colleges in the VSC and in their peer group, the recruitment and admissions function at VTC is under-resourced and I believe this is one reason enrollment has slipped significantly in the past few years. This investment will not only enhance the admissions and outreach capacity as outlined in Dan's write-up, but, in combination with other positive developments, such as the Legislature's significant investment in facilities upgrades at VTC, it will add to the positive momentum and morale that Dan is building.

Vermont State Colleges
GASB 45 Trust Payments

	FY2014	FY2013	TOTAL
CCV	\$ 461,609	\$ 230,132	\$ 691,741
CSC	\$ 561,833	\$ 241,160	\$ 802,993
JSC	\$ 330,621	\$ 162,792	\$ 493,413
LSC	\$ 357,415	\$ 150,704	\$ 508,119
VTC	\$ 264,708	\$ 126,848	\$ 391,556
NAH	\$ 85,690	\$ 44,244	\$ 129,934
VIT			\$ -
WFD		\$ 148,116	\$ 148,116
	\$ 2,061,876	\$ 1,103,996	\$ 3,165,872



PROPOSAL FOR 2013 & 2014 GASB FUNDS

Castleton is proposing the utilization of 2013 and 2014 OPEB funds for the purposes of several revenue generating initiatives, some of which have been undertaken in this fiscal year with the initial expectation that all OPEB funds would be returned. Others are proposed for next fiscal year as catalysts for future growth. Total amount to be utilized in 2015 is \$501,000, while the amount requested for 2016 is \$335,000. The total amount of \$836,000 in need exceeds our available OPEB funds of \$802,993, thus adjustments will need to be made or the remainder will need to be absorbed by operations.

FY 2015

INTERNATIONAL RECRUITMENT

International student recruitment and retention is a significant part of how Castleton plans to grow our undergraduate and graduate enrollment over the next several years. This goal is highlighted in our current strategic plan and is expected to be a significant driver for enrollment growth. Knowing that we needed to assess our campus climate and readiness to pursue such an endeavor, we hired a consultant to work with us during the 2013-2014 academic year. After a thorough assessment of what our campus needs were, we were presented with a report that included a timeline and resources that we would need to be successful in accomplishing our goals. After reviewing the proposal, the President and Cabinet unanimously supported moving forward with the plan.

In order for such an initiative to be successful, it takes a great deal of planning and preparation. It was clear from the consultant's report that work needed to be done on campus to prepare for a significant increase in international students. To date, Castleton has seen a small number of international students, the majority of whom were Canadians. Castleton is a welcoming, close-knit community, but most on our campus, including faculty and staff, do not have a lot of experience working with this population. The other significant recommendation from the report is that we would need to hire an experienced international student recruiter if goals were to be met within our designated time frame.

Knowing that this initiative was such an important part of our future plan, we added two new positions for the 2014-2015 academic year. It was clear that there would need to be a significant investment made in this area to see a strong return on investment in future years. It does take time to see results in any new recruitment initiative so the timing was crucial to our long term success. We were very fortunate to find two highly qualified individuals to join our community.

Deborah Singiser was hired to serve as Coordinator of International Student Support Services and Patrick Liu was hired to serve as Director of International Student Recruitment and Enrollment.

Debbie's position has two major areas of responsibility. The first major duty in her first year with us is working directly with faculty and staff to educate and assist with the planning for an increase in diversity among our international students. This ranges from registration and orientation activities to classroom culture and life on campus. Debbie's other major duty is to work directly with our current international student population to find out what they need and how we can better serve them in the future. We are learning a great deal from this experience while the number of students is still relatively small. All of this important preparation and feedback from students will allow us to be more successful in the long run.

Patrick Liu is a highly qualified and expert international student recruiter. He has a proven track record of success in his past. In his short time with us already, we have established some partnerships that will likely yield us new students this fall. It is because of his pre-existing relationships that are able to hit the ground running with our recruitment efforts. He traveled to China this past fall along with Tony Peffer to introduce Castleton to his key contacts. A second trip is planned for this spring to solidify these partnerships going forward. In addition to China, a visit to South Korea is also scheduled for this spring. We have very high hopes for what Patrick can accomplish for Castleton over time.

We feel very confident that we have taken the right approach to this initiative. If we do not prepare a solid foundation for larger numbers of international students ahead of time, the plan will fail. Making investments in both areas, recruitment and support, will allow for the greatest chance for success.

Costs

Salaries/Benefits	141,000.00
Operational Budget	10,000.00
Travel/Recruitment	<u>10,000.00</u>
	\$161,000.00

The operational budget includes funds for marketing. We fully expect this initiative to provide enrollment growth for the college, not only by increasing our international population, but by enhancing overall growth given the diverse and inclusive climate that is and will continue to be fostered on our campus. The addition of seven (7) new students will be sufficient to cover these costs going forward.

CENTER FOR ENTREPRENEURSHIP/CENTER FOR SCHOOLS

At the beginning of this year, the college hired Lyle Jepson as Dean of Entrepreneurship. The former director at Stafford Technical Center has had a long and distinguished career and is highly regarded and respected in the Vermont education and economic development communities. Since beginning, Lyle has initiated several new ventures through Castleton Downtown, located in Rutland and housing our Center for Entrepreneurship. He has also enhanced and expanded our efforts through Center for Schools, which provides educational opportunities for educators.

A summary of some of Lyle's efforts thus far include:

Center for Schools

- Maintenance of current program offerings, which served approximately 1,500 students in 2014. This includes working with:
 - Vermont Higher Ed Collaborative
 - ESA's
 - Agency of Education
- Joint attendance with the Chair of the Education Dept. at meetings of the Southwest Vermont Curriculum Coordinators in support of their work.
- Development of the Southwest Vermont Supervisory Union market.
- Collaborative development with the Education Department on the roll out of a customized on-site master's degree in Curriculum and Assessment at Battenkill Valley Supervisory Union.
- Support of the Education Dept. in the continued roll out of the CTE bachelor's degree.
- Support of the Education Dept. development and marketing of the CTE master's degree.
- Development of a customized master's degree for the Center for Technology Essex in collaboration with the Northwest Career and Technical Center.

Center for Entrepreneurship:

- Memorandum of Understanding developed between:
 - Rutland Young Professionals
 - Evolve Rutland (A.K.A. Women's Professional Development Center of Rutland)
- Organizing monthly meetings of the Executive Directors of REDC (Rutland Economic Development Corporation), RRCC (Rutland Region Chamber of Commerce), RRA (Rutland Redevelopment Authority), DRP (Downtown Rutland Partnership) and RRPC (Rutland Region Planning Commission) in support of regional economic development. Current and future discussions involve communication and collaboration with a focus on supporting a revised natural gas distribution system, support of current businesses, cultivation of new businesses and future use of the Diamond Run Mall.
- With support of the Polling Institute, preparing a survey to determine business and industry skill gap areas for which training may be developed. (To be administered via an email

survey format with support of the Executive Directors.)

- Awaiting results on a grant written to the Vermont Community Foundation Innovation and Collaboration Fund to support matching funds for skill-gap training, with a particular focus on women.
- REDC Entrepreneurship Committee Member: Maker-Space project. Visitation to and study of the Burlington based Generator Maker-Space.
- Developing and Co-sponsoring the Rutland Young Professional fall conference on Entrepreneurship. Initiated from a survey conducted by RYP.
- Working with the Vermont Center for Emerging Technologies (VCET) with the goal to create a process for support of entrepreneurs.
- Co-sponsor of Neighborworks upcoming series on Financial Management and Home Ownership.
- Supporting one intern (10 hrs/wk).
- Attending local meetings conducted by Project Vision and Board of Aldermen.

All of these initiatives have raised Castleton's profile and solidified our position in the region as a major influence on the economy and economic development. We continue to build new partnerships and expand on those already existing.

Costs

Salaries/Benefits	153,000.00
Operating Budget	5,000.00
Start-Up Costs	<u>42,000.00</u>
	\$200,000.00

Start-up costs include new office space, furniture, fixtures, signage, etc. in downtown Rutland. With increased outreach and offerings, we expect that these initiatives will enhance our Center for Schools revenue. The proliferation of internships in the community will provide the type of hands-on, practical learning that our students and their families are seeking in order to assist them with job placement upon graduation. This will assist with enrollment growth. In addition, our increased presence in the region will lead to further community support and will help in keeping students local for their higher education needs.

ATHLETICS

As Castleton has done in the past to boost enrollment, we have added five new varsity sports, which will begin competition during the 2015-2016 athletic seasons. In order to prepare for those sports and enable us to recruit in advance, coaches were hired this year to begin that process. In the fall, Women's Golf will be added. During the winter season, we will be launching Men's and Women's Nordic Skiing, while in the spring, Men's and Women's Track & Field will compete as varsity sports for the first time. With these additions, we conservatively expect to have 8 new golfers, 20

men and women combined competing in Nordic and another 60 in track & field. This would grow our enrollment by 88 students by implementing sports that are inexpensive from capital and operational standpoints.

Costs

Salaries/Benefits	62,000.00
Operational Budgets	<u>15,000.00</u>
	\$77,000.00

These initiatives will have immediate impacts on enrollment. The roster sizes projected above are conservative and 88 new students will more than offset the costs to manage these programs by a large margin. We fully expect these sports to attract in excess of 120 students with 10 women golfers, 40 men and 40 women in track & field and 18 men and 18 women in Nordic skiing.

MARKETING/COMMUNICATIONS

In an effort to attract enrollment, Castleton has enhanced its marketing efforts with the addition of several advertising mediums. They are summarized as follows:

Search Engine Optimization (SEO)

The process of using website analysis and copy/design/structural adjustments to ensure both the highest possible positioning on desired search-engine results pages and the best experience for a given site's users. This includes:

- On-site optimization of backend metadata (page title, description, keywords, installation of analytics, and web tools based on five keywords we provided that we use to self-identify.
- Off-site press release distribution (placing our press releases in key search areas), directory submissions (making sure our site is listed on proper directories across the Web), social signals (creating video and blog content to drive search activity and ultimately traffic to the website), article submissions to online periodicals.

These are of benefit as it increases our organic search reach based on the keywords we specifically see converting visitors.

Search Engine Marketing / Pay Per Click (SEM / PPC)

This type of paid search marketing involves placing advertisements that run above or beside the free search-engine listings on Google, Bing, and Yahoo!. Typically, to get the highest position among these ads, website owners place a per-click bid. This works in hand with SEO, as we optimize SEO based on our keywords that we include in our PPC purchases. Ads are built around keywords, and various ad groups including competitor colleges. There is also phone number tracking, placement on Google, Bing, and Yahoo!

Display Ad Network / Yahoo!

Serves our display ads to a targeted group of people utilizing Free Press Media's Ad Network and Yahoo! sites. It is based on our set targets, serves roughly 58,000 ads per month during the months of February, March, April, August, September, and October. This serves roughly 32,000 ads per month during the months of May, June, July, November, December, and January and drives qualified visitors to our website through targeted online advertising and messaging.

Email Blast

Direct email campaign to our set targets. This represents two mailings per year, consisting of three separate blasts to 20,000 addresses, each within 60 days. These directly reach qualified prospects' parents through email. They also link to pages that are also coded to capture visitor's IP address, which will serve them ads after they leave our site through our retargeting campaign.

Retargeting

Technology that uses code to anonymously 'follow' our audience all over the Web. We place a small piece of code on our website (this code is sometimes referred to as a pixel). Every time a new visitor comes to our site, the code drops an anonymous browser cookie. Later, when our "cookied" visitors browse sites within the ad network, our ads show up, inviting the visitor back to our site. This keeps us at the forefront of users who have qualified themselves as interested based on their activity, encouraging them to re-engage with our ads. We have pixels placed on our four main admissions pages (Visit, Tuition & Fees, How to Apply, Admissions).

Video Production

This project will be the starting point to a comprehensive video campaign. Ultimately we will look to develop a long form introductory video, and several program-specific videos utilizing the similar style. This will work well with our retargeting efforts through FreePress Media. An example would be – Prospect sees our commercial on YouTube, clicks through to our site, views Athletic Training major, and then later on in the week is served an athletic training-specific video on his Facebook page.

iHeart and ClearChannel Radio

FM radio spots and digital radio spots with click-through opportunities on major stations in Albany, Boston, and Hartford set to air before, during, and after admissions visits to the specific market.

Television

With the production of the video, we are launching 30-second spots in target markets during the NCAA basketball tournament.

Costs

Search Engine Optimization	4,500.00
Search Engine Marketing (PPC)	5,000.00
Display Ad Network/Yahoo!	10,000.00
E-Mail Blast	8,400.00
Retargeting	11,000.00
Video Production	5,000.00
Radio	8,000.00
Television	<u>11,400.00</u>
	\$63,000.00

With the cost of these marketing ventures, if they are able to attract an additional handful of students, they will have paid for themselves.

Each and every one of these ventures is anticipated to grow revenue and increase the college's exposure. With the start-up phases initiated and behind us after this year, it is the expectation that they will all pay for themselves in the years to come. This year was the foundation period on which we have grown them and the payback will begin with the 2015-2016 fiscal year. Reaching and obtaining a handful of students will offset the cost of these efforts.

TOTAL COSTS 2014-2015

International Recruitment	161,000.00
Centers for Entrepreneurship/Schools	200,000.00
Athletics	77,000.00
Marketing/Communications	<u>63,300.00</u>
	\$501,300.00

FY 2016

With the balance of funds, we propose the implementation of a comprehensive marketing strategy for Admissions separated by undergraduate and graduate needs. The following is research that supports this initiative, and although it is slightly dated and based on a relatively small sample, it does provide context:

“In 2010, CASE and Lipman Hearne conducted a study on marketing spending; it reported on 212 CASE member institutions and included liberal arts colleges, master's-level universities, research institutions, and 2-year schools. But, it also included independent primary and secondary schools. The median marketing spending was reported as about \$500k for small schools of under 2,000 students, \$800k for medium-sized institutions up to 6,000 students, and \$1.4M for larger institutions. But, all of these figures are asterisked for small sample size.”

The following represents summaries of proposed spending in this area. While the line items are not detailed, each has been researched and based on pricing models and trends. It also represents what we are currently spending in each area:

Undergraduate Admissions Marketing

Paid Media

Digital Marketing Campaign	\$100,000
Television	\$40,000
Social Media (Facebook, Twitter, Youtube)	\$30,000
Print Advertising	\$50,000
Ad-Hoc Advertising	<u>\$35,000</u>
<i>Sub Total</i>	<i>\$255,000</i>
<i>Currently Funded Through Admissions/Mar/Com</i>	<i><u>\$75,000</u></i>
<i>Sub Total Requested</i>	<i>\$180,000</i>

Printing, Consulting, Services/Subscriptions

Print Materials	\$50,000
Services/Subscriptions	\$75,000
Consulting	<u>\$40,000</u>
<i>Sub Total</i>	<i>\$165,000</i>
<i>Currently Funded Through Admissions/Mar/Com</i>	<i><u>\$90,000</u></i>
<i>Sub Total Requested</i>	<i>\$75,000</i>

Total	\$255,000
Currently Funded Through Admissions/Mar/Com	<u>\$165,000</u>
Total Undergraduate Requested	<u>\$90,000</u>

Through our marketing and admissions budgets, we currently fund marketing for undergraduate programs at a level of \$165,000 per year. In order to enhance our efforts, we feel strongly that we should be spending an additional \$90,000 to reach those markets where we have the greatest opportunity for success.

Graduate Admissions Marketing

Paid Media

Digital Marketing Campaign	\$40,000
Television	\$ -
Social Media (Facebook, Twitter, Youtube)	\$8,000
Print Advertising	\$16,000
Ad-Hoc Advertising	\$8,000
<i>Sub Total</i>	<i>\$72,000</i>
<i>Currently Funded Through Admissions/Marcom</i>	<i>\$ -</i>
<i>Sub Total Requested</i>	<i>\$72,000</i>

Printing, Consulting, Services/Subscriptions

Print Materials	\$8,000
Services/Subscriptions	\$ -
Consulting	\$ -
<i>Sub Total</i>	<i>\$8,000</i>
<i>Currently Funded Through Admissions/Marcom</i>	<i>\$ -</i>
<i>Sub Total Requested</i>	<i>\$8,000</i>

Total **\$80,000**

Currently Funded Through

Admissions/Marcom **\$ -**

Total Graduate Requested **\$80,000**

To date, we have not allocated funds for the marketing and promotion of graduate programs. With the addition of several new masters degree offerings, it is imperative that we launch a campaign to our target markets. Enrollment in these new programs will carry these costs into future years.

Total Admissions Marketing

Paid Media

Digital Marketing Campaign	\$140,000
Television	\$40,000
Social Media (Facebook, Twitter, Youtube)	\$38,000
Print Advertising	\$66,000
Ad-Hoc Advertising	<u>\$43,000</u>
<i>Sub Total</i>	<i>\$327,000</i>
<i>Currently Funded Through Admissions/Marcom</i>	<i>\$75,000</i>
<i>Sub Total Requested</i>	<i>\$252,000</i>

Printing, Consulting, Services/Subscriptions

Print Materials	\$58,000
Services/Subscriptions	\$75,000
Consulting	<u>\$40,000</u>
<i>Sub Total</i>	<i>\$173,000</i>
<i>Currently Funded Through Admissions/Marcom</i>	<i><u>\$90,000</u></i>
<i>Sub Total Requested</i>	<i>\$83,000</i>

Total **\$500,000**

Currently Funded Through

Admissions/Marcom **\$165,000**

Total Requested **\$335,000**

In total, we have an overall need of \$500,000 in order to accomplish the types and manners of marketing initiatives that we feel will provide solid results and returns on investment. We have internally funded \$165,000 towards these efforts and are seeking an additional \$335,000 to elevate our efforts to necessary levels. The main goal is enrollment growth, which is the key to our future. We provide a top notch experience for our students and it is imperative that we utilize these available resources to communicate that message to those markets where we can be successful. The addition of approximately 10 to 12 new out of state students will be sufficient to cover the costs of these expenditures going forward.

OVERALL SUMMARY

The following is a summary of all of our proposed initiatives and their request amounts by fiscal year, along with the number of new students required to offset their cost:

FY 2015

<u>Initiative</u>	<u>Amount</u>	<u># Students</u>
International Recruitment	161,000	7
Entrepreneurship/CFS	200,000	10
Athletics	77,000	4
Marketing/Communications	<u>63,300</u>	<u>3</u>
	\$501,300	24

The international student number is based on our international rate. The other student projections are based on the in-state rate in order to be conservative. We expect Athletics and Marketing to assist us greatly in recruiting out of state students, which would require fewer enrollees given the higher tuition amount.

FY 2016

<u>Initiative</u>	<u>Amount</u>	<u># Students</u>
Undergraduate Admissions Marketing	255,000	13
Graduate Admissions Marketing	<u>80,000</u>	<u>4</u>
	\$335,000	17

Again, in order to be conservative, we used in-state tuition rates to calculate the number of students needed to simply cover the costs of these initiatives. If we were using the out of state rate, the number needed would be 10 in 2016.

Community College of Vermont requests approval from the VSC Chancellor and the Board of Trustees to use the \$700,000 funding collected in fiscal years 2013 and 2014 to invest in the following projects that we believe will achieve operating efficiencies and provide long-term cost savings to the college.

1. Telephone System - \$100,000

We propose to replace CCV's current phone service, which is purchased through the State of Vermont, with a vendor-supported Voice over Internet Protocol (VoIP) phone solution.

With an initial investment of \$100,000 for VoIP technology, CCV's annual telephone expenses will decrease by \$50,000 annually.

When CCV first purchased services from the State, we did so because this was the only service available that supported a shared voicemail option. As commonplace as that feature is now, it was new and exciting for CCV at the time. Over the years, we have studied different options and have in fact considered VoIP for several years, but we chose to wait until this technology matured to the point that it became reliable, supported, affordable, and easy to use. VoIP provides a wide array of call options. These options allow staff to receive calls to their direct lines from any CCV location. In addition, VoIP offers the following features which can all be managed centrally by CCV IT:

- calls can be forwarded to cell phones;
- voicemail can be converted to email; and
- moving phone line no longer requires a third-party vendor to be physically present.

Voice contact continues to be an important part of how we work with each other and with students and our broader communities. Because of the geographic distance between centers, it has never been an option for CCV to invest in its own telephone switch, so we have purchased phone services from a third party. An investment in VoIP will bring phone management in-house and will link all of our twelve centers together in a cost-effective manner. The VSC Office of the Chancellor successfully switched to this technology when moving to their Stone Cutters Way location.

2. Administrative Computers - \$400,000

With CCV's unique geographic challenges, technology plays a significant role in our operations, from how we perform our administrative functions

to how we deliver our programs and services. It is critical that our computers, operating systems, and software are managed and maintained for optimum performance. With over 1,000 computers in use statewide, we have established and follow a strict machine rotation/replacement schedule.

CCV's success in providing high-quality courses and programs online and on-ground, as well as in maintaining efficient and economical business operations, depends largely on keeping our IT practices and infrastructure evolving with the industry.

With an investment of \$400,000, CCV will move from our current configuration of traditional desktop computers for staff to implementation of Virtual Desktop Technology (VDI). VDI changes the way computing is administered while keeping the desktop experience for the computer user essentially unchanged. This technology moves the computing power from the desktop computer to a centrally controlled server. The initial investment of \$400,000 will purchase servers, data storage, software, licensing, cabling, and infrastructure, as well as the first rotation of desktop equipment using this technology.

This investment will result in significant annual savings for the College in this summer's computer hardware rotation and in those going forward. The cost of a typical desktop computer is about \$1,300. The cost of the VDI unit, known as the Zero Client, is \$600. The Zero Client is expected to have twice the life of a desktop computer and draws only 70 watts of power, as opposed to the 320 watts for desktop computers.

With the change to VDI, CCV would begin this summer by swapping out our administrative computers. Currently, the cost of one rotation—replacing our administrative computers in stages every four years— is \$200,000, and we budget \$50,000 annually to cover this expenditure. In a VDI environment, we will spend \$90,000 for equipment for one rotation and will not have to replace this equipment for 8 years.

By doubling the time between rotations, reducing the cost of the equipment, and reducing the effort involved in the rotation, CCV can realize significant a savings of a minimum of \$310,000 in just the next administrative computer replacement rotation. The initial investment includes a significant increase in server capacity which will allow CCV to migrate to a full VDI environment for computer labs and classrooms as well.

In addition, VDI:

- allows upgrades, patches and maintenance to be done centrally, enabling the IT team to significantly reduce time spent on this work, as well as time and cost for travel between centers;
- decreases energy consumption by up to 250 watts per unit—similar to turning off two bright light bulbs whenever the desktop is operating;
- allows for CCV staff and faculty to login to any workstation and access their personal drives from anywhere in the college, which supports a seamless customer service experience for students; and
- reduces workstation replacement time—replacing a VDI unit can happen in 60 minutes, instead of the two days it currently takes to configure a desktop machine.

Moving to VDI will allow upgrades and controls to be managed more effectively and efficiently from a central location, enhance security, provide equipment redundancy, and extend replacement cycles. In addition, the user's equipment is less complicated, less expensive, and requires less energy to run.

3. Classroom Technology - \$200,000

In order to stay competitive, CCV must continue to invest in classroom technology to attract and retain students and to meet the training and other needs of business and industry. Our newest academic centers are equipped with state-of-the art classroom technology, including "smart" podiums that allow instructors and presenters to control internet access, computer and video projection, sound, and other connected devices.

However, our older centers lack this level of classroom technology, which creates a significant difference in the teaching and learning experience among centers. With an investment of \$200,000, we will equip 25 additional classrooms with smart podiums across the eight academic centers that require classroom technology upgrades.

In addition, smart podium technology:

- prepares students to utilize the same technology in their presentations and projects that is available in the workplace, providing them with essential employment skills;
- supports a consistent technology environment for faculty across all centers and a technology-enhanced classroom experience for all students across the college;

- encourages on-ground faculty to use Moodle, the VSC's learning management system, to share resources available to students in and beyond the classroom; and
- supports the cutting-edge training and presentation capabilities that community and workforce development partners have come to expect from CCV.



Plan for use of 2013 & 2014 GASB Funds

Johnson State College requests approval from the VSC Chancellor and the Board of Trustees to use the \$493,413 funding reserved in fiscal years 2013 and 2014 to invest in the following three strategies that we believe will result in improved retention and persistence of students, yielding successful outcomes for students and enhanced revenue over time. These three strategies are: more strategic advising of campus-based, largely fulltime undergraduate students; enhanced communication and information about our community-based degree completion program (EDP); and further investments in successful First-Year programs.

1. Retention of on-campus students through enhanced early advising

According to research supported by The National Academic Advising Association (NACADA), there are specific risk factors that threaten persistence and graduation. Students with two or more of these characteristics are more likely to drop out than their peers. Students who may exhibit these risk factors are:

- Academically unprepared for college-level work
- Not entering college directly after high school
- Attending college part-time
- Single parent
- Financially independent (i.e. students who rely on their own income or savings and whose parents are not a source of income for meeting college costs)
- Caring for children at home
- Working more than thirty hours per week
- First generation college student

We know that 50% of our undergraduate students are first generation college students and that at JSC we saw a 7% difference between the first-year persistence rate of our first generation vs. non-first-generation students between Fall 13 and Fall 14 (65% vs 72%). We also know that approximately 75% of our students are either low income, first generation status or have a documented disability. In addition, a number of students are coming to us struggling with depression and anxiety.

Providing intensive proactive advising to college freshmen has been shown to increase the academic success rate of at risk students. Johnson State

College proposes to emphasize an approach advising experts refer to as a "Total Intake Model" of advising; this model has as primary strategy of early and regular contact with new students through the close attention of a staff advisor during the first year. This professional advisor will provide intensive, proactive advising outreach and support for students during their first year with the college. Because staff or "professional" advisors do not have the competing demands of teaching and scholarly activity, they are more likely to be regularly available to students during the course of each week. Appointments will be scheduled; but, there would be room and time for 'drop-ins' too as questions and concerns often present themselves on short notice.

For those students who are confident in their declaration of a major in departments where faculty members feel confident in advising freshmen, students will have the benefit of two-layered advising. During the two years of investment in this new approach to advising, all faculty advisors will be provided with opportunities to hone advising skills. Often, advising is—for faculty—a skill one is expected to "just know about" without having received instruction or training. Faculty, through on-campus or off-campus meetings, will be exposed to professional development.

Informed by the positive experiences others have had with this model, we are projecting that year one to two persistence will increase to 75% by the end of the year, resulting in an improved persistence rate that—in addition to improving student success—will realize college revenue in excess of the full project cost by the end of year three. Johnson requests \$274,895 for this project, which is equivalent to 1.5 years of this project.

Estimated Cost		Estimated Revenue	
Year 1	\$189,382	Year 1	\$0
Year 2	171,026	Year 2	346,047
Year 3	173,959	Year 3	609,588
Total Cost	535,367	Total Revenue	955,653

2. Increased Enrollment of External Degree Students through Marketing and Outreach

JSC's External Degree Program (EDP) is Vermont's most convenient and affordable bachelor's degree completion program. EDP makes maximum use of transfer and assessed learning credits and offers a variety of learning options and degree programs—weekend, online, compressed format. With one-on-one advising, credit for life experience, and the option to design their

own program in Professional Studies, it's the perfect fit for students who need to juggle work and family responsibilities with their studies.

EDP students currently comprise approximately 30% of the total student body and 24% of total full-time-equivalencies at JSC. This is an increase of 5% of student headcount and 4% of FTE since fall of 2004. Since its peak enrollment in Fall 2011, EDP has decreased approximately 15% in both headcount and FTE, with the sharpest decline (9% headcount, 7% FTE) occurring between Fall 13 and Fall 14.

Increased competition in the adult learner market both nationally and regionally has increased pressure on this program to deliver results. Regionally, Southern New Hampshire University (SNHU) and Champlain College in particular have all entered into this space in a stronger way.

EDP's strongest competitive advantage is our local presence in the CCV academic centers around the state. We have an embedded presence in 12 counties and we value this position greatly. Over the last fourteen years, we have refined the CCV-EDP advising model. Our online library and informational literacy presence is a plus, as well. A major missing link is broad knowledge and understanding of the EDP program in and around the state. It is the EDP student cohort that has brought this to our attention and offers some of the best ideas for moving ahead.

Johnson State College therefore proposes increasing EDP enrollment through expanded marketing and outreach to Vermonters. This project includes a one-time investment of \$75,000 in a marketing campaign with the goal of broadly saturating the market with information and knowledge of the program. In addition, we propose hiring one new full-time employee to perform outreach to business and community groups emphasizing flexibility and customized learning. By reaching directly into these organizations we expect to build partnerships that will allow us to meet the educational needs and goals of both the students and their employers.

Through this effort we estimate a 4% increase (20 students) in new EDP enrollments annually for the first two years with an associated increase in revenue via persistence. We therefore project the use of \$147,498 for this project.

Estimated Cost		Estimated Revenue	
Year 1	\$147,498	Year 1	\$128,000
Year 2	76,278	Year 2	192,000
Year 3	77,744	Year 3	208,000
Total Cost	301,520	Total Revenue	528,000

3. Improved Persistence through Expanded First Year Programs

Johnson State College's first year experience program is a hallmark of the college's academic programming. The program focuses on early immersion in a learning community, reducing the isolation that can plague those new to college, building bridges across college offices and departments, and extending the period typically described as "freshmen orientation." In short, our programs offer a space for students to receive advice to orient them to the college environment and navigate the bumps that come with starting this important phase of life.

In addition to program foci mentioned above, current first year experience offerings include summer orientation, the common reading initiative, first year seminars, creative audience presentations, and first-year advisement program.

We recognize that this work must constantly be assessed and improved and, often, expanded. Therefore, as a pilot during the 14-15 academic year Johnson State College implemented its first learning communities. These communities are formed by co-registering a cohort of students into two courses per semester that cross disciplines. The faculty members work together to develop assignments that enhance the students' academic experiences. Preliminary findings suggest that the learning communities are having a positive impact on persistence and demonstrating work at a more robust level. We propose to invest further in our first-year programming. An investment of \$40,000 from this fund would assist the college in expanding programming over the next two years.

Every first year student is required to enroll in a first year seminar. These three-credit interdisciplinary courses share seven key learning objectives, including critical analysis, information literacy, and taking part in extended classroom experiences. Instructors take the time to learn about the particular needs of new students. We are therefore proposing a summer professional development series over the next two years for instructors of first year seminars with an investment of \$20,000.

During the 2014-15 academic year Johnson State College implemented JPASS, a staff mentoring model attached to first year seminars. These mentors offer another source of outreach and support for our students at a crucial point in their development. An investment of \$7,000 over the next two years would allow the mentors to offer an extended classroom experience for the students in the first year seminars.

Johnson State College has offered a student leadership development series—essentially, an extension of orientation leaders' availability to freshmen over the course of the first two semesters—for the last several years. This program is limited in duration and scope due to lack of funding for the program. An investment of \$4,000 over two years would allow the college to focus on the development of student leaders throughout the entire school year.

Through this effort we estimate a 1% increase in persistence annually beginning with year 2 of this project. We therefore request \$71,000 for this project.

Estimated Cost

Year 1	\$37,500
Year 2	33,520
Year 3	0
Total Cost	71,000

Estimated Revenue

Year 1	\$0
Year 2	44,800
Year 3	34,050
Total Revenue	78,850

Summary Proposal

Project	Initial Investment	Simple Payback
Retention of On Campus Students through Enhanced Advising	274,895	1.79 years
Increased Enrollment of EDP through Marketing and Outreach	147,498	1.15 years
Improved Persistence through Expanded First Year Program	71,020	2.58 years

Budget for JSC FY13 & FY14 OPEB

Retention of on Campus Students through Enhanced Early Advising	Year 1	Year 2	Total
2 Professional Staff Advisors @ \$35K wages plus benefits	131,195	142,555	273,750
Start Up Expenses	3,800	-	3,800
NACADA (National Association of Academic Advisors) memberships	2,000	2,000	4,000
Conference Fees and Travel for Faculty and Staff	28,000	14,000	42,000
Faculty Professional Development on Advising	24,387	12,471	36,858
Retention through Enhanced Early Advising Total	189,382	171,026	360,408
FY13/FY14 OPEB Funding	189,382	85,513	274,895
College Funding	-	85,513	85,513
Increased Enrollment of External Degree Students through Marketing and Outreach	Year 1	Year 2	Total
Advertising and Marketing Strategy Development	75,000	-	75,000
Outreach Counselor @ \$35K wages plus benefits	65,598	71,278	136,875
Start Up Expenses	1,900	-	1,900
Travel	5,000	5,000	10,000
Increased Enrollment through Marketing and Outreach Total	147,498	76,278	223,775
FY13/FY14 OPEB Funding	147,498	-	147,498
College Funding	-	76,278	76,278
Improved Persistence through Expanded First Year Program	Year 1	Year 2	Total
Learning Communities: support for out of class activities/meals/events	20,000	20,000	40,000
Summer Professional Development Seminar for Instructors of 1st Year Seminars	10,000	10,000	20,000
JPASS First Year Student Mentoring Program	3,500	3,520	7,020
Student Leadership Development Series	4,000	-	4,000
Improved Persistence through Expanded First Year Programs Total	37,500	33,520	71,020
FY13/FY14 OPEB Funding	37,500	33,520	71,020
College Funding	-	-	-
FY13/FY14 OPEB Funding Total	374,380	119,033	493,413

Narrative to accompany the budget for JSC OPEB Plan

As mentioned in the accompanying description, we have three prongs to our plan to invest in student success through increased enrollment (EDP) and ongoing retention (on-campus student cohorts). The three areas of investment are:

1. **Going deeper and further with first-year advising** by assigning a staff/professional advisor to all incoming new students. These advisors will be available in a way that faculty with service, teaching, and scholarship commitments cannot be. And, advisors will hold themselves to many and frequent points of contact with new students. To reach this goal, we'll need to make two hires and the OPEB plan has the salaries/benefits covered by OPEB dollars for 1.5 years until some successful retention kicks in offsetting costs.
2. The second part of this deepening commitment to advising is **offering –with pretty strong expectations of participation—professional development to fulltime faculty members.** Many FTF members acknowledge the need for assistance in this area. Participating in NACADA events (National Association of Academic Advisors) as a team ought to help accelerate advising knowledge and skills.

Total #1:

New staff positions for 1.5 years plus investment in professional development : \$274,895

3. **Raising awareness of and capacity within EDP program**

I think the budget details the strategies we plan to use. We hope to capitalize on the 60,000 Vermonters with some credits, no degree.

Total #2: \$147,498

4. **Expanding activities associated with our learning communities**

There are many LC models. We have gone with paired courses in which the same cohort of students enrolls in two courses. The faculty members of those two courses meet and plan and try to attend each other's classes, and plan joint activities and assignments. Extra resources to support some expanded LC activities—as well as activities for “Gateway” courses (e.g. Intro. To Psychology) or First Year Seminars will, we believe, increase student commitment and perseverance.

Total #3: \$71,020

Lyndon State College Proposal for the Use of a Portion of the FY13 and FY14 GASB 45 Funds

Executive Summary

Lyndon State College proposes the use of \$460,000 of GASB 45 monies over the course of the next two years. Our proposal includes investments in analytical/stochastic modelling approaches to admissions and financial aid; modernizing one of the most successful programs on campus; and enhancing admissions outreach for transfer students in a very particular and focused way. Together these proposals total \$460,000, leaving \$48,000 in the GASB fund for future, deserving, initiatives.

Specifically:

- Admissions and financial aid consulting -- \$70,000
- Modernization of studio facilities and equipment for the College's award winning electronic journalism program -- \$240,000
- Admissions transfer counselor to provide dedicated support to the transfer process with a particular emphasis on connections with CCV--\$150,000 over two years.

Together these initiatives are designed to enhance recruiting and support retention such that they pay for themselves quickly. In addition, and particularly with respect to the salaried position created for the admissions transfer coordinator role, there is an exit strategy to provide assurance should our plans not work out as expected.

Proposal Details

Admissions and Financial Aid Consulting

With fewer graduates coming out of high school and more colleges doing more with tuition discounting, recruiting has become a much more complex process. At the core, it remains a relationship building process between human beings, but developing effective and strategic search strategies, creating admissions processes that are easy to navigate, and implementing a pricing structure that matches a family's ability and willingness to pay ... all these are places where we can use specialized analytics and consulting expertise to improve our admissions results.

Lyndon proposes to engage the consulting firm, Enrollment Research, to assist us in these areas. Specifically:

1. Building a dynamic search strategy, using research to define list purchases, employing advanced predictive modeling techniques to enhance the lists, and helping to develop communication strategies targeting various segments.
2. Developing a pre-populated web application and 4-7 personalized emails linking to each student's customized web app. And creating the link to upload completed applications into our admissions database.

3. Designing financial aid strategies using enrollment modeling that predicts enrollment yield and determines the effect of institutional grants on student's probability of enrolling.
4. Forecasting yields and discounting for improved institutional planning.

The final phase of the project is a year end review of the financial aid regimen and admissions results. This will allow us to quantify the value added to Lyndon and will inform a decision as to whether or not to continue with this approach.

The cost of the project is \$60,000 in consulting fees plus out of pocket expenses. We anticipate that the total cost will be \$70,000. While the expense will be incurred mostly in FY16, the payback will be in FY17 and beyond. We anticipate gains in net tuition revenue that will substantially surpass the project's cost.

Modernization of Studio Facilities and Equipment

Lyndon is justifiably proud of its broadcast journalism program – Electronic Journalism Arts. Ranked in the top ten of universities and colleges in the nation for two years in a row, and with broadcast meteorology students so well prepared that they are hired sometimes even before they can graduate, our program combines an excellent theoretical knowledge base with relevant, hands-on, skills. The program is poised for growth.

Experiential learning is at the very heart of the EJA curriculum. The proposed project will allow us to modernize the studio (moving to HD standards and employing professional level software) and expand the teaching equipment (field cameras). With more modern equipment (most of our cameras were donated twenty years ago) we can deepen our ties with industry. This will create more opportunities for our students and more potential for industry support of future equipment upgrades.

The estimated cost of the project is \$240,000. At our average net tuition rate for next year (\$11,665) we need an incremental 21 students to break even. We strongly believe that the demand is there for EJA students. With more equipment, a state of the art studio environment, a nationally ranked program, and the admissions project described above, we strongly believe we can grow this program. Right now we are bringing between 25 and 30 students each year. We project that we can grow this to an entering cohort of 35 to 40. Thus these one-time funds will create an incremental, multi-year, funding stream well in excess of the project expense.

Admissions Transfer Counselor

Lyndon is having decreasing success in recruiting transfer students. Over the past three falls, our transfer cohorts have been 88, 77, and 72: too small and trending in the wrong direction. In fall 2014, after the sharp decline in entering students, we engaged an admissions consultant to help us evaluate our processes and make recommendations. One of his recommendations was the analytical/modeling project described above. Another was that we hire someone dedicated to transfer students.

The admissions transfer counselor will work with all transfer applicants, but will have a particular focus on connections with our community colleges. Particularly with regard to our professional programs, LSC has a special niche within the Vermont State Colleges. Particularly with respect to our geography, we should be doing more to reach to graduates from CCV Newport and CCV St. Johnsbury. We are missing an important outreach to students and this position would fill that gap, thereby increasing enrollment.

The potential in the transfer market is huge. There is a large, underserved population of residents who do not have a post secondary degree. Together with community colleges, this is an area where we can potentially grow enrollment.

We have created a job description for this role and it has been approved by the Chancellor's Office. Based on the job description, benefit costs, and allowance for travel, we estimate a budget of \$75,000 per year. The proposal is to fund the position for two years with GASB money, for a total of \$150,000. If we cannot increase transfer matriculations from 72 back to 88 (producing net tuition revenue of approximately double the cost of the position), we will not continue after the two years.

VERMONT TECH PROPOSAL

As a strategic investment with the return of accrued revenue at the VSC system level, Vermont Technical College is proposing two positions in recruiting and admissions with a start date of July 1, 2015.

Positions would be two year positions designed to have an impact on enrollment for FY2016 & 2017. One position would help maintain front office support while several major initiatives are implemented. The second position would be a proactive counseling position designed to significantly raise the number of groups and prospective students visiting the campus.

Admissions Front Office Staff position (VSEA position):

- Currently there is one administrative support staff person at the Randolph Campus.
- Randolph Admissions handles all enrollment processing for the 10 Vermont Tech Locations.
- The one front office staff member is currently using overtime to keep up with the workload.
- The Director of Admissions and counseling positions fill in as support staff as needed.
- Current support staff person will be going on maternity leave in September.
- Besides normal administrative workload, the position would assist with several major initiatives implemented FY 2015 & 2016.
 - Lead purchases will be increasing for 2015, this position would be responsible for managing mailings and outreach to leads.
 - Texting prospective students started spring 2015, the new position would assist with coordinating e-mail and texting campaigns.

Events Planning Counselor (VSCUP position):

- Proactive position designed to bring school groups on campus.
- Bring enrollment influencing groups to campus, such as; VSAC, Collegeboard workshops, school counselors, and Tech Center Instructors.
- Support all Vermont Tech Campuses.
- Available for interviewing and counseling prospective students and families while other counselors are on the road for recruitment travel.

Rationale

1. Enrollment at VTC is down farther than market suggests it should be.
 - a. Peak incoming class, Fall 2012, of 566.
 - b. Declined to 494 in Fall 2014.
 - c. **12.7% decline in 2 years!!**
 - d. This exceeds the decline reasonably attributable to the declining number of high school graduates in the state of Vermont, and leads to the conclusion that the college has lost market share.
 - e. The college's peak headcount was 1645. Current headcount is 1545. Enrollment staff believes that a modest rebound (2%--to 1,575) is plausible as a reflection of regained market share.

2. Admissions staffing at Vermont Tech is and has been under-resourced.
 - a. FY2014 expenditures: \$543,666. (1.65% of budget)
 - b. JSC/LSC/CSC average during FY2014: 3.6% of budget. (\$3.3M total)
 - c. The loss in market share was in part due to under-resourcing of Admissions and stronger staffing will help strengthen enrollment.

3. Cost & Revenue
 - a. Avoiding a further 3% decline in enrollment would be worth \$600,000 annually.
 - b. A 2% (30 student) growth in enrollment would correspond to a \$400,000 increase in annual revenue.

Vermont Tech proposes to dedicate \$200,000 in each of FY2016 and FY2017 for augmented admissions staffing.

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONReturn of Previously Collected OPEB Funds Back to the Colleges

- WHEREAS, As part of a comprehensive plan to fund the VSC OPEB obligations the colleges set money aside for FY2013 and FY2014; and
- WHEREAS, The same type of funds set aside in FY2015 have already been returned to the colleges; and
- WHEREAS, In order to have the FY2013 and FY2014 funds returned to the colleges, they needed to demonstrate how they would use these funds to increase revenues, decrease costs, and/or increase efficiencies; and
- WHEREAS, The colleges have submitted and reviewed plans with the Board that satisfies the above requirements; therefore be it
- 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 to enable them to execute the plans reviewed with the Board.

May 21, 2015

6. Review and Recommend Approval of Annual Banking and Investment Resolution

The VSC's Banking and Investment Resolution prescribes what financial activities are empowered to the Chancellor and/or Chief Financial Officer on behalf of the system, and what are empowered to the Presidents and/or Deans of Administration on behalf of the individual colleges. Financial institutions with which we deal desire to see such a document endorsed periodically by the Trustees, to assure the Board is currently comfortable with its implications. To accommodate this desire, now presented for review and approval is the following resolution, which is unchanged from the one passed by the Board last year.

While resolution wording is in necessary legal language, essentially it: (a) empowers the Chancellor and/or Vice President, Chief Financial Officer to establish bank or other accounts for VSC operations as well as system cash management and investment activities; to secure financing consistent with applicable Board or legislative authority; to pledge collateral as may be necessary for certain financing; and to handle virtually all other aspects relevant to financial matters of the VSC; and (b) empowers college Presidents and/or Deans of Administration to establish bank or other accounts for respective college operations as well as college cash management activities.

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONBanking and Investment

- WHEREAS, The conduct of the business affairs of the Vermont State Colleges and each of its constituent members requires the establishment of banking relations and investment of funds; and
- WHEREAS, The selected officials of the Vermont State Colleges should be empowered to conduct banking and investment affairs in keeping with the organization of Vermont State Colleges; and
- WHEREAS, The term “bank” throughout this resolution also refers to credit unions and other depository or lending institutions that are licensed by the state of Vermont; therefore, be it
- RESOLVED, That the Chancellor and/or Chief Financial Officer are authorized to do the following:
1. Establish accounts with banks and authorized brokers/dealers (safekeeping, trust, checking, savings, money market, time or demand deposit) through which to transact the cash management and investment business of the Vermont State Colleges, and delegate authority for initiation of related wire transfers;
 2. Borrow money and obtain credit from banks, authorized brokers/dealers, or other lending agencies in conformity with Board of Trustees approved budgets: and execute and deliver notes, draft acceptances, instruments of guaranty, and any other legal obligations of Vermont State Colleges, therefore, in form satisfactory to the lending agency;
 3. Pledge or assign and deliver, as security for money borrowed or credit obtained, stocks, bonds, bills receivable, accounts, mortgages,

merchandise, bills of lading or other shipping documents, warehouse receipts, insurance policies, certificates and any other property held by, or belonging to, this corporation, with full authority to endorse, assign, transfer or guarantee the same in the name of this corporation, except as restricted by Vermont Statute;

4. Discount any bills receivable or any paper held by this corporation, with full authority to endorse the same in the name of this corporation;
5. Withdraw from banks or authorized brokers/dealers and give receipt for, or authorize banks or authorized brokers/dealers to deliver to bearer or to one or more designated persons, all or any documents and securities or other property held by it, whether held as collateral security or for safekeeping or for any other purpose;
6. Invest funds of Vermont State Colleges in legal investments as established by Board of Trustees policy;
7. Sell or authorize and request banks, or authorized brokers/dealers to purchase or sell, for the account of this corporation, foreign exchange, stocks, bonds, and other securities;
8. Apply for and receive letters of credit, and execute and deliver all necessary or proper documents for that purpose;
9. Execute and deliver all instruments and documents required in connection with any of the foregoing matters, and to affix the seal of this corporation; and, be it further

RESOLVED,

That the President and/or Dean of Administration of each college of the Vermont State Colleges (Community College of Vermont, Castleton State College, Johnson State College, Lyndon State College, and Vermont Technical College) are authorized to do the following:

1. Establish bank or accounts (safekeeping, trust, checking, savings, money market, time or demand deposit) through which to transact the banking business of the college in which they are officers.

May 21, 2015

7. Endorsement of Grant Proposal

Vermont Manufacturing Extension Center is seeking endorsement of the renewal of its National Institute of Standards and Technology five-year Hollings Manufacturing Extension Partnership grant from the US Department of Commerce. The attached budget analysis includes figures for the first year of the five-year cycle; figures for additional years are not provided as NIST MEP provides funding approval only one year at a time. The grant amount is \$650,000, with other funding in the amount of \$1.3M coming from program revenue, state appropriation, and in-kind donated time and services.

J/6/15

Vermont State Colleges Grant Proposal Budget Analysis

Form A & B

College: Vermont Technical College

Grant Title: VMEC NIST GRANT - Hollings Manufacturing Extension Partnership

Grant Agency: US Department of Commerce

Project Director: Bob Zider, VMEC Director and CEO

Purpose of Grant: 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.

Grant Period: 1-Jul-15 to 30-Jun-16

Review Period: 5 Multi-Yr** / Cumulative Grant Amt:
 **(please enter number of years covered) Though this is a 5 year cycle, NIST MEP only approves funding one year at a time.

Proposed Funding	1st Yr		2nd Yr		3rd Yr	
	Grant	Other	Grant	College	Grant	College
Direct Costs						
Salaries & Wages	\$ 244,701.00	\$ 444,229.00				
Employee Benefits	\$ 155,315.00	\$ 281,957.00				
Operations						
Travel	\$ 15,166.00	\$ 27,532.00				
Equipment						
Library Acquisitions						
Other: Consultants, Workshop Exp	\$ 200,631.00	\$ 364,219.00				
Total Direct	\$ 615,813.00	\$ 1,117,937.00	\$ -	\$ -	\$ -	\$ -
Indirect Costs*	\$ 34,187.00	\$ 182,063.00				
Total Budget	\$ 650,000.00	\$ 1,300,000.00	\$ -	\$ -	\$ -	\$ -

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

What is(are) the sources of College Funding? None

Revenue Sources under "other" include Program revenue, State Appropriation, and In-kind from donated time/services.

What continuing cost obligations does Granting Agency require/expect? None

What Continuing cost obligations does the College intend/see likely? None

Business Officer Review by: *[Signature]* Date: 2015/05/05

Programmatic Review by: *[Signature]* Date: 5/4/2015

Presidential Review by: *[Signature]* Date: 5/13/15

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 COLLEGESBOARD OF TRUSTEESRESOLUTIONEndorsement of Grant Proposal

- WHEREAS, Revised VSC Policy 408 requires Board approval for grants requesting \$750,000 or more per fiscal year, or involve annual matching or cost sharing of \$375,000 or more even though budget changes are not required; and
- WHEREAS, The VSC Finance & Facilities Committee has appropriately reviewed the current grant proposal 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 titled, in the amount, and from the specific granting entity as indicated:
- Vermont Manufacturing Extension Center NIST Hollings Manufacturing Extension Partnership grant from the US Department of Commerce in the amount of \$650,000 with \$1,300,000 in other funding sources over five years.

May 21, 2015

8. Real Estate Matter

The Committee will discuss a real estate matter.

B. ITEMS FOR INFORMATION AND DISCUSSION

1. Review Q3 Financials

The Q3 financials, tuition & fees monitoring reports, and narratives are attached for committee review. At this point in the year, due primarily to decreased FPE, CSC is projecting an FY2015 deficit. While CSC is actively trying to enhance revenues and decrease expenses it seems likely that for FY2015 expenses will exceed revenues. VTC is projecting the need to almost fully utilize the VSC \$2.5M loan at year end to cover its deficit. CCV, JSC, and LSC are projecting to end the year positively, net of the GASB 45 accrual. At this point VIT and WD are anticipating ending the year with slight deficits. All colleges continue to aggressively review their revenue and expense structures with regard to FY2015 and beyond.

Vermont State Colleges

Consolidated Financial Reports

**Period ended
March 31, 2015**

Executive Summary

March 31, 2015

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, but non-operating revenue is projected at -\$1 million variance so the total revenue variance is -\$5.2 million. Detail by college is:

<u>Enrollment summary</u>	Budgeted	Student Enrollment Projected Actual	Variance - Enrollment	Variance Net Tuition
CCV	3,674	3,744	70	502,670
CSC	1,999	1,934	(64)	(2,190,000)
JSC	1,433	1,387	(46)	(430,162)
LSC	1,366	1,266	(100)	(1,193,644)
VTC	997	959	(38)	(833,790)
NAH	366	389	22	429,308
TOTALS	9,835	9,679	(156)	(\$3,715,618)
Auxiliary Revenue	\$ 25,366,562	\$ 24,881,886		(\$484,676)
Student-Based Revenue Variance				(\$4,200,294)
Operating Revenue	143,857,602	139,968,764		(3,888,838)
Other Revenue	29,147,322	27,847,116		(1,300,206)
TOTAL Revenue	173,004,924	167,815,880		(5,189,044)
Total Revenue Variance				(5,189,044)

Total Operating Expenses:

Colleges have significantly adjusted expenses to compensate for the loss of revenue, including not funding post retirement benefits of \$3.5 million. Total Expense Variance is +\$5.2million. When added to the Revenue variance, the total variance is a negative 12,530 for the system.

<u>College:</u>	Budgeted	Actual Projected	Variance
CCV	29,437,495	29,609,885	(172,390)
CSC	49,760,236	48,567,394	1,192,842
JSC	29,524,103	29,319,861	204,242
LSC	32,112,427	31,222,810	889,617
VTC	30,132,035	29,008,629	1,123,406
CO	(5,638,256)	(4,534,855)	(1,103,401)
NAH	6,070,891	6,314,551	(243,660)
VIT	1,154,941	1,130,997	23,944
WFD	1,510,421	1,564,334	(53,913)
TOTALS	174,064,293	172,203,606	1,860,687
Non-operating Expense	5,845,117	5,026,495	818,622
Total Expense	179,909,410	177,230,101	2,679,309
Expense variance without GASB45 (unfunded liability)		2,497,207	2,497,207
Total Expense Variance			5,176,516
Net Variance (Revenue and Expense)			(12,529)
Total Net Variance			(12,529)

Projected Changes in Unrestricted Net Assets excluding Unfunded OPEB by College

	Projected Total Year	Total Board Approved Budget	Projection vs Budget Variance
CCV	593,343	(160,000)	753,343
CSC	(1,395,752)	(75,440)	(1,320,312)
JSC	26,543	(2)	26,545
LSC	38,134	300,000	(261,866)
VTC	(2,192,507)	(2,405,009)	212,502
CO	657,585	(1)	657,586
NAH	136,966	-	136,966
VIT	(116,998)	-	(116,998)
WFD	(100,294)	-	(100,294)
	<hr/>	<hr/>	<hr/>
Total VSC-Unrestricted	(2,352,981)	(2,340,452)	(12,529)
WFD Restricted	-	-	-

Vermont State Colleges
Consolidated
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
Tuition and Fees (Gross)	111,776,618	112,182,992	(406,374)	2,431,273	114,207,891	117,715,992	-	117,715,992	(3,508,101)	115,684,318
(Less Scholarship Allowances)	5,231,833	4,958,846	272,987	61,781	5,293,614	5,086,094	-	5,086,094	(207,520)	5,454,481
Net Tuition and Fees:	106,544,785	107,224,146	(679,361)	2,369,492	108,914,277	112,629,898	-	112,629,898	(3,715,621)	110,229,837
Federal Grants and Contracts	21,050	23,795	(2,745)	(2,731)	18,319	12,648	-	12,648	5,671	23,795
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	11,133	7,424	3,709	-	11,133	-	-	-	11,133	9,332
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	4,007,313	3,652,810	354,503	968,892	4,976,205	5,260,806	-	5,260,806	(284,601)	5,061,917
Auxiliary Enterprises	24,809,571	25,438,085	(628,514)	72,315	24,881,886	25,366,562	-	25,366,562	(484,676)	25,549,992
Other Operating Revenue	1,009,173	477,455	531,719	157,770	1,166,943	587,688	-	587,688	579,255	953,576
TOTAL OPERATING REVENUE	136,403,026	136,823,715	(420,689)	3,565,738	139,968,764	143,857,602	-	143,857,602	(3,888,838)	141,828,448
OPERATING EXPENSES										
Salaries and Wages	57,330,792	58,238,260	907,468	17,691,665	75,022,457	74,079,013	-	74,079,013	(943,444)	76,202,634
Employee Benefits - Group Insurance	15,242,439	15,104,778	(137,661)	4,811,186	20,053,625	20,477,943	-	20,477,943	424,318	18,152,762
Employee Benefits - GASB 45	4,629,000	2,622,900	(2,006,100)	2,432,241	7,061,241	4,564,034	-	4,564,034	(2,497,207)	6,189,974
Payment to Trust for GASB45 benefits	-	1	1	-	-	3,497,029	-	3,497,029	3,497,029	-
Employee Benefits - Other	12,523,125	12,520,076	(3,049)	3,641,513	16,164,638	16,279,535	-	16,279,535	114,897	16,108,196
Scholarships and Fellowships	7,315,202	6,508,184	(807,018)	201,244	7,516,446	6,635,773	-	6,635,773	(880,673)	6,276,288
Supplies and Other Services	24,630,398	26,705,823	2,075,425	7,068,215	31,698,613	32,633,708	235,440	32,869,148	1,170,535	32,748,865
Travel	2,105,148	2,298,042	192,894	637,149	2,742,297	2,032,499	-	2,032,499	(709,798)	3,095,731
Equipment	880,489	1,097,218	216,729	620,916	1,501,405	1,662,171	-	1,662,171	160,766	1,055,423
Library Acquisitions	623,419	641,989	18,570	418,490	1,041,909	1,028,992	-	1,028,992	(12,917)	791,541
Utilities	5,552,129	5,511,512	(40,617)	2,148,630	7,700,759	7,266,970	-	7,266,970	(433,789)	7,286,102
Transfers										
Inter-entity	2,568,206	3,438,850	870,644	693,816	3,262,022	5,151,318	-	5,151,318	1,889,296	4,159,878
Intra-entity	(1,846,794)	481,496	2,328,290	284,989	(1,561,805)	(1,480,132)	-	(1,480,132)	81,673	1,413,002
TOTAL OPERATING EXPENSES	131,553,552	135,169,129	3,615,577	40,650,054	172,203,606	173,828,853	235,440	174,064,293	1,860,687	173,480,396
Operating Income (Loss)	4,849,473	1,654,586	3,194,888	(37,084,315)	(32,234,842)	(29,971,251)	(235,440)	(30,206,691)	(2,028,151)	(31,651,948)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	19,414,976	19,465,978	(51,002)	6,595,814	26,010,790	26,394,944	-	26,394,944	(384,154)	26,030,899
Gifts	1,325,199	2,606,128	(1,279,928)	149,621	1,475,820	982,381	-	982,381	493,439	2,629,658
Investment Income (Net of Expenses)	309,360	532,450	(223,090)	45,521	354,881	624,997	-	624,997	(270,116)	602,967
Interest Expense on Capital Debt	(3,587,936)	(3,698,642)	100,706	(1,438,560)	(5,026,495)	(5,845,117)	-	(5,845,117)	818,622	(5,916,020)
Other Non-Operating Revenues	5,661	3,699	1,962	(36)	5,625	-	-	-	5,625	3,374
Use of Strategic Reserve	-	-	-	-	-	845,000	300,000	1,145,000	(1,145,000)	-
VSC Line of Credit	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	17,468,260	18,919,613	(1,451,353)	5,352,360	22,820,621	23,002,205	300,000	23,302,205	(481,584)	23,550,879
Increase (Decrease) in Unrestricted Net Assets	22,317,734	20,574,198	1,743,535	(31,731,955)	(9,414,222)	(6,969,046)	64,560	(6,904,486)	(2,509,736)	(8,101,069)
Increase (Decrease) in GASB45 liability	4,629,000	2,622,900	2,006,100	2,432,241	7,061,241	4,564,034	-	4,564,034	2,497,207	6,189,974
TOTAL	26,946,734	23,197,098	3,749,635	(29,299,714)	(2,352,981)	(2,405,012)	64,560	(2,340,452)	(12,529)	(1,911,095)

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

**All Schools
March 31, 2015**

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE	
	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
Fall 2014						
Vermonter	7,202	30,847,720	7,026	29,626,301	(176)	(1,221,419)
Non-Vmtr (o/s)	1,240	13,220,478	1,124	12,039,512	(116)	(1,180,966)
NEBHE	629	6,545,701	638	6,580,967	9	35,266
Grad Vermont	159	1,249,013	168	1,057,173	9	(191,840)
Grad Non- Vermont	19	252,050	15	163,340	(4)	(88,710)
Total	9,250	\$52,114,962	8,972	\$49,467,293	(278)	(\$2,647,669)
Spring 2015						
Vermonter	6,850	28,931,154	6,635	27,876,299	(215)	(1,054,855)
Non-Vmtr (o/s)	1,135	11,915,308	1,078	11,460,109	(57)	(455,199)
NEBHE	574	5,960,901	567	5,857,880	(7)	(103,021)
Grad Vermont	174	1,304,527	147	918,743	(27)	(385,784)
Grad Non- Vermont	16	226,833	15	157,590	(1)	(71,243)
Total	8,749	\$48,340,723	8,442	\$46,270,621	(307)	(\$2,070,102)
SUMMER SESSIONS I (J/Aug)						
Vermonter	397	2,087,939	525	2,795,381	128	707,442
Non-Vmtr (o/s)	15	156,499	40	423,256	25	266,757
NEBHE	19	190,268	25	264,228	7	73,960
Grad Vermont	34	204,251	63	364,413	29	160,162
Grad Non- Vermont	3	33,974	3	38,277	1	4,303
Total	467	2,672,931	656	3,885,555	189	1,212,624
SUMMER SESSIONS II (May/J)						
Vermonter	566	3,064,279	519	2,759,183	(47)	(245,096)
Non-Vmtr (o/s)	12	134,529	14	152,514	2	17,985
NEBHE	20	191,357	24	225,751	4	34,394
Grad Vermont	24	147,052	23	139,905	(1)	(7,147)
Grad Non- Vermont	2	29,996	2	22,768	(1)	(7,228)
Total	624	\$3,507,213	581	\$3,300,121	(43)	(\$207,092)
FY 2015 TOTAL (Avg)						
Fall & Spring						
Vermonter	7,026	\$59,778,874	6,831	\$57,502,600	(195)	(\$2,276,274)
Non-Vmtr (o/s)	1,188	25,135,786	1,101	23,489,821	(87)	(1,646,165)
NEBHE	602	12,506,602	602	12,438,847	1	(67,755)
Grad Vermont	167	2,553,540	158	1,975,916	(9)	(577,624)
Grad Non- Vermont	17	480,883	15	320,930	(2)	(159,953)
S/T	8,999	\$100,455,685	8,707	\$95,737,914	(293)	(\$4,717,771)
Summer Sessions (annualized)	546	6,180,144	619	7,185,676	73	1,005,532
Total Student Tuition	9,545	106,635,829	9,326	\$102,923,590	(220)	(\$3,712,239)
Student Fees		11,085,556		11,284,303		198,747
Total Tuition and Fees		\$117,721,385		\$114,207,893		(\$3,513,492)
Less: Waivers		(5,091,488)		(5,293,614)		(202,126)
Total Net Tuition & Fees		\$112,629,897		\$108,914,279		(\$3,715,618)
Auxiliary:						
Room & Board Fall		12,733,016		12,365,897		(367,119)
Room & Board Spring		11,633,547		11,415,989		(217,558)
Bookstore		1,000,000		1,100,000		100,000
Total Auxiliary		25,366,563		24,881,886		(484,677)

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

** Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges

Detailed College Financial Reports

Period ended March 31, 2015

Vermont State Colleges
Community College of Vermont
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
Tuition and Fees (Gross)	22,870,066	22,828,017	42,069	1,791,044	24,681,130	24,117,535	-	24,117,535	543,595	25,051,365
(Less Scholarship Allowances)	469,405	405,545	63,860	-	469,405	428,480	-	428,480	(40,925)	487,997
Net Tuition and Fees:	22,400,661	22,422,472	(21,791)	1,791,044	24,191,725	23,689,055	-	23,689,055	502,670	24,563,388
Federal Grants and Contracts	15,170	17,510	(2,340)	79	15,249	12,648	-	12,648	2,601	17,510
State and Local Grants and Contracts	0	0	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	400	309	91	-	400	-	-	-	400	812
Interest Income	0	0	-	-	-	-	-	-	-	-
Sales and Services	63,087	15,320	47,767	36,913	100,000	100,000	-	100,000	0	21,616
Auxiliary Enterprises	0	0	-	-	-	-	-	-	-	-
Other Operating Revenue	30,944	15,720	15,224	1,056	32,000	25,000	-	25,000	7,000	25,276
TOTAL OPERATING REVENUE	22,510,282	22,471,331	38,951	1,829,092	24,339,374	23,826,703	-	23,826,703	512,671	24,628,602
OPERATING EXPENSES										
Salaries and Wages	12,397,715	12,494,094	96,379	4,046,440	16,444,155	15,505,156	-	15,505,156	(938,999)	16,409,584
Employee Benefits - Group Insurance	1,969,734	1,929,557	(40,177)	579,300	2,549,034	2,624,195	-	2,624,195	75,161	2,490,610
Employee Benefits - GASB 45	738,000	161,700	(576,300)	251,000	989,000	518,938	-	518,938	(470,062)	1,018,162
Payment to Trust for GASB45 benefits	0	362,270	362,270	-	-	710,672	-	710,672	710,672	461,609
Employee Benefits - Other	1,828,306	1,849,692	21,386	564,164	2,392,470	2,548,309	-	2,548,309	155,839	2,465,419
Scholarships and Fellowships	174,522	177,072	2,550	141,355	315,877	315,877	-	315,877	0	198,630
Supplies and Other Services	3,072,196	3,100,060	27,864	1,203,063	4,275,259	3,866,259	160,000	4,026,259	(249,000)	4,099,481
Travel	171,491	150,321	(21,170)	19,709	191,200	210,200	-	210,200	19,000	200,369
Equipment	38,370	29,116	(9,254)	198,682	237,052	187,052	-	187,052	(50,000)	197,129
Library Acquisitions	0	0	-	-	-	-	-	-	-	-
Utilities	221,103	237,179	16,076	68,897	290,000	290,000	-	290,000	0	319,904
Transfers										
Inter-entirety	1,276,264	1,652,522	376,258	991,250	2,267,514	2,667,512	-	2,667,512	399,998	2,191,103
Intra-entirety	(396,722)	(204,507)	192,215	55,047	(341,675)	(166,675)	-	(166,675)	175,000	465,626
TOTAL OPERATING EXPENSES	21,490,978	21,939,096	448,118	8,118,907	29,609,885	29,277,495	160,000	29,437,495	(172,390)	30,516,625
Operating Income (Loss)	1,019,304	532,235	487,069	(6,289,815)	(5,270,511)	(5,450,792)	(160,000)	(5,610,792)	340,281	(5,888,023)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	3,569,120	3,580,886	(11,766)	1,205,266	4,774,386	4,798,386	-	4,798,386	(24,000)	4,774,513
Gifts	39,290	43,370	(4,080)	5,710	45,000	40,000	-	40,000	5,000	52,466
Investment Income (Net of Expenses)	42,440	63,599	(21,159)	13,028	55,468	93,468	-	93,468	(38,000)	72,316
Interest Expense on Capital Debt	0	0	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	3,650,850	3,687,855	(37,005)	1,224,004	4,874,854	4,931,854	-	4,931,854	(57,000)	4,899,295
Increase (Decrease) in Unrestricted Net Assets	4,670,154	4,220,090	450,064	(5,065,811)	(395,657)	(518,938)	(160,000)	(678,938)	283,281	(988,728)
Increase (Decrease) in GASB45 liability	738,000	161,700	576,300	251,000	989,000	518,938	-	518,938	470,062	1,018,162
TOTAL	5,408,154	4,381,790	1,026,364	(4,814,811)	593,343	-	(160,000)	(160,000)	753,343	29,434

**VERMONT STATE COLLEGES
- FY'15 TUITION & FEES REVENUE MONITORING REPORT -
Community College of Vermont
3/31/2015**

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE		
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
Fall 2014	(Semester)						
Vermonter	2,868	2,884	\$8,271,300	2,873	\$8,238,486	(11)	(\$32,814)
Non-Vmtr (o/s)	5,736	177	1,015,300	162	929,206	(15)	(86,094)
NEBHE	5,736	33	169,300	47	271,839	14	82,539
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
Total		3,094	\$9,475,900	3,082	\$9,439,531	(12)	(\$36,369)
Spring 2015	(Semester)						
Vermonter	2,868	2,884	\$8,271,300	2,765	\$7,987,240	(99)	(\$284,060)
Non-Vmtr (o/s)	5,736	177	1,015,300	165	949,105	(12)	(66,195)
NEBHE	5,736	33	169,300	42	239,521	9	50,221
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
Total		3,094	\$9,475,900	2,992	\$9,175,866	(102)	(\$300,034)
SUMMER SESSIONS I (J/Aug)	**						
Vermonter	5,568	251	\$1,397,600	369	\$2,052,934	118	\$655,334
Non-Vmtr (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	-	-	-	-	-	-	-
Total		250	1,497,900	404	2,447,620	144	949,720
SUMMER SESSIONS II (May/J)	**						
Vermonter	5,736	310	\$1,778,200	293	\$1,678,200	(17)	(\$100,000)
Non-Vmtr (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	-	-	-	-	-	-	-
Total		320	\$1,892,900	303	\$1,792,900	(17)	(\$100,000)
FY 2015 TOTAL	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonter	55,736	2,864	\$16,542,600	2,829	\$16,225,726	(55)	(\$316,874)
Non-Vmtr (o/s)	11,472	177	2,030,600	164	1,876,311	(13)	(152,289)
NEBHE	11,472	33	378,600	45	511,360	12	132,760
Grad Vermont	-	-	-	-	-	-	-
Grad Non- Vermont	-	-	-	-	-	-	-
S/T		3,094	\$18,951,600	3,037	\$18,615,397	(57)	(\$336,403)
Summer Sessions (annualized)		580	3,390,800	707	4,240,520	63	849,720
Total Student Tuition		3,674	\$22,342,600	3,744	\$22,855,917	70	\$513,317
Student Fees			1,774,935		1,805,213		30,278
Total Tuition and Fees			\$24,117,535		\$24,661,130		\$543,595
Less: Waivers			(428,480)		(469,405)		(40,925)
Total Net Tuition & Fees			\$23,689,055		\$24,191,725		\$502,670
Auxiliary:							
Room & Board Fall			0		0		0
Room & Board Spring			0		0		0
Bookstore			0		0		0
Total Auxiliary			0		0		0

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

Community College of VermontMarch 31, 2015**Narrative Highlights for Budget vs. Actual****Projection
vs.****Budget**

CCV operating revenues for FY2015 are projected to be higher than our budget by \$512,670. This is due primarily to a strong summer 2014 (July-August) semester. Our fall 2014 tuition and fees were in line with expected enrollments. However, CCV's summer 2015 semester enrollments are not complete, as reflected in our current tuition and fees revenue projections.

Non-operating revenues this year are projected to be down slightly by \$57,000, primarily the result of a rescission in the College's State of Vermont appropriation and interest income.

Our FY 15 operating expenses in total are projected to exceed the budget by \$172,390. Salaries and regular (non-GASB 45) fringes are forecast to exceed budget by \$708,000, with the majority due to additional instructional salaries (primarily summer 2014). The GASB 45 liability will exceed the budget by \$470,062, due to a system change in the method of calculation. The College's initiatives in program delivery, training and classroom support will cause Supplies and Equipment to exceed budget by \$250,000. Offsetting the increases over budget will be \$575,000 in Transfers less than budget (primarily Medical/WC Reserve and grant related), and the elimination of the \$710,672 payment to the Trust for post-employment benefits.

YTD Variance

At year end, CCV is projecting an increase to our unrestricted net assets of \$593,342.

Included in the year-end projection is \$160,000 in approved 2014 carry forward to support the college's innovation and communication initiatives.

Vermont State Colleges
Castleton State College
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
Tuition and Fees (Gross)	29,579,353	29,982,750	(403,397)	60,133	29,639,486	31,639,466	-	31,639,466	(2,000,000)	30,157,965
(Less Scholarship Allowances)	509,401	325,798	182,603	599	510,000	320,000	-	320,000	(190,000)	332,414
Net Tuition and Fees.	29,069,952	29,655,952	(586,000)	59,534	29,129,486	31,319,466	-	31,319,466	(2,190,000)	29,825,551
Federal Grants and Contracts	0	0	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	0	0	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	9,216	4,915	4,301	-	9,216	-	-	-	9,216	6,319
Interest Income	0	0	-	-	-	-	-	-	-	-
Sales and Services	979,481	905,434	74,047	94,519	1,074,000	824,000	-	824,000	250,000	1,275,439
Auxiliary Enterprises	9,925,388	10,854,038	(928,650)	59,348	9,984,736	10,524,889	-	10,524,889	(540,153)	10,934,404
Other Operating Revenue	189,879	95,476	94,403	36,121	226,000	141,000	-	141,000	85,000	306,934
TOTAL OPERATING REVENUE	40,173,916	41,515,815	(1,341,899)	249,522	40,423,438	42,809,375	-	42,809,375	(2,385,937)	42,348,647
OPERATING EXPENSES										
Salaries and Wages	14,826,352	13,803,149	(1,023,203)	3,620,492	18,446,844	18,525,844	-	18,525,844	79,000	18,380,595
Employee Benefits - Group Insurance	4,190,331	3,966,042	(224,289)	1,381,769	5,572,100	5,573,100	-	5,573,100	1,000	5,250,827
Employee Benefits - GASB 45	1,230,000	795,900	(434,100)	238,517	1,468,517	1,468,517	-	1,468,517	-	1,669,368
Payment to Trust for GASB45 benefits	0	423,435	423,435	-	-	872,597	-	872,597	872,597	561,833
Employee Benefits - Other	3,619,399	3,372,237	(247,162)	1,008,679	4,628,078	4,677,078	-	4,677,078	49,000	4,431,374
Scholarships and Fellowships	2,463,844	2,017,396	(446,448)	4,533	2,468,377	1,412,377	-	1,412,377	(1,056,000)	2,024,143
Supplies and Other Services	6,716,602	7,475,611	759,009	1,156,110	7,872,712	8,440,555	75,440	8,515,995	643,283	8,590,486
Travel	633,581	907,422	73,841	46,419	880,000	480,000	-	480,000	(400,000)	1,102,082
Equipment	191,869	285,135	93,266	179,131	371,000	471,000	-	471,000	100,000	195,890
Library Acquisitions	171,522	196,440	24,918	250,978	422,500	422,500	-	422,500	0	252,018
Utilities	1,672,166	1,619,824	(52,342)	654,981	2,327,147	2,277,147	-	2,277,147	(50,000)	2,199,156
Transfers										
Inter-entity	3,450,073	2,347,919	(1,102,154)	1,305,962	4,756,035	5,367,996	-	5,367,996	611,961	3,444,273
Intra-entity	(572,391)	1,029,669	1,602,060	(73,524)	(645,915)	(303,915)	-	(303,915)	342,000	1,355,631
TOTAL OPERATING EXPENSES	38,793,347	38,240,179	(553,168)	9,774,047	48,567,394	49,684,796	75,440	49,760,236	1,192,842	49,457,675
Operating Income (Loss)	1,380,568	3,275,636	(1,895,068)	(9,524,525)	(8,143,957)	(6,875,421)	(75,440)	(6,950,861)	(1,193,096)	(7,109,028)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	3,569,120	3,580,886	(11,766)	1,181,705	4,750,825	4,798,386	-	4,798,386	(47,561)	4,774,513
Gifts	393,040	502,214	(109,174)	61,960	455,000	455,000	-	455,000	0	561,542
Investment Income (Net of Expenses)	54,665	154,673	(100,008)	21,697	76,362	153,518	-	153,518	(77,156)	182,252
Interest Expense on Capital Debt	(2,145)	(2,691)	546	(355)	(2,500)	-	-	-	(2,500)	(3,206)
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	4,014,681	4,235,082	(220,401)	1,265,007	5,279,688	5,406,904	-	5,406,904	(127,216)	5,515,102
Increase (Decrease) in Unrestricted Net Assets	5,395,249	7,510,716	(2,115,469)	(8,259,518)	(2,864,269)	(1,468,517)	(75,440)	(1,543,957)	(1,320,312)	(1,593,926)
Increase (Decrease) in GASB45 liability	1,230,000	795,900	434,100	238,517	1,468,517	1,468,517	-	1,468,517	-	1,669,368
TOTAL	6,625,249	8,306,618	(1,681,369)	(8,021,001)	(1,395,752)	-	(75,440)	(75,440)	(1,320,312)	75,442

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

**Castleton State College
3/31/2015**

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE		
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
Fall 2014	(Semester)						
Vermont	4,884	1,435	7,378,486	1,381	6,742,987	(54)	(\$635,499)
Non-Vmtr (o/s)	12,216	603	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)
Total		<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>
Spring 2015	(Semester)						
Vermont	4,884	1,320	6,676,648	1,285	6,275,313	(35)	(\$401,335)
Non-Vmtr (o/s)	12,216	540	6,414,494	494	6,031,848	(46)	(382,646)
NEBHE	12,216	2	24,432	7	85,512	5	61,080
Grad Vermont	6,598	34	449,692	43	282,933	9	(166,759)
Grad Non- Vermont	9,600	12	182,399	11	105,614	(1)	(76,785)
Total		<u>1,908</u>	<u>\$13,747,665</u>	<u>1,840</u>	<u>\$12,781,220</u>	<u>(68)</u>	<u>(\$966,446)</u>
SUMMER SESSIONS I. (J/Aug)	**						
Vermont	4,464			12	55,035	12	\$55,035
Non-Vmtr (o/s)	8,696			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
Total		<u>0</u>	<u>0</u>	<u>36</u>	<u>189,115</u>	<u>36</u>	<u>189,115</u>
SUMMER SESSIONS II* (May/J)	**						
Vermont	4,656	-	-	0	\$0	0	\$0
Non-Vmtr (o/s)	6,984	-	-	0	0	0	0
NEBHE	-				-	0	0
Grad Vermont	5,803			0	0	0	0
Grad Non- Vermont	8,937			0	0	0	0
Total		<u>0</u>	<u>\$0</u>	<u>0</u>	<u>\$0</u>	<u>0</u>	<u>\$0</u>
FY 2015 TOTAL	(Acad Yr)	(Avg)					
Fall & Spring							
Vermont	89,768	1,376	\$14,055,134	1,333	\$13,018,300	(45)	(\$1,036,834)
Non-Vmtr (o/s)	24,432	570	13,658,391	513	12,544,219	(57)	(1,114,172)
NEBHE	24,432	2	48,864	10	232,104	8	183,240
Grad Vermont	13,196	36	959,384	50	661,868	14	(297,516)
Grad Non- Vermont	19,200	13	364,798	10	201,022	(3)	(163,776)
S/T		1,999	\$29,086,571	1,916	\$26,657,513	(82)	(\$2,429,058)
Summer Sessions (annualized)		0	0	18	189,115	18	189,115
Total Student Tuition		<u>1,999</u>	<u>29,086,571</u>	<u>1,934</u>	<u>\$26,846,828</u>	<u>(64)</u>	<u>(\$2,239,943)</u>
Student Fees			<u>2,552,915</u>		<u>2,792,858</u>		<u>239,943</u>
Total Tuition and Fees			<u>\$31,639,486</u>		<u>\$29,639,686</u>		<u>(\$2,000,000)</u>
Less: Waivers			<u>(320,000)</u>		<u>(510,000)</u>		<u>(190,000)</u>
Total Net Tuition & Fees			<u>\$31,319,486</u>		<u>\$29,129,686</u>		<u>(\$2,190,000)</u>
Auxiliary							
Room & Board Fall			4,864,158		4,596,736		(267,423)
Room & Board Spring			4,680,731		4,288,000		(392,731)
Bookstore			1,000,000		1,100,000		100,000
Total Auxiliary			<u>10,544,890</u>		<u>9,984,736</u>		<u>(560,154)</u>

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

** Summer Sessions charge rates utilized in preceding Academic Year

Castleton State College
March 31, 2015
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 7%.

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

Sales and Services - As of March, Castleton has been able to exceed its budget expectations in this category by 18%, in large part due to Polling Institute contracts. We are optimistic that we will maintain this trend and with increases in Conference & Events and Athletic Camps, we will exceed our goal for the current fiscal year by 30%. 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, including utilities 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 help 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 50% of budget at this time.

Vermont State Colleges
Johnson State College
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
Tuition and Fees (Gross)	17,509,297	17,686,263	(176,966)	603,140	18,112,437	18,536,278	-	18,536,278	(423,841)	18,276,281
(Less Scholarship Allowances)	854,070	807,479	46,591	(1)	854,069	847,744	-	847,744	(6,325)	829,017
Net Tuition and Fees:	16,655,227	16,878,784	(223,557)	603,141	17,258,368	17,688,534	-	17,688,534	(430,166)	17,447,264
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	1,517	2,200	(683)	-	1,517	-	-	-	1,517	2,200
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	318,250	280,144	38,106	134,816	453,066	548,506	-	548,506	(95,440)	398,818
Auxiliary Enterprises	4,931,792	4,628,498	303,294	30,884	4,962,676	4,606,173	-	4,606,173	356,503	4,657,483
Other Operating Revenue	98,692	115,839	(17,147)	25,946	125,638	125,638	-	125,638	(0)	196,642
TOTAL OPERATING REVENUE	22,005,478	21,905,465	100,013	795,787	22,801,265	22,968,851	-	22,968,851	(167,586)	22,702,407
OPERATING EXPENSES										
Salaries and Wages	8,639,769	9,275,687	635,918	2,549,910	11,189,679	11,166,956	-	11,166,956	(22,723)	11,859,104
Employee Benefits - Group Insurance	2,463,325	2,550,112	86,787	763,062	3,226,387	3,486,839	-	3,486,839	260,452	3,339,597
Employee Benefits - GASB 45	519,000	270,300	(248,700)	1,005,974	1,524,974	729,119	-	729,119	(795,855)	701,259
Payment to Trust for GASB45 benefits	-	264,170	264,170	-	-	547,155	-	547,155	547,155	330,621
Employee Benefits - Other	1,980,126	2,009,128	29,002	486,038	2,466,164	2,499,406	-	2,499,406	33,242	2,503,313
Scholarships and Fellowships	1,996,292	1,677,432	(318,860)	12,127	2,008,419	2,069,000	-	2,069,000	60,581	1,687,622
Supplies and Other Services	2,862,999	3,122,142	259,143	1,219,471	4,082,470	3,973,260	-	3,973,260	(109,210)	4,042,029
Travel	292,723	366,539	93,816	107,931	400,654	326,180	-	326,180	(74,474)	568,864
Equipment	111,398	145,822	34,424	72,633	184,031	220,031	-	220,031	36,000	120,114
Library Acquisitions	135,049	115,599	(19,450)	17,560	152,609	137,880	-	137,880	(14,729)	141,975
Utilities	1,255,076	1,188,886	(66,190)	380,537	1,635,613	1,508,423	-	1,508,423	(127,190)	1,549,354
Transfers										
Inter-entity	2,315,118	2,654,002	338,884	874,938	3,190,056	3,602,296	-	3,602,296	412,240	3,253,096
Intra-entity	(457,256)	(487,095)	(29,839)	(283,940)	(741,196)	(742,442)	-	(742,442)	(1,246)	(567,276)
TOTAL OPERATING EXPENSES	22,113,620	23,172,724	1,059,104	7,206,241	29,319,861	29,524,103	-	29,524,103	204,242	29,529,673
Operating Income (Loss)	(108,142)	(1,267,259)	1,159,117	(6,410,454)	(6,518,596)	(6,555,252)	-	(6,555,252)	36,656	(6,827,265)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	3,569,120	3,580,886	(11,766)	1,205,607	4,774,727	4,798,386	-	4,798,386	(23,659)	4,774,513
Gifts	139,515	277,825	(138,310)	27,459	166,974	189,851	-	189,851	(22,877)	277,865
Investment Income (Net of Expenses)	64,205	113,006	(48,801)	8,634	72,839	162,894	-	162,894	(90,055)	128,998
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	5,625	1,174	4,451	-	5,625	-	-	-	5,625	3,374
Use of Strategic Reserve	-	-	-	-	-	675,000	-	675,000	(675,000)	-
Net Non-Operating Revenues	3,778,464	3,972,891	(194,427)	1,241,700	5,020,164	5,826,131	-	5,826,131	(805,967)	5,184,749
Increase (Decrease) in Unrestricted Net Assets	3,670,323	2,705,632	964,691	(5,168,754)	(1,498,431)	(729,121)	-	(729,121)	(769,310)	(1,642,516)
Increase (Decrease) in GASB45 liability	519,000	270,300	248,700	1,005,974	1,524,974	729,119	-	729,119	795,855	701,259
TOTAL	4,189,323	2,975,932	1,213,391	(4,162,780)	26,543	(2)	-	(2)	26,545	(941,257)

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

**Johnson State College
3/31/2015**

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE		
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
Fall 2014	(Semester)						
Vermonters	4,796	1,044	5,005,682	1,012	4,852,433	(32)	(153,249)
Non-Vrmtlr (o/s)	10,803	155	1,673,982	122	1,319,400	(33)	(354,582)
NEBHE	10,803	64	909,901	113	1,222,366	29	312,485
Grad Vermonters	6,131	89	546,169	84	517,807	(5)	(28,362)
Grad Non- Vermonters	13,238	5	89,651	5	66,354	(0)	(3,297)
Total		<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>
Spring 2015	(Semester)						
Vermonters	4,796	926	4,439,001	905	4,340,135	(21)	(98,866)
Non-Vrmtlr (o/s)	10,803	143	1,545,214	118	1,270,130	(25)	(275,084)
NEBHE	10,803	69	744,465	89	957,315	20	212,850
Grad Vermonters	6,131	97	591,683	93	571,580	(3)	(20,103)
Grad Non- Vermonters	13,238	4	46,434	4	48,724	0	2,290
Total		<u>1,238</u>	<u>7,366,797</u>	<u>1,208</u>	<u>7,187,884</u>	<u>(29)</u>	<u>(178,913)</u>
SUMMER SESSIONS I. (J/Aug)	**						
Vermonters	4,855	96	445,477	95	444,176	(0)	(\$1,301)
Non-Vrmtlr (o/s)	10,488	3	28,579	3	28,436	(0)	(143)
NEBHE	10,488	4	38,176	4	37,985	(0)	(191)
Grad Vermonters	5,952	31	186,863	31	185,929	(0)	(934)
Grad Non- Vermonters	12,652	3	33,974	2	31,622	(0)	(2,352)
Total		<u>136</u>	<u>733,069</u>	<u>135</u>	<u>728,148</u>	<u>(1)</u>	<u>(4,921)</u>
SUMMER SESSIONS II> (May/J)	**						
Vermonters	4,796	86	412,395	67	319,887	(19)	(92,508)
Non-Vrmtlr (o/s)	10,803	2	21,969	2	20,474	(0)	(1,495)
NEBHE	10,803	3	29,347	3	27,349	(0)	(1,998)
Grad Vermonters	6,131	23	141,016	22	133,869	(1)	(7,147)
Grad Non- Vermonters	13,238	2	29,996	2	22,768	(1)	(7,228)
Total		<u>116</u>	<u>634,723</u>	<u>95</u>	<u>524,267</u>	<u>(21)</u>	<u>(110,456)</u>
FY 2015 TOTAL	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonters	9,592	965	9,444,683	959	9,192,568	(26)	(252,115)
Non-Vrmtlr (o/s)	21,606	149	3,219,198	120	2,589,530	(29)	(629,668)
NEBHE	21,606	77	1,654,366	101	2,178,701	24	525,335
Grad Vermonters	12,262	93	1,137,852	89	1,089,387	(4)	(48,465)
Grad Non- Vermonters	26,476	4	116,065	4	115,078	(0)	(1,007)
S/T		<u>1,307</u>	<u>15,572,182</u>	<u>1,272</u>	<u>15,166,264</u>	<u>(35)</u>	<u>(405,918)</u>
Summer Sessions (annualized)		126	1,367,792	115	1,252,415	(11)	(115,377)
Total Student Tuition		<u>1,433</u>	<u>16,939,974</u>	<u>1,387</u>	<u>\$16,418,679</u>	<u>(46)</u>	<u>(\$521,295)</u>
Student Fees			1,601,697		1,693,760		92,063
Total Tuition and Fees			<u>18,541,671</u>		<u>18,112,439</u>		<u>(429,232)</u>
Less: Waivers			(853,139)		(854,069)		(930)
Total Net Tuition & Fees			<u>17,688,532</u>		<u>17,258,370</u>		<u>(430,162)</u>
Auxiliary:							
Room & Board Fall			2,458,176		2,587,614		129,438
Room & Board Spring			2,147,997		2,375,062		227,065
Bookstore							0
Total Auxiliary			<u>4,606,173</u>		<u>4,962,676</u>		<u>356,503</u>

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

** Summer Sessions charge rates utilized in preceeding Academic Year


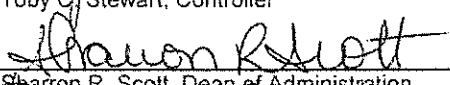
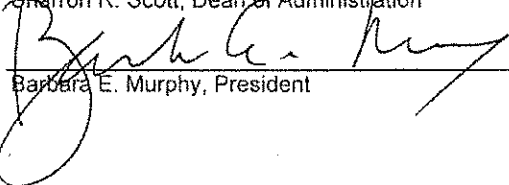
Johnson State College

Period Ending Date - 3/31/15

Narrative Highlights for Budget vs. Actual

Projection vs. Budget The enrollment gap for Johnson State College improved from 41 full paying equivalent (FTE) students in the fall semester (2.8% below budget) to 29 FTE in the spring (2.4% below budget). The shortfall in enrollment was comprised mainly of two factors, a reduction in new transfer students, and reduced persistence in the External Degree Program. The shortfall in tuition and fees revenue was partially offset by Room and Board that is expected to be 7.7% better than budget. The increased revenue associated with Room and Board can be attributed to strong participation in residential programs by students with junior and senior standing. The net effect of these revenue adjustments is an estimated \$167K or 0.7% less than budgeted operating revenues. Non-operating revenues (excluding Vermont State College Board of Trustees approved reserves) are forecasted at \$131K less than budget and is explained primarily by \$90K reduction of investment income.

To mitigate the enrollment gap, Johnson State College has actively controlled expenses; including monitoring the number of sections opened, especially in the External Degree Program, and holding open vacant positions where possible. One-time revenue enhancement opportunities included in our budget, such as sustainable forestry, solar installation and property sale, have contributed to the college's FY15 financial results. Relief from the GASB45 trust fund payment and further adjustments to other budget lines are estimated to result in a surplus of \$26K. Johnson State College's current forecast anticipates not using the \$675K in reserves approved for use as part of the FY15 budget.

 Toby C. Stewart, Controller	4/30/15 Date
 Sharon R. Scott, Dean of Administration	4/30/2015 Date
 Barbara E. Murphy, President	4/30/15 Date

Vermont State Colleges
Lyndon State College
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
Tuition and Fees (Gross)	20,495,530	21,139,347	(643,817)	193,667	20,689,197	21,977,669	-	21,977,669	(1,268,472)	21,527,475
(Less Scholarship Allowances)	2,547,401	2,319,626	227,775	49,740	2,597,141	2,691,970	-	2,691,970	94,829	2,651,306
Net Tuition and Fees:	17,948,129	18,819,721	(871,592)	143,927	18,092,056	19,285,699	-	19,285,699	(1,193,643)	18,876,168
Federal Grants and Contracts	3,070	3,380	(310)	-	3,070	-	-	-	3,070	3,380
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	829,767	679,084	150,683	156,224	985,991	724,377	-	724,377	261,614	946,455
Auxiliary Enterprises	6,022,964	5,974,441	48,523	(36,668)	5,986,296	6,080,000	-	6,080,000	(93,704)	5,959,096
Other Operating Revenue	124,801	63,529	61,272	6,750	131,551	90,000	-	90,000	41,551	134,547
TOTAL OPERATING REVENUE	24,928,731	25,540,155	(611,424)	270,233	25,198,964	26,180,076	-	26,180,076	(981,112)	25,919,647
OPERATING EXPENSES										
Salaries and Wages	6,554,497	8,831,446	276,949	2,835,267	11,389,764	11,371,819	-	11,371,819	(17,945)	11,400,230
Employee Benefits - Group Insurance	2,780,059	2,771,389	(8,670)	954,912	3,734,971	3,694,667	-	3,694,667	(40,304)	3,683,113
Employee Benefits - GASB 45	786,000	482,700	(303,300)	262,000	1,048,000	650,000	-	650,000	(398,000)	1,056,790
Payment to Trust for GASB45 benefits	-	271,336	271,336	-	-	614,510	-	614,510	614,510	357,415
Employee Benefits - Other	2,033,774	2,096,305	62,531	661,918	2,695,692	2,720,793	-	2,720,793	25,101	2,694,320
Scholarships and Fellowships	1,877,751	2,100,849	223,098	10,724	1,888,475	1,957,219	-	1,957,219	68,744	1,814,687
Supplies and Other Services	4,143,283	4,170,855	27,572	967,081	5,110,364	5,223,476	-	5,223,476	113,112	5,340,198
Travel	408,773	437,856	29,083	175,377	584,150	574,150	-	574,150	(10,000)	619,587
Equipment	205,768	379,345	173,557	121,920	327,708	632,708	-	632,708	305,000	218,046
Library Acquisitions	114,252	113,109	(1,143)	67,047	181,299	183,112	-	183,112	1,813	152,480
Utilities	1,146,766	1,136,018	(10,748)	477,234	1,624,000	1,624,000	-	1,624,000	0	1,474,848
Transfers										
Inter-entity	1,826,617	2,185,045	358,428	790,768	2,617,385	3,182,973	-	3,182,973	565,588	2,927,145
Intra-entity	(239,546)	(186,524)	53,022	260,546	21,000	(317,000)	-	(317,000)	(338,000)	170,415
TOTAL OPERATING EXPENSES	23,638,016	24,789,729	1,151,713	7,584,794	31,222,810	32,112,427	-	32,112,427	889,617	31,909,275
Operating Income (Loss)	1,290,715	750,426	540,289	(7,314,561)	(6,023,846)	(5,932,351)	-	(5,932,351)	(91,495)	(5,989,628)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	3,569,120	3,580,886	(11,766)	1,205,286	4,774,406	4,798,386	-	4,798,386	(23,980)	4,774,513
Gifts	107,371	1,198,482	(1,091,111)	27,629	135,000	171,530	-	171,530	(36,530)	1,185,535
Investment Income (Net of Expenses)	86,427	156,503	(70,076)	18,146	104,573	142,435	-	142,435	(37,862)	190,717
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	36	2,525	(2,489)	(35)	-	-	-	-	-	-
Use of Strategic Reserve	-	-	-	-	-	170,000	300,000	470,000	(470,000)	-
Net Non-Operating Revenues	3,762,955	4,938,396	(1,175,441)	1,251,025	5,013,980	5,282,351	300,000	5,582,351	(568,371)	6,150,765
Increase (Decrease) in Unrestricted Net Assets	5,053,670	5,688,822	(635,152)	(6,063,536)	(1,009,866)	(650,000)	300,000	(350,000)	(659,866)	161,137
Increase (Decrease) in GASB45 liability	786,000	482,700	303,300	262,000	1,048,000	650,000	-	650,000	398,000	1,056,790
TOTAL	5,839,670	6,171,522	(331,852)	(5,801,536)	38,134	-	300,000	300,000	(261,866)	1,217,927

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

Lyndon State College
3/31/2015

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE		
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
Fall 2014	(Semester)						
Vermonter	4,848	734	3,558,432	677	3,283,231	(57)	(275,201)
Non-Vrmt (o/s)	10,380	221	2,293,960	215	2,228,186	(6)	(65,794)
NEBHE	10,380	384	3,985,920	361	3,742,152	(23)	(243,768)
Grad Vermont	6,036	32	193,152	27	160,431	(5)	(32,721)
Grad Non- Vermont	13,008	-	0	0	1,578	0	1,578
Total		<u>1,371</u>	<u>10,031,464</u>	<u>1,279</u>	<u>9,415,578</u>	<u>(92)</u>	<u>(615,906)</u>
Spring 2015	(Semester)						
Vermonter	4,848	681	3,301,488	607	2,941,248	(74)	(360,240)
Non-Vrmt (o/s)	10,380	189	1,961,820	213	2,214,322	24	252,502
NEBHE	10,380	340	3,612,240	319	3,312,851	(29)	(299,389)
Grad Vermont	6,036	44	253,152	11	64,230	(33)	(198,922)
Grad Non- Vermont	13,008	-	0	0	3,252	0	3,252
Total		<u>1,262</u>	<u>9,138,700</u>	<u>1,150</u>	<u>8,535,903</u>	<u>(112)</u>	<u>(602,797)</u>
SUMMER SESSIONS I (JJAUG)	**						
Vermonter	4,656	40	186,240	34	158,176	(6)	(28,064)
Non-Vrmt (o/s)	9,984	5	49,920	6	57,879	1	7,959
NEBHE	9,984	13	129,792	14	136,734	1	6,942
Grad Vermont	5,796	3	17,388	11	61,926	8	44,538
Grad Non- Vermont	12,504	-	0	0	0	0	0
Total		<u>61</u>	<u>383,340</u>	<u>64</u>	<u>414,715</u>	<u>3</u>	<u>31,375</u>
SUMMER SESSIONS II (MAY/J)	**						
Vermonter	4,848	30	145,440	30	145,440	0	0
Non-Vrmt (o/s)	10,380	2	20,760	2	20,760	0	0
NEBHE	10,380	5	51,900	5	51,900	0	0
Grad Vermont	6,036	1	6,036	1	6,036	0	0
Grad Non- Vermont	13,008	-	0	0	0	0	0
Total		<u>38</u>	<u>224,136</u>	<u>38</u>	<u>224,136</u>	<u>0</u>	<u>0</u>
FY 2015 TOTAL	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonter	\$9,696	708	6,859,920	642	6,224,479	(66)	(635,441)
Non-Vrmt (o/s)	20,760	205	4,258,800	214	4,442,508	9	186,708
NEBHE	20,760	366	7,598,160	340	7,055,003	(26)	(543,157)
Grad Vermont	12,072	38	456,304	19	224,661	(19)	(231,643)
Grad Non- Vermont	26,016	0	0	0	4,830	0	4,830
S/T		<u>1,316</u>	<u>19,170,184</u>	<u>1,215</u>	<u>17,951,481</u>	<u>(102)</u>	<u>(1,218,703)</u>
Summer Sessions (annualized)		50	607,476	51	638,851	2	31,375
Total Student Tuition		<u>1,366</u>	<u>19,777,660</u>	<u>1,266</u>	<u>18,590,332</u>	<u>(100)</u>	<u>(1,187,328)</u>
NEKSDC Tuition & Misc							0
Student Fees			2,200,009		2,098,865		(101,144)
Total Tuition and Fees			<u>21,977,669</u>		<u>20,689,197</u>		<u>(1,288,472)</u>
Less: Waivers			(2,691,969)		(2,597,141)		94,828
Total Net Tuition & Fees			<u>19,285,700</u>		<u>18,092,056</u>		<u>(1,193,644)</u>
Auxiliary:							
Room & Board Fall			3,208,281		3,133,547		(74,734)
Room & Board Spring			2,671,719		2,852,749		(18,970)
Bookstore							
Total Auxiliary			<u>6,080,000</u>		<u>5,986,296</u>		<u>(93,704)</u>

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

** Summer Sessions charge rates utilized in preceding Academic Year

Lyndon State College
3/31/2015

Narrative - Budget vs. Actual

Lyndon's overall enrollment and tuition revenues fell below budget estimates. Total FPE enrollment was 1213 against an approved budget of 1311 and LSC's contingency budget of 1220. This is a 7.5% decrease from the approved budget and a 0.6% decrease from the contingency budget. Graduate enrollments fell behind expectations; however, undergraduate enrollment decreased most significantly. Most all categories of matriculated students saw a decline in enrollments, with the exception of the Non-Vermonters which were 9 FPEs ahead of budget targets. This was due to the spring semester, which saw non-Vermonters FPE increase 24 over budget. Vermonter enrollments saw the most significant impact at 66 FPE negative variance from budget. 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 projected negative variance from budget in net tuition and fee revenue of \$1.19 million against budget but a marginally positive variance of \$32k against the contingency budget. With less heads, auxiliary revenues are also projected to be below budget, though again, higher than the contingency budget. With the positive variances in sales and services and other operating revenue, the net operating revenue variance projected is a negative \$981k.

Operating expenses and transfers are projected to total \$31,223,000 for the fiscal year, approximately 2.8% 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 early in summer 2014. The contingency budget included cuts to operations, holding open certain vacancies, and scaling back projects. It is also largely due to the Board's decision to return the trust payment to each of the colleges, which allowed the college to not tap into strategic reserves and approved budget carry forwards, as it had originally planned to do.

With these measures in place, our current projection for the fiscal year is for a modest surplus of approximately \$38,000 when all categories of operating revenues, operating expenses and transfers, and non-operating revenues are considered. This amount represents approximately .1% of the total approved budget for FY2015.

Associate Dean of Administration
Sheilah M Evans

3/31/15

Dean of Administration
Loren Loomis Hubbell

President
Joseph A. Bertolino

Vermont State Colleges
Vermont Technical College
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
Tuition and Fees (Gross)	15,719,991	15,992,378	(272,387)	(39,582)	15,680,409	16,543,508	-	16,543,508	(863,099)	15,989,809
(Less Scholarship Allowances)	598,066	935,664	(337,598)	9,625	607,691	637,000	-	637,000	29,309	983,304
Net Tuition and Fees:	15,121,925	15,056,714	65,211	(49,207)	15,072,718	15,906,508	-	15,906,508	(833,790)	15,006,505
Federal Grants and Contracts	2,810	2,905	(96)	(2,810)	-	-	-	-	-	2,905
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	972,694	895,466	77,228	293,864	1,266,558	1,614,300	-	1,614,300	(347,742)	1,205,191
Auxiliary Enterprises	3,929,427	3,981,108	(51,681)	18,751	3,948,178	4,155,500	-	4,155,500	(207,322)	3,999,009
Other Operating Revenue	178,498	182,781	(4,283)	86,441	264,939	206,050	-	206,050	58,889	285,264
TOTAL OPERATING REVENUE	20,205,354	20,118,974	86,380	347,039	20,552,393	21,882,358	-	21,882,358	(1,329,965)	20,498,875
OPERATING EXPENSES										
Salaries and Wages	8,346,240	9,079,765	732,525	2,937,820	11,284,060	11,123,633	-	11,123,633	(160,427)	11,567,992
Employee Benefits - Group Insurance	2,665,843	2,722,866	57,023	795,331	3,461,174	3,591,400	-	3,591,400	130,226	3,569,309
Employee Benefits - GASB 45	804,000	635,700	(168,300)	488,750	1,292,750	847,600	-	847,600	(445,150)	1,022,141
Payment to Trust for GASB45 benefits	-	231,215	231,215	-	-	477,195	-	477,195	477,195	264,708
Employee Benefits - Other	2,019,441	2,120,245	100,804	576,950	2,586,391	2,677,050	-	2,677,050	80,659	2,682,498
Scholarships and Fellowships	658,688	484,109	(184,579)	3,363	872,051	785,000	-	785,000	112,950	487,115
Supplies and Other Services	4,289,561	4,442,827	153,266	1,715,355	6,004,916	6,427,218	-	6,427,218	422,302	5,836,897
Travel	227,597	243,107	15,510	230,369	457,966	215,535	-	215,535	(242,431)	351,704
Equipment	118,965	247,491	128,526	47,793	166,758	58,500	-	58,500	(108,258)	308,310
Library Acquisitions	202,595	216,841	14,246	82,905	285,500	285,500	-	285,500	(0)	245,068
Utilities	1,198,612	1,265,921	67,309	546,907	1,745,519	1,545,400	-	1,545,400	(200,119)	1,659,142
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	558,305	577,990	19,685	183,465	741,770	2,048,104	-	2,048,104	1,306,334	(1,429,081)
Intra-entity	(129,012)	396,156	525,168	428,786	299,774	49,900	-	49,900	(249,874)	420,012
TOTAL OPERATING EXPENSES	20,970,835	22,663,233	1,692,398	8,037,794	29,008,629	30,132,035	-	30,132,035	1,123,406	26,985,816
Operating Income (Loss)	(765,481)	(2,544,259)	1,778,778	(7,690,755)	(8,456,236)	(8,249,677)	-	(8,249,677)	(206,559)	(6,486,940)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	3,569,120	3,580,886	(11,766)	1,195,938	4,765,058	4,798,386	-	4,798,386	(33,328)	4,774,513
Gifts	144,516	142,881	1,635	26,863	171,379	126,000	-	126,000	45,379	110,883
Investment Income (Net of Expenses)	51,988	238,940	(186,952)	(17,446)	34,542	72,682	-	72,682	(38,140)	309,015
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
VSC Line of Credit	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	3,765,624	3,962,707	(197,083)	1,205,355	4,970,979	4,997,068	-	4,997,068	(26,089)	5,194,411
Increase (Decrease) in Unrestricted Net Assets	3,000,143	1,418,448	1,581,695	(6,485,400)	(3,485,257)	(3,252,609)	-	(3,252,609)	(232,648)	(1,292,528)
Increase (Decrease) in GASB45 liability	804,000	635,700	168,300	488,750	1,292,750	847,600	-	847,600	445,150	1,022,141
TOTAL	3,804,143	2,054,148	1,749,995	(5,996,650)	(2,192,507)	(2,405,009)	-	(2,405,009)	212,502	(270,389)

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

Vermont Technical College
3/31/2015

	BUDGETED			ACTUAL/ESTIMATED		VARIANCE	
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
Fall 2014	(Semester)						
Vermonter	5,928	830	4,918,870	806	\$4,775,702	(24)	(\$143,168)
Non-Vrmt (o/s)	11,352	79	900,295	81	919,410	2	19,115
NEBHE	11,352	105	1,191,960	76	863,314	(28)	(328,646)
Grad Vermonter							
Grad Non- Vermonter							
Total		<u>1,014</u>	<u>\$7,011,125</u>	<u>963</u>	<u>\$6,558,426</u>	<u>(51)</u>	<u>(\$452,699)</u>
Spring 2015	(Semester)						
Vermonter	5,928	780	\$4,621,187	770	\$4,567,169	(9)	(\$54,018)
Non-Vrmt (o/s)	11,352	78	885,456	79	898,420	1	12,964
NEBHE	11,352	102	1,157,904	82	936,100	(20)	(221,804)
Grad Vermonter							
Grad Non- Vermonter							
Total		<u>960</u>	<u>\$6,664,547</u>	<u>932</u>	<u>\$6,401,689</u>	<u>(28)</u>	<u>(\$262,858)</u>
SUMMER SESSIONS I (J/Aug)	**						
Vermonter	5,760	10	58,622	15	\$65,060	5	\$26,438
Non-Vrmt (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							
Total		<u>10</u>	<u>58,622</u>	<u>17</u>	<u>105,957</u>	<u>6</u>	<u>47,335</u>
SUMMER SESSIONS II (May/J)	**						
Vermonter	5,928	10	61,014	7	\$39,631	(4)	(\$21,383)
Non-Vrmt (o/s)	11,352	0	-	0	2,038	0	2,038
NEBHE	11,352	0	-	0	4,415	0	4,415
Grad Vermonter							
Grad Non- Vermonter							
Total		<u>10</u>	<u>\$61,014</u>	<u>7</u>	<u>\$46,084</u>	<u>(3)</u>	<u>(\$14,930)</u>
FY 2015 TOTAL	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonter	\$11,856	805	\$9,540,057	788	\$9,342,871	(17)	(\$197,186)
Non-Vrmt (o/s)	22,704	79	1,785,751	80	1,817,830	1	32,079
NEBHE	22,704	104	2,349,864	79	1,799,414	(24)	(\$550,450)
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	947	\$12,960,115	(39)	(\$715,557)
Summer Sessions (annualized)		10	119,636	12	152,041	2	\$32,405
Total Student Tuition		<u>987</u>	<u>13,795,308</u>	<u>959</u>	<u>\$13,112,156</u>	<u>(38)</u>	<u>(\$683,152)</u>
Student Fees			2,748,200		2,568,253		(179,947)
Total Tuition and Fees			<u>\$16,543,508</u>		<u>\$15,680,409</u>		<u>(\$863,099)</u>
Less: Waivers			(637,000)		(607,091)		29,909
Total Net Tuition & Fees			<u>\$15,906,508</u>		<u>\$15,072,718</u>		<u>(\$833,790)</u>
Auxiliary							
Room & Board Fall			2,202,400		2,048,000		(154,400)
Room & Board Spring			1,953,100		1,900,178		(52,922)
Bookstore							0
Total Auxiliary			<u>4,155,500</u>		<u>3,948,178</u>		<u>(207,322)</u>

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

** Summer Sessions charge rates utilized in preceeding Academic Year

VTC FY15 Third Quarter Budget Narrative

April 29, 2015

SUMMARY

At the close of the 3rd quarter, Vermont Technical College (VTC) has realized a modest improvement in its overall financial picture. Projected at the end of the 2nd quarter to exceed its budgeted \$2.4M shortfall by \$185k, through continued austerity efforts and the cancellation of the FY2015 GASB transfer VTC is on pace to close the year with a \$2.2 M loss.

The Nursing & Allied Health division remains a strong financial contributor to Vermont Technical College: though summer term enrollment is slightly below 2nd quarter projections, revenue continues to outpace budget expectations by 10%. NAH is on pace to exceed its FY2015 budgetary target by with an approximately \$137k profit.

	VTC	NAH
Q2 Bottom Line	\$ (2,585,000)	\$ 132,000
GASB Cancelled	\$ 477,000	\$ 144,000
Retirement Incentives	\$ (150,000)	\$ -
Other Savings/Costs	\$ 65,000	\$ (139,000)
Q3 Bottom Line	\$ (2,193,000)	\$ 137,000

REVENUES

VTC Revenues remain largely as described at the end of the second quarter. We continue to project revenue declines of approximately 5%.

EXPENSES

VTC continues to react aggressively to meet this challenging financial situation. Through budget cuts and reduction in force on the administrative side, and curriculum consolidation on the academic side, VTC has realized real savings. At our current spend rate, combined FY2015 salary, wage, and benefit expenses, excluding retirement incentives, are trending \$230k better than budgeted, and our supply expenditures are on pace for \$400k less. Our projections suggest overall expense efficiencies along the order of 4%.

With the cancellation of the planned \$477k FY2015 GASB transfer, VTC has budgeted \$150k for financing retirement incentives which we believe will reduce our long term expense structure. The rest of this cancellation is expected to reduce VTC's FY2015 deficit.

SUMMARY

Vermont Tech continues to closely monitor its financial progress with the goal of reacting aggressively to budgetary challenges. Having undertaken operational budget cuts and personnel actions; a broad based, institution-wide revamping of our academic curriculum. It is our goal to close FY2015 with a combined VTC-NAH loss of \$2.1 M.

Vermont State Colleges
System Office
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
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
TOTAL OPERATING REVENUE	382,414	3,089	379,325	-	382,414	-	-	-	382,414	3,089
OPERATING EXPENSES										
Salaries and Wages	1,675,583	1,725,844	50,261	558,000	2,233,583	2,274,876	-	2,274,876	41,293	2,426,107
Employee Benefits - Group Insurance	451,301	447,511	(3,790)	149,000	600,301	604,646	-	604,646	4,345	(1,102,568)
Employee Benefits - GASB 45	195,000	84,600	(110,400)	65,000	260,000	206,860	-	206,860	(53,140)	255,904
Payment to Trust for GASB45 benefits	-	(1,619,615)	(1,619,615)	-	-	-	-	-	-	(2,061,876)
Employee Benefits - Other	454,326	396,200	(58,126)	105,000	559,326	259,242	-	259,242	(300,084)	403,529
Scholarships and Fellowships	-	-	-	-	-	-	-	-	-	-
Supplies and Other Services	2,497,072	3,554,803	1,057,731	500,000	2,997,072	3,235,052	-	3,235,052	237,980	3,560,188
Travel	75,253	64,894	(10,359)	15,000	90,253	54,693	-	54,693	(35,560)	98,436
Equipment	212,587	554	(212,033)	-	212,587	65,614	-	65,614	(146,973)	554
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	49,090	48,560	(530)	16,000	65,090	-	-	-	(65,090)	62,764
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	(7,492,559)	(6,236,819)	1,255,740	(4,118,671)	(11,611,230)	(12,339,239)	-	(12,339,239)	(728,009)	(6,670,551)
Intra-entity	58,163	(4,244)	(62,407)	-	58,163	-	-	-	(58,163)	(249,715)
TOTAL OPERATING EXPENSES	(1,824,184)	(1,537,712)	286,472	(2,710,671)	(4,534,855)	(5,638,256)	-	(5,638,256)	(1,103,401)	(3,277,227)
Operating Income (Loss)	2,206,598	1,540,801	665,797	2,710,671	4,917,269	5,638,256	-	5,638,256	(720,987)	3,280,316
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	-	-	-	-	-	-	-	-	-	-
Gifts	502,433	441,322	61,111	-	502,433	-	-	-	502,433	441,322
Investment Income (Net of Expenses)	4,351	(238,222)	242,573	1,450	5,801	-	-	-	5,801	(139,500)
Interest Expense on Capital Debt	(3,585,791)	(3,685,951)	100,160	(1,442,128)	(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	(3,079,007)	(3,482,851)	403,844	(1,440,678)	(4,519,685)	(5,845,117)	-	(5,845,117)	1,325,432	(5,610,994)
Increase (Decrease) in Unrestricted Net Assets	(672,409)	(1,942,051)	1,069,642	1,269,994	397,585	(206,861)	-	(206,861)	604,446	(2,330,677)
Increase (Decrease) in GASB45 liability	195,000	84,600	110,400	65,000	260,000	206,860	-	206,860	53,140	255,904
TOTAL	(677,409)	(1,857,451)	1,180,042	1,334,994	657,585	(1)	-	(1)	657,586	(2,074,774)

Chancellor's Office

March 31, 2015

Narrative Highlights

Budget vs Actual

During FY2015 the OC is projecting an overall positive variance with the budget of \$658K. This is primarily from unbudgeted income from gifts and other revenue.

Vermont State Colleges
Allied Health
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
Tuition and Fees (Gross)	5,602,361	4,554,237	1,048,124	(177,129)	5,425,232	4,901,516	-	4,901,516	523,716	4,681,403
(Less Scholarship Allowances)	253,490	163,734	89,756	1,818	255,308	160,900	-	160,900	(94,408)	170,443
Net Tuition and Fees	5,348,871	4,390,503	958,368	(178,947)	5,169,924	4,740,616	-	4,740,616	429,308	4,510,960
Federal Grants and Contracts	-	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Non-Governmental Grants and Contracts	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Sales and Services	157,869	165,054	(7,185)	39,725	197,594	172,500	-	172,500	25,094	196,196
Auxiliary Enterprises	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	3,269	61	3,208	-	3,269	-	-	-	3,269	61
TOTAL OPERATING REVENUE	5,510,009	4,555,618	954,391	(139,222)	5,370,787	4,913,116	-	4,913,116	457,671	4,707,216
OPERATING EXPENSES										
Salaries and Wages	1,918,510	2,014,574	96,064	798,903	2,717,413	2,745,600	-	2,745,600	28,187	2,775,538
Employee Benefits - Group Insurance	424,047	439,134	15,087	99,638	523,685	553,700	-	553,700	30,015	553,812
Employee Benefits - GASB 45	108,000	-	(108,000)	36,000	144,000	-	-	-	(144,000)	137,443
Payment to Trust for GASB45 benefits	-	67,190	67,190	-	-	141,900	-	141,900	141,900	85,690
Employee Benefits - Other	395,966	468,864	72,898	178,128	574,094	590,500	-	590,500	15,406	643,048
Scholarships and Fellowships	134,106	51,326	(82,780)	29,142	163,248	96,300	-	96,300	(66,948)	64,091
Supplies and Other Services	510,725	386,540	(124,185)	176,545	687,270	809,437	-	809,437	122,167	574,454
Travel	18,803	32,482	13,679	8,245	27,048	46,500	-	46,500	19,452	45,782
Equipment	659	4,968	4,309	585	1,244	17,966	-	17,966	16,722	9,631
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	9,316	15,124	5,808	4,074	13,390	22,000	-	22,000	8,610	20,935
Transfers										
Inter-entity	1,041,501	747,720	(293,781)	658,447	1,699,948	1,046,988	-	1,046,988	(652,960)	1,027,940
Intra-entity	(233,956)	(195,317)	38,639	(2,833)	(236,789)	-	-	-	236,789	(195,660)
TOTAL OPERATING EXPENSES	4,327,677	4,032,605	(295,072)	1,986,874	6,314,551	6,070,891	-	6,070,891	(243,650)	5,742,703
Operating Income (Loss)	1,182,332	523,013	659,319	(2,126,096)	(943,764)	(1,157,775)	-	(1,157,775)	214,011	(1,035,486)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	637,374	633,687	3,687	290,104	927,478	1,157,775	-	1,157,775	(230,297)	921,186
Gifts	34	34	-	-	34	-	-	-	34	46
Investment Income (Net of Expenses)	5,283	43,951	(38,668)	12	5,295	-	-	-	5,295	59,171
Interest Expense on Capital Debt	-	-	-	3,923	3,923	-	-	-	3,923	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	642,691	677,672	(34,981)	294,039	936,730	1,157,775	-	1,157,775	(221,045)	980,403
Increase (Decrease) in Unrestricted Net Assets	1,825,023	1,200,685	624,338	(1,832,057)	(7,034)	-	-	-	(7,034)	(55,083)
Increase (Decrease) in GASB45 liability	108,000	-	108,000	36,000	144,000	-	-	-	144,000	137,443
TOTAL	1,933,023	1,200,685	732,338	(1,796,057)	136,966	-	-	-	136,966	82,360

VERMONT STATE COLLEGES
- FY'15 TUITION & FEES REVENUE MONITORING REPORT -
Nursing and Allied Health
 3/31/2015

	BUDGETED		ACTUAL/ESTIMATED		VARIANCE		
	Rate	FPE*	Revenue	FPE*	Revenue	FPE*	Revenue
Fall 2014	(Semester)						
Vermonter	6,228	275	\$1,714,950	278	\$1,733,462	3	\$18,512
Non-Vmtr (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 Vermonter							
Grad Non- Vermonter							
Total		304	\$2,052,162	318	\$2,199,085	14	\$146,923
Spring 2015	(Semester)						
Vermonter	6,228	260	\$1,621,530	283	\$1,765,194	23	\$143,664
Non-Vmtr (o/s)	11,628	8	93,024	8	96,204	0	3,260
NEBHE	11,628	20	232,560	28	326,581	8	94,021
Grad Vermonter							
Grad Non- Vermonter							
Total		288	\$1,947,114	320	\$2,188,059	31	\$240,945
SUMMER SESSIONS I. (J/Aug)	**						
Vermonter		-	-	-	-	-	-
Non-Vmtr (o/s)		-	-	-	-	-	-
NEBHE		-	-	-	-	-	-
Grad Vermonter		-	-	-	-	-	-
Grad Non- Vermonter		-	-	-	-	-	-
Total		0	0	0	0	0	0
SUMMER SESSIONS II> (May/J)	**						
Vermonter	4,671	130	607,230	123	\$578,105	(7)	(\$31,125)
Non-Vmtr (o/s)	8,721	-	-	2,00	17,442	2,00	17,442.00
NEBHE	8,721	10	87,210	14	119,187	3.67	31,977.00
Grad Vermonter							
Grad Non- Vermonter							
Total		140	694,440	139	712,734	(1)	18,294
FY 2015 TOTAL	(Acad Yr)	(Avg)					
Fall & Spring							
Vermonter	12,456	268	3,336,480	281	3,498,656	13	162,176
Non-Vmtr (o/s)	23,256	8	186,048	10	227,223	2	41,175
NEBHE	23,256	21	476,748	28	661,265	8	184,517
Grad Vermonter							
Grad Non- Vermonter							
S/T		296	3,999,276	319	4,387,144	23	387,868
Summer Sessions (annualized)		70	694,440	70	712,734	(0)	\$18,294
Total Student Tuition		365	4,693,716	389	5,099,878	22	406,162
Student Fees			207,800		325,354		117,554
Total Tuition and Fees			4,901,516		5,425,232		523,716
Less: Waivers			(160,900)		(255,308)		(94,408)
Total Net Tuition & Fees			4,740,616		5,169,924		429,308
Auxiliary:							
Room & Board Fall			0		0		0
Room & Board Spring			0		0		0
Bookstore			0		0		0
Total Auxiliary			0		0		0

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

** Summer Sessions charge rates utilized in preceeding Academic Year

Vermont State Colleges
 Vermont Interactive TV
 For the Nine Months Ending March 31, 2015
 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
OPERATING REVENUES										
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	89,526	165,543	(76,017)	-	89,526	330,000	-	330,000	(240,474)	158,556
Auxiliary Enterprises	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	578	510	168	456	1,134	-	-	-	1,134	853
TOTAL OPERATING REVENUE	90,204	166,053	(75,849)	456	90,660	330,000	-	330,000	(239,340)	159,409
OPERATING EXPENSES										
Salaries and Wages	424,857	426,587	1,730	142,812	567,669	581,200	-	581,200	13,531	565,879
Employee Benefits - Group Insurance	149,648	152,818	3,170	39,545	189,193	209,000	-	209,000	19,807	196,468
Employee Benefits - GASB 45	78,000	5,700	(72,300)	28,000	106,000	7,600	-	7,600	(98,400)	102,402
Payment to Trust for GASB45 benefits	-	-	-	-	-	-	-	-	-	-
Employee Benefits - Other	86,230	86,904	674	32,565	118,795	127,547	-	127,547	8,752	115,787
Scholarships and Fellowships	-	-	-	-	-	-	-	-	-	-
Supplies and Other Services	111,527	122,073	10,546	33,099	144,626	185,095	-	185,095	40,469	171,317
Travel	9,034	12,300	3,266	2,296	11,330	19,499	-	19,499	8,169	16,612
Equipment	-	-	-	-	-	-	-	-	-	-
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	(43,658)	(46,792)	(3,134)	37,041	(6,617)	25,000	-	25,000	31,617	(147,086)
Intra-entity	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	815,639	759,590	(56,049)	315,358	1,130,997	1,154,941	-	1,154,941	23,944	1,021,378
Operating Income (Loss)	(725,435)	(593,537)	(131,898)	(314,902)	(1,040,337)	(824,941)	-	(824,941)	(215,396)	(861,970)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	613,005	606,938	6,067	204,334	817,339	817,341	-	817,341	(2)	809,249
Gifts	-	-	-	-	-	-	-	-	-	-
Investment Income (Net of Expenses)	-	-	-	-	-	-	-	-	-	-
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	613,005	606,938	6,067	204,334	817,339	817,341	-	817,341	(2)	809,249
Increase (Decrease) in Unrestricted Net Assets	(112,430)	13,401	(125,831)	(110,568)	(222,998)	(7,600)	-	(7,600)	(215,398)	(52,721)
Increase (Decrease) in GASB45 liability	78,000	5,700	72,300	28,000	106,000	7,600	-	7,600	98,400	102,402
TOTAL	(34,430)	19,101	(53,531)	(82,568)	(116,998)	-	-	-	(116,998)	49,681

VERMONT TECHNICAL COLLEGE (Vermont Interactive Technologies)

April 29, 2015

NARRATIVE HIGHLIGHTS FOR BUDGET VS ACTUAL – 3rd Qtr Review

Closing the third quarter of FY 2015, VIT's total revenue, which includes sales & services (470) and inter-entity transfers (910), is down considerably compared to last year. This is likely a result of the impending elimination of VIT. If funding is approved, many clients who haven't yet booked may return; however, at this point it is likely that revenue will not reach FY 2015 budget targets.

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 adjustments.

At the end of the third quarter, VIT is expected to close fiscal year 2015 with a \$100,000 shortfall.

Vermont State Colleges
Workforce Development
For the Nine Months Ending March 31, 2015
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
OPERATING REVENUES										
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	596,638	546,765	49,873	212,831	809,469	947,123	-	947,123	(137,654)	859,646
Auxiliary Enterprises	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	450	(450)	-	-	-	-	-	-	910
TOTAL OPERATING REVENUE	596,638	547,215	49,423	212,831	809,469	947,123	-	947,123	(137,654)	860,556
OPERATING EXPENSES										
Salaries and Wages	547,269	588,114	40,845	202,021	749,290	783,929	-	783,929	34,639	817,605
Employee Benefits - Group Insurance	148,150	125,349	(22,801)	48,629	196,779	140,396	-	140,396	(56,383)	171,594
Employee Benefits - GASB 45	171,000	186,300	15,300	57,000	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	105,557	120,501	14,944	28,071	133,628	179,610	-	179,610	45,982	168,908
Scholarships and Fellowships	-	-	-	-	-	-	-	-	-	-
Supplies and Other Services	426,433	330,892	(95,541)	97,491	523,924	473,356	-	473,356	(50,568)	534,814
Travel	67,892	63,121	(4,771)	31,803	99,695	105,742	-	105,742	6,047	92,296
Equipment	853	4,787	3,934	172	1,025	9,300	-	9,300	8,275	5,749
Library Acquisitions	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Inter-entity	(363,455)	(442,737)	(79,282)	(29,384)	(392,839)	(450,312)	-	(450,312)	(57,473)	(436,961)
Intra-entity	123,926	133,358	9,432	(99,093)	24,833	-	-	-	(24,833)	13,959
TOTAL OPERATING EXPENSES	1,227,624	1,109,665	(117,939)	336,710	1,564,334	1,510,421	-	1,510,421	(53,913)	1,594,479
Operating Income (Loss)	(630,986)	(562,470)	(68,516)	(123,879)	(754,865)	(563,298)	-	(563,298)	(191,567)	(733,923)
NON-OPERATING REVENUES (EXPENSES)										
State Appropriations	318,998	320,923	(1,926)	107,574	426,572	427,898	-	427,898	(1,327)	427,898
Gifts	-	-	-	-	-	-	-	-	-	-
Investment Income (Net of Expenses)	-	-	-	-	-	-	-	-	-	-
Interest Expense on Capital Debt	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Revenues	318,998	320,923	(1,926)	107,574	426,572	427,898	-	427,898	(1,327)	427,898
Increase (Decrease) in Unrestricted Net Assets	(311,989)	(241,547)	(70,442)	(16,305)	(328,294)	(135,400)	-	(135,400)	(192,894)	(306,025)
Increase (Decrease) in GASB45 liability	171,000	186,300	(15,300)	57,000	228,000	135,400	-	135,400	92,600	226,506
TOTAL	(140,989)	(55,247)	(85,742)	40,695	(100,294)	-	-	(100,294)	(100,294)	(79,519)

2. Update on Legislative Issues

An update of legislative activity will be provided at the meeting.

3. LSC Solar Farm Partnership

LSC has been working on an off-site solar project, called a net-metering array. Electric companies in Vermont are required to source up to 15% of their energy from renewable sources and a net-metering array is one way in which an institution that does not have a suitable location on campus can participate in solar energy. Moreover, because of powerful tax incentives at the federal level, the enabling legislation at the state level, and the declining cost of solar technology at the business level, such net-metering arrays can provide both sustainable cost savings as well as sustainable energy.

LSC issued a request for proposal earlier this year and had four strong responses. From these responses we have selected a company with whom we would like work. We are in the process of putting together that contract and business plan with the company. Expected savings over 20 years are in the range of \$1 million.

Please see the enclosed PowerPoint presentation for more information about the proposed net-metering project.

PROPOSED SOLAR NET METERING ARRANGEMENT FOR LYNDON

Informational briefing for the Finance and
Facilities Committee of the VSC Board of
Trustees

May 2015

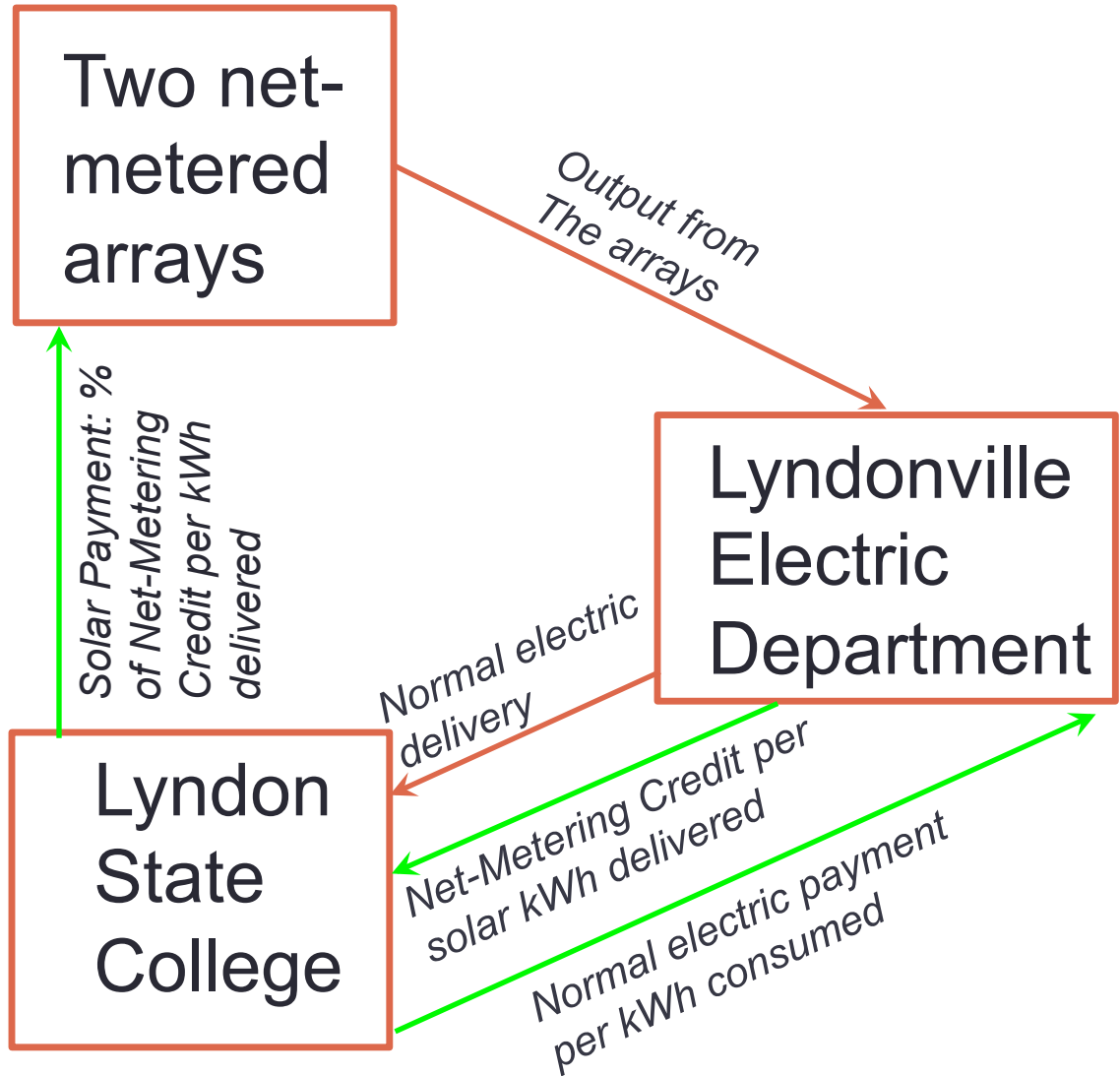
OVERVIEW

Our goal is to increasingly source our energy from renewable sources, at cost effective levels.

- The proposed net-metering arrangement is for two solar electric (photovoltaic) projects, associated with the college, but located elsewhere.
- This is a way to add solar energy to the local grid, credited to the college's consumption, even though we don't have the land or the connection points to site the array at Lyndon.
- The project should save the college 20-32% on average over 20 years in electric expense (roughly \$1 million over 20 years).
- The project:
 - We propose to work with a solar developer to install two 500 kW arrays on land that the developer will lease or buy.
 - The two arrays will be "net metered" in conjunction with the utility serving the college, Lyndon Electric.
 - The project is a 20 year contract.
 - The company is being chosen through a competitive bid process.

FLOW DIAGRAM

Energy flows from the arrays to the LED to the College. Money flows from the college to the solar company and to/ from LED to the college.



Net-Metering Credit

- **First Decade:**
 - NMC = “Solar Adder” + Retail Credit for each kWh generated
- **Second Decade (Solar Adder is zero)**
 - NMC = Retail Credit for each kWh generated

So,

Net Payment to LSC from Utility:

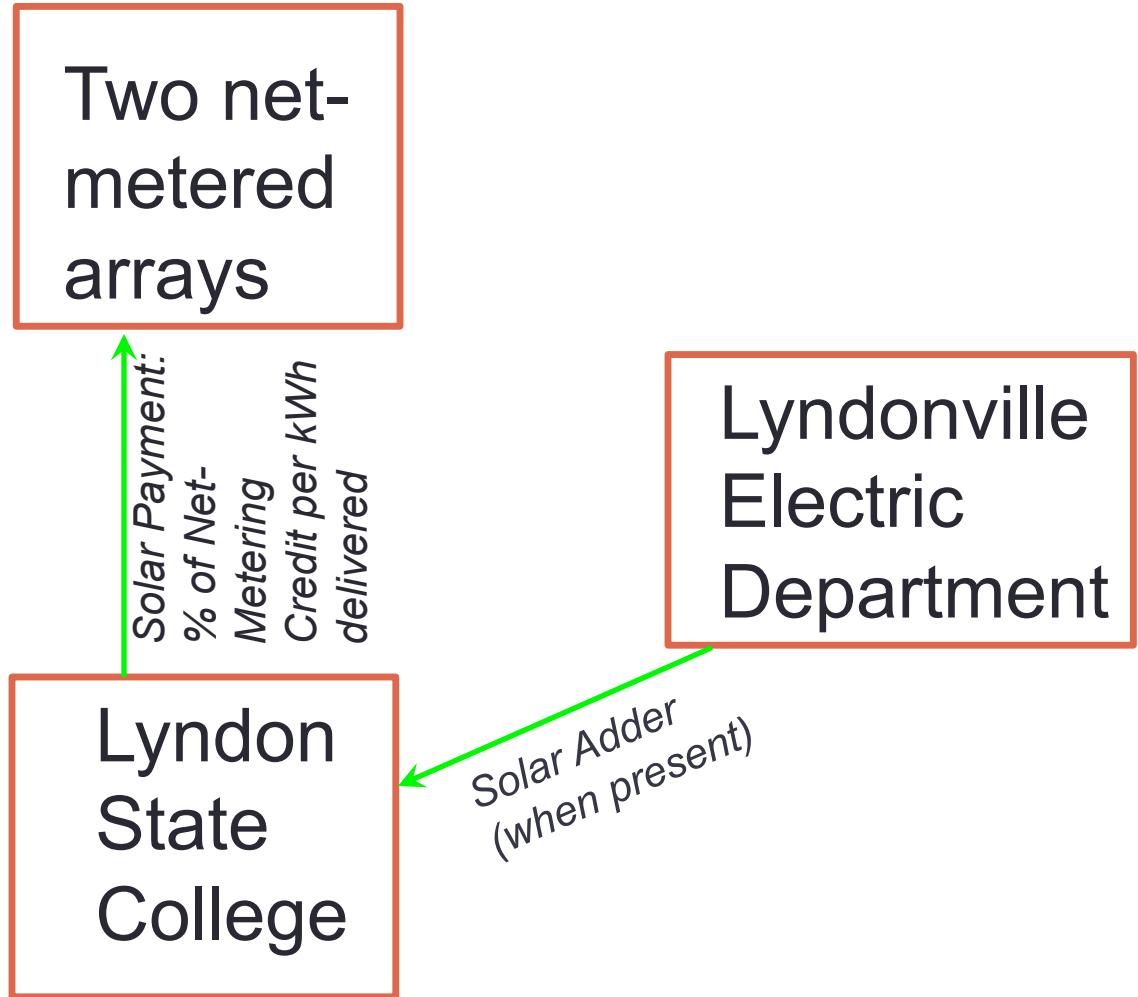
= “Solar Adder” (when present) +
Retail Credit – Retail Charge

= “Solar Adder” (when present)

We then then simplify the flow diagram as shown on the next slide.

SIMPLIFIED FLOW DIAGRAM (FINANCIAL ONLY)

Energy flows from the arrays to the LED to the College. Money flows from the college to the solar company and from the LED to the college.



WHY THIS WORKS FINANCIALLY

The savings is the net of the gain on the solar adder against the cost (or gain) on the expense of solar energy.

This is for the first ten years of the agreement.

Per kWh generated we save:

- If we had a free solar system, and no solar adder, we would simply save the entire **Avoided Utility Rate**.
- But in this situation we will actually save:

$$= \text{Avoided Utility Rate} + \text{Solar Adder} - \text{Solar Payment}$$

- The proposed Solar Payment, however, is:

$$\text{Solar Payment} = .71 * (\text{Solar Adder} + \text{Avoided Utility Rate})$$

- So, per kWh generated we actually save:

$$\begin{aligned} & \text{Avoided Utility Rate} + \text{Solar Adder} \\ & - .71 * (\text{Solar Adder} + \text{Avoided Utility Rate}) \end{aligned}$$

$$= .29 * (\text{Solar Adder} + \text{Avoided Utility Rate})$$

WHY THIS WORKS FINANCIALLY

The savings is the net of the gain on the solar adder against the cost (or gain) on the expense of solar energy.

This is for the first ten years of the agreement.

- Our *percent* savings is therefore:

$$.29 * (\text{Solar Adder} + \text{Avoided Utility Rate})$$

$$\div \text{Avoided Utility Rate}$$

$$\times 100\%$$

- **First Decade:**

During this time the Solar Adder is guaranteed such that

$$\text{Solar Adder} + \text{Avoided Utility Rate} = 19\text{¢/kWh}$$

(That is, the NMC is guaranteed to be 19¢/kWh)

We expect our Avoided Utility Rate to be about 15¢/kWh

So our percent savings with utility rates at **15¢/kWh** would be:

$$.29 * (19\text{¢/kWh})$$

$$\div 15\text{¢/kWh}$$

$$\times 100\%$$

$$= 37\%$$

WHY THIS WORKS FINANCIALLY

The savings is the net of the gain on the solar adder against the cost (or gain) on the expense of solar energy.

This is for the first ten years of the agreement.

- **Second Decade:**

During this time the Solar Adder is zero.

Solar Adder + Avoided Utility Rate = Avoided Utility Rate

(That is, the NMC just equals the Avoided Utility Rate)

So our percent savings will be about:

.29*(Avoided Utility Rate)

÷ Avoided Utility Rate

x 100%

= 29%

(That is, if the “Collar” on the Solar Payment is not in effect – see next).

WHY THIS WORKS FINANCIALLY

The savings is the net of the gain on the solar adder against the cost (or gain) on the expense of solar energy.

This is for the first ten years of the agreement.

- The only way in which these percentages can be less is if either:
 - A) The Avoided Utility Rate is higher than expected, in which case our percent savings decreases slightly.
 - B) The Avoided Utility Rate falls below 17.3 ¢/kWh during the second decade, in which case a collar (floor) kicks in requiring the Solar Payment to be no less than 71% of 17.3 ¢/kWh, or 12.3 ¢/kWh. In this case our percent savings becomes:

(Avoided Utility Rate - 12.3 ¢/kWh)

÷ Avoided Utility Rate

x 100%

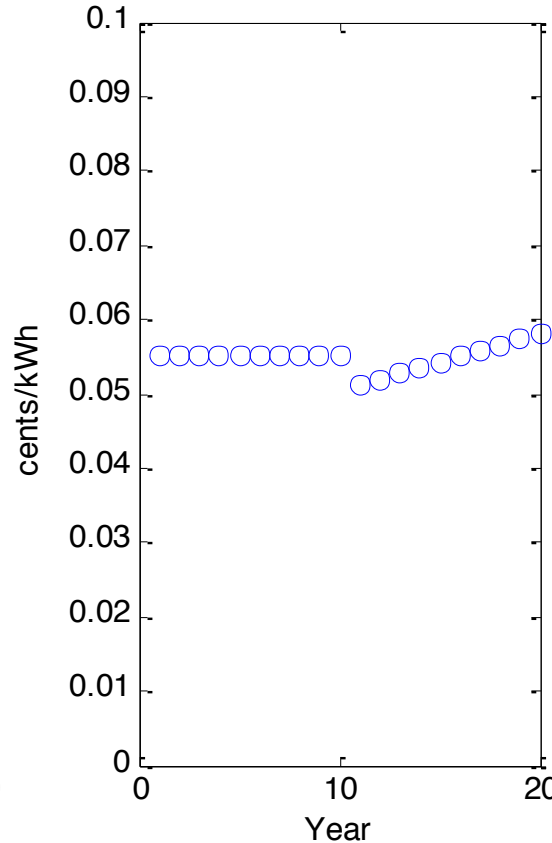
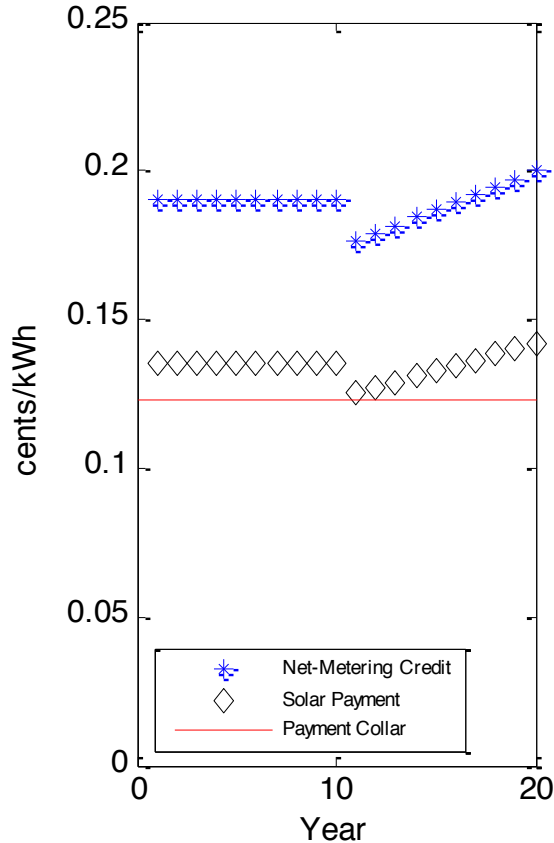
This show we will still save something unless the utility rate falls below 12.3 ¢/kWh, which we consider extremely unlikely, and which cannot happen at all in the first decade due to the solar adder.

Scenario Modeling

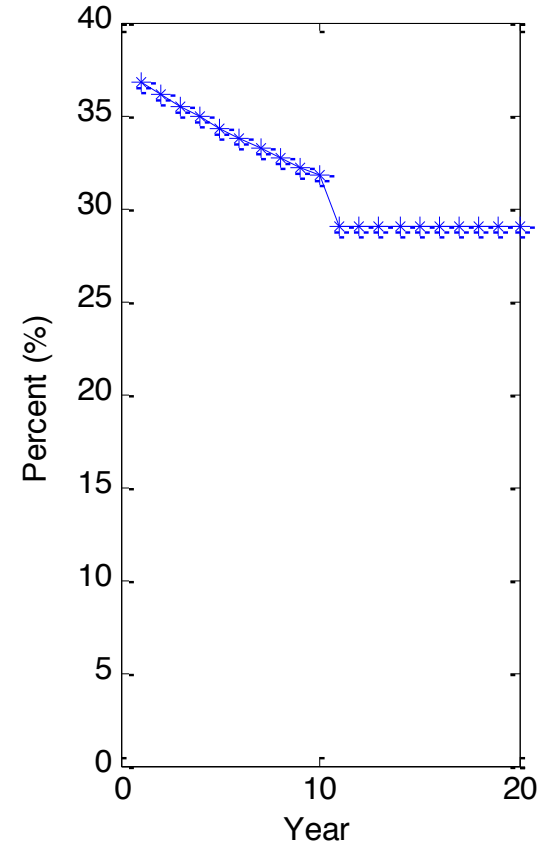
- We now look at three scenarios, assuming different rates of utility rate escalation and de-escalation:
 - **Best Case:** Utility rates increase significantly (2.4¢/kWh/decade)
 - **Medium Case:** Utility rates increase on slightly (.5¢/kWh/decade)
 - **Worst Case:** Utility rates actually decrease (-1.4¢/kWh/decade)
- From this we find that the average savings should almost certainly lie between 20-32%.

Best Case Scenario: Utility Rate Increases 2.4¢/decade

Credit/Payment with utility escalation = 2.4 cents/decade Savings Per kWh



Percent Savings. Average = 32%



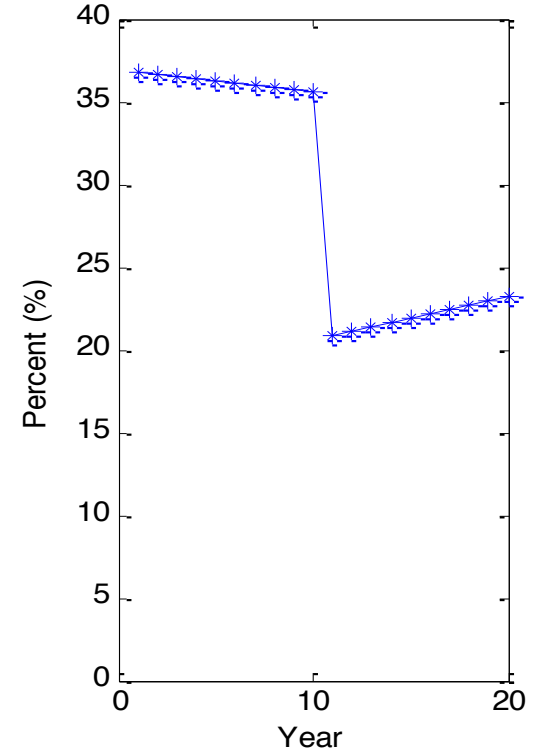
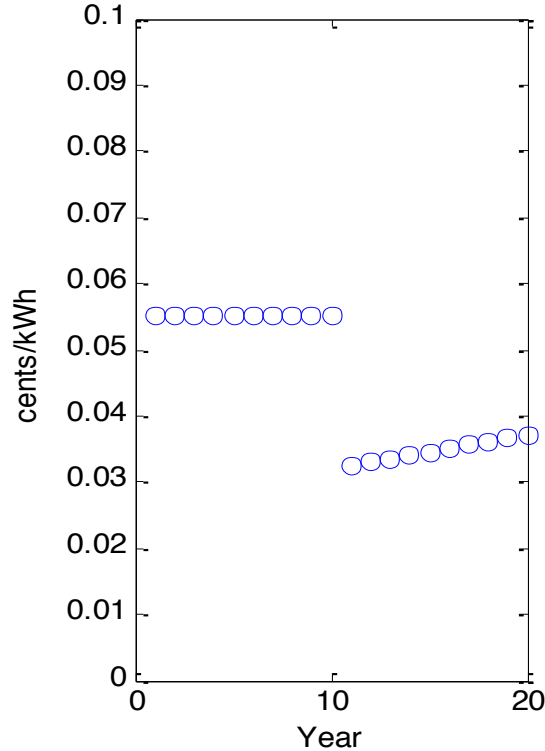
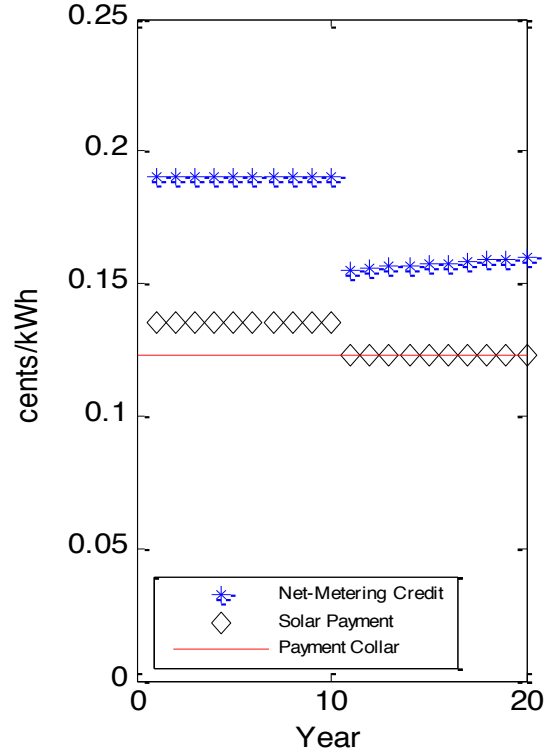
The average savings over 20 years here are very high (32%) because the solar adder is so generous during the first decade, and because the solar payment remains above the payment collar throughout.

Medium Case Scenario: Utility Rate Only Increases .5¢/decade

Credit/Payment with utility escalation = 0.5 cents/decade

Savings Per kWh

Percent Savings. Average = 29%



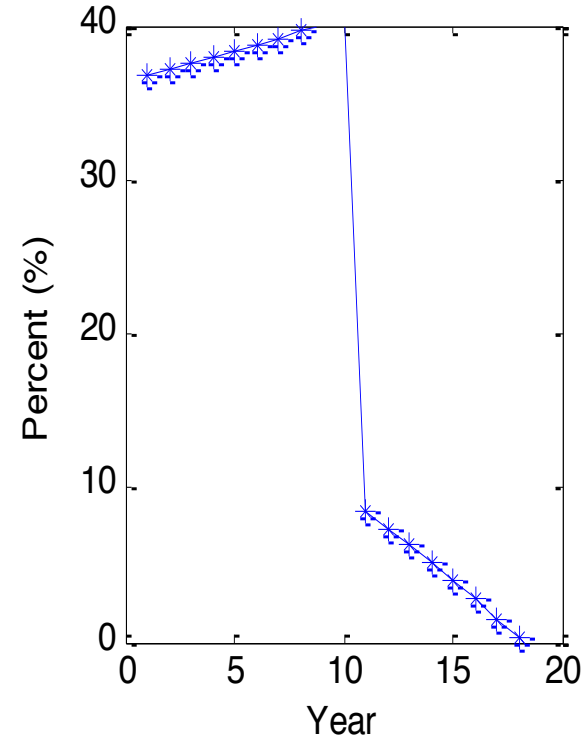
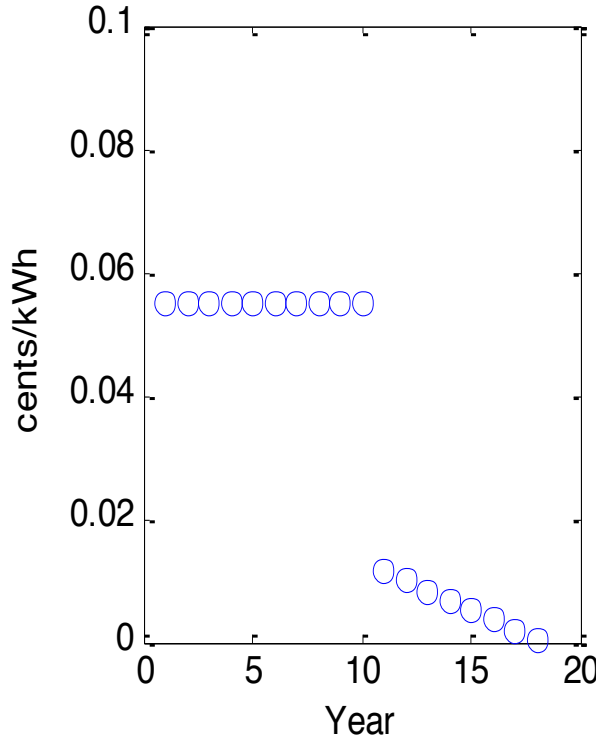
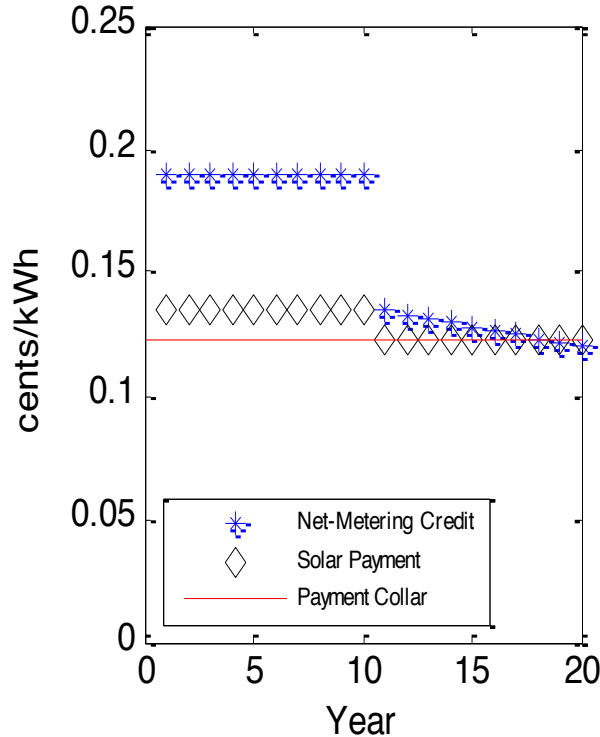
The average savings here are still very high (29%) because the solar adder is so generous during the first decade, and because the payment collar, although being invoked here throughout the second decade, is still well below the Net Metering Credit.

Worst Case Scenario: Utility Rate Actually Falls 1.4¢/decade

Credit/Payment with utility escalation = -1.4 cents/decade

Savings Per kWh

Percent Savings. Average = 21%

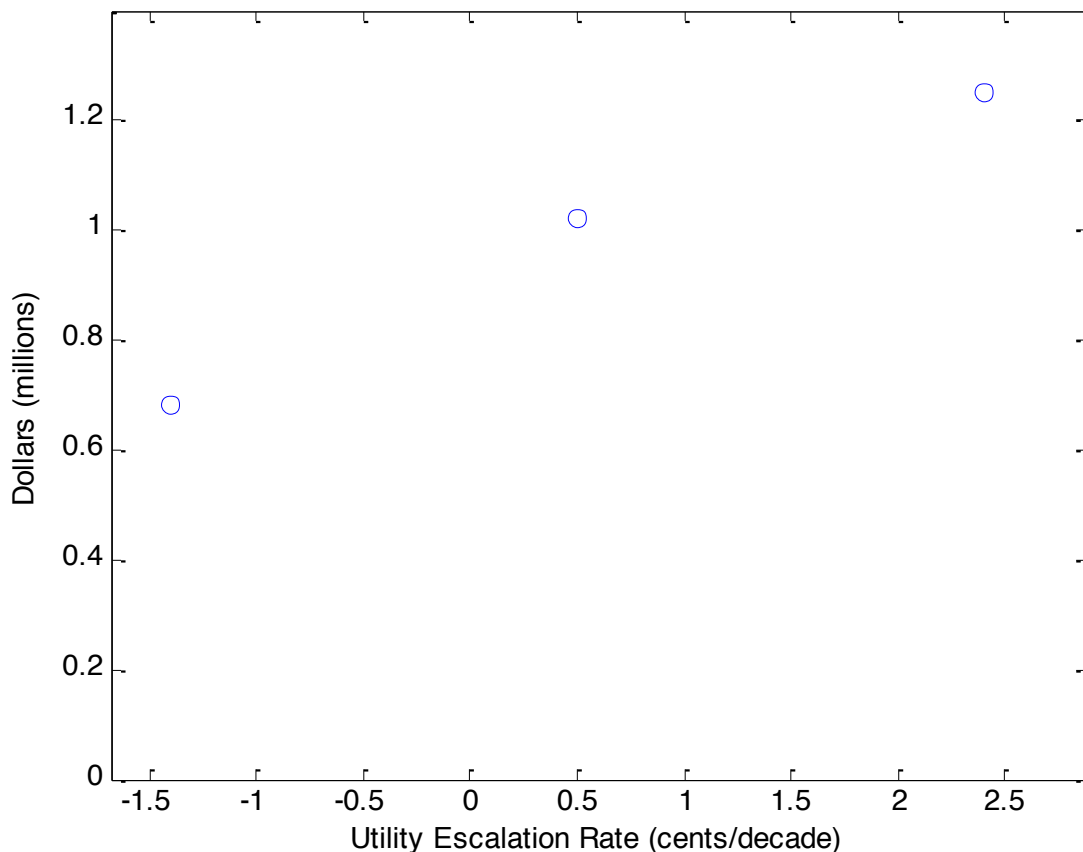


The average savings here are still surprisingly good (21%) because the solar adder is still so generous during the first decade, and the payment collar is not too high so as to cancel out the gains provided by the solar adder.

Estimated Total Savings

- Estimated Solar Production over 20 years
- = 1000 kilowatts x 8760 hours/years x .13 (“capacity factor”) x 20 years = 22.8 million kWh
- Using this estimate in the scenarios, we generate the following:

Total Estimated Savings Over 20 Years vs. Utility Escalation Rate



So the estimated savings range from about \$700,000 in the Worst case to \$1.25 million in the Best

And even if there were NO savings in year 10-20, we would gain over \$625 thousand in the first 10 years

BREAKEVEN

The scenario in which the savings from the first 10 years would be wiped out by increased costs in the second decade is implausible.

- Savings for the first decade are fixed at 5.5¢ per kWh.
- So to wipe out the savings from the first decade, the second decade would have to have losses that averaged 5.5¢ per kWh, across that period.
- In order for that to happen, electric rates would have to fall dramatically from their current level of 14.7¢ per kWh.
- Since we will pay 12.3¢ per kWh if rates fall significantly, retail rates would have to average 6.8¢ per kWh in years 11-20 to wipe out the gains of the first decade. *This is less than 50% of the current retail rates.*
- Because it is highly implausible that the average cost of energy 11 through 20 years from now will be less than 50% of today's rates, our financial risk lies not in taking a loss, but in the level of financial gain in years 11-20.

WHAT ARE THE ECONOMIC DRIVERS?

The economic drivers are largely external and relate to a combination of public policy and decreasing costs of solar technology.

- The savings in the solar proposals that the College has received are powered by four powerful forces:
 - **Federal solar energy tax credit:** This credit, which ends with project initiated this year, provides large tax breaks for investors for ten years. This credit will no longer be available for projects installed after 2016.
 - **Vermont's net metering and Solar Adder Laws:** These provide a total net-metering credit of 19¢ per solar kWh generated.
 - **Guaranteed access:** These laws also require electric companies to accept up to 15% of their power from net-metered solar arrays.
 - **Technology costs:** The cost of creating and managing solar arrays has decreased dramatically over the past five years with the increased demand for renewal energy technologies.

WHY DOES THIS SUPPORT A GOAL OF INCREASED USE OF SUSTAINABLE ENERGY?

Renewable energy credits (RECs) are concrete measurements of renewable energy. The college retains the right to retain the RECs or to allow the developer to sell the RECs.

- For each unit of renewable energy created, a renewable energy credit (REC) is earned.
- Because of state and federal requirements for the implementation of sustainable energy strategies, RECs actually have a monetary value: if you can't generate that unit of energy in your home base, you can purchase a renewable energy credit from someone else.
- The value of the RECs is unknowable after a few years out, but profoundly impacts the project pricing for the first three years because of the greater certainty of a REC market in this time frame.
- The college's current plan is to let the developer have the RECs for the first three years to maximize the savings to the project, and then to retain them thereafter. This allows Lyndon to claim the solar kWh we consume, and hence state that the College is largely solar powered, at least after the first three years.

SUMMARY

At the end of the day, we expect:

1. to realize savings in the neighborhood of \$50,000 per year (on average), and,
2. to have a positive environmental impact.

- Because of public policy and declining costs of renewable energy technology, there is an opportunity to respond to the economic need for efficiency with environmentally responsible actions.
- LSC expects to save roughly \$1 million, over the course of the 20 year contract.
- ***We are at risk, not of increased costs, but of somewhat decreased savings.***

4. Update on Ongoing VSC Construction

Project updates:

In mid-March, Lyndon State College released an RFP to solar developers for net metering proposals. The intent of this RFP is for LSC to enter into a net metering agreement with developers to receive energy credits from a 500kw solar farm. The possibility of credits from multiple farms is also being explored. Proposals were received on April 10th and the selection committee has selected Sun Edison as their partner for this project. Upon completion of the net metering agreement Sun Edison will start the permitting process. It is anticipated that construction of the farm will start this fall.

This upcoming summer a number of roofing projects are planned and two of the projects have been bid and awarded. The CCV St Albans Academic Facility was awarded to Clemons Construction and the Castleton Fine Arts Center was awarded to Palmieri Roofing. We are in the process of bidding three roofs at Johnson and bids will be received on May 12th. These three roofs are just portions of larger roofs and they are on the SHAPE building, Stearns Dining Hall, and Dibden Center. The bid documents for the LSC Shape Roof and the VTC Nutting Dorm Roof are being finalized and will be out for bids shortly.

In mid-September VTC 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 summer.

5. Review Capital Projects Report

For this month's Project Status Report, we removed one completed project which give us a total of 18 projects remaining on the Capital Project List.

May 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	
Castleton Totals		\$ 42,196	\$ 42,196						
JSC FY 13 Campus Electrical Efficiency Upgrades	\$ 21,250	\$ 21,250	\$ 21,250		0%	25%	7/2/12	6/30/15	
Johnson Totals		\$ 21,250	\$ 21,250						
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	
Lyndon Totals		\$ 120,250	\$ 120,250						
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	
VTC Totals	\$ 270,250	\$ 270,250	\$ 270,250						
CCV FY 14 Facility Improvements	\$ 75,000	\$ 75,000	\$ 75,000		60%	85%	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	
CCV Totals		\$ 150,000	\$ 150,000						

* 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
JSC FY 15 Governors / Senators Electrical Upgrades Phase I	\$ 132,000	\$ 132,000	\$ 132,000		50%	50%	7/1/14	6/30/15	
Johnson Totals		\$ 132,000	\$ 132,000						
LSC FY 15 Wheelock Restroom Renovations	\$ 160,000	\$ 160,000	\$ 160,000		0%	5%	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	
Lyndon Totals		\$ 250,000	\$ 250,000						
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	
VTC Totals	\$ 103,000	\$ 103,000	\$ 103,000						
* 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 Phase I Completed. Phase II Designed, Construction Documents Completed and ready to be released for bidding.
* Green Indicates project completed and will be removed from next report.									

C. ITEMS FOR INFORMATION ONLY

1. Monthly Grant Activity Report

Attached is the FY15 grant listing. Below are the grant stats.

Current:	82	1 is new
Pending:	28	6 are new
Denied:	<u>18</u>	2 are new
Total	128	

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

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
	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 (pass through)	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 Ottawan 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	Awarded		Other	National Geographic Education Foundation	Funding for Vermont Geographic Alliance	\$27,500	\$18,425	\$27,500	

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

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
		(Scott Roper)				(9/1/2014 - 5/31/2015)					
	CSC	White Coat Ceremony (Ellen Ceppetelli)	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.	\$ 406,702 (1st of 5 yrs: \$406,072)		\$ 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 CDCI principles. (1st yr: \$32K; 2nd yr: \$59K; 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 - 8/3/15)	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	Vermont EPSCoR (9/1/11 - 6/30/16)	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	National Science Foundation (Aug 2012 - Jun 2017)	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 Healthy 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 Blueter)	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 Johnson	Awarded	15.222	Federal	US Dept of the Interior / Bureau of Land Management (7/1/12 - 8/3/15)	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	
	JSC	GEAR UP (Michele Whitmore)	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	AlcoholEdu/Haven Grant (Michele Whitmore)	Awarded		Other	Lamoille Family Center/Partnership for Success Grant (Sept 2013 - Aug 2016)	To implement the on-line educational course Alcohol/Edu and Haven to our first year and transfer students as a proactive approach in addressing alcohol use and unhealthy relationships in college. \$11K/yr for 3 yrs	\$33,000	\$14,000	\$33,000	
	JSC	Community Grant / Bronze (Jeff Angione)	Awarded		Other	IBM (4/1/14 - 4/1/15)	Radio station sundries / CD player & storage unit	\$500		\$500	

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

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
JSC		Mammals on the Move: Managing Cascadia Wildlife in the Face of Climate Change - Phase 4 (Dr. Kevin Johnston)	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		Microbial Community Structure of the Vermont Asbestos Group Mine (Dr. Elizabeth Dolci)	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		Comparative Effectiveness of Biofeedback vs. Exercise for Stressed Students (Amy Welsh, PhD)	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		Undergraduate summer research investigating microbial community structure at the Vermont Asbestos Group Mine (Dr. Elizabeth Dolci) (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		Undergraduate summer research investigating microbial community structure at the Vermont Asbestos Group Mine (Dr. Elizabeth Dolci) (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		Undergraduate summer research investigating microbial community structure at the Vermont Asbestos Group Mine (Dr. Elizabeth Dolci) (Javayia 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		Disc Golf Project (David Bergh)	Awarded		Other	Lamoille 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		TRIO Upward Bound (84.047) ED-Grants-121911-001 (Rick Williams)	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		TRIO Student Support Services Program (Bob McCabe)	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		Early Promise Community Outreach Coordinator (Dr. Heather Bouchey)	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
LSC		TRIO_Program_Student Support Services (Bob McCabe)	Awarded	84.042	Federal	US Department of Education (9/1/15 - 8/31/20)	Excel will serve 190 low-income, first generation and physically/learning disabled students each year through graduation from College. Services will actively engage, assist and encourage our students to take control of their educational future. (1st yr: \$324,765)	\$1,623,825		\$324,765	May-12
VTC		Central Recovered Biomass Facility (Geoffrey Lindemer) (Donna Barlow-Casey)	Awarded	81.087	Federal	U.S. Dept. of Energy (11/1/11 - 12/31/13) (Extended to 3/31/15) (280K/yr for 5 yrs)	Construction of large biodigester; securing feedstock, designing & permitting, project management	\$1,398,785	\$606,780	\$1,398,785	
VTC		Applied Agriculture Institute (TAACCCT) (Jeff Higgins) (Chris Beattie)	Awarded	17.282	Federal (Pass Through)	US Department of Labor (10/1/12 - 9/30/15) (10/1/12 - 9/30/16)	Workforce development (1st yr: \$1,141K; 2nd yr: \$656K; 3rd yr: \$689K)	\$ 2,485,920	\$ -	\$ 3,357,703	Oct-12
VTC		Northeast Photovoltaic Instructor Training Network US Dept of Energy (Donna Barlow Casey)	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		Vermont Training Program (Maureen Hebert)	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		SBDC Cooperative Agreement (Lenae Quillen-Blume)	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		e-Commerce for EDA/VCRD (Lenae Quillen-Blume)	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

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

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
	VTC	TRIO-Student Support Services (Susan Polen)	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 disabilities 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	EDA Disaster Assistance (Lenaë Quillen-Blume)	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	Anaerobic Digester Heat Recovery (Mary L. O'Leary)	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	TRIO-Student Support Services (Susan Polen)	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	VT-ANR Pollution Prevention Grant / VtSBDC Business Environmental Assistance (Peter Crawford)	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	VtSBDC Business Environmental Assistance (Peter Crawford)	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	2014 SBA Core Funding Grant (Linda Rossi)	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	Agency of Agriculture Digester Pond Liner (Chris Dutton)	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	CubeSat VTC Mentored Undergraduate Research Support (Carl Brandon)	Awarded	43.001	Federal	National Aeronautics and Space Administration (9/1/12 - 8/31/14)	Additional \$10,000 for work on CubeSet Project (\$10K/yr)	\$20,000		\$20,000	
	VTC	Capital & Infrastructure Investment Grant (Ag., Forestry, & Forest Products) (Chris Dutton)	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	VMEC NIST GRANT - Hollings Manufacturing Extension Partnership (Bob Zider)	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	Vermont Manufacturing Extension Center (VMEC) (Bob Zider)	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 Vermonter in that region.			\$10,250	
	VTC	Vermont Procurement Technical Assistant Center (Linda Rossi, State Director)	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	Federal FY2014 Resource Sharing Grant (Jane Kearns)	Awarded	45.310	Federal	Vermont Dept of Libraries (Jul 2014 - Jun 2015)	To facilitate interlibrary loan in Vermont	\$500		\$500	
	VTC	Northern Boarders Contract #26162 (Linda Rossi)	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	Nutrient Management Incentive Grant (Sosten Lungu)	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	FAST Grant (Linda Rossi)	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	Perkins IV Basic Grant - Secondary & Postsecondary (Rosemary Distel)	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
	VTC	USDA Rural Business Enterprise Grant Project Proposal (Linda Rossi)	Awarded	10.769	Federal	USDA Rural Development (10/1/14 - 9/30/15)	Advising and broadband services	\$32,500	\$40,525	\$32,501	

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

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
	VTC	Electrical and Plumbing Apprenticeship Programs (Bonnie Chamberlin)	Awarded		State	Vermont Department of Labor (7/1/14 - 6/30/15)	Management of related instruction component of VDoL 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	
	VTC	SBDC Cooperative Agreement (Linda Rossi)	Awarded	59.037	Federal	Small Business Administration (10/1/14 - 9/30/15)	Provide assistance to the small business community through on-on-one business advising.	\$631,250	\$649,694	\$631,250 1st yr	Apr-15
	VTC	ACCD Grant Agreement (Linda Rossi)	Awarded		State	Small Business Administration (10/1/14 - 9/30/15)	Conduct Small Business Development Centers Programs	\$352,039		\$352,039	
	VTC	Advance Manufacturing Apprenticeship grant (Maureen Hebert)	Awarded		State	State of Vermont Dept of Economic Development (1/1/15 - 12/31/15)	Will cover 50% of tuition for the Advanced Manufacturing Apprenticeship program	\$18,000		\$18,000	
N,U	VTC	Vermont Space Grant Consortium (Dr. Carl Brandon)	Awarded	43.001	Federal	NASA (5/10/15 - 5/15/17)	Support of mentored student undergraduate research (1st yr: \$10K; 2nd yr: \$6K; 3rd yr: \$6K)	\$22,000	\$16,000	\$20,000	
	SOS	Leadership for Pre-K Through 16 Council (Tim Donovan)	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	GEAR-UP Dual Enrollment Subaward (VSAC) (Joyce Judy)	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	GEAR-UP Dual Enrollment Subaward (VSAC) (Joyce Judy)	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	Dual Enrollment Program Management (Contract) (Natalie Searle, Steve Vantine)	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			
	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			
N	CCV	IdEA Networks of Biomedical Research Excellence (INBRE) (Darlene Murphy)	Vermont Genetics Network / Dept of Health and Human Services (7/1/15 - 6/30/20)	Enhance STEM curriculum with lab supplies. NOTE: VGN to provide approximately \$65K in lab supplies to CCV, non-cash award.	\$65,000 non-cash			
	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	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			
	CSC	CashCourse (Rebecca Eno)	National Endowment for Financial Education (NEFE) (1/1/15 - 6/30/15)	Promote financial literacy	\$1,000			
	CSC	Castleton Entrepreneurial Collaborative (Lyle Jepson)	Vermont Community Foundation (7/1/15 - 6/30/16)	Seed money to establish Castleton Entrepreneurial Collaborative	\$20,000			
	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		
	CSC	Howard Fishman: Basement Tapes Project (Richard Cowden)	New England Foundation for the Arts (1/19/2016 - 1/20/2016)	Introduce students to process of developing musical arrangements through improvisational techniques.	\$11,300			
	CSC	Improving causal gene prediction from GWAS (Christine Palmer)	Vermont Genetics Network (6/30/15 - 5/31/16)	VGN pilot research	\$25,000			
	CSC	Regulation of catabolite repression & the general stress response in S.melioti (Preston Garcia)	Vermont Genetics Network (6/1/15 - 5/31/16)	Determine how regulation of both central metabolism and the general stress response are connected.	\$75,000			
	CSC	Vermont Geographic Alliance Summer Institute (Scott Roper)	Esri ConnectED Summer 2015	Partially fund VGS Summer Institute (2015)	\$5,000			
	CSC	Tungsten Oxide Bronzes for Production of a High Energy Bio-oil (Timothy Thibodeau)	Vermont Genetics Network (6/1/15 - 5/31/16)	Understand the properties important for design of better catalysts.	\$25,000			
N	CSC	Castleton Archives Digital Preservation Initiative (Karen Sanborn)	NEH (1/1/16 - 6/30/16)	Advise the CSC Archives in developing its first digital preservation plan.	\$6,000			
N	CSC	Intergrative Learning Initiative	Davis Educational Foundation	Develop interdisciplinary curriculum and programming.	\$283,528	\$4,000		

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
		(Ingrid Johnston-Robledo, PhD)	(Jun 2015 - August 2018)	(1st yr: \$87K; 2nd yr: \$109K; 3rd yr: \$87K)				
N	CSC	Effects of Photochemical Degradation of DOM on Carben Nutrient Concentration and Bioavailability in the Lake Champlain Basin (Andrew Vermilyea, Ph.D.)	EPSCOR-uvrm (6/1/15 - 3/31/16)	The objective of this project is to understand how important sunlight initiated reactions are to changing dissolved carbon nutrient concentrations and availability to microorganisms in the Lake Champlain Basin.	\$15,402			
N	CSC	Castleston 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.	\$97,494			
	JSC	Comparing Behavioral Strategies for Reducing Stress in Adults (Amy Welch, PhD)	Vermont Genetics Network (6/1/15 - 5/31/16)	To compare the effectiveness of biofeedback to exercise in highly-stressed adults, plus conduct pilot testing on a cognitive behavioral therapy intervention.	\$74,459			
	JSC	TRIO Student Support Services (Karen Madden, PhD)	U.S. Dept of Education (9/1/15 - 8/31/20)	To increase the graduation, good academic standing, and persistence of low income and first generation colleges students.	\$393,484	\$156,349		
	JSC	The Microbial Community and its Resistome in an Abandoned Mining Environment (Dr. Elizabeth Dolci)	Vermont Genetics Network (6/1/15 - 5/31/16)	To examine the bacterial community in an anthropogenic environment and the mechanisms of adaption to the resulting environmental stressors	\$75,000			
	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 (Bob Zider)	State of Vermont, Dept of Economic Development, Vermont Training Program (7/1/14 - 6/30/15)	Provide upgrade classroom training for employees in the following sectors: Manufacturing, Information Technology, Telecommunications, Healthcare, and Environmental	\$200,000			Sep-14
	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			
	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			
	VTC	Randolph Area Table Scrappers (RATS) (Chris Dutton)	Vermont Community Foundation (Jun 2015 - Dec 2015)	Provide Randolph with residential food scrap disposal services at one convenient drop-off location on campus at Vermont Tech in Randolph for delivery to the anaerobic digester for the generation of electricity and conversion into bedding and crop fertilizer.	\$2,500			
	VTC	VMEC - Vermont Working Lands Enterprise Initiative (Bob Zider)	State of Vermont, Agency of Agriculture, Food & Markets (6/1/15 - 7/30/16)	Provide a 2-day Innovation Engineering training session and follow-up coaching to the following sectors: Agriculture, Forestry, and Forest Products.	\$39,700			
NA	VTC	VMEC - NIST GRANT - Hollings Manufacturing Extension Partnership (Bob Zider)	US Dept of Commerce (7/1/15 - 6/30/16)	Improve Manufacturing in Vermont and strengthen the global competitiveness of the state's small 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.	\$650,000	\$1,300,000		May-15

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		
CSC		Castleton Archives Digital Preservation Initiative (Karen Sanborn)	Denied		NEH	(9/1/14 - 6/30/15)	Advise the Castleton State College Archives in developing its first digital preservation plan	\$6,000			
CSC		Castleton State College Virtual Hospital (Marie McDuff)	Denied		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		Castleton College Virtual Hospital (Marie McDuff)	Denied		Kinney Drugs Foundation	(TBD)	Fund purchase of simulator manikin	\$80,445	\$14,525		
CSC		Castleton College Virtual Hospital (Marie McDuff)	Denied		Jane's Trust	(TBD)	Purchase high fidelity simulator manikin for Nursing Dept	\$40,000	\$74,434		
CSC		Castleton College Virtual Hospital (Marie McDuff)	Denied		The R.C. Johnson, Jr. Foundation	(TBD)	Purchase high fidelity simulator manikin for Nursing Dept	\$53,234	\$61,200		
U	CSC	"What is a Peaceful World?" (Candy Fox)	Denied		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			
N,U	CSC	Steelcase Active Learning Center Grant (William Wiles)	Denied		Steelcase	(Fall 2015)	Fund computer lab renovations	\$50,000			
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. VSC Q3 Endowment Report

On March 31, 2015 the value of the VSC endowment was \$24,351,256 including \$97,899 of non-managed AGI stock. This money is spread over nine 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>Year-to-Date</u>	<u>Last Fiscal</u>	<u>Last 5 Years</u>	<u>Since Inception</u>
VSC Returns	1.1%	17.2%	8.7%	6.9%
Index	1.9%	14.4%	8.6%	7.2%

The endowments have had total returns of \$263,999 in value since December 31, 2014. Approximately 50% of our endowment balance is comprised of investment earnings.

Morgan Stanley

Quarterly Review: March 31, 2015

Monday, April 27, 2015

Prepared for: Vermont State Colleges

105 West View Rd, 5th FL
Colchester, VT 05446
T: (802) 658-2424
F: (802) 860-1623

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

Table of Contents

Capital Markets Overview.....	3
Asset Allocation.....	7
Managed Performance.....	8
Total Performance.....	19

Capital Markets Overview: 1Q 2015

Introduction

As of 1Q 2015

- Market performance in the first quarter of 2015 has hung on every word and action—or inaction—of the Federal Reserve and its chair, Janet Yellen. From a fundamental standpoint, this year has been similar to last year in that the US economy suffered from a harsh winter, leaving first-quarter real GDP growth below the already anemic 2% trend-line growth in place since the financial crisis. Market volatility was driven by the relentless decline in commodity prices and rise in the US dollar.
- The Dow Jones Industrial Average rose 0.3% in the first quarter. The NASDAQ Composite Index advanced 3.9% for the quarter. The S&P 500 Index rose 1.0% for the quarter, its ninth consecutive quarterly increase.
- Six of the 10 sectors of the S&P 500 Index advanced in the first quarter. Health Care fared the best, with a 6.5% uptick. Consumer Discretionary rose 4.8% and Telecom advanced 1.5%. The laggards were Utilities, which declined 5.2%, Energy, which fell 2.9%, and Financials, which declined 2.1%.
- Morgan Stanley & Co. economists expect U.S. real GDP will be 2.4% in 2014 and 3.3% in 2015. They forecast global GDP growth to be 3.3% in 2014 and 3.5% in 2015.
- Commodities struggled throughout the first quarter; the Bloomberg Commodity Index declined 5.9%. For the quarter, gold was down 0.2%.
- For the first quarter of 2015, global mergers and acquisitions (M&A) deal volume was \$797 billion, compared to \$639 billion for the first quarter of 2014. 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.

Capital Markets Overview: 1Q 2015

US Equity Markets

As of 1Q 2015

The Dow Jones Industrial Average rose 0.3% in the first quarter. The NASDAQ Composite Index advanced 3.9% for the quarter. The S&P 500 Index rose 1.0% for the quarter, its ninth consecutive quarterly increase.

Six of the 10 sectors of the S&P 500 Index advanced in the first quarter. Health Care fared the best, with a 6.5% uptick. Consumer Discretionary rose 4.8% and Telecom advanced 1.5%. The laggards were Utilities, which declined 5.2%, Energy, which fell 2.9%, and Financials, which declined 2.1%.

Growth-style stocks of large-cap companies rose during the first quarter. The large-cap Russell 1000 Growth Index advanced 3.8%. The Russell 1000 Index, a large-cap index, rose 1.6% for the quarter.

The Russell 1000 Value Index, also a large-cap index, decreased 0.7% for the quarter. The Russell Midcap Growth Index rose 5.4% for the quarter. The Russell Midcap Index increased 4.0% for the quarter. The Russell Midcap Value Index rose 2.4% for the quarter. The Russell 2000 Growth Index, a small-cap index, increased 6.6% for the quarter. The small-cap Russell 2000 Index rose 4.3% for the quarter. The Russell 2000 Value Index, also a small-cap index, increased 2.0% for the quarter.

Key US Stock Market Index Returns (%) for the Period Ending 3/31/2015				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
S&P 500	1.0%	12.7%	14.5%	8.9%
Dow Jones	0.3%	10.6%	13.2%	8.3%
Russell 2000	4.3%	8.2%	14.6%	10.5%
Russell Midcap	4.0%	13.7%	16.1%	11.2%
Russell 1000	1.6%	12.7%	14.7%	9.3%

Source: FactSet, Bloomberg

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.

Capital Markets Overview: 1Q 2015

The US Bond Market

As of 1Q 2015

In the first quarter, bond market returns increased slightly—the Barclays U.S. Aggregate Bond Index, a general measure of the bond market, rose 1.6% for the quarter. Interest rates declined during the first quarter, as the yield on the 10-Year U.S. Treasury note fell to a quarter-end 1.92% from 2.17% at the end of the fourth quarter of 2014.

Also in the first quarter, riskier parts of the bond market such as U.S. High Yield debt registered positive returns. As a result, the Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, increased 2.5% for the quarter.

Investors were positive on mortgage-backed securities in the first quarter. Consequently, the Barclays Capital Mortgage Backed Index rose 1.1% for the quarter. During the first quarter, investors held steady in the municipal bond market. As a result, the Barclays Capital Muni Index rose 1.0% for the quarter.

Key US Bond Market Index Returns (%) for the Period Ending 3/31/2015				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Barclays Capital US Aggregate	1.6%	5.7%	4.4%	4.7%
Barclays Capital High Yield	2.5%	2.0%	8.6%	9.6%
Barclays Capital Government/Credit	1.9%	5.8%	4.7%	4.7%
Barclays Capital Government	1.6%	5.4%	4.0%	3.7%
Barclays Capital Intermediate Govt/Credit	1.5%	3.6%	3.5%	3.8%
Barclays Capital Long Govt/Credit	3.4%	15.7%	10.2%	8.8%
Barclays Capital Mortgage Backed Securities	1.1%	5.5%	3.6%	4.5%
Barclays Capital Muni	1.0%	6.6%	5.1%	5.3%

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.

Capital Markets Overview: 1Q 2015

Global Equity Markets

As of 1Q 2015

In the first quarter, emerging markets (EM) and global equities had positive results. The MSCI EAFE Index (a benchmark for developed markets) rose 5.0% for U.S.-currency investors and rose 11.0% for local-currency investors, as the U.S. dollar appreciated in relation to the currencies of many nations in the index. In the fourth quarter of 2014, the MSCI EAFE Index fell 3.5% in U.S. dollar terms and rose 1.8% in local currency terms.

For the first quarter, the MSCI Emerging Markets Index increased 2.3% for U.S.-currency investors and rose 4.9% 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 4.4% for U.S.-dollar-based investors and increased 0.1% for local-currency investors.

The MSCI Europe Index increased 3.6% for U.S.-currency investors and 11.7% for local-currency investors during the first quarter of 2015. In the previous quarter, the MSCI Europe Index fell 4.2% for U.S.-dollar-based investors and decreased 0.01% for local-currency investors.

The S&P 500 Index rose 1.0% for the quarter, its ninth consecutive quarterly increase.

More specific emerging economy equity market indices were mixed in the first quarter. The MSCI BRIC (Brazil, Russia, India and China) Index rose 3.6% for the quarter in U.S. dollar terms and advanced 6.7% in terms of local currencies. In comparison, for the first quarter, the MSCI EM Asia Index increased 5.3% in U.S. dollar terms and rose 5.7% in local terms.

Key Global Equity Market Index Returns (%) for the Period Ending 3/31/2015				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	5.0%	-0.5%	6.6%	2.0%
MSCI EAFE Growth	6.0%	1.5%	7.4%	2.4%
MSCI EAFE Value	4.0%	-2.4%	5.9%	1.6%
MSCI Europe	3.6%	-4.4%	7.0%	1.5%
MSCI Japan	10.3%	12.4%	6.1%	2.5%
S&P 500	1.0%	12.7%	14.5%	8.9%
MSCI Emerging Markets	2.3%	0.8%	2.1%	1.0%

Source: FactSet, Bloomberg

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.



VERMONT STATE COLLEGES
PORTFOLIO SUMMARY - ASSET ALLOCATION

March 31, 2015

	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
CG Advisor												
I shares Russell 1000 Growth	\$ 2,552,631										\$ 2,552,631	10.5%
I shares Russell 1000 Value		\$ 3,126,416									\$ 3,126,416	12.9%
I shares Trust S&P Mid Cap 400			\$ 28,471								\$ 28,471	0.1%
Royce Premier Fund				\$ 377,352							\$ 377,352	1.6%
William Blair Int Growth					\$ 1,255,968						\$ 1,255,968	5.2%
Oppenheimer Developing Mkts						\$ 433,696					\$ 433,696	1.8%
American Century International Bond								\$ 749,179			\$ 749,179	3.1%
Loomis Bond Fund							\$ 1,160,114				\$ 1,160,114	4.8%
Ishares Dj US Real Estate									\$ 362,492		\$ 362,492	1.5%
Vanguard REIT ETF									\$ 378,721		\$ 378,721	1.6%
Vanguard FI SECS Short Term GD							\$ 1,072,901				\$ 1,072,901	4.4%
Lazard Emerging Markets						\$ 433,284					\$ 433,284	1.8%
Money Funds										\$ 97,853	\$ 97,853	0.4%
Ironwood HF									\$ 506,315		\$ 506,315	2.1%
Skybridge HF									\$ 505,775		\$ 505,775	2.1%
Anchor				\$ 732,031							\$ 732,031	3.0%
Delaware					\$ 1,005,735						\$ 1,005,735	4.1%
Clearbridge	\$ 1,279,357	\$ -	\$ 997,079	\$ -	\$ -						\$ 2,276,436	9.4%
Madison							\$ 2,753,903				\$ 2,753,903	11.4%
Seix							\$ 1,422,585				\$ 1,422,585	5.9%
Thomas Partners	\$ 669,262	\$ 1,651,249	\$ 67,984	\$ 200,930	\$ 432,074						\$ 3,021,498	12.5%
Total Fund	\$ 4,501,249	\$ 4,777,665	\$ 1,093,534	\$ 1,310,313	\$ 2,693,777	\$ 866,980	\$ 6,409,503	\$ 749,179	\$ 1,753,303	\$ 97,853	\$ 24,253,357	100.00%
Allocation	18.56%	19.70%	4.51%	5.40%	11.11%	3.57%	26.43%	3.09%	7.23%	0.40%	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	\$ 2,910,403	\$ 2,910,403	\$ 1,455,201	\$ 1,455,201	\$ 4,123,071	\$ 1,697,735	\$ 6,790,940	\$ 970,134	\$ 1,940,269	\$ -	\$ 24,253,357	
Current Tactical Allocation	18%	18%	4%	4%	12%	4%	28%	4%	8%	0%	100%	
Operations Account		\$ 95,175.60			\$ 2,723.09	(money funds)					\$ 97,899	
Total All Accounts											\$ 24,351,256	
Basic Asset Allocation:												
				Stocks			63%					
				Alternatives			7%					
				Fixed Income/Cash			30%					

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 3.31.15 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

Water Tower Hill
105 West View Road
Colchester VT 05446

Portfolio Review

Managed Endowment

Information as of March 31, 2015
Prepared on April 17, 2015

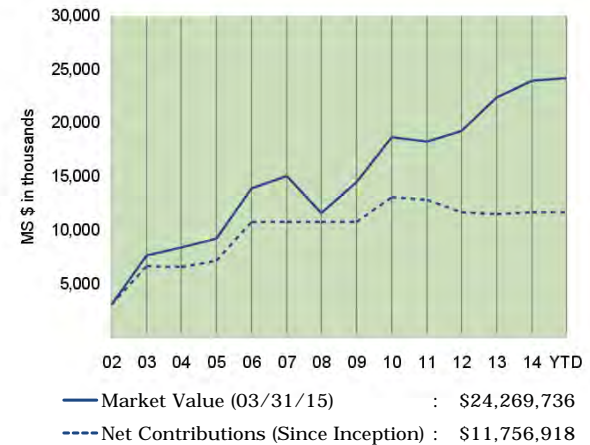
Investment Summary	2
Composite Allocation	3
Composite Analysis	5
Composite Performance	6

Morgan Stanley

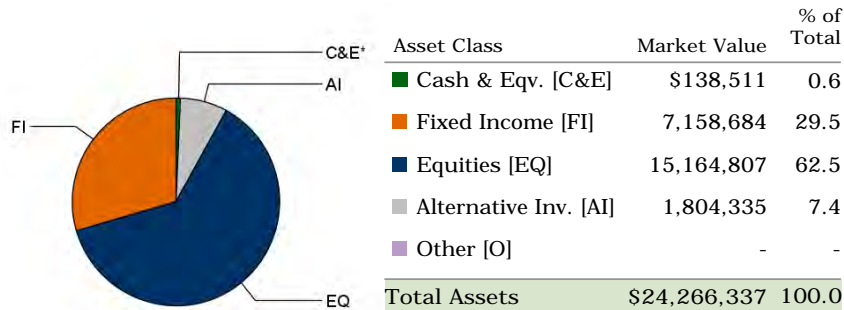
Investment Summary prepared for Managed Endowment as of 03/31/15

Asset Growth and Portfolio Returns¹

	Year-to-Date 12/31/14 to 03/31/15	Last-5-Years 03/31/10 to 03/31/15	Custom Period 06/30/13 to 06/30/14	For the Period 12/26/02 to 03/31/15
Beginning Value	\$24,005,737	\$14,944,587	\$20,471,723	\$3,085,318
Net Contributions	0	902,122	(563,059)	8,671,600
Ending Value	24,269,736	24,269,736	23,384,408	24,269,736
Total Returns	\$263,999	\$8,423,027	\$3,475,743	\$12,512,817
Dollar Weighted Rate of Return (IRR)	Annualized		Annualized	
Advisory Net Returns (%)	1.1	8.7	17.2	6.7
Brokerage Net Returns (%)	2.2	N/A	N/A	N/A
Total Net Returns (%)	1.1	8.7	17.2	6.9
40%S&P 15%EAFE 45%BCGC INT	1.9	8.6	14.4	7.2



Asset Allocation



*Available Cash is \$529,073 or 2.18%.

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

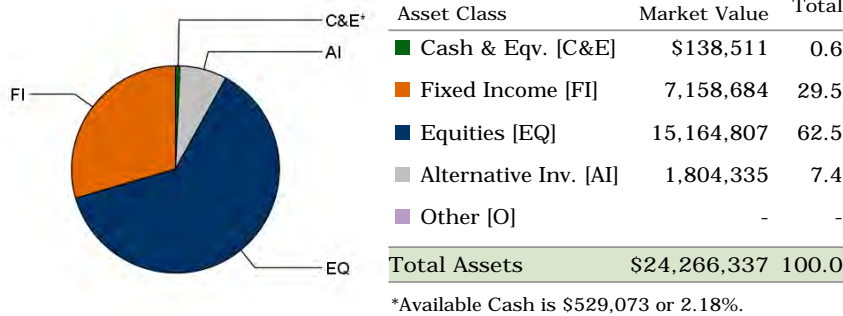
Income Summary

	Year-to-Date 01/01/15 03/31/15	Estimated	
		Year 2015 01/01/15 12/31/15	Next 12 Months 05/01/15 04/30/16
Taxable	116,087	524,729	513,298
Non Taxable	-	-	-
Tax Deferred	-	-	-
Morgan Stanley Total Income	116,087	524,729	513,298

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 03/31/15

Asset Allocation



Style Analysis

Fixed Income (% of Asset Class)
Domestic

Short	Intern.	Long	
0.0	25.7	0.0	High Quality
1.7	11.6	0.0	Medium Quality
17.3	0.0	0.2	Low Quality

International N/A

10.9	32.6
------	------

Equity (% of Asset Class)
Domestic

Value	Core	Growth	
27.8	6.3	26.5	Large Size
5.7	0.9	6.7	Medium Size
2.5	0.0	0.2	Small Size

International Other
Core Emerg.

17.7	5.7	0.0
------	-----	-----

Asset Allocation Detail

Account No.	Account	Cash Equivalents ¹	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
Household Total		\$138,511 0.6%	\$7,158,684 29.5%	\$15,164,807 62.5%	\$1,804,335 7.4%	-	\$24,266,337 100.0%

Managed Endowment

383-108872	VERMONT STATE COLLEGES Consulting Group Advisor Consulting Group Advisor	97,853 0.8%	2,982,194 24.8%	8,207,817 68.2%	741,213 6.2%	-	12,029,077 100.0%
383-108874	VERMONT STATE COLLEGES Delaware Investments - Internationa Fiduciary Services	-	-	1,007,990 100.0%	-	-	1,007,990 100.0%

continued on next page

¹ May include fixed income due within a year.

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 03/31/15

Asset Allocation Detail *continued from previous page*

Account No.	Account	Cash Equivalents ¹	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
383-108918	VERMONT STATE COLLEGES	-	-	733,150	-	-	733,150
	Anchor Capital - Mid Cap Value	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-108919	VERMONT STATE COLLEGES	-	-	-	-	-	-
	REG	-	-	-	-	-	100.0%
383-108920	VERMONT STATE COLLEGES	-	2,753,904	-	-	-	2,753,904
	Madison - Intermediate Govt-Corp	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-110533	VERMONT STATE COLLEGES	-	-	2,278,146	-	-	2,278,146
	ClearBridge - Multi Cap Growth	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-110534	VERMONT STATE COLLEGES	-	1,422,586	-	-	-	1,422,586
	Seix Advisors - High Yield Bond	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-122584	VERMONT STATE COLLEGES	40,651	-	2,937,704	51,040	-	3,029,395
	ThomasPartners	1.3%	-	97.0%	1.7%	-	100.0%
	Investment Management Services						
383-020919	VERMONT STATE COLLEGES	4	-	-	505,771	-	505,775
	AAA	-	-	-	100.0%	-	100.0%
383-020918	VERMONT STATE COLLEGES	4	-	-	506,311	-	506,315
	AAA	-	-	-	100.0%	-	100.0%
Portfolio Total		\$138,511	\$7,158,684	\$15,164,807	\$1,804,335	-	\$24,266,337
		0.6%	29.5%	62.5%	7.4%	-	100.0%
Household Total		\$138,511	\$7,158,684	\$15,164,807	\$1,804,335	-	\$24,266,337
		0.6%	29.5%	62.5%	7.4%	-	100.0%

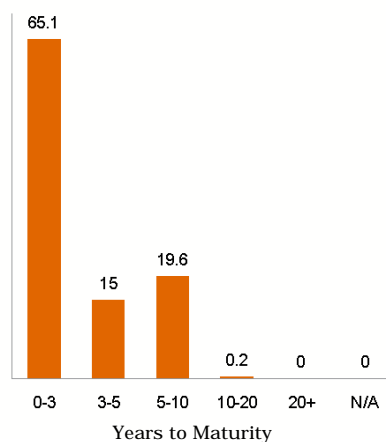
*continued on next page*¹ May include fixed income due within a year.

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.

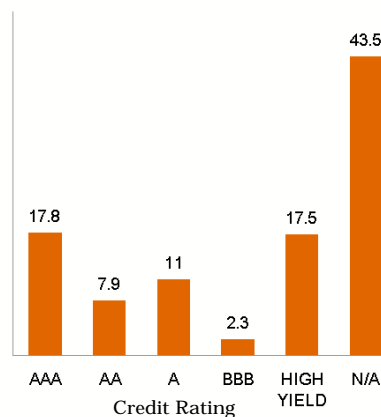
Composite Analysis prepared for Managed Endowment as of 03/31/15

Fixed Income

Maturity Schedule (%)



Credit Rating (%)



Fixed Income

Top Holdings

Security Name	Market Value	% of Fixed
LOOMIS SAYLES BOND INST	\$1,160,114	16.2
VANGUARD SH TM INVT GR INV	1,072,901	15.0
AMER CENT INTL BOND INV	749,179	10.5
UNITED STATES TREASURY NOTE	176,142	2.5
UNITED STATES TREASURY NOTE	176,013	2.5
UNITED STATES TREASURY NOTE	152,558	2.1
FED HOME LN MTG CORP	151,172	2.1
UNITED STATES TREASURY NOTE	146,137	2.0
UNITED STATES TREASURY NOTE	139,011	1.9
FED NATL MTG ASSN	123,374	1.7
Total Fixed Income Top Holdings	4,046,600	56.5
Total Fixed Income	7,158,684	100.0

Equities

Sector Allocation

Sector	Market Value	% of Equities
Consumer Discretionary	974,354	6.5
Consumer Staples	617,881	4.1
Energy	460,144	3.1
Financials	657,937	4.4
Health Care	1,276,890	8.6
Industrials	974,944	6.5
Information Technology	1,026,607	6.9
Materials	198,909	1.3
Telecommunication Services	327,317	2.2
Utilities	200,620	1.3
Others	8,207,817	55
Total	14,923,421	100.0

Top Holdings

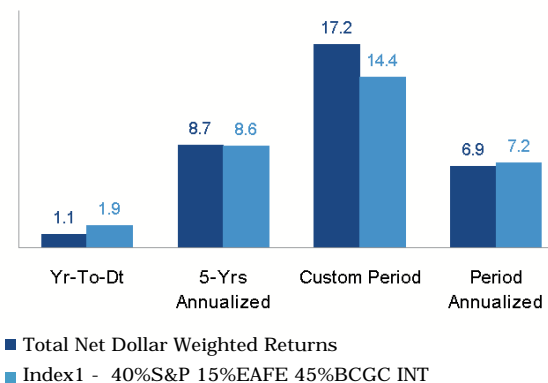
Security Name	Market Value	% of Equities
ISHARES RUSSELL 1000 VALUE ETF	\$3,126,416	20.6
ISHARES RUSSELL 1000 GRW ETF	2,552,631	16.8
WILLIAM BLAIR INTL GROWTH I	1,255,968	8.3
OPPENHEIMER DEVELOPING MKTS Y	433,696	2.9
LAZARD EMERGING MKTS EQ I	433,284	2.9
ROYCE PREMIER INV	377,352	2.5
UNITEDHEALTH GP INC	195,060	1.3
ACTAVIS PLC	191,370	1.3
COMCAST CORP CL A SPECIAL NEW	189,894	1.3
NOVARTIS AG ADR	123,519	0.8
Total Equities Top Holdings	8,879,190	58.6
Total Equities	15,164,807	100.0

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 03/31/15

Portfolio Returns (%)¹
Morgan Stanley Accounts Only

	Year-to-Date 12/31/14 to 03/31/15	Annualized Last-5-Years 03/31/10 to 03/31/15	Annualized Custom Period 06/30/13 to 06/30/14	Annualized For the Period 12/26/02 to 03/31/15
Total Net Dollar Weighted Returns	1.1	8.7	17.2	6.9



Representative Index

Index	1.9	8.6	14.4	7.2
40%S&P 15%EAFE 45%BCGC INT				

Account Performance¹
Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 03/31/15	Return (%)				Date of Inception	Inception Value
			Year-to-Date 12/31/14 to 03/31/15	Annualized Last-5-Years 03/31/10 to 03/31/15	Annualized Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 03/31/15		
Total Net Dollar Weighted Returns		\$24,269,736	1.1	8.7	17.2	6.9	12/26/02	\$3,085,318
Advisory								
383-108872	VERMONT STATE COLLEGES (Consulting Group Advisor) Consulting Group Advisor	12,029,077	0.9	9.0	18.0	N/A	12/26/02	3,085,318

Continued on next page

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

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 03/31/15

Account Performance¹ *Continued from previous page*
Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 03/31/15	Return (%)				Date of Inception	Inception Value
			Year-to-Date 12/31/14 to 03/31/15	Annualized Last-5-Years 03/31/10 to 03/31/15	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 03/31/15		
383-108874	VERMONT STATE COLLEGES (Fiduciary Services) Delaware Investments - Internationa	1,007,990	4.9	6.6	26.3	12.3	02/06/03	2,483,086
383-108918	VERMONT STATE COLLEGES (Fiduciary Services) Anchor Capital - Mid Cap Value	733,150	3.7	11.1	18.6	N/A	02/27/03	795,409
383-108920	VERMONT STATE COLLEGES (Fiduciary Services) Madison - Intermediate Govt-Corp	2,753,904	0.9	2.2	1.5	3.3	02/28/03	4,039,638
383-110533	VERMONT STATE COLLEGES (Fiduciary Services) ClearBridge - Multi Cap Growth	2,278,151	1.0	16.3	35.1	9.7	04/21/06	1,040,220
383-110534	VERMONT STATE COLLEGES (Fiduciary Services) Seix Advisors - High Yield Bond	1,422,586	2.2	7.3	8.9	6.6	04/21/06	700,952
383-122584	VERMONT STATE COLLEGES (Investment Management Services) ThomasPartners	3,029,395	(0.6)	N/A	19.8	14.1	03/09/12	1,627,719
Total Advisory		\$23,254,252	1.1	8.7	17.2	6.7	12/26/02	\$3,085,318
Brokerage								
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)	506,319	1.7	N/A	N/A	1.3	09/24/14	500,000
383-020919	VERMONT STATE COLLEGES (AAA)	509,165	2.0	N/A	N/A	1.2	09/24/14	500,000

*Continued on next page*¹ 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.

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 03/31/15

Account Performance¹ *Continued from previous page*
Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 03/31/15	Year-to-Date 12/31/14 to 03/31/15	Return (%)			Date of Inception	Inception Value
				Annualized Last-5-Years 03/31/10 to 03/31/15	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 03/31/15		
	Total Brokerage	\$1,015,484	2.2	N/A	N/A	N/A	02/27/03	\$1,006,477
	Total Net Dollar Weighted Returns	\$24,269,736	1.1	8.7	17.2	6.9	12/26/02	\$3,085,318

Continued on next page

¹ 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 03/31/15

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:

Disclaimers prepared for Managed Endowment as of 03/31/15

This report is for your own private, non-commercial use only. You agree not to reproduce, modify, sell or distribute any information in it. Information in this report provided by Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC, their affiliates or third party information providers is owned by these parties. Trademarks and service marks are the property of their owners. This information and these marks are protected by intellectual property laws. All rights are reserved.

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 03/31/15

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.

© 2015 Morgan Stanley Smith Barney LLC

Prepared for:

Vermont State Colleges

Prepared by:

Brian A Pelkey
Senior Vice President - Wealth Management

John O Myhre
Vice President-Wealth Management

Water Tower Hill
105 West View Road
Colchester VT 05446

Portfolio Review

Information as of March 31, 2015
Prepared on April 17, 2015

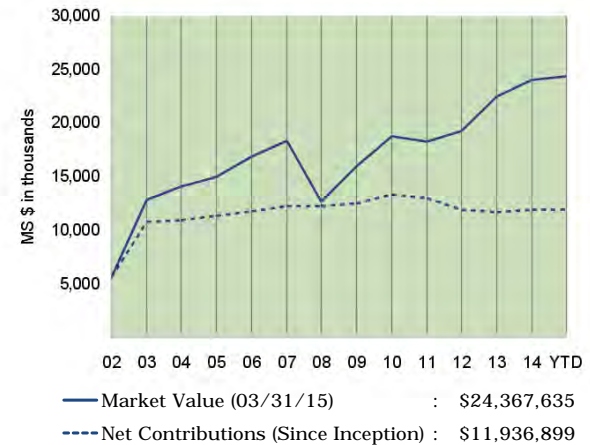
Investment Summary	2
Composite Allocation	3
Composite Analysis	5
Composite Performance	6

Morgan Stanley

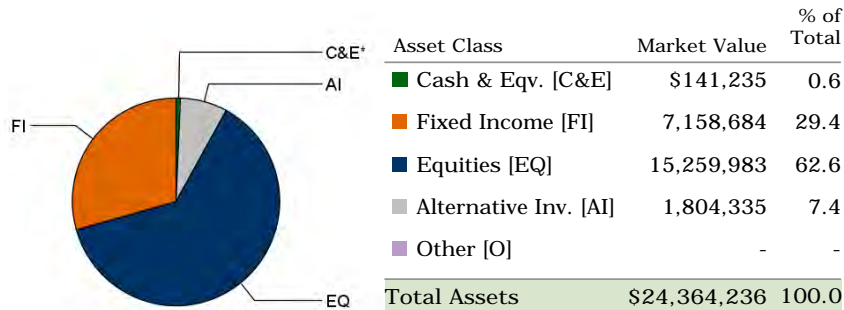
Investment Summary prepared for Vermont State Colleges as of 03/31/15

Asset Growth and Portfolio Returns¹

	Year-to-Date 12/31/14 to 03/31/15	Last-5-Years 03/31/10 to 03/31/15	Custom Period 06/30/13 to 06/30/14	For the Period 12/26/02 to 03/31/15
Beginning Value	\$24,107,297	\$16,517,187	\$20,551,208	\$5,616,088
Net Contributions	0	(634,247)	(160,389)	6,320,811
Ending Value	24,367,635	24,367,635	23,887,626	24,367,635
Total Returns	\$260,337	\$8,484,695	\$3,496,807	\$12,430,735
Dollar Weighted Rate of Return (IRR)	Annualized		Annualized	
Advisory Net Returns (%)	1.1	8.7	17.2	6.7
Brokerage Net Returns (%)	1.7	4.8	22.0	2.3
Total Net Returns (%)	1.1	8.6	17.2	6.0
40%S&P 15%EAFE 45%BCGC INT	1.9	8.6	14.4	7.2



Asset Allocation



*Available Cash is \$531,796 or 2.18%.

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

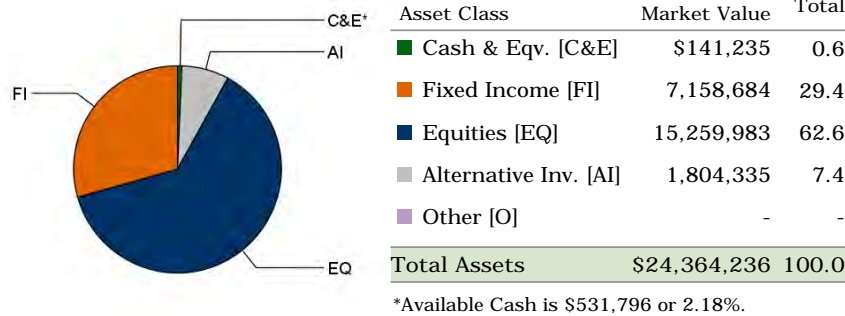
Income Summary

	Year-to-Date 01/01/15 03/31/15	Estimated	
		Year 2015 01/01/15 12/31/15	Next 12 Months 05/01/15 04/30/16
Taxable	116,266	525,445	514,014
Non Taxable	-	-	-
Tax Deferred	-	-	-
Morgan Stanley Total Income	116,266	525,445	514,014

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 Vermont State Colleges as of 03/31/15

Asset Allocation



Style Analysis

Fixed Income (% of Asset Class)
Domestic

Short	Intern.	Long	
0.0	25.7	0.0	High Quality
1.7	11.6	0.0	Medium Quality
17.3	0.0	0.2	Low Quality

International N/A

10.9	32.6
------	------

Equity (% of Asset Class)
Domestic

Value	Core	Growth	
28.0	6.3	26.4	Large Size
5.7	0.9	6.6	Medium Size
2.5	0.0	0.2	Small Size

International Other
Core Emerg.

17.6	5.7	0.1
------	-----	-----

Asset Allocation Detail

Account No.	Account	Cash Equivalents ¹	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
Household Total		\$141,235 0.6%	\$7,158,684 29.4%	\$15,259,983 62.6%	\$1,804,335 7.4%	-	\$24,364,236 100.0%

Managed Endowment

383-108872	VERMONT STATE COLLEGES Consulting Group Advisor Consulting Group Advisor	97,853 0.8%	2,982,194 24.8%	8,207,817 68.2%	741,213 6.2%	-	12,029,077 100.0%
383-020919	VERMONT STATE COLLEGES AAA	4 -	- -	- -	505,771 100.0%	-	505,775 100.0%
383-108874	VERMONT STATE COLLEGES Delaware Investments - Internationa Fiduciary Services	- -	- -	1,007,990 100.0%	- -	-	1,007,990 100.0%

continued on next page

¹ May include fixed income due within a year.

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 Vermont State Colleges as of 03/31/15

Asset Allocation Detail *continued from previous page*

Account No.	Account	Cash Equivalents ¹	Fixed Income	Equities	Alternative Investments	Other	Total Account Value
383-108918	VERMONT STATE COLLEGES	-	-	733,150	-	-	733,150
	Anchor Capital - Mid Cap Value	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-108919	VERMONT STATE COLLEGES	-	-	-	-	-	-
	REG	-	-	-	-	-	100.0%
383-108920	VERMONT STATE COLLEGES	-	2,753,904	-	-	-	2,753,904
	Madison - Intermediate Govt-Corp	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-110533	VERMONT STATE COLLEGES	-	-	2,278,146	-	-	2,278,146
	ClearBridge - Multi Cap Growth	-	-	100.0%	-	-	100.0%
	Fiduciary Services						
383-110534	VERMONT STATE COLLEGES	-	1,422,586	-	-	-	1,422,586
	Seix Advisors - High Yield Bond	-	100.0%	-	-	-	100.0%
	Fiduciary Services						
383-122584	VERMONT STATE COLLEGES	40,651	-	2,937,704	51,040	-	3,029,395
	ThomasPartners	1.3%	-	97.0%	1.7%	-	100.0%
	Investment Management Services						
383-020918	VERMONT STATE COLLEGES	4	-	-	506,311	-	506,315
	AAA	-	-	-	100.0%	-	100.0%
Portfolio Total		\$138,511	\$7,158,684	\$15,164,807	\$1,804,335	-	\$24,266,337
		0.6%	29.5%	62.5%	7.4%	-	100.0%

Operations

383-108873	VERMONT STATE COLLEGES	2,723	-	95,176	-	-	97,899
	AAA	2.8%	-	97.2%	-	-	100.0%
Portfolio Total		\$2,723	-	\$95,176	-	-	\$97,899
		2.8%	-	97.2%	-	-	100.0%
Household Total		\$141,235	\$7,158,684	\$15,259,983	\$1,804,335	-	\$24,364,236
		0.6%	29.4%	62.6%	7.4%	-	100.0%

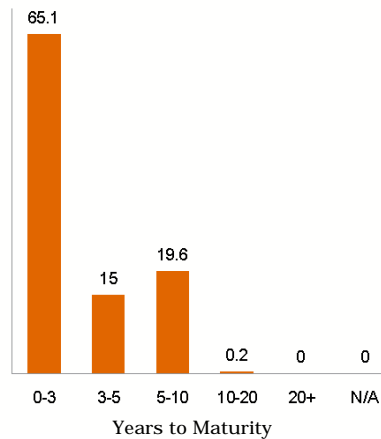
*continued on next page*¹ May include fixed income due within a year.

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.

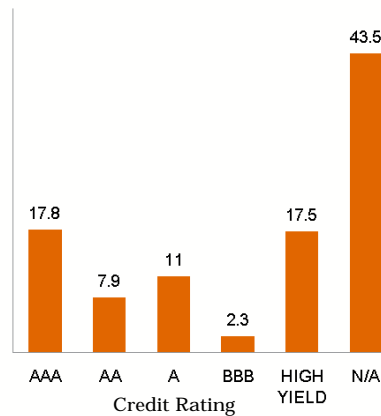
Composite Analysis prepared for Vermont State Colleges as of 03/31/15

Fixed Income

Maturity Schedule (%)



Credit Rating (%)



Fixed Income

Top Holdings

Security Name	Market Value	% of Fixed
LOOMIS SAYLES BOND INST	\$1,160,114	16.2
VANGUARD SH TM INVT GR INV	1,072,901	15.0
AMER CENT INTL BOND INV	749,179	10.5
UNITED STATES TREASURY NOTE	176,142	2.5
UNITED STATES TREASURY NOTE	176,013	2.5
UNITED STATES TREASURY NOTE	152,558	2.1
FED HOME LN MTG CORP	151,172	2.1
UNITED STATES TREASURY NOTE	146,137	2.0
UNITED STATES TREASURY NOTE	139,011	1.9
FED NATL MTG ASSN	123,374	1.7
Total Fixed Income Top Holdings	4,046,600	56.5
Total Fixed Income	7,158,684	100.0

Equities

Sector Allocation

Sector	Market Value	% of Equities
Consumer Discretionary	974,354	6.5
Consumer Staples	617,881	4.1
Energy	460,144	3.1
Financials	753,113	5
Health Care	1,276,890	8.5
Industrials	974,944	6.5
Information Technology	1,026,607	6.8
Materials	198,909	1.3
Telecommunication Services	327,317	2.2
Utilities	200,620	1.3
Others	8,207,817	54.7
Total	15,018,596	100.0

Top Holdings

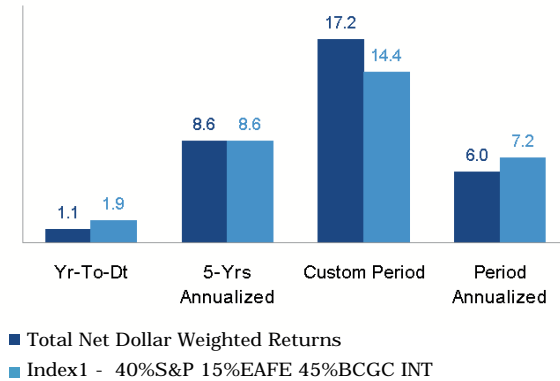
Security Name	Market Value	% of Equities
ISHARES RUSSELL 1000 VALUE ETF	\$3,126,416	20.5
ISHARES RUSSELL 1000 GRW ETF	2,552,631	16.7
WILLIAM BLAIR INTL GROWTH I	1,255,968	8.2
OPPENHEIMER DEVELOPING MKTS Y	433,696	2.8
LAZARD EMERGING MKTS EQ I	433,284	2.8
ROYCE PREMIER INV	377,352	2.5
UNITEDHEALTH GP INC	195,060	1.3
ACTAVIS PLC	191,370	1.3
COMCAST CORP CL A SPECIAL NEW	189,894	1.2
NOVARTIS AG ADR	123,519	0.8
Total Equities Top Holdings	8,879,190	58.2
Total Equities	15,259,983	100.0

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 03/31/15

Portfolio Returns (%)¹
Morgan Stanley Accounts Only

	Year-to-Date 12/31/14 to 03/31/15	Annualized Last-5-Years 03/31/10 to 03/31/15	Annualized Custom Period 06/30/13 to 06/30/14	Annualized For the Period 12/26/02 to 03/31/15
Total Net Dollar Weighted Returns	1.1	8.6	17.2	6.0



Representative Index

Index	1.1	8.6	17.2	6.0
40%S&P 15%EAFE 45%BCGC INT	1.9	8.6	14.4	7.2

Account Performance¹
Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 03/31/15	Return (%)				Date of Inception	Inception Value
			Year-to-Date 12/31/14 to 03/31/15	Annualized Last-5-Years 03/31/10 to 03/31/15	Annualized Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 03/31/15		
Total Net Dollar Weighted Returns		\$24,367,635	1.1	8.6	17.2	6.0	12/26/02	\$5,616,088
Advisory								
383-108872	VERMONT STATE COLLEGES (Consulting Group Advisor) Consulting Group Advisor	12,029,077	0.9	9.0	18.0	N/A	12/26/02	3,085,318

Continued on next page

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

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 03/31/15

Account Performance¹ *Continued from previous page*
Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 03/31/15	Year-to-Date 12/31/14 to 03/31/15	Return (%)			Date of Inception	Inception Value
				Annualized Last-5-Years 03/31/10 to 03/31/15	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 03/31/15		
383-108874	VERMONT STATE COLLEGES (Fiduciary Services) Delaware Investments - Internationa	1,007,990	4.9	6.6	26.3	12.3	02/06/03	2,483,086
383-108918	VERMONT STATE COLLEGES (Fiduciary Services) Anchor Capital - Mid Cap Value	733,150	3.7	11.1	18.6	N/A	02/27/03	795,409
383-108920	VERMONT STATE COLLEGES (Fiduciary Services) Madison - Intermediate Govt-Corp	2,753,904	0.9	2.2	1.5	3.3	02/28/03	4,039,638
383-110533	VERMONT STATE COLLEGES (Fiduciary Services) ClearBridge - Multi Cap Growth	2,278,151	1.0	16.3	35.1	9.7	04/21/06	1,040,220
383-110534	VERMONT STATE COLLEGES (Fiduciary Services) Seix Advisors - High Yield Bond	1,422,586	2.2	7.3	8.9	6.6	04/21/06	700,952
383-122584	VERMONT STATE COLLEGES (Investment Management Services) ThomasPartners	3,029,395	(0.6)	N/A	19.8	14.1	03/09/12	1,627,719
Total Advisory		\$23,254,252	1.1	8.7	17.2	6.7	12/26/02	\$3,085,318
Brokerage								
383-108873	VERMONT STATE COLLEGES (AAA)	97,899	(3.6)	13.3	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)	506,319	1.7	N/A	N/A	1.3	09/24/14	500,000
383-020919	VERMONT STATE COLLEGES (AAA)	509,165	2.0	N/A	N/A	1.2	09/24/14	500,000

*Continued on next page*¹ 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.

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 03/31/15

Account Performance¹ *Continued from previous page*
 Morgan Stanley Accounts Only

Account No.	Account Name (Type)	Market Value 03/31/15	Year-to-Date 12/31/14 to 03/31/15	Return (%)			Date of Inception	Inception Value
				Annualized Last-5-Years 03/31/10 to 03/31/15	Custom Period 06/30/13 to 06/30/14	Annualized Since Inception to 03/31/15		
	Total Brokerage	\$1,113,382	1.7	4.8	22.0	2.3	12/26/02	\$2,530,770
	Total Net Dollar Weighted Returns	\$24,367,635	1.1	8.6	17.2	6.0	12/26/02	\$5,616,088

Continued on next page

¹ 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 03/31/15

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:

Disclaimers prepared for Vermont State Colleges as of 03/31/15

This report is for your own private, non-commercial use only. You agree not to reproduce, modify, sell or distribute any information in it. Information in this report provided by Morgan Stanley Smith Barney LLC, Morgan Stanley & Co. LLC, their affiliates or third party information providers is owned by these parties. Trademarks and service marks are the property of their owners. This information and these marks are protected by intellectual property laws. All rights are reserved.

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 03/31/15

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

© 2015 Morgan Stanley Smith Barney LLC

3. Monthly Cash Report

There is \$26,346,000 being invested with TD Wealth. Of this amount \$7,993,000 is being invested in intermediate investments and \$18,353,000 is invested in long term investments. The intermediate investments are earning an average of .80% while the long term investments are earning an average of 1.80%. The long term investments tend to be premium bonds so the net interest rate (after premium amortization) is ~ 1.60%. At the same time we are keeping just enough money in our operating accounts to avoid monthly transaction fees. We are discussing investment options with other financial entities to ensure that we are maximizing our investment opportunities and earnings.

**VERMONT STATE COLLEGES
CASH & INVESTMENT REPORT: As of 3/31/2015**

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

	<u>FY2013</u>			<u>FY2014</u>			<u>FY2015</u>		
	<u>CASH Avg Daily Balance</u>	<u>INV'MT Avg Daily Balance</u>	<u>CASH & INV'MT Avg Daily Balance</u>	<u>CASH Avg Daily Balance</u>	<u>INV'MT Avg Daily Balance</u>	<u>CASH & INV'MT Avg Daily Balance</u>	<u>CASH Avg Daily Balance</u>	<u>INV'MT Avg Daily Balance</u>	<u>CASH & INV'MT Avg Daily Balance</u>
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	13,982,318	50,470,073	64,452,391
FEBRUARY	44,761,468	36,335,990	81,097,458	15,834,562	55,091,809	70,926,372	25,288,139	51,191,635	76,479,774
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
Cash & Inv Avg <u>thru 9 months</u>	\$40,601,842	\$28,504,535	\$69,106,376	\$13,440,798	\$52,298,283	\$65,739,081	\$14,886,508	\$44,817,825	\$59,704,333

Summary of VSC Investments: March, 2015 (Daily Average Balances)

	<u>Amt</u>	<u>Annual Yield</u>
TD Bank Concentration Account	24,628,976	0.50%
TD Bank Wealth Medical Mgt	413,387	0.01%
TD Bank Money Market	343,603	0.15%
TD Wealth Investments	26,345,518	
Morgan Stanley (Endowment)	24,351,256	
Total Investment	<u>\$76,082,740</u>	
Remainder of money at local college banks earning varying interest rates. Average rate:	\$770,883	0.13%