

VIRGINIA STATE UNIVERSITY  
BOARD OF VISITORS  
FINANCE AND FACILITIES COMMITTEE

**AGENDA**

November 18, 2022

Approval Items:

- I. Resolution for Financing a Student Union Addition
- II. Resolution for Establishing a Related Entity with the Virginia Gateway Region

For Review:

- I. Finance and Facilities Overview
- II. Cash & Reserves for Quarter Ending September 30, 2022
- III. Statement of Sources and Uses for Quarter Ending September 30, 2022
- IV. Proposed Tuition, Fees, Room and Board Rates for 2023-24
- V. Capital Projects Update for Quarter Ending September 30, 2022
- VI. Investments Update: Ken Simon, President Consequent Capital Management

Closed Session

- I. Closed Session: VSU Economic Development Corporation

**RESOLUTION OF THE BOARD OF VISITORS OF  
VIRGINIA STATE UNIVERSITY  
VIRGINIA COLLEGE BUILDING AUTHORITY FINANCING AUTHORIZATION**

**WHEREAS**, pursuant to and in furtherance of Chapter 12, Title 23.1 of the Code of Virginia of 1950, as amended (the “Act”), the Virginia College Building Authority (the “Authority”) developed a program (the “Program”) to purchase debt instruments issued by public institutions of higher education in the Commonwealth of Virginia (“Participating Institutions” and each a “Participating Institution”) to finance or refinance projects of capital improvement (“Capital Projects” and each a “Capital Project”) included in a bill passed by a majority of each house of the General Assembly of Virginia (the “General Assembly”);

**WHEREAS**, under the Program the Authority from time to time issues its Educational Facilities Revenue Bonds (Public Higher Education Financing Program) (“Pooled Bonds”) to finance the purchase or refunding of debt instruments issued by Participating Institutions to finance or refinance Capital Projects;

**WHEREAS**, if a Participating Institution desires to finance or refinance a Capital Project through the Program it must enter into a loan agreement with the Authority, under which: (i) the Participating Institution will issue its promissory note pursuant to Chapter 11, Title 23.1 of the Code of Virginia of 1950, as amended, to evidence a loan to it by the Authority; (ii) the Authority will agree to issue Pooled Bonds and use proceeds thereof to purchase the promissory note; (iii) the Participating Institution will agree to use proceeds of Pooled Bonds, loaned to it and received in exchange for its promissory note, to finance or refinance the Capital Project and to not take actions that may jeopardize any federal tax-exempt status of interest on Pooled Bonds allocable to financing or refinancing the Capital Project; and (iv) the Participating Institution will agree to make payments under the promissory note in sums sufficient to pay, together with certain administrative and arbitrage rebate payments, the principal of, premium, if any, and interest due on such Pooled Bonds;

**WHEREAS**, the Board of Visitors (the “Board”) of VIRGINIA STATE UNIVERSITY (the “Institution”) from time to time desires to finance or refinance Capital Projects for the Institution as a Participating Institution under the Program, and now proposes that the Institution issue its promissory note or notes (collectively, the “Note”) to be sold to the Authority in accordance with a loan agreement or loan agreements between the Institution and the Authority (collectively, the “Loan Agreement”), under which proceeds of Pooled Bonds will be loaned to and received by the Institution in exchange for the Note, to finance or refinance costs of the following Capital Projects authorized for bond financing by the General Assembly: the STUDENT UNION BUILDING (Project Code 212-17965) (collectively, the “Project”); and

**WHEREAS** the Board desires to designate certain Institution officers (i) delegated authority to approve the forms of and to execute and deliver the Loan Agreement, the Note and any amendments thereto, and any other documents necessary or desirable in connection with financing or refinancing costs of the Project through and participation in the Program; and (ii) responsible for monitoring post-issuance compliance with covenants of the Institution related to maintaining any federal tax-exempt status of interest on Pooled Bonds;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD:**

**Section 1.** The Project is hereby designated to be undertaken and financed or refinanced by the Authority and, accordingly, the **SENIOR VICE PRESIDENT FOR FINANCE AND ADMINISTRATION** (the “Authorized Officers”) are hereby delegated and invested with full power and authority to approve the forms of the Loan Agreement, the Note and any amendments thereto (in connection with any refunding of Pooled Bonds financing or refinancing the Project or otherwise), and any pledge to the payment of the Note and any amendment thereto of total gross university sponsored overhead, unrestricted endowment income, tuition and fees, indirect cost recoveries, auxiliary enterprise revenues, general and non-general fund appropriations and other revenues not required by law or previous binding contract to be devoted to some other purpose, restricted by a gift instrument for another purpose or excluded from such pledge as provided in the Loan Agreement, subject to the provisions of Section 3 hereof.

**Section 2.** Subject to the provisions of Section 3 hereof, the Authorized Officers are each hereby delegated and invested with full power and authority to execute, deliver and issue, on behalf of the Institution, (a) the Loan Agreement, the Note and any amendments thereto (in connection with any refunding of Pooled Bonds financing or refinancing the Project or otherwise), with approval of such documents in accordance with Section 1 hereof evidenced conclusively by the execution and delivery of the respective document, and (b) any other documents, instruments or certificates as may be deemed necessary or desirable to finance or refinance costs of the Project through and participate in the Program, and to further carry out the purposes and intent of this resolution. The Authorized Officers are authorized and directed to take such steps and deliver such certificates in connection with delivery of the Note, and any amendment thereto, as may be required under any existing obligations, including bond resolutions relating to any outstanding general revenue pledge bonds, and to notify Virginia Department of Treasury representatives serving as Authority staff at least 60 days in advance of a pledge of any amounts pledged to the payment of the Note in accordance with Section 1 hereof to, or as security for, the payment of any other Institution obligations issued or entered into after the date hereof for so long as the Note and any amendments thereto remain outstanding.

**Section 3.** The authorizations given above as to the approval, execution, delivery and issuance of the Loan Agreement, the Note and any amendments thereto (in connection with any refunding of Pooled Bonds financing or refinancing the Project or otherwise) are subject to the following parameters: (a) the principal amount to be paid under the Note allocable to any component of the Project, together with the principal amount of any other indebtedness with respect to such component, shall not be greater than the amount authorized for such component by the General Assembly plus amounts needed to fund issuance costs, original issue discount, other financing (including without limitation refunding) expenses and any other increase permitted by law; (b) the aggregate principal amount of the Note shall in no event exceed **\$35,547,000** as the same may be so increased; (c) the aggregate interest rate payable on the Note shall not exceed the rate established and approved by the Treasury Board of the Commonwealth which is required by Section 2.2-2416 of the Code of Virginia of 1950, as amended, to approve the terms and structure of financing arrangements for Participating Institutions (d) the weighted average maturity of the principal payments due under the Note shall not exceed 20 years after the original issue date of the Note; (e) the last principal payment date under the Note shall not extend beyond the reasonably expected weighted economic life of the Project; and (f) subject to the foregoing, the actual amount,

interest rates, principal maturities, and date of the Note shall be approved by an Authorized Officer, as evidenced by the execution thereof.

**Section 4.** The Board acknowledges that if there is a failure to make, as and when due, any payment of the principal of, premium, if any, and interest on any promissory note issued by the Institution as a Participating Institution to the Authority under the Program, including without limitation the Note and any amendments thereto, the State Comptroller is authorized under the Program and Section 23.1-1211 of the Code of Virginia of 1950, as amended, to charge against appropriations available to the Institution all future payments of principal of, premium, if any, and interest on such promissory note when due and payable and to make such payments to the Authority or its designee, so as to ensure that no future default will occur on such promissory note.

**Section 5.** The Board agrees that if the Authority determines the Institution as a Participating Institution shall be subject to continuing disclosure obligations under Rule 15c2-12 of the federal Securities and Exchange Commission with respect to any Pooled Bonds, (a) an Authorized Officer shall, and is hereby authorized and directed to, enter into a continuing disclosure undertaking in form and substance reasonably satisfactory to the Authority, and (b) the Institution will comply with the provisions and disclosure obligations contained therein.

**Section 6.** The Board designates the **SENIOR VICE PRESIDENT FOR FINANCE AND ADMINISTRATION** to be responsible for implementing procedures to monitor post-issuance compliance with covenants in any loan agreement between the Institution as a Participating Institution and the Authority, including the Loan Agreement and any amendments thereto, related to maintaining tax-exempt status for federal income tax purposes of interest on any Pooled Bonds, including without limitation monitoring the use of any portion of all Capital Projects for the Institution financed or refinanced with such Pooled Bonds and compliance with any applicable federal income tax remedial action requirements in connection with certain changes in such use. Such officer shall review such post-issuance compliance at least annually for so long as such Pooled Bonds remain outstanding.

**Section 7.** This resolution shall take effect immediately upon its adoption.

Adopted: November 18, 2022

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Valerie K. Brown, Rector  
**BOARD OF VISITORS OF  
VIRGINIA STATE UNIVERSITY**

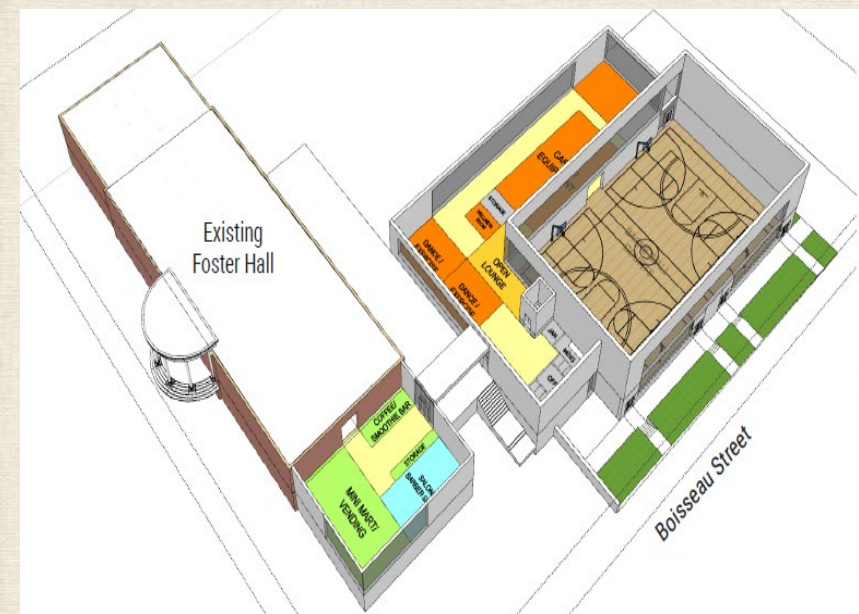
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Christine M. Darden, Secretary  
**BOARD OF VISITORS OF  
VIRGINIA STATE UNIVERSITY**

# RESOLUTION

## FOR FINANCING A STUDENT UNION ADDITION

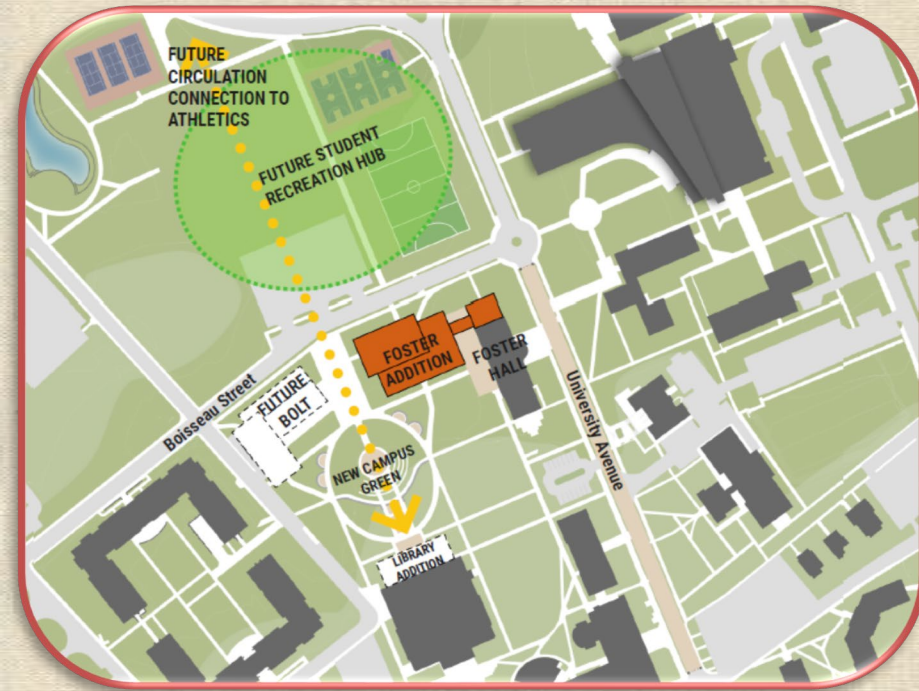
- Virginia College Building Authority 9 (D) Financing
- Project 17965: Construct Student Union
  - Approved in 2013 as Stand Alone Building 120,000 GSF
- Revised 2019: Renovate and Add +/- 20,000 GSF to Foster Hall
- Scope Change Requested to Department of Planning & Budget



2019 MASTER PLAN

# Renovation and Addition to Student Union

## Student Survey and Programming Study



### Academic Commons

Conference and Meeting Spaces

- Huddle
- **Student Support**
- Special Spaces

**Shared Computer Labs**

Mass Comm Studios

- TV Studio
- **Audio Recording**
- **Video Editing**

Black Box Theatre

- Seats ?

Labs

- Writing
- **Interviewing**
- **Counseling**
- Social Work
- **Ceramics**

Physical Training

- Swimming Pool
- **Gymnasium**
- Elevated Track
- **Dance Studio**

175,000 GSF

### Foster Hall / Student Center

Existing Building

- Offices
- Food Options
- Assembly
- Game Lounge

Addition:

- Coffee Shop
- Beauty Salon/Barber Shop
- Vending/Sundries
- Multipurpose Space for Assembly, Sports, Events
- Cardio/Weight Room
- Wellness/Yoga

Existing 51,000 GSF  
Addition 20,000 GSF

### BOLT

**Flexible Classrooms and Collaboration Space**

- Auditorium
- Pre-Function
- Reception/Assembly
- Individual and Group Study

60,000 GSF

**RESOLUTION OF THE**  
**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS**  
**APPROVAL OF**  
**VIRGINIA STATE UNIVERSITY ECONOMIC DEVELOPMENT CORPORATION**

**WHEREAS**, Virginia State University (“VSU”) desires to establish a 501(C)3 foundation with the Virginia’s Gateway Region (VGR) named the VSU Economic Development Corporation (the “Foundation”). The purpose of the Foundation is to develop economic development projects throughout the Tri-Cities of Petersburg, Hopewell and Colonial Heights; surrounding counties of Dinwiddie, Prince George, Chesterfield, Surry & Sussex and areas in close proximity to the University (the “Region”); and

**WHEREAS**, VSU is the premier educational 4-year institution located within the Region and offers 36 undergraduate degree programs, 16 graduate degree programs, two doctoral degree programs and eight certificate programs throughout the Region. VSU features six colleges that work in the Region, the College of Agriculture, the Reginald F. Lewis College of Business, the College of Engineering and Technology, the College of Education, the College of Humanities and Social Sciences and the College of Natural and Health Sciences; and

**WHEREAS**, VGR is a private, nonprofit economic development organization that markets the Region and fosters prosperity in the Region through business growth, powerful partnerships and the delivery of innovative solutions. VGR offers experience in the Region pertaining to market analysis, site-selection assistance, site development, financial contacts, customized research, governmental knowledge and other capabilities critical for economic development; and

**WHEREAS**, VSU and VGR will cultivate and curate business ventures in the Region for the benefit of VSU. VSU and VGR will accept, acquire, lease, hold, develop, operate, manage, sell, dispose of and otherwise deal in real estate or other assets; and

**WHEREAS**, the Foundation shall have a Board of Directors of the Corporation between 5 to 15 in number. The initial Board of Directors of the Corporation shall be (1) the President of Virginia’s Gateway Region, (2) the President of VSU, (3) the Chief Operating Officer of Virginia’s Gateway Region, (4) the Senior Vice-President for Finance and Administration of VSU, (5) a person designated by President of VSU, and (6) a person designated by Virginia’s Gateway Region Board of Directors; and

**WHEREAS**, Section 1110 (II)(B) of the Policy on University-Related Foundations provides that Foundations may be created only with the approval of the Board of Visitors after a review of the purpose of the Foundation, its proposed organizational format, and the scope of its activities; and

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Board of Visitors of Virginia State University hereby approves the establishment of the Virginia State University Economic Development Corporation.

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Dr. Valerie K. Brown, Rector

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Christine M. Darden, Secretary

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Date

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Date





# **FINANCE AND FACILITIES OVERVIEW**

**November 18, 2022**

**Kevin Davenport**  
Senior Vice President for Finance and  
Administration

# INVESTMENTS PRESENTATION

Ken Simon, Owner  
Consequent Capital Management



CONSEQUENT  
CAPITAL MANAGEMENT



**VSUF**

# CASH & RESERVES

Quarter Ending September 30, 2022

<b>CASH (UNIVERSITY) *</b>	<u>6/30/2022</u>	<u>9/30/2022</u>
State Funds	\$ 5,182,796	\$ 53,470,443
Tuition & Fees	19,496	22,422,711
Auxiliary Enterprises	49,494,991	62,091,101
Grants	3,080,949	1,603,397
COVID Relief Funds	4,563,899	3,036,843
Other	<u>1,444,448</u>	<u>1,447,503</u>
<b>TOTAL</b>	<b>\$ 63,786,579</b>	<b>\$ 144,071,998</b>

\* **NOTE:** Does not include **\$30 million** sent to Spider Management and VSU Foundation for investment.

<b>CASH (CEARS)</b>	<u>6/30/2022</u>	<u>9/30/2022</u>
Operating	3,364,841	5,316,049
State Funds	-	3,364,841
Other	<u>301,390</u>	<u>1,783</u>
<b>TOTAL</b>	<b>\$ 3,666,231</b>	<b>\$ 8,682,673</b>

<b>CARES</b>	<u>6/30/2022</u>	<u>9/30/2022</u>
MSI	\$ 16,138,563	\$ 13,142,977
Student	7,484,781	7,484,781
Institutional	<u>24,667</u>	<u>24,667</u>
<b>TOTAL</b>	<b>\$ 23,648,011</b>	<b>\$ 20,652,425</b>

**STATEMENT OF SOURCES AND USES**  
Quarter Ending September 30, 2022

## KEY BUDGET DRIVERS

FALL 2022				
	<u>Budget</u>	<u>Actual</u>	<u>Change</u>	<u>% Change</u>
Head Count	4,100	4,648	<b>+548</b>	13%
Full-Time	3,871	4,286	<b>+415</b>	11%
On-Campus	2,200	2,989	<b>+789</b>	36%

- Largest Incoming Class in 3 Decades
- More Than 1,700 New Students
- Second Year of Enrollment Growth
- On-Campus Housing Demand
  - Richard Bland College (RBC)
  - Hampton Inn and Comfort Inn
  - University Apartments at Ettrick

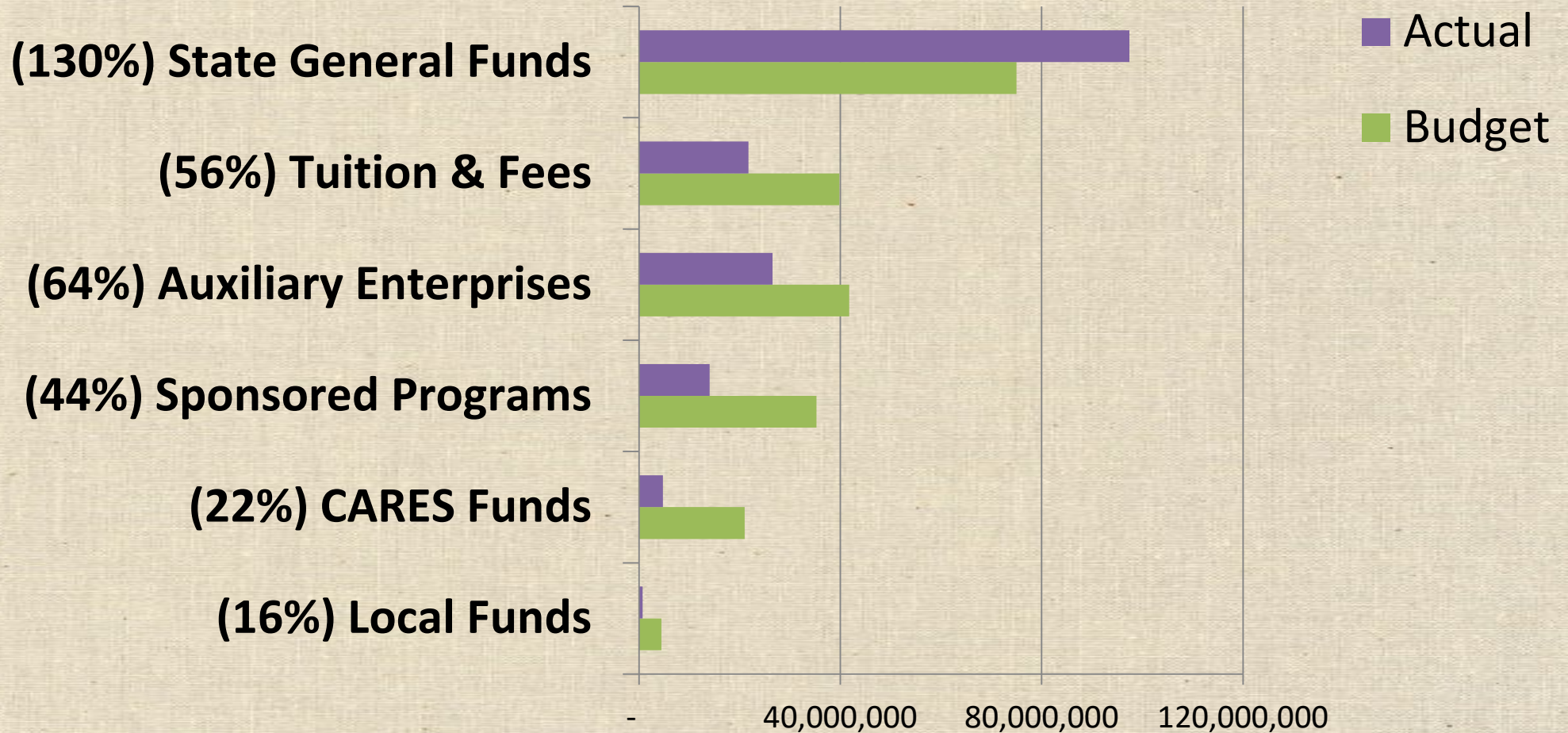


**\$22.6M  
INCREASE  
STATE  
FUNDING  
2022-23**

<b>E&amp;G</b>	
Increase Funding for Affordable Access	\$ 11,000,000
Establish New Degree and Online Programs	2,501,784
Establish VSU Advanced Manufacturing Logistics Institute	1,029,000
Establish Academic Success Initiatives	1,629,424
Establish Degree Completion & Career Enhancement Initiative	1,190,000
Establish VSU Pipeline with Purpose	520,500
Expand Virginia College Affordability Network (VCAN) Salaries	150,000
Fringe Benefit Rate Increases	<u>206,193</u>
<b>TOTAL</b>	<b>\$ 18,226,901</b>
<b>Student Financial Assistance</b>	
Expand Virginia College Affordability Network (VCAN)	\$ 2,350,000
Increase In-State Student Financial Assistance	1,880,400
Increase Graduate Student Financial Assistance	<u>132,200</u>
<b>TOTAL</b>	<b><u>\$ 4,362,600</u></b>
<b>GRAND TOTAL</b>	<b><u>\$ 22,589,501</u></b>

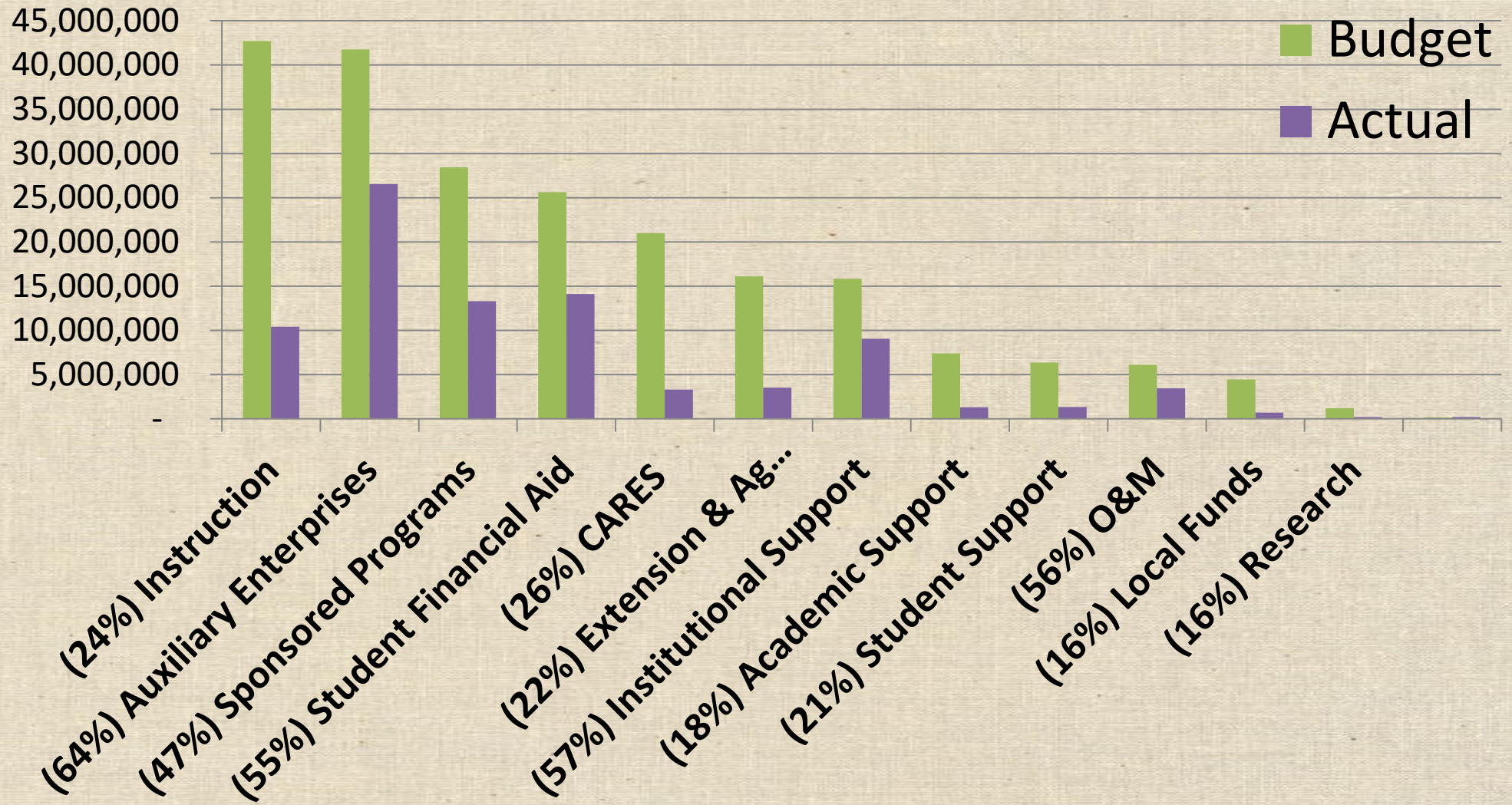
# SOURCES

Quarter Ending September 30, 2022



# USES

Quarter Ending September 30, 2022





**PROPOSED TUITION & FEE RATES**  
2023-24

## PROPOSED TUITION & FEE NOTIFICATION

Code Section 23.1-307(D)

Virginia State University is considering a 3% increase to its Room, Board and Comprehensive Fee to address inflationary pressures and anticipated increased costs for utilities and security.

### PROCESS

- ✓ Vetting
- ✓ 30-Day Public Comment Period
- ✓ Board/Executive Committee Approval



## UNDERGRADUATE PROPOSED 2023-24 TUITION & FEE RATES

IN-STATE	(PROPOSED)		%	
	22-23	23-24	INCREASE	CHANGE
Tuition	\$ 5,540	\$ 5,540	-	-
Technology and Infrastructure	729	729	-	-
	6,269	6,269	-	-
Campus Improvement	486	486	-	-
Comprehensive Fee	2,899	2,986	87	3.0%
<b>TOTAL TUITION &amp; FEES</b>	<b>9,654</b>	<b>9,741</b>	<b>87</b>	<b>0.9%</b>
Room	6,744	6,947	202	3.0%
Board	4,800	4,944	144	3.0%
Total Room & Board	11,544	11,891	346	3.0%
<b>TOTAL ON-CAMPUS</b>	<b>\$ 21,198</b>	<b>\$ 21,632</b>	<b>\$ 433</b>	<b>2.0%</b>

OUT-OF-STATE	(PROPOSED)		%	
	22-23	23-24	INCREASE	CHANGE
Tuition	\$ 16,542	\$ 16,542	-	-
Technology and Infrastructure	729	729	-	-
	17,271	17,271	-	-
Campus Improvement Fee	486	486	-	-
Comprehensive Fee	2,899	2,986	87	3.0%
State Capital Outlay Fee	753	753	-	-
<b>TOTAL TUITION &amp; FEES</b>	<b>21,409</b>	<b>21,497</b>	<b>87</b>	<b>0.4%</b>
Room	6,744	6,946	202	3.0%
Board	4,800	4,944	144	3.0%
Total Room & Board	11,544	11,890	346	3.0%
<b>TOTAL ON-CAMPUS</b>	<b>\$ 32,953</b>	<b>\$ 33,387</b>	<b>\$ 433</b>	<b>1.3%</b>

## GRADUATE PROPOSED 2023-24 TUITION & FEE RATES

IN-STATE	(PROPOSED)		%	
	22-23	23-24	INCREASE	CHANGE
Tuition	\$ 8,375	\$ 8,375	-	-
Technology and Infrastructure	729	729	-	-
	9,104	9,104	-	-
Campus Improvement	486	486	-	-
Comprehensive Fee	2,899	2,986	87	3.0%
<b>TOTAL TUITION &amp; FEES</b>	<b>12,489</b>	<b>12,576</b>	<b>87</b>	<b>0.7%</b>
Room	6,744	6,947	202	3.0%
Board	4,800	4,944	144	3.0%
Total Room & Board	11,544	11,890	346	3.0%
<b>TOTAL ON-CAMPUS</b>	<b>\$ 24,003</b>	<b>\$ 24,467</b>	<b>\$ 433</b>	<b>1.8%</b>

OUT-OF-STATE	(PROPOSED)		%	
	22-23	23-24	INCREASE	CHANGE
Tuition	\$ 18,627	\$ 18,627	-	-
Technology and Infrastructure	729	729	-	-
	19,356	19,356	-	-
Campus Improvement Fee	486	486	-	-
Comprehensive Fee	2,899	2,986	87	3.0%
State Capital Outlay Fee	753	753	-	-
<b>TOTAL TUITION &amp; FEES</b>	<b>23,494</b>	<b>23,581</b>	<b>87</b>	<b>0.4%</b>
Room	6,744	6,946	202	3.0%
Board	4,800	4,944	144	3.0%
Total Room & Board	11,544	11,890	346	3.0%
<b>TOTAL ON-CAMPUS</b>	<b>\$ 35,038</b>	<b>\$ 35,471</b>	<b>\$ 433</b>	<b>1.3%</b>

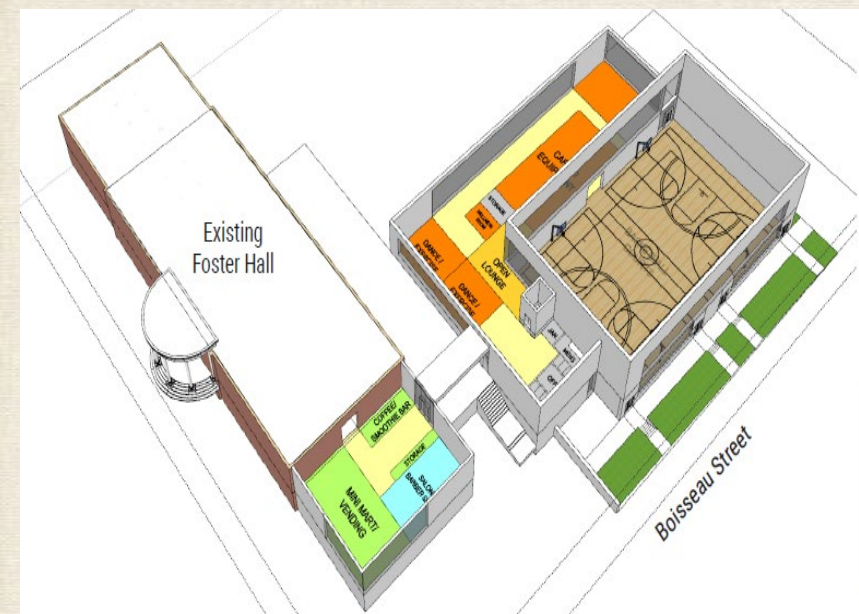
# **CAPITAL PROJECTS UPDATE**

Quarter Ending September 30, 2022

# RESOLUTION

## FOR FINANCING A STUDENT UNION ADDITION

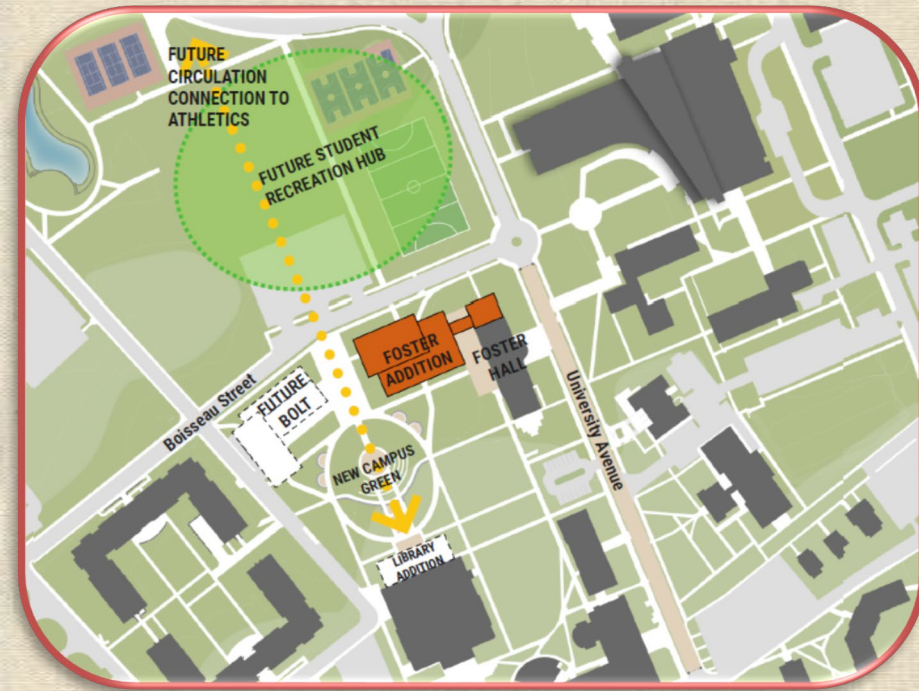
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2019 MASTER PLAN

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## Student Survey and Programming Study



### Academic Commons

#### Conference and Meeting Spaces

- Huddle
- **Student Support**
- Special Spaces

#### Shared Computer Labs

##### Mass Comm Studios

- TV Studio
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##### Black Box Theatre

- Seats ?

##### Labs

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##### Physical Training

- Swimming Pool
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175,000 GSF

### Foster Hall / Student Center

#### Existing Building

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#### Addition:

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Existing 51,000 GSF  
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### BOLT

#### Flexible Classrooms and Collaboration Space

- Auditorium
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60,000 GSF

# CONSTRUCT ACADEMIC COMMONS

- Demolition Complete
- Utility/Early Sitework in Progress
  - Second Tier SWAM Participation - 100%
  - Minority-Owned – 36 %
  - Small Business - 64 %
- 2022 Session Approved Supplemental Funding Pool w/ Increased Construction Cost Beyond 5% (+/- \$5M)
- Target Occupancy- Fall 2024
- VSU Requesting Additional \$23M
  - Negotiations Underway
  - Awaiting Revised Funding





## CONSTRUCT ADMISSIONS BUILDING

### SCOPE:

- C30,000 SF Admissions & Institutional Advancement Building

### SCHEDULE:

- Design Start – December, 2021
- Target Occupancy – Spring, 2024

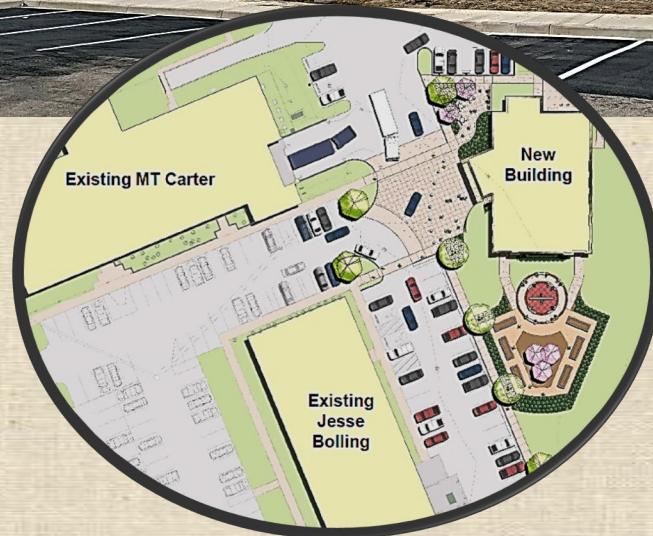
### CURRENT ACTIVITY:

- Design SWAM Participation - 100%  
Small Prime Firm
  - Second Tier participation - 56.5%
  - Women-Owned – 10%
  - Minority-Owned – 28.5 %
  - Small Business - 18%
- Schematic Design Submitted but Budget Reductions Required
- Awaiting Revised Funding Target



# CONSTRUCT MT CARTER ANNEX

- Construction of +/- 13,600 SF Research and Cooperative Extension Building
- Federally Funded
- Target Occupancy- Spring 2023
- Construction Underway
  - Enclosure Complete
  - Interiors & Specialty Spaces Under Construction



**First Electric Vehicle Charging Stations (2)**

# RENOVATE SUMMERSEAT FOR URBAN AGRICULTURE CENTER

## SCOPE:

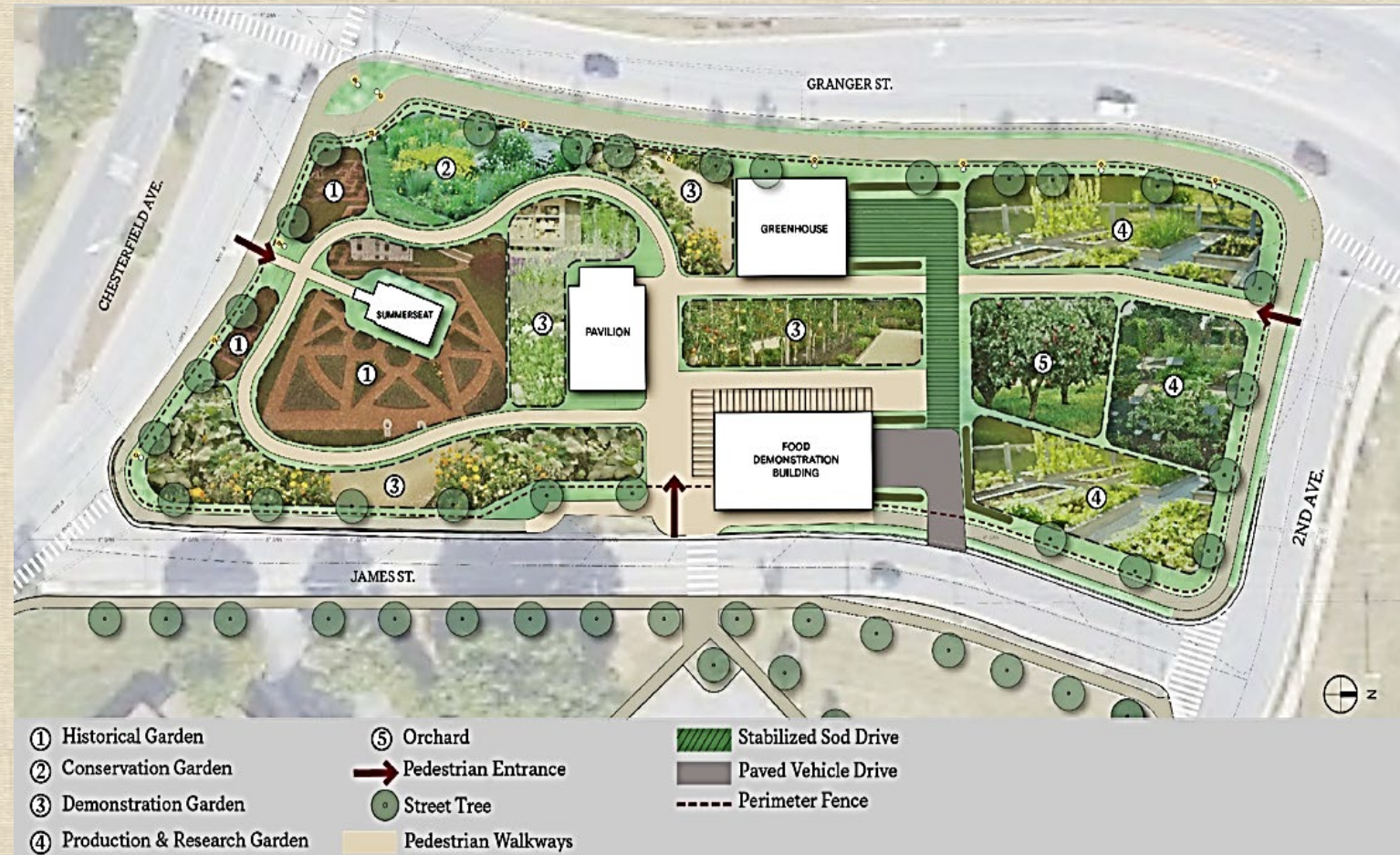
- Renovate Existing 1200 SF 1860 Building
- Construct On-site Kitchen/Classroom Incubator/Educational Space with Pavilion
- Urban Educational Garden

## SCHEDULE:

- Design Start – May, 2022
- Target Completion – Summer 2023

## CURRENT ACTIVITY:

- Glave & Holmes- Design Professional
  - Design SWAM Participation 100% Small Women Owned Prime Firm
- Design Charrette for College of Agriculture & Community
- Schematic Design Submission- December, 2022



# **CLOSED SESSION**

VSU Economic Development Corporation

Virginia State University  
Quarterly Comparison Report  
Cash and Reserve Balances  
June 30, 2022 and September 30, 2022

<b>Agency 212</b>		<u>6/30/2022</u>	<u>9/30/2022</u>
<u>Fund</u>	<u>Name</u>		
0000	Local Funds <sup>1</sup>	\$ 526,007	\$ 526,007
0100	General Funds (VCAN)	3,495,016	2,756,923
0100	General Funds	1,687,780	50,713,520
0300	Higher Education Operating	19,496	22,422,711
0301	Federal	1,342,051	532,824
0302	Grants	1,687,492	1,041,858
0303	Indirect Cost	51,406	28,715
0306	Auxiliary Enterprise	49,494,991	62,091,101
0308	Work Study	206,537	195,918
0311	Eminent Scholars	-	-
0316	Excess Indirect Cost Recovery	125,428	125,428
0317	Student Financial Assistance (License Plates)	-	13,380
0321	American Rescue Plan Act (ARPA) -State COVID-19 Funds	3,844,820	2,575,678
0323	VDH State COVID Testing Funds	205,167	114,346
0337	CARES Stimulus Funds - MSI <sup>2</sup>	-	-
0341	GEER Fund	513,912	346,819
0342	CARES Stimulus Funds - State General	-	-
0344	CARES Stimulus Funds - Students <sup>3</sup>	-	-
0369	CARES Stimulus Funds - Institution <sup>4</sup>	-	-
0386	Recycled Materials	43,205	43,499
0387	Surplus Property	198,930	198,930
0390	Insurance Recovery	344,341	344,341
<b>Total Agency 212</b>		<u>\$ 63,786,579</u>	<u>\$ 144,071,998</u>

<b>Agency 234</b>		<u>6/30/2022</u>	<u>9/30/2022</u>
<u>Fund</u>	<u>Description</u>		
0100	General Funds	\$ -	\$ 3,364,841
0300	Higher Education Operating	3,364,841	5,316,049
0301	Federal	301,390	1,783
<b>Total Agency 234</b>		<u>\$ 3,666,231</u>	<u>\$ 8,682,673</u>

Notes:

<sup>1</sup> \$30M from MacKenzie Scott has been invested with the University's Investment Manager.

	<u>6/30/2022</u>	<u>9/30/2022</u>
<sup>2</sup> CARES Stimulus Funds - MSI	\$ 16,138,563	\$ 13,142,977
<sup>3</sup> CARES Stimulus Funds - Students	7,484,781	7,484,781
<sup>4</sup> CARES Stimulus Funds - Institution	24,667	24,667
Total	<u>\$ 23,648,011</u>	<u>\$ 20,652,425</u>

Primary Uses of Funds (Expiration date June 2023)

- <sup>2</sup> COVID related expenses, lost revenue, and projects
- <sup>3</sup> Emergency grants to students and cost of attendance
- <sup>4</sup> COVID related expenses and lost revenue

Virginia State University  
 Descriptions of Cash Funding Sources  
 For the Quarterly Comparison Report - Cash and Reserve Balances

<b>Fund</b>	<b>Name</b>	<b>Description</b>	<b>Program Use</b>
0000	Local Funds	Gifts, investment earnings, endowment income, foundation support	Local
0100	General Funds	Revenue received from the State	E&G, Financial Aid
0100	General Funds (VCAN)	Virginia College Affordability Network	Financial Aid
0300	Higher Education Operating	Tuition and fees (Agency 212); State funds (Agency 234)	E&G, Financial Aid
0301	Federal	Federal grants and contracts	Sponsored Programs
0302	Grants	State and private grants and contracts	Sponsored Programs
0303	Indirect Cost	Indirect cost recoveries from grants and contracts	Sponsored Programs
0306	Auxiliary Enterprise	Auxiliary Enterprise	Auxiliary Services
0308	Work Study	Federal Funds for the Federal Work Study Program	E&G, Auxiliary and Sponsored Programs
0311	Eminent Scholars	Revenue received from the State for the Eminent Scholars program	E&G
0316	Excess Indirect Cost (IDC) Recovery	IDC from grants and contracts in excess of State required limits	TBD
0317	Student Financial Assistance (License Plates)	Revenue from the State License Plate Program	Financial Aid
0321	American Rescue Plan Act (ARPA) -State COVID-19 Funds	State COVID-19 Funds for financial aid	Financial Aid
0323	VDH State COVID Testing Funds	Testing funds from the Virginia Department of Health	Sponsored Programs (CARES)
0337	CARES Stimulus Funds - Minority Serving Institution (MSI)	Federal CARES Stimulus Funds - MSI	Sponsored Programs (CARES)
0341	Governor's Emergency (GEER) Fund	Governor's Emergency Education Relief Fund	Financial Aid
0342	CARES Stimulus Funds - State	Federal CARES Stimulus Funds - pass through from the State	E&G
0344	CARES Stimulus Funds - Students	Federal CARES Stimulus Funds - Students	Sponsored Programs (CARES)
0369	CARES Stimulus Funds - Institution	Federal CARES Stimulus Funds - Institution	Sponsored Programs (CARES)
0386	Recycled Materials	Revenue from the sale of recycled materials	TBD
0387	Surplus Property	Revenue from the sale of surplus property	TBD
0390	Insurance Recovery	Funds recovered from insurance claims	E&G

Virginia State University  
Statement of Sources and Uses Comparison  
For the quarter ending September 30, 2022

The Quarterly Statement of Sources and Uses Comparison contains an overview of the University's operating sources and uses through the first quarter of FY 2023. The report is prepared from two sources: actual accounting data and annual budgets as recorded in the University's financial system (Banner). Several major themes emerged from this quarterly report.

The sources were significantly higher as compared to the original Board of Visitors approved budget due to the following reasons. First, the University received a record amount of new operating dollars in FY 2023. The funding was received in Chapter 2, approved by Governor Youngkin on June 22, 2022. Secondly, the University exceeded all budgeted enrollment projections.

Overall, the uses are in line with projections for the first quarter. However, there are some categories that are over and under budget for specific reasons. Explanations for exceptions are listed throughout this report.

The report shows total sources and uses for the following major University funding categories:

- Total University (Summary)
- Educational and General (E&G)
- Auxiliary Enterprises - Residential Services
- Auxiliary Enterprises - Dining Services
- Auxiliary Enterprises - Comprehensive Fee
- Auxiliary Enterprises - Other Services
- Sponsored Programs
- Coronavirus Aid, Relief, and Economic Security Act (CARES)
- Local
- Student Financial Assistance
- Cooperative Extension and Agriculture Research (CEARS)

**Total University (Summary)**

**Total Sources Over Uses:** The University ended the quarter with a surplus of \$77.5M.

Sources: \$165M represents 76% of budget

- State General Funds totaled \$97.3M, 130% of budget.
  - Additional funding of \$18.1M for E&G.
  - Additional funding of \$4.4M for Student Financial Assistance.
  - Additional funding of \$111K for CEARS.
  - Carry-forward funding (University) was below budgeted amounts.
  - Carry-forward funding (CEARS) exceeded budgeted amounts.

<b>University</b>	
<b>E&amp;G</b>	
Expand Virginia College Affordability Network (VCAN) Salaries	\$ 150,000
Establish New Degree and Online Programs	2,501,784
Establish VSU Advanced Manufacturing Logistics Institute	1,029,000
Establish Academic Success Initiatives	1,629,424
Establish a Degree Completion and Career Enhancement Initiative	1,190,000
Establish VSU Pipeline with Purpose	520,500
Affordable Access	11,000,000
Fringe benefit rate increases	95,144
<b>Total E&amp;G</b>	<b>\$ 18,115,852</b>
<b>Student Financial Assistance</b>	
Expand Virginia College Affordability Network (VCAN)	\$ 2,350,000
Undergraduate Student Financial Assistance	1,880,400
Graduate Student Financial Assistance	132,200
<b>Total Student Financial Assistance</b>	<b>\$ 4,362,600</b>
<b>CEARS</b>	
<b>E&amp;G</b>	
Fringe benefit rate increases	\$ 111,049
<b>E&amp;G</b>	<b>\$ 111,049</b>

- Non-General Funds totaled \$67.8M, 48% of budget.
  - Tuition: \$19.4M or 56% of budget.
  - E&G Fees, Other Revenue and Excess Indirect Costs: \$2.3M or 48% of budget.
  - Auxiliary Enterprise: \$26.6M or 64% of budget.
  - Sponsored Programs (University): \$12.4M or 44% of budget.
  - Sponsored Programs (CEARS): \$1.7M or 24% of budget.



- CARES Stimulus Funds Minority Serving Institution (MSI): \$3.0M or 22% of budget.
  - COVID Testing: \$305K; not budgeted in FY 2023.
  - American Rescue Plan Act (ARPA): \$1.3M; not budgeted in FY 2023.
  - Governor’s Emergency Education Relief (GEER): \$167K; not budgeted in FY 2023.
  - Local Funds: \$702K or 16% of budget.
- **Enrollment:** Fall 2022 enrollment exceeded the budget.
    - These areas include head count, full- time, and on-campus housing.

	Budget	Actual	Difference
Head count	4,100	4,648	548
Full – Time	3,871	4,286	415
On-campus housing	2,200	2,989	789

Uses: \$87.5M represents 40% of budget

- The University only exceeded expense projections in the Public Services category (E&G).

### **Educational and General (E&G)**

**Total Sources Over Uses:** The quarter ended with \$53.8M surplus.

- **Sources:** \$79.8M, 100% of budget
  - State General Fund Appropriation: \$61.6M, 142% of budget; additional revenue was received for new programs, Affordable Access and fringe benefit rate increases.
  - State General Fund (Carry-Forward): \$19K or 1% of budget; significantly lower than projected because any potential FY 2022 balances were allocated and spent on outstanding obligations.
  - Tuition: \$15.8M or 56% of budget; higher than budgeted enrollment.
  - Technology fee: \$1.6M, 59% of budget; higher than budgeted enrollment.
  - Out of State Capital Outlay Fee: \$450K, 57% of budget; higher than budgeted enrollment.
  - Other Fees and Revenues: \$278K or 26% of budget; lower than budgeted revenue.

- **Uses:** \$26M, 33% of budget
  - Instruction: \$10.4M or 24% of budget; Instruction was 40% of the total E&G expenses.
  - Research: \$199K or 16% of budget; lower than projected expenses.
  - Academic Support: \$1.3M or 18% of budget; lower than projected expenses.
  - Public Services: \$194K or 131% of budget; expenses for new Public Health Institute.
  - Institutional Support: \$9.1M or 57% of budget; timing difference of the IDC Auxiliary rate allocation.
  - Operation and Maintenance of Plant: \$3.4M or 56% of budget; timing difference of the IDC Auxiliary rate allocation.

### **Auxiliary Enterprises - Residential Services**

**Total Sources Over Uses:** The quarter ended with \$0 surplus after transferring \$6.5M to Auxiliary Reserves.

- **Sources:** \$10.8M, 67% of budget
  - Housing Fees: \$10.8M or 67% of budget; higher than budgeted enrollment.
  - Miscellaneous Fees: \$8K or 17% of budget; housing violation fees are lower than projected.
- **Uses:** \$4.2M, 23% of budget
  - Residential Services: \$3.9M or 41% of budget; timing difference.

### **Auxiliary Enterprises - Dining Services**

**Total Sources Over Uses:** The quarter ended with \$0 surplus after transferring \$6.8M to Auxiliary Reserves.

- **Sources:** \$7.1M, 67% of budget
  - Higher than budgeted enrollment.
- **Uses:** \$349K, 3% of budget
  - Dining Services \$349K or 4% of budget; timing difference.

### **Auxiliary Enterprises - Comprehensive Fee**

**Total Uses Over Sources:** The quarter ended with \$0 surplus after transferring \$2.8M to Auxiliary Reserves.

- Sources: \$6.4M, 58% of budget
  - Comp Fee: \$6.3M or 59% of budget; higher than budgeted enrollment.
  - Miscellaneous Revenue: \$76K or 47% of budget; Football ticket sales higher than projected.
  - Miscellaneous Fees: \$0 or 0%; no fees collected.
- Uses: \$3.6M, 24% of budget
  - Radio Station: \$23K or 6% of budget; vacant positions and delayed purchases.
  - Foster Hall: \$29K or 7% of budget; timing difference.
  - Student Health: \$274K or 16% of budget; vacant positions and delayed purchases.
  - Campus Card Operations: \$55K or 14% of budget; delayed purchases.
  - Transportation: \$0 or 0% of budget; timing difference.

### **Auxiliary Enterprises - Other Services**

**Total Uses Over Sources:** The quarter ended with \$0 surplus after transferring \$975K from Auxiliary Reserves.

- Sources: \$2.3M, 58% of budget
  - Trojan Advance Course Fee: \$714K or 59% of budget; higher than budgeted enrollment.
  - Parking Fees: \$50K or 19% of budget; fees were waived for students in FY 2023.
  - Conference Services: \$376K or 167% of budget; higher than budgeted revenue from more events with release of COVID-19 restrictions.
  - Federal Work Study: 0%; researching why there are no students working in Auxiliary programs.
  - Campus Improvement Fee: \$1.1M or 59% of budget; higher than budgeted enrollment.
- Uses: \$3.2M, 18% of budget
  - Trojan Advance Course Operations: \$58K or 5% of budget; timing difference.
  - Conference Services: \$78K or 32% of budget; increase in sources results in increased expenses.
  - Federal Work Study: 0%; researching why there are no students working in Auxiliary programs.
  - COVID 19 Auxiliary: 0%; costs are being covered with CARES funds.
  - Motor Pool: \$154K or 7% of budget; timing difference for bus purchases.
  - Copier and Graphics: \$38K or 8% of budget; timing difference.
  - Debt Service: \$640K or 98% of budget; expenses are in line with projection.
  - Other: \$1.9M or 18% of budget; timing difference.

## Sponsored Programs

**Total Sources Over Uses:** The quarter ended with -\$928K deficit reflecting a timing difference for reimbursement. The sources and uses are up, reflecting increased grant activity.

Sources: \$12.4M, 44% of budget

- Federal Grants and Contracts: \$11.6M or 43% of budget; increased grant revenue for the MT Carter Annex project, research and public service projects, and the disadvantaged farmers programs.
- State Grants and Contracts: \$317K or 133% of budget; increased grants received from the Virginia Department of Education for the clinical faculty program and the career technical student organization (CTSO) technology student association (TSA) state advisor expenses.

• Uses: \$13.3M, 47% of budget

- Instruction: \$253K or 30% of budget; higher than budgeted expenses.
- Research: \$1.6M or 42% of budget; increased grant expenses for the Trojan Center for Application Research, Cannabis and Health Rate Study, Programs for Research and Education, and the Small Ruminant projects.
- Public Service: \$872K or 42% of budget; higher than budgeted expenses for Disadvantaged Farmers, Study for the impact of COVID-19, Small Business Center, Digital Learning, and Veterans on Food Production.
- Academic Support: \$924K or 57% of budget; increased Title III expenditures for academic support initiatives.
- Student Support: \$105K or 36% of budget; increased Title III expenditures for student technology initiatives, and academic growth programs.
- Operation and Maintenance of Plant: \$1.0M or 40% of budget; construction costs higher than projected for the 1890 Facilities grant (MT Carter Annex).

## CARES

**Total Sources Over Uses:** The quarter ended with \$0 balance.

Sources: \$3.3M, 16% of budget

- CARES Stimulus Funds MSI: \$3M; sources are in line with projection.
- COVID Testing MOU VSU/VDH: 305K; not budgeted in FY 2023 (one-time funds).

• Uses: \$3.3M, 16% of the budget

- Institutional Support: \$306K or 4% of budget; timing difference.
- Scholarships and Fellowships: \$3.0M or 23% of budget; expenses are related to student debt relief.

## Local Funds

**Total Sources Over Uses:** The quarter ended with \$0 balance.

- **Sources:** \$702K, 16% of budget
  - Gifts: \$0 or 0% of budget; timing difference.
  - Endowment: \$54K or 2% of budget; timing difference.
  - Fund balance: \$590K or 39% of budget; needed to cover the quarterly expenses.
  
- **Uses:** \$702K, 16% of budget
  - Instruction: \$15K or 43% of budget; payments for Summer Bridge Program.
  - Research: \$6K or 1% of budget; the “Transforming the University through Innovation Strategies” Grant program has delayed purchases.
  - Student Support: \$3K or 85% of budget; higher than projected.
  - Institutional Support: \$279K or 69% of budget; higher than projected.
  - Scholarships: \$245K or 8% of budget; lower than projected because of other available financial aid resources.
  - Auxiliary-Athletics: \$155K or 52% of budget; higher than projected, and includes summer camp expenses from FY 2022.

## Student Financial Assistance

**Total Sources Over Uses:** The quarter ended with \$15.9M surplus.

- **Sources:** \$30M, 117% of budget
  - General Fund Appropriation: \$13M or 118% of budget; \$2.0M additional funds received over projection.
  - State General Fund (Carry-Forward): \$1.4M; not budgeted in FY 2023.
  - VCAN Carry-Forward: \$3.5M or 118% of budget; \$542K over projection.
  - VCAN: \$7M or 150% of budget; \$2.4M additional funds received over projection.
  - American Rescue Plan Act (ARPA): \$1.3M; not budgeted in FY 2023.
  - Governor’s Emergency Education Relief (GEER): \$167K not budgeted in FY 2023.
  
- **Uses:** \$14.1M, 55% of budget
  - Scholarships: \$8.2M or 47% of budget; expenses are in line with projection.
  - Fellowships: \$271K or 68% of budget; additional funds received from the State caused higher than projected expenses.
  - VCAN: \$4.2M or 55% of budget; additional funds received from the State caused higher than projected expenses.
  - American Rescue Plan Act (ARPA): \$1.3M; not budgeted in FY 2023.
  - Governor’s Emergency Education Relief (GEER): \$167K; not budgeted in FY 2023.

## Cooperative Extension and Agriculture Research (CEARS)

**Total Sources Over Uses:** The quarter ended with \$8.8M in surplus.

- Sources: \$12.3M, 77% of budget
  - State General Fund Appropriation: \$7.3M or 102% of budget; fringe benefit rate increases.
  - State General Fund (Carry-Forward): \$3.4M or 160% of budget; higher than projected.
  
- Uses: \$3.5M, 22% of budget
  - Public Service: \$1.6M or 20% of budget; timing difference, and vacant positions.
  - Institutional Support: \$0K or 0% of budget; in line with projection.
  - Operation and Maintenance of Plant: \$0K or 0% of budget; in line with projection.

The University completed the first quarter of FY 2023 in a positive position with sources over uses of \$77.5M. The revenue at 76% of the budget is higher than previous years reflecting additional funding received from the State, higher than budgeted enrollment, and increased Sponsored Programs spending. All of the program categories sustained their obligations.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Summary**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
<b>State General Funds</b>								
State General Fund E&G (University)	\$ 43,521,042	\$ -	\$ 43,521,042	\$ 61,636,894	\$ 18,115,852	142%	\$ 43,521,042	100%
State General Fund E&G (University Carry-Forward)	6,500,000	-	6,500,000	4,924,610	(1,575,390)	76%	-	0%
State General Fund (CEARS)	7,199,920	-	7,199,920	7,310,969	111,049	102%	7,199,920	100%
State General Fund (CEARS Carry-Forward)	2,100,000	-	2,100,000	3,364,841	1,264,841	160%	-	N/A
State General Fund Student Financial Assistance (SFA)	15,651,221	-	15,651,221	20,013,821	4,362,600	128%	14,942,721	100%
<b>Total State General Funds</b>	<b>\$ 74,972,183</b>	<b>\$ -</b>	<b>\$ 74,972,183</b>	<b>\$ 97,251,135</b>	<b>\$ 22,278,952</b>	<b>130%</b>	<b>\$ 65,663,683</b>	<b>89%</b>
<b>Non-General Funds</b>								
Tuition	\$ 18,182,165	\$ 16,783,537	\$ 34,965,702	\$ 19,412,389	\$ (15,553,313)	56%	\$ 18,966,057	59%
E&G Fees, Other Revenue and Excess Indirect Costs	2,427,729	2,393,737	4,821,466	2,324,739	(2,496,727)	48%	1,101,715	39%
Auxiliary Enterprises	21,692,968	20,079,830	41,772,798	26,550,439	(15,222,359)	64%	22,025,206	57%
Sponsored Programs (University)	15,646,189	12,801,428	28,447,617	12,378,419	(16,069,198)	44%	11,479,885	40%
Sponsored Programs (CEARS)	3,549,238	3,276,220	6,825,458	1,663,319	(5,162,139)	24%	1,628,755	24%
CARES Stimulus Funds - Institution	-	-	-	-	-	N/A	4,634,984	N/A
CARES Stimulus Funds - Students	4,116,630	3,368,151	7,484,781	-	(7,484,781)	0%	-	N/A
CARES Stimulus Funds - MSI	7,425,000	6,075,000	13,500,000	2,995,586	(10,504,414)	22%	-	N/A
COVID Testing MOU VSU/VDH	-	-	-	305,179	305,179	N/A	-	N/A
American Rescue Plan Act (ARPA) -State COVID-19 Funds	-	-	-	1,269,142	1,269,142	N/A	-	N/A
Governor's Emergency Education Relief (GEER)	-	-	-	167,093	167,093	N/A	-	N/A
Local Funds	2,431,533	2,007,618	4,439,151	702,302	(3,736,849)	16%	944,634	19%
<b>Total Non-General Funds</b>	<b>\$ 75,471,452</b>	<b>\$ 66,785,521</b>	<b>\$ 142,256,973</b>	<b>\$ 67,768,607</b>	<b>\$ (74,488,366)</b>	<b>48%</b>	<b>\$ 60,781,236</b>	<b>53%</b>
<b>Total Sources</b>	<b>\$ 150,443,636</b>	<b>\$ 66,785,520</b>	<b>\$ 217,229,156</b>	<b>\$ 165,019,742</b>	<b>\$ (52,209,414)</b>	<b>76%</b>	<b>\$ 126,444,919</b>	<b>68%</b>
<b>Uses:</b>								
Instruction	\$ 22,287,136	\$ 20,432,325	\$ 42,719,461	\$ 10,413,052	\$ 32,306,409	24%	\$ 8,456,888	20%
Research	729,457	486,304	1,215,761	198,631	1,017,130	16%	304,547	25%
Public Services	103,686	43,924	147,610	193,824	(46,214)	131%	52,000	112%
Academic Support	4,394,696	3,010,232	7,404,928	1,315,823	6,089,105	18%	1,297,285	18%
Student Support	3,461,383	2,903,716	6,365,099	1,352,346	5,012,753	21%	1,101,627	18%
Institutional Support	10,810,288	5,026,246	15,836,534	9,061,261	6,775,273	57%	7,675,561	56%
Operation and Maintenance of Plant	3,245,866	2,876,824	6,122,690	3,443,295	2,679,395	56%	2,514,828	46%
NIFA (E&G only)	-	-	-	-	0	N/A	-	N/A
Auxiliary Enterprises	26,777,544	14,995,254	41,772,798	26,550,439	15,222,359	64%	22,025,206	57%
Sponsored Programs	15,361,711	13,085,906	28,447,617	13,306,003	15,141,614	47%	11,350,420	40%
CARES Stimulus Funds - Institutional Support	4,116,630	3,368,151	7,484,781	305,679	7,179,102	4%	2,925,531	N/A
CARES Stimulus Funds - Scholarships and Fellowships	7,425,000	6,075,000	13,500,000	2,995,086	10,504,914	22%	1,709,453	N/A
Student Financial Assistance	13,226,451	12,420,897	25,647,348	14,120,103	11,527,245	55%	9,319,725	37%
Local Funds	2,219,576	2,219,576	4,439,151	702,302	3,736,849	16%	336,702	7%
Cooperative Extension and Ag Research	7,749,145	8,376,233	16,125,378	3,534,905	12,590,473	22%	3,121,180	22%
<b>Total Uses</b>	<b>\$ 121,908,568</b>	<b>\$ 95,320,588</b>	<b>\$ 217,229,156</b>	<b>\$ 87,492,749</b>	<b>\$ 129,736,407</b>	<b>40%</b>	<b>\$ 72,190,953</b>	<b>39%</b>
<b>Sources Over/(Under) Uses</b>	<b>\$ 28,535,068</b>	<b>\$ (28,535,068)</b>	<b>\$ 0</b>	<b>\$ 77,526,993</b>	<b>\$ 77,526,993</b>		<b>\$ 54,253,966</b>	

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Educational and General Program (E&G)**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
State General Fund Appropriation	\$ 43,521,042	\$ -	\$ 43,521,042	\$ 61,636,894	\$ 18,115,852	142%	\$ 43,521,042	100%
State General Fund (Carry-Forward)	3,500,000	-	3,500,000	19,496	(3,480,504)	1%	-	0%
Tuition	14,544,179	13,425,396	27,969,575	15,774,403	(12,195,172)	56%	15,328,071	61%
Federal College Work Study	78,897	184,094	262,991	8,068	(254,923)	3%	9,923	4%
Technology Fee	1,401,459	1,293,654	2,695,113	1,588,934	(1,106,179)	59%	455,211	58%
Out of State Capital Outlay Fee	408,006	376,620	784,626	449,722	(334,904)	57%	436,100	62%
Other Fees and Revenue	539,368	539,368	1,078,736	278,015	(800,721)	26%	200,481	19%
Excess Indirect Costs (IDC)	-	-	-	-	-	N/A	-	N/A
<b>Total Sources</b>	<b>\$ 63,992,950</b>	<b>\$ 15,819,133</b>	<b>\$ 79,812,083</b>	<b>\$ 79,755,532</b>	<b>\$ (56,551)</b>	<b>100%</b>	<b>\$ 59,950,828</b>	<b>79%</b>
<b>Uses:</b>								
Instruction	\$ 22,287,136	\$ 20,432,325	\$ 42,719,461	\$ 10,413,052	\$ 32,306,409	24%	\$ 8,456,888	20%
Research	729,457	486,304	1,215,761	198,631	1,017,130	16%	304,547	25%
Public Services	103,686	43,924	147,610	193,824	(46,214)	131%	52,000	112%
Academic Support	4,394,696	3,010,232	7,404,928	1,315,823	6,089,105	18%	1,297,285	18%
Student Support	3,461,383	2,903,716	6,365,099	1,352,346	5,012,753	21%	1,101,627	18%
Institutional Support	10,810,288	5,026,246	15,836,534	9,061,261	6,775,273	57%	7,675,561	56%
Operation and Maintenance of Plant	3,245,866	2,876,824	6,122,690	3,443,295	2,679,395	56%	2,514,828	46%
NIFA	-	-	-	-	\$0	N/A	-	N/A
<b>Total Uses</b>	<b>\$ 45,032,512</b>	<b>\$ 34,779,571</b>	<b>\$ 79,812,083</b>	<b>\$ 25,978,232</b>	<b>\$ 53,833,851</b>	<b>33%</b>	<b>\$ 21,402,736</b>	<b>28%</b>
<b>Sources Over/(Under) Uses</b>	<b>\$18,960,438</b>	<b>(\$18,960,438)</b>	<b>\$0</b>	<b>\$ 53,777,300</b>	<b>\$ 53,777,300</b>		<b>\$ 38,548,092</b>	

**Notes:**

The Educational and General Program includes the University's **instructional** (full-time and part-time faculty and staff) and related department operating costs. E&G also includes **research** -state supported research; **public service** -community outreach activity; **academic support** -library materials, access and services, information technology and dean expenses; **student services** -registrar, admissions, financial aid and career services; **institutional support** -executive management, fiscal services, human resources, police, purchasing, etc.; **operation and maintenance of plant** -buildings and grounds maintenance and utilities.

Tuition is also shown on the Financial Aid report. A portion of tuition collected is allocated to financial aid to students.



Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Auxiliary Enterprises - Residential Services**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
Housing Fees	\$ 8,218,587	\$ 7,896,289	\$ 16,114,876	\$ 10,757,433	\$ (5,357,443)	67%	\$ 8,763,519	60%
Commissions	4,600	5,400	10,000	2,610	(7,390)	26%	17,697	47%
Miscellaneous Fees	22,950	22,050	45,000	7,780	(37,220)	17%	-	0%
<b>Total Sources</b>	<b>\$ 8,246,137</b>	<b>\$ 7,923,739</b>	<b>\$ 16,169,876</b>	<b>\$ 10,767,823</b>	<b>\$ (5,402,053)</b>	<b>67%</b>	<b>\$ 8,781,216</b>	<b>59%</b>
<b>Uses:</b>								
Residential Services	\$ 4,048,666	\$ 5,366,837	\$ 9,415,503	\$ 3,851,490	\$ 5,564,013	41%	\$ 1,685,963	20%
Scholarships	300,000	300,000	600,000	300,000	300,000	50%	300,000	50%
Debt Service	608,914	7,933,693	8,542,607	89,366	8,453,241	1%	534,771	10%
<b>Total Uses</b>	<b>\$ 4,957,580</b>	<b>\$ 13,600,530</b>	<b>\$ 18,558,110</b>	<b>\$ 4,240,856</b>	<b>\$ 14,317,254</b>	<b>23%</b>	<b>\$ 2,520,734</b>	<b>17%</b>
Contributions to /from Reserves	-	(2,388,234)	(2,388,234)	6,526,967	(8,915,201)		\$ 6,260,482	
<b>Sources Over/(Under) Uses</b>	<b>\$ 3,288,557</b>	<b>\$ (3,288,557)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	

**Notes:**  
Residential services include sources and uses associated with the operation of the University's residence halls. It does not include revenues or expenses for the Ettrick apartments which are operated by the University's Foundation.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Auxiliary Enterprises - Dining Services**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
Dining Fees	\$ 5,500,621	\$ 5,077,497	\$ 10,578,118	\$ 7,075,958	\$ (3,502,160)	67%	\$ 5,711,166	61%
Commissions	37,500	37,500	75,000	\$ 22,344	(52,656)	30%	14,971	23%
<b>Total Sources</b>	<b>\$ 5,538,121</b>	<b>\$ 5,114,997</b>	<b>\$ 10,653,118</b>	<b>\$ 7,098,302</b>	<b>\$ (3,554,816)</b>	67%	<b>\$ 5,726,137</b>	61%
<b>Uses:</b>								
Dining Services	\$ 4,751,402	\$ 5,147,352	\$ 9,898,754	\$ 349,007	\$ 9,549,747	4%	\$ 1,141,283	12%
Debt Service	24,394	310,617	335,011	\$ -	335,011	0%	-	0%
<b>Total Uses</b>	<b>\$ 4,775,796</b>	<b>\$ 5,457,969</b>	<b>\$ 10,233,765</b>	<b>\$ 349,007</b>	<b>\$ 9,884,758</b>	3%	<b>\$ 1,141,283</b>	12%
Contributions to /from Reserves	-	419,353	419,353	6,749,295	(6,329,942)		\$ 4,584,854	
Sources Over/(Under) Uses	\$ 762,325	\$ (762,325)	\$ -	\$ -	\$ -		\$ -	

**Notes:**

Dining services are provided by a contract with Thompson Hospitality. The main sources and uses of the revenue and expenses are related to the sale and delivery of meal plans.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Auxiliary Enterprises - Comprehensive Fee**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
Comprehensive Fee	\$ 5,572,860	\$ 5,144,178	\$ 10,717,038	\$ 6,348,188	\$ (4,368,850)	59%	\$ 5,787,678	58%
Miscellaneous Revenue	96,000	64,000	160,000	75,974	(84,026)	47%	-	0%
Miscellaneous Fees	117,304	42,736	160,040	-	(160,040)	0%	33,569	12%
<b>Total Sources</b>	<b>\$ 5,786,164</b>	<b>\$ 5,250,914</b>	<b>\$ 11,037,078</b>	<b>\$ 6,424,162</b>	<b>\$ (4,612,916)</b>	<b>58%</b>	<b>\$ 5,821,247</b>	<b>56%</b>
<b>Uses:</b>								
Athletics	\$ 4,349,925	\$ 2,342,267	\$ 6,692,192	\$ 1,999,184	\$ 4,693,008	30%	\$ 1,490,730	25%
Student Activities	1,229,309	819,540	2,048,849	567,871	1,480,978	28%	188,726	10%
Security	1,019,640	1,149,807	2,169,447	414,865	1,754,582	19%	369,309	19%
Radio Station	152,649	194,281	346,930	22,509	324,421	6%	3,257	1%
Foster Hall	180,486	211,875	392,361	28,585	363,776	7%	33,656	10%
Student Health Services	816,612	920,860	1,737,472	274,201	1,463,271	16%	217,976	13%
Campus Card Operations	171,948	218,844	390,792	54,734	336,058	14%	74,691	15%
Administrative Auxiliary Personnel	399,676	399,676	799,352	159,113	640,239	20%	170,841	22%
Maintenance of Facilities	98,174	252,448	350,622	90,775	259,847	26%	48,453	14%
Transportation	19,620	45,781	65,401	-	65,401	0%	-	0%
<b>Total Uses</b>	<b>\$ 8,438,039</b>	<b>\$ 6,555,379</b>	<b>\$ 14,993,418</b>	<b>\$ 3,611,837</b>	<b>\$ 11,381,581</b>	<b>24%</b>	<b>\$ 2,597,639</b>	<b>18%</b>
Contributions to /from Reserves	-	(3,956,340)	(3,956,340)	2,812,325	(6,768,665)		3,223,608	
<b>Sources Over/(Under) Uses</b>	<b>\$ (2,651,875)</b>	<b>\$ 2,651,875</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	

Notes:

Comprehensive fees are generated to support programs that are student servicing. The fees support the activities listed under Uses.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Auxiliary Enterprises - Other Services**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
Trojan Advance Course Fee	\$ 624,000	\$ 576,000	\$ 1,200,000	\$ 713,592	\$ (486,408)	59%	\$ 596,466	50%
Bookstore Commissions	60,000	90,000	150,000	61,131	(88,869)	41%	117,490	78%
Parking Fees/Fines	195,575	68,716	264,291	50,174	(214,117)	19%	-	0%
Conference Services	198,000	27,000	225,000	376,375	151,375	167%	16,570	7%
Federal College Work Study	110,715	166,073	276,788	-	(276,788)	0%	-	0%
Campus Improvement Fee	934,256	862,391	1,796,647	1,058,880	(737,767)	59%	966,080	58%
<b>Total Sources</b>	<b>\$ 2,122,546</b>	<b>\$ 1,790,180</b>	<b>\$ 3,912,726</b>	<b>\$ 2,260,152</b>	<b>\$ (1,652,574)</b>	<b>58%</b>	<b>\$ 1,696,606</b>	<b>45%</b>
<b>Uses:</b>								
Trojan Advance Course Operations	\$ 648,000	\$ 552,000	\$ 1,200,000	\$ 57,666	\$ 1,142,334	5%	\$ 630,969	53%
Bookstore	29,805	21,583	51,388	5,311	46,077	10%	7,404	15%
Scholarships (Bookstore)	50,000	50,000	100,000	50,000	50,000	50%	50,000	50%
Parking	160,490	160,490	320,980	49,563	271,417	15%	39,171	13%
Conference Services	73,120	170,613	243,733	78,466	165,267	32%	25,894	11%
Work-study	67,536	209,252	276,788	-	276,788	0%	-	0%
Multipurpose Center Operations	442,001	376,520	818,521	314,842	503,679	38%	112,619	26%
COVID 19 Auxiliary	250,000	250,000	500,000	-	500,000	0%	-	0%
Motor Pool	704,340	1,643,460	2,347,800	153,594	2,194,206	7%	46,353	N/A
Copier and Graphics	241,220	241,220	482,440	38,261	444,179	8%	117,376	N/A
Auxiliary recoveries	(145,000)	(145,000)	(290,000)	(85,926)	(204,074)	30%	166,296	-57%
Debt Service	648,895	4,444	653,339	639,945	13,394	98%	179,473	99%
NIFA	-	-	-	-	-	N/A	1,701,141	N/A
Other	5,435,722	5,435,722	10,871,444	1,933,719	8,937,725	18%	273,390	8%
<b>Total Uses</b>	<b>\$ 8,606,129</b>	<b>\$ 8,970,304</b>	<b>\$ 17,576,433</b>	<b>3,235,441</b>	<b>\$ 14,340,992</b>	<b>18%</b>	<b>\$ 3,350,086</b>	<b>46%</b>
	-	(13,663,707)	(13,663,707)	(975,289)	(12,688,418)		\$ (1,653,480)	
<b>Sources Over/(Under) Uses</b>	<b>\$ (6,483,583)</b>	<b>\$ 6,483,583</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	

Other Auxiliaries include self-supporting enterprises that service the University. They include Auxiliary services not covered in the other reports.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Sponsored Programs (University)**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
Federal Grants and Contracts	\$ 14,856,015	\$ 12,154,921	\$ 27,010,936	\$ 11,581,258	\$ (15,429,678)	43%	\$ 10,862,423	40%
State Grants and Contracts	131,492	107,585	239,077	316,786	77,709	133%	116,440	54%
Private Grants and Contracts	275,550	225,450	501,000	267,760	(233,240)	53%	266,555	48%
Indirect Costs (IDC)	383,132	313,472	696,604	212,615	(483,989)	31%	234,467	35%
<b>Total Sources</b>	<b>\$ 15,646,189</b>	<b>\$ 12,801,428</b>	<b>\$ 28,447,617</b>	<b>\$ 12,378,419</b>	<b>\$ (16,069,198)</b>	<b>44%</b>	<b>\$ 11,479,885</b>	<b>40%</b>
<b>Uses:</b>								
Instruction	\$ 456,157	\$ 388,578	\$ 844,735	\$ 253,022	\$ 591,713	30%	\$ 176,514	22%
Research	2,066,589	1,715,984	3,782,573	1,574,892	2,207,681	42%	2,472,810	59%
Public Services	1,112,338	947,547	2,059,885	872,216	1,187,669	42%	734,753	36%
Academic Support	871,769	742,618	1,614,387	924,184	690,203	57%	282,778	17%
Student Support	158,418	134,949	293,367	105,130	188,237	36%	152,100	58%
Institutional Support	1,214,517	960,517	2,175,034	467,973	1,707,061	22%	453,045	11%
Operation and Maintenance of Plant	1,326,500	1,248,500	2,575,000	1,031,608	1,543,392	40%	19,135	2%
Scholarships and Fellowships	8,155,423	6,947,213	15,102,636	8,076,978	7,025,658	53%	7,059,285	49%
<b>Total Uses</b>	<b>\$ 15,361,711</b>	<b>\$ 13,085,906</b>	<b>\$ 28,447,617</b>	<b>\$ 13,306,003</b>	<b>\$ 15,141,614</b>	<b>47%</b>	<b>\$ 11,350,420</b>	<b>40%</b>
<b>Sources Over/(Under) Uses</b>	<b>\$ 284,478</b>	<b>\$ (284,478)</b>	<b>\$ -</b>	<b>\$ (927,584)</b>	<b>\$ (927,584)</b>		<b>\$ 129,465</b>	

**Notes:**

Sponsored programs are projects and/or activities that are supported by external restricted funds awarded to the University. These funds may come from governmental, non-profit, or private sources and may support research, instruction, training, service, or other scholarly activities. The grant awards often apply to more than one year and expenses may occur over several years. The actuals in this report reflect the total Sponsored Programs activity which occurred in the current fiscal year.

Indirect costs are the related costs of using the University's facilities and administrative support that are not directly itemized in the grant budget. They are related to fiscal operations, human resources, maintenance of plant services and other general administrative and business support offices. These funds are received from funding agencies according to formulas based on the costs of expenditures. Indirect costs of \$102,675 is included in the E&G budget as part of other revenues.

The largest use in this report is Scholarships and Fellowships which includes the Federal Pell Grants. The report completed by the Division of Research & Economic Development doesn't include these expenses.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Coronavirus Aid, Relief, and Economic Security (CARES) Act**

	FY 2023					Percent of Actual to Budget	FY 2022	
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget
<b>Sources:</b>								
CARES Stimulus Funds - Institution	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	\$ 4,634,984	N/A
CARES Stimulus Funds - Students	4,116,630	3,368,151	7,484,781	-	(7,484,781)	0%	-	N/A
CARES Stimulus Funds - MSI	7,425,000	6,075,000	13,500,000	2,995,586	(10,504,414)	22%	-	N/A
COVID Testing MOU VSU/VDH	-	-	-	305,179	305,179	N/A	-	N/A
<b>Total Sources</b>	<b>\$ 11,541,630</b>	<b>\$ 9,443,151</b>	<b>\$ 20,984,781</b>	<b>\$ 3,300,765</b>	<b>\$ (17,684,016)</b>	<b>16%</b>	<b>\$ 4,634,984</b>	<b>N/A</b>
<b>Uses:</b>								
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	N/A
Research	-	-	-	-	-	N/A	-	N/A
Public Services	-	-	-	-	-	N/A	-	N/A
Academic Support	-	-	-	-	-	N/A	-	N/A
Student Support	-	-	-	-	-	N/A	-	N/A
Institutional Support	4,175,000	3,825,000	8,000,000	305,679	7,694,321	4%	2,925,531	N/A
Operation and Maintenance of Plant	-	-	-	-	-	N/A	-	N/A
Scholarships and Fellowships	6,866,630	6,118,151	12,984,781	2,995,086	9,989,695	23%	1,709,453	N/A
<b>Total Uses</b>	<b>\$ 11,041,630</b>	<b>\$ 9,943,151</b>	<b>\$ 20,984,781</b>	<b>\$ 3,300,765</b>	<b>\$ 17,684,016</b>	<b>16%</b>	<b>\$ 4,634,984</b>	<b>N/A</b>
<b>Sources Over/(Under) Uses</b>	<b>\$ 500,000</b>	<b>\$ (500,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	

**Notes:**

The report represents funding received under the Higher Education Emergency Relief Fund from the American Rescue Plan Act of 2021. The CARES actuals in this report represents the spending and drawdowns for the expenses.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Local Funds**

	FY 2023					Percent of Actual to Budget	FY 2022		
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget	
<b>Sources:</b>									
Gifts	\$ 123,750	\$ 101,250	\$ 225,000	\$ -	\$ (225,000)	0%	\$ 3,615	0%	
Endowment, Investment Income and Foundation Support	1,252,690	941,027	2,193,717	54,202	(2,139,515)	2%	871,615	42%	
Other Revenue	258,333	234,091	492,424	57,713	(434,711)	12%	69,404	17%	
Fund Balance	796,760	731,250	1,528,010	590,387	(937,623)	39%	-	N/A	
<b>Total Sources</b>	<b>\$ 2,431,533</b>	<b>\$ 2,007,618</b>	<b>\$ 4,439,151</b>	<b>\$ 702,302</b>	<b>\$ (3,736,849)</b>	<b>16%</b>	<b>\$ 944,634</b>	<b>19%</b>	
<b>Uses:</b>									
Instruction	\$ 17,500	\$ 17,500	\$ 35,000	\$ 15,114	\$ 19,886	43%	\$ -	0%	
Research	251,126	251,126	502,252	6,395	495,857	1%	18	0%	
Public Services	38,212	38,212	76,424	-	76,424	0%	599	0%	
Academic Support	-	-	-	-	-	N/A	-	N/A	
Student Support	1,500	1,500	3,000	2,553	447	85%	34	0%	
Institutional Support	201,867	201,868	403,735	279,013	124,722	69%	46,915	12%	
Operation and Maintenance of Plant	-	-	-	-	-	N/A	-	N/A	
Scholarships and Fellowships	1,559,371	1,559,370	3,118,740	244,550	2,874,190	8%	287,359	9%	
Auxiliary - Athletics	150,000	150,000	300,000	154,677	145,323	52%	1,777	1%	
<b>Total Uses</b>	<b>\$ 2,219,576</b>	<b>\$ 2,219,576</b>	<b>\$ 4,439,151</b>	<b>\$ 702,302</b>	<b>\$ 3,736,849</b>	<b>16%</b>	<b>\$ 336,702</b>	<b>7%</b>	
<b>Sources Over/(Under) Uses</b>	<b>\$ 211,958</b>	<b>\$ (211,958)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 607,932</b>		

Notes:  
Local Funds are sources received by the University from gifts, investment earnings, endowment income, foundation support and other sources. The funding is used for program support and scholarships. The University's Foundations receive gifts and they are recorded in the Foundation support revenue category when transferred to the University for expenditure.

Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Student Financial Assistance**

	FY 2023					Percent of Actual to Budget	FY 2022		
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget	
<b>Sources:</b>									
State General Fund Appropriation	\$ 10,983,879	\$ -	\$ 10,983,879	\$ 12,996,479	\$ 2,012,600	118%	\$ 10,275,379	100%	
State General Fund (Carry-Forward)	-	-	-	1,363,113	1,363,113	N/A	-	N/A	
State General Fund (Carry-Forward VCAN)	3,000,000	-	3,000,000	3,542,001	542,001	118%	-	0%	
State General Fund (VCAN)	4,667,342	-	4,667,342	7,017,342	2,350,000	150%	4,667,342	100%	
Tuition	3,637,986	3,358,141	6,996,127	3,637,986	(3,358,141)	52%	3,637,986	52%	
American Rescue Plan Act (ARPA) -State COVID-19 Funds	-	-	-	1,269,142	1,269,142	N/A	-	N/A	
Governor's Emergency Education Relief (GEER)	-	-	-	167,093	167,093	N/A	-	N/A	
<b>Total Sources</b>	<b>\$ 22,289,207</b>	<b>\$ 3,358,141</b>	<b>\$ 25,647,348</b>	<b>\$ 29,993,156</b>	<b>\$ 4,345,808</b>	<b>117%</b>	<b>\$ 18,580,707</b>	<b>74%</b>	
<b>Uses:</b>									
Scholarships	\$ 9,127,922	\$ 8,453,025	\$ 17,580,947	\$ 8,215,882	\$ 9,365,065	47%	\$ 6,888,977	41%	
Fellowships	207,511	191,548	399,059	270,909	128,150	68%	233,955	59%	
VCAN	3,891,018	3,776,324	7,667,342	4,197,077	3,470,265	55%	2,196,793	28%	
American Rescue Plan Act (ARPA) -State COVID-19 Funds	-	-	-	1,269,142	(1,269,142)	N/A	-	N/A	
Governor's Emergency Education Relief (GEER)	-	-	-	167,093	(167,093)	N/A	-	N/A	
<b>Total Uses</b>	<b>\$ 13,226,451</b>	<b>\$ 12,420,897</b>	<b>\$ 25,647,348</b>	<b>\$ 14,120,103</b>	<b>\$ 11,527,245</b>	<b>55%</b>	<b>\$ 9,319,725</b>	<b>37%</b>	
<b>Sources Over/(Under) Uses</b>	<b>\$ 9,062,756</b>	<b>\$ (9,062,756)</b>	<b>\$ -</b>	<b>\$ 15,873,053</b>	<b>\$ 15,873,053</b>		<b>\$ 9,260,982</b>		

Notes:

The report reflects financial aid funding received from the State and Tuition. Scholarships are for undergraduate students and fellowships are for graduate students.



Virginia State University  
Quarterly Statement of Sources and Uses  
For the Quarter Ending September 30, 2022  
**Cooperative Extension and Agriculture Research (CEARS)**

	FY 2023					Percent of Actual to Budget	FY 2022		
	Fall 2022	Spring 2023	Budget	Actuals	Variance		Actuals as of 9/30/2021	Percent of Actual to Budget	
<b>Sources:</b>									
State General Fund Appropriation	\$ 7,199,920	\$ -	\$ 7,199,920	\$ 7,310,969	\$ 111,049	102%	\$ 7,199,920	100%	
State General Fund (Carry-Forward)	2,100,000	-	2,100,000	3,364,841	1,264,841	160%	-	N/A	
Federal and Other Sources	3,549,238	3,276,220	6,825,458	1,663,319	(5,162,139)	24%	1,628,755	24%	
<b>Total Sources</b>	<b>\$ 12,849,158</b>	<b>\$ 3,276,220</b>	<b>\$ 16,125,378</b>	<b>\$ 12,339,129</b>	<b>\$ (3,786,249)</b>	<b>77%</b>	<b>\$ 8,828,675</b>	<b>63%</b>	
<b>Uses:</b>									
Research	\$ 3,821,705	\$ 3,977,693	\$ 7,799,398	\$ 1,915,189	\$ 5,884,209	25%	\$ 1,325,326	18%	
Public Services	3,889,684	4,386,240	8,275,924	1,619,716	6,656,208	20%	1,795,854	27%	
Institutional Support	17,700	12,300	30,000	-	30,000	0%	-	0%	
Operation and Maintenance of Plant	20,056	-	20,056	-	20,056	0%	-	0%	
<b>Total Uses</b>	<b>\$ 7,749,145</b>	<b>\$ 8,376,233</b>	<b>\$ 16,125,378</b>	<b>\$ 3,534,905</b>	<b>\$ 12,590,473</b>	<b>22%</b>	<b>\$ 3,121,180</b>	<b>22%</b>	
<b>Sources Over/(Under) Uses</b>	<b>\$ 5,100,013</b>	<b>\$ (5,100,013)</b>	<b>\$ -</b>	<b>\$ 8,804,224</b>	<b>\$ 8,804,224</b>		<b>\$ 5,707,495</b>		

**Notes:**

Virginia State University is one of the two land grant universities in Virginia. As part of its mission, VSU Cooperative Extension and Agricultural Research Services (CEARS) Agency (234) assists with the land grant mission through agricultural research and outreach. CEARS consists of the Virginia State University Agricultural Research Station (ARS) and the VSU Cooperative Extension Division. ARS conducts research that assist small and limited resource farmers to be profitable by finding solutions to various issues in agriculture and food production. The VSU Cooperative Extension division collaborates with Virginia Tech in providing university-based scientifically-proven information to improve quality of life for Virginia's citizens. Some of the activities that are conducted in CEARS are assistance for socially disadvantaged farmers; aquaculture research and extension; STEM programs for youth; natural resources and climate issues; food, nutrition and health issues; and small ruminant animals (goats/sheep).

The report completed by the Division of Research & Economic Development includes these expenses.

Proposed Tuition & Fee Rate Increase Notification  
Code Section 23.1-307 (D)  
FY 2023-2024

Virginia State University is considering an increase to its Room, Board and Comprehensive Fee. The University is recommending a 3% increase in each of these Fees. The increases are needed to address a number of operating cost increases and inflationary pressures. Examples of the 3% increases are listed below.

**Room** rates will increase from \$6,744 to \$6,946 or \$202 for the lower price double occupancy rate. Students with fewer than 60 credit hours are required to live on campus unless exempt.

**Board** rates will increase from \$4,800 to \$4,944 or \$144 for a standard meal plan. All students living in the residence halls must participate in the meal plan unless exempted by a physician.

**Comprehensive** fee will increase from \$2,899 to \$2,986 or \$87 to support the auxiliary programs associated with the fee.

The proposed annual net increase for a full-time student is \$433. There are no proposed increases for part-time students. The Virginia State University Board of Visitors will vote on the proposed increases during the February 9-10, 2023 Board of Visitors meetings.

SCHEDULE A

**Virginia State University**  
**Proposed Full Year Tuition and Fees for Full-Time Students**  
**In-State**  
**FY 2023-2024**

	<u>2022-2023</u>	<b>Proposed</b> <u>2023-2024</u>	<b>Increase</b> <b>Amount</b>	<b>%</b> <b>Change</b>
<b><u>Undergraduate Students</u></b>				
Tuition	5,540	5,540	-	0.0%
Technology and Infrastructure Fee	729	729	-	0.0%
Subtotal Tuition	<u>6,269</u>	<u>6,269</u>	-	0.0%
Campus Improvement Fee	486	486	-	0.0%
Comprehensive Fee	2,899	2,986	87	3.0%
Subtotal - Mandatory	<u>3,385</u>	<u>3,472</u>	87	2.6%
Room	6,744	6,947	202	3.0%
Board	4,800	4,944	144	3.0%
Subtotal Room and Board	<u>11,544</u>	<u>11,891</u>	346	3.0%
Total Cost - Boarding	<u><u>21,198</u></u>	<u><u>21,632</u></u>	<u><u>433</u></u>	<u><u>2.0%</u></u>
<b><u>Graduate and Doctoral Students</u></b>				
Tuition	8,375	8,375	-	0.0%
Technology and Infrastructure Fee	729	729	-	0.0%
Subtotal Tuition	<u>9,104</u>	<u>9,104</u>	-	0.0%
Comprehensive Fee	2,899	2,986	87	3.0%
Campus Improvement Fee	486	486	-	0.0%
Subtotal - Mandatory	<u>3,385</u>	<u>3,472</u>	87	2.6%
Room	6,744	6,947	202	3.0%
Board	4,800	4,944	144	3.0%
Subtotal Room and Board	<u>11,544</u>	<u>11,891</u>	346	3.0%
Total Cost - Boarding	<u><u>24,033</u></u>	<u><u>24,467</u></u>	<u><u>433</u></u>	<u><u>1.8%</u></u>

SCHEDULE B

**Virginia State University**  
**Proposed Full Year Tuition and Fees for Full-Time Students**  
**Out-of-State**  
**FY 2023-2024**

	<u>2022-2023</u>	<b>Proposed</b> <u>2023-2024</u>	<u>Increase</u> <u>Amount</u>	<u>%</u> <u>Change</u>
<b><u>Undergraduate Students</u></b>				
Tuition	16,542	16,542	-	0.0%
Technology and Infrastructure Fee	729	729	-	0.0%
Subtotal Tuition	<u>17,271</u>	<u>17,271</u>	<u>-</u>	<u>0.0%</u>
Campus Improvement Fee	486	486	-	0.0%
Comprehensive Fee	2,899	2,986	87	3.0%
State Capital Outlay Fee	753	753	-	0.0%
Subtotal - Mandatory	<u>4,138</u>	<u>4,225</u>	<u>87</u>	<u>2.1%</u>
Room	6,744	6,946	202	3.0%
Board	4,800	4,944	144	3.0%
Subtotal Room and Board	<u>11,544</u>	<u>11,890</u>	<u>346</u>	<u>3.0%</u>
Total Cost - Boarding	<u><u>32,954</u></u>	<u><u>33,387</u></u>	<u><u>433</u></u>	<u><u>1.3%</u></u>
<b><u>Graduate and Doctoral Students</u></b>				
Tuition	18,627	18,627	-	0.0%
Technology and Infrastructure Fee	729	729	-	0.0%
Subtotal Tuition	<u>19,356</u>	<u>19,356</u>	<u>-</u>	<u>0.0%</u>
Campus Improvement Fee	486	486	-	0.0%
Comprehensive Fee	2,899	2,986	87	3.0%
State Capital Outlay Fee	753	753	-	0.0%
Subtotal - Mandatory	<u>4,139</u>	<u>4,226</u>	<u>87</u>	<u>2.1%</u>
Room	6,744	6,946	202	3.0%
Board	4,800	4,944	144	3.0%
Subtotal Room and Board	<u>11,544</u>	<u>11,890</u>	<u>346</u>	<u>3.0%</u>
Total Cost - Boarding	<u><u>35,038</u></u>	<u><u>35,471</u></u>	<u><u>433</u></u>	<u><u>1.2%</u></u>

SCHEDULE C

**Virginia State University**  
**Proposed Full Year Tuition and Fees for Part-Time Students**  
**FY 2023-2024**

	<u>2022-2023</u>	<u>Proposed 2023-2024</u>	<u>Increase Amount</u>	<u>% Change</u>
<b><u>In-State Undergraduate Students</u></b>				
Tuition	395	395	-	0.0%
Comprehensive Fee	10	10	-	0.0%
Total Cost - per Credit Hour	<u>405</u>	<u>405</u>	<u>-</u>	<u>0.0%</u>
Tuition (three semester hours)	1,185	1,185	-	0.0%
Comprehensive Fee (Student Health)	30	30	-	0.0%
Tuition and Fees (three semester hours)	<u>1,215</u>	<u>1,215</u>	<u>-</u>	<u>0.0%</u>
<b><u>In-State Graduate and Doctoral Students</u></b>				
Tuition	567	567	-	0.0%
Comprehensive Fee	10	10	-	0.0%
Total Cost - per Credit Hour	<u>577</u>	<u>577</u>	<u>-</u>	<u>0.0%</u>
Tuition (three semester hours)	1,700	1,700	-	0.0%
Comprehensive Fee	30	30	-	0.0%
Tuition and Fees (three semester hours)	<u>1,730</u>	<u>1,730</u>	<u>-</u>	<u>0.0%</u>
<b><u>Out-of-State Undergraduate Students</u></b>				
Tuition	902	902	-	0.0%
Comprehensive Fee	10	10	-	0.0%
Total Cost - per Credit Hour	<u>912</u>	<u>912</u>	<u>-</u>	<u>0.0%</u>
Tuition (three semester hours)	2,707	2,707	-	0.0%
Comprehensive Fee	30	30	-	0.0%
Tuition and Fees (three semester hours)	<u>2,737</u>	<u>2,737</u>	<u>-</u>	<u>0.0%</u>
<b><u>Out-of-State Graduate and Doctoral Students</u></b>				
Tuition	1,080	1,080	-	0.0%
Comprehensive Fee	10	10	-	0.0%
Total Cost - per Credit Hour	<u>1,090</u>	<u>1,090</u>	<u>-</u>	<u>0.0%</u>
Tuition (three semester hours)	3,241	3,241	-	0.0%
Comprehensive Fee	30	30	-	0.0%
Tuition and Fees (three semester hours)	<u>3,271</u>	<u>3,271</u>	<u>-</u>	<u>0.0%</u>

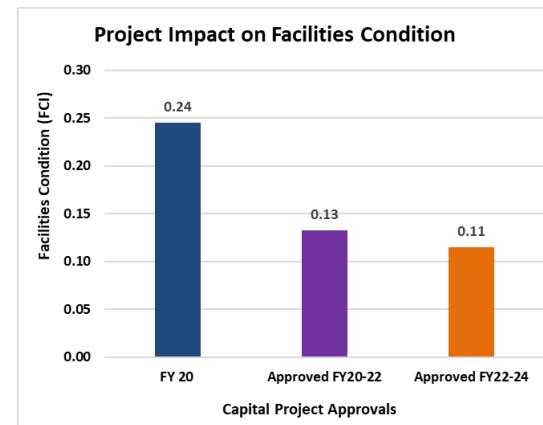
# Capital Project Updates November 17, 2022

## Approved Capital Projects

Project Code	Project Title	Current Budget Target
17871	Addition to M.T. Carter Building	\$10,000,000
17965	New Student Union	\$35,547,000
18059	Construct Water Storage Tank, Campus Wide Distribution Piping, and Campus Sewer Upgrades	\$3,400,000
18333	Demolish/Replace Daniel Gym and Demolish Harris Hall	\$108,547,000
18475	Improve and Replace Technology Infrastructure	\$11,446,150
18481	Improve Infrastructure for Campus Safety, Security, Energy Reduction and System Reliability	\$7,879,115
18521	Construct Admissions Building	\$20,846,000
18522	Waterproof Campus Buildings	\$6,101,000
18530	Improve Heating, Air Conditioning and Ventilation Campuswide for Infectious Aerosol Control	\$33,980,000
18545	Renovate Summerseat for Urban Agriculture Center	\$9,533,000
18607	Improve Campuswide Drainage	\$13,899,852
18608	Reroof Academic and Administrative Buildings Campuswide	\$19,147,000
18609	Improve Access and Accessibility	\$26,436,783
		<b>\$306,762,900</b>



Once completed, Capital Projects approved since FY20 will reduce deferred maintenance backlog and Facilities Condition Index (FCI) by more than 50%



# Academic Commons- Demolish/Replace Daniel Gym and Harris Hall

## CURRENT ACTIVITY:

- Demolition Complete and Utility/Early Sitework in progress
  - Second Tier SWAM participation - 100%
  - ✓ Minority-Owned – 36 %
  - ✓ Small Business - 64 %
- 2022 Session approved supplemental funding pool for projects under construction with increased construction cost beyond 5% (+/- \$5M)
- VSU requesting additional \$23M
  - Funding Negotiations underway
  - Awaiting Revised Funding Target
- Currently site is seeded to prevent erosion





## Construct Admissions Building

### SCOPE:

- Construct a new 30,000 SF Admissions and Institutional Advancement building

### SCHEDULE:

- Design Start – December, 2021
- Target Occupancy Date – Spring, 2024

### CURRENT ACTIVITY:

- Design SWAM Participation - 100% Small Prime Firm
  - Second Tier participation - 56.5%
  - ✓ Women-Owned – 10%
  - ✓ Minority-Owned – 28.5 %
  - ✓ Small Business - 18%
- Schematic Design submitted but budget reductions required
- Awaiting revised funding target



# Construct MT Carter Annex

**SCOPE:**

- Construction of +/- 13,600 SF Research and Cooperative Extension building
- Federally Funded
- Will contain VSU’s first electric vehicle charging stations (2)

**SCHEDULE:**

- Construction Start August, 2021
- Target Occupancy Date is Spring, 2023

**CURRENT ACTIVITY:**

- Construction Underway
  - Enclosure Complete
  - Interiors and specialty spaces under construction



## Improve Infrastructure for Safety, Security, Energy and Reliability

### SCOPE:

- Physical Security Improvements
- Electronic Security Measures
- Exterior LED lighting
- Steam System Efficiencies

### SCHEDULE:

- Construction Start: November 2022
- Target Completion – January 2024

### CURRENT ACTIVITY:

Construction unbundled into 5 Subprojects for greater SWAM construction participation

- Physical Security Improvements - Circulation study to determine fencing boundaries and guard station location in review
- Replacement of 1968 40,000 PPH boiler with 2-20,000 PPH boilers for summer operation – Construction Start Summer 2023
- Exterior Lighting - Construction Start Spring 2023
- Electronic Security – Construction Start Spring 2023

## Improve Heating, Air Conditioning and Ventilation Campuswide for Infectious Aerosol Control

### SCOPE:

- Heating, Ventilating and Air Conditioning (HVAC) system improvements to increase ventilation, filtration and humidity control in 10 E&G buildings

### SCHEDULE:

- Design Start –Summer, 2022
- Target Completion – Spring, 2024

### CURRENT ACTIVITY:

- Pre-Planning Surveys complete and submitted for Division of Engineering and Buildings review and approval
- Setty & Associates selected as design professional
  - Contract circulating for approval
  - Design SWAM Participation - 100% Small Minority Owned Prime Firm
  - Pre Assessment Phase Target Start Date – 11/2022
- Unbundling Construction into Subprojects for greater SWAM participation

## Improve and Replace Technology Infrastructure

### SCOPE:

- Data Underground Utility Improvement
- Correct security, safety, and environmental issues in Network Rooms
  - HVAC and electrical conditions
  - Fire protection
  - Physical security.
- Replace teaching technology in 105 classrooms.

### SCHEDULE:

- Design Start – December, 2021
- Target Completion – Summer, 2024

### CURRENT ACTIVITY:

- GHD, Inc selected as the Design Professional
  - Designed similar project at GMU
- Separate Inside and outside plant design teams
  - Outside Plant Master Plan developed and under internal review
  - Inside Plant Surveys completed and Schematic Design Underway

## Waterproof Campus Buildings (Pool Process)

### SCOPE:

- Waterproof foundation walls and improve drainage at 10 E&G locations
  - Addresses environmental space and indoor air quality issues in buildings with basements

### SCHEDULE:

- Design start – January, 2022
- Target Completion – Fall, 2023

### CURRENT ACTIVITY:

- Burgess and Niple selected as Design Professional
  - Design Second Tier SWAM participation - 30%
    - ✓ Minority-Owned – 15 %
    - ✓ Small Business - 15%
- Detailed Planning underway
  - Basis of Design Reports completed submitted for schematic design approval

# Renovate Summerseat for Urban Agriculture Center

## SCOPE:

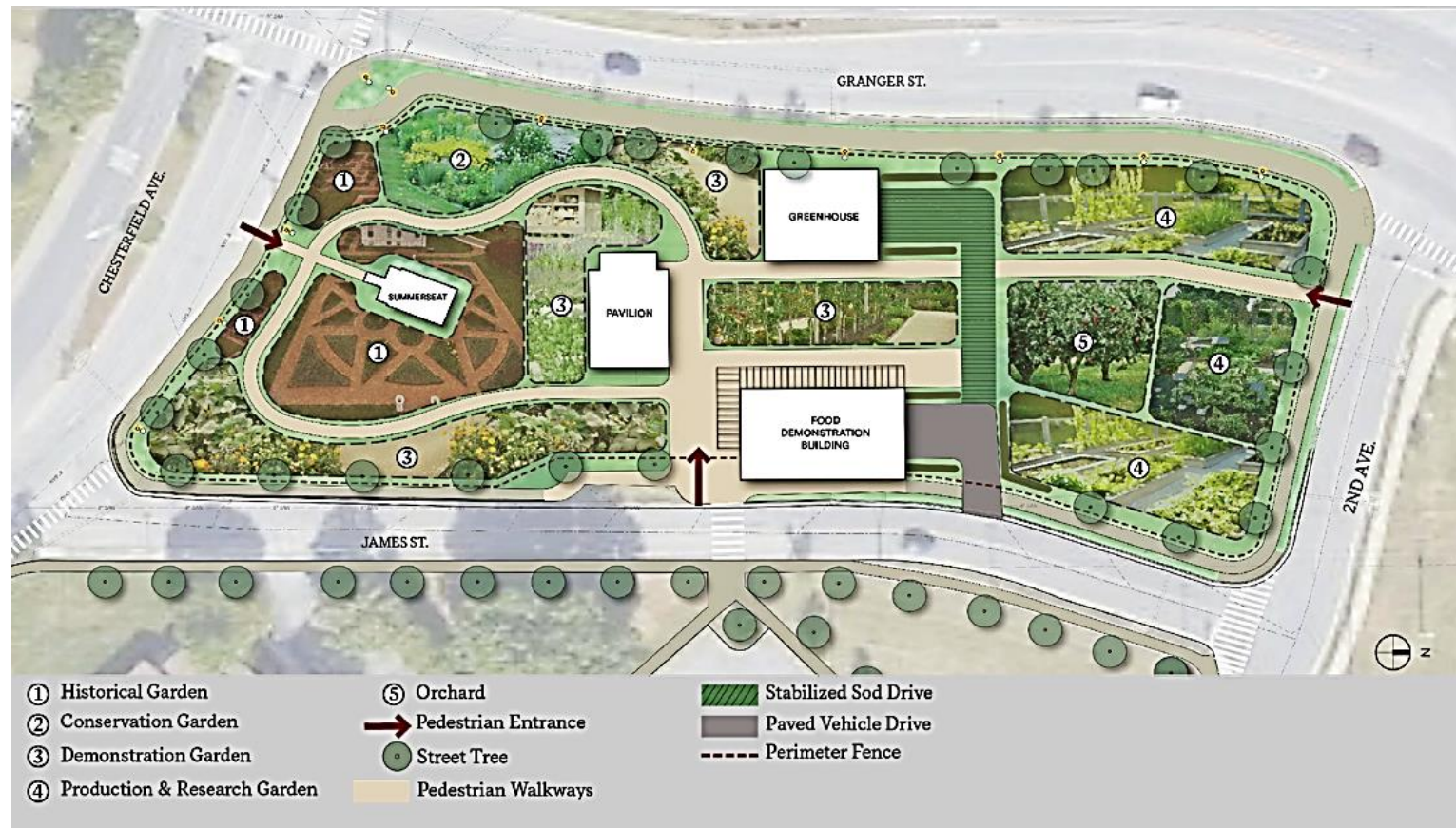
- Renovate existing 1200 SF 1860 building
- Construction of an on-site Kitchen/Classroom Incubator/Educational Space with Pavilion
- Development of an Urban Educational Garden

## SCHEDULE:

- Design Start – May, 2022
- Target Completion – Summer, 2023

## CURRENT ACTIVITY:

- Glave & Holmes selected as Design Professional
  - Design SWAM Participation 100% Small Women Owned Prime Firm
- Design Charrette for College of Agriculture held August, 2022
- Community dialogs began September, 2022
- Schematic Design Submission scheduled for December, 2022



# Track and Field Replacement

Status of Field: Complete as of September 2022

Status of Track: Scheduled to be completed May 2023



## Approved in 2022 Special Session

### **Improve Campuswide Drainage – Address flooding and drainage problems**

- Stream Restoration at Lockett Hall
- Service Road Erosion Repair and Outfall Stabilization
- Conversion of Open Water Stormwater Management Facilities to Usable Land
- Final Stabilization of Ettrick Properties. Fleet's Branch Stream Restoration
- Storm Trunk Line Extension to Hayden Street
  - Design Professional Interviews Scheduled for November 16

**Reroof Academic and Administrative Buildings Campuswide** - Replacement roof systems and correct of envelope deficiencies at 25 existing educational and general buildings to prevent water intrusion

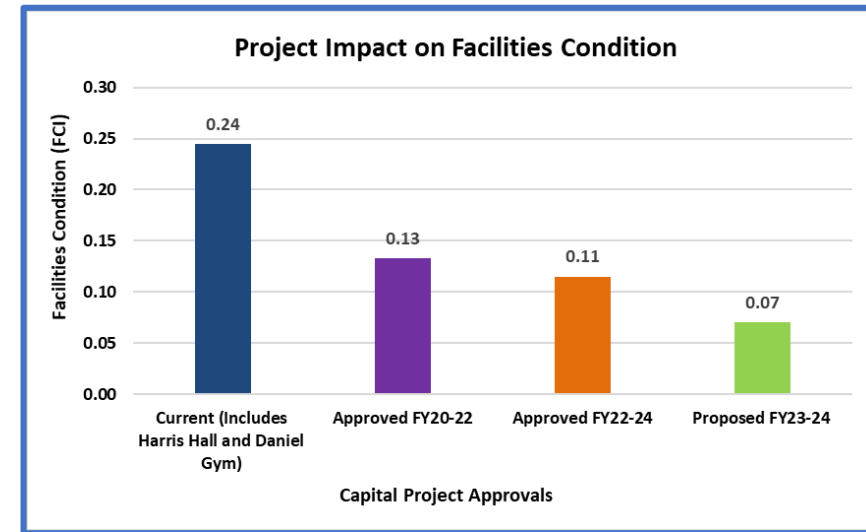
**Improve Access and Accessibility** - Provide code compliant accessibility to educational and general use buildings

- Entrance and restroom modifications
- Removal of inaccessible sidewalks, stairs, and other exterior physical barriers
- Replace elevators that have reached the end of their useful life
- Add of new elevators and towers where no upper floor access for handicapped individuals is available

**Supplemental Funding for Project 18059** – Provides additional \$3,400,000 in funding to extend water lines to new

## 2023 Capital Requests - Previously Submitted

Project Title	Request	Priority
Construct BOLT Leadership Center	\$36,152,881	1
Renovate Virginia Hall	\$41,882,072	2
Renovate and Addition to Johnston Memorial Library	\$59,620,116	3
Renovate Davis Hall	\$26,194,509	4
<b>Total</b>	<b>\$163,849,578</b>	





## VSU Capital Project Request - Priority 1 - Construct Bolt Leadership Center:

- Appeared in FY22 Introduced Bill
- Increases in enrollment have created a space shortage
  - Currently utilizing surplus trailers from Chesterfield County to supplement classrooms inventory
- Need a new multi-curricular instructional building to address space flexibility and quality
- Bolt adds flexible multipurpose spaces equipped with multimedia technology for a variety of teaching modalities



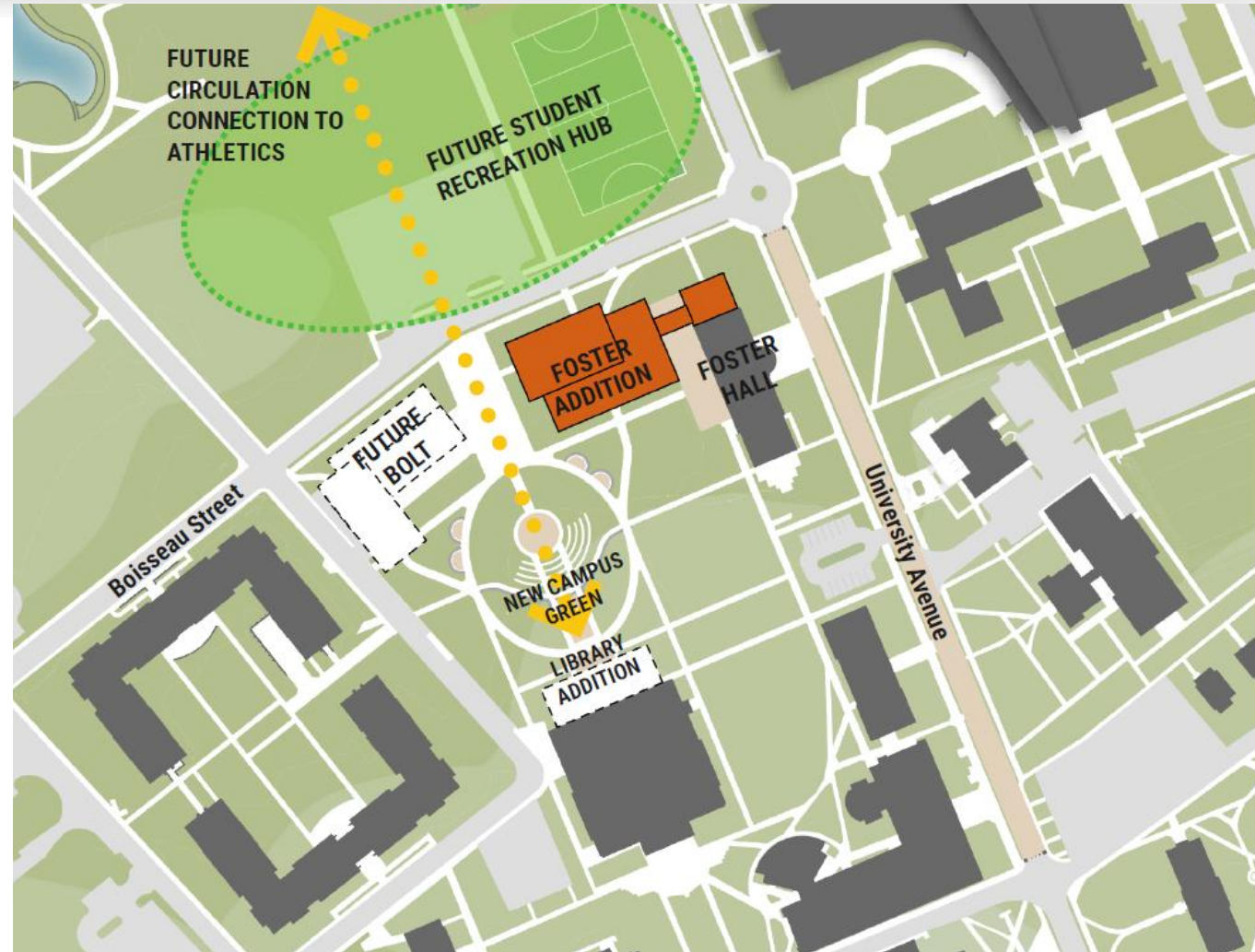
## VSU Capital Project Request – Priority 2 - Renovate Virginia Hall:

- Appeared in FY22 Introduced Bill
- Addresses Administrative Space Quality and Deficiencies
- Current Facilities Condition Index is 44%
- Last Renovated in 1996
- Main, public facing administrative building and auditorium
- Infrastructure failures resulting in five claims for water and wind damages in 5 years, 2 in 2022 with most current on 7/24/22



## VSU Capital Project Request – Priority 3 - Construct Building Addition and Renovate Johnson Memorial Library for Technology One Stop:

- Stack Space still comprises the majority of available space at the library building
- One time funding for the renovation will allow for technology upgrades to accomplish space efficiencies
- Increases in enrollment has created a space shortage so currently moving Technology Services staff to leased quarters in Colonial Heights
- Addition will centralize Technology Services with the data center



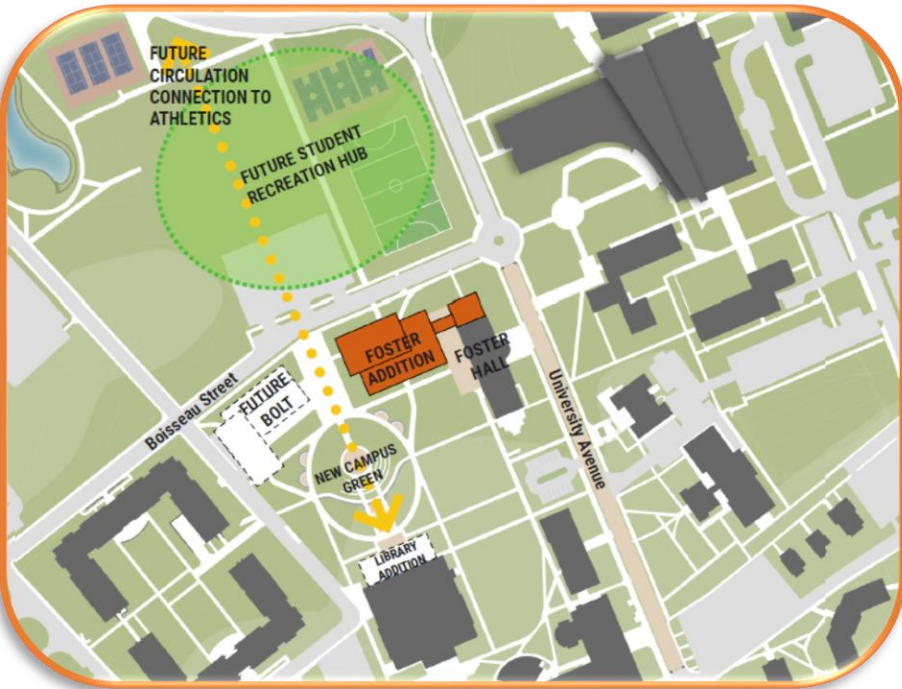
## VSU Capital Project Request Priority 4 - Renovate Davis Hall:

- Original Building Constructed in 1920
- Current Facilities Condition Index is 34%
- Last renovated in 1998
- University incurring \$900,000 in FY23 upgrades to satisfy Programmatic Requirements for Accreditation
- Proposed renovation addresses instructional space flexibility and quality
  - Average size of classroom capacity is 15 student seats
- Infuses media and technology into music curriculum



# VSU Update – Renovation and Addition to Student Union at Foster Hall –

## • Student Survey/Focus Groups – Requested Amenities



### Academic Commons

#### Conference and Meeting Spaces

- Huddle
- **Student Support**
- Special Spaces

#### Shared Computer Labs

##### Mass Comm Studios

- TV Studio
- **Audio Recording**
- **Video Editing**

#### Black Box Theatre

- Seats ?

#### Labs

- Writing
- **Interviewing**
- **Counseling**
- Social Work
- **Ceramics**

#### Physical Training

- Swimming Pool
- **Gymnasium**
- Elevated Track
- **Dance Studio**

175,000 GSF

### Foster Hall / Student Center

#### Existing Building

- **Offices/Conference**
- **Food Options**
- **Game Lounge**

#### Addition:

- **Coffee Shop**
- **Beauty Salon/Barber Shop**
- **Vending/Sundries**
- **Multipurpose Space for Assembly, Sports, Events**
- **Cardio/Weight Room**
- **Wellness/Yoga**

Existing 51,000 GSF  
Addition 20,000 GSF

### BOLT

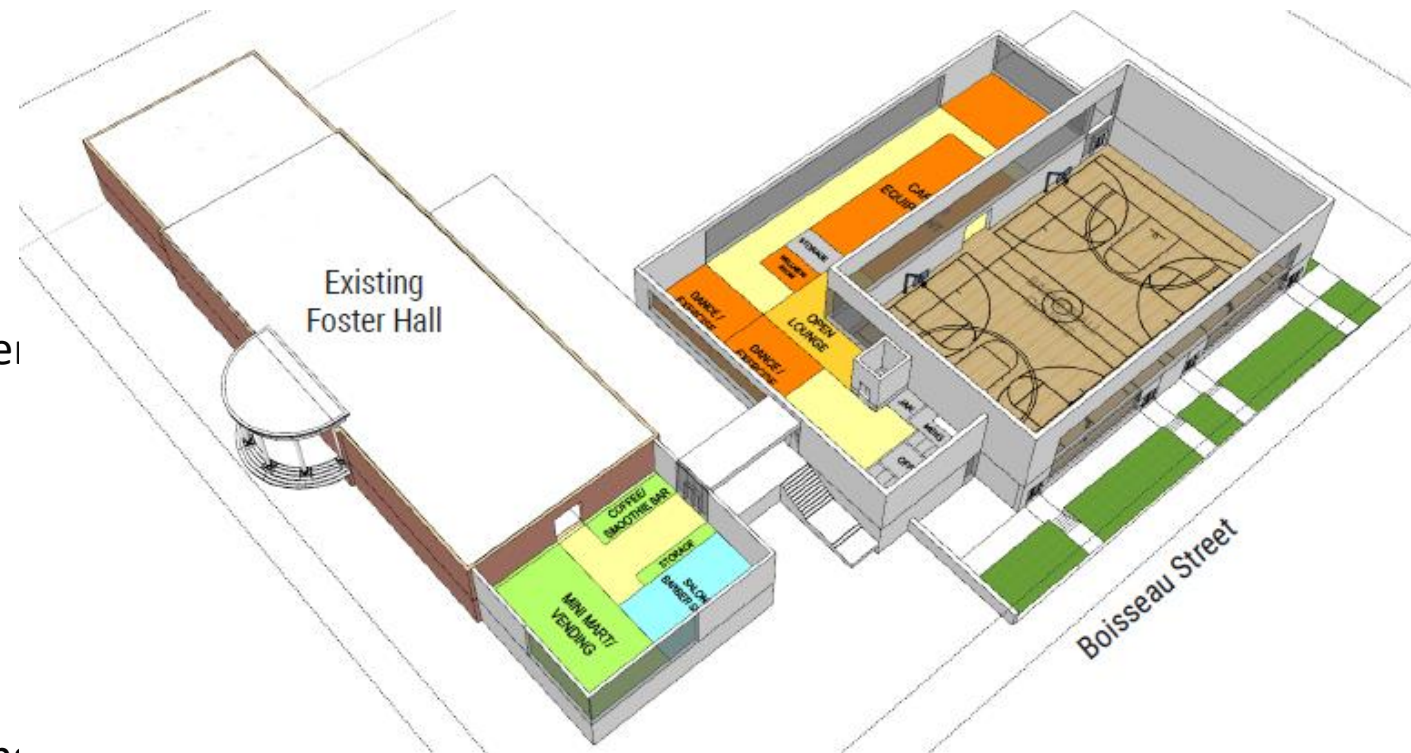
#### Flexible Classrooms and Collaboration Space

- **Auditorium**
- **Pre-Function**
- **Reception/Assembly**
- **Individual and Group Study**

60,000 GSF

## VSU Update – Student Union Addition

- Project 17965 - Construct Student Union approved in 2013 as a stand alone 120,000 GSF building
- Master Plan revised for a smaller addition to Foster Hall for recreational amenities
- Will create a center of campus connecting student life, residential and academic zones
- Scope: Renovation and Building Addition of +/- 20,000 GSF addition
- Proposed Funding: University and 9(D) bonds
- Currently requesting scope change from Planning and Budget





Virginia State University  
Board of Visitors Meeting  
November 18, 2022

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# Table of Contents

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- **Introduction and Firm Overview**
- **Our Approach to Investment Consulting Engagements**
- **Diverse and Emerging ESG & Impact Investment Managers**
- **Conclusion**
- **Firm Disclosure**



# Firm Overview

# Who We Are

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## **Consequent Capital Management:**

- **An independent investment advisor registered with the Securities & Exchange Commission under the Investment Advisors Acts of 1940.**
- **Trusted fiduciary with our investors and clients including public and private pension funds, endowments, foundations and corporations.**
- **Full-service minority owned investment advisory firm serving clients for 31 years with approximately \$740MM under advisement<sup>1</sup> .**
- **We specialize in sourcing, selecting, and monitoring emerging and diverse investment managers.**

<sup>1</sup> as of September 30, 2022

# Investment Advisory Overview

---

## Investment Consulting

### General Portfolio Advisory

Investment Policy Development & Review

Asset Class Structures and Strategies

Investment Manager Due Diligence & Selection  
(including Emerging & Diverse Managers)

Risk Management

Portfolio Construction

Dynamic/Tactical Asset Allocation Overlays

Fund Performance Monitoring & Reporting

Researching Investment Ideas

Board/Investment Committee Meetings

Board Member Education

Assistance with Audits and GASB Reporting

Investment Review Services & Performance  
Evaluation

## Investment Management

### Multi-Manager Platform

With managers that span the spectrum of asset classes, our multi-manager platforms are suited for specialized investment needs at a cost-effective rate

### Outsourced CIO

We strive to offer one of the brightest and most experienced teams to set and monitor the direction of investment programs for public plans and endowments

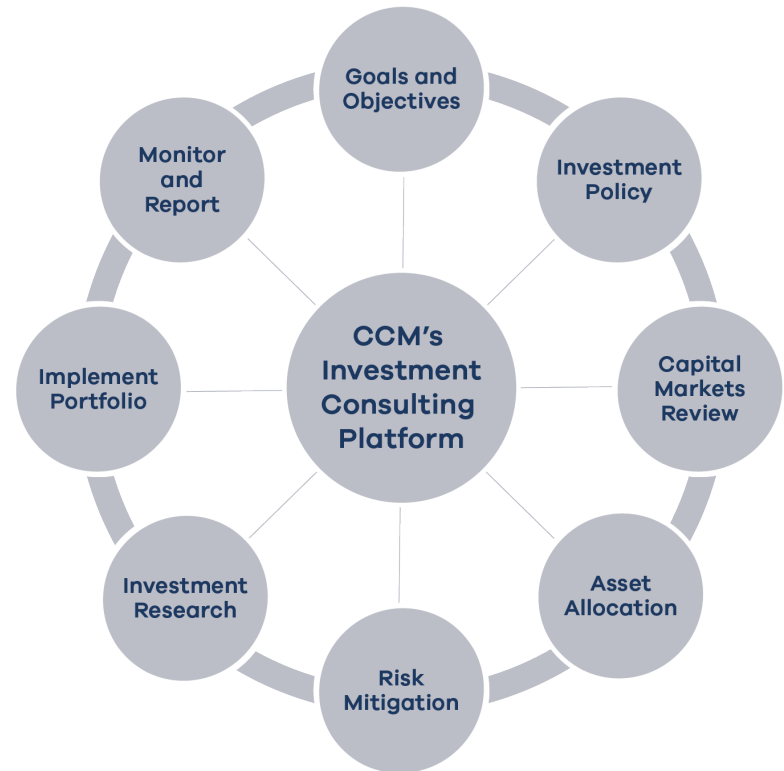
### Multi-Strategy Alternatives Funds of Funds

We leverage our extensive network and manager vetting expertise to source unique opportunities in the alternatives space

# **Our Approach to Investment Consulting Engagements**

# Overview of Investment Consulting Engagement

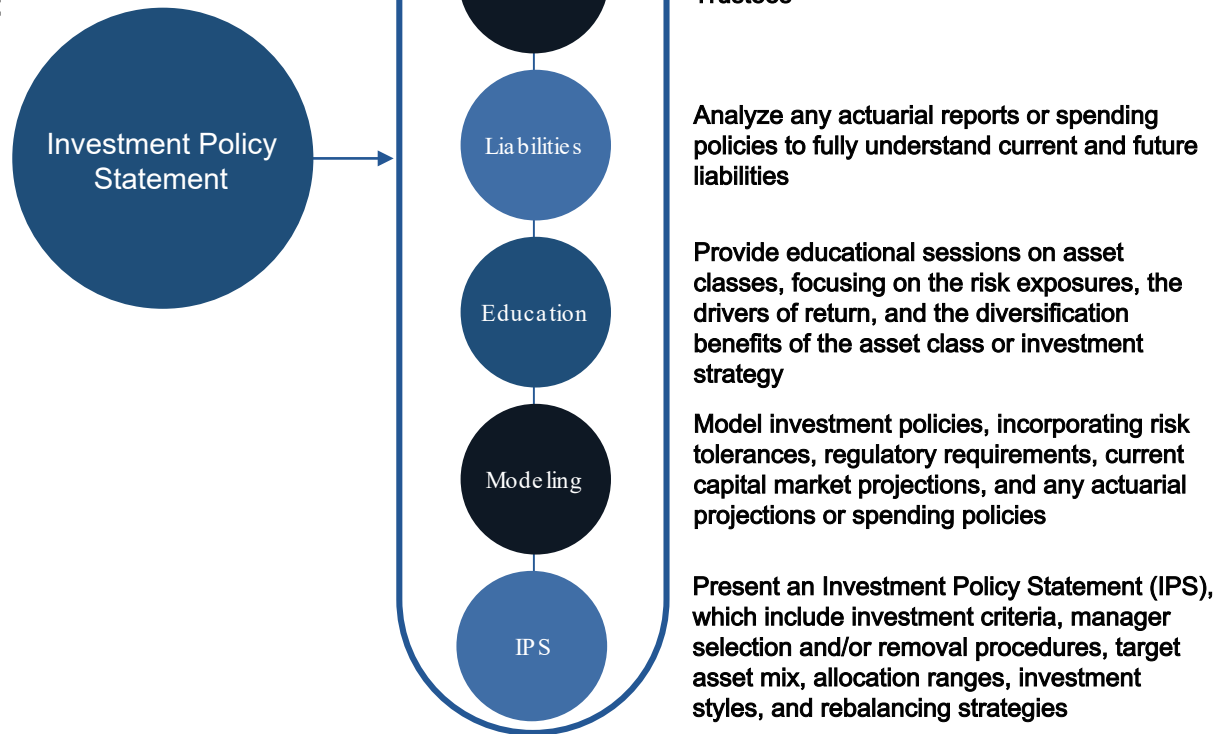
- **Serve as an extension of Finance and Investment department staff**
- **Utilize a team approach to serve the client**
- **Leverage all internal resources to provide the highest level of client service and to add value throughout advisory engagement**
- **Provide comprehensive portfolio analysis, construction, risk management and monitoring**
- **Accept fiduciary responsibility for investment advice**



# Investment Plan Policy Statement

## Evaluate the Investment Policy Statement

We believe the Investment Policy Statement (IPS) is the most critical document because it serves as the “blueprint” in governing the investment of the assets. The specific steps are as follows:



# Process for Asset Allocation

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## *Asset Allocation – Our Approach*

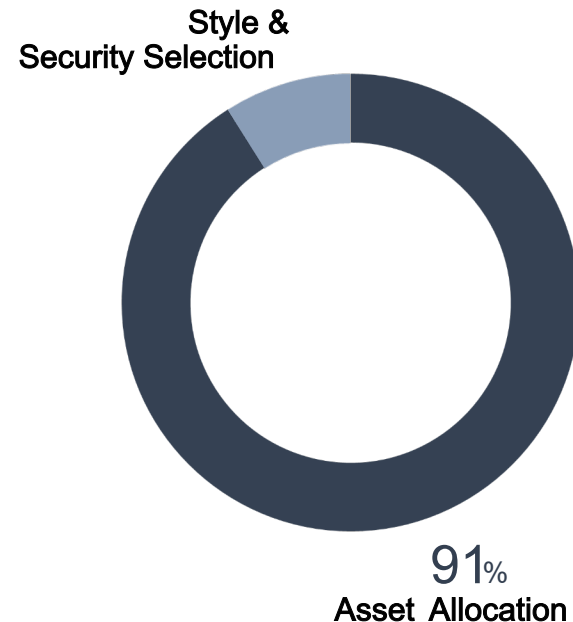
- Studies indicate that over 90% of the long-term total fund return variability was attributable to Asset Class Allocation.
- We focus on understanding the sources of return within a portfolio
- We utilize several methods to analyze portfolios returns, including back-testing, stress-testing, and simulations (i.e., Monte Carlo)

## *Asset Allocation is...*

- The process of optimally diversifying the Fund's assets across asset classes.
- The method for balancing expected returns and risks.
- The primary tool for controlling the volatility of returns (risk).

## *Asset Allocation is NOT...*

- Selecting individual stocks
- Predicting next year's winners
- Timing the market



# Process for Asset Allocation Analysis

---

Our goal is to assist you in selecting an asset allocation and re-balancing procedures that:

- Minimize the *Magnitude* of under performance and negative returns
- Minimize the *Frequency* of under performance and negative returns
- Minimize the *Duration* of under performance and negative returns

## ➤ Identify and Define Objectives

- Liquidity Needs
- Spending Policy
- Program Design
- Time Horizon
- Return Target

## ➤ Assess the Trustees' Risk Tolerance

## ➤ Determine Appropriate Asset Classes

- Historical Model
- Optimize Asset Classes
- Forecasting Model
- Allocate to Alternatives

## ➤ Model Investment Policy Alternatives

## ➤ Select an Appropriate Asset Allocation



# **Diverse, Emerging, ESG & Impact Investment Managers**

# Diverse, Emerging Investment Managers

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## What We Believe

- **There is untapped value in overlooked managers and strategies**
- **Those with the ability and commitment to discover and nurture opportunities in small and niche strategies have the potential to yield superior returns for investors and clients**

## Our Solution

- **Assist in expanding the universe of investment managers in the portfolio**
- **Customized solutions for clients**
- **Flexible structures and cost efficiency provides additional support to investment staff in the identification, due-diligence selection and monitoring of diverse and emerging investment managers**

# Diverse, Emerging Investment Managers Solutions

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## Why implement this solution?

Similar types of solutions have been implemented throughout the United States with institutional investment platforms. There are several reasons these programs and or solutions are undertaken:

1. Diversity of trustees and plans
2. Increase in the number of emerging and diverse investment managers (diversify portfolio)
3. Alpha generation opportunities
4. Limited staffing and resources
5. Mandates—Legislative
6. Progressive in a changing marketplace
7. Promote businesses in geographic region

# Diverse & Emerging Investment Managers Solutions Program

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**How can the solution be implemented?**

**We can provide the advisory solutions to clients in several different structures:**

**A. Non-Discretionary Investment Consulting**

- Identification and sourcing of selected strategies of investment managers
- Due diligence/research
- Recommendation/Write-up

**B. Emerging and Diverse Investment Manager Program (Non-Discretionary)**

- Determine program size
- Development of structure, IPS, asset allocation
- Conduct due diligence
- Recommendations
- Portfolio construction
- Portfolio monitoring and rebalancing
- Performance reporting

**C. Discretionary Multi-Asset Class Portfolio**

- Mandate program size
- Development of asset allocation
- Conduct due diligence
- Portfolio construction
- Portfolio monitoring and rebalancing
- Performance reporting

# Investment Advisory Solutions: Benefit

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- **Increased diversification of investment managers and investment strategies**
- **Customized portfolio approach to asset classes and allocations**
- **Ease of administration**
- **Promote emerging and diverse investment managers**
- **Provide additional resources to investment staff**

# Disclosure

# Disclosure

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