

Financial Performance Report – Operating and Capital
FINANCE AND RESOURCE MANAGEMENT COMMITTEE

July 1, 2019 to June 30, 2020

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

The July to June 2019-20 budget (year-to-date) is prepared from historical data which reflects trends in expenditures from previous years as well as known changes in timing. Differences between the actual income and expenditures and the year-to-date budget may occur for a variety of reasons, such as an accelerated or delayed flow of documents through the accounting system, a change in spending patterns at the college level, or increases in revenues for a particular area.

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

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2019 through June 30, 2020 and the Capital Outlay report be approved.

August 25, 2020

OPERATING BUDGET

2019-20

Dollars in Thousands

	July 1, 2019 to June 30, 2020			Annual Budget for 2019-20		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
General Fund	\$186,881	\$186,881	\$0	\$184,353	\$186,881	\$2,528 (12)
Tuition and Fees	584,743	587,867	-3,124 (1)	577,858	587,867	10,009 (13)
All Other Income	39,488	44,047	-4,559 (2)	47,309	44,047	-3,262 (14)
E&G CARES Support	3,163	3,163	0	0	3,163	3,163 (15)
Total Revenues	\$814,275	\$821,958	\$-7,683	\$809,520	821,958	\$12,438
<u>Expenses</u>						
Academic Programs	\$-508,950	\$-518,623	\$9,673 (3)	\$-511,690	\$-519,357	\$-7,667
Support Programs	-303,198	-303,335	137	-297,830	-302,601	-4,771
Total Expenses	\$-812,148	\$-821,958	\$9,810	\$-809,520	\$-821,958	\$-12,438 (12,13,14,15)
NET	\$2,127	\$0	\$2,127 (4)	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
General Fund	\$74,146	\$74,146	\$0	\$74,461	\$74,146	\$-315 (16)
Federal Appropriation	20,864	15,647	5,217 (5)	15,640	15,647	7 (17)
All Other Income	1,203	1,110	93	950	1,110	160 (18)
Total Revenues	\$96,213	\$90,903	\$5,310	\$91,051	\$90,903	\$-148
<u>Expenses</u>						
Academic Programs	\$-81,989	\$-84,392	\$2,403 (6)	\$-84,541	\$-84,393	\$148
Support Programs	-7,852	-6,510	-1,342	-6,510	-6,510	0
Total Expenses	\$-89,841	\$-90,903	\$1,062	\$-91,051	\$-90,903	\$148 (16,17,18)
NET	\$6,372	\$0	\$6,372 (7)	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$345,920	\$341,953	\$3,967 (8)	\$360,813	\$341,953	\$-18,860 (8)
Expenses	-340,844	-362,729	21,885 (8)	-347,077	-362,729	-15,652 (8)
Reserve Drawdown (Deposit)	-5,076	20,776	-25,852 (8)	-13,736	20,776	34,512 (8)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$343,814	\$353,398	\$-9,584 (9)	\$354,858	\$353,398	\$-1,460 (19)
CARES Higher Ed Relief Revenue	8,912	0	8,912 (10)	0	0	0
Expenses	-316,147	-353,398	37,251 (9)	-354,858	-353,398	1,460 (19)
Reserve Drawdown (Deposit)	-36,579	0	-36,579	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
Revenues	\$31,094	\$31,898	\$-804	\$33,153	\$31,898	\$-1,255 (20)
Expenses	-31,097	-31,898	801	-33,153	-31,898	1,255 (20)
Reserve Drawdown (Deposit)	3	0	3	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
All Other Programs *						
Revenue	\$14,556	\$10,680	\$3,876 (11)	\$9,184	\$10,680	\$1,496 (21)
Expenses	-5,238	-7,186	1,948 (11)	-9,184	-7,186	1,998 (21)
Reserve Drawdown (Deposit)	-9,318	-3,494	-5,824	0	-3,494	-3,494 (21)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$1,654,784	\$1,650,790	\$3,994	\$1,658,579	\$1,650,790	\$-7,789
Expenses	-1,595,315	-1,668,072	72,757	-1,644,843	-1,668,072	-23,229
Reserve Drawdown (Deposit)	-50,970	17,282	-68,252	-13,736	17,282	31,018
NET	\$8,499	\$0	\$8,499	\$0	\$0	\$0

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

OPERATING BUDGET

1. While the net tuition and fee revenues were increased \$10.0 million from the original budget, net tuition and fee revenue is \$3.1 million lower than projected due to the timing of deferred revenues between university programs.
2. Lower than projected activity in Continuing Education programs and the timing of deferred revenues between university programs to support partnership initiatives.
3. Academic program expenditures are lower than projected due to programs holding back expenditures as well as timing of academic program expenditures.
4. While the Commonwealth requires that revenues and expenditures be balanced for Educational and General Programs, year-end balances are possible for continuing education programs.
5. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division exceeded the projected budget due to the timing of federal drawdowns.
6. Academic expenditures are lower than projections due to holding back expenditures as well as timing of expenses in the Cooperative Extension/Agriculture Experiment Station Division.
7. While the Commonwealth requires that revenues and expenditures be balanced for Educational and General Programs, year-end balances are possible for federally funded programs.
8. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
9. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored research revenues and expenditures are lower than projected. The sponsored research expenditures are 5.7% greater than June 30, 2019.
10. The federal government provided funding to institutions through the CARES Higher Education Emergency Relief fund to provide emergency financial grants to students whose lives were disrupted, many of whom are facing financial challenges. Virginia Tech's allocation of the HEERF was \$9.7 million; of which \$8.9 million was received to reimburse the cost of grants made to students in 2019-20. The remaining \$0.8 million will be expended in 2020-21.
11. Revenues for All Other Programs were higher than projected due to increased investment activity and technical realignment of University commitments. Expenses for All Other Programs were less than projected due to timing of initiatives and lower than projected Surplus Property activity.
12. The annual budget for the University Division General Fund was increased \$0.4 million for the state share of salary and fringe benefit changes and \$2.16 million for the Tech Talent Investment Program.
13. The budget for Tuition and Fees has been increased \$7.9 million for higher than projected enrollments, primarily attributable to Fall 2019 undergraduate enrollments and off-campus graduate enrollments. The tuition and fee budget was increased \$2.1 million for higher than projected program fee revenues. The corresponding expenditure budgets have been adjusted accordingly.
14. The All Other Income revenue budget for the university division was increased \$0.15 million for VTCSOM earmarked sales and services revenues, \$0.16 million for higher than projected milk sales and decreased \$2.02 million for lower Veterinary Teaching Hospital and Equine Medical Center activity as a result of curtailing services in response to the COVID pandemic. The budget was decreased \$1.54 million for the alignment of the VTCSOM Partnership contributions based on programmatic activity and expected actual expenditures in 2019-20. The corresponding expenditure budgets have been adjusted accordingly.

15. The university division revenue budget was increased \$3.16 million to recognize the Commonwealth of Virginia's allocation of federal Coronavirus Relief Funds in support of personal protective equipment, disinfectant, distance learning and telework, and public health costs. The corresponding expenditure budgets have been adjusted accordingly.
16. The Cooperative Extension/Agriculture Experiment State Division General Fund revenue budget was decreased \$0.3 million for the state share of salary and fringe benefit changes. The corresponding expenditure budgets have been adjusted accordingly.
17. The Cooperative Extension Federal Funds revenue budget was increased \$0.01 million to align with federal appropriations. The corresponding expenditure budgets have been adjusted accordingly.
18. The budget for All Other Income was increased \$0.16 million for higher than projected milk sales in Agriculture Experiment Station. The corresponding expenditure budgets have been adjusted accordingly.
19. The annual budget for the Sponsored Programs has been decreased \$1.5 million to reflect the transfer of a portion of the Commonwealth Cyber Initiative (CCI) Hub and Node funds from Virginia Tech to other Virginia Public Institutions in support of collaborative efforts.
20. The Student Financial Assistance revenue and expenditure budgets were decreased \$1.0 million for a technical accounting change and \$0.3 million to revise the estimate of general fund support for the Two Year Transfer grant and Virginia Military Survivors Dependents Program to the actual distribution of funds.
21. The projected annual budgets for All Other Programs were increased \$1.5 million to finalize budgets. The projected annual expense budgets were decreased \$3.9 million for technical alignment of university initiatives and increased \$0.4 million for outstanding 2018-19 commitments that were initiated but not completed before June 30, 2019.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Dollars in Thousands

	July 1, 2019 to June 30, 2020			Annual Budget for 2019-20		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls *						
Revenues	\$129,640	\$129,178	\$462	\$133,823	\$129,178	\$-4,645 (7)
Expenses	-127,010	-133,604	6,594 (1)	-127,577	-133,604	-6,027 (7,8,9)
Reserve Drawdown (Deposit)	-2,630	4,426	-7,056 (1)	-6,246	4,426	10,672 (7,8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$15,268	\$15,039	\$229	\$15,832	\$15,039	\$-793 (10)
Expenses	-13,609	-15,104	1,495 (2)	-15,357	-15,104	253 (8,9,10)
Reserve Drawdown (Deposit)	-1,659	65	-1,724 (2)	-475	65	540 (8,9,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$22,036	\$21,500	\$536	\$20,600	\$21,500	\$900 (11)
Expenses	-20,721	-22,616	1,895 (3)	-20,861	-22,616	-1,755 (8,11)
Reserve Drawdown (Deposit)	-1,315	1,116	-2,431 (3)	261	1,116	855 (8,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services * **						
Revenues	\$54,378	\$54,690	\$-312 (4)	\$54,303	\$54,690	\$387 (12)
Expenses	-52,260	-58,729	6,469 (4)	-53,258	-58,729	-5,471 (8,9,12)
Reserve Drawdown (Deposit)	-2,118	4,039	-6,157 (4)	-1,045	4,039	5,084 (8,9,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics *						
Revenues	\$66,905	\$66,933	\$-28	\$77,500	\$66,933	\$-10,567 (13)
Expenses	-75,916	-76,162	246	-74,086	-76,162	-2,076 (8,9,13)
Reserve Drawdown (Deposit)	9,011	9,229	-218	-3,414	9,229	12,643 (8,9,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service *						
Revenues	\$32,483	\$31,419	\$1,064	\$35,217	\$31,419	\$-3,798 (14)
Expenses	-30,019	-31,212	1,193	\$-34,596	-31,212	3,384 (8,14)
Reserve Drawdown (Deposit)	-2,464	-207	-2,257	-621	-207	414 (8,14)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$11,765	\$11,724	\$41	\$11,711	\$11,724	\$13 (15)
Expenses	-11,057	-12,145	1,088 (5)	-12,287	-12,145	142 (8,9,15)
Reserve Drawdown (Deposit)	-708	421	-1,129 (5)	576	421	-155 (8,9,15)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions ***						
Revenues	\$13,445	\$11,470	\$1,975 (6)	\$11,827	\$11,470	\$-357 (16)
Expenses	-10,252	-13,157	2,905 (6)	-9,055	-13,157	-4,102 (8,9,16)
Reserve Drawdown (Deposit)	-3,193	1,687	-4,880 (6)	-2,772	1,687	4,459 (8,9,16)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$345,920	\$341,953	\$3,967	\$360,813	\$341,953	\$-18,860
Expenses	-340,844	-362,729	21,885	-347,077	-362,729	-15,652
Reserve Drawdown (Deposit)	-5,076	20,776	-25,852	-13,736	20,776	34,512
Net	\$0	\$0	\$0	\$0	\$0	\$0

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

** University Services System includes Career & Professional Development, Center for the Arts, Health Services, Recreational Sports, Student Engagement & Campus Life, Cultural and Community Centers, Student Organizations, and the VT Rescue Squad.

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

AUXILIARY ENTERPRISE BUDGET

1. Expenses in Residence and Dining Halls are lower than projected due to holding back expenditures and decreased business volume and timing of operating expenses.
2. Expenses for Parking and Transportation are lower due to holding back expenditures and timing of operating expenses and transit equipment purchases.
3. Expenses for Telecommunications Services are lower than projected due to holding back expenditures and timing of network telecommunication projects.
4. Revenues and expenses for the University Services System are lower than projected due to decreased business volume as well as holding back expenditures and the timing of operating and recreational sports facility project expenses.
5. Expenses for Inn at Virginia Tech are lower than projected due to holding back expenditures and timing of operating and hotel software system projects.
6. Revenues for Other Enterprise Functions are higher than projected due to higher than forecasted business volume in New Student Programs, Licensing and Trademark, Software Sales, and Hokie Passport. Expenses are lower than projected due to holding back expenditures and timing of expenses and lower than projected expenses for the board approved Athletics facilities improvements project.
7. The annual revenue budgets for Residence and Dining Halls were increased \$9.3 million for residential operations in two additional facilities and increased dining meal plan sales due to increased enrollment. Annual expense budgets were increased \$5.1 million for the Inn at Virginia Tech lease, \$3.7 million for Holiday Inn lease, \$2.4 million for enrollment staffing and operations, \$2.9 million for residence hall furniture which will be repurposed in future residence halls, \$0.1 million for additional student conduct coordinator, \$0.3 million dining facility projects, \$2.7 million for expanded dining facility hours, food costs, and wage support, and \$1.3 million for residential mail delivery program. Annual revenue and expense budgets were decreased \$4.9 million due to lower than anticipated off-campus dining meal plan sales, partially attributable to increased graduation rate, decreased marketing to help accommodate the additional freshman, and demand. Expense budgets were decreased \$3.1 million for technical realignment of university expenses. As a result of the COVID-19 pandemic, the annual revenue budgets decreased \$18.8 million and expense budget decreased \$6.2 million due to housing and dining student rebates/refunds, and decreased business volume during the Spring semester. The university allocated \$9.7 million of Federal CARES Act funding to assist with the Residence and Dining Halls refunds, which resulted in a net revenue decrease of \$9.1 million.
8. The annual expense budget for Auxiliary Enterprises was increased \$7.4 million for outstanding 2018-19 commitments and projects that were initiated but not completed before June 30, 2019. This amount includes \$1.2 million in Dining Hall commitments and projects, \$1.2 million for Telecommunications and \$1.3 million for Electric Service. The remainder is spread across the other auxiliary programs.
9. The annual expense and reserve budgets for Auxiliary Enterprises were decreased \$0.7 million to replace placeholder budgets with the university's approved compensation plan.
10. The annual expense and reserve budgets for Parking and Transportation Services were decreased \$0.2 million for Parking Services lease alignment. As a result of the COVID-19 pandemic, the annual revenue and expense budgets were decreased \$0.8 million for lower Fleet Services business volume.
11. The annual revenue, expense, and reserve budgets for Telecommunications Services were increased for additional business volume.
12. The annual revenue budget for University Services System were increased \$0.4 million to recognize additional enrollment. Annual expense budgets were increased \$3.6 million for additional counseling staff, counseling space, nurse practitioner, personnel support, student affairs

operating support, Career and Professional Development one-time projects, Recreational Sports wage support, \$1.5 million field storage and venture out facility project, and \$1.7 million swing space temporary structure project to assist with space needs during War Memorial closure during the capital project.

13. The annual revenue, expense, and reserve budgets for Intercollegiate Athletics were increased to accommodate additional revenue of \$1.0 million for the football team's participation in the Belk Bowl, \$0.3 million in private fundraising for the indoor practice facility, \$0.7 million bowl expenses (total bowl expense is \$1.7 million), \$0.3 million for indoor practice facility capital project, \$0.2 million for NCAA academic enhancement, and \$0.8 million for football expenses. Annual revenue and reserve budgets were decreased \$5.1 million for lower than anticipated ACC conference distributions and timing of ACC Network revenues, and \$0.3 million for lower football ticket sales. As a result of the COVID-19 pandemic, the revenue budget was decreased \$1.6 million for lower ACC/NCAA revenue and \$4.9 million for timing of the IMG Learfield guarantee payment, and the expense budget was increased \$0.1 million for COVID-19.
14. The annual revenue and expense budgets for the Electric Services auxiliary were decreased \$1.3 million due to lower than projected cost of wholesale electricity from favorable variance in demand and energy components learned after the original budget was developed. The annual expense budget was decreased \$2.0 million for the lane substation capital project savings and increased \$0.4 million due to higher than projected cost of wholesale electricity. As a result of the COVID-19 pandemic, the annual revenue budget was decreased by \$2.5 million and expense budget decreased \$1.7 million due to lower demand for electricity.
15. The annual revenue, expense, and reserve budgets for the Inn at Virginia Tech and Skelton Conference Center were increased for technical accounting alignment for tipped employees, personnel support, and student housing at the Inn. As a result of the COVID-19 pandemic, the annual revenue budgets decreased \$1.7 million and expense budget decreased \$1.0 million due to lower business volume.
16. The annual revenue, expense, and reserve budgets for Other Enterprise Functions were increased for printing services operating expenses, Tailor Shop uniform purchases, \$1.4 million internal financing of board approved Athletics facilities improvements project, \$3.4 million internal financing of board approved Corp Leadership and Military Sciences project, technical accounting alignments, scholarship expenses in Licensing and Trademark, and Library Photocopy increased business volume and equipment replacement. As a result of the COVID-19 pandemic, the annual revenue budget for Printing Services was decreased by \$0.4 million for decreased business volume.

CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF JUNE 30, 2020
Dollars in Thousands

	PROJECT INITIATED	FISCAL YEAR ACTIVITY		TOTAL PROJECT BUDGET				
		ANNUAL BUDGET	YTD EXPENDITURES	STATE SUPPORT	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENDITURES
EDUCATIONAL AND GENERAL PROJECTS								
<u>Design Phase</u>								
Agriculture Production Facilities	Oct 2016	\$ 1,300	\$ 359	\$ 25,274	\$ -	\$ -	\$ 25,274	\$ 1,174 (1)
Planning: Hitt Hall	Apr 2017	4,641	2,193	-	6,000	-	6,000	3,479 (2)
Planning: Undergraduate Science Laboratory Building	Jul 2017	1,163	2,397	-	5,141	-	5,141	4,318 (3)
Construct Virginia Seafood AREC	Jul 2018	2,500	-	2,500	-	-	2,500	- (4)
Commonwealth Cyber Initiative	May 2019	500	828	1,500	-	-	1,500	833 (5)
Corps Leadership and Military Science Building	Jun 2019	2,000	239	-	20,650	31,350	52,000	1,614 (6)
Data and Decision Science	Jul 2019	2,800	2,392	69,000	10,000	-	79,000	2,392 (7)
Innovation Campus - Academic Building	Jul 2019	5,500	1,631	168,000	107,000	-	275,000	1,631 (8)
<u>Construction Phase</u>								
Maintenance Reserve	On-going	14,330	16,122	28,859	-	-	28,859	26,634 (9)
Improve Kentland Facilities	Sep 2013	6,500	6,868	12,463	-	-	12,463	8,820 (10)
Health Sciences & Technology	Oct 2016	34,000	39,603	51,554	-	40,142	91,696	80,912 (11)
Chiller Plant Phase II	Oct 2016	10,000	21,186	32,655	10,312	-	42,968	23,431 (12)
Holden Hall Renovation	Oct 2016	16,000	7,058	57,215	212	17,500	74,927	11,090 (13)
Gas-Fired Boiler at the Central Steam Plant	Apr 2017	2,600	3,435	-	8,200	-	8,200	6,485 (14)
<u>Close-Out</u>								
Academic Buildings Renewal	Sep 2013	2,205	2,058	35,029	-	-	35,029	34,882 (15)
Renovate Undergraduate Science Laboratories	Jul 2016	3,100	3,097	-	10,000	-	10,000	9,083 (16)
Acquisition - Falls Church UVA Interest	Apr 2019	8,230	8,221	-	-	8,230	8,230	8,221 (17)
Acquisition - Falls Church Property	Apr 2019	-	-	-	-	2,850	2,850	- (18)
TOTAL EDUCATIONAL AND GENERAL PROJECTS		\$ 117,369	\$ 117,687	\$ 484,049	\$ 177,515	\$ 100,072	\$ 761,637	\$ 224,999

Education and General Projects

1. Agriculture Production Facilities: This project is the first of two phases to renew existing facilities for the livestock and poultry programs. The scope includes 126,000 gross square feet of facilities at the Blacksburg campus and three nearby university production and research farms. Working drawings are complete and pricing is expected August 2020.
2. Planning – Hitt Hall (formerly Intelligent Infrastructure and Construction Complex): This planning project is for Hitt Hall and houses an expansion of Myers-Lawson School of Construction, a new dining center, and other academic spaces. Procurement for A/E services is underway and the project is moving forward under the new delivery method.
3. Planning – Undergraduate Science Laboratory Building: This planning project is for an entirely state funded 102,000 gross square foot science laboratory building adjacent to the new classroom building. The university is temporarily funding the project and will be reimbursed by the state once construction funding is appropriated. Working drawings are expected to be complete August 2020. The university requested construction funding for fiscal year 2021; however, the state has not included an appropriation for the project in the budget. The university will request construction funding for fiscal year 2022 as part of the next state budget call.
4. Construct Virginia Seafood AREC: Through a collaborative effort between the University, the Foundation, and the City of Hampton, the existing facility will be replaced with this new 15,000 gross square foot facility. Construction pricing expected July 2020.
5. Commonwealth Cyber Initiative: This project makes improvements to support the Commonwealth Cyber Initiative Hub renovations, space enhancements, and equipment. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget.
6. Corps Leadership and Military Science Building: The project consolidates the Corps of Cadets and ROTC programs in the northern portion of the Upper Quad project. Working drawings are underway. The design and construction contracts for this project were consolidated with the New Upper Quad Residence Hall project.
7. Data and Decision Sciences: This project will design and construct a new 120,000 gross square foot instruction building. Working drawings is underway with construction anticipated December 2020.
8. Innovation Campus – Academic Building: This project is a new 300,000 gross square foot academic building as part of the Innovation Campus in Alexandria Virginia. Schematic design is underway.
9. Maintenance Reserve: The total project budget reflects \$1.8 million of carryforward from fiscal year 2018 and the State's fiscal year 2019 appropriation of \$13.5 million and fiscal year 2020 appropriation of \$13.5 million. The university exceeded the state's 85 percent spending performance requirement for the biennium. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget.
10. Improve Kentland Facilities: This project provides a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. The Applied Reproduction Facility is complete. Substantial completion is expected August 2020 for Metabolic Research Lab and October 2020 for the Bovine Extension Teaching & Research Facility. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget.
11. Health Sciences & Technology: This project is being delivered under a Public Private Partnership with Carilion Clinic and is located adjacent to the existing Virginia Tech-Carilion Research Institute facility in Roanoke, Virginia. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget. The project reached substantial completion in May 2020.
12. Chiller Plant Phase II: This project upgrades of campus utility systems and addresses several strategic needs for shifting the campus to a lower resource consuming cooling service with improved redundancies. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget. Completion expected July 2021.
13. Holden Hall Renovation: This project will renovate 20,000 gross square feet, demolish 21,000 gross square feet, and construct an 80,000 gross square foot expansion of Holden Hall to accommodate the instruction and research programs of Materials Science and Engineering, Mining and Minerals Engineering, and Computer Science Engineering. Construction is underway with substantial completion expected December 2021.
14. Gas-Fired Boiler at the Central Steam Plant: This project will install a new Gas-Fired Boiler within the Central Steam Plant. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget. Completion expected January 2021.
15. Academic Buildings Renewal: This project is closed and will be removed at the end of the fiscal year
16. Renovate Undergraduate Science Laboratories: This project is closed and will be removed at the end of the fiscal year
17. Acquisition – Falls Church UVA Interest: This project was established to acquire all of UVA's right, title, and interest in the universities' shared fee simple title ownership and shared leasehold interest in the Falls Church Center for a total cost of \$8.23 million. The transaction process is complete.
18. Acquisition – Falls Church Property: This project was established to acquire the fee simple title to the 5.33 acres currently leased from and owned by the City of Falls Church for a net cost of \$2.85 million. The exercise date is fiscal year 2021, and the university is working with the City of Falls Church to accelerate the transaction timing.

Capital Outlay Projects Authorized as of June 30, 2020 (Continued)

Dollars in Thousands

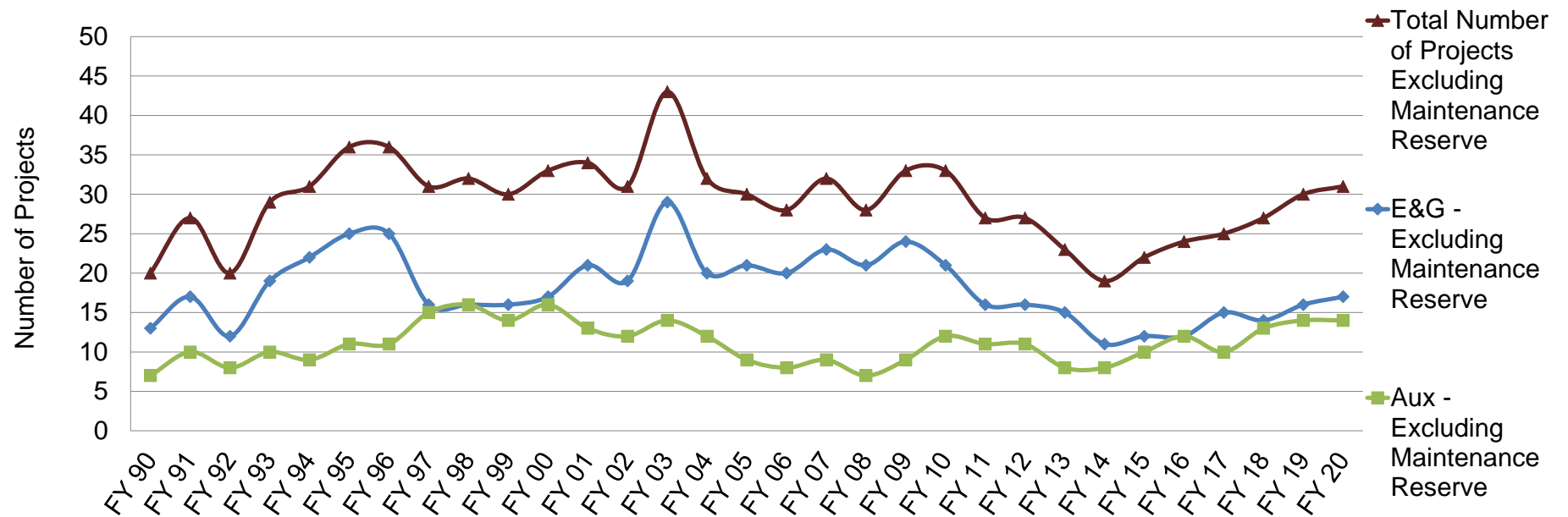
PROJECT INITIATED	FISCAL YEAR ACTIVITY		TOTAL PROJECT BUDGET				
	ANNUAL BUDGET	YTD EXPENDITURES	STATE SUPPORT	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENDITURES
AUXILIARY ENTERPRISE PROJECTS							
<u>Design Phase</u>							
Student Wellness Improvements	Jun 2016	8,500	1,786	\$ -	\$ 13,310	\$ 44,690	\$ 58,000 \$ 5,043 (1)
Athletic Facilities Improvements - Tennis	Aug 2016	-	17	-	809	0	809 225 (2)
Dietrick First Floor and Plaza Renovation	Sept 2017	1,500	621	-	5,000	3,300	8,300 900 (3)
Planning: Slusher Replacement	Jun 2018	1,500	915	-	3,500	-	3,500 1,255 (4)
Global Business & Analytics Complex Residence Halls	Jun 2019	1,800	1,269	-	-	84,000	84,000 1,269 (5)
New Upper Quad Residence Hall	Jun 2019	800	834	-	-	33,000	33,000 834 (6)
<u>Construction Phase</u>							
Maintenance Reserve	On-going	9,500	10,378	-	9,500	-	9,500 10,378 (7)
Creativity & Innovation District Residence Hall	Oct 2016	20,000	36,070	-	15,880	89,620	105,500 46,701 (8)
Student-Athlete Performance Center	Mar 2018	7,000	9,597	-	20,417	-	20,417 11,098 (9)
Athletics Weight Room Renovation & Expansion	Aug 2018	625	2,163	-	4,500	-	4,500 2,238 (10)
<u>Close-Out</u>							
Lane Substation Expansion	Sept 2015	2,380	261	-	2,000	4,500	6,500 3,763 (11)
O'Shaughnessy Renovation	Apr 2016	445	368	-	8,867	12,633	21,500 21,422 (12)
Athletic Facilities Improvements - Rector & Baseball	Aug 2016	1,035	442	-	36,691	0	36,691 36,202 (13)
Commonwealth Ballroom Improvements	Mar 2018	499	483	-	3,246	-	3,246 3,230 (14)
ACC Network Studio	Mar 2018	900	1,408	-	-	10,000	10,000 8,593 (15)
TOTAL AUXILIARY ENTERPRISE PROJECTS		\$ 56,484	\$ 66,610	\$ -	\$ 123,720	\$ 281,743	\$ 405,463 \$ 153,152
GRAND TOTAL		\$ 173,853	\$ 184,297	\$ 484,049	\$ 301,235	\$ 381,815	\$ 1,167,099 \$ 378,151

CAPITAL OUTLAY BUDGET (Continued)

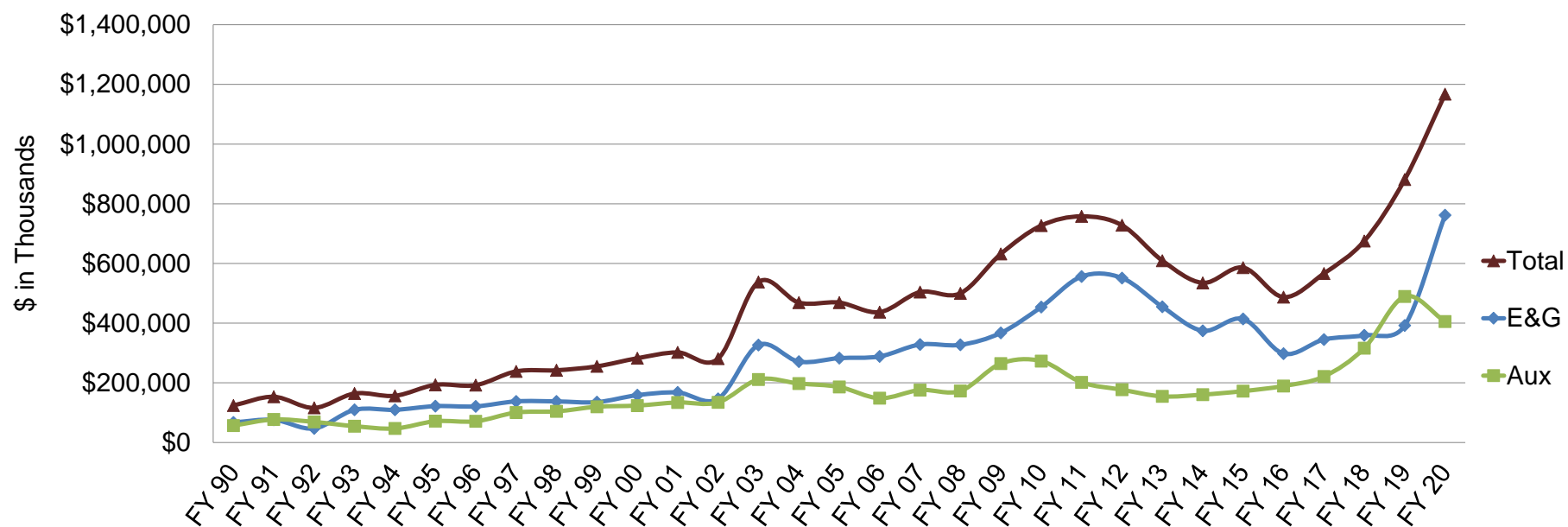
Auxiliary Enterprise Projects

1. Student Wellness Improvements: The project scope and budget includes refurbishments to War Memorial Hall and McComas Hall. Whiting-Turner is the construction manager and the Guaranteed Maximum Price received July 15, 2020 is over budget. The university is reviewing program and design alternatives
2. Athletic Facilities Improvements - Tennis: Athletics is ready to move forward with planning for Tennis Improvements and procurement for A/E services is underway. The university may request full project authorization once planning is complete and Athletics has raised the necessary funds to complete construction.
3. Dietrick First Floor and Plaza Renovation: This project refurbishes the first floor of Dietrick Hall, inserting a modern food service venue, enclosing a portion of the overhang, and improvements to the outdoor plaza. The low bid received was over budget and the university is reviewing design alternatives.
4. Planning – Slusher Replacement: This planning project includes completing preliminary designs for the replacement of Slusher Hall. To ensure bed capacity sufficient for enrollment growth, the timing for construction is being coordinated with the anticipated completion date for the Global Business & Analytics Complex Residential Halls project, anticipated March 2024.
5. Global Business & Analytics Complex Residence Halls: This project provides two residence halls in the northwest corner of campus with a minimum of 700 beds. The acquisition strategy is shifting to Invitation for Bid from Design-Build. Procurement for A/E services will begin in August 2020 to move forward under the new delivery method.
6. New Upper Quad Residence Hall: This project will provide the Corps of Cadets an additional 313 beds while replacing Femoyer Hall. Preliminary design is underway. The design and construction contracts for this project were consolidated with the Corps Leadership & Military Science project. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget.
7. Maintenance Reserve: Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget and total project budget reflect the spending plans of the auxiliary units on maintenance reserve work scheduled for fiscal year 2020. The auxiliary maintenance reserve program covers 106 assets with a total replacement value of \$1.3 billion. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget.
8. Creativity & Innovation District Residence Hall: This project is a new residential community with approximately 596 beds, including 176 beds for student-athletes, and academic collaborative spaces to support creativity and innovation programs. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget. Construction is underway with completion expected June 2021.
9. Student-Athlete Performance Center: This project renovates the fourth floor of the Jamerson Center, constructs a balcony cantilevered from the fourth floor, and a new elevator tower. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient, and the project remains within the authorized budget. Construction is underway with completion expected November 2020.
10. Athletics Weight Room Renovation & Expansion: This project renovates and expands the football weight room in the Merryman Center. Year-to-date expenses exceed the annual budget because construction accelerated. Resources are available and sufficient to cover the shifted cash outflows, and the project remains within the authorized budget. Cash outflows shifted from fiscal year 2021 to fiscal year 2020. Resources are available and sufficient to cover the accelerated cash flows, and the project remains within the authorized budget. Construction is underway with substantial completion expected August 2020.
11. Lane Substation Expansion: The project is substantially complete. Electric Services received “cost to serve” credits from AEP and the total cost is expected to be \$3.8 million. The project may be closed and financial accounts terminated when final invoices are received and paid.
12. O’Shaughnessy Renovation: This project is closed and will be removed at the end of the fiscal year.
13. Athletic Facilities Improvements - Rector and Baseball: This project is closed and will be removed at the end of the fiscal year.
14. Commonwealth Ballroom Improvements: This project is closed and will be removed at the end of the fiscal year.
15. ACC Network Studio: This project is closed and will be removed at the end of the fiscal year.

CAPITAL PROGRAM PROJECTS Total Number of Active Capital Projects Fiscal Year 1990 - Fiscal Year 2020



CAPITAL PROGRAM TOTAL BUDGET
Total Budget Level of Active Projects
Fiscal Year 1990 - Fiscal Year 2020



CAPITAL PROGRAM EXPENDITURE TREND
Total Annual Expenditures for Active Capital Projects
Fiscal Year 1990 - Fiscal Year 2020

