

Cooperative Extension/Agricultural Experiment Station Division
Annual Report of Actual Expenditures by Fund Source and Program
2017-18

Virginia Tech
Office of Budget and Financial Planning
August 1, 2018

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Item 226 B.2. of Chapter 2 of the 2018 Appropriation Act requires the submission of an annual report of actual expenditures for the Cooperative Extension/Agricultural Experiment Station Division (CE/AES) to the Department of Planning and Budget, House Appropriations Committee, and Senate Finance Committee by September 1 each year.

The report summarizing the sources and uses of funds for the Cooperative Extension/Agricultural Experiment Station Division (Agency 229) for fiscal year 2017-18 is attached. This report is provided in the format defined by the Secretary of Education in November 2011. The report arrays sources and uses according to the Commonwealth's fund and program accounting structure. The total expenditures made directly by the localities in support of extension programs are also displayed. Consistent with the Commonwealth's standards, the report is provided on a cash basis, which reflects actual revenues and expenditures as of a point in time, in this case June 30, 2018.

The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division was greater than the projected budget due to the timing of receipt of federal drawdowns. While the University seeks to balance revenue and expenditures, variances in federal funds are due to differences between the timing between drawdowns and expenses.

The Cooperative Extension/Agricultural Experiment Station Division Annual Report of Actual Expenditures by Fund Source and Program for 2017-18 is attached. The second page reconciles the information provided through the report to the Commonwealth's accounting system (CARDINAL) and compares it to the authorized appropriation.

Cooperative Extension/Agriculture Experiment Station Division (Agency 229)

Sources and Uses for the Fiscal Year Ended June 30, 2018

By Major Source of Funds - CASH BASIS Totals *

Prepared August 6, 2018

	Agency 229					Locality	Combined Grand Totals
	Fund 0301	Fund 0300			Total	Amounts Paid Directly by Localities	
	Federal Funds	General Fund	Non-General Funds	Locality Reimbursement/Support			
SOURCES:							
Revenue received directly by Virginia Tech	16,891,545	71,005,722	1,221,874		89,119,142		89,119,142
Locality Reimbursement of Expenditures at VT (a)				6,900,519	6,900,519		6,900,519
Amounts Directly Paid by Localities (b)					-	5,242,894	5,242,894
TOTAL SOURCES	<u>16,891,545</u>	<u>71,005,722</u>	<u>1,221,874</u>	<u>6,900,519</u>	<u>96,019,660</u>	<u>5,242,894</u>	<u>101,262,555</u>
USES:							
Instruction (c)	0	0	0	0	-		0
Agriculture Experiment Station Research	6,140,983	31,718,512 (h)	955,160 (h)		38,814,655		38,814,655
Cooperative Extension							
Paid directly by Virginia Tech	8,014,272	33,094,671 (h)	266,715 (h)	6,900,519 (h)	48,276,176		48,276,176
Paid directly by local governments (b)						5,242,894	5,242,894
Academic Support (d)	583,069	835,899			1,418,968		1,418,968
Institutional Support (e)		1,511,109			1,511,109		1,511,109
Operation and Maintenance (f)	-	3,845,531	-	-	3,845,531		3,845,531
TOTAL USES	<u>14,738,324</u>	<u>71,005,722</u>	<u>1,221,874</u>	<u>6,900,519</u>	<u>93,866,439</u>	<u>5,242,894</u>	<u>99,109,333</u>
TOTAL REVENUES - EXPENDITURES (NET)	<u>2,153,222 (g)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,153,222</u>	<u>-</u>	<u>2,153,222</u>

- a) Locality reimbursement/support reflects activities funded by a locality, with the needed resources transferred to Virginia Tech and subsequently expensed by the university and recorded in its accounting system. These funds are recorded as "recoveries" and are limited in use to cover the costs (normally agent salaries and fringe benefits) as agreed to by the locality.
 - b) Direct payments by localities occur outside of the university (e.g. space and services in county office buildings, etc.) and are not recorded in Virginia Tech's accounting system or management reports.
 - c) Degree credit instruction occurs only in Agency 208.
 - d) Academic Support includes efforts to provide support services that directly support the primary function of the agency. For Agency 229 this is a portion of the College of Agriculture and Life Sciences Dean's Office including a portion of the Dean, support staff, and operating costs as well as Extension Leadership costs including the Director, state program leaders (4-H, FCS, ANR, Community Viability), support staff, and associated operating costs.
 - e) Institutional Support includes efforts to provide operational support for the day-to-day functioning of the agency (e.g. payroll, human resources services, purchasing, accounting, budgeting, etc.).
 - f) Operation and Maintenance of Plant includes efforts to operate and maintain the physical plant facilities (e.g. utilities, insurance, custodial services, maintenance, leased property, etc.).
 - g) Virginia Tech manages expenditures for Federal Land Grant Appropriations on a federal fiscal year basis ending Sept 30. Therefore, at June 30 a net positive or negative balance usually exists. Net negative balances are temporarily financed by internal university loans. During 2017-2018 federal funds for 2016-17 federal expenditures were received in 2017-18 resulting in a positive federal funds balance.
 - h) Virginia Tech manages Fund 0300 expenditures such that they can only be expended to the extent revenue has been actually received to cover such expenditures. Therefore, expenditures for the three columns in Fund 0300 have been allocated among these columns to match the revenues received by June 30 for each fiscal year. There are normally revenues in transit from local governments at each year end.
- * Cash basis totals reflect actual revenues and expenditures as of a point time, in this case June 30.

Reconciliations

Net Expenditures (summary of information from page 1 for comparative purposes)

Total Uses at VT (from page 1)	93,866,439
(less) Localities' Reimbursement of Salaries and Fringes Paid by VT (from page 1)	<u>(6,900,519)</u>
Net Expenditures	<u>86,965,920</u>

Reconcile Net Expenditures to CARDINAL

Expenditures (per CARDINAL Year End Report)	<u>86,965,920</u>
	<u>-</u>

Comparison of Net Expenditures to Appropriation

Original Appropriation - Chapter 836	87,134,563
Mid-year adjustments (central fund adjustments, reductions, administrative NGF adjustment, etc.)	<u>2,041,867</u>
Ending Appropriation (GF & NGF) CARDINAL	<u>89,176,430</u>
Unexpended Appropriation (1)	<u>2,210,510</u>

(1) Remaining variance represents excess NGF authority -- Agency 229 has been assigned NGF authority for which it has been unable to generate NGF revenues.