

VIRGINIA MILITARY INSTITUTE

LEXINGTON, VIRGINIA 24450-0304

OFFICE OF THE SUPERINTENDENT

Phone 540-464-7311

Fax 540-464-7660

Virginia Relay/TDD dial 711

11 January 2024

MEMORANDUM

TO: VMI Board of Visitors

THROUGH: The Audit, Finance and Planning Committee

FROM: Major General Cedric T. Wins

SUBJECT: Amendment of the 2023-2024 Operating Budget

Board budget policy provides that the operating budget shall be the Institute's spending plan for the year. The proposed budget amendment results in a net revenue budget increase of \$1,933,000 or 1.7% of the total revenue budget. The net revenue increase consists of additional State General funds (\$126,000), additional E&G tuition revenues (\$1,175,000), additional Auxiliary fees (\$1,045,000), additional UMA fees (\$172,000), additional restricted support from the Keydet Club (\$600,000), and additional cadet athletic fees/revenues (\$291,000). These increases are offset by lower than planned use of reserve funds totaling \$1,476,000.

The proposed budget amendment also results in a net expenditure budget increase of \$1,933,000 or 1.7% of the total budget. The net increase consists of an E&G budget increase (\$225,000), a State Auxiliary Enterprise budget increase (\$1,045,000) primarily related to several large maintenance projects, and an Athletic budget increase (\$663,000) directly related to one-time special projects funding from the Keydet Club.

We recommend that you amend the 2023-2024 Operating Budget as described above.

Recommended Motion:

It is moved that the VMI Board of Visitors amend VMI's 2023-2024 Operating Budget revenues and expenditures by \$1,933,000 as outlined in Attachment A.



Cedric T. Wins '85
Major General, U. S. Army (Retired)
Superintendent



VMI Operating Budget--FY 2024
Proposed Amendment--January 2024

ATTACHMENT A

	Amendment				Total	Amended Budget	% Inc(Dec)
	Budget	State Funds	Cadet Tuition/Fees	Fund Bal			
State Funds Revenue							
<i>Educational and General</i>							
General Funds (GF)	21,730,000	126,000			126,000	21,856,000	0.6%
Cadet Tuition/Other Income	30,871,000		1,175,000	(1,076,000)	99,000	30,970,000	0.3%
Total E&G	52,601,000	126,000	1,175,000	(1,076,000)	225,000	52,826,000	0.4%
<i>Unique Military Activities</i>							
General Funds	5,860,000				-	5,860,000	0.0%
Cadet Fees/Other Income	4,774,000		172,000	(172,000)	-	4,774,000	0.0%
Total UMA	10,634,000	-	172,000	(172,000)	-	10,634,000	0.0%
<i>Auxiliary Enterprises</i>							
Cadet Fees/Other Income	22,248,000		1,045,000		1,045,000	23,293,000	4.7%
Auxiliary Fund Balance	1,746,000				-	1,746,000	
Total Auxiliary	23,994,000		1,045,000	-	1,045,000	25,039,000	4.4%
<i>Cadet Financial Assistance</i>							
General Funds	1,418,000				-	1,418,000	0.0%
Cadet Tuition/Fees	2,300,000		-		-	2,300,000	0.0%
Total Cadet Financial Assist	3,718,000	-	-		-	3,718,000	0.0%
Total State Funds Revenue	90,947,000	126,000	2,392,000	(1,248,000)	1,270,000	92,217,000	1.4%
Local Funds Revenue							
Restricted Funds	29,201,000		600,000		600,000	29,801,000	2.1%
Unrestricted Funds	13,288,000		291,000	(245,000)	46,000	13,334,000	0.3%
Total Local Funds Revenue	42,489,000		891,000	(245,000)	646,000	43,135,000	1.5%
Total All Funds	133,436,000	126,000	3,283,000	(1,493,000)	1,916,000	135,352,000	1.4%
Less: Cadet Financial Assist	(18,919,000)	-	-		-	(18,919,000)	0.0%
Total Revenue	114,517,000	126,000	3,283,000	(1,493,000)	1,916,000	116,433,000	1.7%

	Amendment					Amended Budget	% Inc(Dec)
	Budget	State Funds	Cadet Tuition/Fees	Fund Bal	Total		
State Funds Expenditures							
Educational and General	52,601,000	126,000	1,175,000	(1,076,000)	225,000	52,826,000	0.4%
Unique Military Activities	10,634,000	-	172,000	(172,000)	-	10,634,000	0.0%
Auxiliary Enterprises	23,994,000		1,045,000	-	1,045,000	25,039,000	4.4%
Cadet Financial Assistance	3,718,000		-		-	3,718,000	0.0%
Total State Funds Expenditures	90,947,000	126,000	2,392,000	(1,248,000)	1,270,000	92,217,000	1.4%
Local Funds Expenditures							
Educational and General	17,193,000				-	17,193,000	0.0%
Auxiliary Enterprises	10,095,000		891,000	(245,000)	646,000	10,741,000	6.4%
Cadet Financial Assistance	15,201,000				-	15,201,000	0.0%
Total Local Funds Expenditures	42,489,000	-	891,000	(245,000)	646,000	43,135,000	1.5%
Total All Funds	133,436,000	126,000	3,283,000	(1,493,000)	1,916,000	135,352,000	1.4%
Less: Cadet Financial Assist	(18,919,000)	-	-		-	(18,919,000)	0.0%
Total Expenditures	114,517,000	126,000	3,283,000	(1,493,000)	1,916,000	116,433,000	1.7%

Notes:

1. The "State Funds" amendment is an increase of \$126,000 and reflects higher than budgeted State central appropriations for the State share of salaries, benefits, and other E&G costs.
2. The "Cadet Tuition/Fees" amendment reflects increased revenue from greater enrollment than budgeted.
3. The Fund Balance amendment reflects lower than budgeted use of reserve funds made possible due to the increased revenues from larger enrollment.