

Vermont Student Development Fund  
Summary Financial Statements (Unaudited)  
Three and Six Months ending 12/31/2017

In \$1,000's

Balance Sheet as of:

6/30/17      9/30/17      12/31/17

**Assets**

Cash and equivalents

    Checking

\$    1,356    \$       653    \$       905

    Money market/trust

5,300            4,868            4,702

    Total cash and equivalents

6,656            5,521            5,607

Investments (at market)

    Endowment investments

5,215            5,674            5,914

    Total investments

5,215            5,674            5,914

Other assets

-                    296                    82

    Total assets

\$    11,871    \$    11,491    \$    11,603

**Liabilities and net position**

Liabilities

    Deferred revenues

5,914            5,683            5,572

    Due to (from) VSAC

565                1                    1

    Total liabilities

6,479            5,684            5,573

Net position

5,392            5,807            6,030

    Total liabilities and net position

\$    11,871    \$    11,491    \$    11,603

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Three and Six Months ending 12/31/2017

In \$1,000's

	6 mo end <u>12/31/16</u>	Qtr end <u>12/31/17</u>	6 mo end <u>12/31/17</u>
Income statement for the three/twelve months ending:			
<b><u>Revenues</u></b>			
Interest and dividends	\$ 71	\$ 25	\$ 54
Realized gain(loss) on investments	393	22	22
Unrealized gain(loss) on investments	(244)	141	275
Federal and State scholarship funding	1,338	193	1,050
Other gifts and contributions	1,721	231	1,771
Total revenues	<u>3,279</u>	<u>612</u>	<u>3,172</u>
<b><u>Expenses</u></b>			
Scholarship disbursements	2,884	389	2,534
Net surplus(deficit) for period	<u>395</u>	<u>223</u>	<u>638</u>
Net position, beginning of period	4,732	5,807	5,392
Net position, end of period	<u>\$ 5,127</u>	<u>\$ 6,030</u>	<u>\$ 6,030</u>

Notes:

1 VSDF is a component unit of Vermont Student Assistance Corporation (VSAC). The financial statements of VSAC are audited for the year ending 6/30/17. While VSDF is included within the scope of this annual audit a separate opinion is not issued for it; therefore these statements should be considered unaudited. All interim period statements presented are unaudited.

2 Investments are presented at cost adjusted for unrealized gains or losses.

3 Deferred revenues represent scholarship funding received which has not been disbursed to students. Generally VSDF scholarship revenues are recognized as awards to students are disbursed, not at the time contributions/donations are received from funding agencies and donors.

Vermont Student Development Fund  
Cash and Investment Summary (Unaudited)

In \$1,000's

As of:	<u>6/30/17</u>	<u>9/30/17</u>	<u>12/31/17</u>
Scholarship checking - Keybank	\$ 1,356	\$ 653	\$ 905
Scholarship money market - TD Bank	5,300	4,868	4,702
Total non-endowment cash	<u>6,656</u>	<u>5,521</u>	<u>5,607</u>
VSDF permanent endowment - TD Wealth			
Equity investments	3,127	3,457	3,569
Fixed income investments	2,088	2,217	2,345
Total endowment	<u>5,215</u>	<u>5,674</u>	<u>5,914</u>
Total cash and investments	<u>11,871</u>	<u>11,195</u>	<u>11,521</u>
Other assets - receivables and pledges	-	296	82
Total VSDF assets	<u>\$ 11,871</u>	<u>\$ 11,491</u>	<u>\$ 11,603</u>

Notes:

- 1 VSDF maintains funds received for annual scholarships and for termed endowments primarily as cash or money markets, due to the relative immediacy of their use.
- 2 VSDF maintains funds and investments associated with its permanent endowment program in one investment account. Total annual permitted use is calculated and approved once a year. Cash needed to fund scholarship disbursements are transferred to checking as needed. The asset investment allocation for the periods presented and the allocation recommended per VSDF's investment policy are as follows:

Asset allocation - VSDF endowment investments

Cash	0.0%	0.0%	0.0%
Equity investments	60.0%	60.9%	60.3%
Fixed income investments	40.0%	39.1%	39.7%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

VSDF Investment Policy Allocation

	<u>Range</u>	<u>Target</u>
Cash	0-15%	5%
Equity investments	45-85%	70%
Fixed income investments	10-40%	25%