

Vermont Student Development Fund
Summary Financial Statements (Unaudited)
Three and Six Months ending 12/31/2018

In \$1,000's

Balance Sheet as of:	<u>6/30/18</u>	<u>9/30/18</u>	<u>12/31/18</u>
<u>Assets</u>			
Cash and equivalents			
Checking	\$ 1,133	\$ 599	\$ 1,713
Money market/trust	5,243	6,230	6,091
Total cash and equivalents	<u>6,376</u>	<u>6,829</u>	<u>7,804</u>
Investments (at market)			
Endowment investments	<u>5,856</u>	<u>6,052</u>	<u>5,605</u>
Total investments	<u>5,856</u>	<u>6,052</u>	<u>5,605</u>
Other assets	-	-	103
Total assets	<u>\$ 12,232</u>	<u>\$ 12,881</u>	<u>\$ 13,512</u>
<u>Liabilities and net position</u>			
Liabilities			
Deferred revenues	6,179	6,687	7,772
Due to (from) VSAC	<u>1</u>	<u>1</u>	<u>-</u>
Total liabilities	<u>6,180</u>	<u>6,688</u>	<u>7,772</u>
Net position	6,052	6,193	5,740
Total liabilities and net position	<u>\$ 12,232</u>	<u>\$ 12,881</u>	<u>\$ 13,512</u>

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Three and Six Months ending 12/31/2018

In \$1,000's

	6 mo end <u>12/31/17</u>	Qtr end <u>12/31/18</u>	6 mo end <u>12/31/18</u>
Income statement for the three/twelve months ending:			
<u>Revenues</u>			
Interest and dividends	\$ 54	\$ 35	\$ 65
Realized gain(loss) on investments	22	(8)	(8)
Unrealized gain(loss) on investments	275	(477)	(310)
Federal and State scholarship funding	1,050	193	1,082
Other gifts and contributions	1,771	164	1,515
Total revenues	<u>3,172</u>	<u>(93)</u>	<u>2,344</u>
<u>Expenses</u>			
Scholarship disbursements	2,534	360	2,656
Net surplus(deficit) for period	<u>638</u>	<u>(453)</u>	<u>(312)</u>
Net position, beginning of period	5,392	6,193	6,052
Net position, end of period	<u>\$ 6,030</u>	<u>\$ 5,740</u>	<u>\$ 5,740</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 6/30/18. 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>6/30/18</u>	<u>9/30/18</u>	<u>12/31/18</u>
Scholarship checking - Keybank	\$ 1,133	\$ 599	\$ 1,713
Scholarship money market - TD Bank	5,243	6,230	6,091
Total non-endowment cash	<u>6,376</u>	<u>6,829</u>	<u>7,804</u>
VSDF permanent endowment - TD Wealth			
Equity investments	3,472	3,676	3,331
Fixed income investments	2,384	2,376	2,274
Total endowment	<u>5,856</u>	<u>6,052</u>	<u>5,605</u>
Total cash and investments	<u>12,232</u>	<u>12,881</u>	<u>13,409</u>
Other assets - receivables and pledges	-	-	103
Total VSDF assets	<u>\$ 12,232</u>	<u>\$ 12,881</u>	<u>\$ 13,512</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	59.3%	60.7%	59.4%
Fixed income investments	40.7%	39.3%	40.6%
	<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%