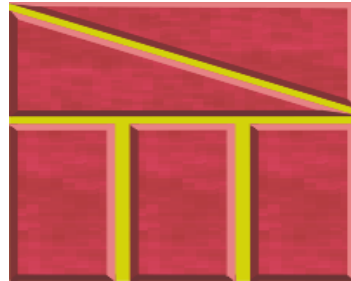


Governor McAuliffe's Budget 2018 – 2020 Biennium

Briefing for State Council of Higher Education for Virginia



Michael D. Maul, Associate Director
Virginia Department of Planning and Budget
January 9, 2018

Budget Recommendation Items

- **Cross-cutting higher education recommendations**
 - ✓ Provides authorization for the purchase of additional equipment under the Higher Education Equipment Trust Fund. (\$166.0 million)
 - ✓ Provides additional financial aid to in-state undergraduate students. (\$45.5 million)
 - ✓ Includes a two percent salary increase in FY 2020 for state employees and faculty at institutions of higher education, teachers, and other state-supported local employees. (\$17.0 million)
 - ✓ Funds Virginia Research Investment Fund (VRIF). (\$16.0 million)
 - ✓ Restores funding for interest earnings (\$6.7 million) and credit card rebates. (\$6.3 million)
 - ✓ Provides additional funding for the Virtual Library of Virginia (VIVA). (\$900,000)

Undergraduate Financial Assistance

Institution	FY 2019	FY 2020
Christopher Newport University	\$149,430	\$649,994
College of William and Mary	\$104,510	\$649,191
George Mason University	\$6,520,989	\$8,192,542
James Madison University	\$1,363,345	\$2,386,599
Longwood University	\$585,017	\$908,839
Norfolk State University	\$289,250	\$907,505
Old Dominion University	\$666,561	\$1,675,412
Radford University	\$807,335	\$1,375,857
University of Mary Washington	\$104,051	\$376,241
University of Virginia	\$190,389	\$978,180
University of Virginia's College at Wise	\$218,252	\$373,304
Virginia Commonwealth University	\$2,663,480	\$4,550,404
Virginia Military Institute	\$31,762	\$141,263
Virginia State University	\$248,243	\$637,814
Virginia Tech	\$474,238	\$1,571,790
Richard Bland College	\$543,966	\$669,162
Virginia Community College System	\$1,266,737	\$3,251,313
Total	\$16,227,555	\$29,295,410
* Based on recommendations of the State Council of Higher Education for Virginia (SCHEV)		

Higher Education Funding Recommendations

- **Base adequacy funding (\$21.6 million)**

- ✓ Old Dominion University (\$15.1 million)
- ✓ Eastern Virginia Medical School (\$5.1 million)
- ✓ Virginia Military Institute (\$809,143)
- ✓ Richard Bland College (\$128,143)

(Based on SCHEV recommendations; brings state share to 100 percent by 2020. Richard Bland reaches 100 percent through this funding and funding for positions to address Auditor of Public Accounts concerns.)

- **Higher education funding at selected institutions:**

- ✓ Funds base operations at George Mason University due to continued enrollment growth. (\$14.0 million)
- ✓ Enhances academic programs at University of Virginia's College at Wise. (\$3.8 million)

Higher Education Funding Recommendations

- **Higher education funding at selected institutions (continued):**
 - ✓ Expands research and innovation in cybersecurity/cyber psychology and efficient and eco-friendly production of biofuel at Norfolk State University. (\$1.3 million)
 - ✓ Transfers teacher computer science training funding from Direct Aid to the VCCS. (\$1.1 million)
 - ✓ Fills essential positions to address audit findings at Richard Bland College. (\$558,700)
 - ✓ Establishes specialized programs for counseling veterans at William and Mary. (\$450,000)
 - ✓ Provides planning funds for an initiative that will allow Virginians to obtain a workforce credential or associate degree in targeted fields at no cost to the student, with a commitment to one year of public service upon completion at the VCCS. (\$200,000)
 - ✓ Provides funding to the Weldon Cooper Center to support production of the population projects. (\$350,000)
 - ✓ Provides one-time funding to the Weldon Cooper Center's participation in the federal Local Update of Census Addresses (LUCA) to ensure completeness and accuracy of the Commonwealth's address list to be used in the census. (\$115,000)

Higher Education Funding Recommendations

- **Infrastructure (funded partially through Master Equipment Lease Program)**

- ✓ **Virginia State University**

- Upgrades police radio system. (\$363,265)
- Modernizes information technology (IT) network. (\$1.4 million)

- ✓ **University of Virginia's College at Wise**

- Enhances and expands network and security systems. (\$1.7 million)

- ✓ **Virginia Institute of Marine Science**

- Utilizes advanced modeling and assessment technologies to monitor the water quality of the Chesapeake Bay. (\$869,239)
- Upgrades IT infrastructure. (\$808,069)

Higher Education Funding Recommendations

- **Workforce and Economic Development**
 - ✓ **State Council of Higher Education for Virginia (SCHEV)**
 - Enhances support for the New Economy Workforce Credential Grant Program. (\$4.0 million)
 - ✓ **Southern Virginia Higher Education Center**
 - Expands rural high school access to technical training through the Career Tech Academy. (\$867,677)
 - Supports mission-critical positions. (\$140,000)
 - ✓ **Institute for Advanced Learning and Research**
 - Supports workforce credentialing program. (\$600,000)
 - ✓ **Jefferson Lab**
 - Establishes a center for nuclear femtography using one-time funding at Jefferson Science Associates. (\$500,000)
 - ✓ **Roanoke Higher Education Authority**
 - Expands the culinary institute. (\$172,000)

Proposed Other Education Funding Recommendations

- **Additional financial aid (SCHEV)**
 - ✓ Provides additional funding for Tuition Assistance Grant (TAG) program taking the grant award to \$3,350 in FY 2020. (\$1.6 million)
 - ✓ Provides additional funding in FY 2020 to address the expected growth of participation in the Two-Year College Transfer Grant Program. (\$335,589)
 - ✓ Provides additional funding in FY 2020 to the TAG program to encourage teacher training. (\$225,000)
- **Other education agency funding**
 - ✓ Provides additional funding to the Foundation for the Humanities (budgeted under University of Virginia) for grants earmarked to support a broad range of community-based educational programs that work toward healing and reconciliation around divisive aspects of the Virginia story. (\$200,000)
 - ✓ Includes funding to enhance SCHEV staff supporting the Virginia Research Incentive Committee. (\$485,299)
 - ✓ Establishes a student loan ombudsman position within SCHEV. (\$239,333)

Language Items in Budget

(per SCHEV recommendations)

- **Reserve fund for higher education institutions (§4-1.05, paragraph 1.b)**
 - ✓ Provides authority for institutions of higher education to establish an institutional reserve fund supported by any unexpended education and general appropriations of the institution at the end of the fiscal year. The establishment of such a fund is designed to foster more long-term planning, promote efficient resource utilization and reduce the need for substantial year-to-year increases in tuition, thereby increasing affordability for Virginians.
 - ✓ Independent of the provisions of § 23.1-1001, institutions are authorized to carry over education and general unexpended balances to establish and maintain a reserve fund in an amount not to exceed three percent of their general fund appropriation for educational and general programs in the most recently-completed fiscal year.
 - ✓ Any use of the reserve fund shall be approved by the Board of Visitors of the affected institution, and the institution shall immediately report the details of the approved plan for use of the reserve fund to the Governor, the Secretary of Education, the Secretary of Finance and the Chairmen of the House Appropriations and Senate Finance Committees.

Language Items in Budget

- **Mandatory fee increases** (§4-2.01b., paragraph 8.a))
 - ✓ Changes the limit on mandatory fees for other than educational and general programs from five to three percent.
- **Performance measures** (§4-9.02)
 - ✓ Additional educational measure for Level II institutions will no longer be used by SCHEV for certification of meeting performance measures.
- **Increase stipend amount for the Virginia Military Survivors and Dependents Program** (Item 141, paragraph F.1.)
 - ✓ Increases the stipend amount from the current \$1,800 to \$2,200.

State Supported Capital Outlay Recommendations

- **Provides equipment funding related to previously authorized capital projects**
 - ✓ Institutions of higher education (\$49.6 million).
- **Provides supplemental bond funding for two projects with scope changes:**
 - ✓ George Mason University – Construct Bull Run IIIB Addition (\$21.1 million)
 - ✓ Southwest Virginia Higher Education Center – Service Corridor, Storage Area, Replace Generator (\$833,000)
- **Provides funding for new project**
 - ✓ Southwest Virginia Higher Education Center – Replace HVAC System (\$3.4 million)
- **Provides additional funding for maintenance reserve**
 - ✓ In addition to \$166.5 million of \$200 million allocated to all state agencies for maintenance reserve, an additional \$50.0 million is proposed over the biennium for higher education institutions.

Education Equipment Funding

Institution	Project Title	Amount
University of Virginia	Renovate Gilmer Hall and Chemistry Building	\$12,357,000
University of Virginia	Renovate Space for the Center for Human Therapeutics	\$525,000
Longwood University	Construct New Academic Building	\$2,488,000
University of Mary Washington	Construct Jepson Science Center Addition	\$4,000,000
James Madison University	Construct New College of Business	\$13,126,000
James Madison University	Renovate Wilson Hall	\$3,180,000
Radford University	Renovate Curie and Reed Halls	\$3,375,000
Virginia Commonwealth University	Construct School of Allied Health Professions	\$7,409,000
Virginia Community Colleges	Construct Bioscience Building, Blue Ridge	\$1,500,000
Virginia Community Colleges	Construct Academic Building, Fauquier Campus, Lord Fairfax	\$1,600,000
Total		\$49,560,000

Institution Supported Debt Capital Project Recommendations

Institution	Project Title	Amount
William and Mary	Renovate Dormitories	\$11,000,000
William and Mary	Construct the Sadler Center West Addition	\$37,742,000
University of Virginia	Renovate Gilmer Hall and Chemistry Building	\$31,441,000
University of Mary Washington	Renovate Residence Halls-Phase II	\$24,500,000
James Madison University	Expand Warren Hall	\$77,000,000
George Mason University	Construct Utilities Distribution Infrastructure	\$5,381,000
Virginia Tech	Improve Student Wellness Center	\$49,690,000
Virginia Tech	Renovate O'Shaughnessy Hall	\$12,634,000
Virginia Tech	Construct VT Carilion Research Institute Biosciences Addition	\$17,765,000
Virginia Tech	Renovate Dietrick Hall, First Floor and Plaza	\$2,000,000
Norfolk State University	Construct Residential Housing	\$10,000,000
Virginia Military Institute	Renovate Turman House	\$2,500,000
Total		\$281,653,000

Institution Supported Nongeneral Fund Capital Project Recommendations

Institution	Project Title	Amount
Virginia Military Institute	Improve Crozet Hall	\$1,650,000
Virginia Military Institute	Improve Gray Minor Stadium	\$3,100,000
Old Dominion University	Convert Gymnasium into Competition Women's Volleyball Facility	\$3,420,000
James Madison University	Blanket Property Acquisition	\$3,000,000
Longwood University	Construct Athletics Facilities	\$35,878,000
Norfolk State University	Acquire Property	\$3,000,000
Virginia Tech	Renovate O'Shaughnessy Hall	\$8,867,000
Virginia Tech	Improve Student Wellness Facilities	\$13,310,000
Virginia Tech	Renovate Dietrick Hall, First Floor and Plaza	\$5,000,000
Total		\$77,225,000