

**Higher Education
Summary of 2018-20
Governor's Proposed Budget**

January 11, 2018
Education Subcommittee

Overview of Higher Education

- **SB 30:** proposed amendments result in an increase of about \$244.4 million over the biennium (about \$126.7 million over the biennium of these actions are related to technical adjustments that have been done in the base budget in other years).
 - **Includes \$80.6 million GF over the biennium to support base operations and undergraduate need-based aid.**
 - \$21.1 million GF for base adequacy (Old Dominion University, Virginia Military Institute, Richard Bland College, and Eastern Virginia Medical School);
 - \$14.0 million GF for base operations at George Mason University; and
 - \$45.5 million GF for need-based undergraduate student financial aid.
- An additional \$16.0 million for higher education research is available under the Virginia Research Investment Committee (funding could have been done as part of the base adjustments).

Higher Education: Summary of Proposed Amendments

GF Actions for the 2018-20 Biennium (\$ in millions)

Undergraduate Need-Based Aid	\$45.5
Base Adequacy/Base Operations	35.1
Technology Infrastructure (UVA-Wise, VSU, & VIMS)	4.3
UVA-Wise – Enhance Academic Programs	3.8
Workforce Credential Grant Program	4.0
SCHEV Funding (cyber-scholarships, transfer grant, VRIC support, VIVA, & loan ombudsman)	3.0
HE Centers (So.AV HEC, IALR, & RHEA)	1.8
Tuition Assistance Grant (\$3,350 in the second year, supplement for teacher career)	1.8
NSU – Cyber-Security & Cyber-Psych. Programs and Biofuel Research	1.3
Other: (UVA Pop. /VFH, RBC Positions, VIMS Mon., CWM Vet. Couns., VCCS Planning/Train. Transfer, NCI - planning, & Jeff. Lab)	4.1
HE Initiative Spending Total	\$104.5
HE Research (amount would normally be included in base)	\$16.0
Technical Actions & Restoration of Restructuring Benefits (CC Rebate & Interest Earnings)	\$139.8

Base Adequacy / Base Operations

Institution	FY 2019	FY 2020	Total
Old Dominion University	\$5,034,057	\$10,068,114	\$15,102,171
Eastern Virginia Medical School	1,684,573	3,369,145	5,053,718
Virginia Military Institute	269,721	539,422	809,143
Richard Bland College	0	128,143	128,143
George Mason University	4,000,000	10,000,000	14,000,000
Total	\$10,988,351	\$24,104,824	\$35,093,175

Need-Based Undergraduate Financial Aid

Institution	FY 2019	FY 2020
Christopher Newport University	\$149,430	\$649,994
College of William & 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
Mary Washington University	104,051	376,241
Norfolk State University	289,250	907,505
Old Dominion University	666,561	1,675,412
Radford University	807,335	1,375,857
University of Virginia	190,389	978,180
UVA at Wise	218,252	373,304
VA 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

Technology Infrastructure Initiatives

Agency	Initiative	FY 2019	FY 2020
University of Virginia – Wise	Expand College Network and Security Systems	\$892,880	\$832,069
VA Institute for Marine Science	Upgrade Technology Infrastructure	605,210	202,869
Virginia State University	Modernize Network Communications	737,063	617,176
	Upgrade Police Radio System	<u>259,243</u>	<u>104,022</u>
Total		\$2,494,396	\$1,756,136

Workforce Funding Initiatives/Centers

Agency	Initiative	FY 2019	FY 2020
State Council of Higher Ed.	New Economy Workforce Credential Grant	\$2,000,000	\$2,000,000
Southern VA Higher Education Center	Career Tech Academy with local high schools	346,497	521,180
	Workforce Training Resource Specialist Position, backfill eliminated NGF	70,000	70,000
Institute for Advanced Learning and Research	Workforce Credentialing Program Enrollment Growth	300,000	300,000
Roanoke Higher Education Authority	Expand the Culinary Institute O&M	<u>86,000</u>	<u>86,000</u>
Total		\$2,802,497	\$2,977,180

Other Items - State Council of Higher Ed. for VA

Item/Initiative	FY 2019	FY 2020
Two-Year Transfer Grant	\$0	\$335,589
Virtual Library Contracts	300,000	600,000
VA Research Investment Comm. (VRIC) Support	232,647	252,652
New Student Loan Ombudsman	115,333	124,000
Restore Cyber Scholarships Funding	500,000	500,000
Total	\$1,147,980	\$1,812,241

Other Higher Education Actions

- **Higher Education Equipment Trust Fund.** Allocation of \$83.0 million each year in bond proceeds to support the replacement of computers and specialized research equipment (these amounts are identical to the FY 2018 allocation).
- **Faculty Salary Increase.** 2 percent salary increase in December of FY 2020, the share for faculty is approximately \$11.3 million GF. Amounts appropriated for the salary increase are contained under Central Appropriations.
- **Restore Interest Earnings and Credit Card Rebates as Part of Restructuring Incentives.** \$6.7 million GF over the biennium for interest earnings and \$6.3 million GF over the biennium for credit card rebates as part of the incentives that higher education institutions are supposed to retain if they meet their performance measures under restructuring.

Other Higher Education Actions

- **Reserve Fund Language.** Language that would allow for institutional reserve funds to be supported by unexpended educational and general appropriation of the institution at the end of the fiscal year. The reserve fund shall not exceed three percent of the general fund appropriation for the educational and general programs in the most recently-completed fiscal year. Use of the reserve fund must be approved by the Boards of Visitors and a detailed plan on the use of the fund must be reported immediately to the Governor, Secretary of Finance, Secretary of Education, and the Chairmen of the House Appropriations and Senate Finance Committees.
- **Mandatory Fee Increases Language Change.** Language change to the limit on mandatory fees for those other than educational and general programs from five to three percent. Would not eliminate current exemptions.
- **Performance Measure Language Change.** Eliminates the additional educational measure required of Level II institutions (under restructuring) from being used by the State Council of Higher Education for Virginia for certification of meeting performance measures.