



# State Council of Higher Education for Virginia

## Senate Finance Committee Meeting Education Subcommittee

December 6, 2007

# Base Adequacy and Tuition and Fees

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# Base Adequacy and Tuition & Fees

## Review of Guideline Methodologies and Processes

- 2007 Virginia Acts of Assembly, Chapter 847, item 145. O.
- “The State Council shall review the funding guideline methodologies and processes related to base adequacy. The State Council shall review factors affecting the methodologies and processes and shall report on the recommendations of its finding to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2007.”



## Base Adequacy and Tuition & Fees

- **Input data:** Operating plans submitted to DPB in July followed by the ABB (base budget) file collection in September.
- **Enrollment:** The latest year of actual enrollment.
- **Frequency of model run:** input data including faculty salary increases and faculty mix run once each biennium—prior to the even year legislative session. In the odd year (short) legislative sessions, the model should be run, with the new year of actual enrollment data—but with no other changes to the input data files. Note that only in-state enrollment growth is funded by the state.



# Base Adequacy and Tuition & Fees

## SCHEV Estimated 2007-08 Base Adequacy Funding Needs

Inst.	Calculated	Total	% Funding to Guide.	Funding Shortfall	GF Share	Incremental Funding		
	Need <sup>1,2</sup>	Appopr. <sup>3,4,5,6</sup>				GF	Tuition	Total
CNU	53,370,525	47,924,186	90%	(5,446,339)	65%	3,518,335	1,928,004	5,446,339
CWM	133,904,051	124,131,988	93%	(9,772,063)	42%	4,104,267	5,667,797	9,772,063
GMU	335,075,540	327,432,629	98%	(7,642,911)	55%	4,173,030	3,469,882	7,642,911
JMU	210,993,336	199,226,758	94%	(11,766,578)	47%	5,483,226	6,283,353	11,766,578
LU	52,953,688	47,377,351	89%	(5,576,337)	62%	3,451,753	2,124,584	5,576,337
UMW	58,410,880	54,867,147	94%	(3,543,733)	52%	1,825,022	1,718,710	3,543,733
NSU	61,418,402	67,922,526	>100%	0	51%	0	0	0
ODU	223,091,167	200,612,191	90%	(22,478,976)	56%	12,633,184	9,845,791	22,478,976
RU	102,956,974	91,370,816	89%	(11,586,158)	61%	7,067,556	4,518,602	11,586,158
UVA	484,798,057	446,312,927	92%	(38,485,130)	39%	15,163,141	23,321,989	38,485,130
UVAW	20,700,965	21,576,137	>100%	0	64%	0	0	0
VCU	479,505,207	402,872,734	84%	(76,632,473)	53%	40,461,946	36,170,527	76,632,473
VMI	22,905,330	28,184,404	>100%	0	37%	0	0	0
VSU	54,414,737	50,998,744	94%	(3,415,993)	47%	1,588,437	1,827,557	3,415,993
VT	514,632,300	442,007,383	86%	(72,624,917)	42%	30,647,715	41,977,202	72,624,917
RBC	8,010,578	8,770,199	>100%	0	66%	0	0	0
VCCS	767,952,681	654,401,165	85%	(113,551,516)	59%	66,995,395	46,556,122	113,551,516
<b>Total</b>	<b>3,585,094,419</b>	<b>3,215,989,285</b>	<b>90%</b>	<b>(382,523,125)</b>	<b>51%</b>	<b>197,113,006</b>	<b>185,410,119</b>	<b>382,523,125</b>
Biennial % Increase						14%	10%	12%
Annual % Increase						7%	5%	6%

Notes:

- (1) Based on actual FY07 student FTE and FY05-FY07 3-year average discipline credit hours.
- (2) The cost including blended salary is based on the FY08 operating plan.
- (3) Excludes funding for OCR at NSU and VSU, VCU Qatar campus and VCCS central office.
- (4) Appropriations are net of October budget reductions.
- (5) Includes Tuition Incentive Fund allocations.
- (6) Restructuring-related tuition interest earnings are not included since continued funding is contingent on future performance.



# Base Adequacy and Tuition & Fees

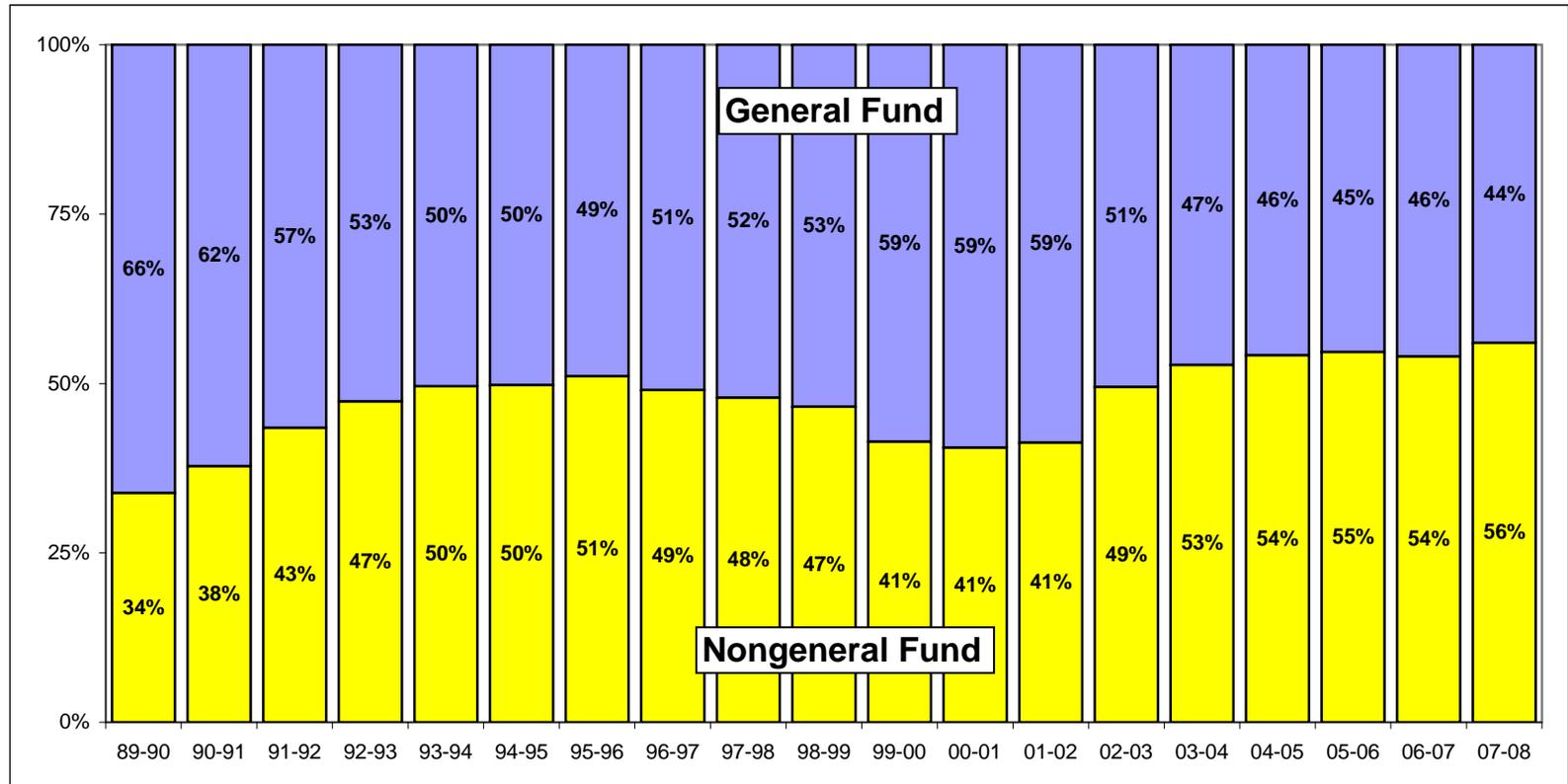
## 2008-10 SCHEV Budget Recommendations (in millions)

Items	General Fund		Tuition and Fees		Total	
	Recommd. Amount	% Change over 2007-08	Recommd. Amount	% Change over 2007-08	Recommd. Amount	% Change over 2007-08
<b>E&amp;G Programs</b>						
Base Adequacy	\$197.1		\$185.4		\$382.5	
Faculty Salaries	\$40.8		\$38.4		\$79.2	
New Facilities O&M	\$16.6		\$23.4		\$40.0	
Sub-total	\$254.5	17.6%	\$247.2	13.2%	\$501.7	14.4%
<b>Financial Aid</b>						
Undergraduate Need-Based Aid	\$68.1				\$68.1	
Graduate Aid	\$12.6				\$12.6	
Sub-total	\$80.7	64.0%			\$80.7	64.0%
<b>Other</b>						
HEETF Debt Service	\$13.0				\$13.0	
Investment in Research	\$45.0				\$45.0	
SCHEV Pass-Through Budgets	\$24.2				\$24.2	
Sub-total	\$82.2	68.0%			\$82.2	68.0%
<b>Grand Total</b>	<b>\$417.4</b>	<b>24.3%</b>	<b>\$247.2</b>	<b>13.2%</b>	<b>\$664.6</b>	<b>18.7%</b>



# Base Adequacy and Tuition & Fees

## Systemwide Fund Split of Virginia Educational and General Program Appropriations

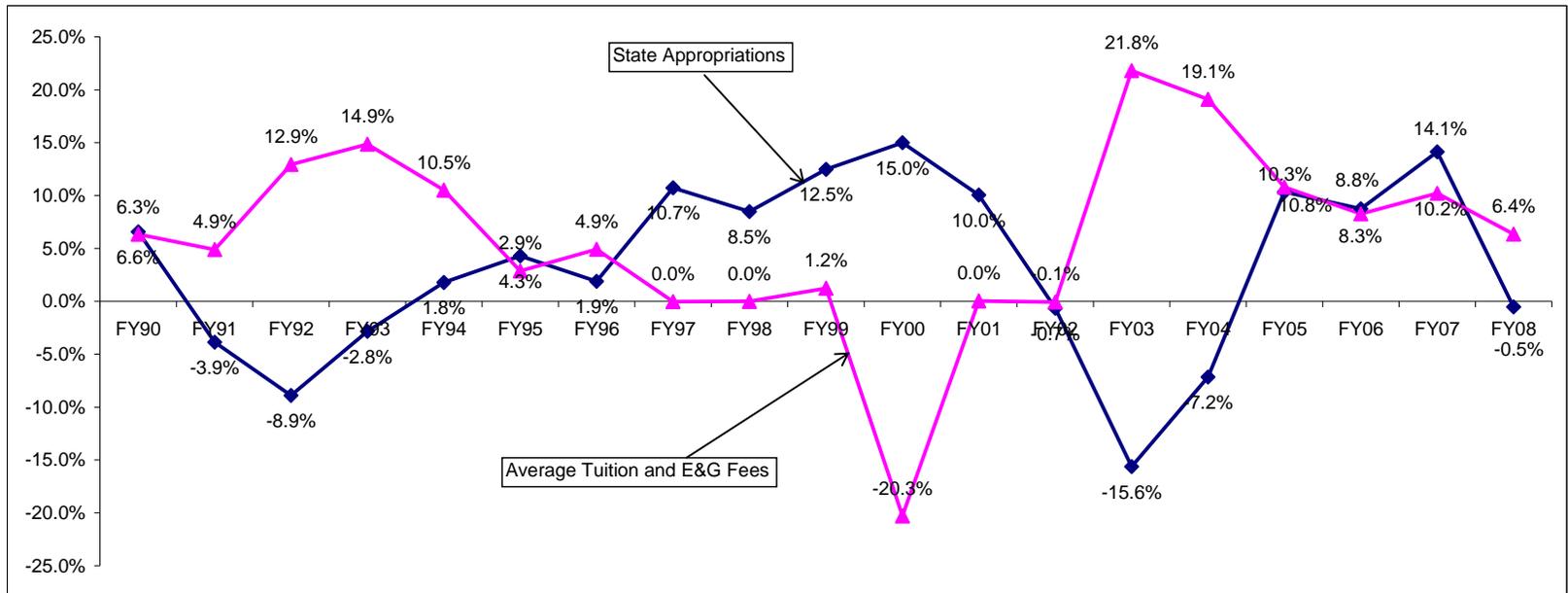




# Base Adequacy and Tuition & Fees

## Annual Percent Change in General Fund Appropriations for E&G Programs and Tuition & Fees

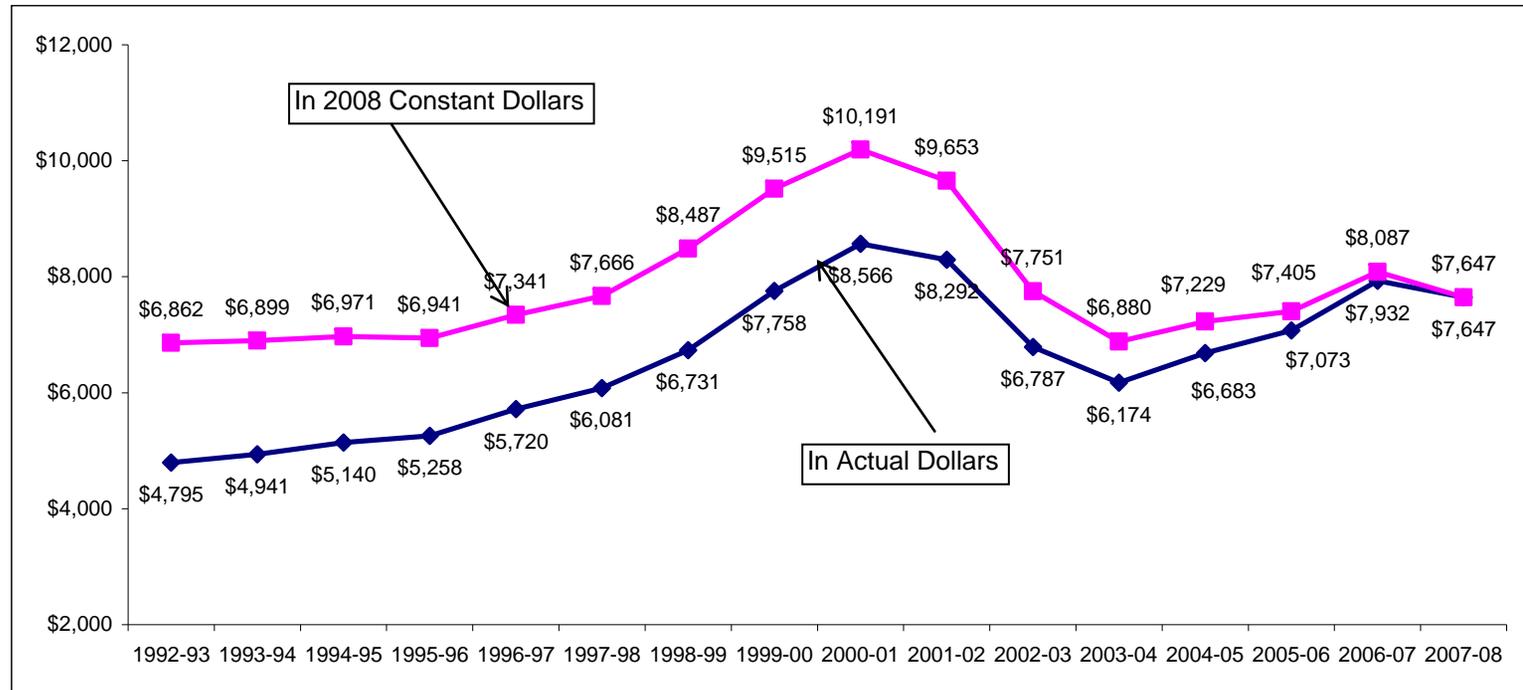
(In-State Undergraduate Students at Four-Year Institutions)





# Base Adequacy and Tuition & Fees

## Average General Fund per In-State FTE Student for Educational and General Programs (Four-Year Institutions)



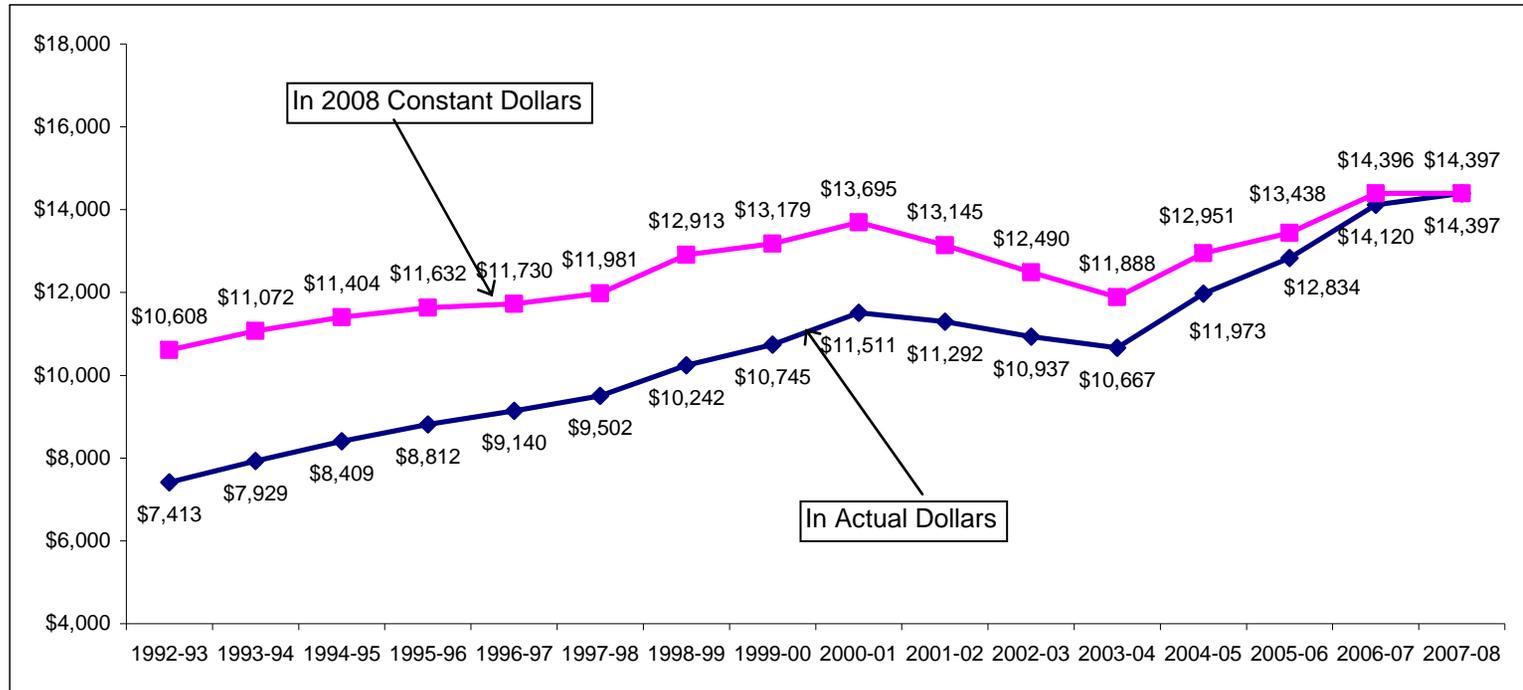
Note: Constant dollars have been adjusted for CPI inflation, and actual dollars are as appropriated over the period.





# Base Adequacy and Tuition & Fees

## Average Total Funding per Total Student FTE for Educational and General Programs<sup>1,2</sup> (Four-Year Institutions)



Notes:

- (1) Total funding includes both general fund and nongeneral funds. Total student FTE includes both in-state and out-of-state students.
- (2) Constant dollars have been adjusted for inflation, and actual dollars are as appropriated over the period.

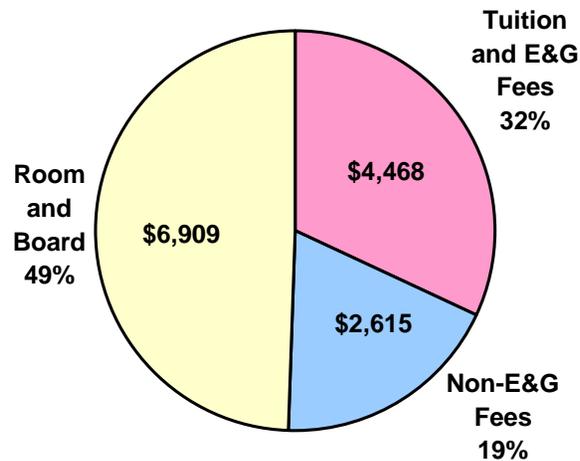


# Base Adequacy and Tuition & Fees

## 2007-08 Average Total Costs for In-State Undergraduates

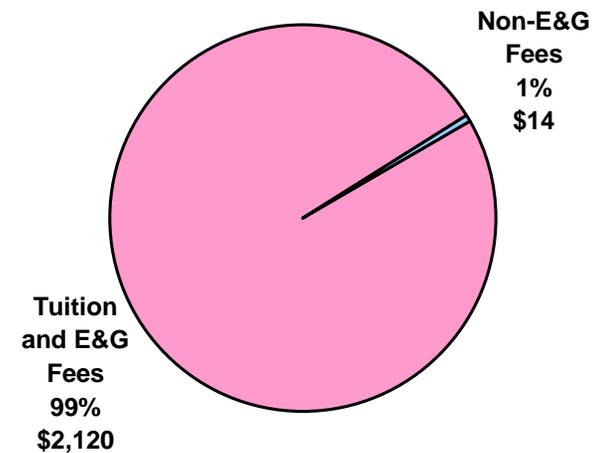
### Four-Year Institutions

Total Charges = \$13,992



### Virginia Community College System

Total Charges = \$2,404





# Base Adequacy and Tuition & Fees

## Tuition and Fees for In-State Undergraduates Ranking Among All States<sup>1</sup>

	1989-90	1993-94	2000-01	2006-07	Estimated 2007-08 <sup>2</sup>
<b>Major Public Universities</b>	8th	5th	18th	14th	13th
University of Virginia					
<b>Public Colleges and State Universities</b>	2nd	2nd	11th	11th	11th
George Mason University Old Dominion University James Madison University Longwood University Radford University					
<b>Public Community Colleges</b>	28th	19th	41st	30th	30th

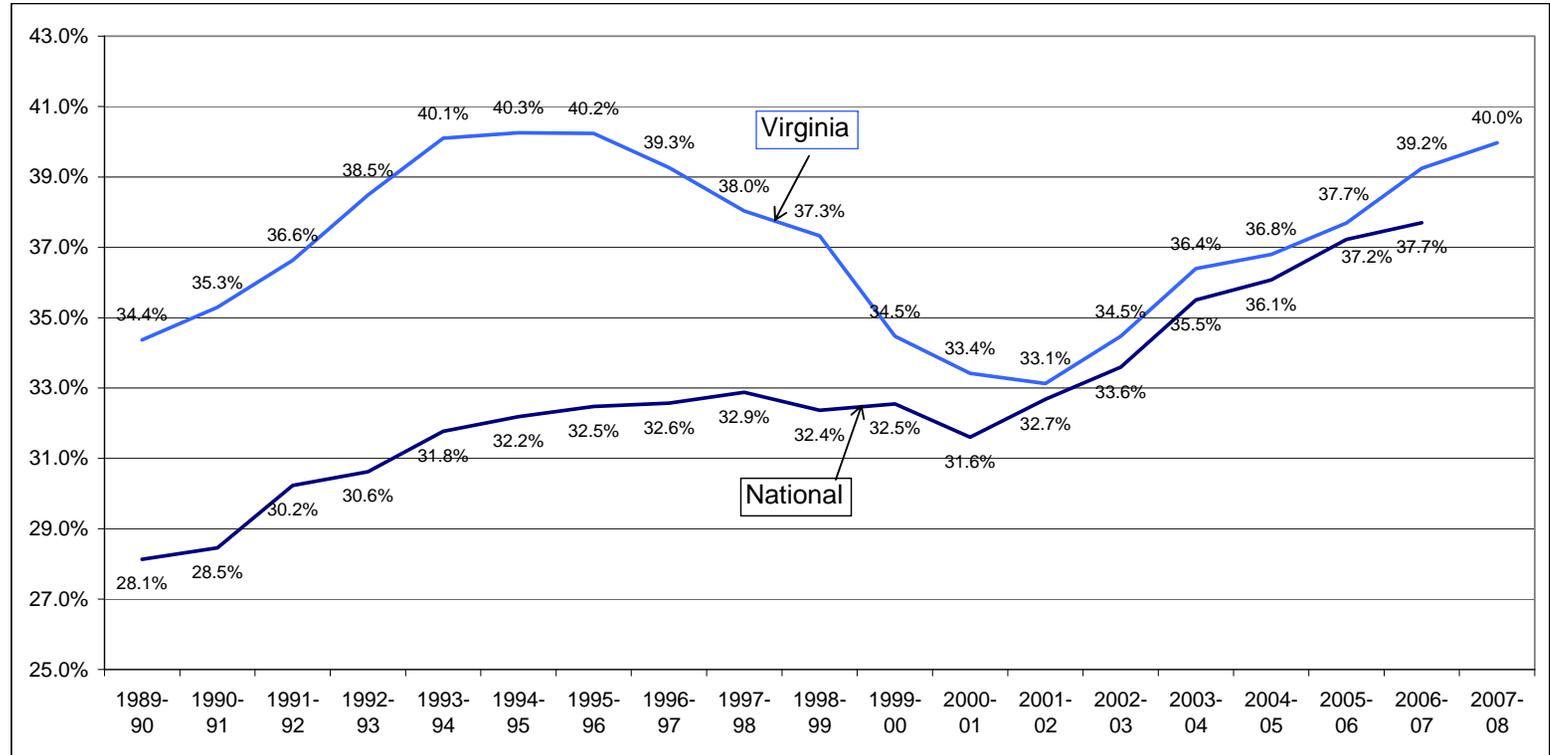
(1) Based on a survey conducted by the Washington State Higher Education Coordinating Board. Although not all public institutions are included in this survey, the averages and changes over time at the same set of institutions offer consistency, and the large number of institutions included provides a close approximation to state averages.

(2) VA charges are actual tuition and fees in FY08. Charges in other states are estimated by applying 2006-07 national increase rates of 7.1% for major public universities, 6.4% for public colleges and universities, and 6.0% for public community colleges.



# Base Adequacy and Tuition & Fees

## Average Public 4-Year Total Undergraduate Charges As a Percent of Per Capita Disposable Income



Note: Cost includes tuition and mandatory fees, and room and board.