

Higher Education

Governor's Proposed Amendments (\$ in millions)				
	FY 2015 Proposed		FY 2016 Proposed	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2014-16 Current Budget (Ch. 3, 2014 Special Session I)	\$1,791.6	\$7,987.7	\$1,791.5	\$8,087.9
	0.1	250.4	10.1	264.4
Proposed Increases				
Proposed Decreases	<u>(45.1)</u>	<u>(1.1)</u>	<u>(45.1)</u>	<u>(7.4)</u>
\$ Net Change	(45.0)	249.3	(35.0)	257.0
HB 1400/SB 800, as Introduced	\$1,746.6	\$8,237.0	\$1,756.5	\$8,344.9
% Change	(2.5%)	3.1%	(2.0%)	3.2%
Central Account Reversions	(\$2.1)	\$0.0	(\$3.5)	\$0.0
% Change*	(0.01%)	0.0%	(0.02%)	0.0%

Reductions

- **Higher Education Reductions.** The introduced budget moves the reductions for the higher education institutions adopted in Chapter 3 of the 2014 Acts of Assembly, Special Session I, in Central Appropriations to each individual agency. The higher education institutions did not receive additional reductions but those previously approved reductions now appear under each agency's budget. The Higher Education Centers, Eastern Virginia Medical School, and the State Council of Higher Education for Virginia (SCHEV) received reductions of five percent in FY 2015 and seven percent in FY 2016 in Chapter 3 and those reductions remain in Central Appropriations. The Virginia Institute for Marine Science and the extensions at Virginia Tech and Virginia State did not receive reductions in either Chapter 3 or the introduced budget.

Higher Education Institution FY 2015 and FY 2016 Reductions		
<u>Institution</u>	<u>FY 2015</u>	<u>FY 2016</u>
Christopher Newport	\$601,975	\$601,975
William & Mary	2,338,873	2,338,873
George Mason	4,705,571	4,705,571
James Madison	3,113,308	3,113,308
Longwood	542,707	542,707
Mary Washington	635,447	635,447
Norfolk State	550,089	550,089
Old Dominion	2,230,669	2,230,669
Radford	1,113,249	1,113,249
University of Virginia	8,160,065	8,160,065
UVA at Wise	126,330	126,330
VA Commonwealth	5,377,759	5,377,759
VA Military Institute	441,825	441,825
Virginia State	637,174	637,174
Virginia Tech	6,133,525	6,133,525
Richard Bland	64,754	64,754
VCCS	<u>8,226,680</u>	<u>8,226,680</u>
Subtotal	\$45,000,000	\$45,000,000
VIMS	0	0
VT-Ext.	0	0
VSU-Ext.	<u>0</u>	<u>0</u>
Total	\$45,000,000	\$45,000,000

Proposed Spending

- **Higher Education Institution Allocations**

- ***Base Funding.*** Proposes funding of \$2.3 million GF the second year toward base adequacy/operations. Under this proposal, institutions under 99 percent of the funding guideline would be eligible for a 0.5 percent increase. This includes Old Dominion University, Norfolk State University, Virginia State University, and the University of Virginia–Wise. VSU and NSU are permitted to use the base adequacy amounts for financial aid.
- ***Financial Aid.*** Recommends \$3.5 million GF the second year for additional need-based financial assistance. The allocation brings all four-year institutions up to 30

percent under the partnership model for need-based financial aid for undergraduates (University of Mary Washington and George Mason University). For those institutions already at 30 percent, each four-year institution and Richard Bland College received \$100,000 GF and the Virginia Community College System (VCCS) received \$200,000 GF. In addition, \$1.0 million GF was provided to VCCS to provide need-based aid to students pursuing industry-based certifications.

Higher Education FY 2016 Additional Allocations		
<u>Institution</u>	<u>Base Funding</u>	<u>Financial Aid</u>
Christopher Newport	\$0	\$100,000
William & Mary	0	100,000
George Mason	0	303,231
James Madison	0	100,000
Longwood	0	100,000
Mary Washington	0	577,380
Norfolk State	376,573	100,000
Old Dominion	1,468,655	100,000
Radford	0	100,000
University of Virginia	0	100,000
UVA at Wise	115,613	100,000
VA Commonwealth	0	100,000
VA Military Institute	0	100,000
Virginia State	331,341	100,000
Virginia Tech	0	100,000
Richard Bland	0	100,000
VCCS	<u>0</u>	<u>1,200,000</u>
Total	\$2,292,182	\$3,480,611

Other Higher Education Spending Proposals

- **Jefferson Lab Funding for Collider Project.** Recommends \$4.2 million GF in FY 2016 in an effort to compete for the United States Department of Energy's (USDOE) \$618 million electron ion collider project. With this support, the Lab would be able to complete site characterization and recruit the required expertise to meet minimum requirements in submitting a bid to USDOE.

Other Higher Education Actions

- **Tuition Assistance Grant Program Language.** Proposes no reductions to the Tuition Assistance Grant (TAG) program. Language is included that would allow for the carry-over of year-end balances in the program, which would potentially maintain the undergraduate awards at the existing \$3,100 level and the graduate awards at the \$1,500 level.
- **Higher Education Equipment Trust Fund.** Recommends an additional allocation of \$10.0 million the second year, an increase of about 8 percent per institution. EVMS is added for the first time with an allocation of \$500,000. It should be noted that the issuance of bonds for the FY 2015 allocation has been delayed; higher education institutions may need to use their own funding to purchase the equipment for the existing FY 2015 allocation with reimbursement expected in the first quarter of FY 2016.
- **Language Allowing Financial Aid Funding for Individuals Pursuing Industry-Based Certifications.** Language in Part IV allows individuals pursuing industry-based certifications to qualify for funding under need-based financial aid. Funding of \$1.0 million in FY 2016 was included under the VCCS for this purpose.
- **Eliminates Language Regarding Tuition Increases to Cover the Higher Education Institution Reductions.** Eliminates language that was included under Item 471.20 of Chapter 3 that stated that tuition and fee revenue increases cannot be used to address the budget reductions of \$45.0 million GF per year allocated to the higher education institutions.