

**Summary of
Major Items in the Governor's Introduced Budget Amendments
for Higher Education in FY2016**

Item	Amended 2014-16 Budget for Operations
<i>(A) Base Operation and Student Financial Aid (General Fund Only)</i>	
Budget Reductions	<p>No additional budget reductions in FY2016.</p> <ul style="list-style-type: none"> ▪ Institutions' budget reductions remain at the FY2015 level for a total of \$45 million. ▪ VIMS and VT and VSU extensions did not receive budget cuts in the 2014-16 biennium. ▪ EVMS and other higher education centers and institutes' budget was cut by 5% in FY2015 and 7% in FY2016. ▪ SCHEV budget was cut by 5% in FY2015 and 7% in FY2016.
Base Adequacy	<p>Provides \$2.29 million or 0.5% increase in FY2016 for institutions below 99% of the guidelines.</p> <ul style="list-style-type: none"> ▪ NSU -- \$376,573 ▪ ODU -- \$1,468,655 ▪ UVAW - \$115,613 ▪ VSU - \$331,341
Increase Undergraduate Need-Based Financial Aid	<p>\$3.48 million in FY2016</p> <ul style="list-style-type: none"> ▪ Each institution would receive an additional \$100,000 in funding with the exception of GMU and UMW (both brought up to 30% of Partnership Model need met) and the VCCS (additional \$200,000). ▪ Provides additional \$1 million for VCCS students pursuing industry-based certifications.
Jefferson Lab	<p>Provides \$4.2 million to compete for the US Dept of Energy's \$618 million electron ion collider project. With this additional support, the lab would be able to complete the site characterization and recruit the required expertise to meet the minimum requirements for submitting a competitive bid to the USDOE.</p>
Tuition Revenue Appropriations (nongeneral fund)	<p>Appropriates institutions' tuition and fee amounts approved in spring and summer of 2014.</p>
<i>(B) Other Operating Budget for All Institutions</i>	
HEETF	<ul style="list-style-type: none"> ▪ Provides an additional \$10 million allocation to institutions and affiliates in FY2016, approximately 18% increase per institution. Debt service will begin in FY2017. New allocation can be used at institution's discretion for HEETF eligible equipment. ▪ Adds EVMS in the program with \$500,000 allocation.

Health Insurance	Health insurance premium will increase by 2.9% over the FY2015 level.
(C) Language	
Item 471.20 of Chapter 3, 2014	This item is completely eliminated, including the language that tuition and fee revenue increases cannot address the budget reductions identified in Chapter 3, 2014.
Budget Reductions in Chapter 3, 2014	<ul style="list-style-type: none"> ▪ Institutions' budget reductions are moved from Item 471.20 in Chapter 3, 2-14 to individual institutions' items. ▪ A new paragraph allowing institutions to spread reductions to any embedded language items to meet the reduction strategies is added to individual institution's item.
Noncredit Financial Aid (Section 4-5.01b.2.b)	Modifies language in this section to allow the use of student financial assistance funding for individuals pursuing industry-based certifications.
Tuition Assistance Program (Item 142)	Adds language to SCHEV appropriations allowing FY2015 expected balances in TAG to be carried over to FY2016 to provide comfort for keeping the award at \$3,100.
Item	
Amended 2014-16 Budget for Capital Outlay	
Maintenance Reserve	<ul style="list-style-type: none"> ▪ Provides an additional \$3.04 million to higher education institutions and affiliates in FY2016, about 6.63% increase over the original funding level for each institution. ▪ Funding for higher education institutions accounts for 60.8% of the total additional \$5 million state-wide for this program in FY2016. ▪ Adds EVMS in the program with \$100,000.
Equipment funding	Provides funding in central accounts to be disbursed to agencies and institutions of higher education for equipment purchases related to previously authorized capital projects (\$38.6 million for higher education institutions out of \$50.7 million state-wide total additions)
New VCBA Capital Projects	No new VCBA projects are funded in FY2016.

Comparison of SCHEV and Governor's Budget Amendments for FY2016
(In Millions)

Item	SCHEV	Governor
Base Adequacy ¹	\$0.0	\$2.3
Higher Education Equipment Trust Fund ²	\$8.8	\$10.0
Undergraduate financial aid	\$30.0	\$3.5
Total Operating Budget	\$38.8	\$15.8
Maintenance Reserve ³	\$0.0	\$3.0

Notes:

- (1) SCHEV recommended institutions using their tuition capacity to fund high priority operating budget needs such as faculty salary and O&M for new facilities coming online.
- (2) SCHEV recommendation was focused on research and workforce development equipment. The \$10 million in the Governor's budget can be used for any type of HEETF-eligible equipment. Debt service begins in FY2017.
- (3) SCHEV does not make capital outlay budget amendments.

Additional Funding in Governor's Introduced Budget Amendments for FY2016

Inst.	General Fund			Bond Funding	
	Base Adequacy	Financial Aid	Total GF Additions	HEETF (Allocation)*	Maintenance Reserve
CNU		\$100,000	\$100,000	\$111,165	\$31,785
CWM		\$100,000	\$100,000	\$338,961	\$129,200
GMU		\$303,231	\$303,231	\$581,565	\$212,209
JMU		\$100,000	\$100,000	\$340,309	\$187,702
LU		\$100,000	\$100,000	\$109,539	\$73,298
NSU	\$376,573	\$100,000	\$476,573	\$176,827	\$203,268
ODU	\$1,468,655	\$100,000	\$1,568,655	\$739,099	\$129,431
RU		\$100,000	\$100,000	\$257,112	\$84,376
UMW		\$577,380	\$577,380	\$96,619	\$47,942
UVA		\$100,000	\$100,000	\$1,540,979	\$479,474
UVAW	\$115,613	\$100,000	\$215,613	\$36,936	\$17,221
VCU		\$100,000	\$100,000	\$1,009,802	\$220,591
VMI		\$100,000	\$100,000	\$130,558	\$75,996
VSU	\$331,341	\$100,000	\$431,341	\$197,762	\$189,506
VT		\$100,000	\$100,000	\$1,522,291	\$531,864
RBC		\$100,000	\$100,000	\$23,597	\$7,488
VCCS		\$1,200,000	\$1,200,000	\$2,150,693	\$400,919
All Inst.	\$2,292,182	\$3,480,611	\$5,772,793	\$9,363,814	\$3,022,270
VIMS				\$53,353	\$19,004
SWHEC				\$11,804	
RHEC				\$11,437	
IALR				\$40,397	
SVHEC				\$14,114	
NCI				\$5,081	
EVMS				\$500,000	\$100,000
Total	\$2,292,182	\$3,480,611	\$5,772,793	\$10,000,000	\$3,141,274

* Debt service will begin in FY2017.

**Additional General Fund in Governor's Introduced Budget Amendments
For Undergraduate Need-Based Financial Aid in FY2016**

Institution	Base Funding FY2016	% of Need Met FY2016	Recommended New Funding FY2016¹	Revised Total FY2016	New % of Need Met FY2016
CNU	\$4,577,403	37.13%	\$100,000	\$4,677,403	37.94%
CWM	\$3,235,804	54.08%	\$100,000	\$3,335,804	55.76%
GMU	\$15,536,039	29.43%	\$303,231	\$15,839,270	30.00%
JMU	\$7,419,088	35.37%	\$100,000	\$7,519,088	35.85%
LU	\$4,176,583	32.77%	\$100,000	\$4,276,583	33.56%
NSU	\$7,813,592	34.81%	\$100,000	\$7,913,592	35.25%
ODU	\$16,693,350	32.07%	\$100,000	\$16,793,350	32.26%
RU	\$7,416,618	34.39%	\$100,000	\$7,516,618	34.85%
UMW	\$1,821,686	22.78%	\$577,380	\$2,399,066	30.00%
UVA	\$5,776,211	73.88%	\$100,000	\$5,876,211	75.16%
UVAW	\$2,099,938	40.85%	\$100,000	\$2,199,938	42.80%
VCU	\$21,170,891	31.18%	\$100,000	\$21,270,891	31.33%
VMI	\$870,928	44.39%	\$100,000	\$970,928	49.49%
VSU	\$6,006,890	33.25%	\$100,000	\$6,106,890	33.81%
VT	\$15,117,631	39.97%	\$100,000	\$15,217,631	40.23%
RBC	\$454,107	16.46%	\$100,000	\$554,107	20.09%
VCCS	\$37,891,836	20.07%	\$200,000	\$38,091,836	20.18%
VCCS-ISC ²	-	-	\$1,000,000	\$1,000,000	-
All Institutions	\$158,078,595		\$3,480,611	\$161,559,206	

Notes:

(1) Each institution gets \$100,000 except VCCS at \$200,000, and GMU and UMW are brought to 30% of Need Met.

(2) Provides funding to support need-based financial aid for students pursuing Industry-Based Certifications (ISC).

Higher Education Equipment Funding for Previously Authorized Capital Projects (VCBA)

Inst	Project Title	Project Code	FY2016
CNU	Construct Student Success Center	17872	\$2,753,000
JMU	Health and Engineering Academic Facility - East Tower Replacement	17997	\$8,073,000
NSU	Replace Brown Hall	17981	\$7,673,000
ODU	Construct New School of Education	17875	\$1,250,000
RU	Construct New Academic Building, Phase I and II	17984	\$4,400,000
UMW	Renovate Mercer and Woodward Halls	17983	\$1,530,000
VCU	Construct Replacement Facility for the Virginia Treatment Center for Children	18060	\$4,000,000
VMI	Construct Corps Physical Training Facilities, Phase I and II	17996	\$3,229,000
VCCS	Construct New Classroom and Administration Building, BRCC	17987	\$1,280,000
VCCS	Construct Phase III Academic Building, Midlothian Campus, JTCC	17992	\$2,590,000
VIMS	Construct a Consolidated Scientific Research Facility	17993	\$850,000
Total			\$37,628,000

Nongeneral Fund Projects

Inst	Project Title	Project Code	FY2016
GMU	Renovate Johnson Center Dining, Phase II	18172	\$4,198,000
JMU	Blanket Property Acquisition ^{1,2}	17821	\$5,000,000
JMU	Acquire East Campus Chiller Plant ²	18173	\$5,000,000
NSU	Acquire Property	18188	\$3,250,000
RU	Maintenance Reserve	12731	\$2,000,000
UMW	Renovate Amphitheater	18181	\$3,074,000
Total			\$22,522,000

Notes:

(1) Previously authorized project.

(2) Funding is for FY2015.

9(c)/(d) Bond Capital Projects in FY2016

Inst	Project Title	Project Code	NGF	Revenue Bonds
9 (c) Bond				
VT	Construct Upper Quad Residential Facilities	18183	\$24,500,000	\$67,500,000
9(d) Bonds				
CNU	Expand Athletic Facilities	17361		\$4,730,000
GMU	Construct Academic VII/Research III, Phase I	17999		\$8,935,000
LU	Construct University Center	17893		\$11,012,000
UMW	Renovate Residence Halls	18177		\$15,175,000
VMI	Renovate and Enlarge Stonewall Jackson Musuem Facilities	18175		\$1,392,000
VMI	Replace Crozet Hall Floor	18176		\$1,475,000
VMI	Improve Post Facilities, Phase III	18185		\$4,000,000
VT	Replace Unified Communications System and Network	18183	\$7,705,000	\$8,803,000
Total 9(d) Bonds				\$55,522,000