

# Higher Education in Virginia

## The Fiduciary Role of a Board Member

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October 25, 2017

# What board members should know:

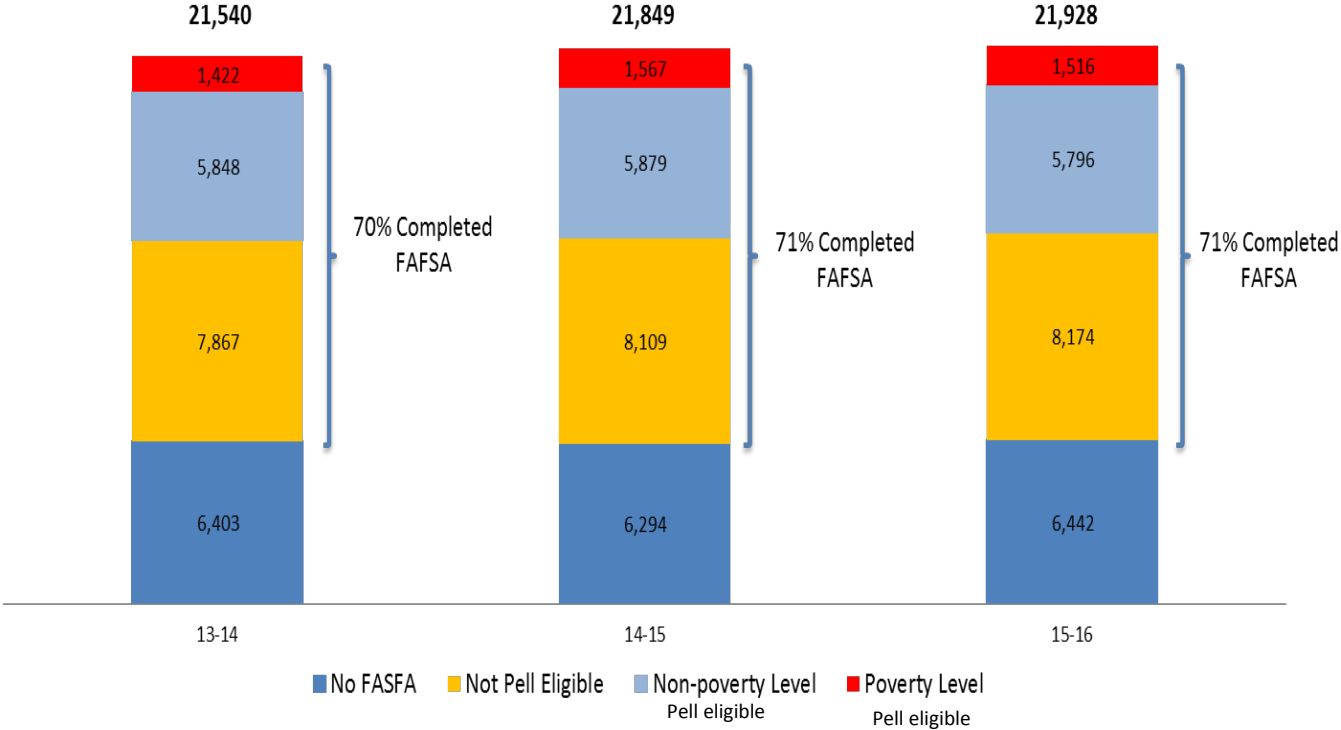
- Student Makeup
- Financial Aid
- University Budget – All Funds
  - State; Tuition; Research; Auxiliary; Local
- History of Budget Cuts
- Development of University Budget
- Peer Review
- Timeline for Budget and Tuition Planning

## **Student Makeup**

- In State/Out of State Mix
- Cost of attendance

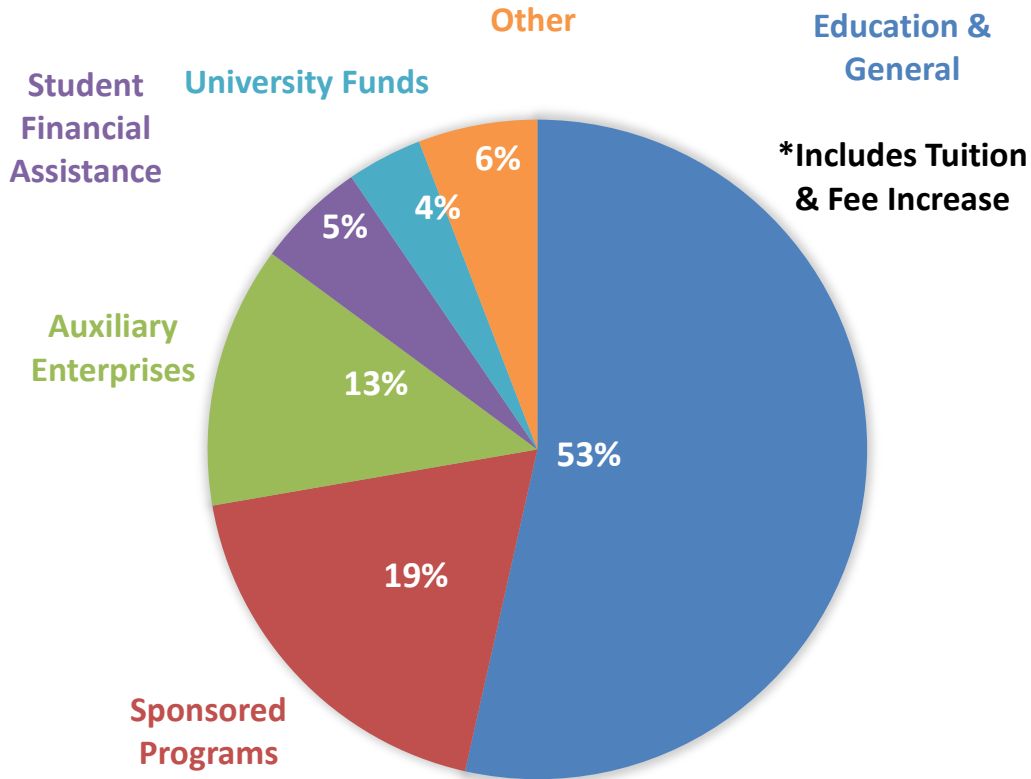
# Undergraduate Resident Students

**VCU Undergraduate Resident Students<sup>1</sup>**  
**Financial Aid Profile**  
*2013-14 through 2015-16*



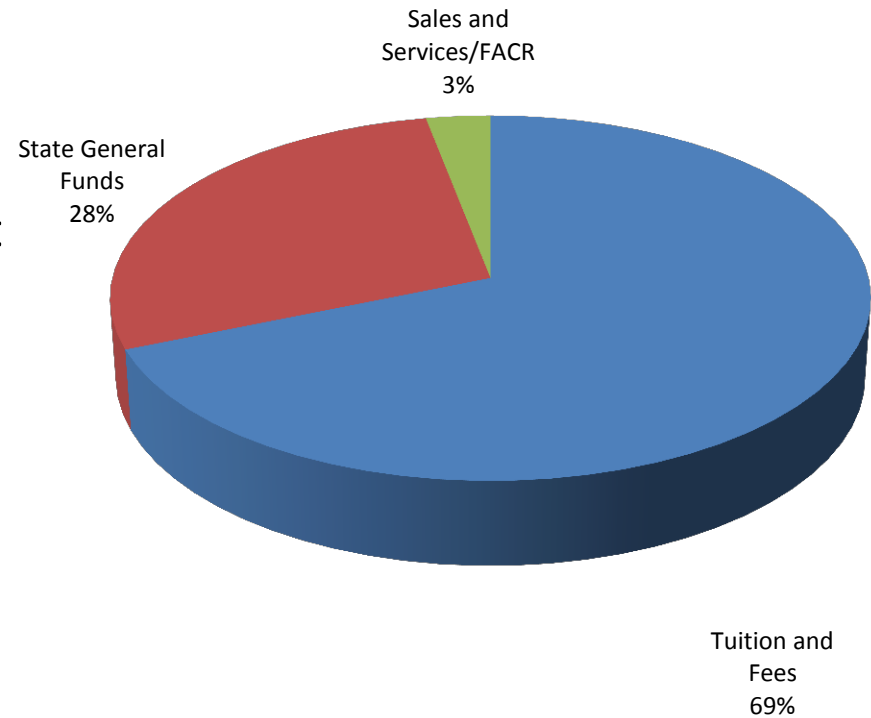
<sup>1</sup> Includes full-time and part-time, degree-seeking students only

# All Funds Budget



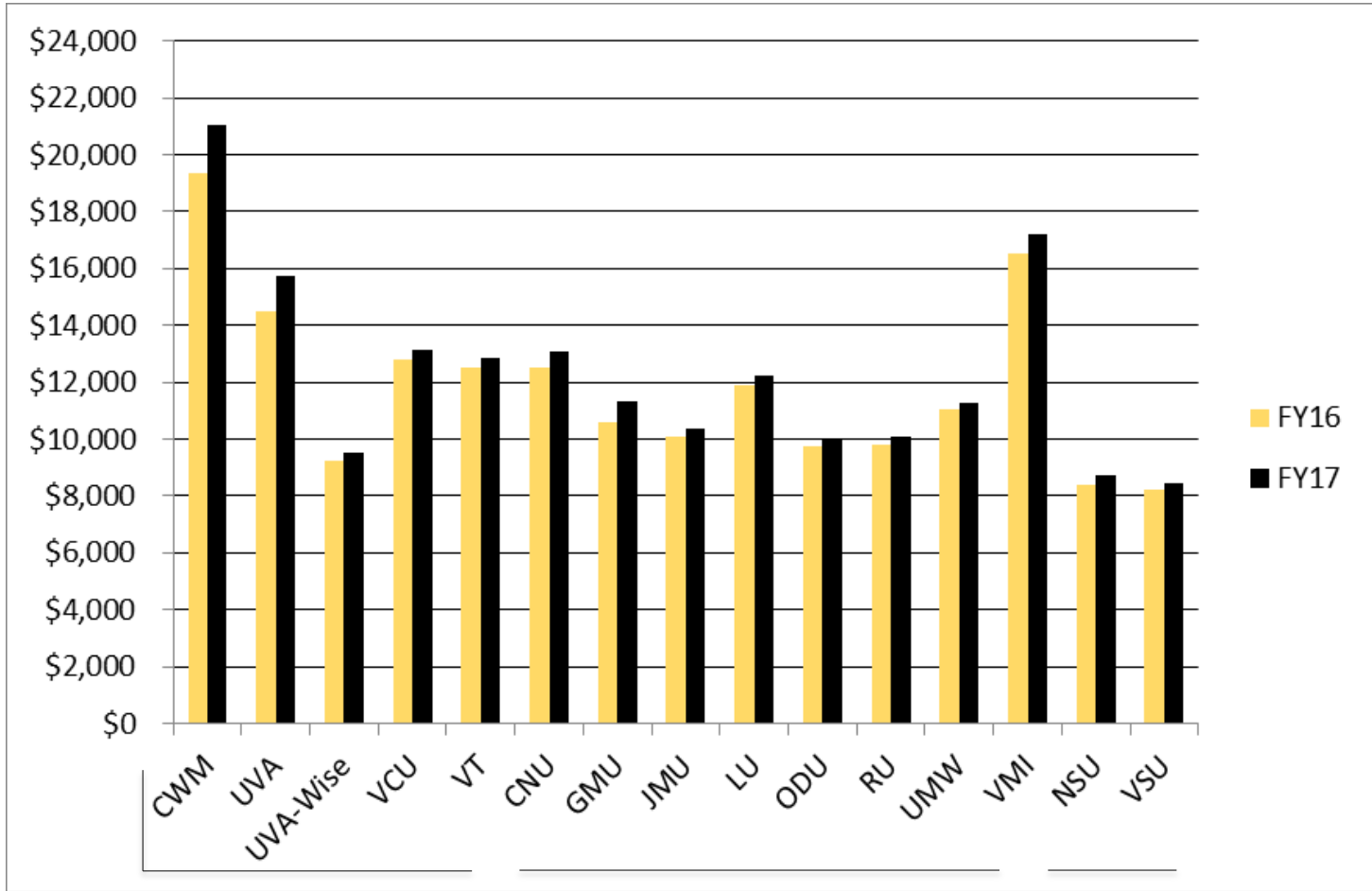
# E&G Revenues – Major Sources

- Tuition and fees
- State General Funds
- Sales and Services and Indirect Cost Recoveries (FACR)



# Tuition & fees for four year institutions in Virginia FY16 to FY17

At \$13,130, VCU's tuition and fees are just above the median of \$11,300 for other four-year in-state institutions

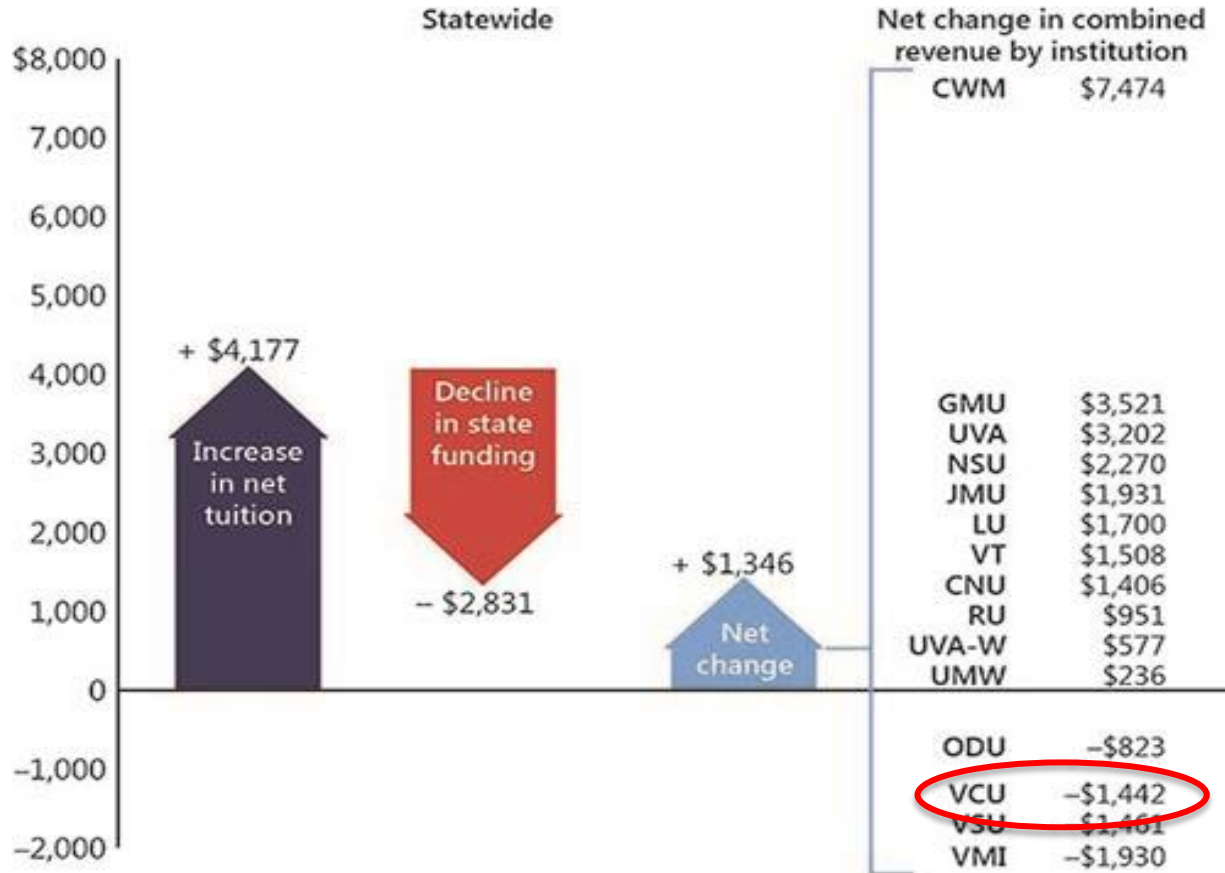


Tier III

Source: SCHEV

# Structural Financial and Operational Challenges

## State Funding Decreases/Tuition Increases 1998-2012



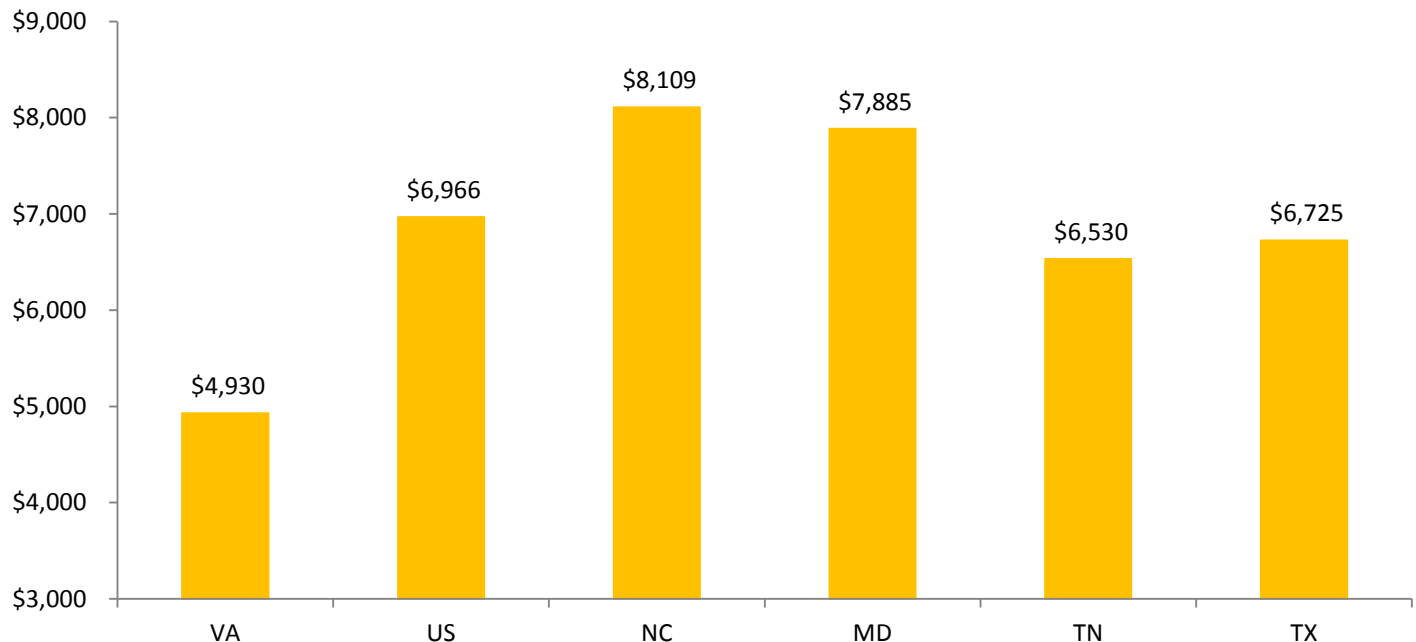
Source: JLARC/SCHEV prepared analysis of appropriations and tuition



# Virginia's colleges receive low state support

Virginia ranked 44<sup>th</sup> in state support of higher education in 2015, investing much less per student than the national average and much less than key states with which we compete for talent, investments and new business as well as business rankings.

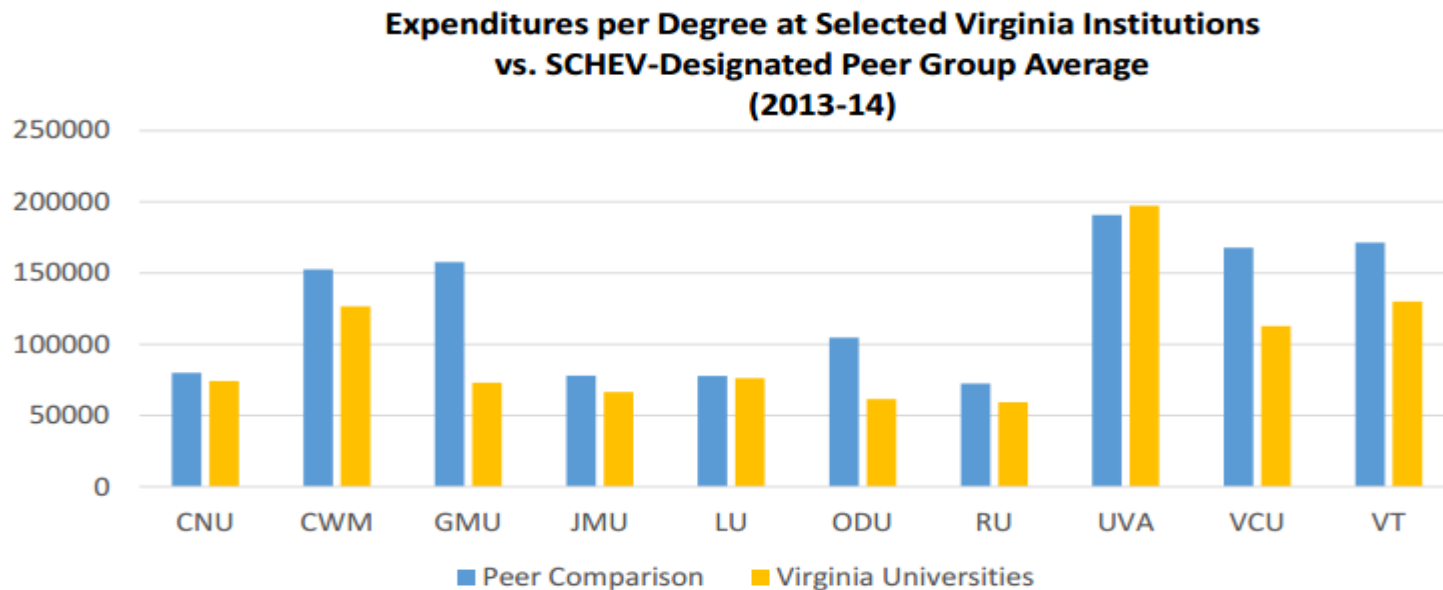
## 2015 state support per FTE student



Source: National Center for Higher Education Management Systems

# Virginia's colleges are efficient compared to peers

One key indicator of efficiency in higher education is the average amount (from all sources) an institution spends to produce an undergraduate degree. As shown below, Virginia's public colleges are efficient, generally spending at or below the average cost per degree of their peer institutions



Source: National Center for Higher Education Management Systems.

Note: Peer groups vary from each institution. Lists of designated peer institutions are available from the State Council of Higher Education for Virginia (SCHEV)

# Key Dates for 2017-18 Budget Development Cycle

S  
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A  
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E

July 2016:  
State Six Year Plan  
update

September 2016:  
Operational & Capital  
High Priority  
Requests to State

December 2016:  
Governor announces  
budget amendments

January – March  
2017:  
State legislative  
session

V  
C  
U

September 2016:  
Budget briefings for  
students

November 2016:  
Budget instructions sent  
to VPs and Directors

December 2016:  
VPs and Provost review  
unit goal-based  
requests

January 2017:  
Highest Priority Requests  
due from VPs and Provost

# Key Dates for 2017-18 Budget Development Cycle

V  
C  
U

January 2017:  
UBAC begins request  
hearings

Feb. 2017:  
Spring final  
enrollment used  
to forecast 2018  
revenue

March 2017:  
Budget Committee  
submits final  
recommendations to  
the Cabinet

April – May 2017:  
BOV Budget Workshop  
BOV Adopts Budget