

COLLEGE OF WILLIAM & MARY



Committee on Financial Affairs

Board of Visitors

February 3, 2012

Governor's Introduced Budget Resource and Expenditure Summary

Projected Carry-forward Balance: \$546 million

General Fund Growth Rates:

➤ FY 2013	3.3%
➤ FY 2014	4.5%

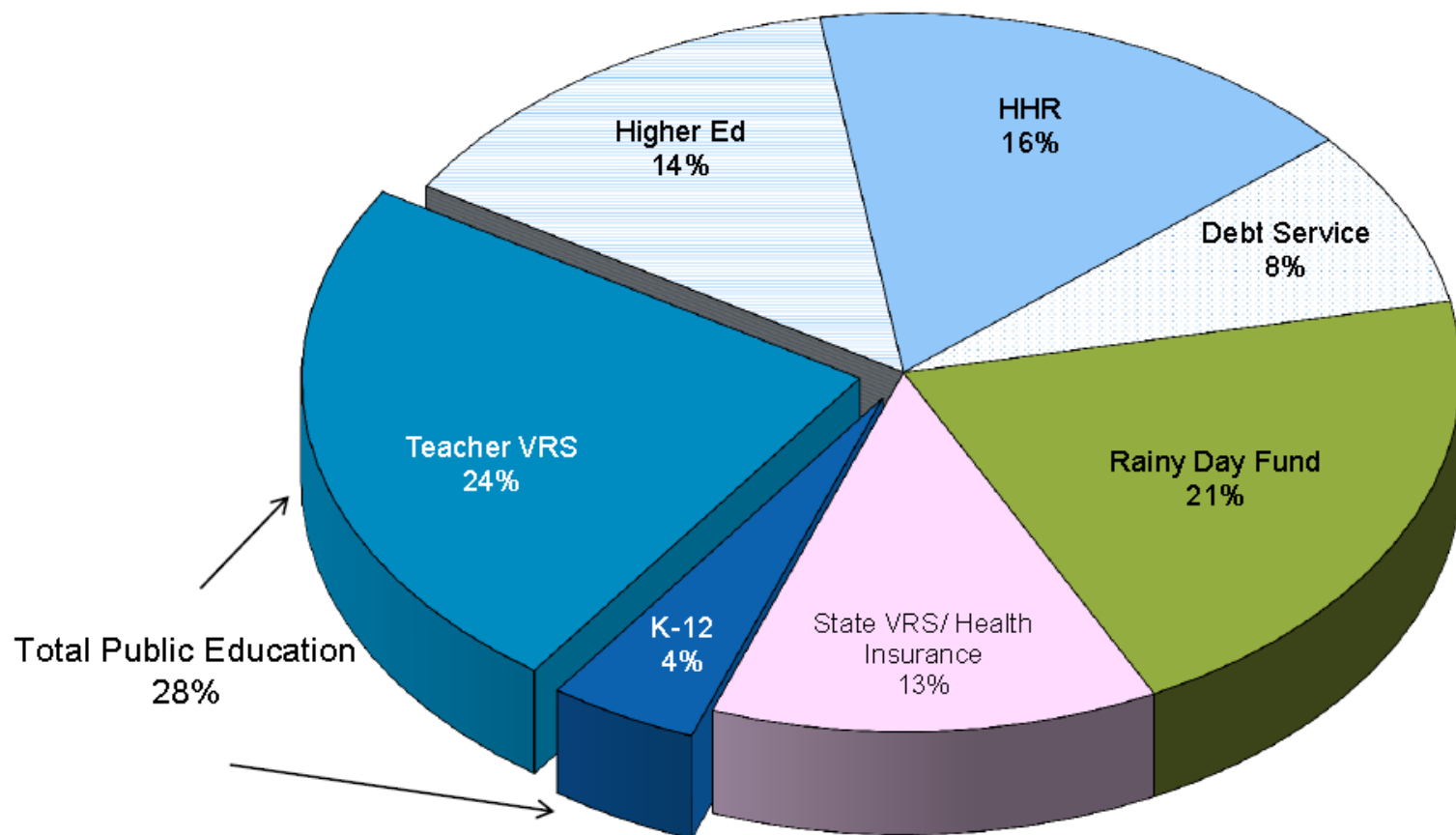
- Slightly below growth rate projections developed last year
- Virginia's long-term average annual growth rate
 - 6.0% to 6.5%

Proposed General Fund Budget (2012-14)
(\$ in millions)

	<u>FY 2013</u>	<u>FY 2014</u>	<u>Biennium</u>
Available Resources	\$17,191.4	\$17,383.6	\$34,575.0
Base Budget	\$16,548.0	\$16,548.0	\$33,096.0
+ Net new spending	<u>+ 630.4</u>	<u>+ 817.1</u>	<u>+ 1,447.5</u>
	\$17,178.4	\$17,365.2	\$34,543.6
Balance	\$ 13.0	\$ 18.4	\$ 31.4

\$1.447 Billion Net New Spending Over Biennium

HB 30: Share of Major New Spending



Governor's Major Budget Recommendations

---- Higher Education ----

➤ Base Operations	\$25.5 million
○ Based on percent of guidelines	
➤ Degree Incentives	\$20.4 million
○ Emphasis on STEM degrees	
➤ Enrollment Growth	\$16.2 million
○ Enrollment growth (2010 to 2011)	
➤ TJ 21 Objectives	\$5.1 million
➤ Student Financial Aid	\$6.4 million
➤ Higher Education Research	\$12.4 million
➤ Tuition Assistance Grants (private)	\$5.8 million
➤ Virtual Library (VIVA)	\$2.8 million
➤ FY 2013 Reallocation	\$34.7 million
➤ FY 2014 Reallocation	\$57.8 million

COLLEGE OF WILLIAM AND MARY

Governor's Introduced Budget

Operating:

➤ Eliminates 2012 reversion	\$400,000
➤ Base Adequacy	\$529,371
➤ Degree Incentive	\$625,911
➤ Student Research (STEM)	\$250,000
➤ Enrollment growth	\$ -0-
➤ Financial Aid	\$ 52,560
➤ FY 2013 Reallocation	\$1.4 million
➤ FY 2014 Reallocation	\$2.4 million

SIX YEAR PLAN

Incremental Expense by Priority and Source

<u>Priority</u>	<u>Year 1</u>			<u>Year 2</u>		
	<u>State Supported</u>	<u>College Supported</u>	<u>Reallocation</u>	<u>State Supported</u>	<u>College Supported</u>	<u>Reallocation</u>
1a. Faculty Salaries	-0-	\$ 2,940,000	-0-	-0-	\$ 6,041,000	-0-
1b. Staff Salaries	-0-	1,927,000	-0-	-0-	3,931,000	-0-
2. Undergraduate Financial Aid	-0-	1,840,000	-0-	-0-	3,680,000	-0-
3. Enrollment	-0-	356,000	-0-	-0-	752,400	-0-
4. Marine Science Minor	-0-	75,000	-0-	-0-	75,000	25,000
5. Graduate Financial Aid	-0-	500,000	-0-	-0-	1,000,000	-0-
6. Instructional Technology	-0-	82,000	80,000	-0-	85,300	80,000
7. Campus Security	-0-	100,000	-0-	-0-	209,000	-0-
8. Sustainability	-0-	-0-	62,000	-0-	-0-	64,500
9. Business Process Improvement	-0-	-0-	250,000	-0-	-0-	500,000
10. Data Warehouse	-0-	-0-	-0-	-0-	-0-	590,000
11. Operating Funds	162,800	244,200	-0-	249,600	374,400	-0-
12. Library	121,600	182,400	-0-	252,800	379,200	-0-
13. B & G Maintenance	120,000	180,000	-0-	240,000	360,000	-0-
14. Utilities	94,000	141,000	-0-	192,000	288,000	-0-
15. Center for Energy & Environment	400,000	-0-	-0-	800,000	-0-	-0-
16. Research Opportunity Fund	500,000	-0-	-0-	500,000	-0-	-0-
17. Undergraduate Research	250,000	-0-	125,000	250,000	-0-	250,000
18. International Programs	150,000	-0-	100,000	400,000	-0-	300,000
	\$ 1,798,400	\$ 8,567,600	\$ 617,000	\$ 2,884,400	\$ 17,175,300	\$ 1,809,500
			Change from Year 1	\$1,086,000	\$8,607,700	\$1,192,500

State-wide Programs/Actions

- Faculty/staff salaries 3% bonus (paid from
FY 2012 savings)
- VRS rate increase 6.58% to 8.76%
 - Employer share
- VRS Employee Share +1% over two years
- Eminent Scholars program \$340,000 reduction
 - \$1.7 million state-wide
- Auxiliary interest income State retains proceeds
- Equipment Trust Fund \$2.1 million
 - \$56.1 million state-wide
- Virtual Library (state-wide) \$2.8 million
- Research (state-wide) \$12.4 million
- Modeling and Simulation Co-ordination

Tuition and Fee Policy

- Use of tuition and fee revenue to provide student financial assistance. The Governor's budget as introduced includes the following language:

“The amount of tuition and fee revenue generated from in-state students that is used to support financial aid shall remain at the levels appropriated for this purpose in the 2012-14 biennium. The Higher Education Advisory Committee shall evaluate the appropriate use of tuition and fee revenue generated from in-state students that is used to support financial aid with the goal of enhancing affordability for low- and middle-income in-state students and their families.” (Section 4-2.01 b.11)

The appropriation included in the Budget Bill as introduced affectively limits FY 2013 and 2014 financial aid expenditures supported with in-state tuition to current year levels.

Capital Outlay

- Renovation: Tyler Hall \$250,000
- Utilities Infrastructure, Phase IV \$250,000
- Maintenance Reserve 2013 \$2.9 million
- Maintenance Reserve 2014 \$6.3 million
 - Includes Storm Water Management
 - Includes Accessibility Improvements
- Dorm Improvements \$5 million
9(c) debt
- Auxiliary Facility Improvements \$12 million
9(d) debt

Capital Outlay Amendments

- Brafferton Renovation
 - \$2.25 m GF
 - \$2.25 m Private

- Construction: Fraternities
 - \$1.0 m
 - 9 (c) bonds

- State Six-year Capital Plan
 - Add Brafferton Renovation

 - Substitute Arts Complex, Phase 1 for Andrews Renovation