

Virginia Institute of Marine Science William & Mary's School of Marine Science

Board of Visitors Committee on Financial Affairs

April 25, 2019

2019 Legislative Actions

Request		House FY 2020	Senate FY 2020	Final Budget
Replace Oyster Hatchery	\$18,900,000	\$19,800,000	\$19,800,000	\$19,800,000
Monitor Bay Grasses	\$386,668	\$0	\$386,668	\$386,668
Commonwealth Coastal Research Fellows	\$200,000	\$200,000	\$0	\$200,000
Chincoteague Inlet Study	\$300,000	\$0	\$300,000	\$300,000*
*\$900,000 over 3 years				

Fiscal Year 2020

Funding Priorities and Challenges

Priorities

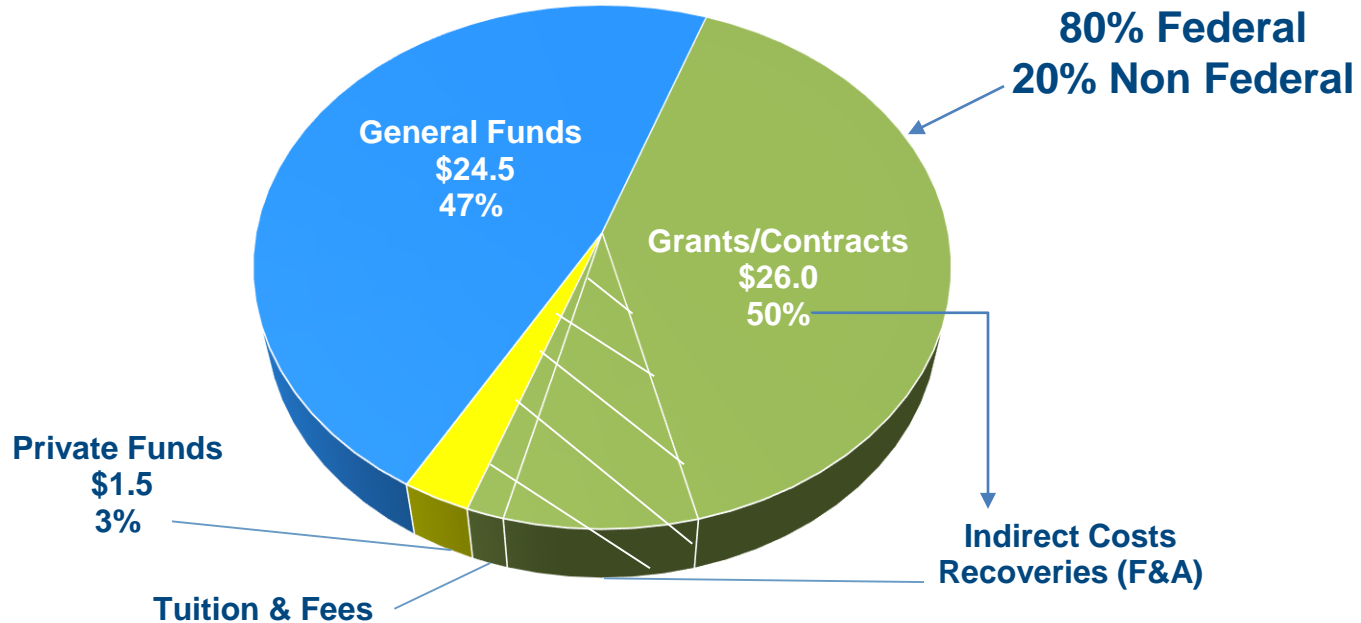
- Enhance financial flexibility of graduate program
- Align resources with Strategic Plan and Six Year Plan
- Increase Institutional support for NTEs
- Allocate funds for Diversity and Inclusion initiatives
- Continue to aggressively seek private funds and other revenue sources

Challenges

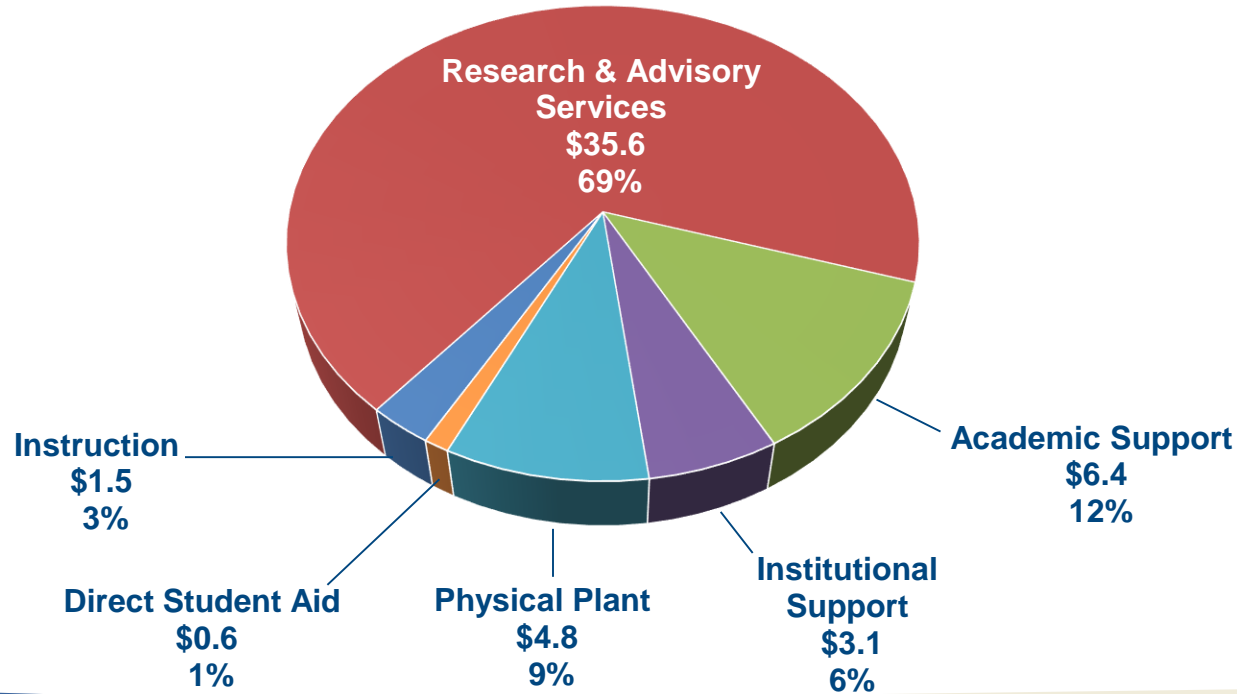
- Uncertainty in Federal agency budgets
- Continued dependence on F&A (grant/contract overhead) for operations
- Increased costs to do cutting edge science
- Expense of maintenance contracts
- Use of Institute's cash for capital project planning funds

FY 2020 Operating Budget Revenue

\$52.0 million

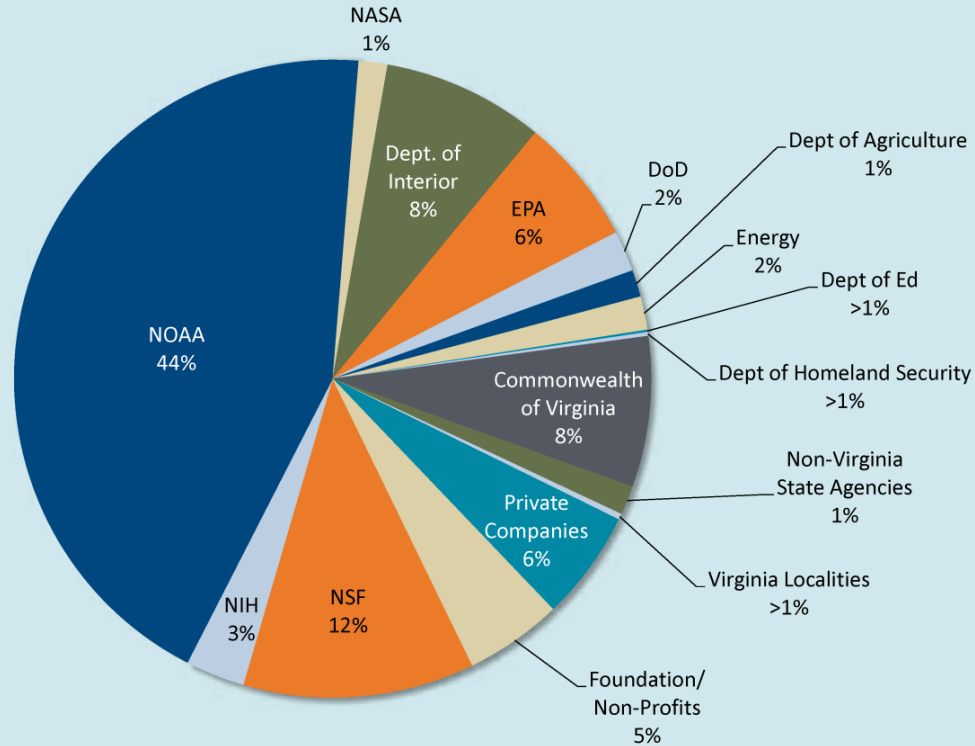


FY 2020 Operating Budget Expenditures By Program – \$52.0 million



Expenditures from all Funding Agencies - FY 2018

(Total Expenditures = \$19.6 million)



Sources of Revenue Outside of Federal/State Granting Agencies

Private Companies

- Moffat & Nichol – shoreline work and simulation of flow
- ExxonMobil – development of sensor technology
- Waterway Surveys & Engineering – bottom monitoring work

Foundations/Non-Profits

- Pew Charitable Trust – Gulf of Mexico analysis work
- Virginia Environmental Endowment – recruiting exceptional students to assist state agencies

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Opportunities to Commercialize VIMS Assets

- Project undertaken by two MBA students in Mason School of Business
- Built on premise that there is potential for step change in earning revenue
- Opportunity lies in leveraging knowledge and expertise of faculty and staff
- Proposed model is to establish separate entity owned by VIMS Foundation
- Environmental consulting companies would be on retainer for VIP access
- Profits would be directed to VIMS at discretion of VIMS Foundation



Revenue to VIMS
Consultation Fees
VIMS Knowledge & Expertise

Assumptions in Retainer Model

- VIMS has additional capacity to consult on projects for retainer fees
- Faculty and staff are interested in working on such projects
- VIMS knowledge and expertise has commercial value
- Consulting companies are willing to pay for VIP access to VIMS
- VIMS is able to advise clients given the mandates to Commonwealth



Challenges and Next Steps

- **Potential legal issues and regulatory considerations – assess further**
- **Alignment of VIMS capacity with industry needs – assess further**
- **Convene faculty thought leaders to help establish buy-in**
- **Hire point of contact to:**
 - **conduct services and capacity audit**
 - **create value proposition and sell sheet**
 - **build new relationships in industry**





Questions?

Resolution #30 for Approval