



Planning & Budget Advisory Committee

April 7, 2009

3:30 p.m.

Agenda

- ◆ Budget Process & Timeline
- ◆ Tuition and Fees Comparisons
- ◆ Proposed FY2009 Budget
 - ◆ Educational & General (E&G)
 - ◆ Auxiliary
 - ◆ Student Financial Assistance
 - ◆ Sponsored Programs
- ◆ Federal Stimulus Overview

Budget Process & Timeline

Virginia's Budget Process

Timeline of important dates



Budget Development

Agency Budget Preparation

August:
DPB issues
instructions to
agencies

September:
Agencies
generate &
submit requests

Review & Recommendation

November:
Governor, DPB,
Cabinet review

December:
Governor submits
document &
bill to
General Assembly

Budget Deliberation

Legislative Action

January:
Budget bills
referred to
money committees

February:
Senate & House
produce competing
budget proposals

March:
Conference Committee
reports budget bills/
GA approves budget

Gov's Review

April:
Governor signs/vetoes/
vetoes items/or returns
to GA with amendments

FY2009 Tuition & Fees

FY09 TUITION (In-State Undergraduate) Compared to Other State Institutions

Rank	Institution	FY2009 Dollars	FY2009 % Increase
1	<i>University of Virginia</i>	\$7,498	9.9%
2	<i>Virginia Tech</i>	\$6,895	11.9%
3	<i>College of William & Mary</i>	\$6,183	9.7%
4	<i>George Mason University</i>	\$5,526	9.8%
5	Virginia Military Institute	\$5,262	4.0%
6	<i>Virginia Commonwealth University</i>	\$4,992	10.3%
7	University of Mary Washington	\$4,711	4.0%
8	Longwood University	\$4,509	3.9%
9	Christopher Newport University	\$4,206	4.0%
10	Old Dominion University	\$4,203	4.0%
11	Radford University	\$4,187	4.0%
12	University of Virginia @ Wise	\$3,589	3.0%
13	James Madison University	\$3,556	4.0%
14	Virginia State University	\$3,313	4.0%
15	Norfolk State University	\$2,781	3.0%
Average		\$4,761	6.6%

FY09 ISUG Tuition and Mandatory Fees Compared to Other State Institutions



Rank	Institution	FY2009 Dollars	FY2009 % Increase
1	Virginia Military Institute	\$10,556	5.1%
2	<i>College of William & Mary</i>	\$10,246	11.8%
3	<i>University of Virginia</i>	\$9,300	9.4%
4	Longwood University	\$8,499	5.5%
5	<i>Virginia Tech</i>	\$8,198	10.8%
6	Christopher Newport University	\$7,550	7.1%
7	<i>George Mason University</i>	\$7,512	9.8%
8	James Madison University	\$6,964	4.5%
9	Old Dominion University	\$6,918	6.0%
10	Virginia Commonwealth University	\$6,779	9.4%
11	University of Mary Washington	\$6,774	4.3%
12	Radford University	\$6,536	5.8%
13	University of Virginia @ Wise	\$6,439	4.7%
14	Virginia State University	\$5,903	4.4%
15	Norfolk State University	\$5,560	4.6%
Average		\$7,582	7.0%

FY09 ISUG Tuition, Fees, Room and Board Compared to Other State Institutions



Rank	Institution	FY2009 Dollars	FY2009 % Increase
1	College of William & Mary	\$18,276	8.7%
2	University of Virginia	\$17,120	7.4%
3	Virginia Military Institute	\$17,000	5.2%
4	Christopher Newport University	\$16,450	5.8%
5	Longwood University	\$15,355	7.1%
6	George Mason University	\$14,872	7.3%
7	Virginia Commonwealth University	\$14,693	6.8%
8	James Madison University	\$14,422	4.7%
9	Old Dominion University	\$14,052	6.3%
10	University of Mary Washington	\$13,814	5.5%
11	Virginia Tech	\$13,674	9.4%
12	Virginia State University	\$13,613	4.8%
13	University of Virginia @ Wise	\$13,351	3.6%
14	Radford University	\$13,252	4.6%
15	Norfolk State University	\$12,676	2.9%
Average		\$14,841	6.1%

RU Six-Year Plan

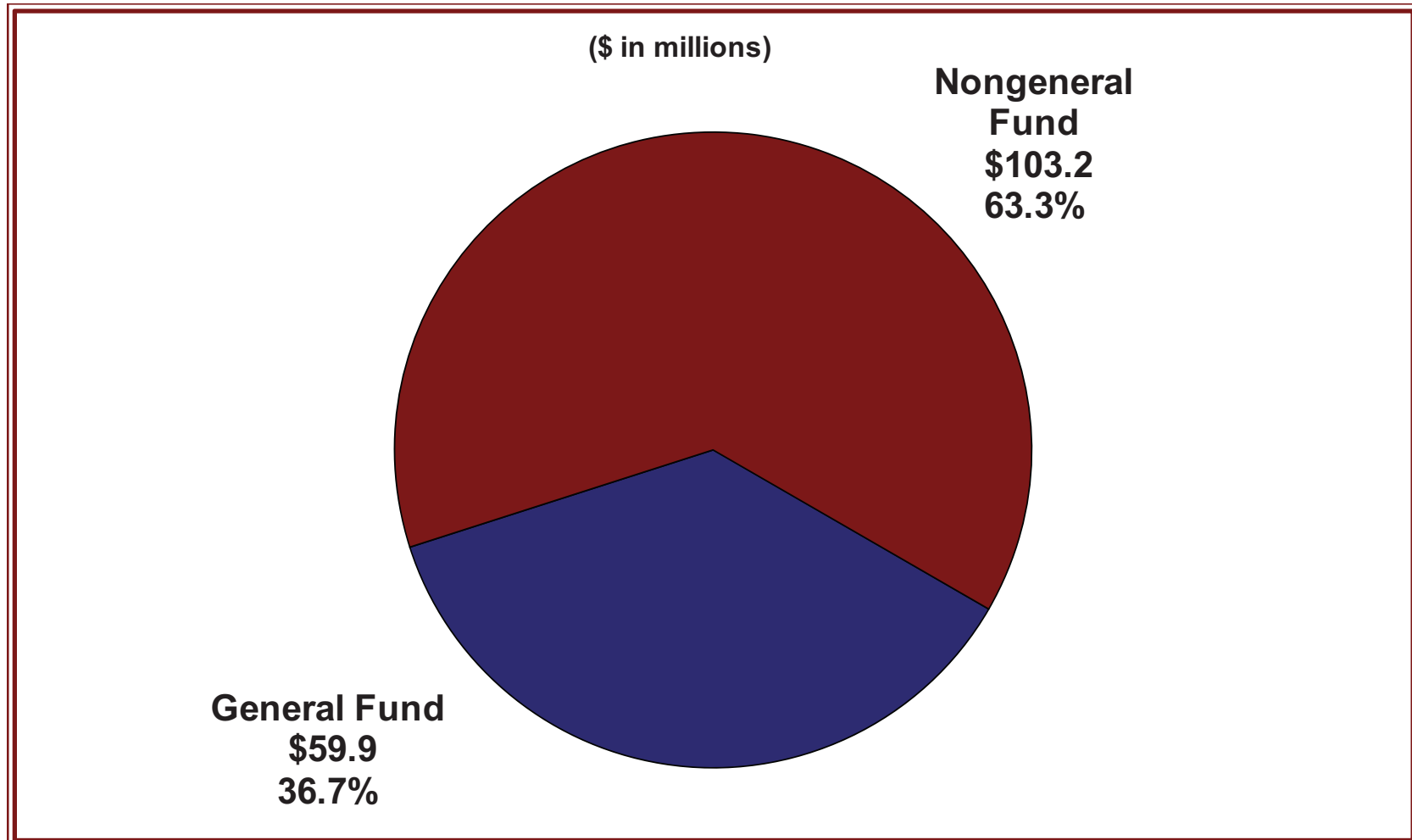
E&G Tuition & Fee Projections

	E&G Tuition and Fee Increase Rate				
	2009-10	2010-11	2011-12	2012-13	2013-14
In-state undergraduate	6.7%	6.7%	6.7%	6.7%	6.7%
Out-of-state undergraduate	6.8%	6.8%	6.8%	6.8%	6.8%
In-state graduate	6.8%	6.8%	6.8%	6.8%	6.8%
Out-of-state graduate	11.3%	11.3%	11.3%	11.3%	11.3%

Report date: September 2007. Plan revised each biennium.

Total Operating Budget

FY09 Funding for Total Budget



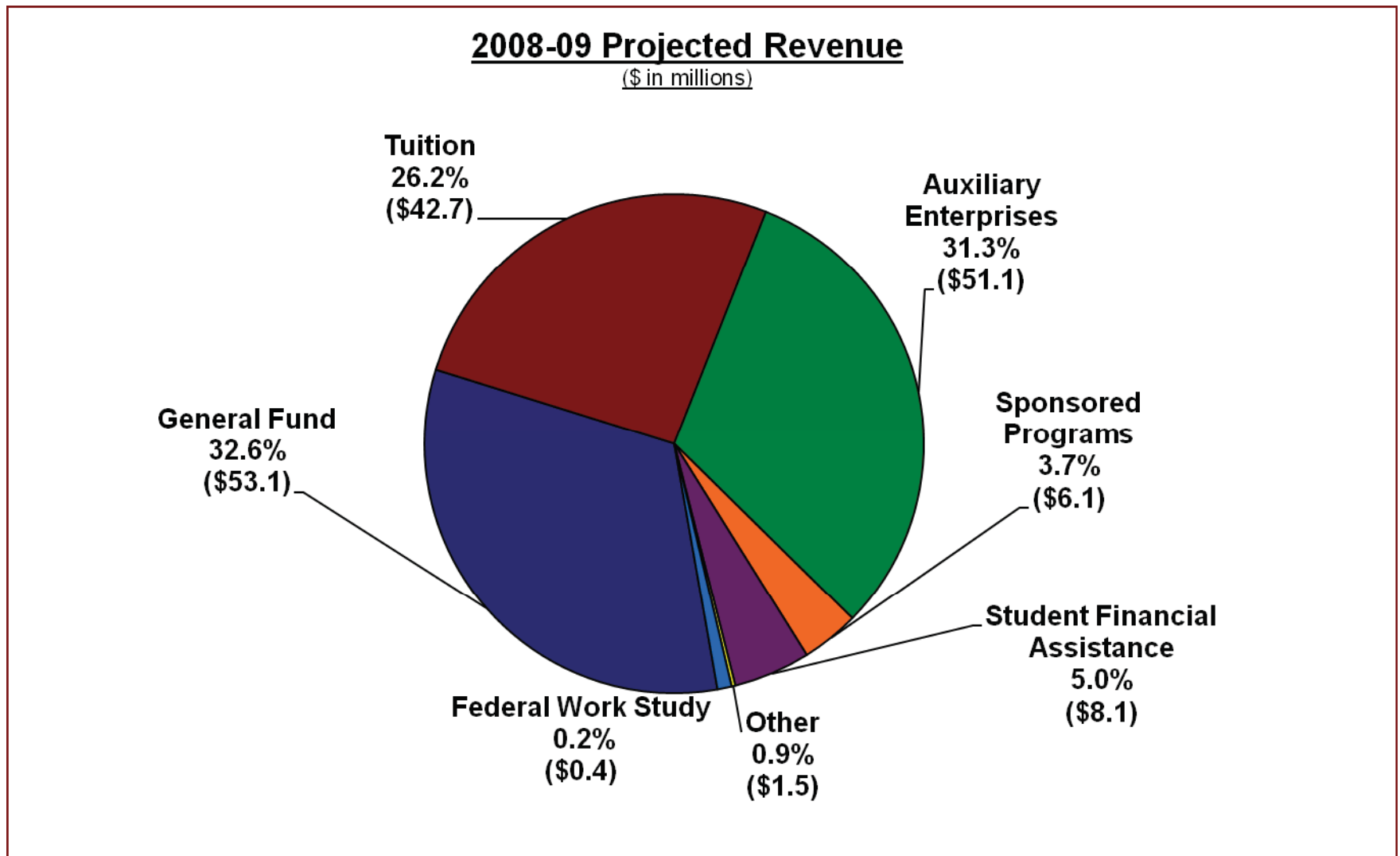
Higher Education Major Programs



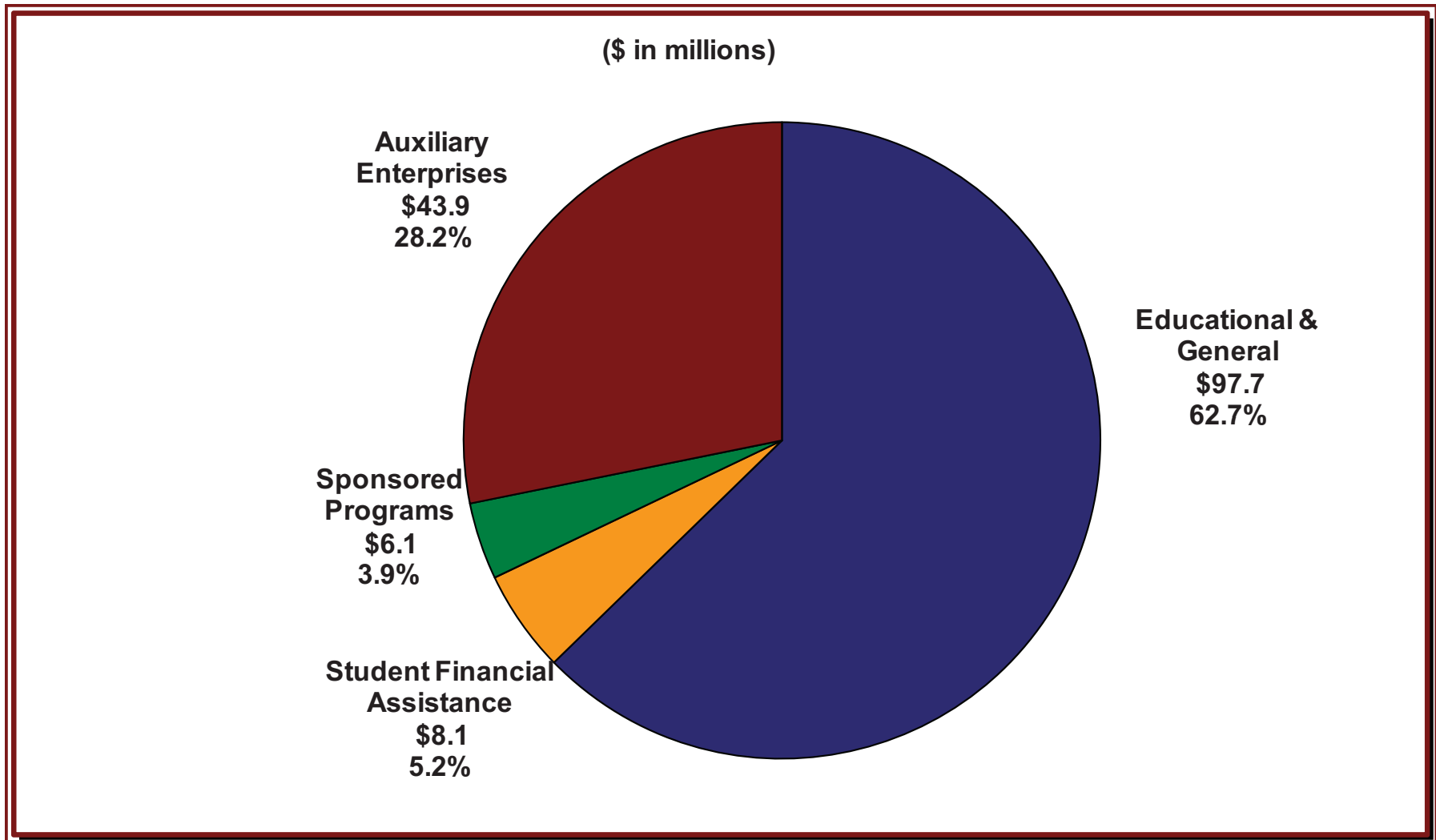
- ◆ Educational & General (E&G)
- ◆ Student Financial Assistance
- ◆ Auxiliary Enterprises
- ◆ Sponsored Programs

2008-09 Projected Revenues

All Funds and Programs



2008-09 Projected Expenditures All Funds and Programs

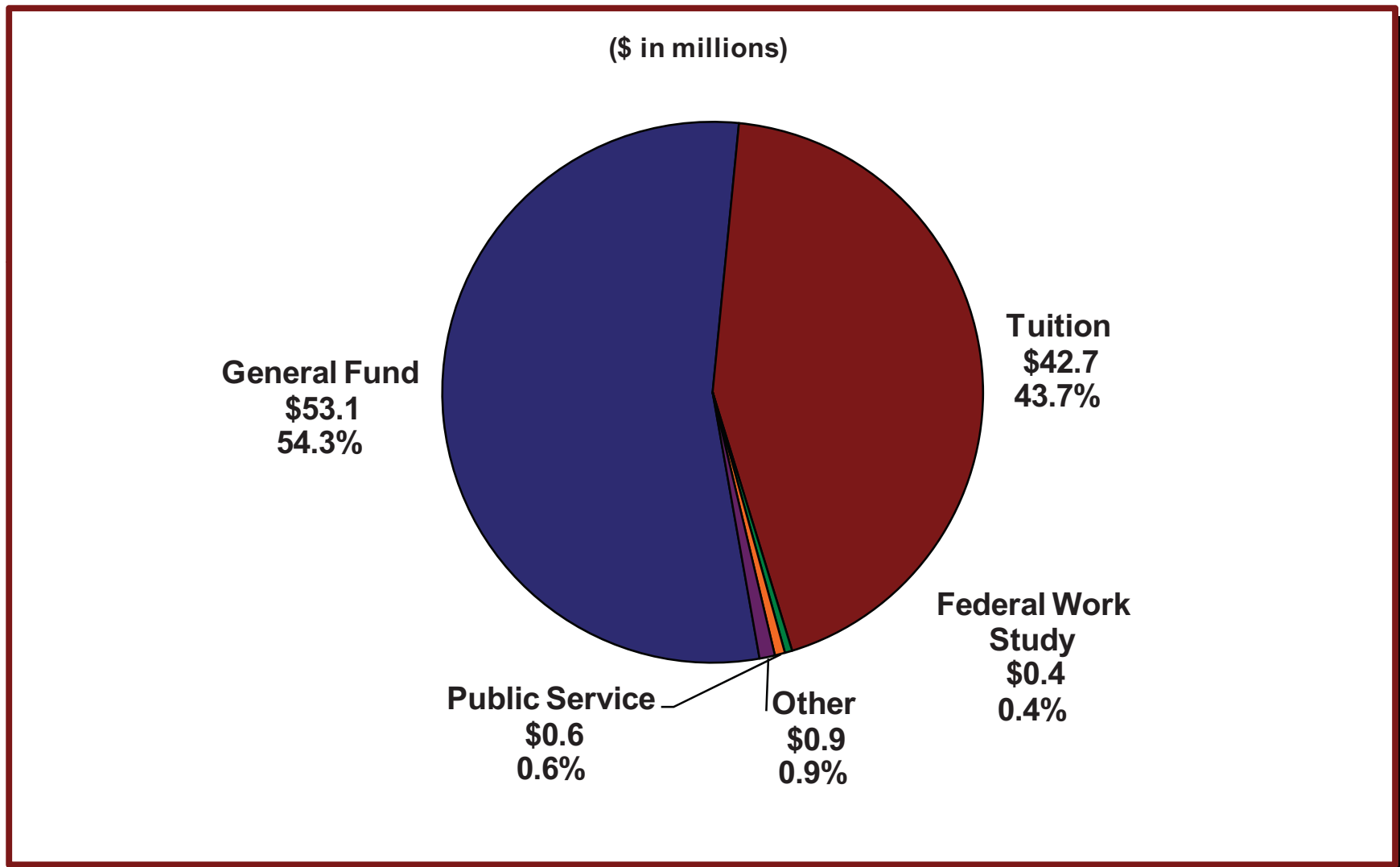


**Educational & General
(E&G)**

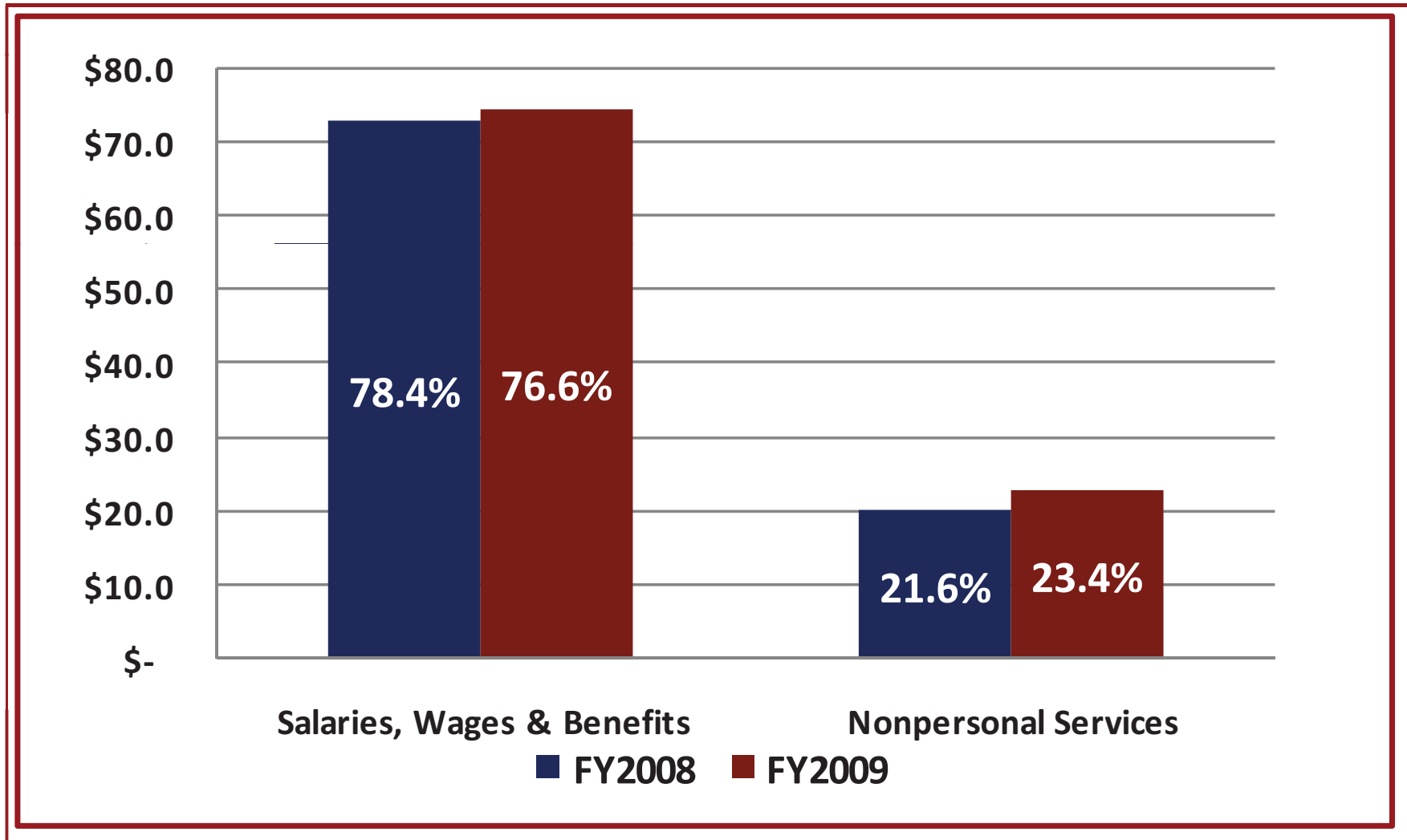
E&G Program Overview

SUBPROGRAM	MAJOR ACTIVITIES
Instruction	Instructional faculty, departmental support activities, etc.
Public Service	Services to individuals and groups external to the university
Academic Support	Deans, academic directors, advising activities, Library operations, reference materials and books, Academic computing and support operations
Student Services	Admissions, career services, dean of students, financial aid, registrar, etc.
Institutional Support	Executive management, financial services, human resources, police, public relations, administrative computing, advancement, etc.
Physical Plant	Building maintenance, custodial services, utilities, grounds

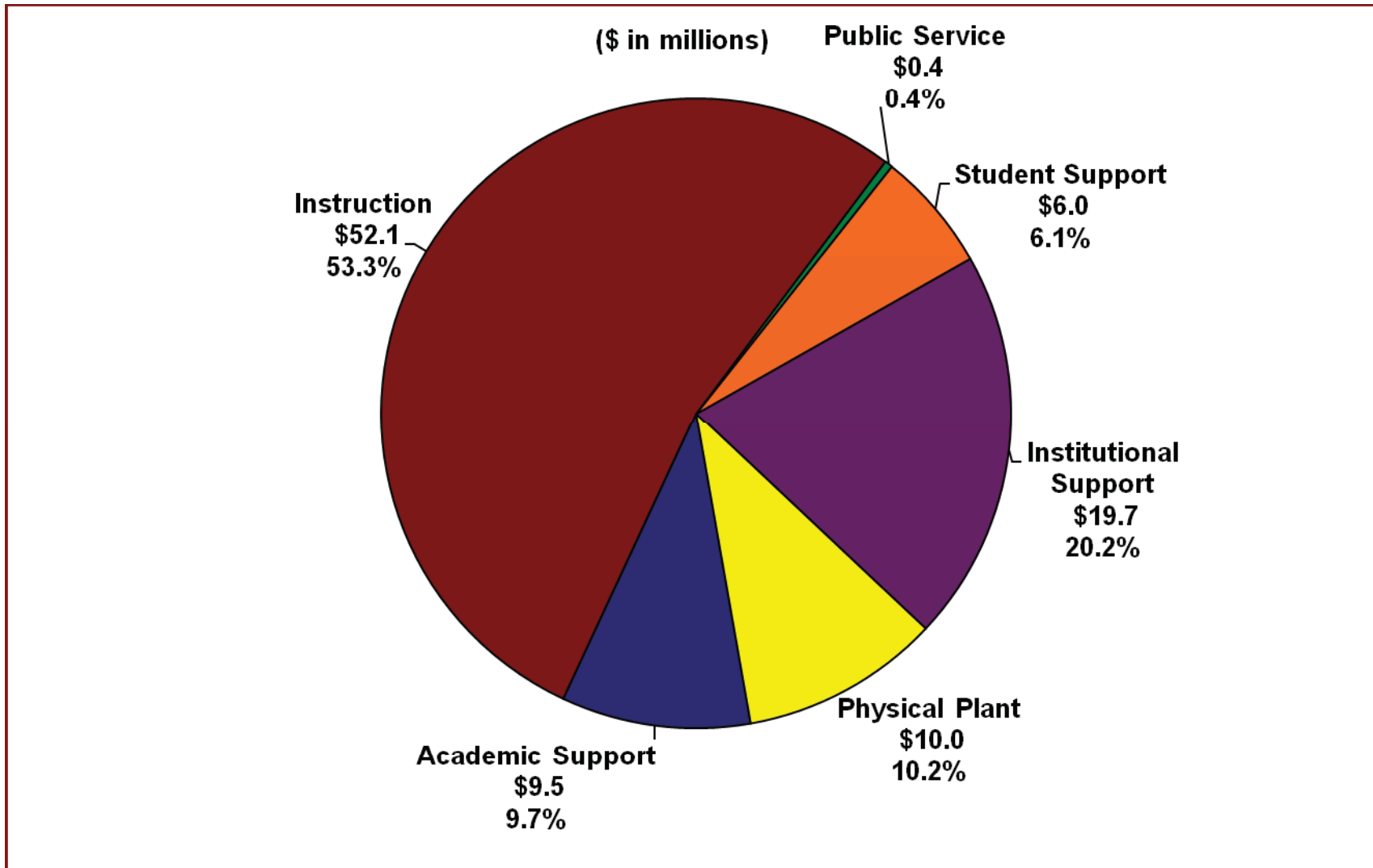
2008-09 Projected E&G Revenue



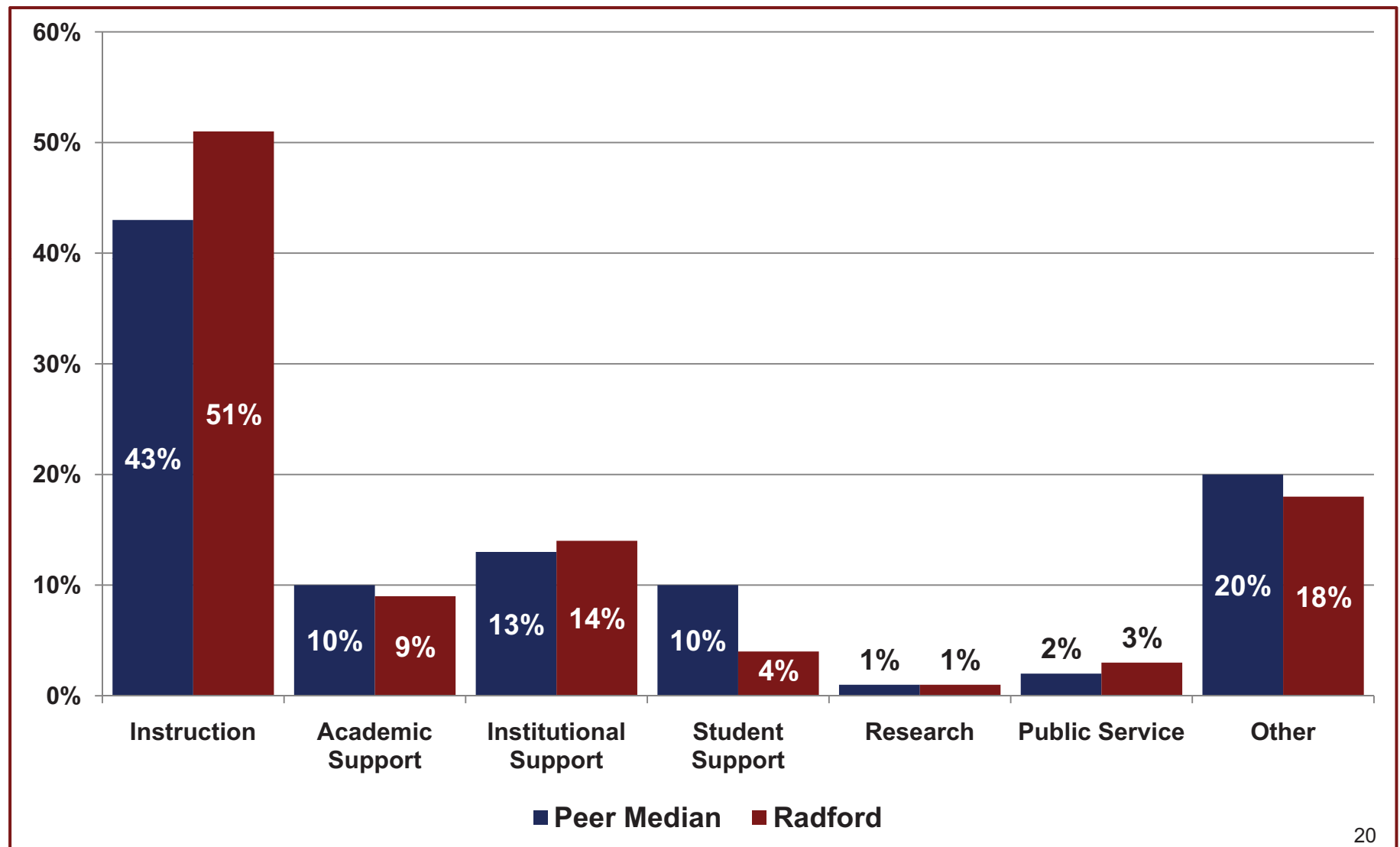
2008-09 Projected E&G Expenditures Compared to 2007-08 Actual Expenditures



2008-09 Projected E&G Expenditures By Subprogram



RU Compared to Peer Group (2006) Distribution of E&G Budget By Program

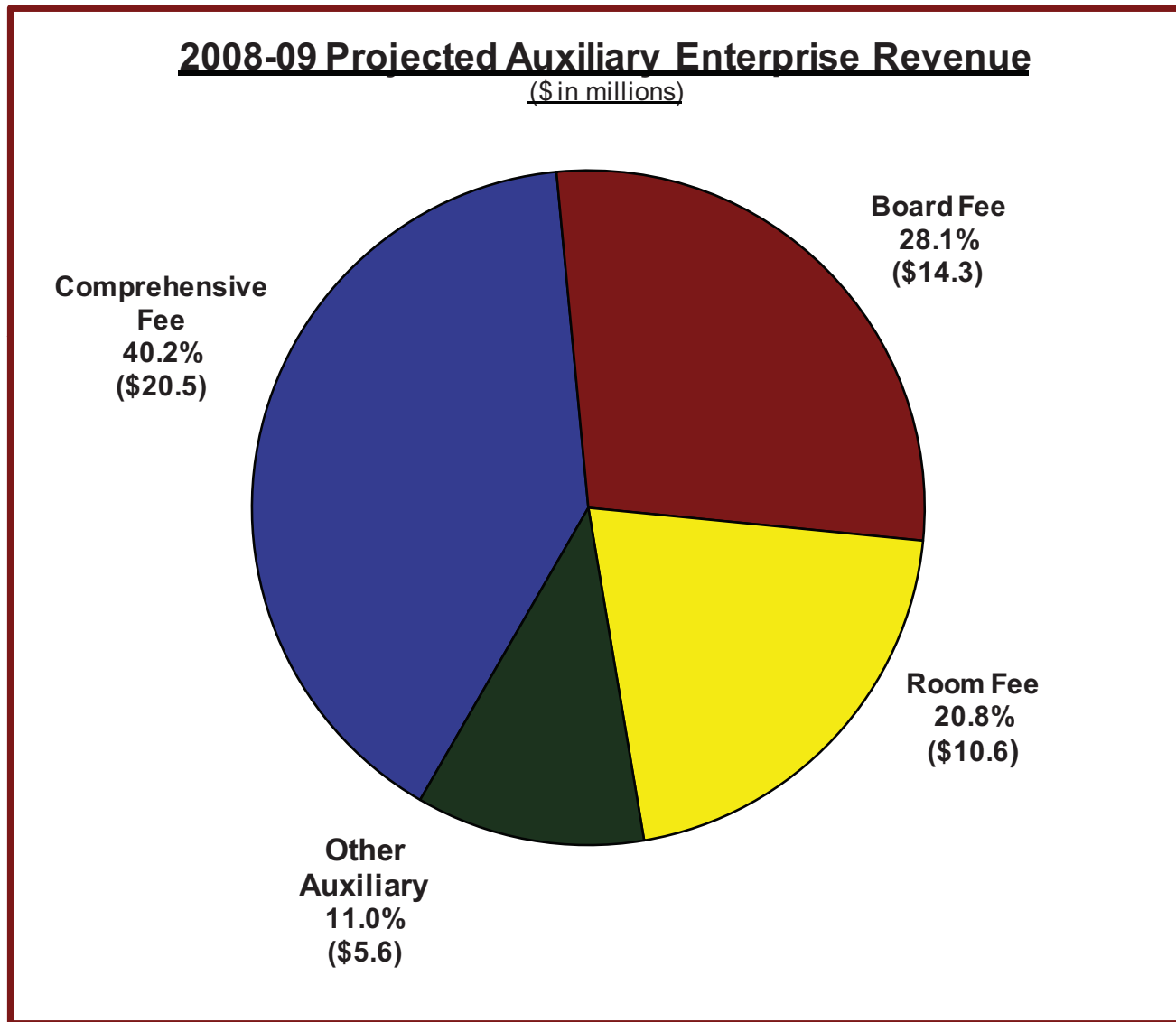


Auxiliary Enterprises

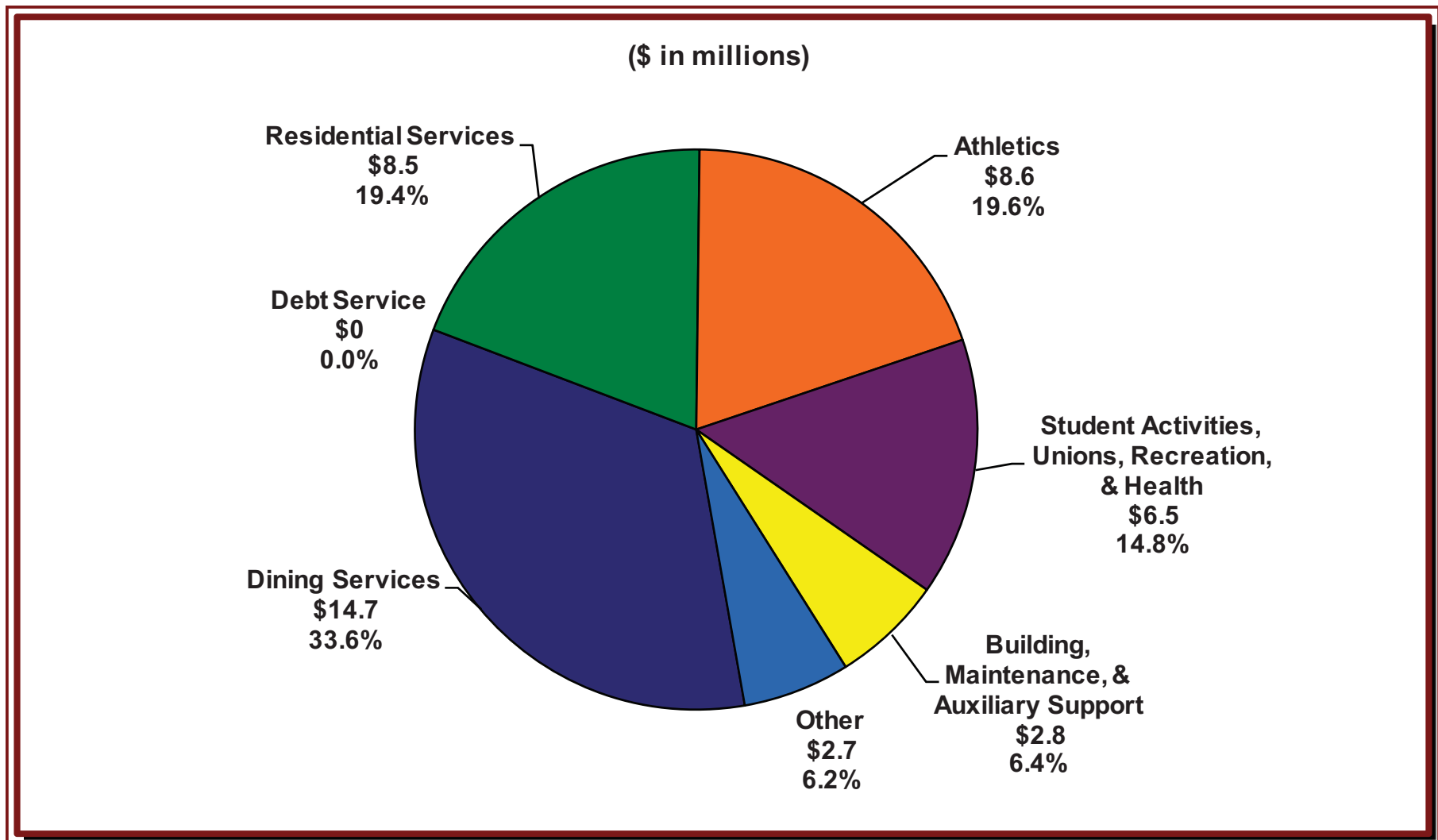
Auxiliary Subprogram Overview

SUBPROGRAM	MAJOR ACTIVITIES
Athletics	Administrative/professional staff, athletic team support activities, team travel/events, scholarships, etc.
Bookstore	Bookstore services (third-party contract with Barnes and Noble)
Building and Facility support	Maintenance of auxiliary facilities
Debt Service	Debt service payments
Dining Services	Dining services (third-party contract with Chartwells); drink and snack vending operations
Parking	Parking operations, parking lot maintenance, parking violation administration, vehicle registration, shuttle service
Recreation	Operations and facility maintenance
Residence Halls	Management of residence halls, off-campus apartments, and maintenance & operations of residence halls
Student Activities	Student programming, clubs and organizations
Student Union	Operations and facility maintenance
Student Health and Counseling	Student health/counseling services (third-party contract with)
Telephone Services	Student telephones and university telephone system
Auxiliary Support/Other	Highlander Choice, Campus Card & ID, Photocopying, student wages, Conference Services, new student orientation and programs

2008-09 Projected Auxiliary Revenue



2008-09 Auxiliary Projected Expenditures By Activity



Auxiliary Reserve Policy

RU

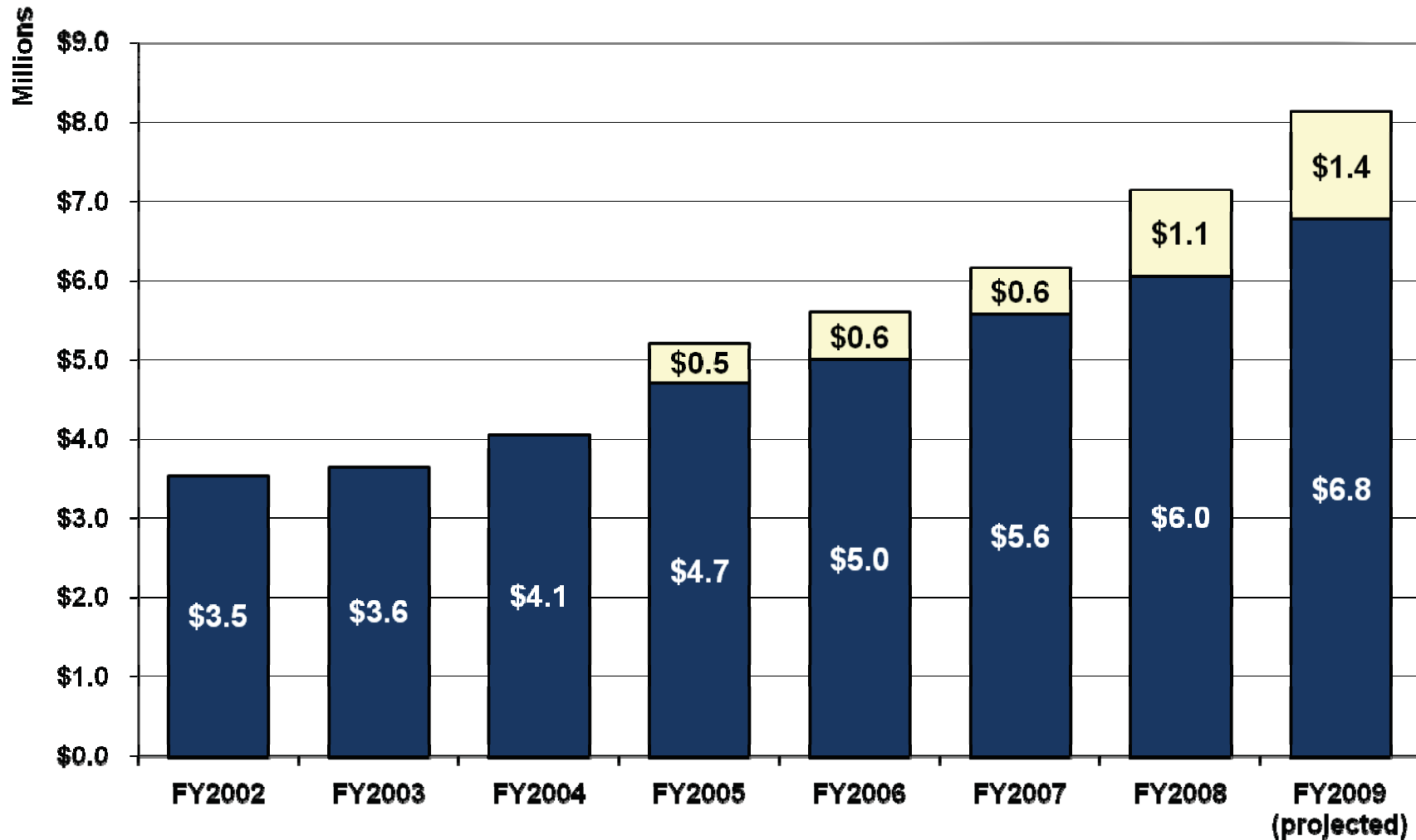
Types of Reserves:

- ◆ Operating
- ◆ Renewal & Replacement
- ◆ Capital



Student Financial Assistance

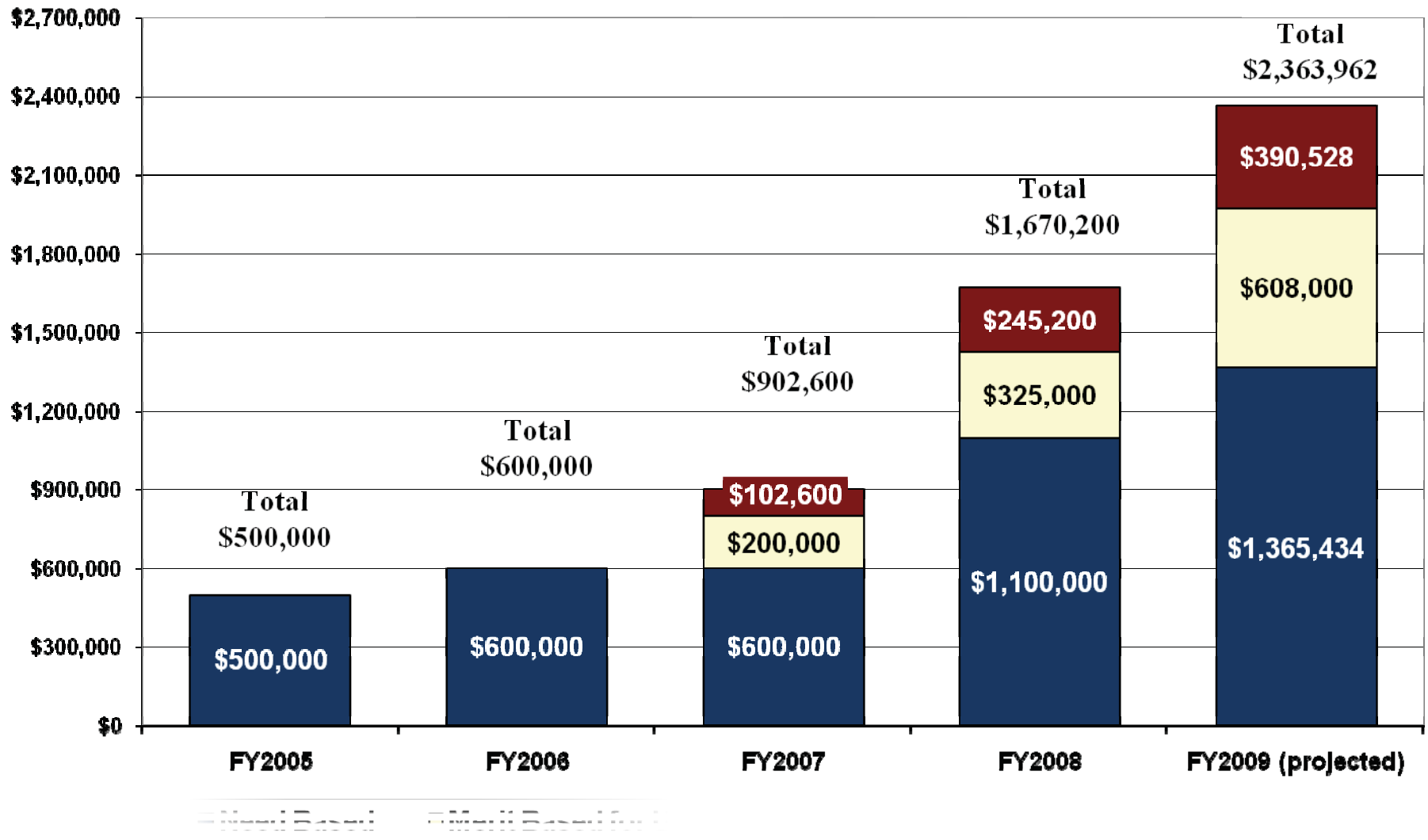
Student Financial Aid – Need Based State and University Funding



■ State Funds

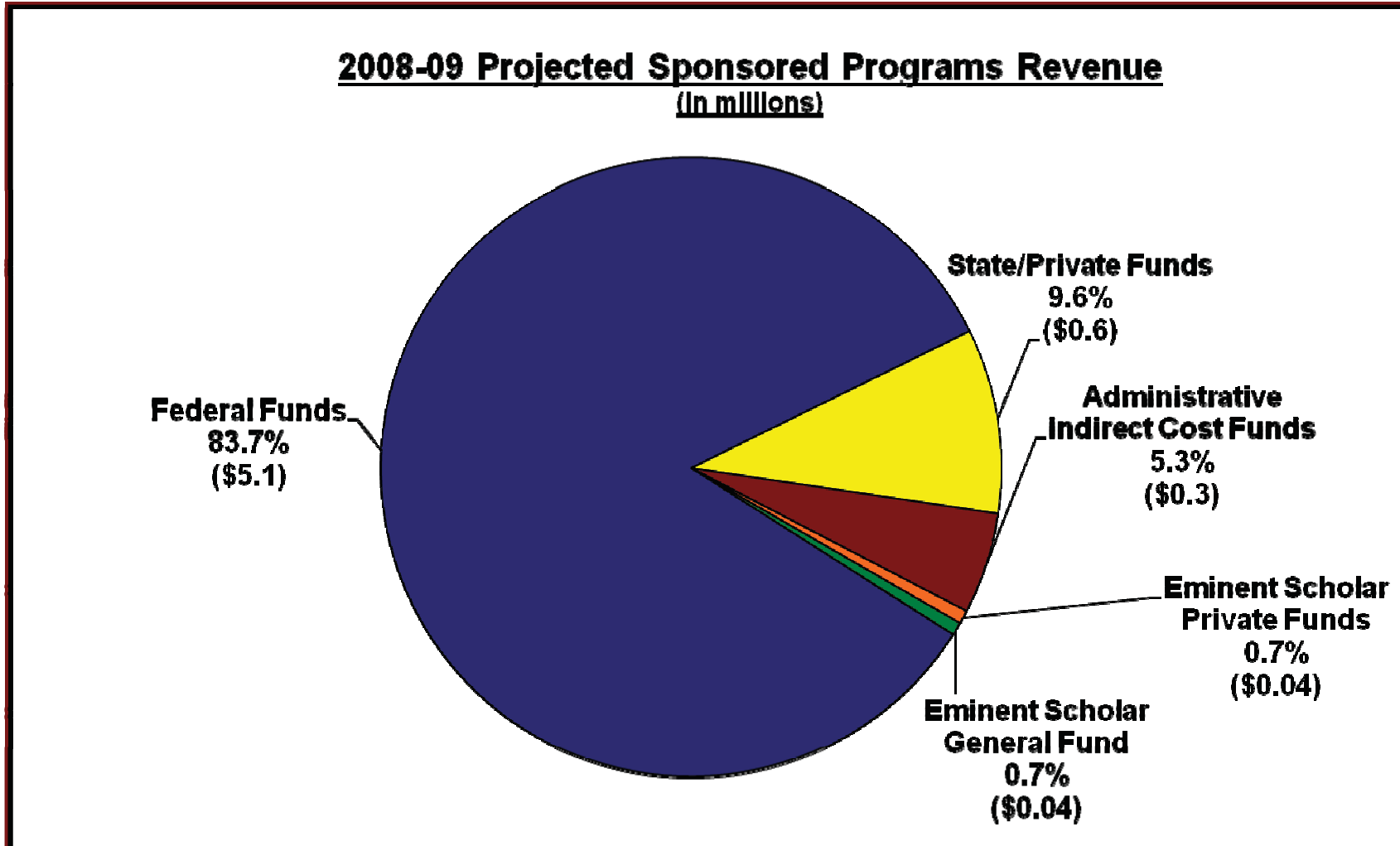
University Funds For Student Aid

About 60% for Need-Based Aid



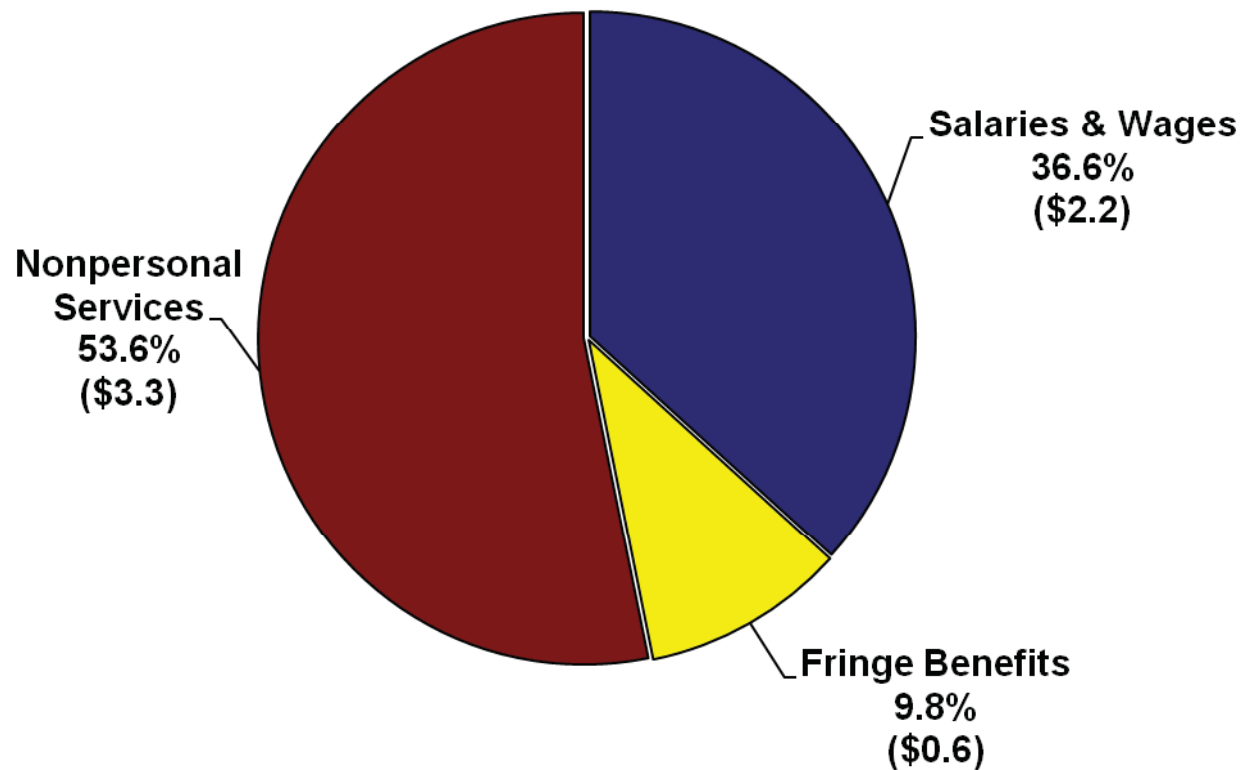
**Sponsored Programs
and
Grants Management**

2008-09 Sponsored Programs Projected Revenue Sources



2008-09 Sponsored Programs Projected Expenditures by Category

2008-09 Projected Category Expenditures
(in millions)



Budget Reductions & Federal Stimulus Funding

FY2009 Budget Reductions

- ◆ 5% General Fund reduction or (\$2,496,321)
- ◆ Effective October 2008
- ◆ Impact on total E&G budget is 2.5%
- ◆ Board approved reduction plan - November 2008:
 - ◆ Improved business practices \$100,000
 - ◆ Revert Tuition Incentive Moderation Fund bonus, tuition interest, & purchasing rebates \$946,321
 - ◆ Reduce personnel costs \$822,975
 - ◆ Reduce discretionary spending \$627,025

FY2010 Budget Reductions

- ◆ 15% General Fund reduction or (\$7,548,755)
- ◆ Impact on total E&G budget is 7.5%
- ◆ Effective July 1, 2009
- ◆ Divisions developing long-term strategies for consideration
- ◆ Federal Stimulus funding provided to bridge the gap

Federal Stimulus Funds

- ◆ Radford's FY 2010 allocation \$5.5 million
- ◆ Funds are expected to be temporary
- ◆ Invest one-time funds to minimize funding cliff in FY 2012
- ◆ Funds should be invested in ways that do not result in unsustainable recurring costs after funding expires

Federal Stimulus Funds (continued)



- ◆ Funds can be used for:
 - (1) E&G expenditures, and in such a way as to mitigate the need to raise tuition and fees for in-state students; or
 - (2) the modernization, renovation, or repair of IHE facilities that are primarily used for instruction, research, or student housing.
 - (3) IHEs may not use funds to increase their endowments
- ◆ Federal and state legislatures looking closely at tuition increases

Sources

- 1) State Council of Higher Education for Virginia (SCHEV)
Preliminary 2008-09 Tuition and Fees at Virginia's
State-Supported Colleges and Universities Report**
- 2) Virginia Acts of Assembly – Chapter 847 and Chapter
879**
- 3) American Recovery and Reinvestment Act**