

## Higher Education

<b>Governor's Proposed Amendments</b>				
(\$ in millions)				
	<b>FY 2021 Proposed</b>		<b>FY 2022 Proposed</b>	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2020-22 Current Budget</b> (Ch. 56, 2020 Special Session I)	<b>\$2,471.2</b>	<b>\$9,982.1</b>	<b>\$2,385.0</b>	<b>\$10,115.6</b>
Proposed Increases	6.5	32.0	114.3	57.8
Proposed Decreases	(148.8)	0.0	(146.5)	0.0
\$ Net Change	(142.3)	32.0	(32.2)	57.8
<b>HB 1800/SB 1100, as Introduced</b>	<b>\$2,328.9</b>	<b>10,014.1</b>	<b>\$2,352.8</b>	<b>10,173.5</b>
% Change	(5.8%)	0.3%	(1.4%)	0.6%

- The Governor's proposed 2020-22 budget for Higher Education results in a net decreased of \$174.5 million GF for the biennium when compared to the adjusted appropriation for current operations. This total reflects restorations of \$111.2 million GF and new spending of \$9.6 million GF.

The proposed amendments distribute budget reductions from Central Appropriations to agency budgets, reducing \$148.8 million GF the first year and \$146.5 million GF the second year in Higher Education-related entities to reflect approved budget reductions in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005). These reductions were originally unallotted in Chapter 1289 of the 2020 Acts of Assembly (HB 30) and subsequently converted to budget reductions in the 2020 Special Session I.

## Proposed 2020-22 GF Actions

	<u>FY 2021</u>	<u>FY 2022</u>
<b>Higher Education Institution Spending</b>		
Restore Undergraduate Need Based Aid	\$0	\$ 30,285,800
<b>Subtotal:</b>	<b>\$0</b>	<b>\$ 30,285,800</b>
<b>Other Higher Education Spending</b>		
Restore VCCS – Last-Dollar+ Workforce Init. (“G3”)	\$0	\$36,000,000
VCCS – Pre-Hire Immersion Program	0	500,000
Restore NSU – Items Previously Restored for FY 21	0	8,397,765
NSU – Continue Connected Campus Initiative	0	4,500,000
Restore VSU – Items Previously Restored for FY 21	0	6,179,115
Restore VSU – Ext. Item Prev. Restored for FY 21	0	1,535,054
Restore Tuition Assistance Grant (TAG) Program	0	7,900,000
Restore VCU – Massey Cancer Center	5,000,000	5,000,000
Fully Restore GMU – Enrollment Growth	0	5,000,000
Fully Restore ODU – Enrollment Growth	0	5,000,000
Jefferson Lab	1,500,000	1,500,000
UVA – Focused Ultrasound Center	0	1,000,000
Restore Richard Bland – Compliance Findings	0	503,000
Richard Bland – Dorm to Classrooms	0	299,000
Restore SCHEV – Earth System Scholars	0	220,375
VIMS - Shellfish Aquaculture/Seagrass Research	0	185,000
Restore Longwood Early Childhood Degree	<u>0</u>	137,410
NCI – Information Technology Integration Position	<u>40,502</u>	<u>121,542</u>
<b>Subtotal:</b>	<b>\$6,540,502</b>	<b>\$83,978,223</b>
<b>Total HE Initiative Spending:</b>	<b>\$6,540,502</b>	<b>\$114,264,023</b>
<b>Other Actions</b>		
Move Reductions from Central App. to Agencies	(\$148,814,021)	(\$146,481,790)
Central Appropriations – One-Time Salary Bonuses	0	32,549,376
VEDP – Labor Market and Education Alignment	<u>0</u>	<u>500,000</u>
<b>Subtotal:</b>	<b>(\$148,814,021)</b>	<b>(\$113,432,414)</b>
<b>Grand Total Spending in Higher Education</b>	<b>(\$142,273,519)</b>	<b>\$831,609</b>

- **Higher Education Institution Allocations**

- *Financial Aid.* Restores \$30.3 million GF the second year for additional need-based financial assistance for in-state undergraduates. The distribution of funding for undergraduate aid is based on the new models proposed in SCHEV’s November 2019 Review of Financial Aid Funding Formulas and Awarding Practices, consistent with the allocation of funds in FY 2021. (The adjustments to the previous “Partnership Model” include: using the individual student’s Expected Family Contribution amount rather than assuming an alternative minimum (currently \$700 for dependent freshmen; \$900 for sophomore, juniors, and seniors; and \$1200 for independent students); using the sector average Cost of Attendance; using average unmet need rather than percent of need; and, a funding bonus that emphasizes low income enrollments.).

<b>Higher Education Additional Financial Aid Allocations</b>	
<b><u>Institution</u></b>	<b><u>FY 2022</u></b>
Christopher Newport	\$249,600
William & Mary	133,000
George Mason	6,944,900
James Madison	1,279,400
Longwood	787,400
Mary Washington	470,300
Norfolk State	1,632,200
Old Dominion	5,337,000
Radford	2,538,400
University of Virginia	320,300
University of Virginia at Wise	402,700
Virginia Commonwealth	4,638,400
Virginia Military Institute	26,700
Virginia State	1,477,000
Virginia Tech	1,623,200
Richard Bland	154,300
VCCS	<u>2,271,000</u>
<b>Total</b>	<b>\$30,285,800</b>

### *Other Higher Education Spending Proposals*

- **Virginia Community College System – Restore New Last Dollar Workforce Initiative (“G3”).** Restores \$36.0 million GF in FY 2022 for the new community college workforce last dollar plus scholarship initiative (“G-3”).
- **Virginia Community College System – Pre-Hire Immersion Program.** Proposes \$500,000 GF the second year for a pilot program at two community colleges which will work with local industry to establish pre-hire immersion programs in the construction field.
- **Norfolk State University – FY 2022 Restorations.** Restores \$8.4 million GF in FY 2022 for multiple programs that were restored only in FY 2021 in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005).
- **Norfolk State University – Connected Campus.** Recommends \$4.5 million GF for NSU in FY 2022 to continue implementing Connected Campus, for additional IT access for students and staff.
- **Virginia State University – FY 2022 Restorations.** Restores \$6.2 million GF the second year for multiple programs that were previously restored only in FY 2021 in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005). The programs include the Virginia College Affordability Network, expansion of an intrusive advising early warning system, supplemental instruction, a summer bridge program, and the UTeach teacher preparation program for science, technology, engineering, and math majors.
- **Virginia State University – Cooperative Extension – FY 2022 Restorations.** Restores \$1.5 million GF for cooperative extension that was previously restored only in FY 2021 in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005).
- **State Council of Higher Education - Tuition Assistance Grant Program.** Restores \$7.9 million GF in FY 2022 for the Tuition Assistance Grant (TAG) program, to increase the award level to \$4,000.
- **Virginia Commonwealth University – Massey Cancer Center.** Restores \$5.0 million GF each year for Massey Cancer Center to enhance efforts to recruit lead research scientists who specialize in precision, cancer disparities, and immuno-oncology.
- **George Mason University – Full FY 2022 Restoration.** Restores the remaining \$5.0 million GF for GMU in FY 2022 related to enrollment growth that were fully restored for FY 2021 and partially for FY 2022 in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005).
- **Old Dominion University – Full FY 2022 Restoration.** Restores the remaining \$5.0 million GF for ODU in FY 2022 related to enrollment growth that were fully restored for FY 2021

and partially for FY 2022 in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005).

- **Jefferson Lab.** Proposes \$1.5 million GF each year to support design, research, and development activities associated with a potential high performance data facility project at Jefferson Lab. The funding in the second year shall remain unallotted until the Governor authorizes their disbursement to the Southeastern Universities Research Association Doing Business for Jefferson Science Associates, LLC.
- **University of Virginia - Focused Ultrasound Center.** Proposes \$1.0 million GF in FY 2022 to further support the activities and research conducted at the Focused Ultrasound Center at the University of Virginia. This brings total funding to \$4,612,500 in FY 2022.
- **Richard Bland – Address Compliance Findings.** Restores \$503,000 GF and 3.00 FTE in FY 2022 to help address the compliance findings from the Auditor of Public Accounts and Southern Association of Colleges and Schools Commission on Colleges.
- **Richard Bland – Modify Commerce Hall Dorm.** Proposes \$299,000 GF the second year to assist in repurposing an existing building to support the college’s pivot to online and remote learning with small hybrid classrooms.
- **State Council of Higher Education – Earth System Scholars Program.** Restores \$220,375 GF in FY 2022 for the free, interactive, online Earth System Science course plus problem-based summer academy at the Langley Research Center offering five college credits to high school juniors and seniors.
- **Virginia Institute of Marine Science – Shellfish Aquaculture and Seagrass.** Proposes \$185,000 GF the second year to provide funding for a cooperative research program on shellfish aquaculture and seagrass.
- **Longwood – 2+2 Degree Pathway in Early Childhood Education.** Restores \$137,410 GF the second year to develop a Bachelor of Science degree program in inclusive Early Childhood Education for students transferring with an Associate of Applied Science degree in Early Childhood Development.
- **New College Institute.** Proposes \$40,502 GF the first year and \$121,504 GF the second year for an information technology position to integrate software, systems, and technology. Also provides language that allows the college to retain rental income from tenants leasing space.

#### ***Other Higher Education Actions***

- **Establish an Office for Labor Market and Education Alignment at the Virginia Economic Development Partnership.** Proposes \$500,000 GF the second year for the establishment of an Office for Labor Market and Education Alignment in accordance with

legislation to be considered by the 2021 General Assembly. Funding is provided within the budget of the Virginia Economic Development Partnership.

- **Central Appropriations - Classified Staff, Faculty, and Adjunct Faculty Salary Bonuses.** Proposes including the funding for a \$1,500 one-time bonus for classified staff and faculty effective September 1, 2021, and \$2.4 million GF for a one-time \$750 bonus payment to adjunct faculty at Virginia two-year and four-year public colleges and institutions of higher education.

Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005), included language authorizing the Governor to include in his introduced budget for the 2021 Session, funding for the bonuses contingent upon FY 2021 year-end revenues meeting or exceeding the forecast.

- **Central Appropriations – Other Actions Impacting Higher Education.** Adjusts funding for the employer share of health insurance premiums, adjusts Line of Duty Act premium funding to align with billings, and account for the annual update of workers compensation premiums.
- **George Mason University Level III Authority.** Recommends approval for George Mason University to operate as a Level III institution under the management agreement as approved by its board of visitors on October 1, 2020, pursuant to § [23.1-1005](#), *Code of Virginia*.
- **Amend Tech Talent Reporting Dates.** Proposes changes to clarify conflicting timelines and reporting dates related to Tech Talent.
- **Virginia Community College System – Sum Sufficient Authority for Workforce Development and Sponsored Programs.** Adds language to make certain NGF appropriations sum sufficient consistent with other higher education institutions.
- **State Council of Higher Education – Nongeneral Fund Adjustments.** Proposes adding \$5.0 million NGF the second year to enable the agency to administer the GearUp scholarship program, \$100,000 NGF each year due to increases in the State Authorization Reciprocity Agreement (SARA) program, and \$25,000 NGF each year due to increased private support for the Outstanding Faculty Awards program.
- **Nongeneral Fund Adjustments.** Proposes NGF adjustments related to a change in the management of housing, new grants awarded to the institution, or other updates based on actual and projected expenditures for financial aid or the hospital, or tuition and fee revenue, as follows:

### Proposed 2020-22 NGF Adjustments

<b><u>Institution</u></b>	<b><u>FY 2021</u></b>	<b><u>FY 2022</u></b>
Longwood	0	2,500,000
University of Virginia at Wise	1,427,002	1,772,998
Virginia Commonwealth University	8,000,000	8,000,000
Virginia Community College System	0	18,000,000
Virginia Tech	22,451,091	22,451,091
<b>Total</b>	<b>\$31,878,093</b>	<b>\$52,724,089</b>