



VIRGINIA HOUSE
APPROPRIATIONS
COMMITTEE

CHAIRMAN LUKE E. TORIAN

January 17, 2024

HIGHER EDUCATION ISSUES

Higher Education Subcommittee
The Honorable Betsy B. Carr, Chair

HIGHER EDUCATION FUNDING

- Educational & General Programs
 - Focus of the funding guidelines
 - Supported by the General Fund and Nongeneral Funds (primarily tuition and fees)
- Auxiliary Enterprise
 - Self-supporting
 - Revenues derived from sales and student fees
 - Includes bookstores, dorms, dining, student unions, athletics, parking, telecommunications, recreation
- Sponsored Programs
 - Primarily the research activities
 - Revenues derived from federal, state, and private grants and contracts

EDUCATIONAL AND GENERAL PROGRAMS

- Instruction
 - Single largest component of E & G
 - Undergraduate, graduate and first professional instruction
 - Community education: Non-credit training programs for computer software skills, foreign language skills
 - Family practice: Community-based residency programs for graduate medical students in generalist medicine
- Research
 - State-supported research centers
 - Department-sponsored programmatic research or curriculum development
 - Does not include sponsored research
- Public Service
 - Outreach programs for area K-12 school children
 - Public lecture series



EDUCATIONAL AND GENERAL PROGRAMS

- Support Programs
 - Academic Support
 - Libraries
 - Academic administration
 - Academic computing
 - Student Services
 - Admissions offices and registrars
 - Guidance and counseling
 - Financial aid administration



EDUCATIONAL AND GENERAL PROGRAMS

- Support Programs
 - Institutional Support
 - Executive management of the institution
 - Fiscal, legal, and personnel operations
 - Campus police
 - Operation and Maintenance of Plant
 - Building and grounds maintenance
 - Utilities
 - Custodial



DETERMINING THE GF SHARE – “FUND SPLIT”

- Proportion of in-state students enrolled
 - Greater in-state enrollment results in a higher general fund share overall
 - The policy goal is to fund 67 percent of the total cost for in-state students
 - Out-of-state students are required to pay at least 100 percent of the total cost
- Mix of programs
 - Total general fund support for E&G programs will also vary based on the size of other nongeneral fund activities at each institution (e.g., community education, research, and public service)
 - The indirect cost portion for community education and research are funded from nongeneral fund sources
 - Public service is totally funded through nongeneral funds
- Actual Fund Split is impacted by O/S revenues exceeding 100% of cost & I/S revenues



FUND SPLIT BY INSTITUTION

Institution	Undergraduate Student FTE		All Other Student FTE		Fund Split	
	% In-State	% Out-of-State	% In-State	% Out-of-State	GF	NGF
VCCS	96.7%	3.3%			64.1%	35.9%
RBC	90.9%	9.1%			60.9%	39.1%
CNU	94.0%	6.0%	90.7%	9.3%	60.5%	39.5%
LU	92.7%	7.3%	84.0%	16.0%	59.8%	40.2%
RU	91.2%	8.8%	80.6%	19.4%	58.5%	41.5%
UMW	89.7%	10.3%	92.3%	7.7%	58.5%	41.5%
ODU	91.3%	8.7%	77.1%	22.9%	56.6%	43.4%
UVAW	83.7%	16.3%			53.8%	46.2%
JMU	77.9%	22.1%	72.0%	28.0%	51.0%	49.0%
VCU	91.1%	8.9%	69.6%	30.4%	50.1%	49.9%
VSU	72.4%	27.6%	84.7%	15.3%	48.2%	51.8%
GMU	83.6%	16.4%	53.7%	46.3%	47.8%	52.2%
NSU	72.7%	27.3%	70.8%	29.2%	47.5%	52.5%
VMI	63.8%	36.2%			42.6%	57.4%
CWM	65.0%	35.0%	42.7%	57.3%	37.2%	62.8%
VT	67.4%	32.6%	34.3%	65.7%	37.1%	62.9%
UVA	65.6%	34.4%	32.6%	67.4%	30.9%	69.1%



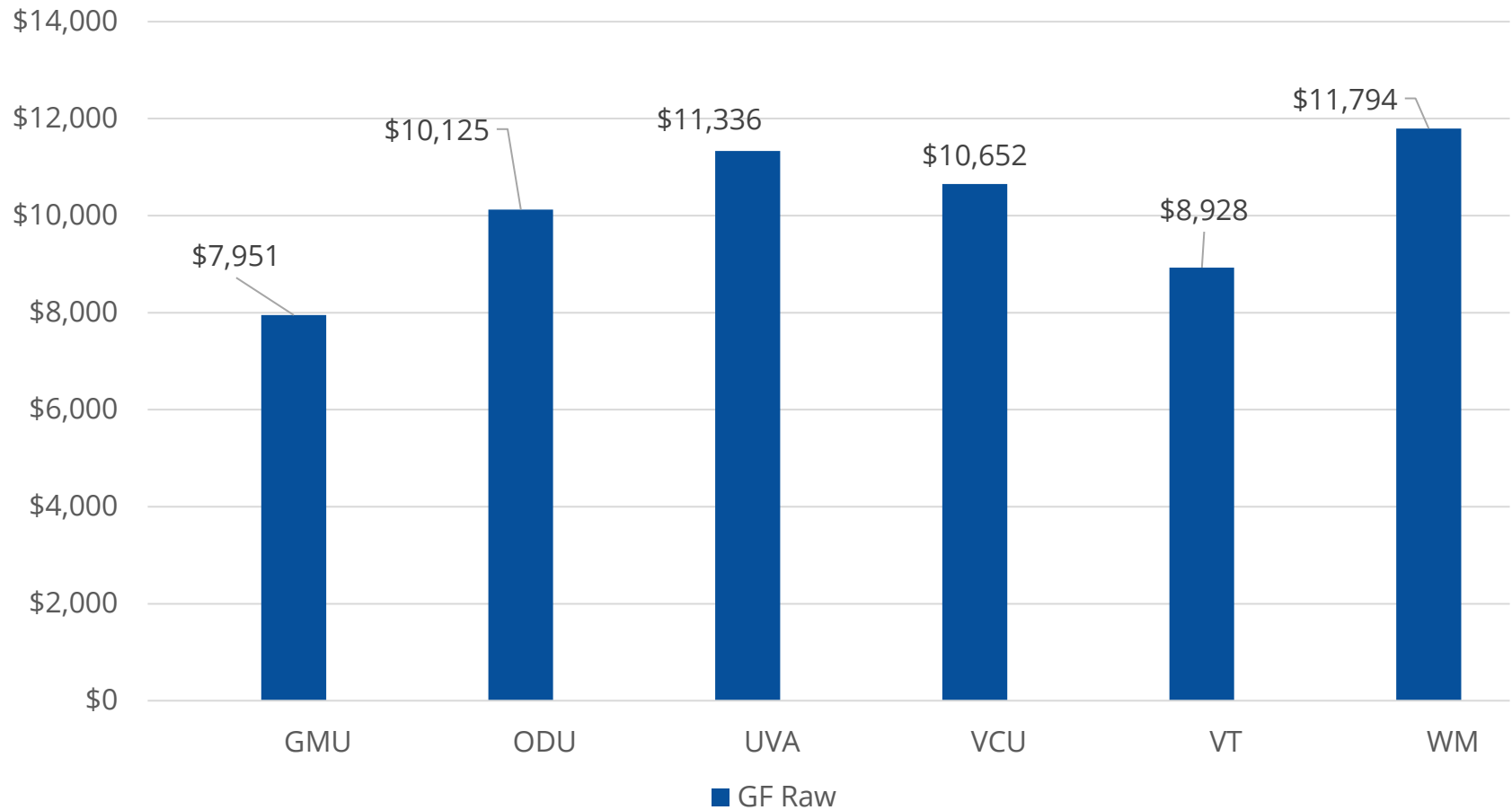
DOCTORAL FUNDING



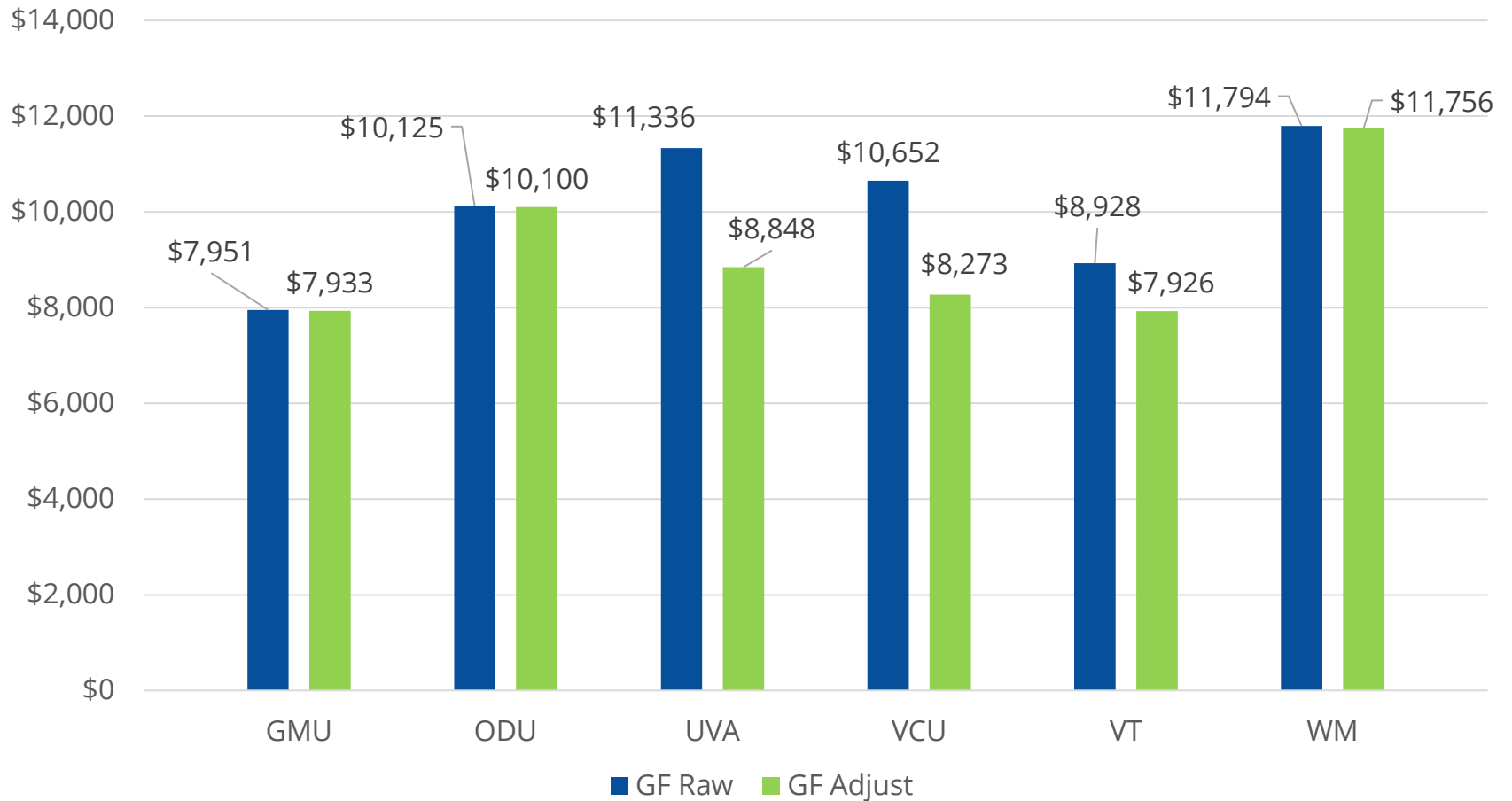
BACKGROUND

- Recent budget requests typically only look at the general fund share
- GF & NGF funding are combined into higher education operating at the start of each fiscal year
- FY 2023 data is the most recent full year available
- Total E & G general fund for FY 23 adjusted for:
 - 1st professional programs with separate program codes (Dentistry, Medicine, Vet Medicine)
 - Specific general fund allocations for research & public service
- Nongeneral fund revenues are based on institution reported amounts for FY 23 in the most recent six-year plan

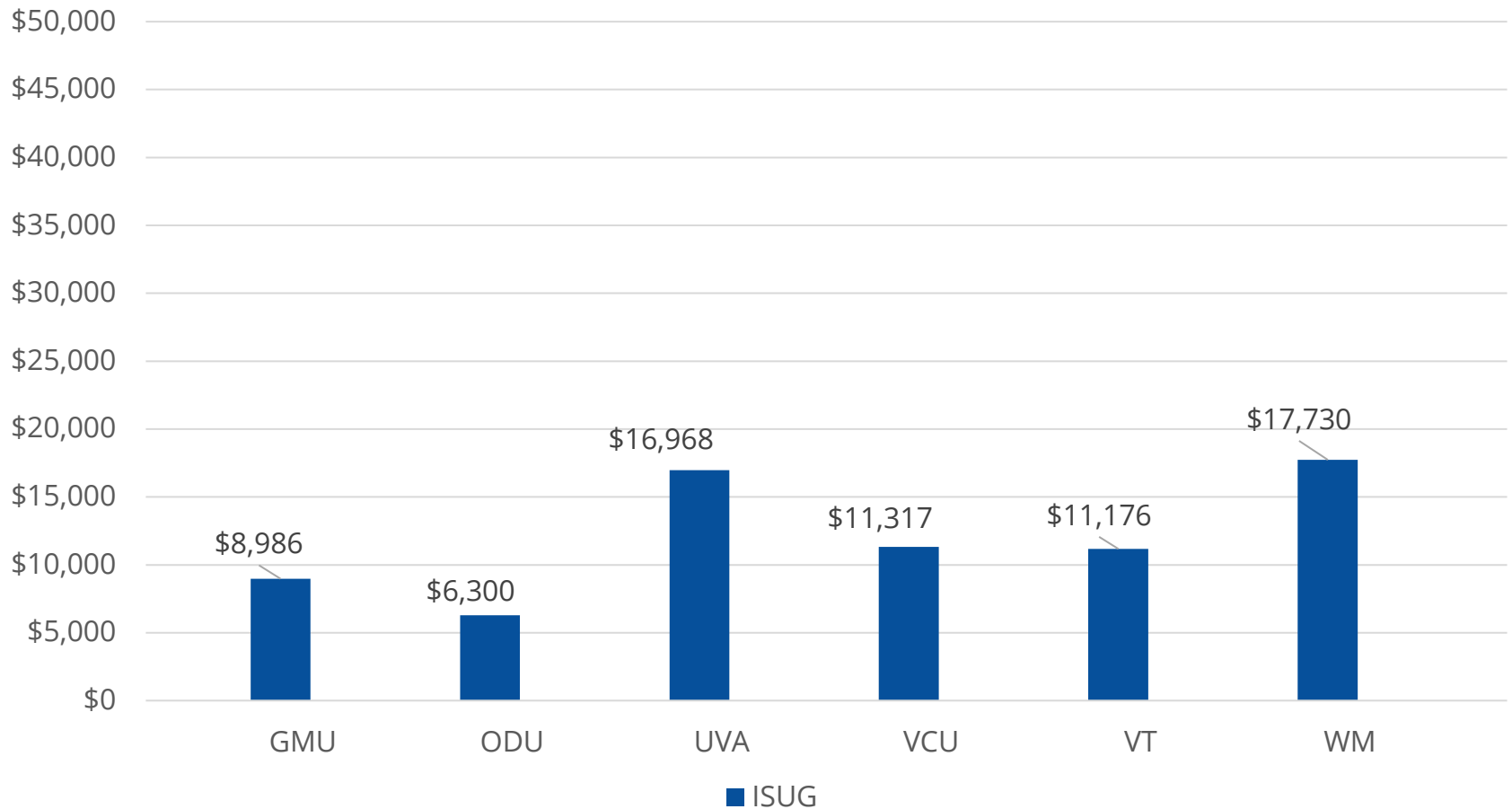
GENERAL FUND SUPPORT



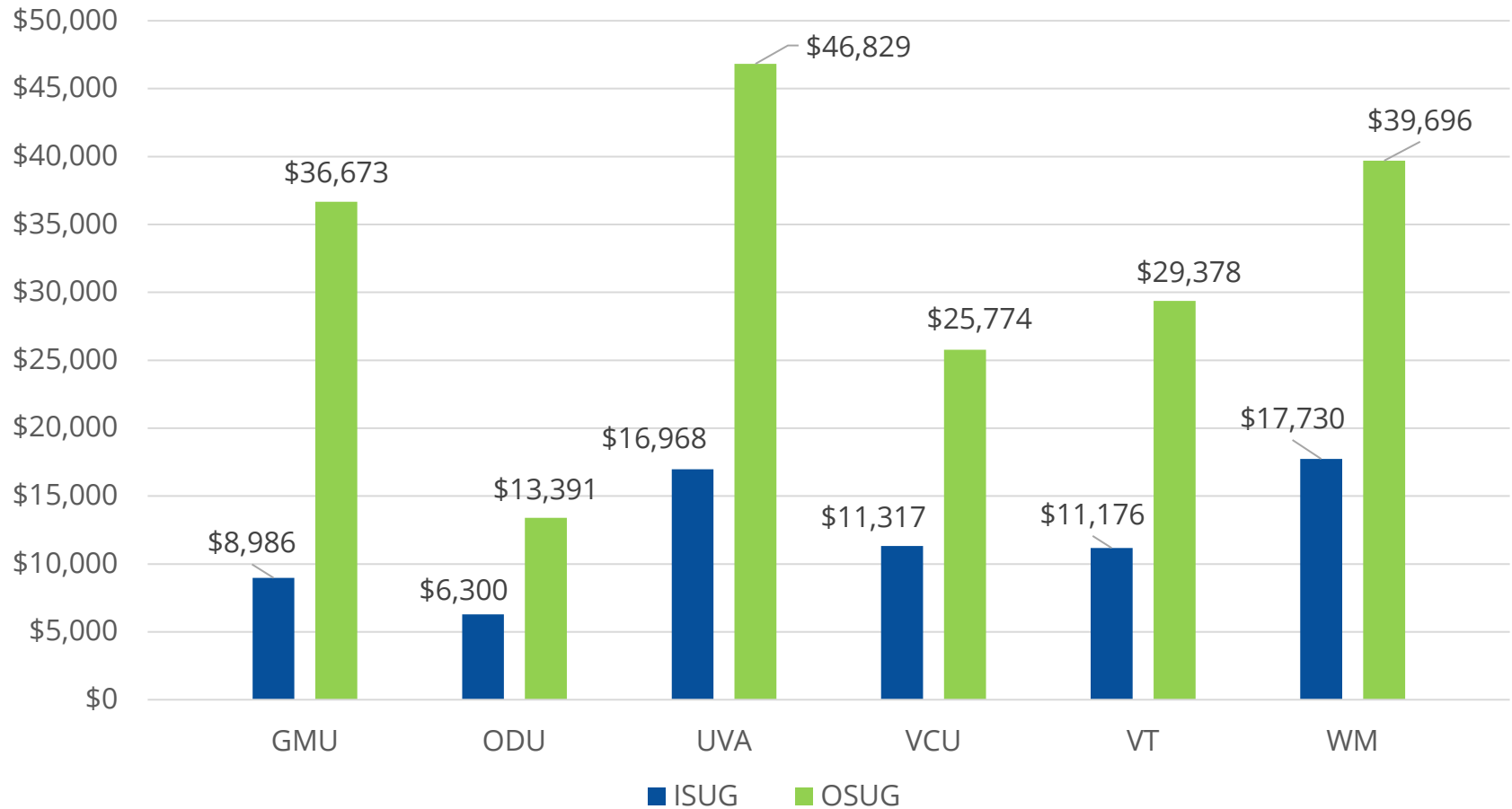
GENERAL FUND SUPPORT



NONGENERAL FUND SUPPORT



NONGENERAL FUND SUPPORT



USE OF TUITION FOR FINANCIAL AID

Institution	ISUG NGF	Amount for Fin Aid	% of Tuition	% ISUG with Need
GMU	\$ 188,483,012	\$ 3,048,952	1.6%	58.3%
ODU	90,787,202	5,901,168	6.5%	60.8%
UVA	197,520,859	45,658,894	23.1%	36.3%
VCU	202,090,529	42,551,337	21.1%	62.6%
VT	235,592,237	12,180,556	5.2%	41.1%
WM	76,397,784	13,634,400	17.8%	40.9%

POLICY QUESTIONS

- Should examination of funding take into account an institution's ability to generate significant the nongeneral fund revenues?
- What form should additional general fund take?
 - Operating support only
 - Tuition reduction
 - Financial aid to reduce reliance on tuition for aid
- Do we need to examine cross-subsidies in the institution before allocating new GF?
 - Do undergraduate programs subsidize other institution activities and to what degree?
 - Financial aid
 - Graduate & 1st Professional programs
 - Research
 - Do we need more transparency in funding requests to identify where dollars are actually needed / going?