

Virginia Commonwealth University (VCU)

Preliminary Analysis of Conference Report on the Budget

<u>Introduced Budget</u>	<u>House Amendments</u>	<u>Senate Amendments</u>	<u>Conference Report</u>
<u>Compensation</u>			
1. Faculty Eliminated funding in each year for a salary increase.	No change	No change	No change
2. Classified Staff Eliminated funding in each year for a salary increase.	No change	No change	No change
<u>Operating Budget</u>			
1. Budget Reductions Reduced FY 09 General Fund support by \$10.1 million.	No change	No change	No change
Reduced FY 10 General Fund support by \$30.4 million.	Provided \$4.3 million in FY 2010 to reduce proposed cuts	No change	Restores \$20.5 million in additional cuts proposed in FY 10, using a portion of the federal stimulus funding.
2. Student Financial Assistance Provided \$4.3 million from the state for need-based financial assistance.	Eliminated \$4.3 million in new funding for student financial aid.	Increased student financial aid funding by \$516,847.	Provides \$1.7 million for need-based financial assistance - an increase of 8.5 percent.
3. Research Initiative Research cuts are included in total reductions noted above.	No change	No change	No change

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4. Higher Education Equipment Trust Fund No change recommended to the existing \$8.1 million in new equipment the first year and \$8.8 million the second year.	No change	No change	No change
5. Financial Incentives under Restructuring Provides \$13.3 million in financial incentives for the institutions of higher education which will be certified next June as having met the state's expectations under the Higher Education Restructuring Act.	Reduced incentive funding by \$5.0 million with the notation that it would "fund interest earnings per current rates."	No change	Reduced incentive funding by \$5.0 million in general funds in FY 10, to reflect a projection of lower interest rates in FY 10.
6. Autism Services Transfers Autism funding to the Department of Mental Health, Mental Retardation, and Substance Abuse Services.	No change	No change	No change
7. Tuition Incentive Fund Eliminated funding (\$17.5 million) for the Tuition Moderation Incentive Fund in FY 2010.	No change	No change	No change

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8. Capital Fee for Out-of-State Students No proposal	No proposal	Increased the capital fee for out-of-state students from \$2.00 to \$6.00 per credit hour. For VCU assumes an increase from \$289,108 to \$867,324. which would be paid to the state for debt service.	Increases the capital fee for out-of-state students from \$2.00 to \$10.00 per credit hour. For VCU, it assumes an increase from \$289,108 to \$1,237,060, to be paid to the state for debt service.
9. Eminent Scholars Eliminates the \$6.0 million appropriation for Eminent Scholars in Fey 2010. VCU's allocation under the existing allocation formula would have been \$346,793.	No change	Restored \$4.0 million for Eminent Scholars in FY 2010. VCU's allocation under the existing allocation formula at two-thirds would be \$231,195.	Restores \$4.0 million for Eminent Scholars in FY 2010. VCU's allocation under the existing formula at two-thirds would be \$231,195.
10. Medicaid Funding to the VCU Health System Includes a total reduction of \$1.9 million for the VCU Health System in FY 2009, and an additional reduction of \$3.4 million for FY2010, for a cumulative total reduction of \$5.2 million in FY 2010. This is related to Medicaid allowable inflation in FY 2009 being limited to 2 percent, and in FY 2010 to zero percent.	No change	Above the introduced budget -- includes an additional 3 percent reduction to reimbursements to teaching hospitals for a savings and a 3 percent reduction to reimbursements to physicians	No change

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11. Tuition Limits/Reporting Requirements

Includes language saying that the federal stimulus funding is intended to mitigate tuition increases for in-state students, and that the Governor and General Assembly will review actions of Boards of Visitors.

Capital Outlay

Authorizes the use of University resources and the issuance of University-backed debt for the following existing projects:

School of Medicine, Phase I (\$58.4 million)	No change	No change	No change
Massey Cancer Center Lab (\$5.0 million)	No change	No change	No change
West Grace Street Parking Deck (\$12.6 million)	No change	No change	No change