

UNIVERSITY OF MARY WASHINGTON (UMW)
Preliminary Analysis of Conference Committee Budget Amendments
HB 1500 and SB 800
February 27, 2011

Introduced Budget	House Amendments	Senate Amendments	Conference Report
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A. Compensation

1. Retirement Contributions - VRS

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| <ul style="list-style-type: none"> - Requires all VRS employees to contribute 5% of salary in place of employer contributions. - Captures nongeneral funds savings associated with the reduction in the employer contribution. | <ul style="list-style-type: none"> - No change to introduced budget. - Allows nongeneral fund savings to be retained by agencies and institutions. | <ul style="list-style-type: none"> - Eliminates the 5% contribution requirement contained in the introduced bill. - No related action. | <ul style="list-style-type: none"> - Requires all VRS employees to contribute 5% of salary in place of employer contributions. - Allows nongeneral fund savings to be retained by agencies and institutions. |
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2. Retirement Contributions - ORP

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| <ul style="list-style-type: none"> - Reduces the employer ORP contribution from 10.4% of compensation to 8.5%. | <ul style="list-style-type: none"> - Holds the employer contribution rate at 10.4%. | <ul style="list-style-type: none"> - Holds the employer contribution rate at 10.4%. | <ul style="list-style-type: none"> - Holds the employer contribution rate at 10.4%. |
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3. Optional VRS Retirement Plan

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| <ul style="list-style-type: none"> - No similar action. | <ul style="list-style-type: none"> - Establishes an optional defined contribution retirement plan administered by VRS. | <ul style="list-style-type: none"> - No similar action. | <ul style="list-style-type: none"> - No action. |
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4. Salary Increase

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| <ul style="list-style-type: none"> - Recommends a 3% permanent salary increase for all VRS employees effective July 1, 2011. No increase for ORP employees. | <ul style="list-style-type: none"> - Recommends a 5% permanent salary increase for all VRS employees effective June 25, 2011. | <ul style="list-style-type: none"> - Eliminates 3% salary increase for VRS employees. | <ul style="list-style-type: none"> - Provides a 5% permanent salary increase for all VRS employees effective June 25, 2011. |
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5. Employee Bonus

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| <ul style="list-style-type: none"> - Provides for a 2% bonus for all employees on December 1, 2011, contingent upon the state ending the FY2011 fiscal year with a general fund balance exceeding twice the general fund cost of the bonus. | <ul style="list-style-type: none"> - No change. | <ul style="list-style-type: none"> - Eliminates 2% bonus. | <ul style="list-style-type: none"> - No provisions for a bonus. |
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B. Operating Budget

1. Higher Education Performance & Innovation Pool

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| <ul style="list-style-type: none"> - Establishes \$50 million pool to be allocated on a competitive basis for enrollment, retention, graduation, STEM, financial aid, on-line courses, and classroom technology. | <ul style="list-style-type: none"> - Eliminates the \$50 million pool and reallocates directly to institutional budgets. For UMW, the recommended allocation is \$1,856,000. | <ul style="list-style-type: none"> - Eliminates all but \$3.1 million of the \$50 million pool and reallocates to institutions in central accounts. The allocation for UMW totals \$765,069. The remaining \$3.1 million is set aside to enhance on-line course availability and will be distributed on a competitive basis. | <ul style="list-style-type: none"> - Eliminates the \$50 million pool and reallocates to institutional budgets. For UMW, an increase of \$1,532,235 in general funds. Of this total, \$147,529 is allocated for student financial aid for in-state, undergraduates. |
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2. Dahlgren Education and Research Center

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- Recommends \$1.0 million increase in general funds for FY12. Also, establishes a separate state program outside of E&G to record funding and expenses.	- No change.	- No change.	- No change.
3. <u>ARRA Funding Adjustment</u>			
- Recommends additional allocation of federal stimulus funding to UMW of \$77,439 for FY11.	- No change.	- No change.	- No change.
4. <u>Higher Education Reduction Pool</u>			
- Maintains higher education reduction pool of \$10 million in FY12 as adopted by the 2010 General Assembly. Institutional allocations are not identified.	- No change.	- Eliminates \$10 million reduction pool.	- Maintains higher education reduction pool of \$10 million in FY12. Institutional allocations to be determined.
5. <u>Virginia Research & Technology Investment Fund</u>			
- Allocates \$25 million to be used for grants or loans to support innovation and commercialization of research and to increase applied technology research capabilities of institutions.	- Reduces Investment Fund to \$10 million, with \$15 million allocated directly to institutional budgets as indicated in B.1 above.	- Eliminates Research & Technology Investment Fund and allocates \$10 million to establish the Commonwealth Research Commercialization Fund.	- Eliminates Research & Technology Investment Fund and allocates \$10 million to establish the Commonwealth Research Commercialization Fund.
6. <u>Other Revenue Adjustments</u>			
- Restores higher education restructuring allocations for interest earned on tuition and fees and credit card rebates. The estimated allocation for UMW is \$135,000 annually.	- No change.	- No change.	- No change.
7. <u>Out-of-State Capital Outlay Fee</u>			
- No action.	- Recalculates each institution's revenue requirement based on updated out-of-state student credit hours.	- No change.	- Reduces UMW's requirement by \$49,485, from \$422,985 in FY11 to \$373,500 in FY12.
8. <u>Higher Education Equipment Trust Fund (HEETF)</u>			
- Reduces UMW's annual allocation from \$631,660 in FY10 to \$528,58. Funding is contingent upon the state's debt capacity.	- No change.	- No change.	- No change.

C. Other

1. SCHEV Peer Group Selection

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<ul style="list-style-type: none"> - No similar action. 	<ul style="list-style-type: none"> - Requires SCHEV to review and update peer groups giving consideration to (1) the impact of cost of living indices and (2) changes in enrollment patterns where the percentage of graduate degrees conferred has increased by more than 10 percentage points between 1997 and 2007. SCHEV is to report its findings no later than September 1, 2011. 	<ul style="list-style-type: none"> - Requires SCHEV to review and update peer groups giving consideration to (1) the impact of cost of living indices and (2) changes in enrollment patterns where the percentage of graduate degrees conferred has increased by more than 10 percentage points between 1997 and 2007. SCHEV is to report its findings no later than September 1, 2011. 	<ul style="list-style-type: none"> - Requires SCHEV to review and update peer groups giving consideration to (1) the impact of cost of living indices for those <u>institutions that currently receive a state-approved cost of living adjustment</u> or (2) changes in enrollment patterns where the percentage of graduate degrees conferred has increased by more than 10 percentage points between 1997 and 2007. SCHEV is to report its findings no later than September 1, 2011.

D. Capital Outlay

1. Maintenance Reserve

- Allocates \$562,604 to UMW in FY12, contingent upon the Commonwealth's debt capacity.

- No change.

- No change.

- No change.

2. Dahlgren Education and Research Center

- Provides \$4.5 million for equipment, contingent upon the Commonwealth's debt capacity.

- No change.

- No change.

- No change.

3. Convergence Center

- Identifies this project as potentially eligible for funding assuming sufficient debt capacity.

- No change.

- No change.

- No change.

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4. <u>New Student Center / Dining Hall</u>			
- Authorizes additional UMW debt of \$45.0 million to renovate or construct a new Student Center / Dining Hall facility.	- No change.	- No change.	- No change.
- Also, language is included authorizing UMW to enter into a written agreement with a public or private entity to finance, design, construct, demolish or renovate a facility or facilities for a dining and student center on its campus. Such agreement(s) may include a short-term ground lease to a private entity during a period of demolition and construction and the use of 9(d) revenue bond proceeds to purchase a newly constructed or renovated facility from a private entity. <i>(Governor's amendment)</i>	- No change.	- No change.	- No change.
5. <u>Land Acquisition</u>			
- Authorizes UMW to allocate up to \$5.0 million for the acquisition of property adjacent to the campus and consistent with the Master Plan. <i>(Governor's amendment)</i>	- No change.	- No change.	- No change.