

**University of Mary Washington**  
**Highlights of the Governor's Proposed 2008-10 Biennial Budget**  
**and 2007-08 Budget Amendments**  
**December 17, 2007**

Governor Kaine presented his 2008-10 biennial budget and amendments to the 2007-08 budget in a joint meeting of the Senate Finance Committee, the House Appropriations Committee, and the House Finance Committee on December 17, 2007.

A summary of the key components related to higher education and the University of Mary Washington is presented below. More detailed information on the Governor's budget may be found at: <http://www.dpb.state.va.us/>

**Operating Budget**

- **Salary increases for faculty and classified employees:** For faculty, the introduced budget includes an average three percent salary increase for instructional faculty, administrative faculty, and part-time faculty.

For classified employees, the introduced budget includes a three percent salary increase for employees with a "contributor" or higher rating on their latest performance evaluation.

The salary increases for faculty and classified employees are effective July 1, 2009.

- **Continuation of 2007-08 budget reductions:** The Governor's budget continues UMW's 2007-08 general fund budget reduction of \$1,463,234 in each year of the 2008-10 biennium.
- **Base adequacy:** The Governor's budget includes additional state support for higher education of \$22.1 million in each year to address base adequacy funding needs (core operating requirements). UMW's recommended base adequacy allocation is \$299,714 in each year of the biennium.

In a change from current state funding practices, the Governor's budget assumes that operation and maintenance costs for new facilities coming on-line will be supported within each institution's base adequacy allocation. In prior years, these costs were funded outside of the base adequacy recommendations. UMW's 2008-10 state budget request included additional general fund support of \$71,400 in 2008-09 and \$122,400 in 2009-10 for new space in Lee Hall. These general fund amounts are now assumed to be included in the funding recommendation for base adequacy.

- **Student financial assistance:** Additional state funding for UMW of \$92,624 is recommended for need-based student aid. These funds are in addition to UMW's 2007-08 base funding level of \$1,319,591.

*See Table 1 for a summary of recommended general fund changes in E&G programs for all institutions.*

- **Higher Education Equipment Trust Fund (HEETF):** The Governor's 2008-10 budget includes a total of \$57.9 million each year for purchase of equipment through the HEETF

program. UMW's allocation is \$631,660 in each year of the 2008-10 biennium compared to a 2007-08 allocation of \$635,223.

*See Table 2 for a summary of HEETF recommendations for all institutions.*

- **Eminent Scholars:** The Governor's 2008-10 budget includes a general fund reduction of \$251,102 for the Eminent Scholars program as funded through the State Council of Higher Education for Virginia. The 2007-08 base funding level for the Eminent Scholars program is \$6.3 million. UMW's 2007-08 allocation is \$53,075.
- **Interest earnings and credit card rebates:** The Governor's 2008-10 budget includes a central pool of \$15.1 million in 2008-09 to allocate to higher education institutions for interest earned on tuition and fees and other E&G nongeneral fund revenues. In 2007-08, UMW received \$62,416 in E&G interest earnings.

The Governor's 2008-10 budget also includes a central pool of \$1.6 million to allocate to higher education institutions for rebates paid to the Commonwealth on credit card purchases not exceeding \$5,000. In 2007-08, UMW's rebate was \$63,238.

Allocations for these items are contingent upon certification by the State Council of Higher Education for Virginia (SCHEV) that the institution has achieved all performance benchmarks under the Higher Education Restructuring Act.

### Capital Outlay

- **Maintenance reserve:** The Governor's budget recommendations include an additional \$50 million statewide for maintenance reserve projects in 2007-08, contingent upon state revenue collections. For UMW, general fund support of \$428,594 is recommended. This is in addition to UMW's current 2007-08 maintenance reserve allocation of \$605,444. *See Table 3 for a summary of maintenance reserve recommendations for all institutions.*

For 2008-10, the Governor's budget does not include any maintenance reserve funding in 2008-09. For 2009-10, an additional \$428,594 is recommended for UMW for maintenance reserve projects.

**General obligation bond bill:** The Governor's 2008-10 recommendations include a \$1.5 billion bond bill for critical capital outlay projects in higher education. For UMW, \$23.0 million is recommended to construct a Dahlgren Campus and \$7.1 million is included for construction of an addition to the Jepson Science Center.

**Other capital outlay:** Other capital outlay recommendations for UMW are summarized below:

Project	Amount	Source
Monroe Hall renovations - equipment	\$1,500,000	Bond proceeds
Lee Hall renovations – equipment	\$750,000	Bond proceeds
Convocation Center – equipment	\$2,000,000	Bond proceeds
Academic building renovations - equipment	\$1,000,000	Bond proceeds

**TABLE 1**

**University of Mary Washington  
Summary of General Fund Budget Adjustments - E&G Programs  
Governor's 2008-10 Introduced Budget**

	<u>Base Adequacy</u>	<u>Operation &amp; Maintenance*</u>	<u>Institution Specific</u>	<u>Total E&amp;G</u>	<u>Student Financial Assistance</u>	<u>Total E&amp;G and Student Aid</u>
George Mason University	\$1,829,745	-	-	\$1,829,745	\$1,016,110	\$2,845,855
Old Dominion University	1,563,203	54,889	-	1,618,092	1,082,819	2,700,911
University of Virginia	1,905,661	847,214	-	2,752,875	70,094	2,822,969
Virginia Commonwealth University	4,848,334	460,628	100,000	5,408,962	1,527,170	6,936,132
Virginia Tech	3,558,666	-	-	3,558,666	408,268	3,966,934
College of William and Mary	559,052	500,096	-	1,059,148	74,059	1,133,207
Christopher Newport University	344,847	-	-	344,847	161,414	506,261
University of Virginia - Wise	131,935	-	-	131,935	118,984	250,919
James Madison University	978,562	271,152	-	1,249,714	376,269	1,625,983
Longwood University	380,114	-	-	380,114	181,130	561,244
<b>University of Mary Washington</b>	<b>299,714</b>	<b>-</b>	<b>-</b>	<b>299,714</b>	<b>92,624</b>	<b>392,338</b>
Norfolk State University	314,995	-	-	314,995	372,696	687,691
Radford University	628,056	-	(100,000)	528,056	474,538	1,002,594
Virginia Military Institute	85,671	15,396	-	101,067	4,994	106,061
Virginia State University	253,089	-	-	253,089	537,073	790,162
Richard Bland College	53,563	-	258,527	312,090	15,538	327,628
Virginia Community College System	4,406,149	-	1,848,273	6,254,422	2,594,461	8,848,883
Virginia Institute of Marine Sciences	-	-	175,000	175,000	83,527	258,527
<b>Total</b>	<b>\$22,141,356</b>	<b>\$2,149,375</b>	<b>\$2,281,800</b>	<b>\$26,572,531</b>	<b>\$9,191,768</b>	<b>\$35,764,299</b>

\*Reflects annualization of FY08 funding for new facilities. New facilities coming on-line in 2008-10 are presumed to be supported within the funding provided for base adequacy.

**TABLE 2**

**University of Mary Washington  
Higher Education Equipment Trust Fund (HEETF) Allocations  
Governor's 2008-10 Introduced Budget**

	<u>2008-09</u>	<u>2009-10</u>
George Mason University	\$3,552,022	\$3,552,022
Old Dominion University	4,019,999	4,019,999
University of Virginia	9,895,276	9,895,276
Virginia Commonwealth University	8,063,825	8,063,825
Virginia Tech	8,824,269	8,824,269
College of William and Mary	2,002,343	2,002,343
Christopher Newport University	634,664	634,664
University of Virginia - Wise	244,009	244,009
James Madison University	2,150,454	2,150,454
Longwood University	661,346	661,346
University of Mary Washington	631,660	631,660
Norfolk State University	1,176,585	1,176,585
Radford University	1,500,576	1,500,576
Virginia Military Institute	711,050	711,050
Virginia State University	1,215,230	1,215,230
Richard Bland College	134,192	134,192
Virginia Community College System	11,590,719	11,590,719
Virginia Institute of Marine Sciences	588,097	588,097
Institute for Advanced Learning Research	146,003	146,003
Roanoke Higher Education Authority	62,570	62,570
Southern Virginia Higher Education Center	30,013	30,013
Southwest Virginia Higher Education Center	64,575	64,575
Total	<u>\$57,899,477</u>	<u>\$57,899,477</u>

**TABLE 3**

**University of Mary Washington  
Maintenance Reserve Recommendations  
Governor's 2007-08 Proposed Amendments  
and 2008-10 Introduced Budget**

	2007-08*	2008-09	2009-10
George Mason University	\$2,230,437	-	\$2,230,437
Old Dominion University	1,280,578	-	1,280,578
University of Virginia	4,988,466	-	4,988,466
Virginia Commonwealth University	3,428,265	-	3,428,265
Virginia Tech	5,813,805	-	5,813,805
College of William and Mary	1,673,512	-	1,673,512
Christopher Newport University	406,836	-	406,836
University of Virginia - Wise	264,120	-	264,120
James Madison University	1,734,001	-	1,734,001
Longwood University	925,357	-	925,357
University of Mary Washington	428,594	-	428,594
Norfolk State University	2,907,245	-	2,907,245
Radford University	659,665	-	659,665
Virginia Military Institute	820,273	-	820,273
Virginia State University	2,467,426	-	2,467,426
Richard Bland College	53,583	-	53,583
Virginia Community College System	4,882,328	-	4,882,328
Virginia Institute of Marine Sciences	283,712	-	283,712
Southwest Virginia Higher Education Center	44,932	-	44,932
<b>Total</b>	<b>\$35,293,135</b>	<b>-</b>	<b>\$35,293,135</b>

\*Contingent upon state revenue collections. Funds would be allocated no earlier than May 15, 2008.