

UNIVERSITY OF MARY WASHINGTON (UMW)
Preliminary Analysis of House and Senate Budget Amendments
HB 1500 and SB 800
February 6, 2011

Introduced Budget	House Amendments	Senate Amendments
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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. |
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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%. |
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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. |
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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. |
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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. |
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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. For UMW, allocations include \$434,948 for base adequacy, \$224,672 for operating costs for new space and \$105,449 for need based student aid for Virginia students. |
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		The remaining \$3.1 million is set aside to enhance on-line course availability and will be distributed on a competitive basis.
2. <u>Dahlgren Education and Research Center</u>		
- 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.
3. <u>ARRA Funding Adjustment</u>		
- Recommends additional allocation of federal stimulus funding to UMW of \$77,439 for FY11.	- 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.
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.
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.
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. Reduces UMW's requirement by \$49,485 in FY12.	- No change.

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8. <u>Higher Education Equipment Trust Fund (HEETF)</u>		
- Reduces UMW's annual allocation from \$631,660 in FY10 to \$528,581 in each year of the 2010-12 biennium, contingent upon the Commonwealth's debt capacity.	- No change.	- No change.
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C. Capital Outlay		
1. <u>Maintenance Reserve</u>		
- Allocates \$562,604 to UMW in FY12, contingent upon the Commonwealth's debt capacity.	- No change.	- No change.
2. <u>Dahlgren Education and Research Center</u>		
- Provides \$4.5 million for equipment, contingent upon the Commonwealth's debt capacity.	- No change.	- No change.
3. <u>Convergence Center</u>		
- Identifies this project as potentially eligible for funding assuming sufficient debt capacity.	- No change.	- No change.
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. <i>(Governor's amendment)</i>	- 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.