

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
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**HB/SB29 -- Caboose Bill (2012-14 Appropriation Act)**

<b>OTHER</b>		
	Proposes to recapture the entire \$800,000 excess balance/uncommitted GF allocation from the College Partnership Lab Schools program.	Proposes to recapture the entire \$800,000 excess balance/uncommitted GF allocation from the College Partnership Lab Schools program.
<b>CAPITAL</b>		
	Authorizes the renovation of Gilmer Hall and the Chemistry Building to proceed to detailed planning. UVa can use NGF, which will be reimbursed upon approval of construction funding for the project.	Authorizes the renovation of Gilmer Hall and the Chemistry Building to proceed to detailed planning. UVa can use NGF, which will be reimbursed upon approval of construction funding for the project.
<b>WISE</b>		
		Adds language to clarify that the Graduate Medical Education Consortium operated in Southwest Virginia is a program at UVa-Wise, which ensures that funding included in the current appropriation act is provided to the program.

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
<p><b>HB/SB30 -- 2014-16 Appropriation Act</b>  <b>Academic Division:</b></p>		
<p><b>COMPENSATION</b></p>		
<p>Proposes a December 2014 one-time bonus (tied to savings) up to 2% for employees who <i>meet</i> expectations and up to 1% additional for employees who <i>exceed</i> expectations.</p>	<p>Contingent on the availability of a revenue reserve that is not needed to address a revenue shortfall, authorizes a December 2014 targeted salary increases for specific state government positions with high turnover and a 2% bonus on July 1, 2015 for state employees not receiving a specific salary adjustment. If revenue provisions are not met and the 2% bonus is not implemented, HE institutions can keep the GF share of the bonus to support operations.</p> <p>Directly appropriates \$1,412,604 GF to UVa in FY16 for a 2% faculty bonus. Funds are part of UVa's Access and Affordability package.</p> <p>Directly appropriates \$1,068,558 GF to UVa in FY16 for a 2% staff bonus. Funds are part of UVa's Access and Affordability package.</p>	<p>Redirects funding from projected enrollment growth and degree incentives to fund a 1% salary increase effective December 10, 2014 and a 1% bonus on December 1, 2015 for faculty and HE classified employees.</p> <p>Directly appropriates \$463,666 GF to UVa in FY15 for the 1% faculty salary increase and \$1,767,942 GF in FY16 for the 1% faculty bonus.</p> <p>Funding for the FY15 1% staff salary increase and FY16 1% staff bonus is appropriated centrally.</p>
<p><b>TJ 21</b></p>		
<p>Provides \$2,071,443 GF for UVa in each year of the biennium for degree incentives.</p>	<p>Provides \$0 GF for UVa in the biennium for degree incentives. Governor's proposed funding redirected into Access and Affordability packages.</p>	<p>Provides \$517,861 GF to UVa in FY15 for degree incentives and \$1,344,367 GF in FY16.</p>
<p>Provides \$1,095,137 GF for UVa in each year of the biennium for enrollment growth. Funding based on TAG grant of \$3,300 per student.</p>	<p>Provides \$860,000 GF in each year of the biennium for enrollment growth. Funds are part of UVa's Access and Affordability package. Eliminates language from UVa's appropriation that \$691,207 GF in each year of the biennium is designated to continue the increase in access for in-state UG students begun in the 2011 session.</p>	<p>Provides \$0 GF to UVa for enrollment growth during the biennium.</p>

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
	<p>Repackaged Governor’s proposed funding for degree incentives, enrollment growth, and financial aid into Access and Affordability packages. For UVa, redirects from the Governor’s budget a biennial total of \$6,813,160 operating GF (comprised of \$4,142,886 for degree incentives, \$2,190,274 for enrollment growth, \$259,000 for Higher Ed Procurement Cooperative, and \$221,000 for Veterans Consortium) and \$200,000 undergraduate financial aid GF. Provides UVa with a new biennial GF package totaling \$5,956,418 (comprised of \$1,720,000 for enrollment growth, \$1,755,256 for O&amp;M of new buildings, \$1,412,604 for FY16 2% faculty bonus, and \$1,068,558 for FY16 2% staff bonus).</p>	
<b>RESEARCH</b>		
<p>Provides \$1M GF to UVa for Focused Ultrasound Surgery Foundation in each year of the biennium.</p> <p>Provides \$1M GF to UVa for cancer research in each year of the biennium.</p>	<p>Provides \$1M GF to UVa for Focused Ultrasound Surgery Foundation in each year of the biennium.</p> <p>Provides \$1M GF to UVa for cancer research in each year of the biennium.</p> <p>Provides \$1M GF to UVa in each year of the biennium for the UVa Economic Development Accelerator.</p> <p>Amends UVa’s research appropriation language to change Focused Ultrasound Surgery Foundation to Focused Ultrasound Center (per UVa’s request).</p>	<p>Provides \$1M GF to UVa for Focused Ultrasound Surgery Foundation in each year of the biennium.</p> <p>Provides \$1M GF to UVa for cancer research in each year of the biennium.</p> <p>Amends UVa’s research appropriation language to change Focused Ultrasound Surgery Foundation to Focused Ultrasound Center (per UVa’s request).</p>

## Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014

Governor	House	Senate
	Provides additional \$2.7M to UVA in FY15 for the HEETF research allocation (in response to UVA's request for equipment start-up packages).	Provides additional \$2,559,632 to UVA in each year of the biennium for the HEETF research allocation (in response to UVA's request for equipment start-up packages).
<b>FINANCIAL AID</b>		
Provides \$100,000 GF to UVA for undergraduate financial aid in each year of the biennium.	Provides \$0 GF to UVA for undergraduate financial aid during the biennium. Governor's proposed funding redirected into Access and Affordability packages.	Provides \$209,000 GF to UVA in FY15 for undergraduate financial aid and \$277,000 GF in FY16.
Provides \$387,660 GF to UVA for graduate financial aid in each year of the biennium.	Same as Governor's budget.	Same as Governor's budget.
<b>OPERATING COSTS</b>		
Provides \$327,646 GF to UVA for employer health insurance premium increases in FY15 and \$341,891 in FY16.	Same as Governor's budget.	Same as Governor's budget.
	Provides \$861,733 GF to UVA in FY15 for O&M of new buildings and \$893,523 GF in FY16. Funds are part of UVA's Access and Affordability package.	
<b>VETERANS INITIATIVES</b>		
Provides \$46,000 GF to UVA in FY15 and \$175,000 GF in FY16 for Veterans Consortium (coordinated by SCHEV, between JMU, ODU, UVA, Virginia Tech, and VCCS).	Indicates that UVA may use up to \$46,000 in FY15 and \$175,000 in FY16 from its GF E&G appropriation for the Veterans Consortium but does not provide additional funds for it.	Same as Governor's budget.
<b>OTHER</b>		
Provides \$106,000 GF in FY15 and \$153,000 in FY16 to UVA for Virginia Higher Ed Procurement Cooperative.	Eliminates UVA's FY15 and FY16 GF and NGF allocation for Virginia Higher Ed Procurement Cooperative.	Eliminates UVA's FY15 and FY16 GF allocation for Virginia Higher Ed Procurement Cooperative. Does not address NGF component.
Requires UVA to re-allocate \$2,390,301 or 2% in existing E&G funding towards initiatives in TJ21. These reallocations are in addition to previous reallocations implemented in the 2012-14 biennium.	Requires UVA to reallocate up to 2% of its FY14 GF E&G appropriation to cover the NGF portion of a 2% faculty and staff bonus. Eliminates additional reallocation requirement language and TJ 21 language.	Eliminates Governor's additional reallocation requirement language and TJ 21 language.

## Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014

Governor	House	Senate
	Provides \$75,000 GF to the <b>Virginia Foundation for the Humanities</b> in each year of the biennium.	Allocates \$75,000 GF in FY16 to the <b>Virginia Foundation for the Humanities</b> .
	Authorizes continued operation of UVA's Hampton Roads Center.	Authorizes continued operation of UVA's Hampton Roads Center.
	Corrects the presidents' salary at UVA to reflect what is actually being paid.	Corrects the president's salary at UVA to reflect what is actually being paid.
<b>CAPITAL</b>		
Provides deferred maintenance funding of \$12,576,082 for the biennium. This represents a \$2,523,020 increase over funding in the 2012-14 biennium.	Recommends \$5M additional allocation for the maintenance reserve program. None of the additional funds are earmarked for UVA.	Recommends an additional \$13.5M in bonds in each year of the biennium for critical maintenance reserve projects. The amounts for individual institutions will be adjusted proportionately during final enrolling of the budget.
	Authorizes funding for the renovation of UVA research labs through the issuance of Virginia College Building Authority bonds. Amount not specified.	Authorizes funding for the renovation of UVA research labs through the issuance of Virginia College Building Authority bonds. Amount not specified.

### General:

Increases the VRS employer contribution rate from 8.76% to 12.33% for each year of the biennium.	Agrees with Governor's proposal. However, if sufficient funds exist in the GF revenue reserve, will apply reserve to increase FY16 rate to 15.8%.	Increases the VRS employer contribution rate from 8.76% to 12.33% for each year of the biennium.
Adds language that delineates the principles for providing funding to higher education institutions consistent with the funding elements identified under TJ21.	Eliminates the Governor's proposed language that delineates the HE funding principles, replacing it with language more focused on access and affordability.	Eliminates the new TJ21 language that delineates how funding should be provided to HE institutions.
Funds TAG at \$3,300 per student.	Provides an additional \$1M GF in each year of the biennium for the TAG.	Directs SCHEV to conduct a review of the TAG program regarding participation by institutions, the level of financial need of participating students, and alternative options for awarding future grants. Report due by November 1. Maintains TAG awards at \$3,100 per student.

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
Directs the Sec. of Health and Human Resources, in collaboration with the Virginia Dept. of Health, to examine and report on the effectiveness of existing incentive programs that are designed to attract nurses to underserved areas of Virginia. The report shall specifically include the Nursing Scholarship and Loan Repayment Program and recommendations to improve the program.		Directs the Sec. of Health and Human Resources, in collaboration with the Virginia Dept. of Health, to develop strategies to maximize the use of funding available for the Federal Loan Repayment Program in order to attract and retain primary care providers including medical, dental, and mental health professionals in federally-designated health professional shortage areas. Report due by October 1.
	Updates student financial aid language in general provisions to be consistent with SCHEV recommendations, including students with higher levels of remaining need receiving grants before other students.	Updates student financial aid language in general provisions to be consistent with SCHEV recommendations, including that funds derived from in-state students will not subsidize out-of-state students.
	Directs the Dept. of General Services to develop a timetable for the real-time integration of the statewide electronic procurement system (eVa) with the statewide financial management system (Cardinal).	Directs the Dept. of General Services to develop a timetable for the real-time integration of the statewide electronic procurement system (eVa) with the statewide financial management system (Cardinal).
	Eliminates all funding (\$600,000 GF in FY15) for the College Partnership Laboratory Schools initiative.	Eliminates all funding (\$600,000 GF in FY15) for the College Partnership Laboratory Schools initiative.
	Requires the development by October 1 of a standardized reporting format for intercollegiate <b>athletics</b> revenues and expenses, including treatment of student fees and classification of specific sports. HE institutions shall resubmit their FY12 reports using the new format by December 1.	Caps state GF used by HE institutions for individual <b>athletic coaching salaries</b> to \$100,000 as of July 1, 2013. Salaries above the cap will be phased down over a five-year period at 20% per year until reaching the cap.

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
	Adds language that allows the HE Level III Management Agreements adopted in 2009 to continue unless revisions or renegotiation is initiated by the Governor, General Assembly, or the four institutions governed by the agreements.	Adds language that allows the HE Level III Management Agreements adopted in 2009 to continue unless revisions or renegotiation is initiated by the Governor, General Assembly, or the four institutions governed by the agreements.
	Decreases the GF provided to the Innovation and Entrepreneurship Investment Authority (IEIA) for: broadband planning and assistance from \$1,048,253 to \$0 in each year of the biennium; modeling and simulation programmatic activities from \$770,000 to \$500,000 in each year of the biennium; cybersecurity programmatic activities from \$980,000 to \$480,000 in each year of the biennium	Decreases the GF provided to the Innovation and Entrepreneurship Investment Authority (IEIA) for: broadband planning and assistance from \$1,048,253 to \$548,253 in each year of the biennium; modeling and simulation programmatic activities from \$770,000 to \$500,000 in each year of the biennium; and cybersecurity programmatic activities from \$980,000 to \$500,000 in each year of the biennium.
	Directs SCHEV, in consultation with the Sec. of Education, DPB, HAC, SFC, and HE institutions, to evaluate the most effective use of instructional technologies such as MOOCs in providing low-cost, quality education leading to degrees and certifications. Report due by December 1.	
	Directs SCHEV, in consultation with the Sec. of Education, DPB, HAC, SFC, and HE institutions, to evaluate alternatives to the current faculty salary peer process, including the impact of cost of living indices, faculty rank and discipline mix, private institutions, and other comparative salary data.	

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
	Directs SCHEV, in collaboration with the Virginia Economic Development Partnership Authority and with the cooperation of UVa and VCU, to report by November 1 on the effectiveness of the business accelerator programs at UVa and VCU.	
	Reduces new funding for the Commonwealth Research and Commercialization Fund from \$4.8M to \$3M in each year of the biennium.	
	Recommends creation of the Advanced Manufacturing Advisory Council to provide industry-led technical advice on the myriad of requests from colleges and universities that intend to further the goals of advanced manufacturing workforce training. The Virginia Economic Development Partnership will receive a loan of \$25M to develop an Advanced Manufacturing Apprentice Academy Center and four regional Centers of Excellence. HE institutions should submit all operating and capital budget requests related to advanced manufacturing workforce training to the Council.	
	Modifies the wording requiring HE institutions to recover the full indirect cost of auxiliary enterprise programs “as determined by SCHEV.” Instead, will be as certified by the institution to the Comptroller, subject to annual audit by the Auditor of Public Accounts.	
		Provides \$292,000 additional GF in each year of the biennium for the Virginia Teaching Scholarship Loan Program, which is designed to attract top students into the teaching profession.



**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
		Directs SCHEV to update instructional and research planning guidelines during the biennium.
		Provides \$75,000 GF in FY15 to the Southwest Virginia Higher Ed Center and \$100,000 GF in FY16 for operating support.
		Enhances the Two-Year Transfer Grant Program by providing awards that are on average the difference between the public two-year and four-year costs for tuition and mandatory fees (\$5.4M biennial total).
		Provides \$1.0M GF in each year of the biennium for a licensure and certification initiative at the Virginia Community College System.
		Directs the Sec. of Finance to facilitate a working group consisting of the Chairmen of the House Committees on Finance and Appropriations and the Senate Committee on Finance to assess the strengths and limitations of the current timing of the biennial appropriations process. Report due by October 15.
		Directs the Sec. of Health and Human Resources, in conjunction with the Sec. of Education and SCHEV and other public and private partners, to evaluate state best practices for maximizing retention of its health professional school program graduates in post-graduate clinical training programs and practice settings. Report due by October 15.

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
		Directs the Sec. of Technology, Transportation, Education, and Public Safety to convene a work group that includes representatives from HE institutions to evaluate the current regulatory environment related to the use of unmanned systems in the Commonwealth. Report due by October 15.

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
<b>Medical Center:</b>		
Continues the budget reduction from the 2012-14 biennium for indigent care services paid to UVA and VCU academic health centers into FY15. The medical centers will still be paid the full federal share of their indigent care costs. All previous reductions (including hospital inflation) will be restored in FY16.	Restores \$9,350,040 GF in FY15 for Medicaid inflation adjustments for inpatient operating costs and graduate medical education at UVA and VCU. UVA to receive approximately 40%.	Restores \$4,675,020 in FY15 for Medicaid inflation adjustments for inpatient operating costs and graduate medical education for UVA and VCU. UVA to receive approximately 40%
Adds language giving the Medical Center the authority to determine compensation paid to its employees in accordance with policies established by the BOV.	Same as Governor's budget.	Same as Governor's budget.
	Adds language for DMAS to pay the state share of supplemental payments for qualifying private hospital partners of Type One hospitals and for UVA Medical Center to transfer funds to DMAS (per UVA Medical Center's request).	Adds language for DMAS to pay the state share of supplemental payments for qualifying private hospital partners of Type One hospitals and for UVA Medical Center to transfer funds to DMAS (per UVA Medical Center's request).
	Adds \$300,000 GF in each year of the biennium to restore current funding levels for the three poison control centers serving Virginia (operated by UVA, VCU, and the National Capital Poison Center).	Adds \$300,000 GF in each year of the biennium to restore current funding levels for the three poison control centers serving Virginia (operated by UVA, VCU, and the National Capital Poison Center).

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
<b>Wise:</b>		
<b>COMPENSATION</b>		
<p>Proposes a December 2014 one-time bonus (tied to savings) up to 2% for employees who <i>meet</i> expectations and up to 1% additional for employees who <i>exceed</i> expectations.</p>	<p>Contingent on the availability of a revenue reserve that is not needed to address a revenue shortfall, authorizes a December 2014 targeted salary increases for specific state government positions with high turnover and a 2% bonus on July 1, 2015 for state employees not receiving a specific salary adjustment. If revenue provisions are not met and the 2% bonus is not implemented, HE institutions can keep the GF share of the bonus to support the operation of their institutions.</p> <p>Directly appropriates Wise \$107,621 GF in FY16 for a 2% faculty bonus. Funds are part of Wise’s Access and Affordability package.</p> <p>Directly appropriates Wise \$59,954 GF in FY16 for a 2% staff bonus. Funds are part of Wise’s Access and Affordability package.</p>	<p>Redirects funding from projected enrollment growth and degree incentives to fund a 1% salary increase effective December 10, 2014 and a 1% bonus on December 1, 2015 for faculty and HE classified employees.</p> <p>Directly appropriates Wise \$35,858 GF in FY15 for a 1% faculty salary increase and \$136,571 GF in FY16 for a 1% faculty bonus in FY16.</p> <p>Funding for the FY15 1% staff salary increase and FY16 1% staff bonus is appropriated centrally.</p>
<b>TJ 21</b>		
	<p>Repackaged Governor’s proposed funding for degree incentives, enrollment growth, and financial aid into Access and Affordability packages. Redirects a biennial total of \$819,648 operating GF and \$700,000 financial aid GF from the Governor’s budget for Wise and provides \$1,115,982 GF in a new package for Wise.</p>	

**Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014**

Governor	House	Senate
Provides \$250,501 GF to Wise in each year of the biennium for degree incentives.	Provides \$101,846 GF to Wise in FY15 for degree incentives. A portion of Governor's proposed funding redirected into Access and Affordability packages.	Provides \$62,625 GF to Wise in FY15 for degree incentives and \$162,575 GF in FY16.
Provides \$74,912 GF to Wise in each year of the biennium for enrollment growth. Funding based on TAG grant of \$3,300 per student.	Provides \$0 GF to Wise for enrollment growth during the biennium. Governor's proposed funding redirected into Access and Affordability packages.	Provides \$0 GF to Wise for enrollment growth during the biennium.
	Provides \$300,000 GF to Wise in each year of the biennium for in-state UG tuition moderation. Indicates this is equivalent to about four percentage points. Funds are part of Wise's Access and Affordability package.	
<b>FINANCIAL AID</b>		
Provides \$100,000 GF to Wise in each year of the biennium for undergraduate financial aid.	Provides \$0 GF to Wise for undergraduate financial aid during the biennium. Governor's proposed funding redirected into Access and Affordability packages.	Provides \$110,000 GF to Wise in FY15 for undergraduate financial aid and \$137,000 GF in FY16.
As an institution-specific initiative, provides an additional \$250,000 GF to Wise for financial aid to support retention and graduation.	Provides \$0 GF to Wise for additional financial aid to support retention and graduation during the biennium. Governor's proposed funding redirected into Access and Affordability packages.	Same as Governor's budget.
<b>OPERATING COSTS</b>		
	Provides \$246,561 GF to Wise in FY16 for O&M of new buildings. Funds are part of Wise's Access and Affordability package.	
<b>OTHER</b>		
Provides \$84,411 GF to Wise for high-need degrees.	Provides \$0 GF to Wise for high-need degrees. Governor's proposed funding redirected into Access and Affordability packages.	Same as Governor's budget.

## Preliminary FY14-16 Budget Findings, 2014 General Assembly Session as of February 18, 2014

Governor	House	Senate
<p>Requires Wise to re-allocate \$258,753 or 2% in existing E&amp;G funding towards initiatives in TJ21. These reallocations are in addition to previous reallocations implemented in the 2012-14 biennium.</p>	<p>Requires Wise to reallocate up to 2% of its FY14 GF E&amp;G appropriation to cover the NGF portion of a 2% faculty and staff bonus.</p> <p>Eliminates additional reallocation requirement language and TJ 21 language.</p>	<p>Eliminates additional reallocation requirement language and TJ 21 language.</p>
	<p>Adds language to clarify that the Graduate Medical Education Consortium operated in Southwest Virginia is a program at UVa-Wise, which ensures that funding included in the current appropriation act is provided to the program.</p>	<p>Adds language to clarify that the Graduate Medical Education Consortium operated in Southwest Virginia is a program at UVa-Wise, which ensures that funding included in the current appropriation act is provided to the program.</p>
	<p>Provides \$260,383 GF and \$50,000 NGF to Wise in each year of the biennium to develop a one-year residential STEM academy.</p>	