



**VCU**

# **Board of Visitors FY2021 Budget Workshop**

**Karol Kain Gray, Senior VP and CFO**

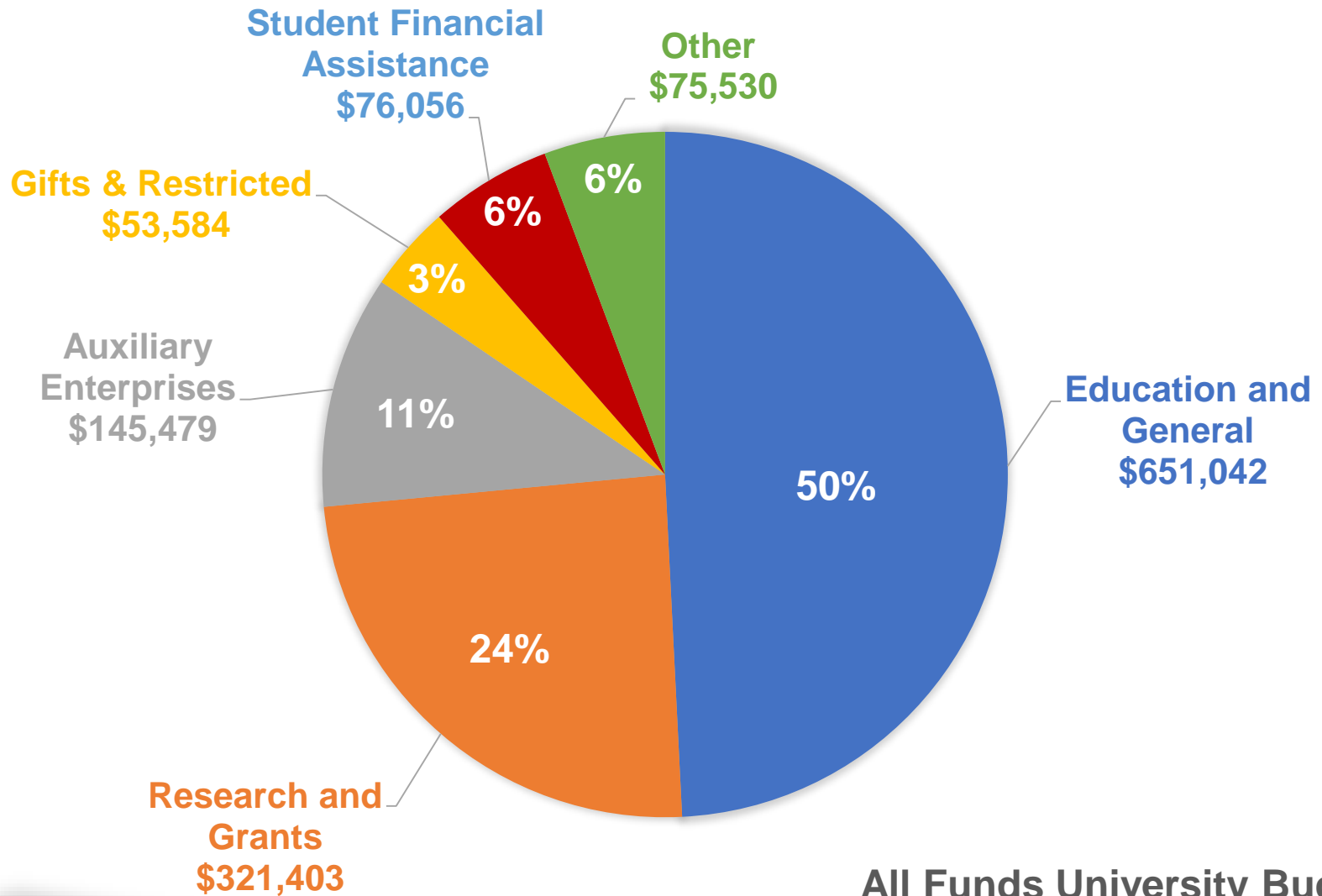
**March 24, 2021**

# Agenda

- Discussion of FY2021-22 Planning Assumptions
  - Education & General (E&G) revenues and expenses
  - Range of proposed rates for tuition, program and mandated fees
- Public Comment Period

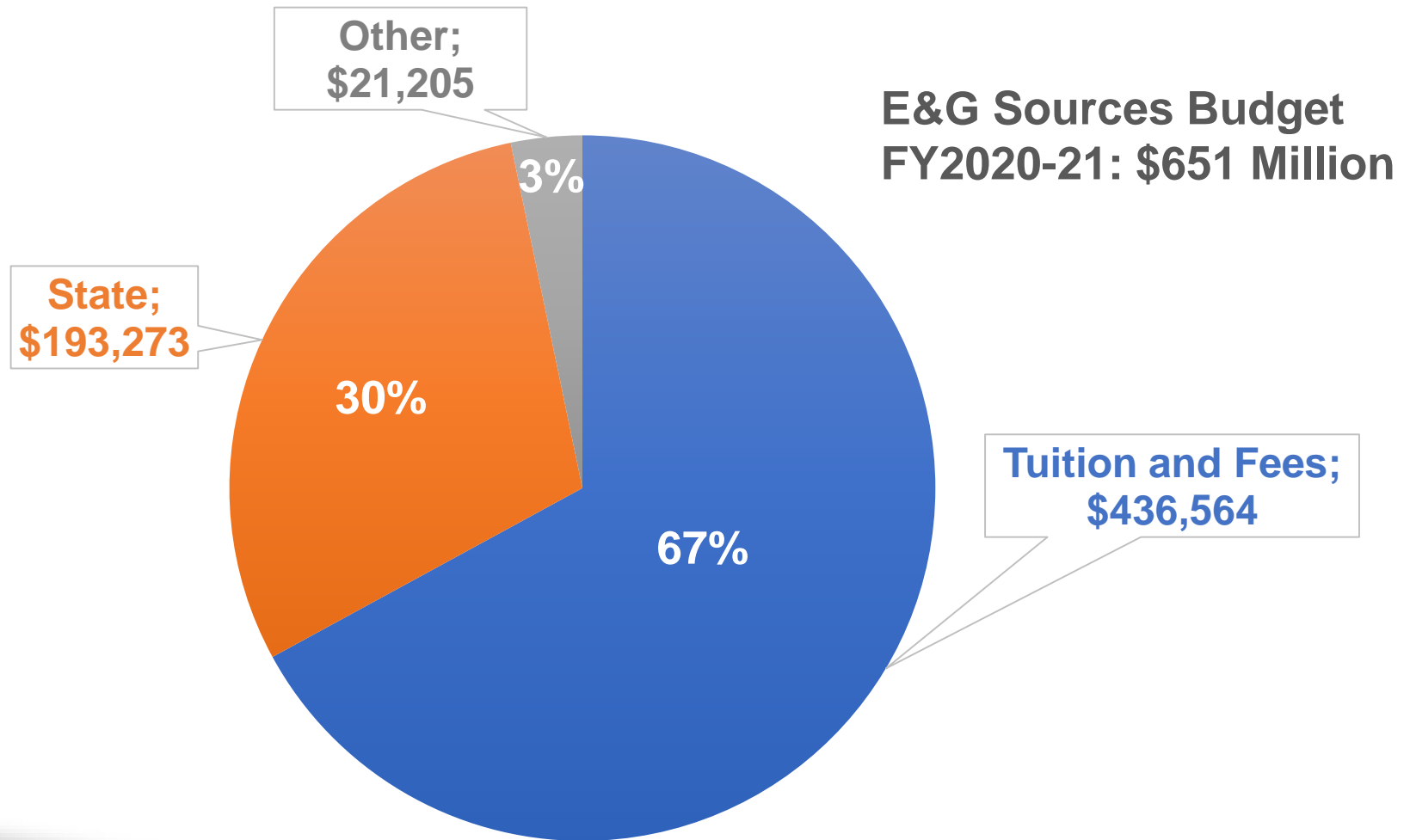
# VCU in Context

(000's)



All Funds University Budget  
FY2021: \$1.3 Billion

# Components of Education & General\*



\*Chart does not include CARES monies as funds are one-time



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# **FY2022 Revenue Planning**

Operations

State Funding

Enrollment

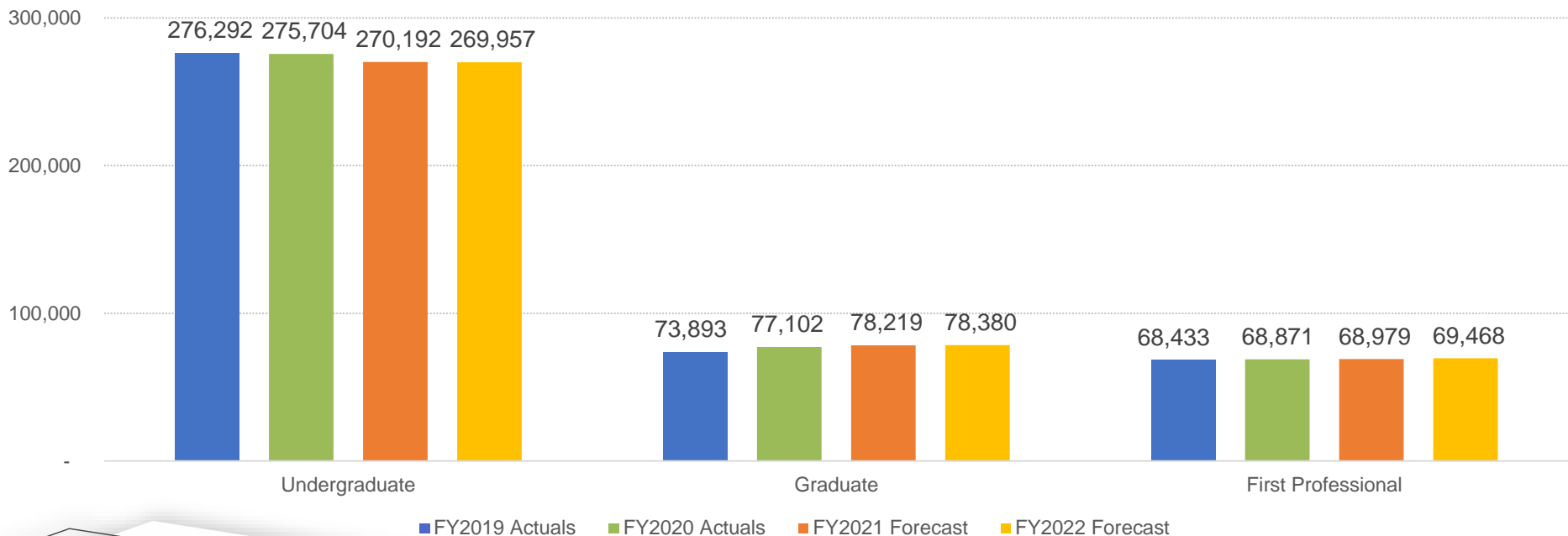
# Operations

- Current working assumption is the campus will be at new normal operations this fall
- Monitoring and testing will continue as required by the federal and state departments of health
- Investments in support services for multi-modal teaching, telework and tele-support services will continue

# Enrollment Revenue Planning

	FY2019 Actuals	FY2020 Actuals	FY2021 Forecast	FY2022 Forecast*
Undergraduate	\$276,291,774	\$275,703,799	\$270,191,644	\$269,956,861
Graduate	73,892,515	77,102,455	78,218,525	78,380,190
First Professional	68,432,897	68,871,438	68,979,335	69,468,327
<b>Total</b>	<b>\$418,617,185</b>	<b>\$421,677,692</b>	<b>\$417,389,504</b>	<b>\$417,805,378</b>

Tuition Revenue, in thousands



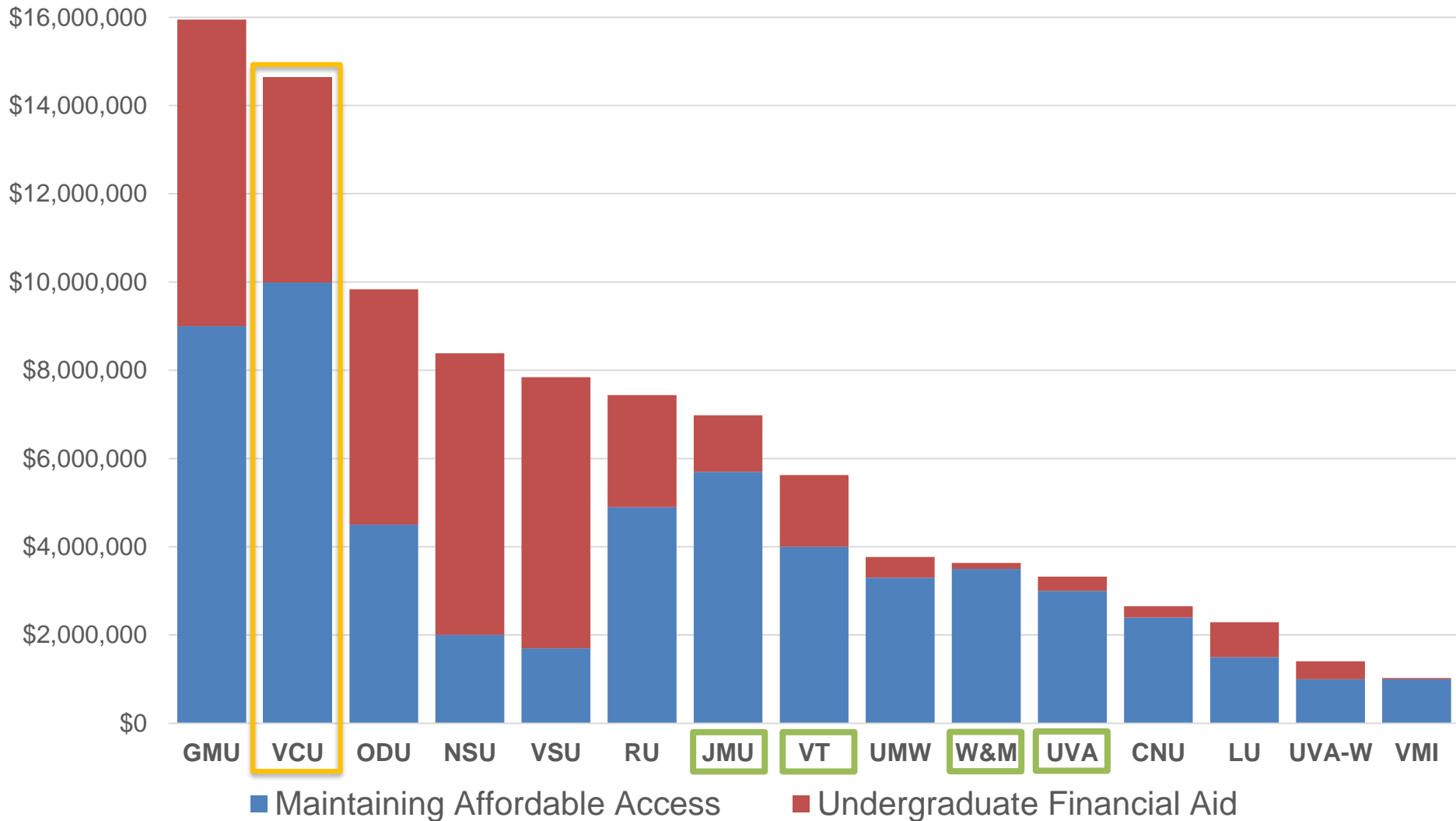
# General Assembly Conference Report

Operating Item	FY21	FY22
Affordable Access Operating Funds	\$10M	\$14.9M
Merit Salary Increase (5%)		\$10.9M
Massey Cancer Center	\$2.5M	\$5.0M
Wilder School - RISE	\$192,793	
Center on Aging		\$150,000
COVID Testing	\$2.7M	
<b>Total Education and General Funds</b>	<b>\$15.4M</b>	<b>\$31M</b>
<b>Financial Aid</b>		
Need-Based UG Financial Aid		\$4.6M
<b>Capital</b>		
ABC Property (Net Cost to VCU \$1.3M)		\$14.7M

Only the State funded portion of the salary increase is shown here, which is about 2.5% of the total 5% increase.

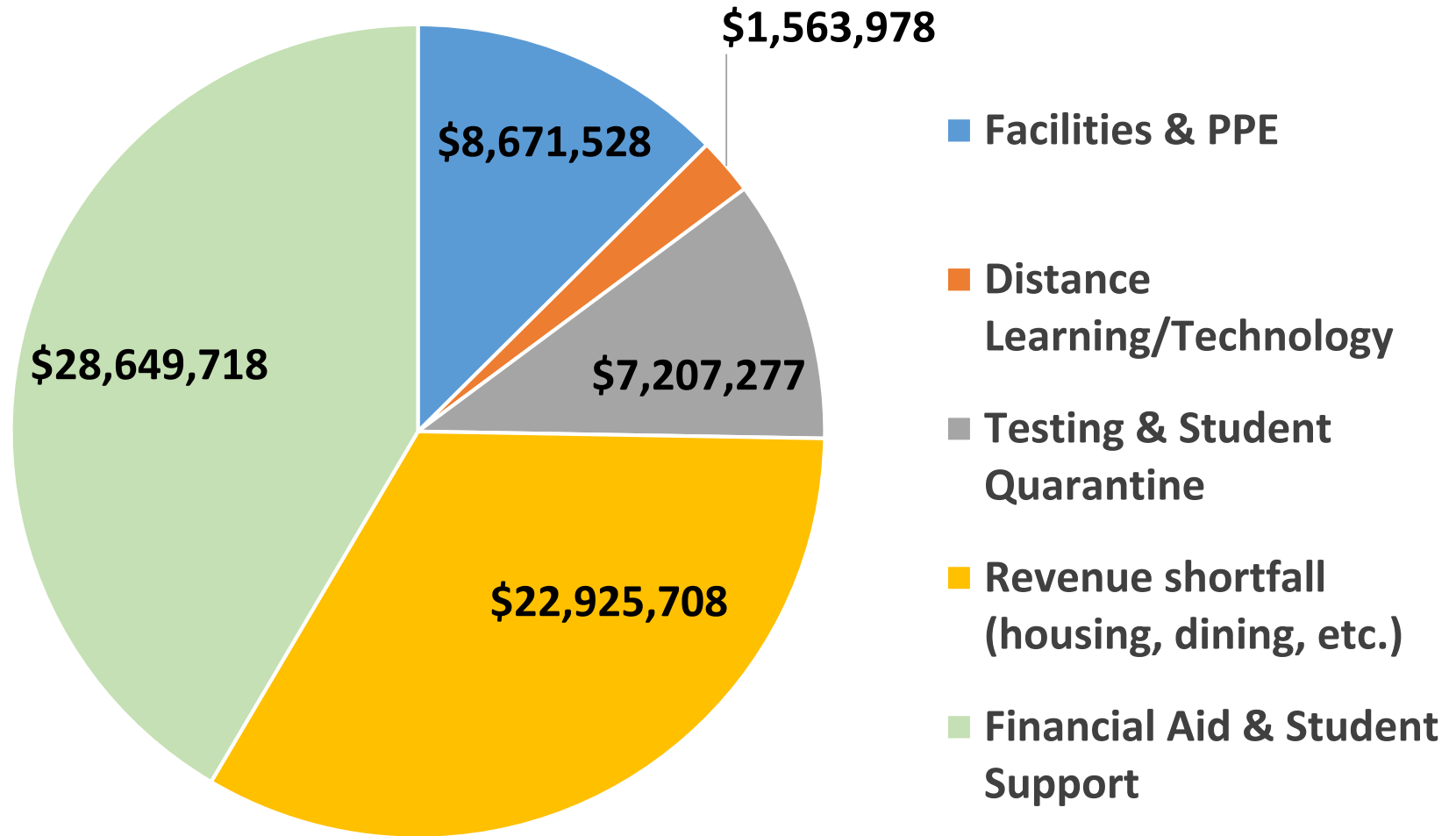


# 2022 Conference Report Funding



*Note: Excludes State-funded portion of salary increase*

# Federal COVID-19 Related Funding to date: \$69M



# Federal Stimulus Funding

## March 2021 New HEERF III

- American Rescue Plan Act became law on March 11, 2021
- Allocates \$56.5M to VCU – 50% for students; 50% for the institution
- Plan to use funding for lost revenues, additional COVID testing and PPE, financial aid and technology infrastructure improvements
- Reserve some funding for FY2023, if expenditure rules allow



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# **FY2022 Expense Planning**

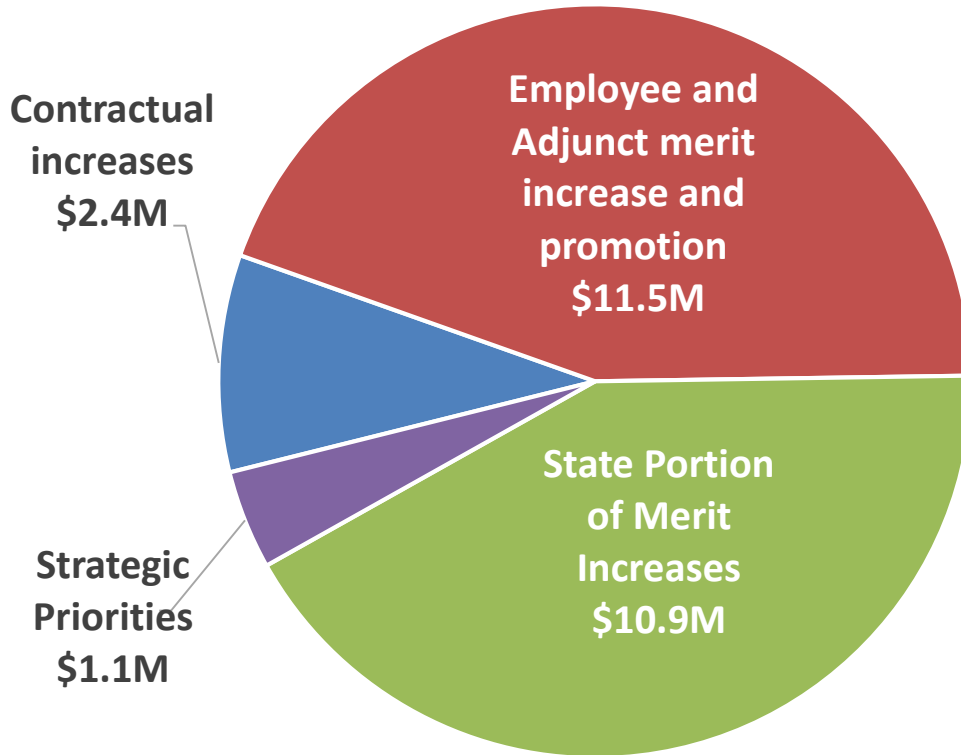
Mandated Needs

Enrollment Enhancements

Strategic Priorities

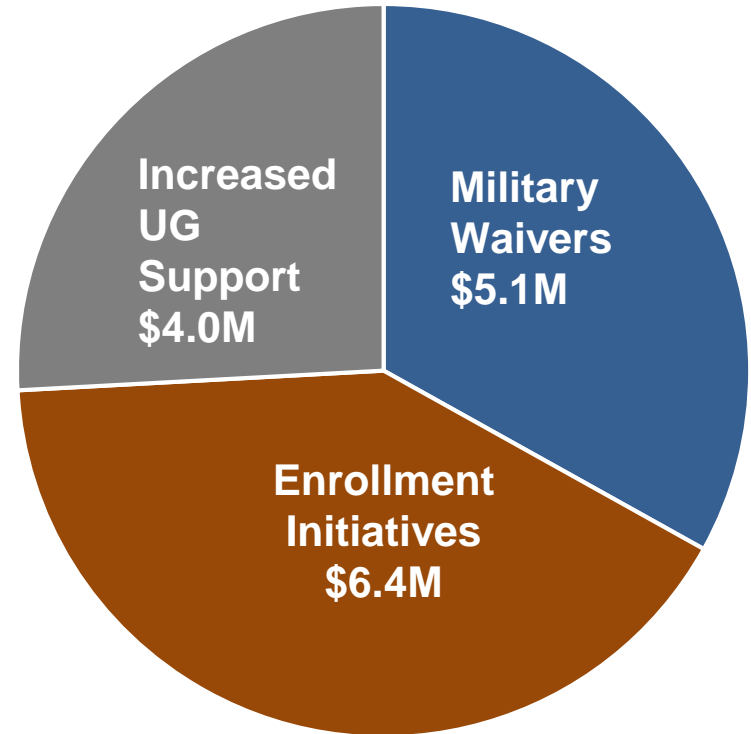
# FY2022 E&G Budget Needs

## Operational & Mandated Needs



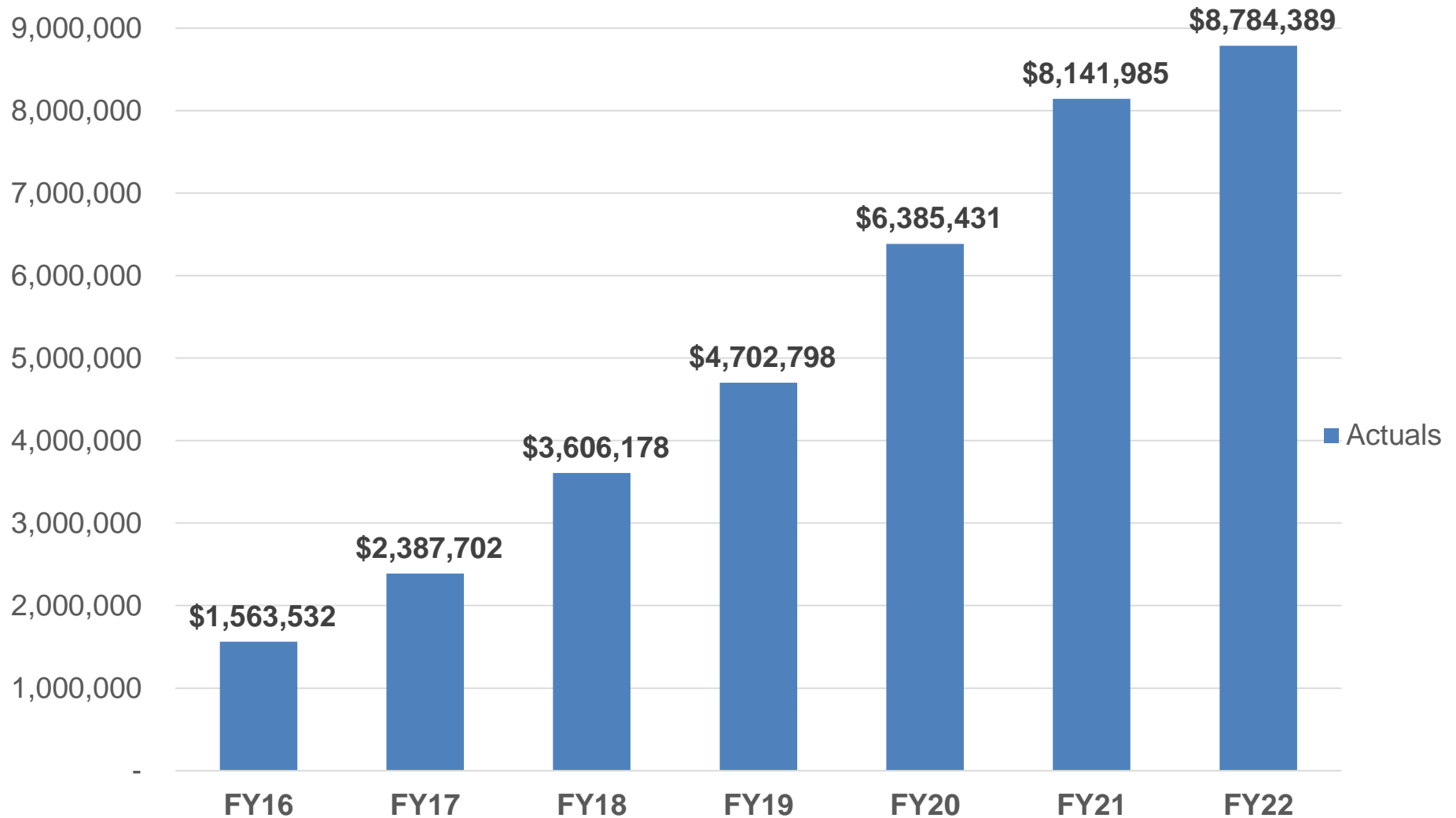
**Funding of \$25.9M**

## Financial Aid



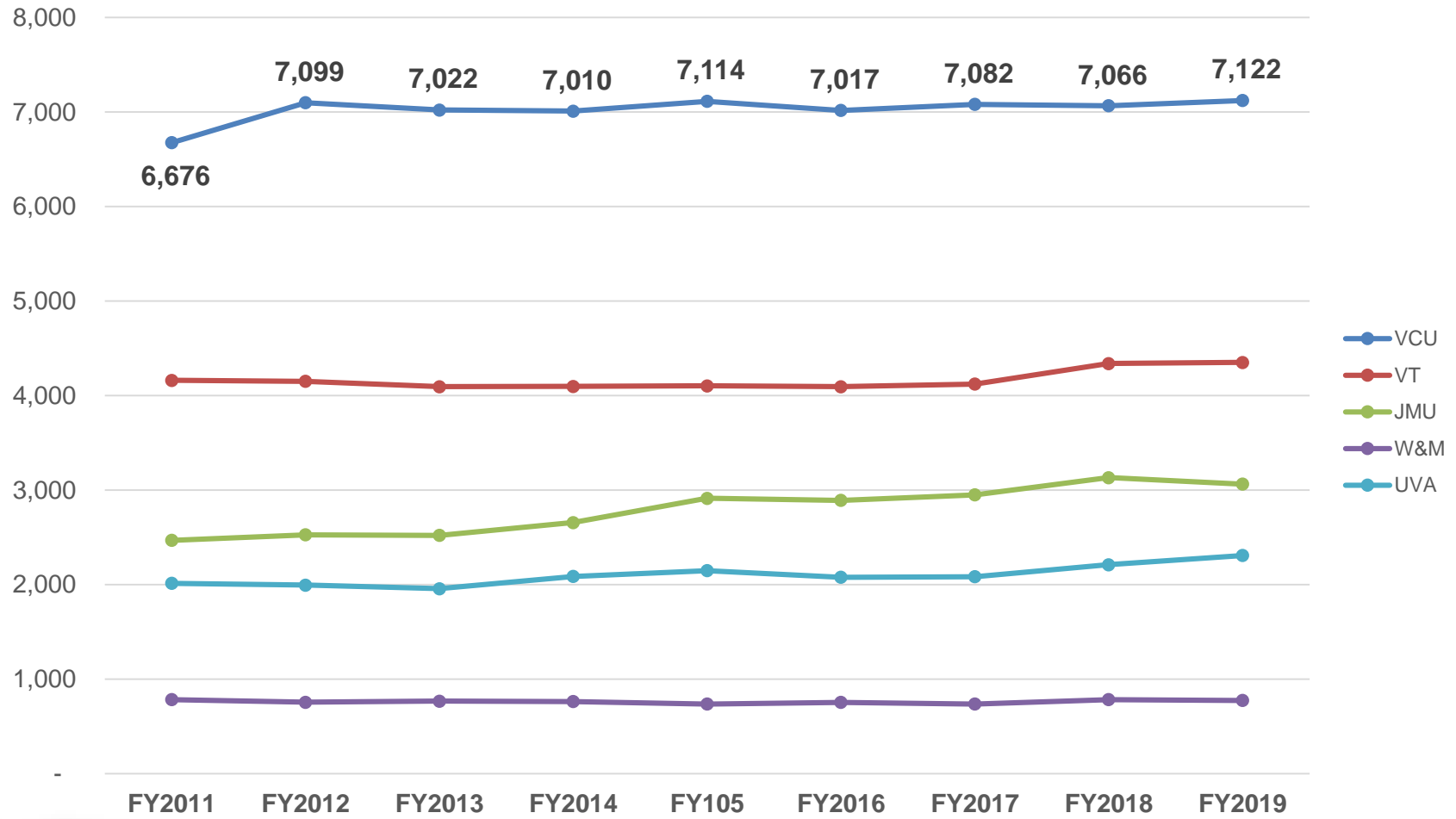
**Funding of \$15.5M**

# Growth in Military Waivers



\*Forecast based on projected YE

# Comparative Count of Pell-eligible Undergraduate Students



# Proposed Increase in Base Adjunct Pay



- **20%** increase in base Adjunct pay over **4 years**
- FY2022 **9%** increase in base, 5% increase for all other adjuncts

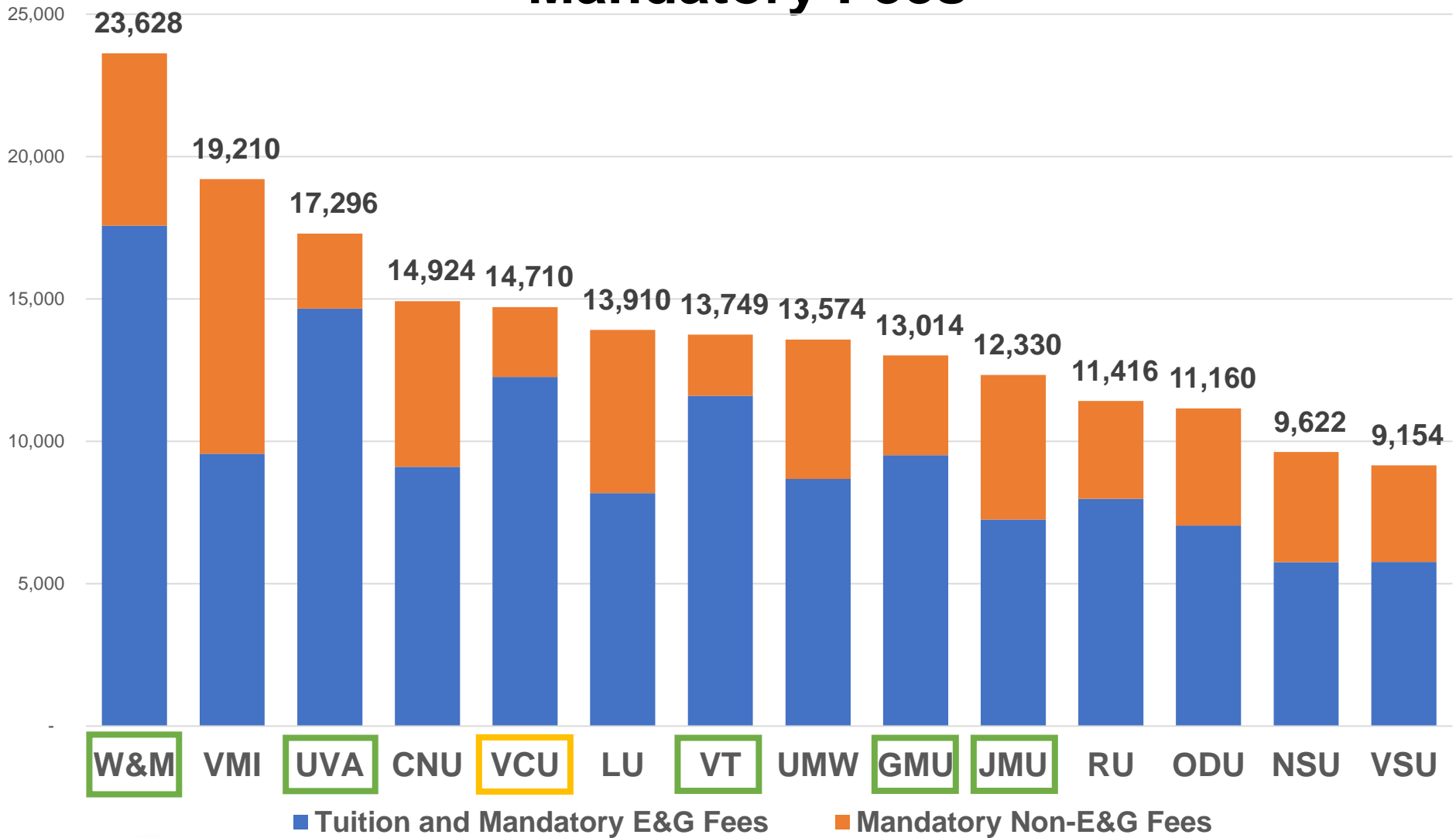




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# Tuition and Fees

# 2020-2021 In-State Tuition and Mandatory Fees



# Tuition & Fees – Resident Undergraduate

## Resident Undergraduate Tuition & Fees

	FY2021	FY2022			
<b>Tuition Increase %</b>		0.0%	1.0%	2.0%	3.0%
<b>Fee Increase %</b>		5.5%	5.5%	5.5%	5.5%
<b>Overall Increase %</b>		<b>1.0%</b>	<b>2.0%</b>	<b>2.8%</b>	<b>3.6%</b>
	FY2021	FY2022			
Tuition <sup>1</sup>	12,094	12,094	12,240	12,356	12,472
Student Fees <sup>2</sup>	2,781	2,934	2,934	2,934	2,934
<b>Total Tuition &amp; Fees</b>	<b>\$ 14,875</b>	<b>\$ 15,028</b>	<b>\$ 15,174</b>	<b>\$ 15,290</b>	<b>\$ 15,406</b>
Total Proposed Increase		\$ 153	\$ 299	\$ 415	\$ 531

<sup>1</sup>Based on 15 credits a semester, 30 credits per academic year. <sup>2</sup>Fees include the online and technology fee conversion

# Mandatory Fees

	FY2021	FY2022 Proposed	\$ Increase
Library Fee	80	80	-
Technology Fee <sup>(1)</sup>	85	285	200
Online Fee	165	-	(165)
University Fee	2,137	2,244	107
Health Service Fee	224	235	11
Student Activity Fee	90	90	-
<b>Total Resident</b>	<b>\$ 2,781</b>	<b>\$ 2,934</b>	<b>\$ 153</b>
Capital Outlay Fee <sup>(2)</sup>	690	690	-
<b>Total Non-Resident</b>	<b>\$ 3,471</b>	<b>\$ 3,624</b>	<b>\$ 153</b>

<sup>1</sup>The Online Fee is being merged into the Technology Fee for FY22

<sup>2</sup>Capital Outlay Fee is required by the State of all non-residents

# Dining Plan Options

	FY21 Rates	FY22 Option 1		FY22 Option 2	
		Rates	\$ Chg.	Rates	\$ Chg.
All Access Swipes w/ \$225 per semester <sup>(1,2)</sup>	\$ -	\$ 2,910	\$ -	\$ 2,952	\$ -
250 Swipes w/ \$225 per semester <sup>(1)</sup>	\$ 2,450	\$ 2,570	\$ 120	\$ 2,605	\$ 155
<b>200 Swipes w/ \$225 per semester <sup>(1)</sup></b>	<b>\$ 2,240</b>	<b>\$ 2,331</b>	<b>\$ 91</b>	<b>\$ 2,359</b>	<b>\$ 119</b>

\*Prices shown are the rates for one semester only.

<sup>1</sup>All students residing in University Housing, other than graduate students or VCU apartment residents, are required to purchase a residential dining plan. Residential dining plans are indicated above with a (1).

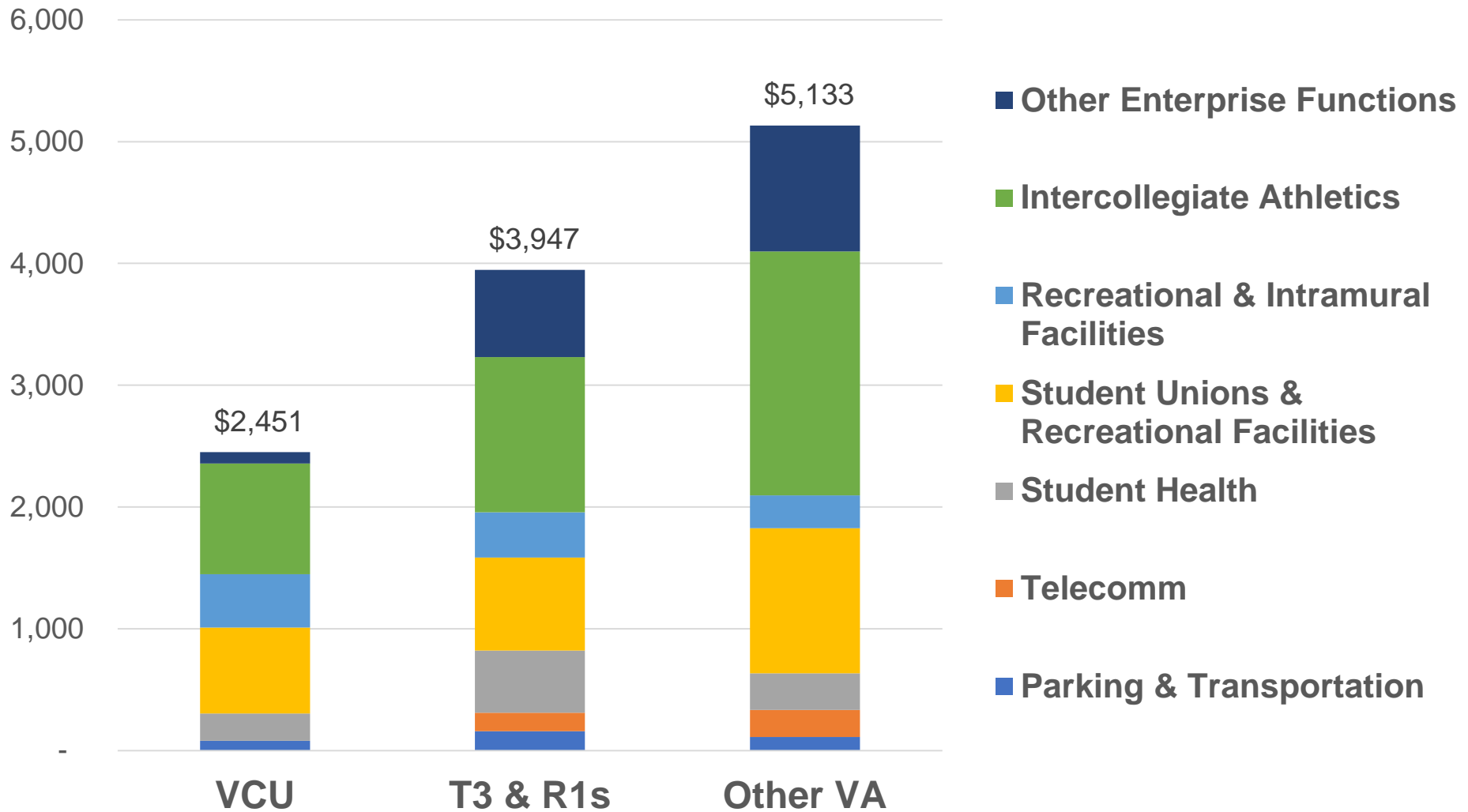
<sup>2</sup>New dining plan

# Undergraduate Resident Inclusive of Room and Board

Resident Undergraduate Tuition, Fees, Room & Board					
Tuition Increase %		0.0%	1.0%	2.0%	3.0%
Fee Increase %		5.5%	5.5%	5.5%	5.5%
Room and Board Increase % <sup>(1)</sup>		2.8%	2.8%	2.8%	2.8%
<b>Overall Increase %</b>		<b>1.8%</b>	<b>2.4%</b>	<b>2.8%</b>	<b>3.2%</b>
	<b>FY2021</b>	<b>FY2022</b>			
Tuition - 15 Credit Hours	12,094	12,094	12,240	12,356	12,472
Student Fees	2,781	2,934	2,934	2,934	2,934
<b>Total Tuition and Fees</b>	<b>\$ 14,875</b>	<b>\$ 15,028</b>	<b>\$ 15,174</b>	<b>\$ 15,290</b>	<b>\$ 15,406</b>
Room	6,817	6,953	6,953	6,953	6,953
Board	4,480	4,662	4,662	4,662	4,662
<b>Total Tuition, Fees, Room &amp; Board</b>	<b>\$ 26,172</b>	<b>\$ 26,643</b>	<b>\$ 26,789</b>	<b>\$ 26,905</b>	<b>\$ 27,021</b>
Tuition and Fee Change		\$ 153	\$ 299	\$ 415	\$ 531
Tuition, Fees, Room & Board Change		\$ 471	\$ 617	\$ 733	\$ 849

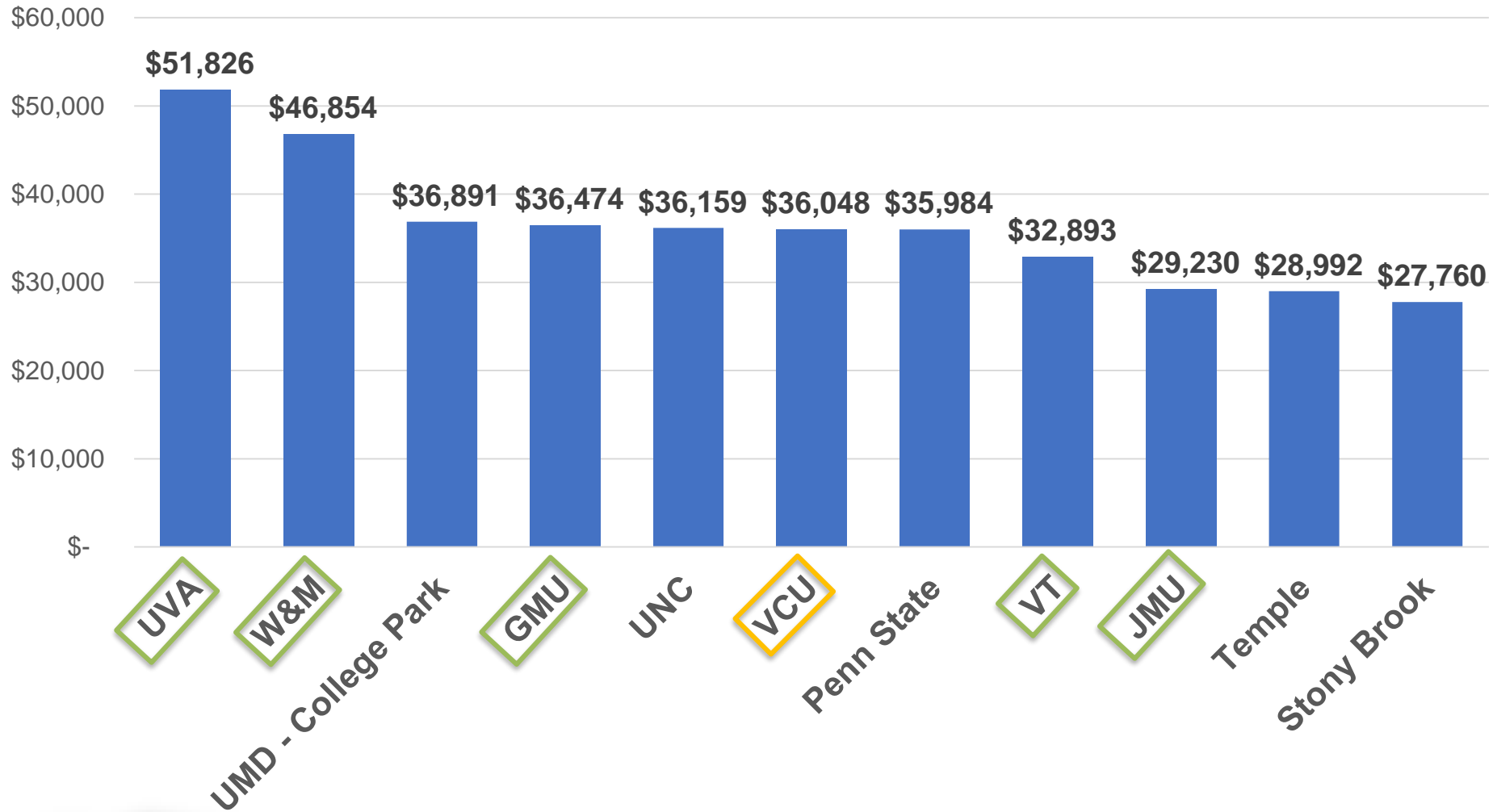
<sup>1</sup> Room and Board rates are projected using dining Option 1. Option 2 changes the room and board percentage increase to 3.3%

# Comparison of Non-E&G Fees FY2021



\*SCHEV TF06 Report

# Ongoing Challenges in Non-Resident Recruitment





# Tuition & Fees – Non-Resident Undergraduate

## Non-Resident Undergraduate Tuition & Fees

	FY2021	FY2022			
<b>Tuition Increase %</b>		0.0%	1.0%	2.0%	3.0%
<b>Fee Increase %</b>		4.4%	4.4%	4.4%	4.4%
<b>Overall Increase %</b>		<b>0.9%</b>	<b>1.8%</b>	<b>2.7%</b>	<b>3.6%</b>
	FY2021	FY2022			
Tuition <sup>1</sup>	32,742	32,742	33,090	33,410	33,728
Student Fees <sup>2</sup>	3,471	3,624	3,624	3,624	3,624
<b>Total Tuition &amp; Fees</b>	<b>\$ 36,213</b>	<b>\$ 36,366</b>	<b>\$ 36,714</b>	<b>\$ 37,034</b>	<b>\$ 37,352</b>
Total Proposed Increase		\$ 153	\$ 501	\$ 821	\$ 1,139

<sup>1</sup>Based on 15 credits a semester, 30 credits per academic year. <sup>2</sup>Fees include the online and technology fee conversion

# Summary of Tuition Recommendations for FY2022

Tuition \$ Increase	Tuition % Increase	Fee \$ Increase	Fee % Increase	Student Classification
-	0.0%	\$ 153	5.5%	Resident Undergraduate
-	0.0%	\$ 153	4.4%	Non-Resident Undergraduate
-	0.0%	\$ 153	5.5%	Resident Masters
-	0.0%	\$ 153	4.4%	Non-Resident Masters
-	0.0%	\$ 153	5.5%	Resident Doctoral
-	0.0%	\$ 153	4.4%	Non-Resident Doctoral
-	0.0%	\$ 211	6.8%	Resident Medicine
-	0.0%	\$ 211	5.6%	Non-Resident Medicine
-	0.0%	\$ 11	0.3%	Resident Pharmacy
-	0.0%	\$ 11	0.3%	Non-Resident Pharmacy
-	0.0%	\$ 688	4.1%	Resident Dentistry
-	0.0%	\$ 688	3.9%	Non-Resident Dentistry

\*Based on per credit rates



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# Balanced Budget

# FY2022 Overview

	Increase Range			
<b>Proposed FY2022 Tuition Rate Increase</b>	<b>0.0%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>3.0%</b>
<b>\$ of Total Proposed Increase</b>	<b>\$ -</b>	<b>\$ 348</b>	<b>\$ 668</b>	<b>\$ 986</b>
<b><u>FY2022 Projected Revenue Growth</u></b>				
Other Tuition Rate Growth	\$ 0	\$ 3,441	\$ 6,882	\$ 10,322
Enrollment Growth	1,577	1,593	1,608	1,624
State Portion Merit Increases	10,923	10,923	10,923	10,923
State Support	14,861	14,861	14,861	14,861
<b>Total Revenue Growth</b>	<b>27,361</b>	<b>30,818</b>	<b>34,274</b>	<b>37,730</b>
<b><u>Proposed FY2022 Projected Expenses</u></b>				
State Portion Merit Increases	(10,923)	(10,923)	(10,923)	(10,923)
FY2022 Proposed Expense Needs	(29,452)	(29,452)	(29,452)	(29,452)
<b>Net Expense Needs</b>	<b>(40,375)</b>	<b>(40,375)</b>	<b>(40,375)</b>	<b>(40,375)</b>
<b>Potential Budget Reallocations or Use HEERF III</b>	<b>\$(13,014)</b>	<b>\$(9,557)</b>	<b>\$(6,101)</b>	<b>\$(2,645)</b>

# Public Comment Period

# End of Presentation