



June 23, 2020

The Honorable Luke E. Torian, Chair
 House Appropriations Committee
 900 East Main Street,
 Pocahontas Building, 13th Floor
 Richmond, VA 23219

The Honorable Janet D. Howell, Chair
 Senate Finance & Appropriations Committee
 900 East Main Street
 Pocahontas Building, 14th Floor
 Richmond, VA 23219

Dear Chairman Torian and Chairwoman Howell:

As required by Chapter 1289, Item 220, 2020 Acts of Assembly, I respectively submit the following annual report on the Virginia Community College System allocation of all new general fund and nongeneral funds in the Educational and General (E&G) program and any cost recovery plans between the individual community colleges and the system office. The FY 2021 budgets for each of the colleges and the System Office and changes in the budgets from FY 2020 are shown on the attached table.

The table below shows the changes in funding from FY 2020 to FY 2021. The general fund amounts are from the Appropriation Act, and the nongeneral fund allocation is based on college revenue estimates.

	<u>FY 2020</u>	<u>FY 2021</u>	<u>Change</u>
General Fund (GF)			
<i>Chapter Appropriation</i>	\$389,843,304*	\$411,692,184**	\$21,848,880
Nongeneral Fund (NGF)			
<i>NGF Appropriation Estimate</i>	\$501,372,000	\$455,073,000	\$(46,299,000)
Total Funding	<u>\$891,215,304</u>	<u>\$866,765,184</u>	\$(24,450,120)
Enrollment Estimate (FTE)***	98,858	95,592	(3,266)
<i>Total Per FTE</i>	\$ 9,015	\$ 9,067	\$52

*Reflects Chapter 854, 2019 Acts of Assembly**

*Reflects Chapter 1289, 2020 Acts of Assembly less un-allotment of new incremental funding per Item 225.10***

*FY 2021 enrollment based on 2019-2020 actuals. ****

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Changes in E&G Funding

General Fund: As appropriated in Chapter 1289, 2020 Acts of Assembly, and adjusted to reflect un-allotment of new incremental funding per Item 225.10, the general fund appropriation for FY 2021 reflects an increase of 5.3 percent from prior year due primarily to annualizing prior year compensation increases for full-time employees and rolling In-state Undergraduate Tuition Moderation Funds into the VCCS base budget.

Nongeneral Fund: The VCCS non-general fund appropriation decreased 9.2 percent due to declining credit based enrollment system-wide and anticipated impacts of COVID-19 on 2020-21 academic year enrollment.

Total E&G Funding: With these adjustments, total base E&G funding for the VCCS in FY 2021 is projected to decrease by approximately \$24.6 million. As a result, total funding per student FTE in FY 2021 could increase 0.6 percent from \$9,015 to \$9,067.

Cost Recovery Plans

There are no cost recoveries between the System Office and the colleges, except for equipment and initiatives purchased on behalf of all colleges at a system level.

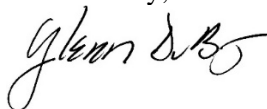
Funding Distributions for Each College

Most of the E&G general fund appropriation for the VCCS (80 percent) is allocated to the colleges using a resource allocation model based on the state base budget adequacy funding methodology. A portion of the E&G state funding (20 percent) is allocated through an Outcomes-Based Distribution Model adopted by the presidents in April 2015. The outcomes-based allocation places more focus on student progression and completion.

The attached table shows the funding allocation for each college and the system office. The amounts shown for each college include the distribution of funding initially held in a central account for specific appropriations for programs at the colleges, and by allocations calculated by methods other than the general resource allocation models. All of the methodologies are reviewed and approved by the college presidents and me.

Please let me know if you have questions or need additional information.

Sincerely,



Glenn DuBois
Chancellor

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GD/WJ

Attachment

C: Ms. Anne E. Oman, HAC Staff Director
Ms. April Kees, SFAC, Director
Mr. Tony Maggio, HAC Legislative Fiscal Analyst
Ms. Sarah Herzog, SFAC, Deputy Director
Dr. Craig Herndon, VCCS Senior Vice Chancellor

VIRGINIA COMMUNITY COLLEGE SYSTEM
FY 2020 AND FY 2021 APPROPRIATION DISTRIBUTION BY COLLEGE

	FY 2020 Budget					FY 2021 Budget					Change From FY2020 to FY2021	
	GF	NGF	Total	Enrollment - Annual FTE*	Funding Per FTE	GF	NGF	Total	Enrollment - Annual FTE**	Funding Per FTE	GF	NGF
Blue Ridge	\$ 9,817,427	\$ 11,364,000	\$ 21,181,427	2,354	\$ 8,999	\$ 10,346,865	\$ 10,965,000	\$ 21,311,865	2,265	\$ 9,408	\$ 529,438	\$ (399,000)
Central Va.	\$ 9,720,039	\$ 11,856,000	\$ 21,576,039	2,361	\$ 9,138	\$ 10,244,653	\$ 11,270,000	\$ 21,514,653	2,257	\$ 9,531	\$ 524,613	\$ (586,000)
Dabney S. Lancaster	\$ 4,410,021	\$ 3,042,000	\$ 7,452,021	602	\$ 12,369	\$ 4,312,607	\$ 3,031,000	\$ 7,343,607	601	\$ 12,224	\$ (97,414)	\$ (11,000)
Danville	\$ 8,331,284	\$ 8,433,000	\$ 16,764,284	1,757	\$ 9,543	\$ 8,786,222	\$ 8,060,000	\$ 16,846,222	1,774	\$ 9,497	\$ 454,938	\$ (373,000)
Eastern Shore	\$ 3,175,726	\$ 1,661,000	\$ 4,836,726	354	\$ 13,679	\$ 3,370,844	\$ 1,661,000	\$ 5,031,844	374	\$ 13,454	\$ 195,117	\$ -
Germanna	\$ 15,087,000	\$ 20,270,000	\$ 35,357,000	4,343	\$ 8,140	\$ 16,504,816	\$ 20,595,000	\$ 37,099,816	4,438	\$ 8,360	\$ 1,417,815	\$ 325,000
J.S. Reynolds	\$ 19,681,666	\$ 27,565,000	\$ 47,246,666	5,452	\$ 8,666	\$ 20,468,638	\$ 27,585,000	\$ 48,053,638	5,483	\$ 8,764	\$ 786,972	\$ 20,000
John Tyler	\$ 18,847,013	\$ 24,433,000	\$ 43,280,013	5,429	\$ 7,971	\$ 20,735,810	\$ 24,445,000	\$ 45,180,810	5,529	\$ 8,172	\$ 1,888,798	\$ 12,000
Lord Fairfax	\$ 14,334,738	\$ 18,864,000	\$ 33,198,738	3,956	\$ 8,392	\$ 16,078,449	\$ 17,722,000	\$ 33,800,449	3,942	\$ 8,573	\$ 1,743,711	\$ (1,142,000)
Mountain Empire	\$ 7,205,625	\$ 7,403,000	\$ 14,608,625	1,563	\$ 9,346	\$ 7,544,327	\$ 7,217,000	\$ 14,761,327	1,520	\$ 9,714	\$ 338,702	\$ (186,000)
New River	\$ 9,963,350	\$ 13,171,000	\$ 23,134,350	2,664	\$ 8,684	\$ 10,753,552	\$ 12,923,000	\$ 23,676,552	2,645	\$ 8,950	\$ 790,202	\$ (248,000)
Northern Va.	\$ 99,116,149	\$ 179,168,000	\$ 278,284,149	31,707	\$ 8,777	\$ 106,920,140	\$ 151,957,000	\$ 258,877,140	30,547	\$ 8,475	\$ 7,803,991	\$ (27,211,000)
Patrick Henry	\$ 7,014,154	\$ 9,087,000	\$ 16,101,154	1,701	\$ 9,467	\$ 7,460,264	\$ 8,299,000	\$ 15,759,264	1,610	\$ 9,790	\$ 446,110	\$ (788,000)
Paul D. Camp	\$ 4,827,207	\$ 3,786,000	\$ 8,613,207	798	\$ 10,795	\$ 5,115,433	\$ 3,775,000	\$ 8,890,433	772	\$ 11,511	\$ 288,226	\$ (11,000)
Piedmont Va.	\$ 10,692,778	\$ 13,896,000	\$ 24,588,778	2,797	\$ 8,793	\$ 11,391,978	\$ 14,079,000	\$ 25,470,978	2,781	\$ 9,160	\$ 699,200	\$ 183,000
Rappahannock	\$ 8,412,665	\$ 8,372,000	\$ 16,784,665	1,730	\$ 9,701	\$ 8,842,302	\$ 7,836,000	\$ 16,678,302	1,656	\$ 10,073	\$ 429,637	\$ (536,000)
Southside Va.	\$ 9,436,518	\$ 8,749,000	\$ 18,185,518	2,033	\$ 8,947	\$ 9,985,507	\$ 8,705,000	\$ 18,690,507	1,988	\$ 9,401	\$ 548,988	\$ (44,000)
Southwest Va.	\$ 7,263,640	\$ 8,429,000	\$ 15,692,640	1,575	\$ 9,966	\$ 7,515,253	\$ 8,465,000	\$ 15,980,253	1,643	\$ 9,724	\$ 251,613	\$ 36,000
Thomas Nelson	\$ 17,969,333	\$ 23,046,000	\$ 41,015,333	4,962	\$ 8,266	\$ 18,751,641	\$ 20,894,000	\$ 39,645,641	4,683	\$ 8,467	\$ 782,308	\$ (2,152,000)
Tidewater	\$ 47,925,798	\$ 64,958,000	\$ 112,883,798	13,980	\$ 8,074	\$ 48,643,644	\$ 51,601,000	\$ 100,244,644	12,569	\$ 7,976	\$ 717,846	\$ (13,357,000)
Va. Highlands	\$ 6,837,865	\$ 7,315,000	\$ 14,152,865	1,469	\$ 9,634	\$ 7,382,107	\$ 7,292,000	\$ 14,674,107	1,452	\$ 10,109	\$ 544,242	\$ (23,000)
Va. Western	\$ 15,709,829	\$ 18,819,000	\$ 34,528,829	3,711	\$ 9,304	\$ 16,176,987	\$ 19,073,000	\$ 35,249,987	3,538	\$ 9,965	\$ 467,157	\$ 254,000
Wytheville	\$ 7,372,982	\$ 7,685,000	\$ 15,057,982	1,561	\$ 9,648	\$ 7,689,776	\$ 7,623,000	\$ 15,312,776	1,527	\$ 10,030	\$ 316,794	\$ (62,000)
System Office	\$ 26,690,495		\$ 26,690,495			\$ 26,670,369		\$ 26,670,369			\$ (20,126)	\$ -
Total	\$ 389,843,304	\$ 501,372,000	\$ 891,215,304	98,858	\$ 9,015	\$ 411,692,184	\$ 455,073,000	\$ 866,765,184	95,592	\$ 9,067	\$ 21,848,880	\$ (46,299,000)

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