



June 30, 2021

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 552, Item 220, 2021 Acts of Assembly, Special Session 1, I write to 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 2022 budgets for each of the colleges and the System Office and changes in the budgets from FY 2021 are shown on the attached table.

The table below shows the changes in funding from FY 2021 to FY 2022. The general fund amounts are from the Appropriation Act, and the nongeneral fund allocation is based on college revenue estimates.

	<u>FY 2021</u>	<u>FY 2022</u>	<u>Change</u>
General Fund (GF)			
<i>Chapter Appropriation</i>	\$411,692,184*	\$417,052,186**	\$5,360,002
Nongeneral Fund (NGF)			
<i>NGF Appropriation Estimate</i>	\$455,073,000	\$467,801,000	\$12,728,000
Total Funding	<u>\$866,765,184</u>	<u>\$884,853,186</u>	\$18,088,002
Enrollment Estimate (FTE)***	95,592	92,981	(2,611)
<i>Total Per FTE</i>	\$ 9,067	\$ 9,516	\$449

*Reflects Chapter 1289, 2020 Acts of Assembly less un-allotment of new incremental funding per Item 225.10**
 Reflects Chapter 552, 2021 Acts of Assembly. Special Session 1*
 FY 2022 enrollment based on 2020-2021 actuals. ****

Changes in E&G Funding

General Fund: The general fund appropriation for FY 2022 reflects an increase of 1.3 percent from prior year due to new initiatives , including an investment of \$4.0 million implementing the new G3 initiative, including \$2.5 million to hire 60 new academic advisors system-wide.

Nongeneral Fund: VCCS community colleges anticipate overall non-general fund revenues may increase approximately 2.8 percent due to improving enrollment projections at select colleges.

Total E&G Funding: With these adjustments, total base E&G funding for the VCCS in FY 2022 is projected to increase by approximately \$18.1 million. As a result, total funding per student FTE in FY 2022 could increase approximately 5.0 percent from \$9,067 to \$9,516.

Cost Recovery Plans

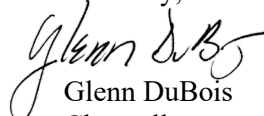
Cost recoveries between the System Office and the colleges include expenses for equipment, delivery of shared technology services and initiatives purchased on behalf of all colleges at a system level.

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 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

The Honorable Luke E. Torian
The Honorable Janet D. Howell
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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
Dr. Craig Herndon, VCCS Senior Vice Chancellor

VIRGINIA COMMUNITY COLLEGE SYSTEM
FY 2021 AND FY 2022 APPROPRIATION DISTRIBUTION BY COLLEGE

	FY 2021 Budget			FY 2022 Budget			Change From FY2021 to FY2022	
	GF	NGF	Total	GF	NGF	Total	GF	NGF
Blue Ridge	\$ 10,346,865	\$ 10,965,000	\$ 21,311,865	\$ 9,988,428	\$ 11,280,000	\$ 21,268,428	\$ (358,437)	\$ 315,000
Central Va.	\$ 10,244,653	\$ 11,270,000	\$ 21,514,653	\$ 10,104,735	\$ 10,009,000	\$ 20,113,735	\$ (139,917)	\$ (1,261,000)
Dabney S. Lancaster	\$ 4,312,607	\$ 3,031,000	\$ 7,343,607	\$ 3,939,177	\$ 3,465,618	\$ 7,404,795	\$ (373,430)	\$ 434,618
Danville	\$ 8,786,222	\$ 8,060,000	\$ 16,846,222	\$ 8,278,946	\$ 8,934,173	\$ 17,213,119	\$ (507,276)	\$ 874,173
Eastern Shore	\$ 3,370,844	\$ 1,661,000	\$ 5,031,844	\$ 2,818,608	\$ 2,063,997	\$ 4,882,605	\$ (552,236)	\$ 402,997
Germanna	\$ 16,504,816	\$ 20,595,000	\$ 37,099,816	\$ 17,610,508	\$ 20,603,000	\$ 38,213,508	\$ 1,105,693	\$ 8,000
J.S. Reynolds	\$ 20,468,638	\$ 27,585,000	\$ 48,053,638	\$ 20,630,020	\$ 26,862,000	\$ 47,492,020	\$ 161,382	\$ (723,000)
John Tyler	\$ 20,735,810	\$ 24,445,000	\$ 45,180,810	\$ 20,784,198	\$ 22,710,000	\$ 43,494,198	\$ 48,388	\$ (1,735,000)
Lord Fairfax	\$ 16,078,449	\$ 17,722,000	\$ 33,800,449	\$ 16,190,517	\$ 17,993,000	\$ 34,183,517	\$ 112,068	\$ 271,000
Mountain Empire	\$ 7,544,327	\$ 7,217,000	\$ 14,761,327	\$ 7,440,989	\$ 7,640,643	\$ 15,081,632	\$ (103,338)	\$ 423,643
New River	\$ 10,753,552	\$ 12,923,000	\$ 23,676,552	\$ 11,305,482	\$ 12,651,000	\$ 23,956,482	\$ 551,930	\$ (272,000)
Northern Va.	\$ 106,920,140	\$ 151,957,000	\$ 258,877,140	\$ 114,849,933	\$ 167,561,531	\$ 282,411,464	\$ 7,929,792	\$ 15,604,531
Patrick Henry	\$ 7,460,264	\$ 8,299,000	\$ 15,759,264	\$ 7,289,380	\$ 8,277,322	\$ 15,566,702	\$ (170,883)	\$ (21,678)
Paul D. Camp	\$ 5,115,433	\$ 3,775,000	\$ 8,890,433	\$ 4,531,908	\$ 3,209,964	\$ 7,741,872	\$ (583,525)	\$ (565,036)
Piedmont Va.	\$ 11,391,978	\$ 14,079,000	\$ 25,470,978	\$ 11,653,739	\$ 13,182,000	\$ 24,835,739	\$ 261,761	\$ (897,000)
Rappahannock	\$ 8,842,302	\$ 7,836,000	\$ 16,678,302	\$ 8,361,086	\$ 7,915,715	\$ 16,276,801	\$ (481,217)	\$ 79,715
Southside Va.	\$ 9,985,507	\$ 8,705,000	\$ 18,690,507	\$ 10,343,899	\$ 8,789,000	\$ 19,132,899	\$ 358,393	\$ 84,000
Southwest Va.	\$ 7,515,253	\$ 8,465,000	\$ 15,980,253	\$ 7,648,901	\$ 8,592,885	\$ 16,241,786	\$ 133,647	\$ 127,885
Thomas Nelson	\$ 18,751,641	\$ 20,894,000	\$ 39,645,641	\$ 18,073,650	\$ 19,657,000	\$ 37,730,650	\$ (677,991)	\$ (1,237,000)
Tidewater	\$ 48,643,644	\$ 51,601,000	\$ 100,244,644	\$ 45,545,380	\$ 54,700,000	\$ 100,245,380	\$ (3,098,264)	\$ 3,099,000
Va. Highlands	\$ 7,382,107	\$ 7,292,000	\$ 14,674,107	\$ 7,206,855	\$ 7,606,639	\$ 14,813,494	\$ (175,252)	\$ 314,639
Va. Western	\$ 16,176,987	\$ 19,073,000	\$ 35,249,987	\$ 16,922,557	\$ 16,472,000	\$ 33,394,557	\$ 745,571	\$ (2,601,000)
Wytheville	\$ 7,689,776	\$ 7,623,000	\$ 15,312,776	\$ 7,421,494	\$ 7,624,513	\$ 15,046,007	\$ (268,282)	\$ 1,513
System Office	\$ 26,670,369	\$ -	\$ 26,670,369	\$ 28,111,793	\$ -	\$ 28,111,793	\$ 1,441,424	\$ -
Total	\$ 411,692,184	\$ 455,073,000	\$ 866,765,184	\$ 417,052,186	\$ 467,801,000	\$ 884,853,186	\$ 5,360,002	\$ 12,728,000