



**VIRGINIA COMMONWEALTH UNIVERSITY
BOARD OF VISITORS
FINANCE AND UNIVERSITY RESOURCES COMMITTEE**

**September 16, 2022
James Branch Cabell Library
901 Park Avenue – Room 303
Richmond, VA**

MINUTES

COMMITTEE MEMBERS PRESENT

Honorable Todd F. Haymore, *Chair*
Mr. Andrew Florence, *Vice Chair*
Mr. Peter Farrell
Ms. Ellen Fitzsimmons
Ms. Alexis Swann

COMMITTEE MEMBERS ABSENT

Mr. Anthony Bedell

OTHERS PRESENT

Dr. Michael Rao, *President*
Ms. Karol Kain Gray, *Senior Vice President & Chief Financial Officer*
Mr. Jay Davenport, *Vice President for Development & Alumni Relations*
Ms. Karah Gunther, *Vice President for External Affairs and Health Policy for VCU and VCU Health*
Mr. Matthew Conrad, *Vice President for Government and External Relations for VCU and VCU Health*
Ms. Erin Wilson, *Board & Operations Assistant, Office of the President*
Staff and students from VCU and VCUHS
Member of the media

CALL TO ORDER

The Honorable Todd Haymore, Chair of the Finance and University Resources Committee, called the meeting to order at 9:09 a.m. Mr. Haymore recognized Ms. Jenna Moon, who was present to send greetings and thanks on behalf of the Governor.

ACTION ITEMS

Mr. Haymore reviewed the items for action, noting that the first two items listed - the Approval of Minutes from May for the University Resources and Finance, Budget and Investment Committees, and the Charter and Meeting Planner for the newly formed Finance and University Resources Committee - had been provided to the Committee in advance for review. He asked the Committee members if they had any changes to these, and hearing none, asked the Vice President for Government and External Relations for VCU and VCU Health and the Senior Vice President and CFO to present the Amendment to the Six Year Plan.

Mr. Conrad provided a brief history of the Six Year Plan, where in exchange for more autonomy as a Tier III institution, the university has to present the updated Six Year Plan every 2 years. VCU uses it to better communicate its needs to the state, and have had great success in getting state support this way. Ms. Gray explained the need to inform the state about VCU's funding needs. When the university went to the Six Year Review Committee last year it was important to demonstrate that the VCU average included the health science schools, which most other Virginia institutions do not have. With those schools included, VCU fell to the bottom of the list. The University needs the state to acknowledge the cost study model by SCHEV. Ms. Gray reviewed the university's average faculty salaries, which also indicate that VCU is underfunded. Ms. Gray presented information about the loss of spending power in terms of tuition affordability and how that should be a factor to be considered when advocating for state funding.

Ms. Gray then reviewed the final two Action Items - the AV Contract Resolution and the Refinancing Resolution, noting that the latter is an opportunity to refinance debt hoping \$1.9-3M in savings that will benefit the individuals who pay debt on VCU housing.

On a motion duly made and seconded the following items: 1) Minutes of May 12, 2022 Finance, Budget and Investment Committee and University Resources Committee meetings; 2) Finance and University resources Committee Charter; 3) Finance and University Resources Meeting Planner; 4) Amendment to the Six Year Plan; 5) the Refinancing Resolution; and 6) the Resolution to Execute Contracts for Audio Visual Products, Service and Maintenance were approved unanimously.

The minutes are posted at <https://bov.vcu.edu/meetings/minutes/>. A copy of the other actions items is attached hereto as **Attachment A** and is made a part hereof.

REPORTS

The Senior Vice President and CFO Karol Kain Gray presented the Finance and Budget update. Ms. Gray provided a report on in-state tuition waivers and a budget update. Ms. Gray noted that the university was able to hold tuition flat by managing reallocations, making strategic cuts, and maintaining the hiring freeze. She also presented data on the university's progress with increasing supplier diversity (SWaM) through utilization of women and minority-owned businesses for procurement, which amounts to a 50% increase in SWaM spending since 2018. This positions VCU well for reaching SWaM goals by 2025. Lastly, Ms. Gray presented on the university's debt management noting that the university has to maintain a AA rating to remain Tier III. The university currently has ratings of AA- and AA3 with a stable outlook. The university's debt is \$442.6M. In order to maintain this standing, the university must be able to demonstrate that it is generating revenues which emphasizes how critical state funding is. The university faces no debt-related compliance issues. A copy of the items is attached hereto as **Attachment B** and is made a part hereof.

The Vice President for Government and External Relations for VCU and VCU Health Matthew Conrad and the Vice President for External Affairs and Health Policy for VCU and VCU Health Karah Gunther presented the Government Relations update. Mr. Conrad and Ms. Gunther outlined the university's priorities for the legislative session in January which include student financial aid, funds to address structural deficits, increasing faculty salaries, and continued support for capital projects noting critical decision points. Mr. Conrad also introduced Ms. Verenda Cobbs, Senior Manager for Civic Innovation

and Transformation. a new role in Government Relations that is shared with Dr. Aashir Nasim’s area to address needs in local neighborhoods and communities around VCU, and also high-need communities.

The Vice President for Development and Alumni Relations Jay Davenport presented the Development and Alumni Relations Update. Mr. Davenport reported on the past VCU Campaigns, noting the growth in goals and amounts raised and how each subsequent campaign builds upon the other. Mr. Davenport highlighted the increase in the fundraising foundation for the latest planned campaign. He reviewed the timeline and preliminary launch, and noted how the campaign pillars align with the Quest 2028 strategic themes. Mr. Davenport then announced the campaign tri-chairs, Michelle & David Baldacci, Keith & Dawn Parker, and Jon & Donna Perlin. He then reviewed new gifts and pledge data for FY 23 by source and purpose, noting that 77% of the new gifts and pledges are noted for a research purpose. A copy of the items is attached hereto as *Attachment C* and is made a part hereof.

CLOSED SESSION

On motion made and seconded, the Finance and University Resources Committee of the Virginia Commonwealth University Board of Visitors convened into closed session under Section 2.2-3711 (A)(9) for the discussion of gifts, bequests, and fund-raising activities of the University, namely the Named Funds Report, the Approved Named Funds under \$50,000 Report, and other notable and significant gifts. The motion was approved unanimously.

RECONVENED SESSION

Following the closed session, the public was invited to return to the meeting. The Hon. Todd Haymore called the meeting to order. On a motion duly made and seconded the following resolution of certification was approved by a roll call vote:

Resolution of Certification

BE IT RESOLVED, that the Board of Visitors of Virginia Commonwealth University certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the Board.

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Honorable Todd F. Haymore, Chair	X	
Mr. Andrew Florence, Vice Chair	X	
Mr. Peter Farrell	X	
Ms. Ellen Fitzsimmons	X	
Ms. Alexis Swann	X	

All members present responding affirmatively, the resolution of certification was adopted.

MISCELLANEOUS REPORTS

Mr. James Siegel, CFO for VCU Health, presented his report on VCU Health System and Financial Operations. He noted that the margins for health systems across the country have been challenging &

that VCUHS is no different. The margins are not expected to ease in 2022. VCUHS is expecting a \$56M loss. Operating costs are high including \$2M/month for contract nursing.

The Hon. Todd Haymore then noted the Treasurer's Report, Agency Risk Management and Internal Controls Standards and Board of Visitors Fund Annual Report, that were included in the pre-read materials. A copy of the items is attached hereto as ***Attachment D*** and is made a part hereof.

ADJOURNMENT

There being no further business, the Hon. Todd Haymore adjourned the meeting at 10:49 a.m.

**VIRGINIA COMMONWEALTH UNIVERSITY
BOARD OF VISITORS**

FINANCE AND UNIVERSITY RESOURCES COMMITTEE CHARTER

I. PURPOSE

The primary purpose of the Finance and University Resources Committee ("Committee") is to assist the Board of Visitors (BOV) in fulfilling its objectives and fiduciary responsibilities related to oversight of University financial, investment, and debt management policies, as well as activities related to generating resources and stakeholder support of the Virginia Commonwealth University's (the University) strategic goals, particularly in the areas of government relations, fundraising, and alumni relations.

The Committee is responsible for reviewing financial investments and statements, budgets, debt, cash management, six-year financial operating plans, and making corresponding recommendations to the BOV for the purpose of maintaining a sound financial standing. In addition to financial standing, the Committee is responsible for annually reviewing the University's tuition and fee charges. The Committee reviews the investment of the cash management pool and endowments, and further reviews the financial activities of organizations established to benefit the University, including foundations, partnerships, and other affiliated entities.

In addition, the Committee is responsible for reviewing and making recommendations to the BOV regarding the naming of University facilities, funds, and programs in recognition of private philanthropy, as outlined in the BOV's "Policy Guidelines on Recognition of Donors and Friends."

When appropriate, debt financing for Major Capital Projects is also considered by this Committee for recommendation of approval by the BOV.

University senior leadership is responsible for day-to-day operation of the University, under the governance of the BOV and consistent with the authority delegated by the BOV.

II. COMPOSITION AND INDEPENDENCE

The Committee will be comprised of three or more Visitors. In addition to complying with the Commonwealth of Virginia's Conflict of Interest laws and any University policies, each member must be free from any financial, family or other material personal relationship that, in the opinion of the Board or the Committee members, would impair their independence from management and the University. Committee members should also refrain from activities that a reasonable person would view as unethical or contrary to the institutional mission.

III. RESPONSIBILITIES

In performing its oversight responsibilities, the Committee shall:

A. General:

- a. Review the Committee charter annually and recommend updates to the BOV.

- b. Maintain minutes of all meetings.
- c. Report Committee actions and recommendations to the BOV.
- d. Meet in closed session with the external auditors and/or the Senior Vice President and Chief Financial Officer (with or without members of senior management present), as permissible by state law and deemed appropriate by the Committee, to discuss confidential matters.
- e. Become well acquainted with the information and pertinent facts under the purview of the Committee.
- f. Recommend best practices across the institution for financial management.
- g. Make such recommendations to the BOV that will ensure the institution is operating efficiently, effectively, and appropriately with regard to the use of public and other funds to support the University's stated mission.

B. Financial Policy and Investments:

- a. Review and recommend approval of the University's financial policies.
- b. Review financial assumptions upon which budgets are based.
- c. Review and recommend approval of the six-year financial plan and operating budget.
- d. Periodically review and compare financial operating results with appropriate budgets and benchmarks.
- e. Review and recommend approval of major design changes to the VCU Optional Retirement Plan.
- f. Review and report on annual financial statements and supporting schedules.
- g. Review and recommend approval of the University Investment Policy.
- h. Review and report on investment results.
- i. Review annually the BOV Fund.
- j. Review quarterly the University Efficiencies.
- k. Review quarterly the Committee Dashboard.

C. Debt Management:

- a. Review and recommend to the Board all debt issuance and debt management policies.

D. Government Relations:

- a. Review reports on local, state, and federal government relations activities related to supporting the University's strategic plan.
- b. Review and forward for BOV approval such Administration recommendations related to local, state and federal government relations and as the Committee deems.

E. Development and Alumni Relations:

- a. Review philanthropic goals and activities that benefit the University.
- b. Review and make recommendations regarding policies governing the solicitation and acceptance of gifts.
- c. Review and make recommendations regarding the recognition of philanthropic gifts through the naming of facilities, programs, and endowed funds.
- d. Review reports of major gifts, fundraising metrics, and alumni engagement activities.

F. Committee Administration:

- a. Review and approve the annual Committee meeting planner and any significant changes to the plan.
- b. Review the qualifications of the Committee members and staff, and the level of staffing by the institution as needed.
- c. Review annually the Deficit Disclosure.
- d. Review annually any modifications necessary to the Investment Policy Statements.
- e. Review annually Agency Risk Management and Internal Control Standards (ARMICS)

G. Tuition and Fees:

1. Review and recommend tuition and fee charges to the BOV.

IV. MEETINGS

The Committee will meet at least four times annually. Additional meetings may be called as circumstances warrant. The Committee Chair will communicate with the Senior Vice President and Chief Financial Officer prior to each Committee meeting to finalize the meeting agenda and review the matters to be discussed.

**Virginia Commonwealth University
Board of Visitors**

Finance and University Resources Committee Meeting Planner

A=Annually; Q=Quarterly; AN=As Necessary	Frequency			Planned Timing			
Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	A	Q	AN	Q1	Q2	Q3	Q4
				Sept	Dec	March	May
A. General							
1. Adopt a formal written charter that specifies the Committee's scope of responsibility. The charter should be reviewed and updated as necessary.	X			X			
2. Maintain minutes of all meetings.		X		X	X	X	X
3. Report Committee actions and recommendations to the Board of Visitors.		X		X	X	X	X
4. Meet in closed session with the external auditors and/or the Senior Vice President and Chief Financial Officer (with or without members of senior management present), as permissible by state law and deemed appropriate by the Committee, to discuss confidential matters.	X		X				
5. Become well acquainted with all of the information and pertinent facts under the purview of the Committee.			X				
6. Recommend best practices across the institution for financial management and for external stakeholder relations.			X				
7. Make such recommendations to the BOV that will ensure the institution is operating efficiently, effectively, and appropriately with regard to the use of public and other funds to support the University's stated mission.			X				
B. Financial Policy and Investments							
1. Review and recommend approval of the University's financial policies.			X				
2. Review financial assumptions upon which budgets are based.	X						X
3. Review and recommend approval of the six-year financial plan and operating budget.	X			X			
4. Periodically review and compare financial operating results with appropriate budgets and benchmarks.		X		X	X	X	X
5. Approve major design changes to the VCU Optional Retirement Plan			X				
6. Review annual financial statements and supporting schedules and report to the Board the results of that review.	X				X		
7. Review and recommend approval of the University Investment Policy.			X				

A=Annually; Q=Quarterly; AN=As Necessary	Frequency			Planned Timing			
Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	A	Q	AN	Q1	Q2	Q3	Q4
				Sept	Dec	March	May
8. Review the BOV Fund	X			X			
9. Review the Committee Dashboard		X			X		X
C. Debt Management							
1. Review and recommend to the Board all debt issuance and debt management policies.			X				
2. Review debt management activities of the University.	X			X			
3. Review and recommend necessary changes to debt policies.			X				
D. Committee Administration							
1. Review and approve the Committee meeting planner and any significant changes to the plan.	X			X			
2. Review the qualifications of the Committee members, staff and the level of staffing by the institution.			X				
3. Review the Deficit Disclosure annually.	X				X		
4. Review the Agency Risk Management and Internal Control Standards (ARMICS)	X			X			

A=Annually; Q=Quarterly; AN=As Necessary	Frequency			Planned Timing			
Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	A	Q	AN	Q1	Q2	Q3	Q4
				Sept	Dec	Feb	May
E. Tuition and Fees							
1. Review and recommend tuition and fee charges.	¹						X
F. Government Relations							
1. Receive and review reports on local, state, and federal government relations activities related to supporting the university's strategic plan.		X		X	X	X	X
2. Review and approve policies governing the solicitation and acceptance of gifts and make appropriate recommendations to the Board of Visitors.			X				
3. Provide quarterly reports to the Board of Visitors on local, state, and federal government relations activities.		X		X	X	X	X
G. Development and Alumni Relations							
1. Review philanthropic goals and activities that benefit the programs of Virginia Commonwealth University and its units.			X				
2. Review and approve policies governing the solicitation and acceptance of gifts and make appropriate recommendations to the Board of Visitors.			X				
3. Review and approve the recognition of philanthropic gifts through the naming of physical and non-physical entities, and make appropriate recommendations to the Board of Visitors for approval.			X				
4. Receive and review reports of major gifts, fundraising metrics, and alumni engagement activities.		X		X	X	X	X

5. Provide quarterly reports to the Board of Visitors on major gifts, fundraising metrics, and alumni engagement activities.		X		X	X	X	X
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¹ Annually in April a Special Meeting of the BOV may be held to discuss the Budget Plan and Proposed Tuition and Fees.

Dear Members of the Board,

At the upcoming Board of Visitor meeting, you will be asked to consider a resolution indicating your approval of the update to the university's Six Year Plan submission to the State.

- The Plan is submitted every two years with an update provided in the second year (2022 is an update year).
- The Plan describes VCU highest priority new strategic initiatives and financial outcomes for the upcoming biennium (FY2023, 2024) focusing on the Education & General budget.
- All of the strategies in the plan are priorities already discussed extensively with the Board, and the funding outcomes follow on the budget presented last June.

We look forward to discussing highlights from the Plan. In light of time constraints at the meeting the following slides have been provided for those of you who may be new to the Six Year Plan discussion.

Six Year Plan - what is it?

- It is an annual submission **required** under the Virginia Higher Education Opportunity Act of 2011
- Communicates our **strategies** and associated **financial plan** for the upcoming biennium (FY2023 & FY2024)
- Details our request for **additional state funds** and highlights how VCU aligns with the state's Virginia Plan for Higher Education
- A tool for **state and institutional planning**; not binding on the Board of Visitors

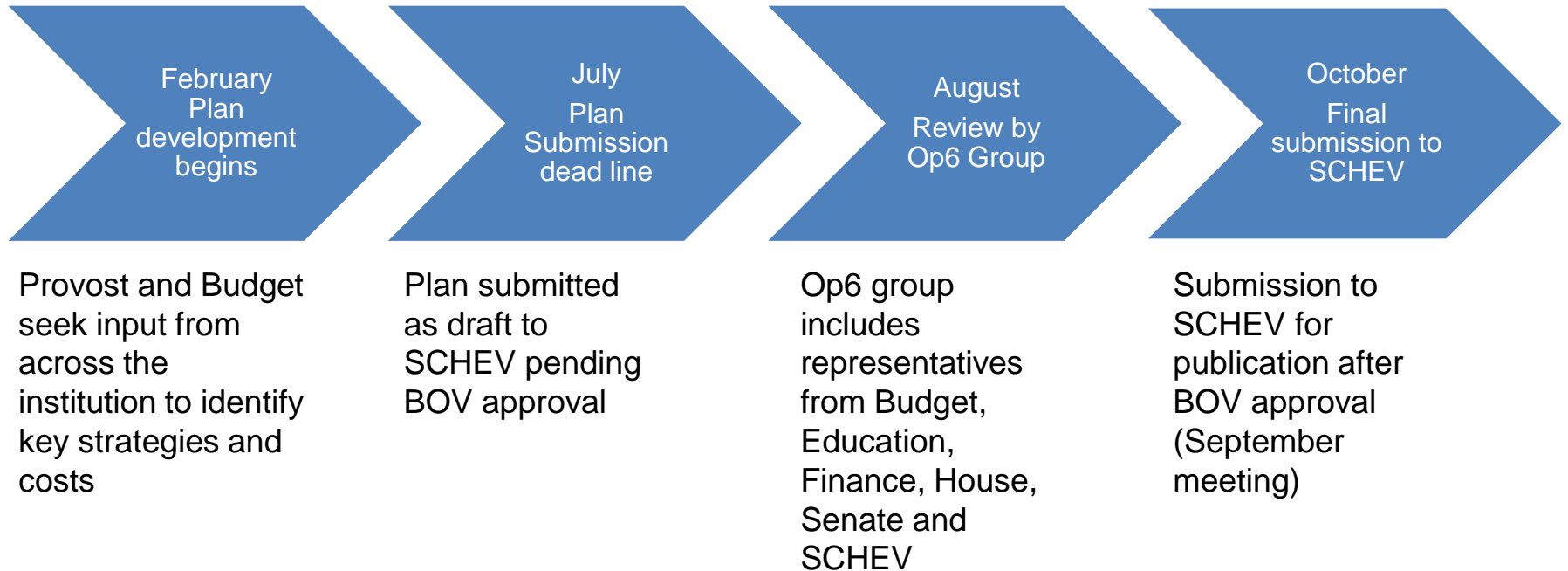
Six Year Plan - what is it?

- **The Plan is separate from the University's Capital Six Year plan** (also a required State document) as is generally focused on operations
- **Universities are encouraged to minimize the changes from the prior plan in an update year such as 2022.**

Assumptions for 2023 & 2024 Priorities

- Tuition rate growth for 2023 at 3%, with a waiver to 0% for UG residents, 2024 at 5%
- University funding priorities include financial aid, faculty and staff salaries based on state budget (5% both years), and unavoidable costs such as contractual increases
- Priority requests to the state focus on additional funding above levels currently included in the 2023 and 2024 budget:
 - Tuition moderation funding to reduce tuition increase from 5% to 0% and \$6.7M to make current year waivers permanent
 - \$20M structural funding gap to support faculty salary equity and hiring; \$20M would be year one of a three year request =\$60M
 - \$2.5M Massey Cancer Center

Six Year Plan Timeline



VIRGINIA COMMONWEALTH UNIVERSITY
BOARD OF VISITORS
September 16, 2022

Action Item
Approval of Virginia Commonwealth University's
2022 Six-Year Plan

Item:

Board of Visitors approval of Virginia Commonwealth University's 2022 Six-Year Plan as required by § 23-38.87:17 of the *"Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011"* (TJ21).

Background:

In response to the requirements outlined in § 23-38.87:17 of the *"Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011"* (TJ21) legislation, attached is a copy of Virginia Commonwealth University's 2021 amended Six-Year Plan submitted to the State Council of Higher Education for Virginia (SCHEV) by the stated deadline of July 11, 2022 (*the usual deadline of July 1st was delayed with the late adoption of the state budget*).

TJ21 established a mandate that the governing board of each public institution of higher education develop and adopt biennially and amend or affirm annually a six-year plan for their institution. The act requires the plans to be submitted to the State Council for Higher Education of Virginia (SCHEV) by July 1 of each odd-numbered year and also requires any amendments or affirmations to existing plans to be submitted by July 1 of each even-numbered year.

The instructions and template to complete the six-year plan, or the plan update, are usually provided by SCHEV in May, typically at the time of the May Board meeting. Due to this timeline and in accordance with SCHEV instructions, the University has historically submitted the draft plan, or update, to SCHEV by the July 1st deadline and then has presented it to the Board for approval at the next scheduled meeting which is usually held in September. Over the July and August months, State representatives review the plans submitted by each institution and then provide comments in early September for each institution to respond. The responses as well as the final board approved six-year plan is then due to SCHEV by October 1st. This process was once again followed for the 2022 Six Year Plan submission.

The strategies identified in the University's 2022 Six-Year Plan were developed collaboratively with each division through the annual budget development cycle. Building upon the strategic multi-year budget developed in the previous cycle, divisions reviewed their respective submissions and updated strategies to align with current priorities and objectives. The academic strategies related to programmatic growth were developed by the Provost through the respective academic unit.

The presented tuition and fee scenarios are for modeling purposes only and are based on a range of assumed incremental general fund support. These scenarios and the funding of the proposed strategies are subject to change based on the actual general fund support received. Additionally, approval of tuition and fees is the responsibility of the Board of Visitors and may be adjusted based upon factors such as incremental general fund support, legislative requirements, projected enrollment growth, and prioritization of strategies to implement.

Virginia Commonwealth University's 2022 Six-Year Plan was updated to reflect the status of existing strategies based on institutional priorities and legislative action during the 2022 General Assembly Session. Comments regarding the University's 2021 Six-Year Plan update have been provided by SCHEV and will be addressed in the institution's final plan submittal to SCHEV by October 1, 2022.

Action:

Virginia Commonwealth University Board of Visitors approval of the Virginia Commonwealth University 2022 Six-Year Plan.

Resolution

Approval of Virginia Commonwealth University's 2022 Six-Year Plan September 16, 2022

WHEREAS, the Higher Education Opportunity Act of 2011 became effective July 1, 2011, and requires each public institution of higher education in Virginia to develop and submit an institutional six-year plan; and

WHEREAS, § 23-38.87:17 of the Act requires, “*The governing board of each public institution of higher education shall develop and adopt biennially and amend or affirm annually a six-year plan for the institution and shall submit that plan to the Council (State Council of Higher Education for Virginia), the Governor, and the Chairs of the House Committee on Appropriations and the Senate Committee on Finance no later than July 1 of each odd-numbered year, and shall submit amendments to or an affirmation of that plan no later than July 1 of each even-numbered year or at any other time permitted by the Governor or General Assembly*”; and

WHEREAS, Virginia Commonwealth University prepared a six-year plan in accordance with the requirements of the Higher Education Opportunity Act of 2011 and guidelines provided by the State Council of Higher Education for Virginia; and

WHEREAS, the University submitted the six-year plan to the State Council of Higher Education for Virginia by the stated deadline of July 11, 2022 for the 2022 submission; and

WHEREAS, the 2022 Six-Year Plan must be approved by the Board of Visitors prior to the October 1 final submission;

THEREFORE, BE IT RESOLVED the Virginia Commonwealth University Board of Visitors approves the Virginia Commonwealth University 2022 Six-Year Plan as presented in the format provided by the State Council of Higher Education for Virginia; and

BE IT FURTHER RESOLVED, that the University is authorized to revise the 2022 Six-Year Plan as required by State officials for final submission by the stated deadline.

INSTRUCTIONS FOR SUBMITTING 2022 INSTITUTIONAL SIX-YEAR PLAN

Due Date: July 1, 2022

Six-year Plan Requirement

The Higher Education Opportunity Act of 2011 (TJ21) requires Virginia's public institutions of higher education to prepare and submit six-year plans. (See below for complete code reference.) During the 2022 General Assembly session, a joint resolution approved by the House and Senate (SJR53) also require that the mission, vision, goals, and strategies expressed in the Virginia Plan, the statewide strategic plan, guide the development of the strategic plan and six-year plan at each public institution of higher education, as well as the agency plan for SCHEV, and that SCHEV report annually on the Commonwealth's progress toward achieving these goals and targets to the Governor, General Assembly, institutions of higher education and the public. Since this is an even-numbered year, it is an update/affirm year for the plans that were developed in 2021.

2022 Six-year Plan

The 2022 Six-Year Plans are due July 1, 2022. The review group (referred to as Op Six) as outlined in § 23.1-306 (B) - see Legislative Reference section below - will meet in August to review the submissions and provide comments by September 1. Final plans are due to SCHEV by October 1 or immediately following an institution's Fall Board of Visitors' meeting, if it is later than October 1. (Reminder: A final copy of the 2022 plan must be sent by the institution to DLAS no later than December 1).

The six-year plan consists of an Excel workbook (Part I) and an accompanying narrative (Part II). The workbook has an Instructions page, Institution ID page and five parts/worksheets: In-state undergraduate Tuition and Fee Increase Rate, Tuition and Other Nongeneral Fund Revenue, Academic-Financial, General Fund (GF) Request, and Financial Aid. **Note: Shaded cells contain formulas.** The narrative (Part II) should be updated as needed due to corresponding changes in Part I or with any information requests from the Op Six.

INSTRUCTIONS FOR PART 1 (EXCEL WORKBOOK)

General Instructions

1. Update FY22 with actual revenue. Adjust FY23 in light of actual T&F and General Fund resources and FY24 with estimated T&F and known General Fund resources.
2. Re-assess strategies/initiatives (including making changes to reflect legislative action) in the Academic-Financial Worksheet. Deletions, additions or revisions to strategies/initiatives should be indicated by using codes in the Priority Ranking column. For deletions, change the PR number to a 'D'; for additions, add an 'A' before the PR number; and for revisions, add an 'R' before the PR number. Provide specifics about deletions, additions or revisions to strategies/initiatives in the corresponding Narrative fields on the worksheet (columns P and Q) and modify cost information as appropriate. Strategies/initiatives that the institution considers important, but were not funded, can be included, but there is an assumption that these items do not have General Fund support. Please remember to also update the narrative sections in Part II as needed.
3. Board approval of the updated Six-Year Plan should be done at the earliest possible fall meeting. HB 897 (2018) specified that initial plans do not get posted on the General Assembly's website and that final plans should be submitted to DLAS no later than December 1. However, we are requesting that institutions submit final plans with their responses to Op Six Comments on October 1 (or as soon as fall board meetings are held) as has been done in the past. We post the responses and final plans for review by the Op Six for a period of time prior to posting the final plans to SCHEV's website.
4. All files need to be checked for accessibility prior to submitting them. Information on accessibility is provided at this link: <http://schev.edu/index/accessibility/creating-accessible-content>. The first link, "How to Make Your MS Office Documents Accessible" can be used to learn how to check documents. Only errors, not warnings, must be addressed.

Instructions by Section

1. In-state Undergraduate Tuition and Fee Increase Rate Plan

Provide annual planned increases in in-state undergraduate tuition and mandatory E&G fees and mandatory non-E&G fees in 2022-24 biennium. The tuition and fee charges for in-state undergraduate students should reflect the institution's estimate of reasonable and necessary charges to students based on the mission, market capacity and other factors with the assumption of no new state general fund support.

2. Tuition and Other Nongeneral Fund Revenue

Based on assumptions of no new general fund, enrollment changes and other institution-specific conditions, **provide total collected or projected to collect revenues (after discounts and waivers)** by student level and domicile (including tuition revenue used for financial aid), and other NGF revenue for educational and general (E&G) programs; and mandatory non-E&G fee revenues from in-state undergraduates and other students as well as the total auxiliary revenue. DO NOT INCLUDE STIMULUS FUNDS.

3. Academic-Financial Plan

The Academic Plan, (3A), of this worksheet should contain academic, finance, and support service strategies the institution intends to employ in meeting state needs/goals as found in the Virginia Plan. Information related to the Virginia Plan and more specific state priorities is provided below. Provide a short title for each strategy. Indicate the total amount for the strategy, any internal reallocation to support the strategy and the amount of tuition revenue that will be used to support the strategy. Provide a short description of the strategy, including a specific reference as to where more detailed information about the strategy can be found in the Narrative document, in column J. Provide any pertinent information for consideration in 2024 through 2028 in column K. **All salary information must be provided in 3B. No salary information should be included in 3A. Strategies for student financial aid, other than those that are provided through tuition revenue, should not be included on this table; they should be included in Part 4 of the plan, General Fund Request.** Funding amounts in the first year should be incremental. However, if the costs continue into the second year, they should be reflected cumulatively. **Institutions that submit strategies that reflect incremental amounts in both years will have their plans returned for revision.** If you add rows for additional strategies, please update the total cost formulas. **Institutions should assume no general fund (GF) support in the Academic-Financial Worksheet. A separate worksheet (Part 4) is provided for institutions to request GF support. IF ANY STRATEGIES WILL BE FUNDED WITH STIMULUS FUNDS, PLEASE INCLUDE THOSE FUNDS IN THE REALLOCATION COLUMNS.**

Pathways to Opportunity: The Virginia Plan for Higher Education. In the column labeled "VP Goal," identify the goal of the The Virginia Plan (VP) that applies to each institutional strategy using the appropriate number (i.e., 1, 2, or 3). The three VP goals are listed below. In the Narrative document (Section B), institutions should provide more detailed information.

The Virginia Plan has three major goals (please refer to the Plan at <https://www.schev.edu/index/statewide-strategic-plan/virginia-plan-overview> for more information about the strategies under each goal):

GOAL 1 EQUITABLE: CLOSE ACCESS AND COMPLETION GAPS.

GOAL 2 AFFORDABLE: LOWER COSTS TO STUDENTS.

GOAL 3 TRANSFORMATIVE: EXPAND PROSPERITY.

The Financial Plan, 3B, of this worksheet pertains to the 2022-24 biennium. Complete the lines appropriate to your institution. **As completely as possible, the items in the academic plan and financial plan should represent a complete picture of the institution's anticipated use of projected tuition revenues. For every strategy in 3A and every item in 3B of the plan, the total amount and the sum of the reallocation and tuition revenue should equal one another.** Two additional rows, "Anticipated Nongeneral Fund Carryover" and "Nongeneral Fund for Current Operations" are available for an institution's use, if an institution cannot allocate all of its tuition revenue to specific strategies in the plan. Given the long standing practice that agencies should not assume general fund support for operation and maintenance (O&M) of new facilities, O&M strategies should not be included in an institution's plan, unless they are completely supported by tuition revenue. **All salary information is included in this section, 3B. There should be no salary information included in section 3A.**

4. General Fund (GF) Request

Indicate items for which you anticipate making a request for state general fund support in the 2022-24 biennium. The item can be a supplement to a strategy or item from the academic and financial plan or it can be a free-standing request for which no tuition revenue would be used. If it is a supplement to a strategy or item from the academic and financial plan, use the same title used in Part 3 and place it in bold print to draw attention to it's connection to Part 3. Also, describe in the Notes column how additional general fund will enhance or expand the strategy. Requests for need-based financial aid appropriated in program 108 should be included here. If additional rows are added, please update the total costs formulas.

5. Financial Aid

Provide a breakdown of the projected source and distribution of tuition and fee revenue redirected to financial aid. To ensure compliance with the state prohibition that in-state students not subsidize out-of-state students and to provide the review group with a scope of the strategy, projections must be made for each of the indicated categories. Please be aware that this data will be compared with similar data provided by other institutional offices in order to ensure overall consistency. (Please do not alter shaded cells that contain formulas.) **"Other Discounts and Waiver"** means the totals of any unfunded full or partial tuition waiver reducing the students' charges, including Virginia Military Survivors and Dependent Education Program and the Senior Citizens Tuition Waiver. Do not include the tuition differential for the tuition exceptions. **Note: If you do not have actual amounts for Tuition Revenue for Financial Aid by student category, please provide an estimate. If values are not distributed for Tuition Revenue for Financial Aid, a distribution may be calculated for your institution.**

Contacts for Questions:

General Questions - Tom Allison (tomallison@schev.edu)

Academic - Beverly Rebar (beverlyrebar@schev.edu)

Finance - Yan Zheng (yanzheng@schev.edu)

Financial Aid - Lee Andes (leeandes@schev.edu)

Enrollment/Degree Projections - Tod Massa (todmassa@schev.edu)

Legislative Reference:

§ 23.1 - 306. Institutional Six-Year Plans.

A. The governing board of each public institution of higher education shall (i) develop and adopt biennially and amend or affirm annually a six-year plan for the institution; (ii) submit such plan to the Council, the General Assembly, the Governor, and the Chairmen of the House Committee on Appropriations, the House Committee on Education, the Senate Committee on Education and Health, and the Senate Committee on Finance no later than July 1 of each odd-numbered year; and (iii) submit amendments to or an affirmation of that plan no later than July 1 of each even-numbered year or at any other time permitted by the Governor or General Assembly to the Council, the General Assembly, the Governor, and the Chairmen of the House Committee on Appropriations, the House Committee on Education, the Senate Committee on Education and Health, and the Senate Committee on Finance. Each such plan and amendment to or affirmation of such plan shall include a report of the institution's active contributions to efforts to stimulate the economic development of the Commonwealth, the area in which the institution is located, and, for those institutions subject to a management agreement set forth in Article 4 (§ 23.1-1004 et seq.) of Chapter 10, the areas that lag behind the Commonwealth in terms of income, employment, and other factors.

B. The Secretary of Finance, Secretary of Education, Director of the Department of Planning and Budget, Executive Director of the Council, Staff Director of the House Committee on Appropriations, and Staff Director of the Senate Committee on Finance, or their designees, shall review each institution's plan or amendments and provide comments to the institution on that plan by September 1 of the relevant year. Each institution shall respond to any such comments by October 1 of that year.

C. Each plan shall be structured in accordance with, and be consistent with, the objective and purposes of this chapter set forth in § 23.1-301 and the criteria developed pursuant to § 23.1-309 and shall be in a form and manner prescribed by the Council, in consultation with the Secretary of Finance, the Secretary of Education, the Director of the Department of Planning and Budget, the Director of the Council, the Staff Director of the House Committee on Appropriations, and the Staff Director of the Senate Committee on Finance, or their designees.

D. Each six-year plan shall (i) address the institution's academic, financial, and enrollment plans, including the number of Virginia and non-Virginia students, for the six-year period; (ii) indicate the planned use of any projected increase in general fund, tuition, or other nongeneral fund revenues; (iii) be based upon any assumptions provided by the Council, following consultation with the Department of Planning and Budget and the staffs of the House Committee on Appropriations and the Senate Committee on Finance, for funding relating to state general fund support pursuant to §§ 23.1-303, 23.1-304, and 23.1-305 and subdivision 9; (iv) be aligned with the institution's six-year enrollment projections; and (v) include:

1. Financial planning reflecting the institution's anticipated level of general fund, tuition, and other nongeneral fund support for each year of the next biennium;
2. The institution's anticipated annual tuition and educational and general fee charges required by (i) degree level and (ii) domiciliary status, as provided in § 23.1-307;
3. Plans for providing financial aid to help mitigate the impact of tuition and fee increases on low-income and middle-income students and their families as described in subdivision 9, including the projected mix of grants and loans;
4. Degree conferral targets for undergraduate Virginia students;
5. Plans for optimal year-round use of the institution's facilities and instructional resources;
6. Plans for the development of an instructional resource-sharing program with other public institutions of higher education and private institutions of higher education;
7. Plans with regard to any other incentives set forth in § 23.1-305 or any other matters the institution deems appropriate;
8. The identification of (i) new programs or initiatives including quality improvements and (ii) institution-specific funding based on particular state policies or institution-specific programs, or both, as provided in subsection C of § 23.1-307; and
9. An institutional student financial aid commitment that, in conjunction with general funds appropriated for that purpose, provides assistance to students from both low-income and middle-income families and takes into account the information and recommendations resulting from the review of federal and state financial aid programs and institutional practices conducted pursuant to subdivisions B 2 and C 1 of § 23.1-309.

E. In developing such plans, each public institution of higher education shall consider potential future impacts of tuition increases on the Virginia College Savings Plan and ABLE Savings Trust Accounts (§ 23.1-700 et seq.) and shall discuss such potential impacts with the Virginia College Savings Plan. The chief executive officer of the Virginia College Savings Plan shall provide to each institution the Plan's assumptions underlying the contract pricing of the program.

F. 1. In conjunction with the plans included in the six-year plan as set forth in subsection D, each public institution of higher education, Richard Bland College, and the Virginia Community College System may submit one innovative proposal with clearly defined performance measures, including any request for necessary authority or support from the Commonwealth, for a performance pilot. If the General Assembly approves the proposed performance pilot, it shall include approval language in the general appropriation act. A performance pilot shall advance the objectives of this chapter by addressing innovative requests related to college access, affordability, cost predictability, enrollment management subject to specified commitments regarding undergraduate in-state student enrollment, alternative tuition and fee structures and affordable pathways to degree attainment, internships and work study, employment pathways for undergraduate Virginia students, strategic talent development, state or regional economic development, pathways to increase timely degree completion, or other priorities set out in the general appropriation act.

2. A performance pilot may include or constitute an institutional partnership performance agreement, which shall be set forth in a memorandum of understanding that includes mutually dependent commitments by the institution, the Commonwealth, and identified partners, if any, related to one or more of the priorities set forth in subdivision 1 or set forth in a general appropriation act. No such institutional partnership performance agreement shall create a legally enforceable obligation of the Commonwealth.

3. No more than six performance pilots shall be approved in a single session of the General Assembly.

4. Development and approval of any performance pilot proposal shall proceed in tandem with consideration of the institution's six-year plan, as follows:

a. An institution that intends to propose a performance pilot shall communicate that intention as early as practicable, but not later than April 1 of the year in which the performance pilot will be proposed, to the reviewers listed in subsection B, the co-chairmen of the Joint Subcommittee on the Future Competitiveness of Virginia Higher Education, and the Governor. In developing a proposed performance pilot, the institution shall consider the Commonwealth's educational and economic policies and priorities, including those reflected in the Virginia Plan for Higher Education issued by the Council, the economic development policy developed pursuant to § 2.2-205, the strategic plan developed pursuant to § 2.2-2237.1, relevant regional economic growth and diversification plans prepared by regional councils pursuant to the Virginia Growth and Opportunity Act (§ 2.2-2484 et seq.), and any additional guidance provided by the Joint Subcommittee on the Future Competitiveness of Virginia Higher Education and the Governor.

b. An institution that submits a performance pilot shall include the one innovative proposal with clearly defined performance measures, and any corresponding authority and support requested from the Commonwealth, with its submission of the preliminary version of its six-year plan pursuant to clause (ii) of subsection A or with its preliminary amendment or affirmation submission pursuant to clause (iii) of subsection A.

c. The reviewers listed in subsection B, or their designees, shall review and comment on any proposed performance pilot in accordance with the six-year plan review and comment process established in subsection B and may expedite such review and comment process to facilitate the executive and legislative budget process or for other reasons. No later than October 15 of the relevant year, the reviewers shall communicate to the Governor and the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance their recommendations regarding each performance pilot proposal. Such recommendations shall include the reviewers' comments regarding how the proposed performance pilots, individually and collectively, support the strategic educational and economic policies of the Commonwealth.

d. Each performance pilot proposal shall include evidence of its approval by the institution's governing board and, if accepted, shall be referenced in the general appropriation act.

Six-Year Plans - Part I (2022): 2022-23 through 2027-28

Due: July 1, 2022

Institution:

Institution UNITID:

Individual responsible for plan

Name:

Email address:

Telephone number:

Part 1: In-State Undergraduate Tuition and Mandatory Fee Increase Plans in 2022-24 Biennium
Virginia Commonwealth University

Instructions: Provide annual planned increases in in-state undergraduate tuition and mandatory E&G fees and mandatory non-E&G fees in 2022-24 biennium. The tuition and fee charges for in-state undergraduate students should reflect the institution's estimate of reasonable and necessary charges to students based on the mission, market capacity and other factors with the assumption of no new state general fund support.

In-State Undergraduate Tuition and Mandatory E&G Fees

2021-22	2022-23		2023-24	
Charge (BOV approved)	Planned Charge	% Increase	Planned Charge	% Increase
\$12,549		5.0%		4.0%

In-State Undergraduate Mandatory Non-E&G Fees

2021-22	2022-23		2023-24	
Charge (BOV approved)	Planned Charge	% Increase	Planned Charge	% Increase
\$2,569		5.0%		4.0%

In-State Undergraduate Tuition and Mandatory E&G Fees

2022-23 (Revised)		2023-24 (Revised)	
Planned Charge	% Increase	Planned Charge	% Increase
\$12,956	3.24%	\$13,604	5.0%

In-State Undergraduate Mandatory Non-E&G Fees

2022-23 (Revised)		2023-24 (Revised)	
Planned Charge	% Increase	Planned Charge	% Increase
\$2,686	4.55%	\$2,812	4.69%

Part 2: Tuition and Other Nongeneral Fund (NGF) Revenue
Virginia Commonwealth University

Instructions: Based on assumptions of no new general fund, enrollment changes and other institution-specific conditions, provide total collected or projected to collect revenues (after discounts and waivers) by student level and domicile (including tuition revenue used for financial aid), and other NGF revenue for educational and general (E&G) programs; and mandatory non-E&G fee revenues from in-state undergraduates and other students as well as the total auxiliary revenue. DO NOT INCLUDE STIMULUS FUNDS.					Revised		
Items	2020-2021 (Actual)	2021-2022 (Estimated)	2022-2023 (Planned)	2023-2024 (Planned)	2021-22 (Est.)	2022-23 (Est.)	2023-24 (Planned)
	Total Collected Tuition Revenue	Total Collected Tuition Revenue	Total Projected Tuition Revenue	Total Projected Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue
E&G Programs							
Undergraduate, In-State	\$ 200,366,211	\$ 196,842,800	\$ 200,210,000	\$ 211,801,500	\$203,706,820	\$207,783,515	\$227,005,045
Undergraduate, Out-of-State	\$ 34,506,717	\$ 30,771,400	\$ 38,667,500	\$ 50,616,000	\$31,386,645	\$33,848,739	\$42,238,379
Graduate, In-State	\$ 47,338,725	\$ 47,170,600	\$ 50,251,000	\$ 52,683,800	\$45,518,777	\$47,668,436	\$50,731,468
Graduate, Out-of-State	\$ 18,809,538	\$ 19,546,100	\$ 20,431,800	\$ 20,870,500	\$22,791,505	\$23,772,978	\$24,069,507
Law, In-State	\$ -						
Law, Out-of-State	\$ -						
Medicine, In-State	\$ 13,527,140	\$ 13,912,600	\$ 14,350,200	\$ 14,350,200	\$12,388,303	\$12,881,138	\$12,558,062
Medicine, Out-of-State	\$ 17,535,426	\$ 18,033,200	\$ 18,587,300	\$ 18,587,300	\$16,132,093	\$16,702,874	\$17,789,226
Dentistry, In-State	\$ 11,062,340	\$ 10,435,200	\$ 10,756,800	\$ 10,756,800	\$9,856,124	\$10,588,548	\$10,315,315
Dentistry, Out-of-State	\$ 12,075,732	\$ 11,812,300	\$ 12,176,600	\$ 12,176,600	\$11,574,977	\$11,904,824	\$11,934,084
PharmD, In-State	\$ 9,906,778	\$ 10,218,800	\$ 10,426,000	\$ 10,426,000	\$8,395,443	\$8,656,902	\$8,384,471
PharmD, Out-of-State	\$ 3,254,450	\$ 3,395,200	\$ 3,470,300	\$ 3,470,300	\$2,733,954	\$2,857,181	\$2,942,345
Veterinary Medicine, In-State	\$ -	\$ -	\$ -	\$ -	\$0	\$0	\$0
Veterinary Medicine, Out-of-State	\$ -	\$ -	\$ -	\$ -	\$0	\$0	\$0
Other NGF	\$ 62,934,753	\$ 62,973,907	\$ 62,973,907	\$ 62,973,907	\$73,374,164	\$73,374,164	\$74,060,957
Total E&G Revenue	\$431,317,810	\$425,112,107	\$442,301,407	\$468,712,907	\$437,858,805	\$450,039,299	\$482,028,859
							\$31,989,560

\$4,076,695	\$19,221,530	\$10,389,175.75	\$8,832,354.25	\$441,617.71
\$2,462,094	\$8,389,640	\$1,692,436.95	\$6,697,203.05	\$334,860.15
\$2,149,659	\$3,063,032	\$2,383,421.80	\$679,610.20	\$33,980.51
\$981,473	\$296,529	\$1,188,648.90	-\$892,119.90	-\$44,606.00
\$0	\$0			
\$0	\$0			
\$492,835	-\$323,076			
\$570,781	\$1,086,352			
\$732,424	-\$273,233			
\$329,847	\$29,260			
\$261,459	-\$272,431			
\$123,227	\$85,164			
\$0	\$0			
\$0	\$0			
\$0	\$686,793			
\$12,180,494	\$31,989,560			

Non-E&G Fee Revenue	2020-2021 (Actual)	2021-2022 (Estimated)	2022-2023 (Planned)	2023-2024 (Planned)	2021-22 (Est.)	2022-23 (Est.)	2023-24 (Planned)
	Total Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue	Total Fee Revenue	Total Fee Revenue	Total Fee Revenue
In-State undergraduates	\$30,830,186	\$33,605,300	\$34,613,500	\$35,651,900	39,464,942	41,817,557	\$43,908,435
All Other students	\$25,852,615	\$28,219,500	\$29,066,100	\$29,938,000	21,730,683	23,537,963	\$24,714,861
Total non-E&G fee revenue	\$56,682,801	\$61,824,800	\$63,679,600	\$65,589,900	\$61,195,625	\$65,355,520	\$68,623,296
Total Auxiliary Revenue	\$113,024,667	\$153,774,400	\$157,468,200	\$161,254,300	\$147,420,544	\$157,156,775	\$161,085,694

Part 3: ACADEMIC-FINANCIAL PLAN
Virginia Commonwealth University

3A: Six-Year Plan for Academic and Support Service Strategies for Six-year Period (2022-2028)

Instructions for 3A: The Academic Plan should contain academic, finance, and support service strategies the institution intends to employ in meeting state needs/goals as found in the Virginia Plan. (Please see the main instructions sheet in this workbook for more detailed information about The Virginia Plan. Please provide short titles to identify institutional strategies. Provide a concise description of the strategy in the Description of Strategy column (column J). Within this column, provide a specific reference as to where more detailed information can be found in the Narrative document. Note the goal(s) with which the strategy is aligned with the Virginia Plan (in particular, the related priority areas) in the VP Goal column and give it a Priority Ranking in column A. Additional information for 2024-2028 should be provided in column K (Two Additional Biennial). Strategies for student financial aid, other than those that are provided through tuition revenue, should not be included on this table; they should be included in Part 4, General Fund Request, of the plan. **All salary information must be provided in section 3B. No salary information should be included in 3A. Funding amounts in the first year should be incremental. However, if the costs continue into the second year, they should be reflected cumulatively.** Please update total cost formulas if necessary. **Institutions should assume no general fund (GF) support in this worksheet. A separate worksheet (Part 4) is provided for institutions to request GF support. IF ANY STRATEGIES WILL BE FUNDED WITH STIMULUS FUNDS, PLEASE INCLUDE THOSE FUNDS IN THE REALLOCATION COLUMNS.**

Priority Ranking	ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR SIX-YEAR PERIOD (2022-2028)														Description of Strategy	Two Additional Biennia
	Strategies (Short Title)	VP Goal	Biennium 2022-2024 (7/1/22-6/30/24)													
			2022-2023			2023-2024			2022-2023 (Revised)			2023-2024 (Revised)				
			Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue		
1	Undergraduate Need-based Financial Aid	Affordable & Equitable	\$8,000,000	\$0	\$8,000,000	\$12,000,000	\$0	\$12,000,000	\$7,155,818		\$7,155,818	\$11,748,848		\$11,748,848	Permanent funding (\$4M) for student recruitment and retention aid provided in FY22 and growth in funds for FY23 & FY24; (see page 4 of the narrative)	Financial aid strategy will continue to be evaluated to maximize award effectiveness and accelerate student success
1	VMSDEP Waivers	Affordable	\$4,053,700	\$0	\$4,053,700	\$4,377,900	\$0	\$4,377,900	\$4,434,040		\$4,434,040	\$4,764,408		\$4,764,408	Permanent funding to meet mandated waivers increasing due to expanded student eligibility; Increased with enrollment (page 4)	Continued success in coordinating with the Virginia Department of Veteran Services will result in increased waiver needs
3	Non-resident Recruitment & Retention	Affordable	\$8,335,000	\$0	\$8,335,000	\$8,335,000	\$0	\$8,335,000	\$7,124,412		\$7,124,412	\$7,124,412		\$7,124,412	Permanent funding to increase VCU competitiveness among OOS; Decreased due to enrollment changes (page 5)	Financial aid strategy for OOS will continue to be evaluated to maximize award effectiveness, and increase student recruitment and retention
5	School of Public Health	Transformative & Equitable	\$1,000,000	\$0	\$1,000,000	\$2,000,000	\$0	\$2,000,000	\$2,000,000	\$2,000,000		\$2,000,000	\$2,000,000		Funding for minimal new infrastructure support to stand up new SPH - support if needed to be provided by VCUHS (page 6)	Funding needs to evaluated with program growth
4	Ph.D. Student Health Insurance	Affordable	\$2,500,000	\$0	\$2,500,000	\$2,500,000	\$0	\$2,500,000	\$873,925		\$873,925	\$873,925		\$873,925	Funding required to provide VCU students with the benefits similar to VA R1 institutions and to ensure national competitiveness; reduced with plan participation (page 5)	Further funding needs, if any, would need to be determined after program launch
	New Unallocated State Revenue Per General Assembly		\$0	\$0	\$0	\$0	\$0	\$0	-\$17,521,000		-\$17,521,000	-\$17,521,000		-\$17,521,000		
	One time Waviers Through Reallocations									\$6,700,636	-\$6,700,636					
	Permanent Strategic Reallocations to Balance									\$2,048,975	-\$2,048,975		\$2,366,048	-\$2,366,048		
	Total 2022-2024 Costs (Included in Financial Plan 'Total Additional Funding Need')		\$23,888,700	\$0	\$23,888,700	\$29,212,900	\$0	\$29,212,900	\$4,067,195	\$10,749,611	-\$6,682,416	\$8,990,593	\$4,366,048	\$4,624,545		

3B: Six-Year Financial Plan for Educational and General Programs, Incremental Operating Budget Need 2022-2024 Biennium

Instructions for 3B: Complete the lines appropriate to your institution. As completely as possible, the items in the Academic Plan (3A) and Financial Plan (3B) should represent a complete picture of the institution's anticipated use of projected tuition revenues. For every strategy in 3A and every item in 3B of the plan, the total amount and the sum of the reallocation and tuition revenue should equal one another. Two additional rows, "Anticipated Nongeneral Fund Carryover" and "Nongeneral Fund Revenue for Current Operations" are available for an institution's use, if an institution cannot allocated all of its tuition revenue to specific strategies in the plan. Also, given the long standing practice that agencies should not assume general fund support for operation and maintenance (O&M) of new facilities, O&M strategies should not be included in an institution's plan, unless they are completely supported by tuition revenue. Please do not add additional rows to 3B without first contacting Jean Huskey. **All salary information should be included in this section. No salary information should be included in 3A.**

	Assuming No Additional General Fund	2022-2023			2023-2024			2022-2023 (Revised)			2023-2024 (Revised)		
	Items	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue
	Total Incremental Cost from Academic Plan¹	\$23,888,700	\$0	\$23,888,700	\$29,212,900	\$0	\$29,212,900	\$4,067,195	\$10,749,611	-\$6,682,416	\$8,990,593	\$4,366,048	\$4,624,545
2	Increase T&R Faculty Salary Amount (state authorized salary increase), put NGF share amount in the tuition column and NGF share+state funding in the total column							\$11,792,429		\$5,653,994	\$25,512,177		\$12,659,373
2	Increase T&R Faculty Salary Amount (additional NGF salary increase), put NGF amount in both tuition and total columns	\$7,826,900	\$0	\$7,826,900	\$18,539,100	\$0	\$18,539,100	\$1,523,207		\$1,523,207	\$2,965,804		\$2,965,804

	T&R Faculty Salary Increase Rate (put state authorized salary increases in the total column, leave tuition column blank)							5%			5%		
	Additional NGF T&R Faculty Salary Increase Rate (put additional NGF salary increase rate in both tuition and total columns)	2.00%		2.00%	3.00%		3.00%	Varries			Varries		
	Increase Admin. Faculty Salary Amount (state authorized salary increase), put NGF share amount in the tuition column and NGF share+state funding in the total column												
	Increase Admin. Faculty Salary Amount (additional NGF salary increase), put NGF amount in both tuition and total columns												
	Admin Faculty Salary Increase Rate (put state authorized salary increases in the total column, leave tuition column blank)												
	Additional NGF Admin. Faculty Salary Increase Rate (put additional NGF salary increase rate in both tuition and total columns)												
	Increase Classified Salary Amount (state authorized salary increase), put NGF share amount in the tuition column and NGF share+state funding in the total column							\$1,394,663		\$668,685	\$2,906,757		\$1,415,770
	Increase Classified Salary Amount (additional NGF salary increase), put NGF amount in both tuition and total columns							\$0		\$0	\$0		\$0
	Classified Salary Increase Rate (put state authorized salary increases in the total column, leave tuition column blank)							5%			5%		
	Additional NGF Classified Salary Increase Rate (put additional NGF salary increase rate in both tuition and total columns)							0%			0%		
	Increase University Staff Salary Amount (state authorized salary increase), put NGF share amount in the tuition column and NGF share+state funding in the total column							\$7,725,015		\$3,703,833	\$16,758,143		\$8,326,504
2	Increase University Staff Salary Amount (additional NGF salary increase), put NGF amount in both tuition and total columns	\$0	\$0	\$0	\$5,228,800	\$0	\$5,228,800	\$997,334		\$997,334	\$997,334		\$997,334
	University Staff Salary Increase Rate (put state authorized salary increases in the total column, leave tuition column blank)							5%			5%		
	Additional NGF University Staff Salary Increase Rate (put additional NGF salary increase rate in both tuition and total columns)	\$0		\$0	3.00%		3.00%	0%			0%		
	\$1,000 Bonus Dec 1st							\$3,587,555	\$1,775,840		\$0		\$0
2	Increase Number of Full-Time T&R Faculty(\$) ³	\$0	\$0	\$0	\$0	\$0	\$0	\$755,680		\$755,680	\$1,661,360		\$1,661,360
	O&M for New Facilities	\$416,100	\$0	\$416,100	\$832,200	\$0	\$832,200	\$202,672		\$202,672	\$596,910		\$596,910
	Add'l In-State Student Financial Aid from Tuition Rev*	\$0	\$0	\$0	\$0	\$0	\$0						\$0
	Add'l Out-of-State Student Financial Aid from Tuition Rev*	\$0	\$0	\$0	\$0	\$0	\$0						\$0
	Anticipated Nongeneral Fund Carryover	\$0	\$0	\$0	\$0	\$0	\$0						\$0
	Nongeneral Fund for Current Operations (Safety & Security, Fringe Benefits)	\$942,900	\$0	\$942,900	\$1,885,800	\$0	\$1,885,800	\$4,981,473		\$4,981,473	\$8,754,601		\$8,754,601
	Library Enhancement	\$354,600	\$0	\$354,600	\$719,800	\$0	\$719,800	\$0			\$238,000		\$238,000
	Utility Cost Increase	\$406,300	\$0	\$406,300	\$617,700	\$0	\$617,700	\$376,032		\$376,032	\$1,929,853		\$1,929,853
	Total Additional Funding Need	\$33,835,500	\$0	\$33,835,500	\$57,036,300	\$0	\$57,036,300	\$33,815,700	\$10,749,611	\$12,180,494	\$71,311,532	\$4,366,048	\$44,170,054

Notes:
(1) Please ensure that these items are not double counted if they are already included in the incremental cost of the academic plan.
(2) If planned, enter the cost of any institution-wide increase.
(3) If planned, enter the cost of additional FTE faculty.
* Note VCU's financial aid funding needs are included in section 3A to better correspond with the narrative.

\$31,989,560

Auto Check (Match = \$0)			
Match Incremental Tuft Rev in Part 2 Jched, please provide explanation in the			
2022-2023	2023-2024	2022-2023	2023-2024
\$0	\$0		

Part 4: General Fund (GF) Request
Virginia Commonwealth University

Instructions: Indicate items for which you anticipate making a request for state general fund in the 2022-24 biennium. The item can be a supplement to a strategy or item from the academic and financial plan or it can be a free-standing request for which no tuition revenue would be used. If it is a supplement to a strategy or item from the academic and financial plan, use the same title used in Part 3 and place it in bold print to draw attention to it's connection to Part 3. Also, describe in the Notes column how additional general fund will enhance or expand the strategy. Requests for need-based financial aid appropriated in program 108 should be included here. If additional rows are added, please update the total costs formulas.

Priority Ranking	Initiatives Requiring General Fund Support									Notes
	Strategies (Match Academic-Financial Worksheet Short Title)	Biennium 2022-2024 (7/1/22-6/30/24)								
		2022-2023		2023-2024		2022-2023 (Revised)		2023-2024 (Revised)		
		Total Amount	GF Support	Total Amount	GF Support	Total Amount	GF Support	Total Amount	GF Support	
		1a	Undergraduate Need-based Financial Aid	\$8,000,000	\$7,333,200	\$12,000,000	\$7,333,200			
1a	VMSDEP Waivers	\$4,053,700	\$4,053,700	\$4,377,900	\$4,053,700	\$0	\$0	\$0	\$0	This request has been modified to reflect the funding detailed in the adopted state budget for FY2023 and FY2024. VCU's FY2023 budget is balanced inclusive of planned budget cuts and tuition rate changes (eliminating the former \$15M deficit need in the prior plan). Narrative descriptions, updated where necessary, for these needs can be found in the Strategy section on pages 4-5.
1b	Faculty Salary Increases (FY23 2%,FY24 3%)	\$5,443,900	\$2,613,100	\$13,775,100	\$2,613,100					
1b	Salary Increases (FY23 5%,FY24 5%)									
1c	School of Public Health	\$1,000,000	\$1,000,000	\$2,000,000	\$1,000,000	\$0	\$0	\$0	\$0	
2	Faculty Equity Support							\$15,000,000	\$15,000,000	This structural equity adjustment would address underfunding for non-health professional programs and would be used to partially address a continuing inequity in faculty salaries and provide limited funding for additional high-research cluster hires. (pages 7-8)
2	Research and Teaching Supported Cluster Hires (Rename)							\$5,000,000	\$5,000,000	
3	State Funding for Tuition Moderation 5% Tuition Increase to 3% Tuition Increase							\$6,791,433	\$6,791,433	Tuition moderation funding to reduce the tuition increase from 5% to 3% (page 7)
3	State Funding for Tuition Moderation 3% Tuition Increase to 0% Tuition Increase							\$10,056,567	\$10,056,567	Tuition moderation funding to reduce the tuition increase from 3% to 0% (page 7). Total of \$16.8M is needed to maintain a 5th year of 0% growth for VCU students.
4	Massey Cancer Center	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000			\$2,500,000	\$2,500,000	Funding requested for Massey Cancer Center reflecting adopted state budget (page 8)
5	Research Institute for Social Equity (RISE)	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000					Funding reflecting adopted state budget (page 9)
		\$25,997,600	\$22,500,000	\$39,653,000	\$22,500,000	\$0	\$0	\$39,348,000	\$39,348,000	

Part 5: Financial Aid Plan
Virginia Commonwealth University

Instructions: Provide a breakdown of the projected source and distribution of tuition and fee revenue redirected to financial aid. To ensure compliance with the state prohibition that in-state students not subsidize out-of-state students and to provide the review group with a scope of the strategy, projections must be made for each of the indicated categories. Please be aware that this data will be compared with similar data provided by other institutional offices in order to ensure overall consistency. (Please do not alter shaded cells that contain formulas.)

"Other Discounts and Waiver" means the totals of any unfunded full or partial tuition waiver reducing the students' charges, including Virginia Military Survivors and Dependent Education Program and the Senior Citizens Tuition Waiver. Do not include the tuition differential for the tuition exceptions.

Note: If you do not have actual amounts for Tuition Revenue for Financial Aid by student category, please provide an estimate. If values are not distributed for Tuition Revenue for Financial Aid , a distribution may be calculated for your institution.

Allocation of Tuition Revenue Used for Student Financial Aid

*2020-21 (Actual) Please see footnote below							
T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)
Undergraduate, In-State	\$200,366,211	\$29,298,064	14.6%	\$29,298,064	\$1,887,056	\$20,996,747	\$223,250,014
Undergraduate, Out-of-State	\$34,506,717	\$6,746,421	19.6%	\$6,746,421	\$8,572,427	\$3,095,887	\$46,175,030
Graduate, In-State	\$47,338,725	\$70,736	0.1%	\$70,736	\$3,497,035	\$872,410	\$51,708,171
Graduate, Out-of-State	\$18,809,538	\$26,929	0.1%	\$26,929	\$6,592,903	\$5,201,547	\$30,603,987
First Professional, In-State	\$ 34,496,258	\$2,349	0.0%	\$2,349	\$994,349	\$104,881	\$35,595,488
First Professional, Out-of-State	\$ 32,865,608	\$2,500	0.0%	\$2,500	\$1,122,667		\$33,988,275
Total	\$368,383,057	\$36,146,998	9.8%	\$36,146,998	\$22,666,437	\$30,271,471	\$421,320,964

2021-22 (Estimated)							
T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)
Undergraduate, In-State	\$196,842,800	\$32,298,064	16.4%	\$32,298,064	\$1,887,056	\$20,996,747	\$219,726,603
Undergraduate, Out-of-State	\$30,771,400	\$7,746,421	25.2%	\$7,746,421	\$12,226,427	\$3,095,887	\$46,093,714
Graduate, In-State	\$47,170,600	\$70,736	0.1%	\$70,736	\$3,497,035	\$872,410	\$51,540,046
Graduate, Out-of-State	\$19,546,100	\$26,929	0.1%	\$26,929	\$6,592,903	\$5,201,547	\$31,340,549
First Professional, In-State	\$34,566,600	\$2,349	0.0%	\$2,349	\$994,349	\$104,881	\$35,665,830
First Professional, Out-of-State	\$33,240,700	\$2,500	0.0%	\$2,500	\$1,122,667		\$34,363,367
Total	\$362,138,200	\$40,146,999	11.1%	\$40,146,999	\$26,320,437	\$30,271,471	\$418,730,108

2022-23 (Planned)							
T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)
Undergraduate, In-State	\$200,210,000	\$35,298,064	17.6%	\$35,298,064	\$1,887,056	\$20,996,747	\$223,093,803
Undergraduate, Out-of-State	\$38,667,500	\$8,746,421	22.6%	\$8,746,421	\$12,926,427	\$3,095,887	\$54,689,814
Graduate, In-State	\$50,251,000	\$70,736	0.1%	\$70,736	\$3,497,035	\$872,410	\$54,620,446
Graduate, Out-of-State	\$20,431,800	\$26,929	0.1%	\$26,929	\$6,592,903	\$5,201,547	\$32,226,249
First Professional, In-State	\$35,533,000	\$2,349	0.0%	\$2,349	\$994,349	\$104,881	\$36,632,230
First Professional, Out-of-State	\$34,234,200	\$2,500	0.0%	\$2,500	\$1,122,667		\$35,356,867
Total	\$379,327,500	\$44,146,999	11.6%	\$44,146,999	\$27,020,437	\$30,271,471	\$436,619,408

2023-24 (Planned)							
T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)
Undergraduate, In-State	\$211,801,500	\$38,298,064	18.1%	\$38,298,064	\$1,887,056	\$20,996,747	\$234,685,303
Undergraduate, Out-of-State	\$50,616,000	\$9,746,421	19.3%	\$9,746,421	\$12,226,427	\$3,095,887	\$65,938,314
Graduate, In-State	\$52,683,800	\$70,736	0.1%	\$70,736	\$3,497,035	\$872,410	\$57,053,246
Graduate, Out-of-State	\$20,870,500	\$26,929	0.1%	\$26,929	\$6,592,903	\$5,201,547	\$32,664,949
First Professional, In-State	\$35,533,000	\$2,349	0.0%	\$2,349	\$994,349	\$104,881	\$36,632,230
First Professional, Out-of-State	\$34,234,200	\$2,500	0.0%	\$2,500	\$1,122,667		\$35,356,867
Total	\$405,739,000	\$48,146,999	11.9%	\$48,146,999	\$26,320,437	\$30,271,471	\$462,330,908

* Please note that the totals reported here will be compared with those reported by the financial aid office on the institution's annual S1/S2 report. Since the six-year plan is estimated and the S1/S2 is "actual," the numbers do not have to match perfectly but these totals should reconcile to within a reasonable tolerance level. Please be sure that all institutional offices reporting tuition/fee revenue used for aid have the same understanding of what is to be reported for this category of aid.

2021-22 (Actual)							
T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)
Undergraduate,	\$203,706,820	\$30,718,143	15.1%	\$30,718,143	\$1,252,075	\$23,414,117	\$228,373,012
Undergraduate,	\$31,386,645	\$7,606,547	24.2%	\$7,606,547	\$11,914,789	\$3,106,089	\$46,407,522
Graduate, In-St	\$45,518,777	\$43,620	0.1%	\$43,620	\$3,087,166	\$1,111,004	\$49,716,947
Graduate, Out-o	\$22,791,505	\$5,000	0.0%	\$5,000	\$7,275,428	\$5,010,206	\$35,077,138
First Profession	\$30,639,870	\$5,000	0.0%	\$5,000	\$1,226,313	\$184,800	\$32,050,983
First Profession	\$30,441,024	\$0	%	\$0	\$1,276,121	\$11,808	\$31,728,953
Total	\$364,484,641	\$38,378,311	10.5%	\$38,378,311	\$26,031,892	\$32,838,024	\$423,354,556

2022-23 (Estimate)							
T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)
Undergraduate,	\$207,783,515	\$37,873,961	18.2%	\$37,873,961	\$1,252,075	\$30,114,753	\$239,150,343
Undergraduate,	\$33,848,739	\$7,606,547	22.5%	\$7,606,547	\$11,914,789	\$3,106,089	\$48,869,616
Graduate, In-St	\$47,668,436	\$43,620	0.1%	\$43,620	\$3,087,166	\$1,111,004	\$51,866,606
Graduate, Out-o	\$23,772,978	\$5,000	0.0%	\$5,000	\$7,275,428	\$5,010,206	\$36,058,611
First Profession	\$32,126,588	\$5,000	0.0%	\$5,000	\$1,226,313	\$184,800	\$33,537,701
First Profession	\$31,464,879	\$0	%	\$0	\$1,276,121	\$11,808	\$32,752,808
Total	\$376,665,135	\$45,534,129	12.1%	\$45,534,129	\$26,031,892	\$39,538,660	\$442,235,686

2023-24 (Estimate)							
T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)
Undergraduate,	\$227,005,045	\$42,466,991	18.7%	\$42,466,991	\$1,252,075	\$23,414,117	\$251,671,237
Undergraduate,	\$42,238,379	\$7,606,547	18.0%	\$7,606,547	\$11,914,789	\$3,106,089	\$57,259,256
Graduate, In-St	\$50,731,468	\$43,620	0.1%	\$43,620	\$3,087,166	\$1,111,004	\$54,929,638
Graduate, Out-o	\$24,069,507	\$5,000	0.0%	\$5,000	\$7,275,428	\$5,010,206	\$36,355,140
First Profession	\$31,257,848	\$5,000	0.0%	\$5,000	\$1,226,313	\$184,800	\$32,668,961
First Profession	\$32,665,655	\$0	%	\$0	\$1,276,121	\$11,808	\$33,953,584
Total	\$407,967,902	\$50,127,158	12.3%	\$50,127,159	\$26,031,892	\$32,838,024	\$466,837,817

2021 SIX-YEAR PLAN NARRATIVE (Part II)

INSTITUTION: Virginia Commonwealth University

OVERVIEW

The totality of the six-year plan should describe the institution's goals as they relate to state goals found in the *Pathways to Opportunity: The Virginia Plan for Higher Education*; the Higher Education Opportunity Act of 2011 (TJ21); and the Restructured Higher Education Financial and Administrative Operations Act of 2005.

The instructions under institutional mission and alignment to state goals, below, ask for specific strategies, in particular related to equity, affordability and transformative outcomes. Other sections will offer institutions the opportunity to describe additional strategies to advance institutional goals and state needs. *Please be as concise as possible with responses and save this narrative document with your institution's name added to the file name.*

Section A. Pandemic Impact: Briefly discuss, in one to two paragraphs, how the pandemic has impacted your institution. What things did your institution already have in place that proved helpful? What lessons were learned? What short-term changes have been made? What long-term changes will be made? What are the concerns moving forward?

RESPONSE:

At Virginia Commonwealth University (VCU), equity is the lens through which goals, objectives, and strategies are initiated and assessed. The pandemic along with the social justice reckoning over the past year has only reaffirmed the need for and value of students having access to and participating in equitable, affordable, and transformative learning opportunities, and, in response, VCU's faculty have exemplified the phrase *commitment to excellence in teaching and research*. VCU implemented pandemic-related strategies based on information gathered from multiple institutional surveys and public health guidelines. Some of the short-term actions taken by VCU included:

- Building on VCU's existing expertise and partnership with the VCU health system to quickly implement a comprehensive Public Health Response Team responsible for developing safety and health protocols.
- Shifting professional development resources embedded in VCU Online to quickly prepare faculty to create online course modules; testing new course formats such as "mini-mesters" that provide students flexible options.
- Working from our knowledge of how best to serve underrepresented students most at risk of attrition by moving student engagement and support services online and tripling student communications.
- Taking a student-centered approach to rapidly meet emergency financial needs by assessing and redesigning the emergency aid distribution and financial award process.

As VCU begins to transition back to a robust, in-person campus experience, assessments of short-term changes and the pandemic's impact on equity gaps, financial need, students' basic needs insecurity, and demand for flexible learning and working environments will continue. The post-pandemic environment will require that VCU continue to focus on ensuring robust alternative learning, student support, and working environments.

In many instances, the pandemic accelerated plans focused on goals related to equity, affordability, and transformation. VCU must meet students where they are and ensure that their experiences, whether virtual or in-person, prepare them to be not only productive contributors but also leaders in their communities. The last year and a half also highlighted the unpredictability and ever-present threat of unprecedented emergencies that wield the power to upend day-to-day norms, future plans, and even funding models. VCU will need to continue to be nimble and explore options to prepare for unforeseen circumstances.

Section B. Institutional Mission, Vision, Goals, Strategies, and Alignment to State Goals: Provide a statement of institutional mission and indicate if there are plans to change the mission over the six-year period.

Provide a brief description of your institutional vision and goals over the next six years, including numeric targets where appropriate. Include specific strategies (from Part 3 – Academic-Financial Plan and Part 4 – General Fund Request) related to the following state themes and goals:

- **Equitable:** Close access and completion gaps. Remove barriers to access and attainment especially for Black, Hispanic, Native American and rural students; students learning English as a second language; students from economically disadvantaged backgrounds; and students with disabilities.
- **Affordable:** Lower costs to students. Invest in and support the development of initiatives that provide cost savings to students while maintaining the effectiveness of instruction.
- **Transformative:** Expand prosperity. Increase the social, cultural and economic well-being of individuals and communities within the Commonwealth and its regions. This goal includes efforts to diversify staff and faculty pools.

Strategies also can cross several state goals, notably those related to improved two-year and four-year transfer, and should be included here. If applicable, include a short summary of strategies related to research. The description of any strategy should be one-half page or less in length. Be sure to use the same short title as used in the Part 3 and Part 4 worksheets. If federal stimulus funds will fund activities and are included in Part 3 as reallocations, please note how they will be used.

RESPONSE:

Mission

Virginia Commonwealth University and its academic health center serve as one national urban public research institution dedicated to the success and well-being of our students, patients, faculty, staff, and community through:

- Real-world learning that furthers civic engagement, inquiry, discovery, and innovation
- Research that expands the boundaries of new knowledge and creative expression and promotes translational applications to improve the quality of human life
- Interdisciplinary collaborations and community partnerships that advance innovation, enhance culture and economic vitality, and solve society's most complex problems
- Health sciences that preserve and restore health for all people, seek the cause and cure of diseases through groundbreaking research, and educate those who serve humanity
- Deeply engrained core values of diversity, inclusion, and equity that provide a safe, trusting and supportive environment to explore, create, learn, and serve

Vision

As a preeminent national, urban, public university and academic health center, Virginia Commonwealth University will be distinguished by its commitments to inclusion, access, and excellence; innovative and transformative learning; impactful research; exceptional patient care; and beneficial community impact.

Strategic Plan Recalibration

VCU Quest 2025: Together We Transform provided guidance toward current and future priorities for the period 2019-2025. In response to a rapidly changing world, and in light of the impacts of the pandemic and social justice issues, VCU recalibrated the strategic plan to *Quest 2028: One VCU - Together We Transform*. VCU leveraged its shared governance process and alumni and community stakeholder feedback to strengthen the focus of the strategic plan themes.

Goals

VCU's goals and strategies within Quest 2028 align with and embody the State of Virginia's Pathway to Opportunity goals. They both recognize and celebrate the responsibility of higher education institutions to lift up all individuals with opportunities that cascade into communities, the Commonwealth, and the nation. They also bring into focus the sector's responsibility to tackle systemic barriers to equity. VCU's Quest 2028 goals fall under four themes that align with the Virginia Plan:

- Theme I: Champion diversity, equity, and inclusion in all that we do, and advance a conscientious drive to support a climate where excellence and success for all people are valued and differences are celebrated. *Note: this theme is now the first as it is the foundation for all of VCU's goals.*
- Theme II: Student Success – Ignite student success through curricular innovation and a holistic culture of care. Transform curriculum so that all students engage in inquiry, discovery, innovation, experiential learning, civic engagement, and creative expression.
- Theme III: Research and Innovation – Distinguish VCU as a vibrant public research university where researchers, educators, practitioners, and entrepreneurs innovate together to improve lives and address societal challenges.
- Theme IV: Thriving Communities for All People – Deliver on VCU's commitment to solving social and health inequities in partnership with communities.

Freedom of Expression

VCU is committed to supporting and promoting freedom of expression and inquiry, free speech, academic freedom, and diversity of thought. In alignment with the biennial six-year financial plan required in the provisions §23.1-306 Code of Virginia, the university will continue to prioritize these values, uphold related policies, and report on its commitment as well as incidents and statistics to the Secretary of Education. Membership in the academic community imposes on students, faculty members, administrators, and the Board of Visitors an obligation to respect each other's dignity; acknowledge each other's right to express different opinions; to cultivate and to cherish intellectual honesty; and to promote freedom of inquiry and expression. VCU is committed to creating such an environment. VCU's commitment to freedom of expression is operationalized through the Office of Integrity and Compliance and the Division of Student Affairs supported by the following policies and practices:

- [Academic Rights and Responsibilities](#)
- [Free Speech and Reporting Incidents](#)
- The VCU Creed, which is included in the [VCU Faculty Handbook](#), [VCU Code of Conduct](#), and [VCU Student Code of Conduct](#)
- [Reservation and Use of Space - Virginia Commonwealth University](#)
- [Ram Voice | Division of Student Affairs | Virginia Commonwealth University](#)
- [FAQ | Division of Student Affairs | Virginia Commonwealth University](#)

- [Expressive Activity at VCU – Fall 2021 – Student Affairs Blog](#)
- [Expressive Activity Email to all Student Affairs staff](#)
- [Expressive Activity Email to all Students](#)
- [Social Media Guidelines](#)

Training on VCU's policies and practices regarding freedom of expression are included in our new student orientation (Ram-Ready Program) and are communicated again to all students and Student Affairs staff at the beginning of each term.

Strategies

VCU's mission, vision, and goals enable the university to thrive as a diverse and engaged institution that has placed access and excellence at the heart of all that we have done and ambitiously continue to accomplish. VCU strives to ensure a climate of mutual respect and trust where individuals of different cultural backgrounds, identities, abilities, and life experiences are embraced and empowered. The following strategies planned for the upcoming biennium celebrate the alignment of VCU's goals and the State's goals as we collectively embark upon an equitable, affordable, and transformative experience and outcome for those we serve. *(Note that the state funding included in the adopted budget is noted in the reallocation column on Tab 3).*

Student Recruitment & Retention (Priorities #1, #3, and #4)

To cultivate affordable post-secondary education pathways for all students (VA plan Goal 2), the university focuses on those for whom post-secondary education is not widely accessible. While VCU has made significant strides over the past several years in meeting students' academic, social, and community needs, there is still a sizable gap between what the university can and aspires to do to meet financial needs. Therefore, the university's funding priorities that support recruitment and retention for the upcoming biennium remain unchanged from the original request and continue to focus on student support.

Undergraduate Need-based Financial Aid (Priority #1)

VCU reduced expenses for financial aid to reflect state funding in the FY2023 adopted budget.

VCU is proud of progress with closing achievement gaps, however, the university is acutely aware that innovative solutions centered around proactive and intentional intervention will not suffice to keep progress from stalling and gaps from widening. VCU continues to serve students in need of financial aid and also commits to their successful educational outcomes.

From Fall 2015 to Fall 2019, 12.6% more first-time full-time undergraduates received aid. In fact, there was a 50.5% increase over seven years (Fall 2013 to Fall 2019). The success of this investment by VCU is evidenced by the rising graduation rate for students who receive aid: students in the Fall 2014 freshman cohort who received financial aid had a 73.8% six-year graduation rate compared to 58.2% for students without financial aid. Further evidence of the importance of this aid is VCU's success in closing the six-year graduation rate gap between Pell grant students and overall students (a four percentage point difference for the most recent rates).

The FY2023 aid request of \$7.1M reflects an annual increase of \$4M for FY2022 and \$3.1M for FY2023. In FY2022, incremental aid was funded in part with one-time HEERF monies as part of the university strategy to sustain enrollment. An additional \$3.1M increment is planned for FY2023 and \$4.6M in FY2024. This aid will be allocated to serve a significant population of students with financial need. Among undergraduate financial aid recipients in the 2021 aid year,

an estimated 56% are of low income and 33% are middle income (per the 2021 HHS poverty guidelines).

Virginia Military Survivors & Dependents Education Program Waivers (Priority #1)

Program costs increased due to increased utilization.

VCU's close coordination with Virginia's Department of Veteran Services has proven successful in working with veterans, active service members, spouses, and dependents to ensure a positive transition from military life to academics. Due to the expanded waiver eligibility under SB1173, VCU must provide additional funding to meet the needs of this population. Enrollment of students utilizing waiver eligibility in FY22 exceeded estimated levels, resulting in an increased need for FY2023 and FY2024 of \$4.7M as part of an estimated \$7.5M total program cost to VCU.

Non-resident Recruitment and Retention (Priority #3)

Pandemic-related enrollment impacts caused a modest reduction in costs associated with non-resident financial aid.

VCU's commitment to the education and success of the Commonwealth's residents is unquestionable. Over 91% of first-time undergraduates enrolled in Fall 2019 were Virginia residents, the highest among the Tier III and R1 Virginia institutions. VCU continues to invest in Virginia students and is increasing support to sustain and expand resident student financial aid. However, this approach can cause VCU's student diversity to suffer when it does not seek to be competitive nationally. All students benefit when their community and those from which and with whom they learn are not from Virginia only.

VCU undertook a market analysis examining how best to grow enrollment among non-residents. While in the long term, VCU anticipates non-resident enrollment will become self-sustaining with a positive net financial outcome, in the short term, current non-resident rates are simply not competitive with highly-ranked programs at peer institutions. VCU also has had lower financial aid to offer to mitigate the significant sticker shock, even for highly-ranked programs such as the School of the Arts.

To address this significant market shortfall, VCU began funding non-resident aid (from non-resident tuition) in 2019, offering \$10,000 to \$20,000 scholarships to students. To date, VCU has cobbled together one-time funding to support this initiative. As VCU confronts challenges to recruitment and retention in a post-pandemic environment, it is seeking to send a clear message that VCU is a highly competitive non-resident choice.

Ph.D. Student Health Insurance (Priority #4)

Due to the lower number of plan participants requiring VCU's specific insurance package, VCU reduced actual costs.

Among its R1 Virginia peers, VCU is the only institution that does not offer Ph.D. health insurance. Ph.D. students are often adults with dependents and do not qualify for health insurance under their family's plans. This leaves them with significant costs and uncertainty while taking on intense educational endeavors. VCU's lack of support not only puts students at risk of continued enrollment or success but also affects the university's ability to offer equitable and affordable access to advanced training. Additionally, ensuring that VCU Ph.D. recruitment is competitive is an essential element for VCU's transformative research program.

Faculty Recruitment and Retention (Priority Ranking #2)

VCU adjusted costs to match the state budget assumptions for the biennium and also added new costs of \$1.7M through FY2024 to support new faculty cluster hires.

The university is including a 5% merit increase in FY2023 and FY2024 for faculty (including adjuncts) and staff. The total cost cumulatively through FY2024 (inclusive of the planned \$1,000 bonus) will be \$48.7M with approximately \$24.2M to come from university funds as the current level of state support provides for only approximately 50% of the total cost. VCU needs an additional \$3M through FY2024 for faculty promotion and tenure changes and approximately \$1M to bring VCU police salaries to an equitable level (noted as additional NGF salary increases).

One of the ongoing challenges at VCU has been ensuring fair and equitable compensation for faculty members. VCU greatly appreciates the merit salary support the state has provided over the past several years. However, similar salary increases among Virginia institutions results in a continued gap in salary differential relative to R1 Virginia peers. Based on the 2019-20 AAUP annual report, VCU's average salary for all full-time faculty is the lowest among all Virginia R1 peers. The difference between the highest average annual salary of a Virginia R1 and VCU is approximately \$45,000 (Note: More recent data will not be available until later this year). Even if VCU were to seek the median salary only, the university would need an additional \$35M to achieve parity among Virginia R1 peers.

Funding (\$1.7M) has been included to further support VCU's faculty cluster hire practice. Utilizing a 21st century cluster hire model allows VCU to prioritize the development of transdisciplinary cores working across departments and campuses while enhancing faculty diversity and inclusion. Since 2015, faculty hired under this model have acted as catalysts for engaging fellow faculty as well as staff, students, and other stakeholder groups in collaborative activities that connect science, pedagogy, and practice within urban communities. This model allows VCU to expand access to direct research opportunities for high need and high talent students (to date the model has provided research engagements for about 100 students, and in the most recent cohort, each student had at least one research presentation accepted by a local, regional, or national conference).

School of Population Health (Priority Ranking #5)

After VCU established this priority in FY2021, the university advanced this initiative in FY2022 and secured funding for initial startup, and an ongoing commitment from the VCU Health System. The health system has a vested interest in reducing health disparities and improving the overall health status of the many disadvantaged neighborhoods and communities it serves. The health system's bottom line will substantially benefit from the resulting reduction in avoidable inpatient costs. VCU Health anticipates strong collaborations with public health faculty and students – both in its facilities and in high-priority communities.

COVID-19 exposed an urgent need to improve public health infrastructure. As the pandemic recedes, a wide range of threats remain, which require a systemic approach to protect the nation's health security. In response, VCU proposes establishing a School of Population Health (SPH). Minimal new infrastructure will be needed as VCU can leverage existing excellence in health research and teaching. The SPH should swiftly produce tangible benefits including attracting and retaining gifted undergraduate and graduate students and fostering high-impact collaborative research and education programs with partner universities. The Commonwealth will benefit from VCU graduates well prepared to immediately engage the State's diverse populations.

The Virginia Plan identifies new pathways to opportunity as a primary goal. This aligns with the SPH as the programs will be designed to advance students whose interest is less in first professional or science-

heavy outcomes and more on building careers fueled by their passion for advancing health, wellness, and equity in global, urban, and community settings. In contrast to other notable Schools of Public Health, VCU will focus on workforce development, elimination of longstanding healthcare disparities, and development of strategies to reverse the erosion of public confidence in science and highly effective public health interventions.

General Fund Requests

The state's provision of new funding to offset higher than anticipated salary and inflationary increases partially mitigates VCU's original requests for the upcoming biennium.

We are grateful to the state for the significant support in the adopted budget. However, it is important to note that balancing the budget came with significant challenges. VCU implemented over \$10.8M of budget reductions and reallocations for FY2023 to balance the budget with a 3% tuition rate increase. The VCU Board of Visitors also adopted a proposal to provide a one-time scholarship for all in-state undergraduate students to offset the approved tuition rate increase. This equates to a \$378 annual credit per student, resulting in an additional \$6.7M budget reduction for FY2023. The scholarship will effectively keep tuition flat for Virginia undergraduates for the fourth consecutive year.

In 2024, VCU will need an infusion of \$6.8M in new funds to reduce the planned tuition rate increase from 5% to 3% in FY2024. The university would need an additional \$10M (total of \$16.8M) to achieve a zero percent increase for undergraduate and graduate students.

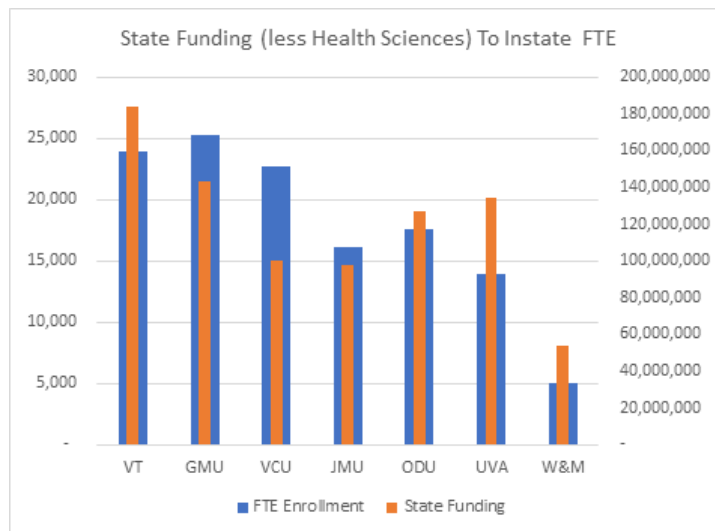
FY2023 and 2024 Equity Funding Adjustment (Priority Ranking #2)

VCU's request for FY2024 remains unchanged at \$20M as part of an overall request to bring the university to funding levels equitable with its Virginia peers. VCU requests a three-year baseline adjustment of \$20M annually to address this inequity

VCU plays an important and unique role within the Commonwealth, offering a comprehensive array of programs across its schools and colleges. Of particular note are the university's health sciences programs including Dentistry (the only program in the state), Pharmacy, Medicine (with its integrated medical center and practice plan, one of only two in the state), Nursing, and Health Professions. These highly ranked programs are also the home of prominent and innovative cross-collaborative research with VCU Massey Cancer Center and VCU Health.

Adequate funding is required to support these distinctive first professional programs and the opportunities they bring to the Commonwealth, but this should not come at a significant cost to the balance of the university and non-general funding sources needed to support other important areas. The size and scope of this funding issue has become clear as the university has advanced its own cost allocation model (underpinned largely from the base adequacy model). The pandemic further highlighted both the urgency of maintaining Virginia's most robust health sciences campus and the resulting financial cost--something that is only feasible with adequate state support.

A preliminary analysis of state support based on the FY2021 approved budget per resident FTE seems to indicate that VCU funding matches that of Virginian R1 institutions (VCU gross state funds per FTE = \$8,101 vs R1=\$7,483), however, this tells only part of the story as it does not differentiate between program offerings across institutions.



A more accurate accounting of the per FTE funding is illustrated in the chart above where both first professional FTEs and allocated state funding are removed for all institutions (VCU & UVA). This more comparable analysis makes it clear that VCU receives significantly less funding than its peers. Funding per resident FTE for VCU = \$4,412 while average funding for the R1 = \$7,310. VCU would require an investment by the state of \$65M to be funded equitably with Virginia's other R1 institutions.

If funded at \$20M in FY2024 VCU would be able to address two critical needs. VCU would allocate \$15M to improving faculty salary equity (as discussed on page 6). Lower median salaries impact all ranks of VCU tenure and tenure-track faculty, with the most significant gap occurring for faculty in the early stages of their careers (assistant professor). The balance of \$5M would enable hiring of new tenure/tenure track faculty with high research potential. Collaboration is the foundation of VCU's research success, and it has resulted in VCU's improved research rankings to #58 among public institutions (Source: FY2020 NSF HERD Survey). By developing a culture of creativity, team science, collaborative research, and responsiveness, VCU will continue to be a significant contributor to Virginia's economy (\$9.5B in impact), serve as a hub for increasing research that addresses society's most pressing issues, and provide student researchers with invaluable and transformative experiences that positively impact not only their individual trajectories but that of the commonwealth.

Massey Cancer Center (Priority Ranking #3)

The request for FY2024 remains unchanged from the prior plan.

To meet the growing need for advanced cancer research in the Commonwealth, VCU Massey Cancer Center requests \$2.5M annually bringing total permanent funding to \$20M. The cancer center leverages the state's investment to produce a strong return, generating \$37.4 million in research grants awarded to Massey researchers in fiscal year 2020 and \$14.9 million in philanthropy received so far in fiscal year 2021. Increased state funds will improve the lives of Virginians and attract some of the best and brightest minds to our communities, further building Virginia's reputation as a center for innovation and national collaboration and catalyzing economic growth.

Massey is among the top 4% of cancer centers nationwide and is one of only two cancer centers in the state designated by the National Cancer Institute. As Massey seeks to elevate its designation to Comprehensive

status in 2022, state support will be critical to its efforts. These dollars will help Massey demonstrate an added depth and breadth of research as well as substantial transdisciplinary research when seeking Comprehensive designation. Funding supports researchers translating their discoveries into clinical trials that improve patient care for all Virginians; adds critical personnel to support clinical and prevention research infrastructure; creates more jobs for Virginians; and expands Massey's clinical trials network to bring the latest therapies to the entire state and to address cancer disparities in Virginia's minority and vulnerable populations.

State funding also supports Massey's efforts to address cancer disparities – an equity imperative driven by Massey's unique catchment (service) area, which includes 66 localities with 41% of residents identifying as racial/ethnic minorities and 52% identifying as living in rural areas. Massey is leading the nation in establishing a 21st-century model of equity for cancer research and care, in which the community is informing and partnering with Massey on its research to best address the cancer burden and disparities of the communities the cancer center serves.

Research Institute for Social Equity (RISE) (Priority Ranking #4)

VCU is grateful for the \$1.5M in each year of the binenium to expand this equity work and will not make an additional request.

Created in Fall 2020, the Research Institute for Social Equity (RISE) within the L. Douglas Wilder School of Government and Public Affairs at VCU serves as a vehicle to advance racial equity and social justice through multidisciplinary scholarship, research, training, and engagement. The goal of RISE is to be the national leader in advancing social justice to inform public policy, governance, and practice to improve conditions for marginalized voices within our society, including communities of color, LGBTQIA individuals, people with disabilities, incarcerated populations, survivors of domestic violence, and women.

Since its inception, RISE has worked with the Virginia Department of Emergency Management and the Health Equity Taskforce to assist in addressing equitable COVID-19 vaccine distribution and vaccine hesitancy as well as assessing citizens' views about COVID-19 through public opinion polling. RISE is currently working with the Virginia Department of Education to address equity barriers to teacher licensure in Virginia.

Section C. In-state Undergraduate Tuition and Fee Increase Plans: Provide information about the assumptions used to develop tuition and fee information the institution provided in the Excel workbook Part 1. The tuition and fee charges for in-state undergraduate students should reflect the institution's estimate of reasonable and necessary charges to students based on the institution's mission, market capacity and other factors.

RESPONSE:

Resident Tuition Assumptions:

Each year, VCU develops a multi-year, multi-fund financial plan for tuition rate setting based on expense and revenue growth. The plan for FY2022 through FY2024 included several key assumptions:

- VCU will only advance the most essential and strategically critical goals, including financial aid and competitive compensation.
- The university maintains enrollment expectations, eventually reaching strategically set goals
- VCU will require funding to meet essential operational costs. In some areas, such as library costs, growth in FY2023 and FY2024 reflects catch-up after several years of budget reductions and/or flat budgets.

The resulting rates for undergraduate tuition will increase by 3% and 5% (with no additional state funds) respectively in FY2023 and FY2024. The VCU Board of Visitors adopted a proposal to provide a one-time scholarship for all in-state undergraduate students to offset the approved 3% tuition rate increase. This equates to an additional \$6.7M budget impact for the fiscal year. The scholarship effectively would keep tuition flat for Virginia undergraduates for the fourth consecutive year.

Section D. Tuition and Other Nongeneral Fund (NGF) Revenue: Provide information about factors that went into the calculations of projected revenue, including how stimulus funds may mitigate tuition increases.

RESPONSE:

Total Tuition and NGF Assumptions

- Graduate tuition rates will increase by 3% and 5% respectively.
- First Professional tuition rate increase will be between 0-3% due to variations in professional programs.
- Course fees were replaced in FY2020 with simplified (and lower) annual program fees. Currently there is no assumption in growth of program fees or E&G mandatory fees as the programming and costs will continue to evolve post-pandemic.

Section E. Other Budget Items: This section includes any other budget items for which the institution wishes to provide detail. Descriptions of each of these items should be one-half page or less.

RESPONSE:

O&M for New Facilities

Costs are revised to reflect net need remaining after state funding included in the adopted budget. O&M costs include changes in inflationary costs, project timing and the addition of the Technology Operations building.

Science, Technology, Engineering and Mathematics (STEM) Building - This 167,399 gross square foot project was approved with Item C-48.10 of Chapter 854, 2019 Acts of Assembly. Slated to open in January 2023, the new building will house labs, classrooms, and office space for the College of Humanities and Sciences. It will increase lab availability, facilitate innovative and flexible teaching methods, provide students with instructional and study spaces, and release space in other College of Humanities and Sciences buildings to better serve students and faculty. The estimated O&M cost is \$.597M with \$.203M required in FY23 and the balance of \$.394M required in FY24. The state is funding \$.208M in FY2023 and \$.209M in FY2024.

Library enhancement

VCU updated costs to reflect FY2024 inflationary needs and funding reductions made in FY2023.

One of the hallmarks of any high research institution is access to scholarly journals. VCU proactively manages journal subscriptions to reduce costs and implements an annual review process resulting in subscription suspensions or price caps. Barring cancellations, prices are anticipated to increase approximately 3% (\$.354M) annually for the next biennium. VCU plans to support library enhancements in FY2024 with estimated funding of \$.238M.

Utility Cost Increases

VCU updated costs to reflect FY2023 and FY2024 pricing.

The Division of Administration seeks improvements in operations and efficiencies across multiple campus-wide programs to reduce costs in facilities and services. However, improving and maintaining VCU's considerable infrastructure requires a sustained resource investment simply to keep pace with inflation and mandated contractual increases.

VCU's estimates for FY2024 utility costs are significantly impacted by soaring energy costs, specifically the natural gas needed to produce steam for its buildings. In November of 2022 the current gas futures contract will end leaving VCU to purchase gas at market prices. With projected future prices expected to continue to rise VCU estimates a significant increase in our utility costs in 2024. While VCU is implementing an energy performance contract to identify relevant Energy Conservation Measures (ECMs) to reduce energy consumption in campus buildings and mitigate utility cost increases, VCU still anticipates increases totalling \$.376M in FY2023, with an additional \$1.6M in FY2024.

Nongeneral Fund for Current Operations (Safety & Security; Fringe Benefits)

Inflationary increases in contractual costs, safety, and security as well as required improvements in infrastructure technology led to significant cost increases across operational needs during FY2022. VCU's adjusted planning for FY2023 and FY2024 reflect these increases.

Contracts subject to increases address a variety of issues including maintenance of facility systems (e.g HVAC, generators), safety, and risk management (increased vendor cost for inspection and testing of fire suppression systems throughout the campus), operating and maintenance services, and custodial services. New costs for FY2023 and FY2024 included a required transfer to the cloud for the Banner system, increased insurance premiums, lease related expenses and funding required for student recruitment. VCU is now planning for \$5M in FY2023 and an additional \$3.1M in FY2024 primarily driven by inflationary pressures.

Fringe/health benefit cost increases are assumed to be 0% in 2023 and 2024 in conjunction with planned salary increases.

Section F. Enrollment Projections: Include in this section information about how your institution developed its enrollment projections, whether your institution is concerned about future enrollment trends, and, if so, what planning is underway to address this concern. How have enrollment plans been impacted by the pandemic? For example, does your institution plan on enrolling more online students?

RESPONSE:

VCU generates granular enrollment projections for the next academic year for subpopulations of students based on class level, college of primary major, and residency. To project continuing degree-seeking enrollment, the university calculates projected retention rates based on the most recent three-year moving average of Spring-Fall retention rates for each population. These projected retention rates are applied to each subpopulation of current students, yielding granular enrollment projections for continuing students for the next academic year. To project new degree-seeking students, including new transfers, VCU calculates a three-year moving average of new student matriculations by class level, college, and residency; these averages form the basis of new student projections. Over the course of the admissions cycle for the upcoming academic year, Strategic Enrollment Management and Student Success (SEMSS) regularly reviews application volume and admissions yield for each subgroup. SEMSS uses these data, along with expert judgment, to adjust new student projections as needed. Continuing and new student projections are aggregated to generate a university-level forecast. VCU's enrollment planning considers

workforce development needs among a diverse spectrum of students including those who are traditional age. Planning also focuses on diversifying enrollment through increasing adult and graduate students.

Enrollment projections for subsequent academic years (two years out, and beyond) are generated by combining time-series forecasting with university strategic goals. For these years, VCU generates projections for continuing students by applying historic retention rates to expected subpopulation sizes. Projections for new, incoming students for upcoming years are generated by taking: (1) projected subpopulation retention rates, (2) projected number of continuing students for each subpopulation, and (3) the university's 6-year enrollment goals, and "solving" for number of new, incoming students needed to achieve those goals.

With respect to possible pandemic effects on enrollment, the primary concern with the process described above was that its reliance on historical data (as opposed to contemporaneous data) would make it poorly-suited to dealing with exogenous shocks such as COVID-19. To inform enrollment planning due to the pandemic, VCU deployed a survey in March 2021 to students asking about their willingness and readiness to attend classes in the Fall based on two health scenarios: 1) slow administration of vaccinations and rising COVID-19 positivity rates, 2) a more favorable health situation wherein vaccination administration was on the rise and positivity rates were on a decline. The information gained from survey respondents was used to plan for a safe and vibrant campus in the upcoming Fall semester.

As noted in the response to the Pandemic Survey and in the evaluation section below, the pandemic accelerated the shift from individual course conversion to a focus on creating more online programs. VCU Online is currently on track to add at least six programs over the biennium, which will help build a model for successful online program offerings.

Section G. Programs and Instructional Sites: Provide information on any new academic programs, including credentials and certificates, new instructional sites, new schools, or mergers supported by all types of funding, that the institutions will be undertaking during the six-year period. Note that as part of the revised SCHEV program approval process, institutions will be asked to indicate if a proposed new program was included in its six-year plan. Also, provide information on plans to discontinue any programs.

RESPONSE:

As a community-engaged, research intensive university, our strategic priorities include but are not limited to:

1. Developing creative technological and analytical improvements and evidence-based educational approaches to society's problems to serve the needs of individuals and communities.
2. Enrich lives and elevate human understanding and aspirations through cultural contributions and critical analysis.
3. Reducing the burden of disease and improving wellness through transformative basic, translational, clinical and population research.
4. Improving health outcomes by leveraging emerging technologies, data science, machine learning and mathematical modeling.
5. Generating new medications, biologic treatments, interventions, devices and vaccines by actualizing discoveries made at VCU.
6. Creating environmentally and economically sustainable materials, products, processes and infrastructure.

VCU uses strategic plan themes and priorities to determine specific academic initiatives and proposed new degree programs and certificates. First, in the area of academic initiatives, VCU has developed the following: transforming the undergraduate curriculum to ensure we offer a 21st-century learning experience; advancing innovations for high-quality education and workforce development; building and sustaining the infrastructure to enhance diversity, inclusion to support teaching, research, scholarship, creative expression, and service; and creating a university culture that supports and promotes VCU's interdisciplinary research strengths, scholarship and creative expression.

Each of VCU's schools and colleges is planning to strengthen existing and/or to advance new programs in critical domains and fields that will benefit the Commonwealth of Virginia. Domains and fields include but are not limited to: manufacturing; sustainability; environment; computing; biotech; health inequities; population health; public health; metamorphic technology; community-centered engagement; arts; brand strategy and design; finance; leadership; education (e.g. TESOL; educational psychology); cancer research; cardiovascular research; neuroscience; nursing and academic nursing education; pharmaceutical sciences; pharmaceutical engineering; social equity; public policy and public affairs; bioscience; chemical biology; communications; critical studies in social justice; data science; English; health science; political science; Spanish; prosthodontics and digital dentistry; and oral biology. Recent new academic programs demonstrate VCU's successes. Examples include the doctoral degree in pharmaceutical engineering, which was approved in 2019 and is the first in the nation (Quest 2025 theme: national prominence), and the Fundamentals of Computing baccalaureate certificate, approved in spring 2020, which builds on the Greater Washington Partnership CoLab digital badge (Quest 2025 theme: collective urban and regional transformation).

In the context of prior successes and future plans, VCU is committed to serving a diverse student population. The university will enhance this service by offering degree completion programs along with traditional programs in online delivery formats to better serve the needs of adult learners.

Section H. Financial Aid: Discuss plans for providing financial aid, not including stimulus funds, to help mitigate the impact of tuition and fee increases on low-income and middle-income students and their families, including the projected mix of grants and loans. Virginia's definitions of low-income and middle-income are based on HHS Poverty Guidelines. A table that outlines the HHS guidelines and the definitions is attached.

RESPONSE:

VCU as a leader in best practices in addressing financial barriers for students. Colleges and universities must develop a more holistic approach to addressing student financial need, as college affordability is more than the amount of money awarded to students through financial aid. Institutions must seek new ways to meet the diverse financial need of today's students and to ensure that programs and policies are evolving alongside evolving student populations. VCU's overall financial aid strategy is proactive and student-focused. As FY2019-2020 data demonstrates, VCU student financial need is among our highest priorities:

- Over half of all undergraduate degree-seeking students (60%) at VCU are recipients of grants and scholarships.
- 75% of the institutional need-based grants went to low income students (includes Pell Eligible), and 25% went to non-Pell eligible students.
- The 2019-20 average grant to low to middle-income undergraduate students was \$3,140.
- The median expected family contribution for undergraduate grant recipients was \$1,135 toward a \$31,697 cost of attendance.

- Unmet need for all students submitting the FAFSA, including Pell-eligible, amounted to \$189 million.

The Office of Financial Aid places a major emphasis on responding in real-time to impediments to accessing and securing aid as well as testing strategies to maximize the impact of limited financial aid funding on student success. The pandemic has been especially challenging as it brought about both sudden and urgent growth in student financial need as well as new but relatively short-lived federal funds. As VCU moves to a post-pandemic setting, ensuring that available funding truly works for students will become even more important. Some of the initiatives underway or planned for the upcoming biennium include:

- Increase student empowerment and financial literacy – Add dedicated course time and materials focused on financial literacy in introductory courses. Create an online net price calculator and eliminate most course fees. Integrate dedicated financial counselors through the Student Financial Management Center with VCU student success and counseling services.
- Maximize financial aid funding – Test a new need-based grant model for Program 108 funds in anticipation of forthcoming regulatory changes to the Virginia Student Financial Assistance Program (VSFAP). Create a student-accessible database of restricted scholarships to encourage student-initiated applications. Enhance collaboration with university fundraising to identify funding to address student balances ineligible for aid.
- Proactively intervene – Add financial aid metrics to the Student Academic Progress measures to reduce the impact of financial issues on student retention. Significantly advance financial aid packaging (moved to January) and verification to allow incoming students to determine aid eligibility well prior to admission. Create a mobile-friendly emergency aid application form to speedily award federal funds. Implementation of a chatbot to provide real-time responses to student financial questions.

VCU has fine-tuned awards to target particular student needs and encourage performance. In FY2021, approximately \$28M of aid was for high need or high need and merit, \$6.7M for transfer students, and an additional \$4.8M for those students who may not be Pell-eligible but who still need aid, including middle-class students. For the 2021 aid year, an estimated 56% of undergraduate financial aid recipients were low income and 33% were middle income.

Section I. Capital Outlay: Discuss the impact, if any, that the pandemic has had on capital planning, such as decreasing the need for space or other aspects. Provide information on your institution's main Education and General Programs capital outlay projects, including new construction as well as renovations that might be proposed over the Six-Year Plan period that could have a significant impact on strategies, funding, student charges, or current square footage. Do not include projects for which construction (not planning) funding has been appropriated. *Special Note: The requested information is for discussion purposes only and inclusion of this information in the plans does not signify approval of the projects.*

RESPONSE:

The short and long-term impacts of the pandemic on administrative space utilization are being evaluated from audits conducted via our annual space utilization survey. Overall, the pandemic has had little impact on our academic, research, housing and other operational space needs. High priority capital projects remain as:

Arts and Innovation Academic Building

Collaboration is the driving force of next-generation teaching, learning, and discovery at VCU. A new Arts

and Innovation Building, in close proximity to the Institute for Contemporary Art and steps away from local startups, will provide a launchpad for critical digital and creative economy initiatives. A new building will optimize VCU's top-ranked arts innovation programs by bringing many of them together under one roof. In the same way a hospital is a classroom for medical students, the new Arts and Innovation Building will offer hybrid classroom-laboratories, interdisciplinary performance and makerspace, and creative incubators for rapidly growing partnerships across arts, business, medicine, and engineering. Here, students will learn to harness their abilities and prepare for a world of new and emerging industries. The location is one of the highest traveled city intersections, and a completed arts corridor creates an inviting front door to VCU's campus.

Interdisciplinary Academic and Laboratory Building

A new Interdisciplinary Academic and Laboratory Building is mission-critical for VCU and will relieve capacity issues surrounding on-campus lab and class space. Located on Linden Street in the heart of VCU's Monroe Park Campus, the building will provide more than 204,000 square feet of modern classroom and lab space and serve as a significant contributor to discovery and innovation. Classes and labs in VCU's Temple Building and Oliver Hall will relocate to the new site, making it possible to demolish, renovate and repurpose older campus buildings and spaces and make way for iconic green space, designed to highlight the university's unique urban setting and rich history.

Dentistry Building

A new Dentistry Building will replace two outdated facilities (Lyons and Wood) and free up precious acreage, allowing for growth and much-needed central green space. A new facility for the School of Dentistry, the only school of its kind in the Commonwealth, will offer students higher quality learning spaces through a modern and efficient layout and design. It will also eliminate the multimillion-dollar cost and inefficient deferred maintenance needs of current facilities. In addition to supporting clinical productivity, this new facility will allow VCU School of Dentistry to maximize care for underserved populations. Research conducted as part of the ONE VCU Master Plan shows that well-designed health care facilities also enhance safety and healing to improve the overall patient experience.

Section J. Restructuring: Provide information about any plans your institution has to seek an increased level of authority, relief from administrative or operational requirements, or renegotiation of existing management agreements.

RESPONSE:

Thank you for the opportunity to provide concerns/issues or to request clarification on items within VCU's existing Tier III authorities. VCU would be pleased to reopen a dialogue with state stakeholders from both the executive and legislative branches and fellow Tier III institutions to discuss the following opportunities. Please note these suggestions to improve institutional efficiency are framed through a student affordability perspective especially during difficult economic times.

- Improve administrative effectiveness in the Office of Procurement Services.
 - Allow for fully local (institutional) administration of the Small Purchase Credit Card program and direct receipt of rebates. Note this should not impact the program's ability to negotiate lower costs but would reduce administrative overhead related to sponsored funds as well allowing for greater card utilization.
 - Develop a flat fee structure for the Commonwealth's e-procurement solution (eVA) to increase fee transparency, reduce duplicate data production and allow for improved use of local enhanced procure to pay systems.

- Revisit high frequency transactional posting in eVA and eliminate the requirement to post business opportunities, solicitations, and sole-source purchases. Transparency and visibility could be enhanced by linking to postings on local institutional sites.
- Fully realize the benefits of robust institutional HR systems.
 - Allow institutions and their employees to fully realize the benefits of institutional HR systems by permitting the consolidation of all employees into one system (82% of staff at VCU are in the VCU staff program).
 - Reduce institutional and state administrative burdens.
 - exempting institutions from DHRM reporting on activities covered by the management agreement (i.e. performance management scores),
 - Eliminate required reporting that only applies to classified staff. Given the decreasing number of classified staff (VCU no longer recruits classified staff) required reports such as the annual Succession Report and annual Employee Opportunities Plan are no longer meaningful. VCU will, of course, continue its strong internal efforts and commitment to succession development and outreach to diverse candidates, both efforts core to VCU's values.
 - Abolish the VCU agency portal in the Commonwealth of Virginia Knowledge Center and, excuse VCU from requirements to use the system.
 - Enhance state training by providing state training modules in formats readily hosted in VCU's Talent@VCU Learning Management System.
- Enhance financial predictability and improve operational efficiency.
 - Remove the requirement to escrow interest earnings on tuition balances.
 - Move to a true sum sufficient non-general fund appropriation, where non-general fund appropriation is simply equal to non-general fund activity. Eliminate appropriation, allotment, and approval actions related to all non-general funds (including but not limited to tuition and fees, auxiliary revenues, and sponsored research activity).

Section K. Evaluation of Previous Six-Year Plan: Briefly summarize progress made in strategies identified in your institution's previous six-year plan. Note how additional general fund support and reallocations were used to further the strategies.

RESPONSE:

VCU made significant progress on the strategies identified in the 2019 six-year plan. Then, as now, VCU's goals align with the Virginia Plan, and they have long been at the core of the university's mission, vision, and values.

Student Access and Affordability

Enhance SEMSS, Open & Affordable Course Content, Undergraduate Need-based aid

VCU is committed to addressing structural inequities to ensure student success and has made affordability and improved financial counseling and support an institutional priority. One of the primary strategies in the 2019 plan focused on maximizing the impact of scarce resources by reorganizing student services within the Division of Strategic Enrollment Management and Student Success (SEMSS). In Spring 2020, the Student Financial Management Center (SFMC) officially launched with a mission of providing students with timely, accurate information about their finances. Financial counselors work with students one on one, creating a holistic, supportive experience. VCU signed a contract with QLess to create a virtual line, known as *RamQ*, which enables students to join the in-person line from anywhere. VCU also launched a dedicated office for adult learners and non-traditional students, which cultivates

post-secondary education pathways. Financial Aid and Scholarships has partnered with the new office to ensure VCU is addressing their specific financial barriers.

As part of a strategy to both recognize the full cost of attendance and optimize scarce student resources, VCU has continued to expand an initiative to create open and affordable course content. Through FY2021, after successfully hiring a dedicated librarian, the number of students benefiting from the program grew to 45,000, had over 300 faculty participants, and resulted in a savings of \$4.3M.

The success of this investment is evidenced by the rising graduation rate for students who receive aid. Students in the Fall 2014 freshman cohort who received financial aid had a 73.8% six-year graduation rate compared to 58.2% for students without financial aid.

Institutional Support to Optimize Student Success

VCU is particularly proud of the innovative initiatives focused on advancing student success that were implemented over the past biennium. The 2019 Plan highlighted work around student support, changes in course design and delivery, and support for faculty.

Student Success

Career and academic advisors focused their attention on students most at risk of leaving the university by deploying outreach campaigns and programming designed to both engage and guide them to resources. VCU expanded its college and career success suite of courses (UNIV courses), in part due to an established correlation of higher retention rates for students who enroll in those courses. Overall, enrollment in these courses adds between 2% and 4% to the probability of one-year retention. Even more notable was that among students who finished their first semester on academic warning, completion of UNIV102 added 17% to the probability of one-year retention. Positive effects on retention for certain subpopulations were even greater, for example, students who matriculate without a declared major, Men of Color, Women of Color, etc.

A particular focus for VCU's career advisers has been to help students find paid opportunities, be it a job or internship. Last year, VCU maximized its Federal Work-Study (FWS) allotment for the first time in recent history.

In addition to successes with UNIV courses and FWS placements, VCU has documented a positive relationship between students who met with advisors and their grade outcomes. Funding was invested over the past biennium with the goal of keeping advising ratios below 300 or 250:1 to further enable advisors to proactively reach out to students who have academic alerts and/or unsuccessful course grades.

Curricular innovation of General Education and Course Redesign

One of VCU's strategies for student success focused on curricular improvements to the GenEd30 model, which included embedding six learning outcomes to strengthen students' academic and career readiness skills. In addition, VCU began work focused on significant course redesign, including the utilization of web-based learning assistance. While the pandemic slowed some progress in this area, it did allow for robust testing and eventual selection of optimal tools for math and chemistry coursework.

For example, the Pre-Calculus courses are moving to the [POGIL](#) instructional model, which has been used in the course redesign model for Chemistry 101. POGIL is a national model for problem-based and collaborative learning in STEM. In addition, VCU has recently been selected as one of the very few institutions to participate in the Association of American Colleges & Universities STEM training in July 2021. We have included the lead faculty member from the Pre-Calculus course in this training to take

place in Summer 2021.

Reduce Class size for foundational courses

As a part of curricular changes, VCU also pursued a strategy to reduce class size for foundational courses. This strategy, which reduced maximum class size by over 10%, increased time for faculty to engage with students, support individual student learning, and strengthen student-faculty relationship building. It also brought VCU into compliance with the professional standards set by the Conference on College Composition and Communication, which calls for writing-intensive first-year courses to have ideally 15 and no more than 20 students in each section. VCU will continue to monitor the benefits of this strategy as courses move to a more normalized environment.

Expand Online

In the Fall of 2019, VCU and Noodle Partners entered an agreement to launch the Masters of Social Work (MSW) and Masters of Arts Homeland Security and Emergency Preparedness (HSEP). Both programs have grown significantly with in-state students, starting with 24 enrolled students for both programs in Fall 2019 to a recent total of 352 cumulative enrolled students in the Spring 2021 semester. As a result of strong student interest and positive faculty feedback, VCU Online has realized the importance of taking a programmatic approach. As VCU moves into the new biennium, VCU Online has shifted from individual course development to high market demand program development. The extraordinary demands made of VCU Online during the pandemic also led to a shift from ad-hoc faculty assistance to full-scale professional development.

Enhance DEI

The year 2019 marked a significant growth period for the Institute for Inclusion, Inquiry, and Innovation (iCubed). Of the nine visiting scholars brought to VCU, all were offered faculty positions across VCU's colleges, schools, and units including College of Humanities and Sciences, School of Education, School of Social Work, VCU Life Sciences, and VCU School of the Arts. iCubed is also home to the Commonwealth Scholars (CSP) program - a research mentorship program that matches college students who are of the highest need and highest talent, with exceptional research faculty who specialize in inclusive community-engaged research. Since 2019, iCubed has ushered two cohorts of approximately 14 students each through the CSP program.

Faculty Recruitment and Retention, Competitive Staff Salaries

Salary increases as a result of state-mandated salary actions occurred in FY2020 and FY2022. In addition, the university increased the minimum for teaching adjuncts to \$1,100 per credit hour and funded a 4% merit increase for adjuncts in FY2020. In FY2022, this will be again increased by 5% with minimum pay increasing to \$1,200 per credit hour.

For all Teaching and Research Faculty (T&R), VCU has seen gains in one-year retention rates. VCU has retained T&R faculty from Fall 2017 to Fall 2018 at a rate of 89.8%. VCU increased the one-year retention rate to 91.5% for the Fall 2019 rate. With regard to recruitment, VCU has made significant strides with recruiting diverse T&R. From Fall 2019 to Fall 2020, VCU increased Black/African American T&R faculty by 7.3% and Hispanic/Latino T&R faculty by 12.3%. Over five years (since Fall 2016) those increases were 46.7% for Black/African American and 34.4% for Hispanic/Latino.

Commonwealth Impact

REAL

VCU's Relevant, Experiential, and Applied Learning (REAL) initiative has made significant progress in developing an accurate and holistic view of engagement and participation gaps. A REAL data dashboard

was recently implemented to visualize participation rates by activity type, unit, and demographic. Findings are quickly translating into new strategies to ensure that students have equitable access and opportunity to participate in work-based learning.

VCU's work has recently been recognized through several grant awards, which is enabling REAL to pilot innovative programs designed to increase high-quality paid internships and structured networking opportunities. Examples include a regional collaborative effort with ChamberRVA and a partnership with VCU's da Vinci Center that seeks to provide 21st-century skills in innovation and entrepreneurship to first-generation and low-income students while simultaneously improving access and equity in the local entrepreneurship ecosystem. Growth in these areas provides traditionally excluded and underserved students with valuable social capital and makes internship participation more accessible for students who often must choose to engage in paid jobs over academically relevant experiences in order to meet their basic needs, including food and housing.

REAL has also made progress by offering internal grants. REAL grants support faculty, programs, departments as they seek ways to mitigate obstacles and increase access to transformative, high-impact experiential learning opportunities both in and beyond the classroom. The outcomes from these grants have the potential to not only transform the student learning experience but also transform future trajectories and re-write the narrative for many of our students.

VCU da Vinci Center

The VCU da Vinci Center has continued to grow and now serves more than 300 undergraduates through its certificate programs and courses. Academic offerings develop students anchored in one discipline with the capacity and openness to span across several. The da Vinci Center's partnership with REAL connects students with local, regional, and national networks that prepare them to be entrepreneurs and leaders in innovation.

The da Vinci Center focuses on fostering an inclusive and diverse environment where students who are often excluded from the entrepreneurship ecosystem are embraced, encouraged, and showcased. Among the many highlights in building an innovation pipeline, the da Vinci Center's Pre-X program assists students in communicating their ideas in a format designed for pitching to investors, sponsors, and accelerator programs. The experience culminates in Demo Day, which over the past three years has connected more than 140 students from 11 VCU schools and colleges to potential funders as well as employers. Students have gone on to regional and national accelerator programs and Fortune 500 companies.

Section L. Diversity, Equity and Inclusion (DEI) Strategic Plan: Provide an update on the completion status of your institution's plan that is being coordinated with the Governor's Director of Diversity, Equity and Inclusion. If a copy of the plan is available, please include it when your institution submits its initial plan. If a copy of the plan is not available for July 1 or if changes are made, please provide a copy with your institution's final plan submission on October 1.

RESPONSE:

The Quest 2025: Together We Transform was submitted on June 5, 2021 as the official submission for the One Virginia Plan. In addition to a focus on diversity, equity and inclusion highlighted in Theme IV, Quest 2025 contextualizes VCU's DEI goals and efforts as it relates to the university's overall strategic plan. Alternatively, please visit the [Quest website](#) for more information.

The year 2021 has been a consequential year for the Office of Institutional Equity, Effectiveness and Success (IES) and is optimally positioned to lead in advancing critical components of Quest 2025 to completion. When the pandemic began in early 2020, IES launched Climated - a tool that utilizes

students' text messaging app on their smartphones to measure sentiment around significant topics and events. The sentiments were analyzed and advisories were provided to VCU administration to inform their decisions around remote instruction, academics, and vaccinations.

IES also provided oversight for several education and training programs like the Diversity and Inclusion Leadership Certificate program and RAMmalogues (both from its IExcel Education program), Active Citizens Toolkit as a way for students to learn more about activism in the community, and Psychological Readiness Training for employees who are seeking to return to campus.

In the second half of the current biennium, IES will continue to make strides in areas outside of diversity, equity, and inclusion for the 2021-2022 academic year, merging with long-time strategic partners including the Center for Community Engagement and Impact and Institute for Inclusion, Inquiry, and Innovation.

Section M. Economic Development Annual Report: Provide a copy of any report your institution has produced about its economic development contributions.

RESPONSE:

The [recent 2022 report](#) finds that the university generates nearly \$9.5 billion economic impact to the Virginia economy.

A [2017 report](#) developed by VCU's Center for Urban and Regional Analysis found that the university generates nearly \$6 billion in economic activity and supports 63,000 jobs in Virginia. Detailed [program and policy impact reports](#) are also available.

Mirroring VCU's academic focus, the economic impact in the Commonwealth is equally well aligned to advance the Virginia Plan goals: Equitable, Affordable, and Transformative. Examples and highlights of VCU's recent contributions to economic development are cited below centered on two particular areas: research and job development, and strengthening talent pipelines.

Research and job development

- **Medicines for All Institute** was established with a \$25 million gift from the Bill & Melinda Gates Foundation, after funding \$15 million in earlier research. The partnership with Phlow Corp. was established by a \$354 million federal contract with the potential to reach \$812 million. This partnership has already resulted in businesses co-locating near Petersburg, creating an advanced pharmaceutical manufacturing cluster, including AMPAC Fine Chemicals (\$25 million investment, 156 new jobs) and CIVICA R (\$124.5 million investment, 180 new jobs).
- **VCU Innovation Gateway** facilitates commercialization of university inventions and promotes industry collaborations and regional economic development. In 2019, Innovation Gateway generated \$2.5M in licensing revenue, filed 166 patents, and led 145 industry engagements. They also launched six VCU startups. The distribution of inventions by school, which includes 82 in the School of Medicine and 51 in the College of Engineering, demonstrates the immense role that VCU, its students, and faculty have in advancing the region's reputation as a hub for innovation in science, technology, and medicine.
- **VCU Engineering** is a partner in the national Cybersecurity Manufacturing Innovation Institute (CyManII), a \$111 million public-private partnership. The center serves as a regional resource hub for cyber defense research and education throughout central Virginia. VCU's Cybersecurity Center will lead the university's efforts in this partnership.

- **Massey Cancer Center**, as one of only two cancer centers in the Commonwealth designated by the National Cancer Institute, has an active role in shaping the cancer research agenda in Virginia. It is an exceptional contributor to the Commonwealth's prosperity through world-class patient services, innovative research, its academic mission to educate the next generation of physicians and scientists, and its role in creating jobs for Virginians. Massey's accomplishments over the last biennium include, among others:
 - \$37.4M in cancer-related research awards (FY20)
 - 331 cancer-related publications (FY20)
 - \$14.9M in philanthropy (FY2021 to date)

Student Career Development

- VCU Engineering is expanding access to careers in the region's rapidly growing technology sector. Joining forces with business leaders and community organizations, VCU Engineering is mapping Central Virginia's existing technology education opportunities, including all K-12 and higher-education programs, tech-industry certifications and ad-hoc opportunities to upskill the workforce for the digital economy. Through the new Tech-Talent Pathways Project, these leaders are also pinpointing gaps where resources don't exist — or access to them is hindered by barriers. They aim to revitalize these "tech-education deserts" by creating stronger links across the tech-education community. Growth and Opportunity for Virginia (GO Virginia), a bipartisan, business-led economic development initiative, provided \$100,000 toward this initiative.
- A \$100,000 grant to advance diversity in STEM from the Bank of America, with more funding expected in the future.
- To cultivate affordable post-secondary education pathways for traditional, non-traditional and returning students, VCU Engineering engaged numerous public and private sector partners to create a comprehensive plan to better align the existing tech talent education programs in the Greater Richmond and the Virginia Gateway region. The College of Engineering developed a framework to catalog and map the region's existing tech talent workforce activities, identify specific opportunities to improve alignment and close gaps, develop proposals for expanded partnerships between industry, the region's school systems, community colleges and universities, and create strategies to facilitate innovation across the Tech Talent Pipeline.
- **REAL** has undertaken a variety of initiatives designed to strengthen the talent pipeline. Of note is REAL's leadership in creating the RVA-VTOP Collaborative, which, in partnership with ChamberRVA, is strategically focused on breaking down the silos that currently pervade work-based learning efforts throughout the region and addressing region-specific challenges that have impeded successful and diverse internship program growth.
- **The VCU da Vinci Center for Innovation and VCU REAL** are piloting a grant-funded Entrepreneur Academy that brings together 150 first-generation and low-income students alongside 50 community members identified by the Jackson Ward Collective and Activation Capital. Together this 200 person cohort will engage in four learning modules that will result in digital badges for students and community members. These intentional community partnerships will result in an easily identifiable direct pipeline of student talent and student founders, which will enhance career opportunities and outcomes of student experience and local innovation.
- In January 2020, VCU announced a first of its kind [Shift Retail Lab](#) - a prototype for the future of innovation and entrepreneurship education that will also be leveraged for the Entrepreneur Academy. Slated to launch in Summer 2021, the 2,700 square foot storefront on Broad Street was designed from inception as a community asset that connects students to end users, customers, and community leaders in the entrepreneurship ecosystem. Blurring the lines between

classroom and retail space, students will engage in applied entrepreneurship experiences regardless of degree program. A testament to VCU's role in the ecosystem, storefront construction was philanthropically funded 100% by the private industry.

Virginia Commonwealth University
Plan of Finance
Bond Issuance for Refinancing

Background

Under the Management Agreement with the Commonwealth, VCU (the “University”) is authorized to issue and manage debt outside of the Commonwealth’s pooled debt issuance. The University has customarily issued debt for major capital projects not fully funded by the Commonwealth. This enables long-term financing for new and/or improved facilities for academic, administrative and auxiliary use. Prudent debt management is a key element of the University’s public ratings, currently Aa3 (Moody’s Investor Services) and AA- (Standard & Poor’s), and is also a requirement for its independent status as a Tier 3 institution awarded in the Management Agreement. Therefore, the University’s management (mainly focused on cost, term, and capacity) of its debt is critical to both its public ratings and its independent status with the Commonwealth.

Purpose and Justification

Approximately \$39 million of bonds issued in 2013 and 2014 are eligible to be refinanced as early as February 1, 2023. Refinancing at lower interest rates can lower the cost of debt by issuing new, less expensive debt to refund the existing debt. Depending on market conditions, the current estimate of savings is between \$1.9 million to \$3.0 million, or 7% to 11% net present value over the remaining life of the bonds. Generally, a minimum of 3% NPV is used as a refinancing threshold. The existing term and regular amortization of the bonds will be maintained.

Summary of Projects, Cost, and Funding Source

(1) University Bonds

The original projects financed and amounts which will be eligible to be called are:

2013A – approved by the Board of Visitors on 12/7/2012

Broad & Belvidere Housing (refinance bonds issued 2003)	\$8,590,000
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Gilmer Addition to Broad & Belvidere Housing	\$3,180,000
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The 2013A series funded/refinanced the Real Estate Foundation’s construction of student housing at Broad and Belvidere. The Foundation pays this debt from student housing revenues and will be the beneficiary of the lower debt cost.

2014A – approved by the Board of Visitors on 9/16/2013 and 9/19/2013

Grace & Broad Housing	\$27,195,000
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The 2014A series funded the construction of student housing at Grace & Broad. The Division of Student Affairs pays this debt from student housing revenues and will be the beneficiary of the lower debt cost.

(2) Commercial Paper

The University’s use of the interim financing authorized under the Virginia Commonwealth University Commercial Paper General Revenue Pledge Notes (Series A, tax-exempt and Series B, taxable) has enabled financing of Board-authorized property acquisitions pending long-term debt issuance. The commercial paper which funded the following projects will be refinanced to establish a level repayment over a 20-year period.

The projects to be refinanced from the Commercial Paper program were approved by the Board on 5/14/2021 and are:

Property for Parking at Institute of Contemporary Art (ICA)	\$4,814,000
Athletic Village (Bourne Property)	\$7,554,000
Athletic Village (ABC Property)	<u>\$1,300,000</u>
Total	\$13,668,000

The ICA Parking lot costs are paid by a central University Fee in support of the ICA. The costs of the Athletic Village are being funded through a comprehensive business plan that includes auxiliary enterprises including university fee support, sales and other service revenue lines as well as philanthropic funds.

Recommendation

Approve the resolution to authorize this “Plan of Finance” to issue long-term bonds refinancing all or a portion of the previously approved outstanding General Revenue Refunding Bonds Series 2013A, General Revenue Pledge Bonds Series 2014A, and Commercial Paper General Revenue Pledge Notes Series A and Series B.

**RESOLUTION OF THE BOARD OF VISITORS OF
VIRGINIA COMMONWEALTH UNIVERSITY**

REFINANCING AND ISSUANCE OF GENERAL REVENUE PLEDGE BONDS

WHEREAS, Chapter 23, Title 23.1 of the Code of Virginia of 1950, as amended (the "Virginia Code"), establishes a public corporation under the name and style of Virginia Commonwealth University (the "University") which is governed by a Board of Visitors (the "Board"); and

WHEREAS, by Chapter 10, Title 23.1 of the Virginia Code, the University entered into a "Management Agreement By and Between the Commonwealth of Virginia and the Rector and Visitors of Virginia Commonwealth University" (the "Management Agreement") enacted as Chapter 594 of the Acts of Assembly of 2008, which, as amended, among other things, empowers the University with the authority to undertake and implement capital projects and the financing thereof, including to make, issue, and sell bonds of the University and refinance such bonds for such purposes; and

WHEREAS, the University has developed a plan of finance whereby the University intends to:

- (1) refinance the University's outstanding General Revenue Refunding Bonds Series 2013A and General Revenue Pledge Bonds Series 2014A;
- (2) long-term finance the University's Commercial Paper General Revenue Pledge Notes Series A and Series B; and
- (3) finance, if and as needed, capitalized interest on the Bonds (as defined below), a debt service reserve fund for the Bonds, costs of issuance related to the issuance of the Bonds, working capital, routine capital expenditures for any of the foregoing described projects and other related costs (collectively 1, 2 and 3 being the "Plan of Finance").

WHEREAS, the Board has determined it desirable to authorize the University to issue one or more series of general revenue pledge bonds (the "Bonds") for purposes of undertaking the Plan of Finance; and

WHEREAS, the Board desires to authorize certain officers of the University to approve the final forms and details of the Bonds, as set forth below; and

WHEREAS, the Board anticipates that the Bonds will be secured by a general revenue pledge of the University and not be in any way a debt of the Commonwealth of Virginia (the "Commonwealth") and shall not create or constitute any indebtedness or obligation of the Commonwealth, either legal, moral, or otherwise.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF VISITORS OF
VIRGINIA COMMONWEALTH UNIVERSITY:**

RESOLVED, that the Board hereby authorizes and approves of the issuance of the Bonds in one or more series to undertake the Plan of Finance through the delivery of one or more bond resolutions in substantially the form utilized in previous issuances of general revenue pledge bonds by the University (each, a "Bond Resolution") with such changes and additions as may be approved by the Authorized Officers designated below consistent with prior practice of the University so that each Bond Resolution may reflect the final terms and conditions of the Bonds; and

RESOLVED FURTHER, that the President of the University, the Senior Vice President and Chief Financial Officer of the University, and the Treasurer of the University (collectively, the "Authorized Officers") are authorized and directed to approve the final terms of each series of Bonds, including, without limitation, their original principal amounts and series, their maturity dates and amounts, redemption provisions, prices and interest rates, and tax status of interest on each series of Bonds, the method of sale of any series of Bonds, provided that (i) the true interest cost of any series bearing interest at a tax-exempt fixed rate shall not exceed 5.5% per annum (or if the interest rate is not fixed for the full term, then the initial interest rate does not exceed 5.5% per annum); (ii) the true interest cost of any series bearing interest at a taxable fixed rate shall not exceed 6.0% per annum (or if the interest rate is not fixed for the full term, then the initial interest rate does not exceed 6.0% per annum); and (iii) the final maturity of all Bonds shall not exceed 40 years beyond issuance date; and

RESOLVED FURTHER, that the Authorized Officers are each hereby authorized and directed to approve, negotiate, execute, and deliver each Bond Resolution on behalf of the University; and

RESOLVED FURTHER, the officers and staff of the University are hereby authorized and directed to prepare an official statement (the "Official Statement") in preliminary and final forms, and the Authorized Officers are hereby authorized and directed to execute the Official Statement in final form, as prepared by University officers and staff; and

RESOLVED FURTHER, that the Authorized Officers are each hereby authorized to negotiate, execute, and deliver such other documents as they deem necessary or desirable to facilitate the issuance and sale of the Bonds, including without limitation a bond purchase agreement and a continuing disclosure undertaking; and

RESOLVED FURTHER, that the University's officers, in accordance with their delegated authority, are authorized and directed to take all such further actions, including without limitation the designation of underwriters, paying agents, remarketing agents, solicitation agents, trustees, and liquidity providers for the bonds, and to execute all such instruments, agreements, documents, and certificates, as they shall deem necessary or desirable to carry out the Plan of Finance, including without limitation any liquidity facilities, swap, swap terminations or other interest rate management agreements associated with the Bonds, and any agreements or modifications to existing agreements with the any University-affiliated foundations relating to the Bonds; and

RESOLVED FURTHER, that pursuant to the Section 147(f) of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder, the University designates each of the Authorized Officers and the Senior Director, Treasury Services as a public hearing officer to hold any public hearings required in order to ensure the tax-exempt status of interest on all or a portion of

the Bonds; and

RESOLVED FURTHER that all acts of all officers of the University that are in conformity with the purposes and intent of this resolution in carrying out the Plan of Finance are ratified, approved and affirmed; and

RESOLVED FURTHER that, upon approval, this action shall take effect immediately.

To: The Board of Visitors of Virginia Commonwealth University

From: Procurement Services and Technology Services

Subject: Contract approval for Audio Visual Products, Service and Maintenance Exceeding \$5 Million

Date: September 22, 2022

Recommendation

We recommend that the Board approve the contracts for Audio Visual Products, Service and Maintenance and authorize the Senior Vice President and Chief Financial Officer to execute the contracts on behalf of Virginia Commonwealth University.

Background

The Office of the President issued the Delegation of Signatory Authority policy on May 10, 2019. Pursuant to the Delegation of Signatory Authority policy, contracts with a total actual or anticipated expenditure value exceeding \$5 million require prior approval by the Board. Virginia Commonwealth University wishes to enter into a contract with AVI-SPL, LLC, Epitome Networks and Virginia Integrated Communication Inc. (VICOM) (Collectively the “Firms”) to purchase Audio-Visual Products, Service & Maintenance. The total anticipated expenditure value over the term of the contracts will exceed \$5 million.

Discussion

The Firms shall provide a broad range of audio visual, multi- media and related products, and on- site consultation, system design, installation, service and maintenance of the audio visual and multi-media products to the VCU Technology Services Department.

The contracts shall have a one (1) year initial term (the “Initial Term”) and may be renewed by VCU upon mutual written agreement of authorized representatives of the Parties for seven (7) successive one (1) year periods (the “Renewal Term”) under the terms and conditions of the Contract or as otherwise agreed in writing by the Parties at such time. It is anticipated that all optional renewals will be pursued.

The contracts are executed by VCU and intended to be cooperative on behalf of the Virginia Higher Education Procurement Consortium (“VHEPC”) which includes all members from the Virginia Association of State College and University Purchasing Professionals (“VASCUPP”).

University Impact

The contracts will benefit the University’s efforts in the upgrading and creating of various classroom and conference room environments to fulfill the needs of the University in the category of audio visual, multi- media products, services and maintenance.

RESOLUTION OF THE BOARD OF VISITORS OF
VIRGINIA COMMONWEALTH UNIVERSITY

APPROVAL FOR CONTRACT EXCEEDING \$5 MILLION

WHEREAS, the Office of the President issued the Delegation of Signatory Authority policy on May 10, 2019;

WHEREAS, pursuant to the Delegation of Signatory Authority policy, contracts with a total actual or anticipated expenditure value exceeding \$5 million require prior approval by the Board;

WHEREAS, Virginia Commonwealth University wishes to enter into contracts with AVI-SPL, LLC, Epitome Networks and Virginia Integrated Communication Inc. (VICOM) (Collectively the "Firms") to purchase Audio-Visual Products, Service & Maintenance; and

WHEREAS, the total actual or anticipated expenditure value of the contracts will exceed \$5 million over the contract term.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF VISITORS OF VIRGINIA COMMONWEALTH UNIVERSITY:

1. The Board approves the contracts with the Firms.
2. The Board authorizes the Senior Vice President and Chief Financial Officer to execute the contracts on behalf of Virginia Commonwealth University.
3. This Resolution will take effect immediately upon its adoption.



Finance and University Resources Committee

KAROL KAIN GRAY
Senior Vice President & CFO

September 16, 2022

2023 In-State Undergraduate Tuition Waivers

- Board approved **one-time** tuition waivers for in-state undergraduate students
- Waiver is for the 3% growth in undergraduate in-state tuition costs only (excludes growth in fees)
- Total Estimated expense is \$6.7M
- Limited use of one-time central funds (\$1.7M) to offset the impact to schools and colleges
- MCV and MPC campuses will use reserves to fund actual costs (\$5M)

Managing Reallocations

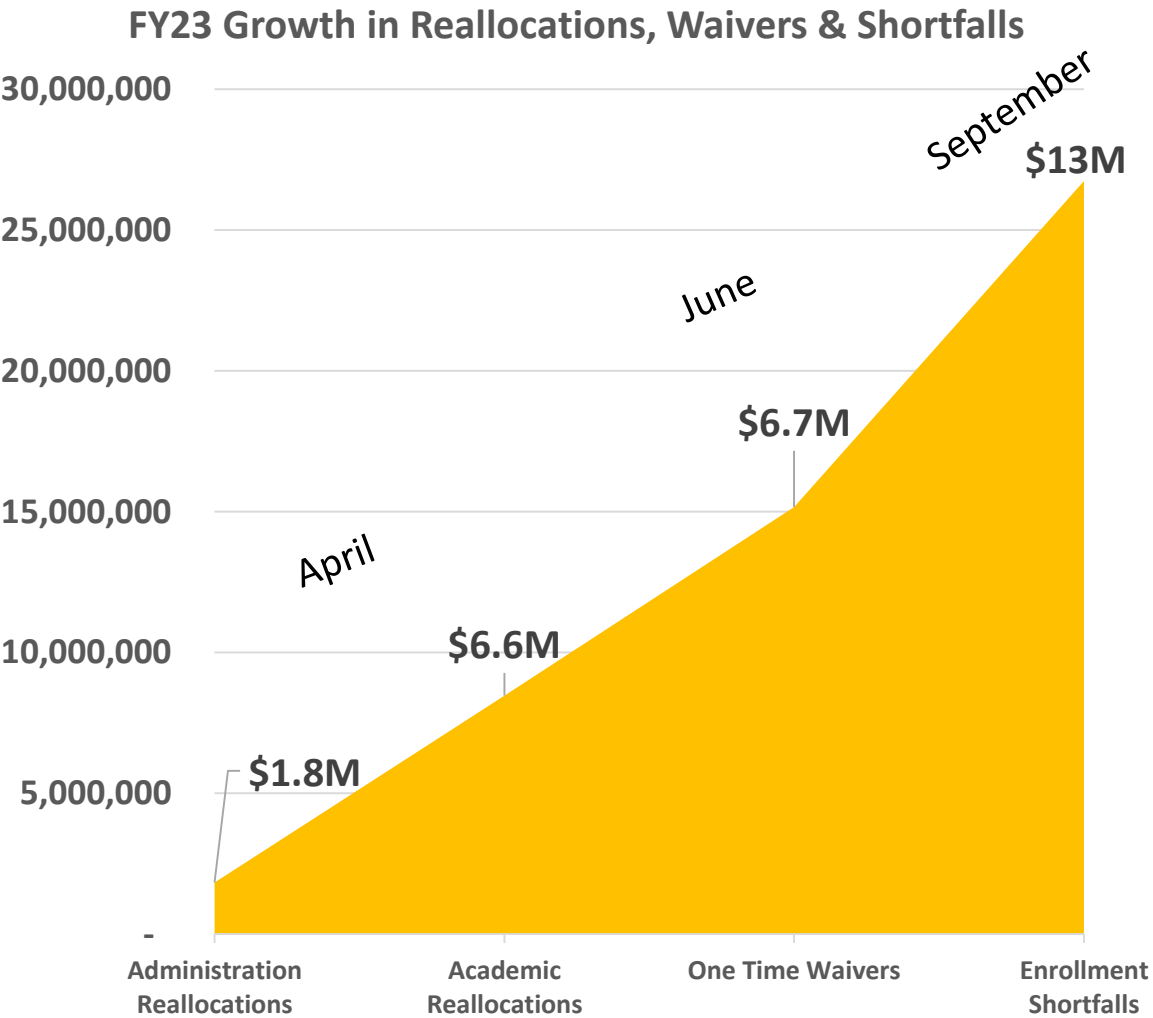
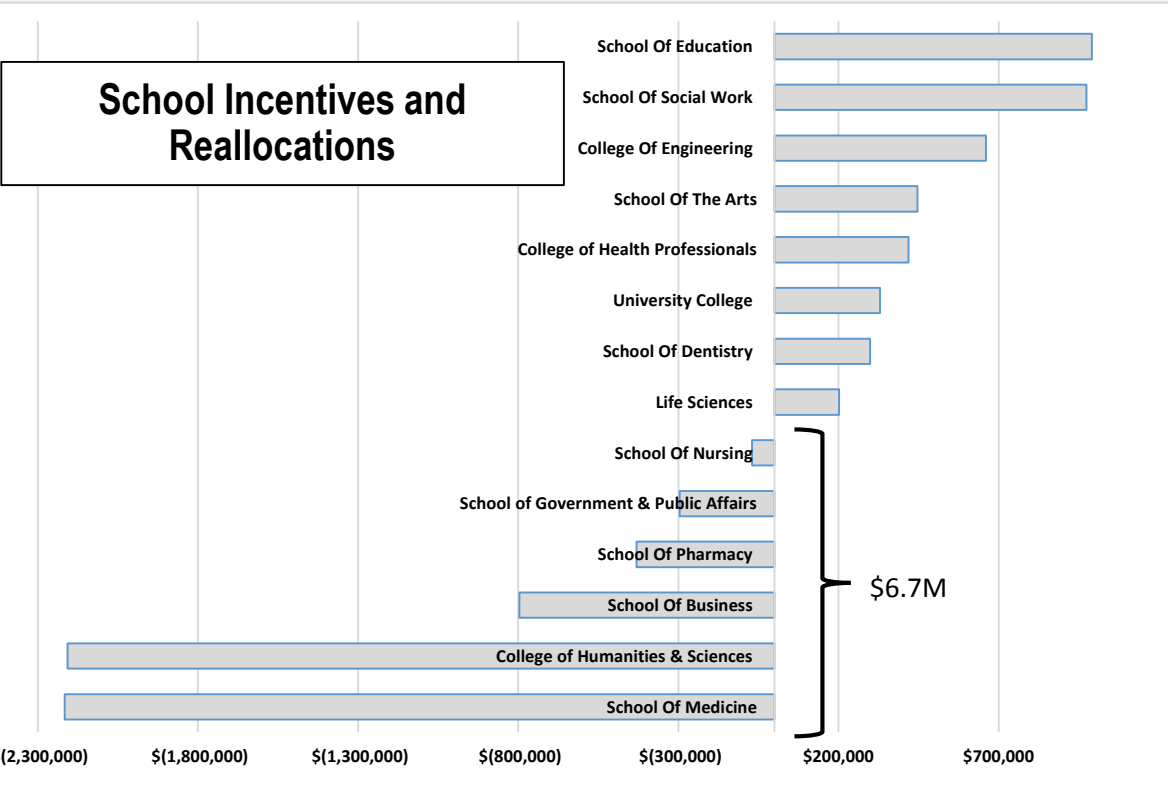
2023 Strategic Reallocations

Academic (6.6M)

Administration (1.8M)

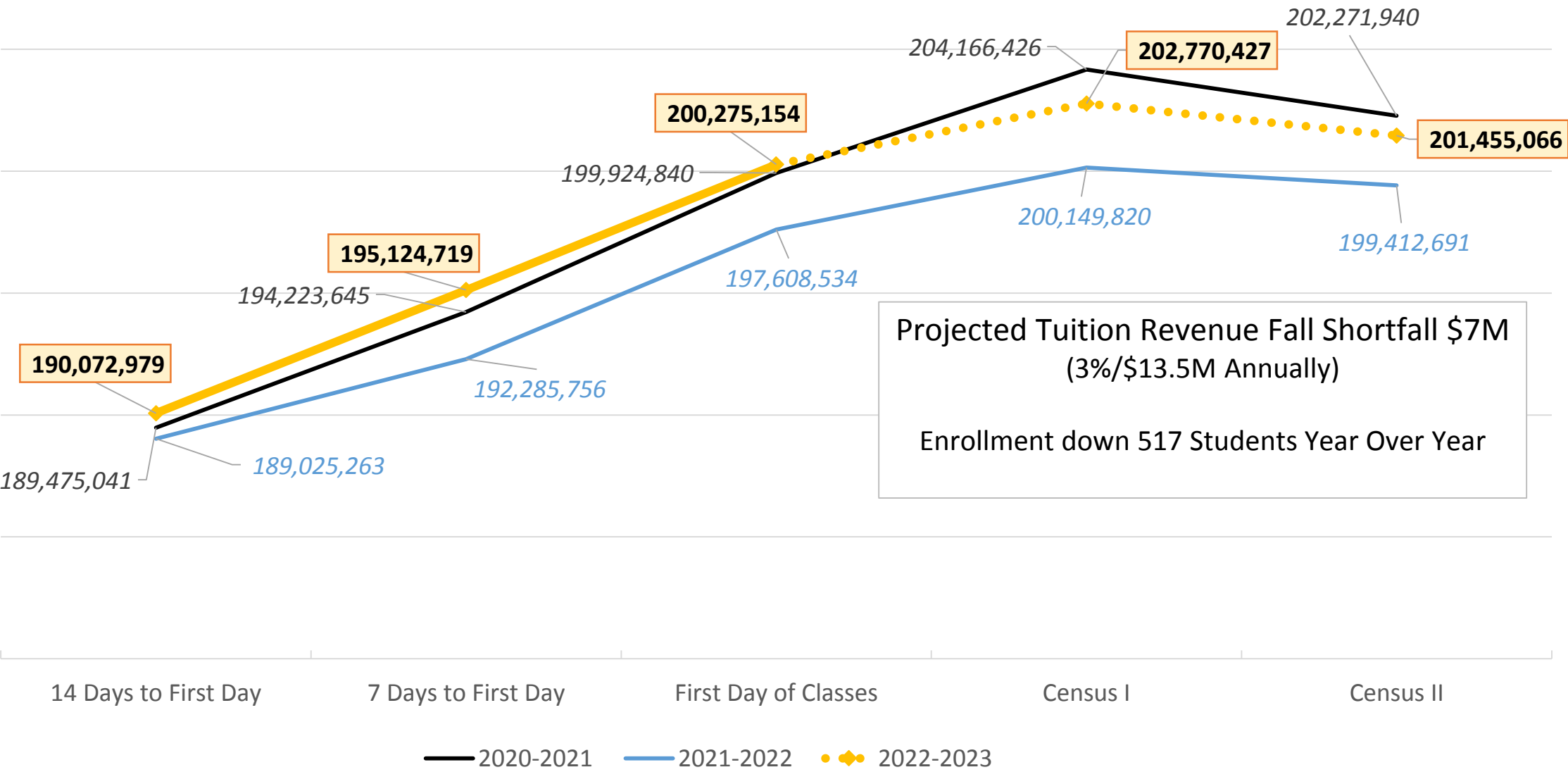
One Time Waivers (6.7M)

Enrollment Shortfalls (13.5M)

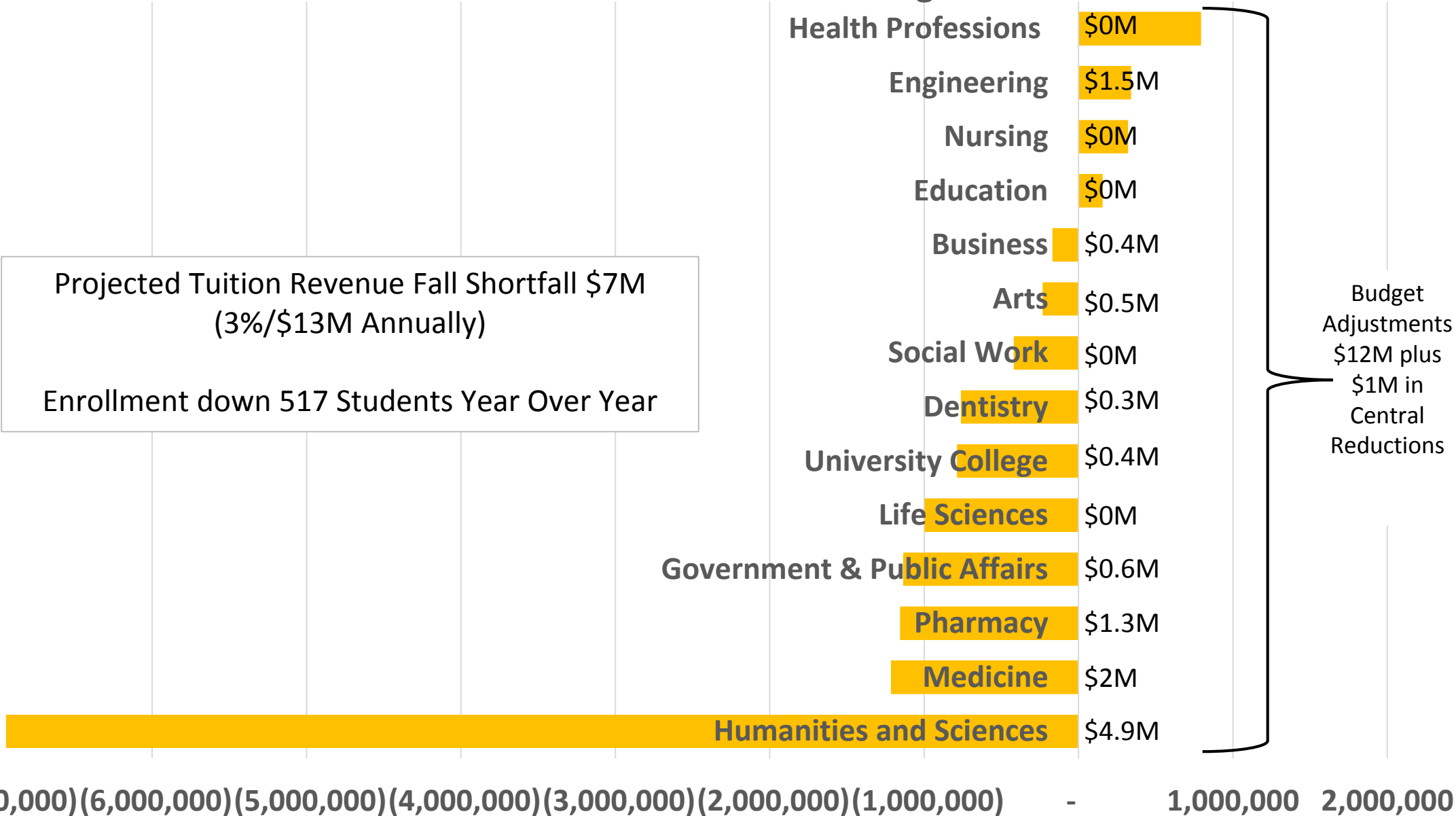


Point in Time -Fall Tuition Shortfall

FY23 Fall Budget: \$208,482,863



FY23 Enrollment Loss from Budget



FY 2024 E&G Budget Projections

State Financial Projections	Low Projection	Mid Projection	Full Projection
Projected Revenue			
Tuition & Enrollment Changes			
Growth in Unallocated State Support	5,000,000	10,000,000	18,200,000
State Revenue Salary Increase (50% Share)	12,445,414	12,445,414	12,445,414
Total University Revenue	17,445,414	22,445,414	30,645,414
Projected Expenses			
Salary Increases and Faculty Promotion's	26,960,801	26,960,801	26,960,801
Strategic Incentives & Inflationary Cost	18,535,252	18,535,252	18,535,252
Net Total University Expenses	45,496,053	45,496,053	45,496,053
University Net Position	(\$28,050,638)	(\$23,050,638)	(\$14,850,639)



VCU

Procurement Services

SUPPLY CHAIN DIVERSITY STRATEGY

September 2022

Supply Chain Diversity Strategy

Strategy And Actions to Advance And Improve Supplier Diversity



Leadership, Community Engagement

- Enhanced messaging at VCU
- Organize outreach events
- Establish community partnerships, leverage relationships
- Include expectations within prime contracts
- Consider non-traditional sources
- Expand development of Supplier Diversity Plans
- "Grass roots" or departmental engagement
- Increase diverse supplier participation in construction projects



Vision Alignment

- Grow the pipeline of new diverse suppliers
- Develop internal supplier diversity referral mechanism
- Diverse supplier one-on-one introductions
- Increase spend with existing suppliers
- Ensure prime suppliers share VCU's vision of supplier diversity
- Establish supplier diversity program communications plan
- Develop and activate supplier diversity program goals



Tracking & Monitoring

- Monthly and quarterly supplier diversity analysis
- Develop dynamic supplier diversity dashboards
- Promote department level supplier diversity dashboard
- Develop qualitative measures of community impact
- Benchmark results with peers and industry

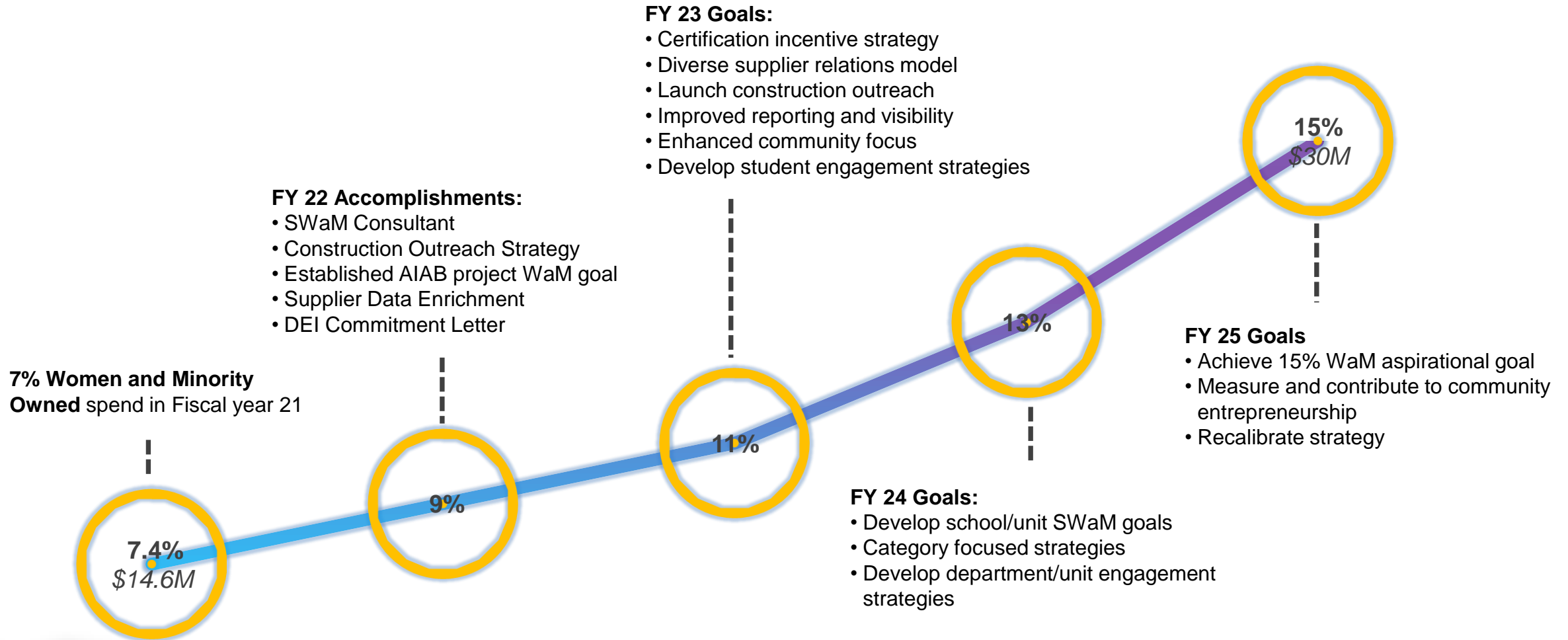


Continuous Improvement

- Leverage student resources/student engagement
- Conduct annual review and submit recommendations
- Continue to support by Senior Leadership's supplier diversity vision
- Conduct frequent program review meetings with stakeholders
- Collaborate with departments to establish supplier diversity goals
- Become a resource for diverse suppliers

Women and Minority-Owned Supplier Enhancement

Intentional & Focused





University Debt Management Report










As of June 30, 2022

Finance, Budget and Investments Committee
Karol Kain Gray
September 16, 2022

How is Our Debt Managed?

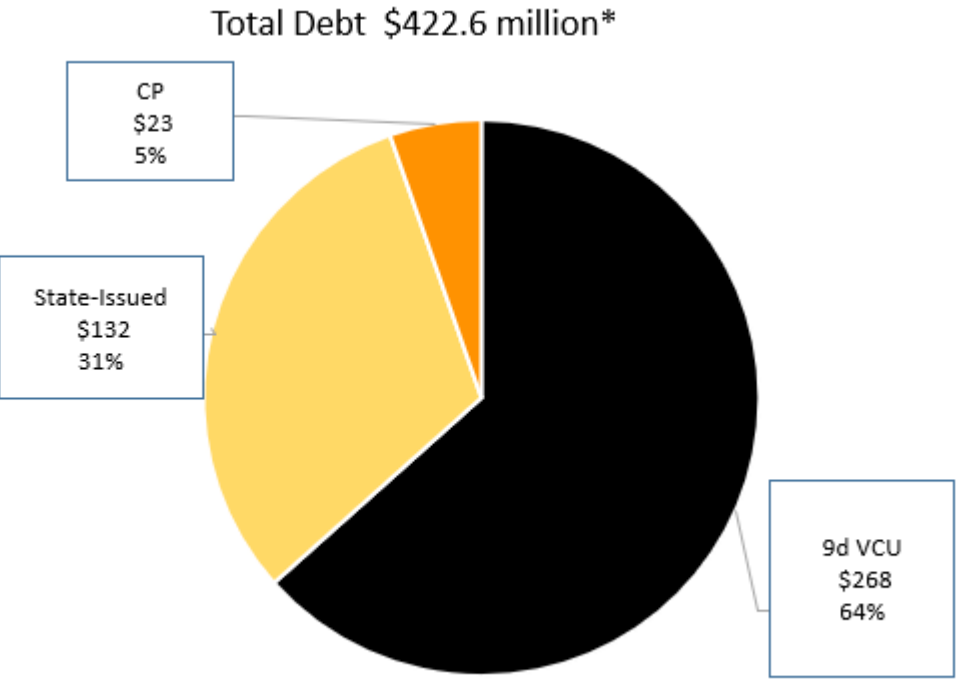
The Debt Management Policy was last updated on May 6, 2021.

The following updates are provided to the Board:

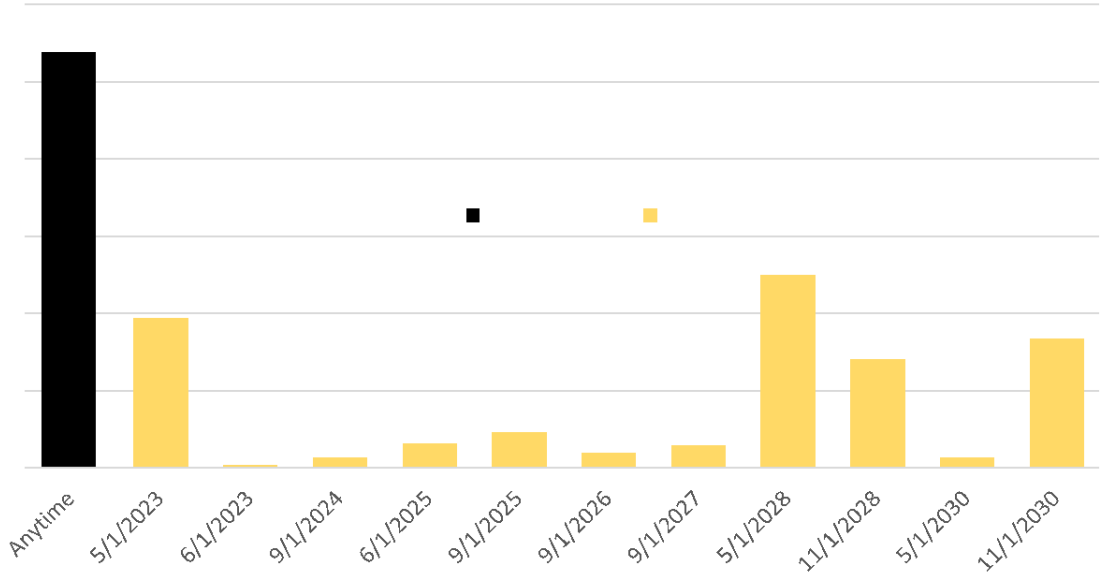
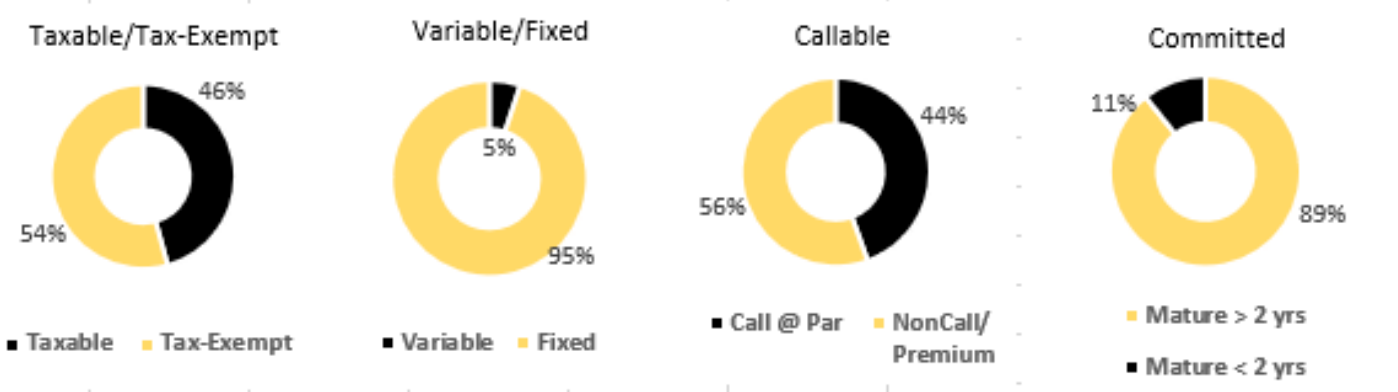
	Status
Outstanding Debt and Commercial Paper (page 3)	
Outstanding Bond Principal Amortization (page 4)	
Planned Debt Issuance FY 2023 (page 5)	
Future Debt Capacity Constraints (page 6)	
Tax-Exempt Debt Compliance (page 7)	
Rating Agency highlights (page 8)	
Peer Selection (page 9)	
Peer Comparisons FY 2022 (page 10)	
Relationship Exposure (page 11)	

 No issue  Watching  Concern

By the Numbers (June 30, 2022)



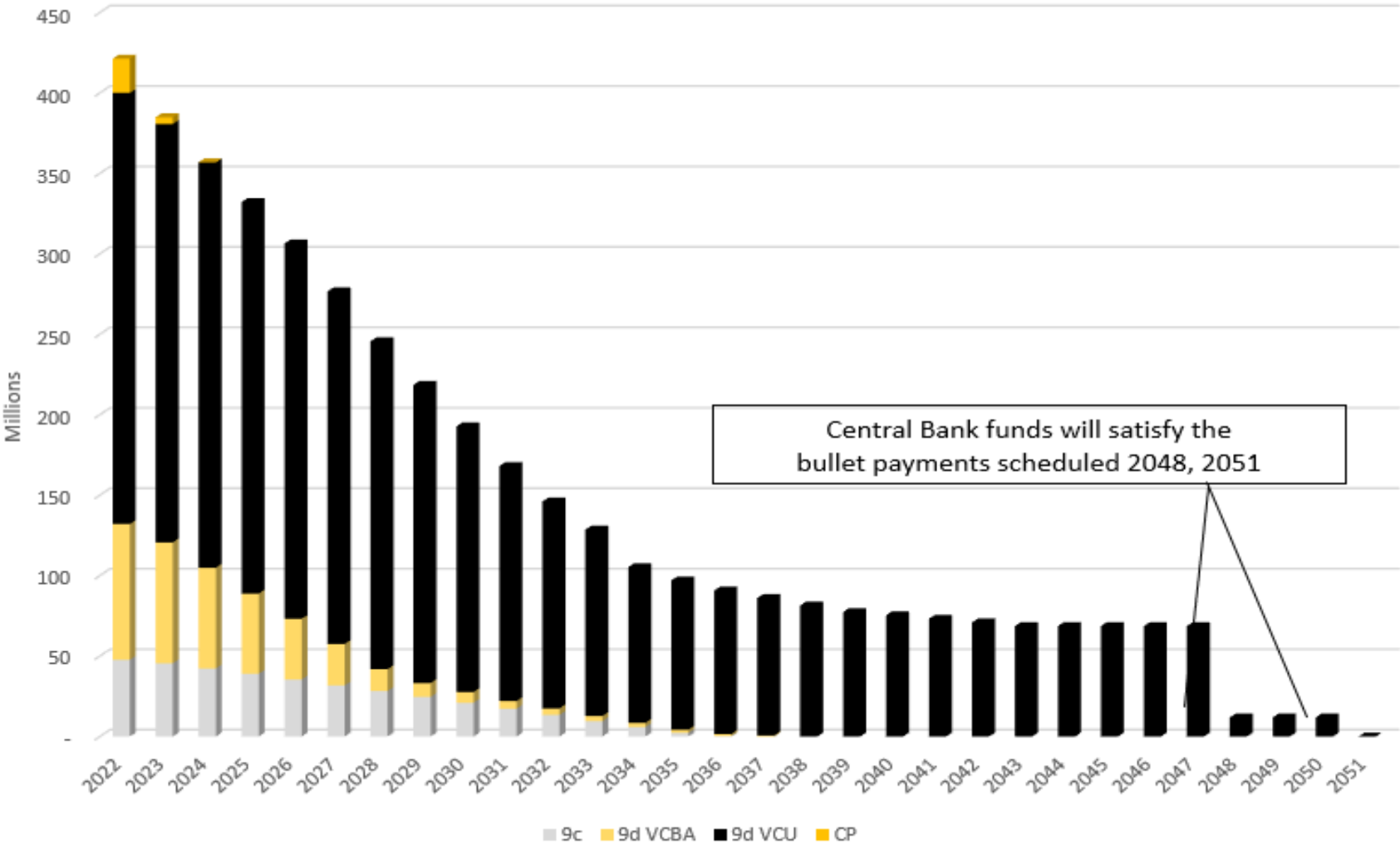
Note: State-Issued debt consist of 9c and 9d VCBA bonds that are issued by the Commonwealth on behalf of VCU but debt service and debt liability borne by VCU directly



* Excludes leases

Bond and Commercial Paper Principal Amortization

Repayment of Outstanding Principal
As of June 30, 2022



- Amortization of bond principal over time, assuming no additional debt is issued
- Approximately \$29 million per year of bond principal retired for the next 10 years
- During the next 5 years, over \$ 145 million of outstanding debt will be retired (38%)
- During the next 10 years, over \$277 million will be retired (72%)

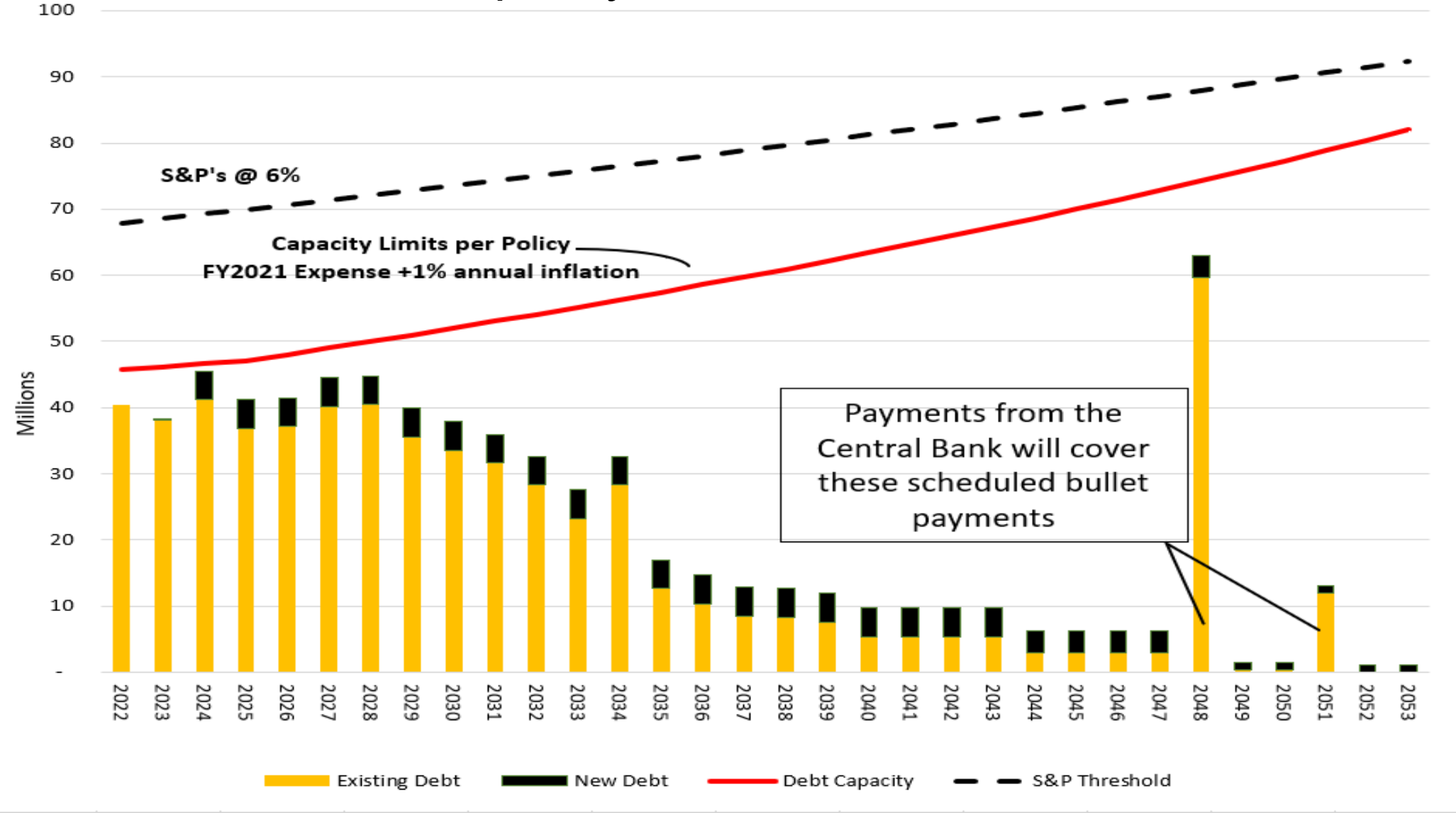
Planned Debt Issuance FY 2023

Anticipated Structure	Project	Issuance Amount	Term
Tax-Exempt Bond	Technology Operations Center	\$ 31.38M	25 years
Tax-Exempt Bond	Arts and Innovation Academic Building	\$18.00M	30 years
Taxable Bond	Athletic Village	\$8.90M	20 years
Tax-Exempt Bond	Institute of Contemporary Art Parking	\$4.81M	20 years
Tax-Exempt Bond	Debt Refinancing	Up to \$39M	Maintain existing maturity structure

Solicitation for financing proposals to be issued for banker/underwriter selection; rates dependent on market at time of sale/placement

Refinancing to return at least 3% NPV savings per refunded bond

Future Debt Capacity Constrained by Annual Debt Service Capacity at 4.0% Debt Ratio



Excludes estimated impact from leases under GASB 87 (FY2022 and beyond) pending quantification

Tax-Exempt Debt Compliance

- There are no compliance issues that require the attention of the Board of Visitors.
- The Tax-Exempt Debt Compliance Policy was adopted by the Board of Visitors on February 9, 2012. An update will be presented for Board approval in December.
- The policy provides a framework for complying with laws and regulations relating to the issuance and post-issuance monitoring of tax-exempt bonds, addressing the following compliance areas:
 - Expenditure and allocation of bond proceeds
 - Spending requirements and arbitrage rebates
 - Private Business Use
 - Continuing disclosure and other filings
 - Record retention
 - Training
- To monitor Private Business Use (unrelated third party use), the policy requires the following:
 - Annual distribution of a Private Use Questionnaire to responsible departments to determine whether Private Business Use above allowable thresholds exists. To date, annual analysis indicate compliance within allowable limits.
 - Active monitoring of Private Business Use by a Bond Compliance Community consisting of representatives from Treasury Services, Facilities Management Division, Controller's Office, Procurement Services, Capital Assets and Real Estate, Office of the General Counsel and Office of Research (ongoing)

Rating Agency Highlights

- Rating in Aa category is critical for Tier III Status
 - S&P AA- (4/1/2022), outlook stable
 - Outlook is stable for Higher Ed (1/25/2022)
 - Moody's Aa3 (5/6/2020), outlook stable
 - Outlook is stable for Higher Ed (3/22/2021)
 - Moody's desires University to improve Operating Cash Flow Margin
- S&P Scorecard methodology is under revision
 - Not expected to impact VCU's rating
- New GASB 87 rules on leases became effective FY22, impact to debt capacity is still undetermined.

Peer Selection – Criteria and Schools

Selection Criteria

- Moody's rated Aa3
- Non-community college, non-system schools
- Schools with undergraduate enrollment +/- 3 from VCU in Moody's Means Comparison 2021

And

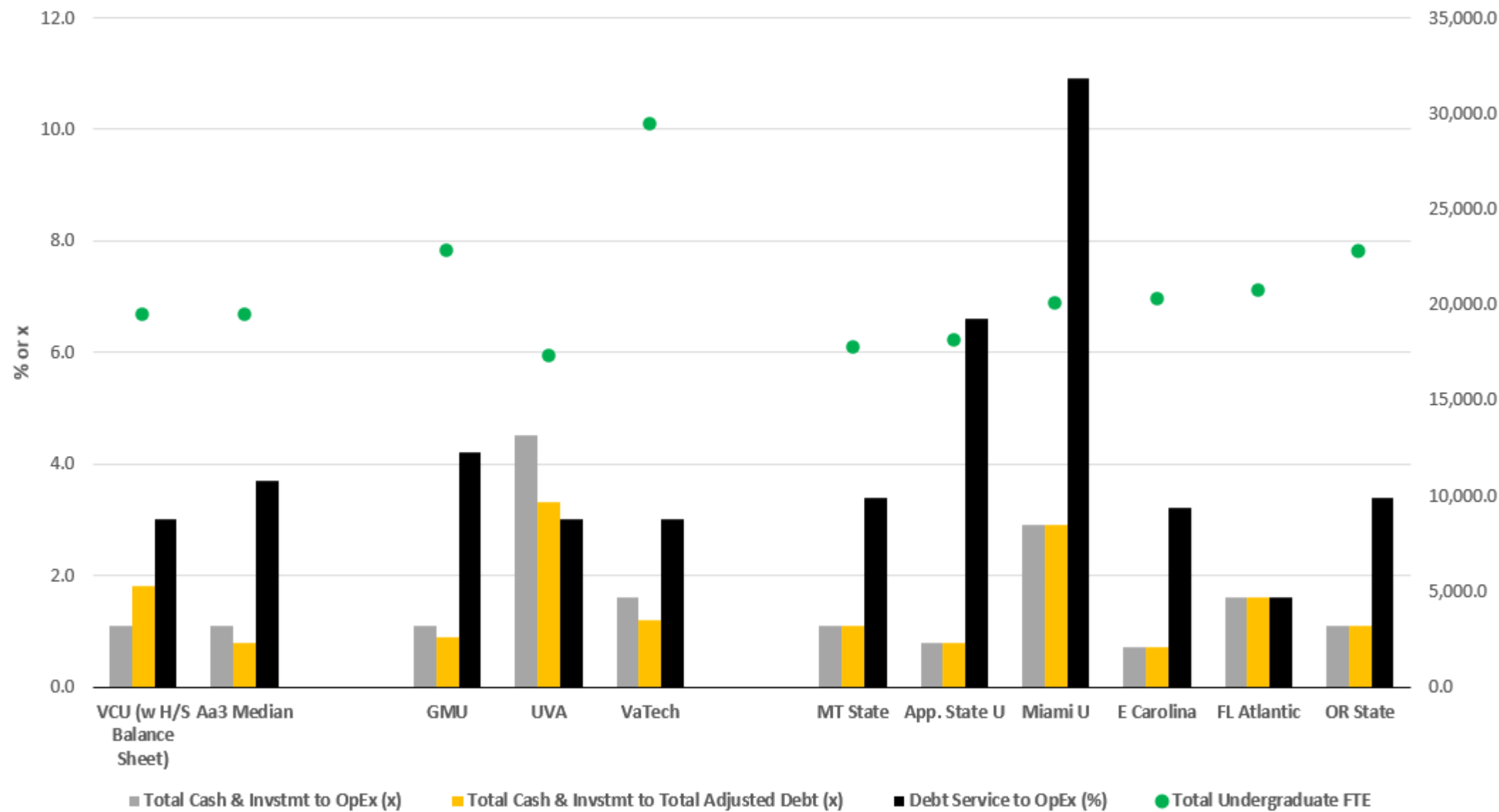
- Virginia Tier III peers with a Moody's rating

Peer Listing

- Montana State University, MT
- Appalachian State University, NC*
- Miami University, OH
- East Carolina University, NC
- Florida Atlantic University, FL
- Oregon State University, OR

- University of Virginia
- Virginia Tech
- George Mason University

Peer Comparisons* FY 2021



(x) reflects "times" and is indicated by left-hand axis

* As reported by Moody's which includes Health System cash but not expense



Relationship Exposure

As of June 30, 2022

The University has diversified its concentration risk across financial institutions providing credit services, investments, custody services and banking.

	TD Bank/ TD Securities	Capital One	JP Morgan	VCIMCO	Payden & Rygel	Merganser	Northern Trust	US Bank	Rockefeller Capital Management	Wells Fargo	Bank of America
Private Placement Debt	2015A&B: \$22.9M	2021A: \$9.9M									
Commercial Paper Dealer			Tax-Exempt \$9.4M/ Taxable \$13.1M								
Commercial Paper Line of Credit			\$0 outstanding/ \$75M available								
Investment Advisory				\$202M Long-Term Tier and Central Bank; \$234M under advisement							
Investment Manager					\$129M AUM	\$234M AUM			\$15M for Liver Institute		
Custodian							\$202M in Long-Term Tier and Central Bank	\$363M in Operating Pool			
General Banking										\$28M in average daily balance	\$37M in average daily balance

Questions?



Board of Visitors

Jay Davenport, Vice President, Development and Alumni Relations
September 2022

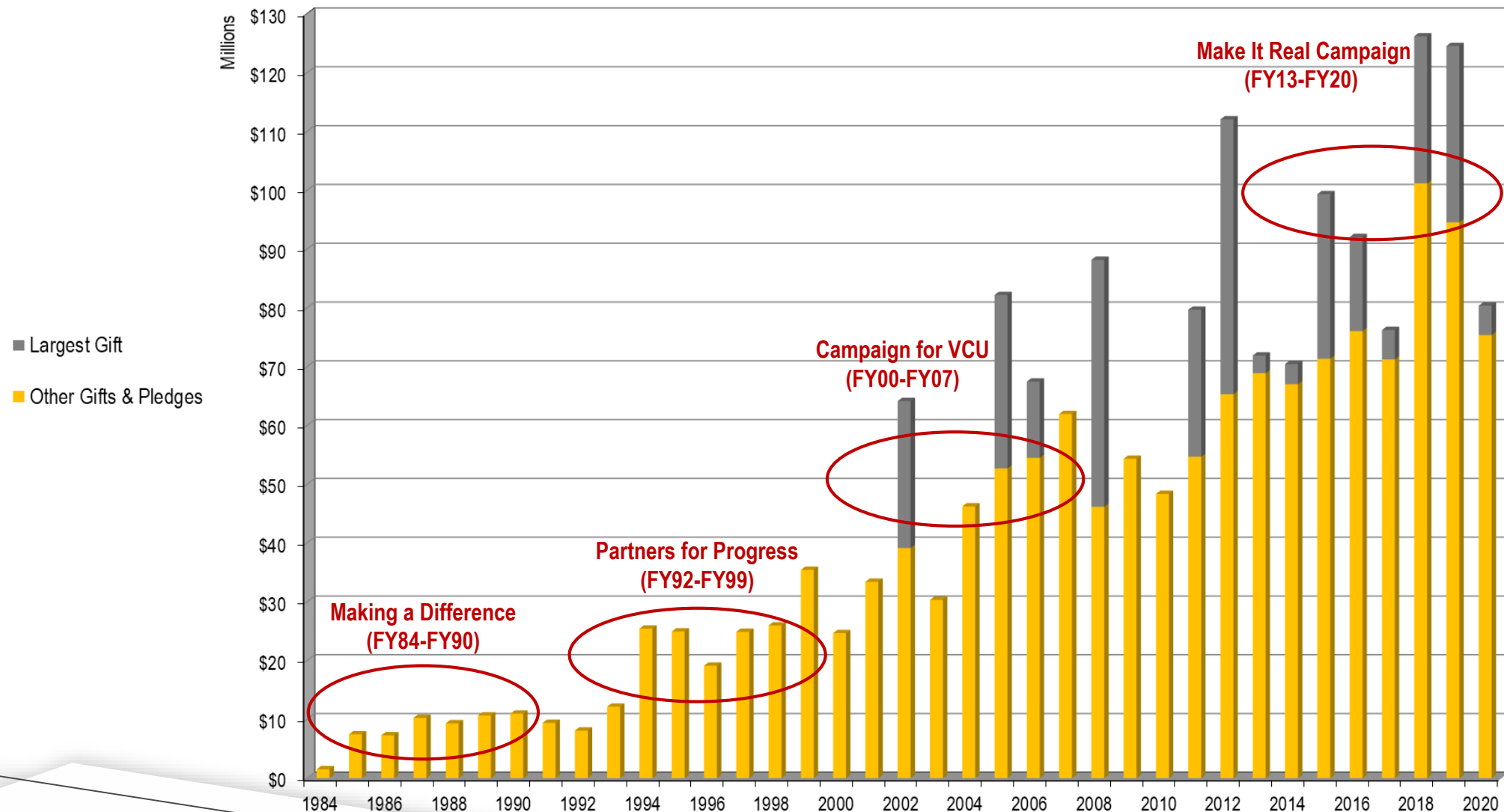


VCU

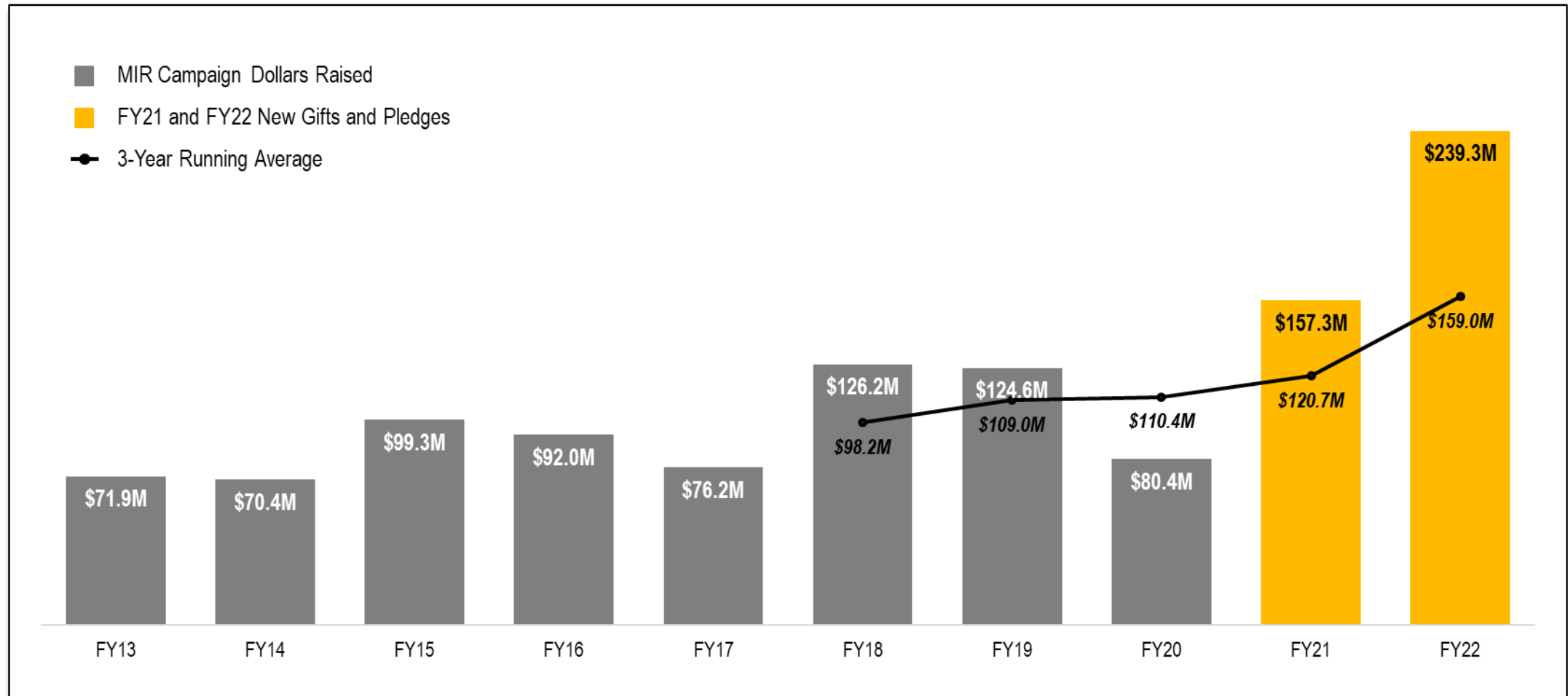
VCU Campaign History

Name of Campaign	Dates of Campaign	Dollar Goal	Amount Raised
Making a Difference	1984 - 1990	\$52 Million	\$62 Million
Partners for Progress	1992 - 1999	\$125 Million	\$168 Million
The Campaign for VCU	2000 - 2007	\$330 Million	\$410 Million
Make It Real Campaign for VCU	2013 - 2020	\$750 Million	\$841.6 Million

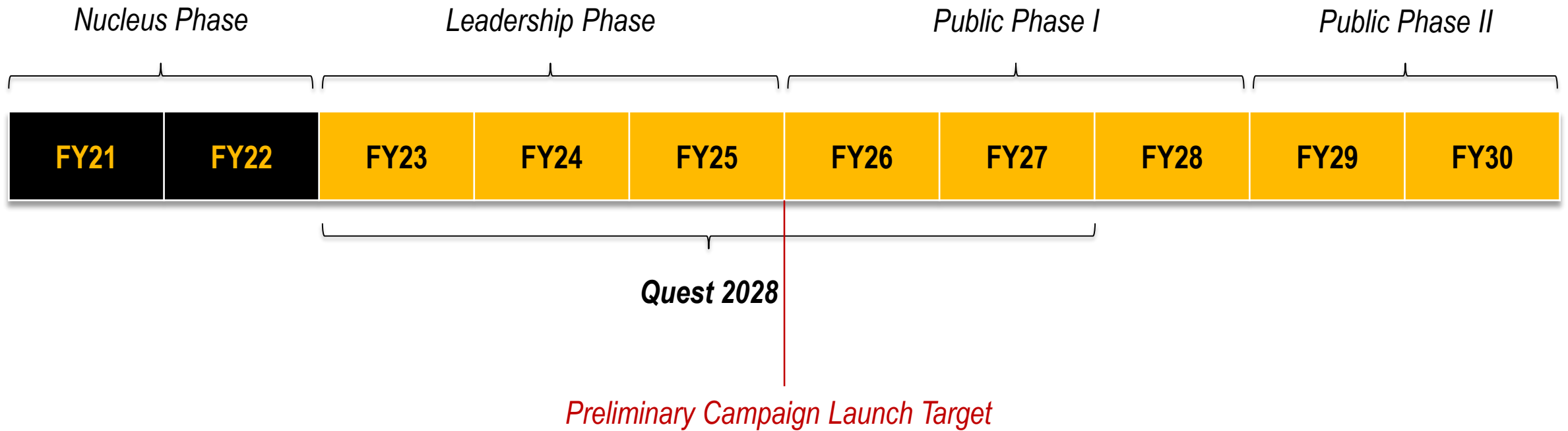
Previous Campaigns Build the Foundation for the Future



Fundraising Foundation for the Next Campaign



General Campaign Timeline



Aligning Quest Themes and Preliminary Campaign Pillars

Quest 2028 Strategic Themes

Diversity Drives
Excellence

Student
Success

Research and
Innovation

Thriving
Communities

Preliminary Campaign Pillars

Chairs, professorships
and faculty support

Scholarships and
student support

Research and grants

Programmatic support

College, school and unit priorities
(dean and academic leader selected projects)

Campaign Tri-Chairs



*Michelle and David (B.A.'83/H&S;
H.L.D.'01) Baldacci*



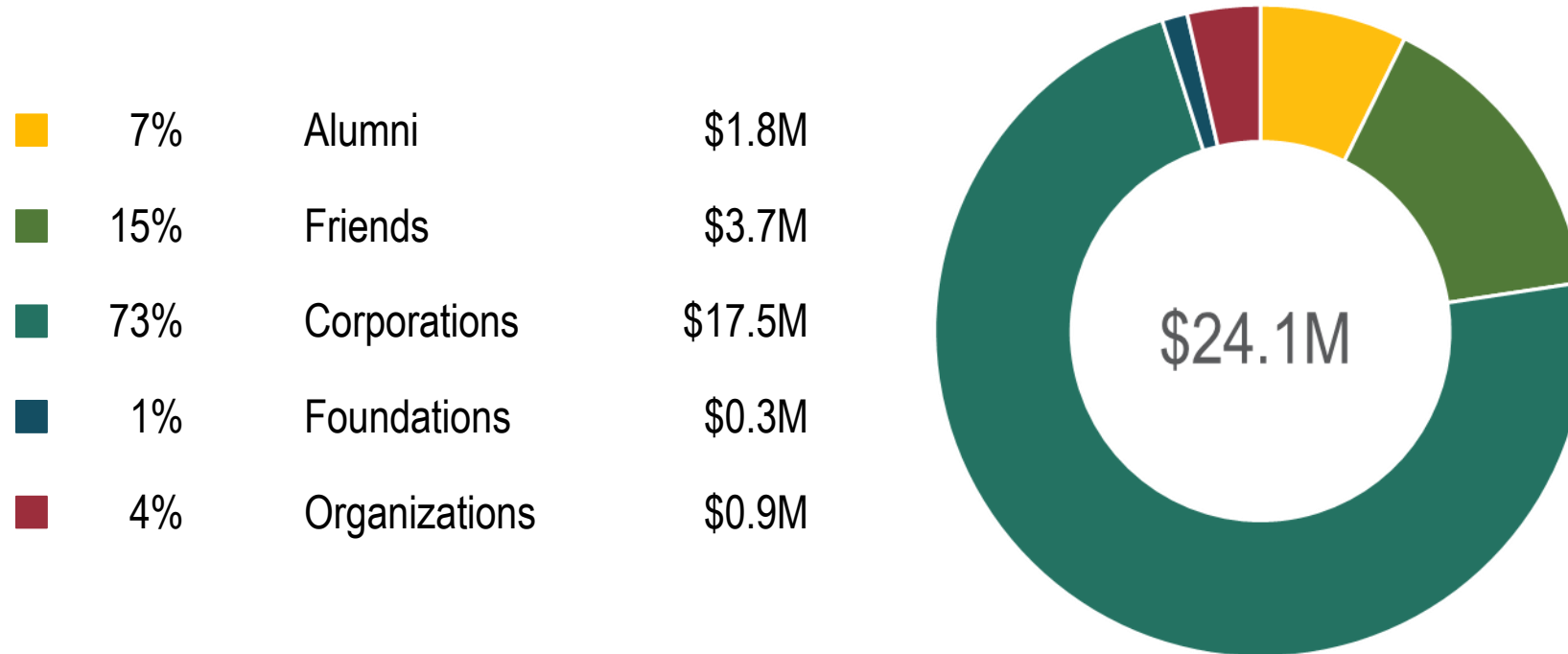
*Dawn (M.Ed.'92/E) and Keith (B.A.'90/H&S;
M.U.R.P.'93/GPA) Parker*



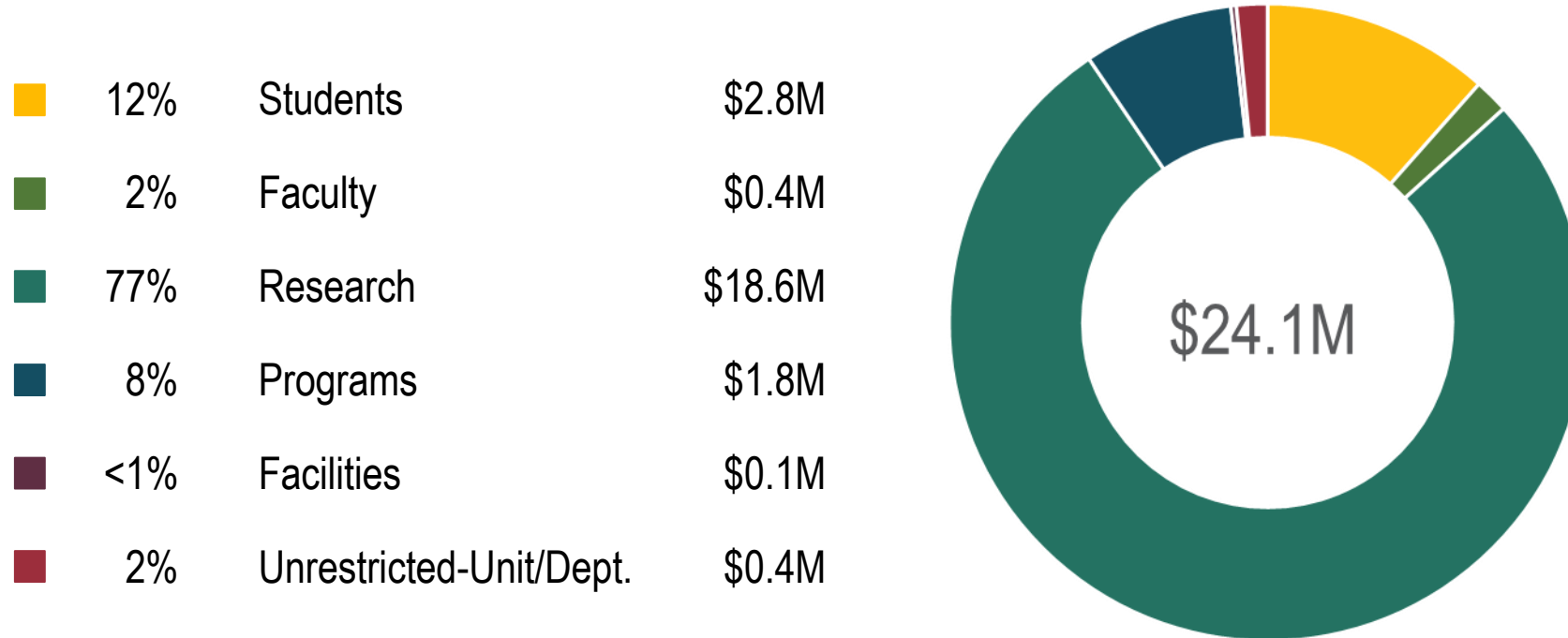
*Donna (M.D.'89/M; H.S.'92/M) and Jon
(M.D.'90/M; Ph.D.'91/M; H.S.'96/M;
M.S.H.A.'97/HP; H.L.D.'08) Perlin*

FY23 New Gifts and Pledges

FY23 New Gifts and Pledges by Source



FY23 New Gifts and Pledges by Purpose





ALUMNI EVENTS FY23Q1

JULY 2022

Driving Business Through Storytelling

July 12 - Aug. 16, 2022

A Night at The Book Bar

5:30 p.m. - 7:30 p.m. July 15, 2022

Philadelphia Chapter Walk for Reflect

8:30 a.m. - 12:30 p.m. July 17, 2022

VCU Alumni x Ruby Scoops Scoop-a-palooza

10 a.m. - 1 p.m. July 17, 2022

Author Talk Q&A: Isabel Allende

2 p.m. - 3 p.m. July 19, 2022

Seattle Chapter Summer Happy Hour

6 p.m. - 8 p.m. July 20, 2022

All Virginia Schools Happy Hour in Charleston, S.C.

5 p.m. - 7 p.m. July 21, 2022

Alumni Night at the Diamond: Squirrels vs. Bowie Baysox

6:30 p.m. - 9 p.m. July 22, 2022

VCU Alumni Night with NYC Football Club

July 23, 2022

Richmond New Student Send-Off

6 p.m. - 8 p.m. July 27, 2022

VCU Day at Nationals Park

7 p.m. - 10 p.m. July 29, 2022

AUGUST 2022

How to Save More and Spend Less

12 p.m. - 1 p.m. Aug. 2, 2022

Improving Lives through Innovative Research

2 p.m. - 3 p.m. Aug. 3, 2022

Newport News New Student Send-Off

6 p.m. - 8 p.m. Aug. 3, 2022

Virginia Beach New Student Send-Off

5:30 p.m. - 7:30 p.m. Aug. 4, 2022

School of Pharmacy Alumni Meet-and-Greet

Aug. 7, 2022

Fifth Annual Ultimate Backpack Supply Drive

8 a.m. - 6 p.m. Aug. 11, 2022

Business Alumni Society Monthly Meetup

5 p.m. - 7 p.m. Aug. 11, 2022

DMV New Student Send-Off

6:30 p.m. - 8:30 p.m. Aug. 11, 2022

Volunteers Needed: Fall Move-in

Aug. 18 - Aug. 20, 2022

VCU Alumni Political Science Caucus "Welcome Back" Reception

5:30 p.m. - 7 p.m. Aug. 18, 2022

Dallas Alumni Third Thursdays Social

7:30 p.m. - 9:30 p.m. Aug. 18, 2022

Hampton Roads Chapter Spirit of Norfolk Cruise

11 a.m. - 1:30 p.m. Aug. 20, 2022

Dallas Alumni Topgolf Social

7 p.m. - 9 p.m. Aug. 20, 2022

Phillies vs. Mets: Philadelphia and NYC Chapters

1 p.m. - 4 p.m. Aug. 21, 2022

Convocation and Ram Spirit Walk

4 p.m. - 5:30 p.m. Aug. 22, 2022

VCU Night with the Seattle Mariners

7 p.m. - 11 p.m. Aug. 23, 2022

Building a Social Media Presence: Professionally and Creatively

Aug. 25 - Sept. 22, 2022

The History of Virginia Craft Beer

6 p.m. - 7 p.m. Aug. 26, 2022

Official Class Ring Sales

10 a.m. Aug. 30 - 4 p.m. Sept. 01, 2022

SHRM Exam Prep

5:45 p.m. Aug. 30 - 8:30 p.m. Dec. 13, 2022

School of Nursing Clinical Scholars' Research Advancements

2 p.m. - 3 p.m. Aug. 31, 2022

SEPTEMBER 2022

History at the Movies: The Last Duel

6:30 p.m. - 9 p.m. Sept. 01, 2022

Part-Time Job Fair

1 p.m. - 4 p.m. Sept. 07, 2022

Driving Business Through Storytelling

6 p.m. Sept. 08 - 7:30 p.m. Oct. 13, 2022

VCU Night with the Yankees

7 p.m. - 10 p.m. Sept. 08, 2022

VCU Military Student Services 9/11 Commemoration

8:30 a.m. - 1 p.m. Sept. 09, 2022

VCU Night at Camden Yards

7 p.m. - 10 p.m. Sept. 09, 2022

AAAC Monthly Meeting

10 a.m. - 11:45 a.m. Sept. 10, 2022

Discuss "The Organ Thieves" with the Friends of VCU Libraries Book Club

2 p.m. - 3 p.m. Sept. 11, 2022

Pipeline Populism: Grassroots Environmentalism in the 21st Century

Sept. 12, 2022

Virginia Residents: First-time Homebuyers' Workshop

6 p.m. - 7 p.m. Sept. 14, 2022

Atlanta Chapter Open Leadership Roundtable

6 p.m. - 8 p.m. Sept. 14, 2022

Words & Wisdom

10 a.m. - 2 p.m. Sept. 15, 2022

Celebrating the Humanities at VCU

4 p.m. - 6 p.m. Sept. 16, 2022

VCU Night - D.C. United vs. Inter Miami CF

5 p.m. - 8 p.m. Sept. 18, 2022

Project Management Essentials

9 a.m. Sept. 20 - 12:30 p.m. Sept. 29, 2022

Free Community Series: Unheard Voices Through Podcasting

2 p.m. - 3 p.m. Sept. 21, 2022

10th Annual Alumni Charity Challenge

4 p.m. - 8 p.m. Sept. 21, 2022

How to Teach Your Kids about Money

12 p.m. - 1 p.m. Sept. 22, 2022

VCU Alumni and Community Bike Ride

8 a.m. - 1 p.m. Sept. 24, 2022

Almost Dead: Slavery and Social Rebirth in the Black Urban Atlantic

12 p.m. - 1 p.m. Sept. 26, 2022

2022 VCU Alumni Stars

6 p.m. - 8:30 p.m. Sept. 29, 2022

Treasurer's Report As of June 30, 2022

Finance, Budget and Investment Committee

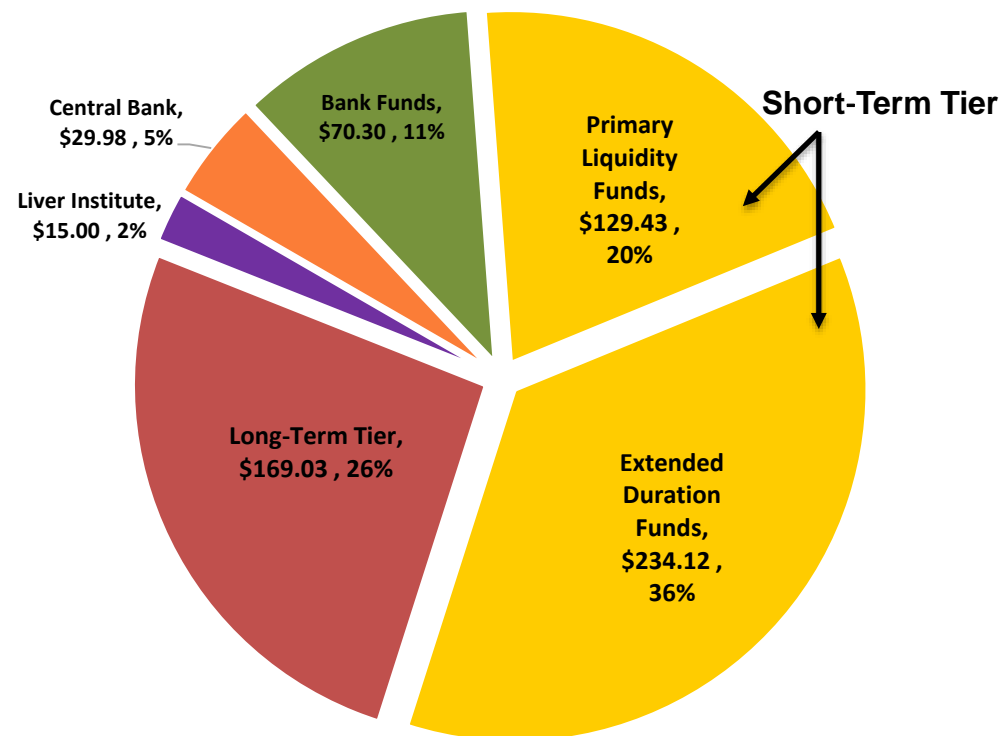
Karol Kain Gray

September 16, 2022



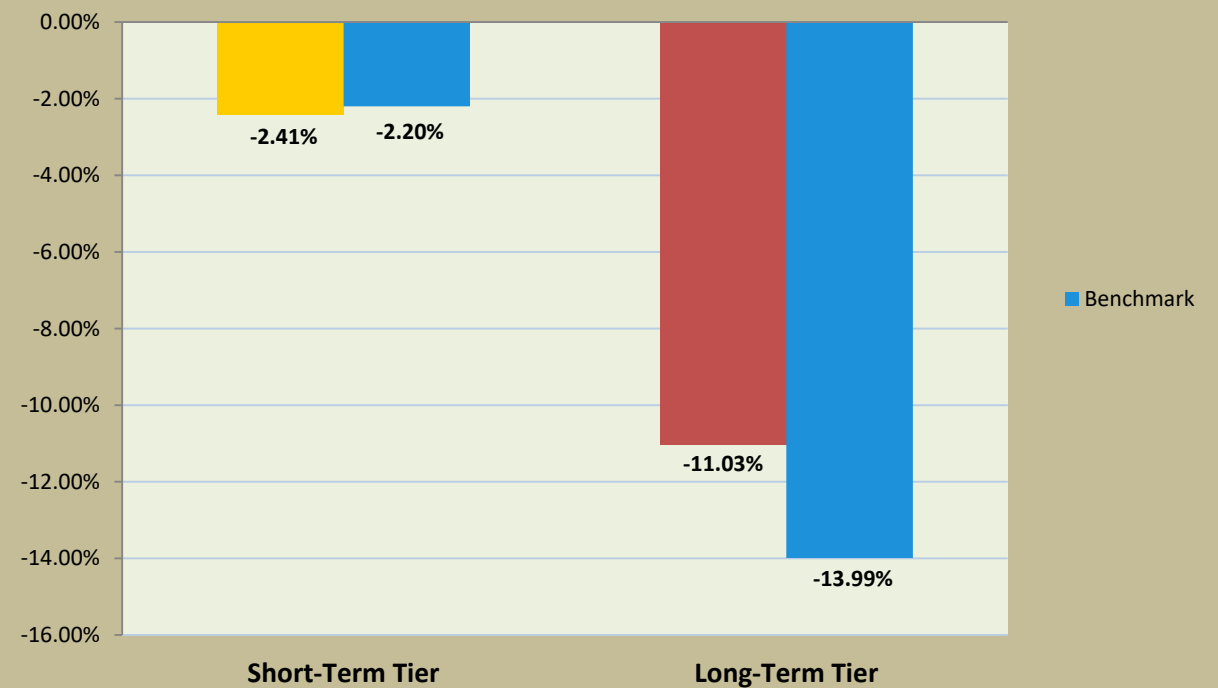
Total University Funds Overview for the Period Ending June 30, 2022

University Funds
Market Value (Millions)



Total University Funds
\$647.86M

1-Year Investment Funds Performance



Short-Term Tier Performance Summary As of June 30, 2022

Performance Summary (Net of Fees)









	Market Value (M)	Current Allocation	1 Month	QTD	FYTD	1 Year	Annualized		
							3 Years	5 Years	Since 7/2009
Primary Liquidity Funds / Payden & Rygel	\$129.4	35.6%	-0.08%	-0.06%	-0.21%	-0.21%	0.60%	1.06%	0.55%
<i>iMoneyNet MM All Taxable</i>			0.05%	0.09%	0.10%	0.10%	0.43%	0.85%	0.36%
Extended Duration Funds / Merganser	\$234.1	64.4%	-0.50%	-0.87%	-3.79%	-3.79%	0.34%	1.13%	1.32%
<i>BofA ML US Corp & Govt 1-3 Year Blended¹</i>			-0.64%	-0.62%	-3.62%	-3.62%	0.31%	1.09%	3.80%
Total Operating Funds	\$363.6	100.0%	-0.35%	-0.54%	-2.41%	-2.41%	0.71%	1.31%	1.11%
<i>Short-Term Tier Composite²</i>			-0.39%	-0.35%	-2.20%	-2.20%	0.61%	1.21%	1.31%


¹ BofA ML US Corp & Gov 1-3 Year Blended Index = Citi 6-Month T-Bill 7/31/2009 to 2/28/2010; BofA ML US Corp & Govt 1-3 Year AAA-A 3/31/2010 to 4/30/2016;
BofA ML Treasury 1-5 Year 5/31/2016 to 3/31/2017, BofA ML US Corp & Govt 1-3 year 4/30/2017 to present

² Short-Term Tier Composite = Weighted Average of iMoneyNet MM All Taxable/BofA ML US Corp & Gov 1-3 Year Blended Index

Investment Compliance Dashboard

As of June 30, 2022

	Short-Term Investments	Long-Term Investments
Compliance Certificate (pages 8 - 9)		
Investment Performance (pages 3 – 5)		
Asset Allocations (pages 9 - 10)		
Investment that requires management notification		

 No issue

 Watching

 Concern

Investment Manager Compliance Certification with the VCU Investment Policy June 30, 2022

- Payden & Rygel (Primary Liquidity Fund Manager) has provided a statement attesting to compliance with the VCU Investment Policy and the Investment of Public Funds Act.



This letter certifies that, as of June 30, 2022, all investments in the VCU Primary Liquidity Fund were in compliance with the VCU Investment Policy, which we understand to be in compliance with the Virginia Investment of Public Funds Act. Holdings were within the allowable universe of investments.

- Merganser (Extended Duration Fund Manager) has provided a statement attesting to compliance with the VCU Investment Policy and the Investment of Public Funds Act.



We have reviewed the investment portfolio for compliance with the investment guidelines provided by Virginia Commonwealth University for **June 2022**. All investments were in compliance with the following exceptions:

Guideline: No Non-US government related or sovereign securities.

<u>Security</u>	<u>Status</u>
ALTA 3.35% 11/1/23	Granted permission to hold.
ALTA 1.875% 11-13-24	Granted permission to hold.
EIBKOR 2.875% 1/21/25	Granted permission to hold.

*These exceptions
were approved by
VCIMCO, the CFO
and Treasurer*

This letter certifies that all investments in the VCU Extended Duration Fund were in compliance with the VCU Investment Policy and the Virginia Investment of Public Funds Act as of June 30, 2022.

- VCIMCO (Long-Term Fund Manager) has provided a statement attesting to compliance with the VCU Investment Policy.



As previously disclosed, the underlying exposure to equity of the Long-Term tier rose to approximately 72.7%, exceeding the maximum range of 70% as of June 30, 2021. VCIMCO took action to bring the equity exposure to be within the then stated policy range, prior to September 30, 2021. Subsequently, VCU adopted a revision to the Investment Policy Statement to increase the upper bound to 80% in order to reduce the frictional rebalancing costs and provide a more symmetrical range to the target.

Short-Term Portfolio

Authorized Investments, Diversification Restrictions and Duration/Credit Quality Constraints

June 30, 2022

Authorized Investments	Primary Liquidity Fund (Payden & Rygel)						Extended Duration Fund (Merganser)					
	Policy Max	Actual %	Minimum Rating	Actual Min Rating	Max Maturity	Actual Max Maturity	Policy Max	Actual %	Minimum Rating	Actual Min Rating	Max Maturity	Actual Max Maturity
Cash	100%	0%	n/a	n/a	n/a	n/a	100%	0%	n/a	n/a	n/a	n/a
U.S. Treasury and Agency Securities	100%	39%	n/a	n/a	n/a	2.5 years	100%	10%	n/a	AAA	n/a	3.7 years
Non-Negotiable Certificates of Deposit (CDs)	5%	0%	Fed insured and VSPDA collateralized	n/a	5 years	n/a	0%		Fed insured and VSPDA collateralized		5 yrs	
Negotiable CDs and/or Negotiable Bank Deposit Notes	20%	7%	A-1, P-1 for 1yr or less/AA-, Aa3 for over 1yr	A-1/P-1/F-1	5 years	0.94 years	20%	0%	A-1, P-1 for 1yr or less/AA-, Aa3 for over 1yr		5 yrs	
Overnight/Open Treasury/Agency Repurchase Agreements	100%	0%	Treasury/Agency/GSE - collateralized	n/a	overnight	n/a	0%	0%	Treasury/Agency/GSE - collateralized		overnight	
Overnight/Open non-Treasury/Agency Repurchase Agreement	50%	0%	GSE collateralized	n/a	overnight	n/a	0%	0%	GSE collateralized		overnight	
Term Repurchase Agreements	20%	0%	>100% Treasury/Agency/GSE -	n/a	n/a	n/a	0%	0%	>100% Treasury/Agency/GSE -		n/a	
Banker's Acceptances	40%	0%	A-1, P-1	n/a	n/a	n/a	0%	0%	A-1, P-1		n/a	
Commercial Paper	35%	17%	A-1, P-1, F-1, D-1	A-1, P-1, F-1	< 270 days	170 days	0%	0%	A-1, P-1, F-1, D-1		< 270 days	
Combined 144A Securities of allowed investments		11%	0.11372	A-1, P-1, F-1	A-1, P-1, F-1	< 270 days	0%	0%	n/a	n/a	n/a	
Money Market Funds	35%	0%	AAA	n/a	n/a	n/a	10%	0%	AAA	AAA	n/a	0
Corporate Notes/Bonds	25%	25%	A-, A3	A3	n/a	3 years	40%	38%	A-, A3	A	n/a	4.7 years
Municipal Securities	10%	0%	A-, A3	AA2	n/a	n/a	10%		A-, A3		n/a	
Asset-Backed Securities	0%	0%	AAA	n/a	5 years	n/a	40%	30%	AAA	AAA	5 yrs	3.2 years
Combined Agency MBS, Agency/Private CMOs, CMBS, RMBS, PA	0%	0%	AAA	n/a	5 years	n/a	50%	20%	AAA	AAA	5 yrs	4.8 years
Agency Mortgage-Backed Securities (MBS)	0%	0%	AAA	n/a	5 years	n/a	50%	6%	AAA	AAA	5 yrs	4.5 years
Agency CMOs (including PACs)	0%	0%	AAA	n/a	5 years	n/a	10%	1%	AAA	AAA	5 yrs	4.3 years
Commercial Mortgage-Backed Securities (CMBS)	0%	0%	AAA	n/a	5 years	n/a	10%	13%	AAA	AAA	5 yrs	4.8 years
Private Label Residential Mortgages (including CMOs & PA	0%	0%	AAA	n/a	5 years	n/a	5%	0%	AAA		5 yrs	
International Development Bank Obligations	0%	0%	AAA	n/a	5 years	n/a	5%	0%	AAA		5 yrs	
Government Related*	0%	0%	n/a	n/a	n/a	n/a	5%	2%	n/a		n/a	2.6 years
		100%						100%				

*Non-US government related securities are not in compliance with VCU's Investment Policy. Granted permission to hold.

Funds	Duration Constraints		
	Policy Max	Actual Fund Duration	Allowable Duration Deviation
Primary Liquidity Fund (Payden & Rygel)	9 Months	0.2 months	+10%
Extended Duration Fund (Merganser)	ML 1-3 YR Govt/Corp (1.8 years)	1.6 years	+10%

Long-Term Portfolio

Strategic Asset Allocation Risk Control Targets and Ranges

June 30, 2022

VCU Long-Term Tier					
Asset Class	%	Target	Min	Max	In Compliance
Equity	58.0%	65.0%	40.0%	80.0%	Yes
Real Assets	4.6%	5.0%	0.0%	20.0%	Yes
Credit	13.9%	10.0%	5.0%	45.0%	Yes
Sovereign	0.1%	5.0%	0.0%	25.0%	Yes
Cash/Residual	23.4%	15.0%	0.0%	25.0%	Yes
Total VCIMCO Market Value	100.0%	100.0%			

Currency Region	Exposure	Range	In Compliance
Americas	66.3%	50.0% - 100.0%	Yes
EMEA	13.3%	0.0% - 30.0%	Yes
Asia	19.2%	0.0% - 30.0%	Yes
Rest of World	4.6%	0.0% - 20.0%	Yes
Gross Total	103.4%		
<i>Implied Leverage</i>	<i>-3.4%</i>		
Net Total	100.0%		

Geographical Region	Exposure	Range	In Compliance
Americas	47.2%	25.0% - 75.0%	Yes
EMEA	12.6%	0.0% - 50.0%	Yes
Asia	12.2%	0.0% - 40.0%	Yes
Rest of World	4.6%	0.0% - 20.0%	Yes
Net Total	76.6%		

Note: As of 06/30/2022. Totals may not sum due to rounding.

Monitoring Report as of September 9, 2022 (Preliminary)

Cash and Investments			
	Quarter Ended 6/30/2022	(in millions) As of 8/31/2022	As of 9/9/2022
Bank Funds			
Bank of America Checking	\$ 49.62	\$ 129.33	\$ 138.88
Wells Fargo Checking	5.64	2.58	2.58
Restricted Cash Funds	28.00	23.02	29.35
Unspent Bond Proceeds	1.55	1.55	1.55
Less: Outstanding Checks - Bank of America ^A	(11.13)	(13.79)	(10.92)
Less: Outstanding Checks - Wells Fargo ^A	(3.38)	(1.52)	(1.51)
Total Bank Funds	\$ 70.30	\$ 141.18	\$ 159.93
Short-Term Tier			
Primary Liquidity Fund (Payden & Rygel)	\$ 129.43	\$ 109.39	\$ 109.50
Extended Duration Fund (Merganser)	\$ 234.12	\$ 233.19	\$ 232.93
Total Short-Term Tier (VCIMCO)	\$ 363.55	\$ 342.58	\$ 342.43
Long-Term Tier ^B			
Ram Fund + PA Fund	\$ 117.76	\$ 114.51	\$ 114.51
Central Bank Capital Reserve (VCIMCO)	22.75	23.32	23.32
Central Bank Unrestricted (VCIMCO)	7.23	7.41	7.41
Total Long-Term Tier (VCIMCO)	\$ 147.74	\$ 145.24	\$ 145.24
Glasgow Endowment ^B			
Total Glasgow Endowment (VCIMCO)	\$ 51.27	\$ 49.20	\$ 50.17
Liver Institute ^{BC}	\$ 15.00	\$ 14.64	\$ 14.64
Total University Funds:	\$ 647.86	\$ 692.83	\$ 712.41
	Quarter Ended 6/30/2022	As of 8/31/2022	As of 9/9/2022
Comparative Federal Interest Rate:			
1-year	2.80	3.50	3.67
10-year	2.98	3.15	3.33
^A At FYE, the Controller's Office also adjusts the University's cash position with additional current year cash accruals. ^B Balances updated monthly. ^C Brunckhorst Gift for Liver Foundation. Received to date \$15MM of \$100MM			

Monitoring Report as of September 9, 2022 (Preliminary- continued)

Debt			
	As of FY 2021	(in millions) Quarter Ended 6/30/2022	As of 9/9/2022
VCU Long-Term Debt:			
Outstanding Bonds	\$ 418.15	\$ 400.05	\$ 390.78
VCBA 9d	\$ 88.71	\$ 80.89	\$ 72.60
VCBA 9d balances covered by Financing Agreements	\$ 4.52	\$ 3.53	\$ 2.54
VCU 9c	\$ 49.36	\$ 47.72	\$ 47.72
VCU 9d	\$ 198.58	\$ 195.87	\$ 195.87
VCU 9d balances covered by Financing Agreements	\$ 76.98	\$ 72.05	\$ 72.05
Capital Leases and Installment Obligations	\$ 3.19	\$ 3.19	\$ 3.19
	\$ 421.33	\$ 403.24	\$ 393.97
Debt Ratio:			
Audited Debt Ratio (as of 6/30/2021)	2.93%		
Estimated Unaudited Debt Ratio	3.20%	2.90%	2.90%
	As of FY 2021	(in millions) Quarter Ended 6/30/2022	As of 9/9/2022
VCU Commercial Paper (JP Morgan):			
Current Outstanding:			
Institute for Contemporary Art (ICA), Tax-Exempt CP A-1 Balance	\$4.44	\$0.00	\$0.00
ICA, Parking Sunoco, Tech Ops Tax-Exempt CP A-2 Balance	-	\$9.41	\$9.41
REF Broad & Belvidere Renovation, Taxable CP Balance	-	\$4.27	\$4.27
Athletics Village #3 - Bourne, ABC Taxable CP Balance	-	\$7.55	\$7.55
Athletics Village #4 - ABC Taxable CP Balance	-	\$1.30	\$1.30
Subtotal	\$4.44	\$22.53	\$22.53
Anticipated Future Draws (FY 2023)	-	-	\$8.44
Commercial Paper Program Authorization:	\$75.00	\$75.00	\$75.00
Projected Available Commercial Paper Balance:	\$70.56	\$52.47	\$44.03
Next Tax-Exempt Commercial Paper Put Date :			11/3/2022
Tax-Exempt Effective Interest Rate Rate ^D :			1.75%
Next Taxable Commercial Paper Put Date :			12/6/2022
Taxable Effective Interest Rate Rate ^D :			2.90%

^D Total cost of CP program also includes \$193K for ongoing standby liquidity facility, rating agency surveillance, and paying agent fees.

ARMICS

Virginia Commonwealth University

Finance and University Resources Committee

September 16, 2022



VCU

Agency Risk Management and Internal Control Standards (ARMICS)

- ARMICS is a directive of the State Comptroller that mandates the implementation and annual assessment of agency internal controls to provide a reasonable assurance of the integrity of all fiscal processes
- Annual certification is done in September by the SVP/CFO and the President
 - Agency Level Internal Control Assessment
 - Process and Transaction Level Internal Control Assessment
 - Corrective Action Plan, if needed

ARMICS – Agency Level Assessment

VCU conducts the Agency Level Assessment through the Enterprise Risk Management (ERM) process

- Risk Appetite Survey identified 8 enterprise risks that are outside of tolerance; risks sent to Cabinet for approval and will be presented to Audit and Compliance Committee
- Safety and Risk Management (SRM) who leads this process will meet work with risk owners to mitigate risks
- ERM Steering Committee to evaluate new enterprise risks
 - University Privacy – HIPPA, FERPA, etc.)
 - Protection of Minors

ARMICS – Process and Transaction Level Assessment

- All departments and central units are required to sign a certification statement:
 - Risk assessments are accurate and current
 - Internal controls are operating effectively
 - Testing of controls has been documented
- Departmental assessments are forwarded to the appropriate VP so they can sign the certification for their entire operation
 - VPs certify to the Senior Vice President/CFO and the President that their operations have met the process and transaction level requirements
- Controller's Office consults with departments and central units to assist with risk assessment and controls as well as perform some additional testing of internal controls

Integrity of Fiscal Processes

- Integrity and accountability are core values of the university and the Controller's Office will continue its initiative to ensure that these values are understood and adhered to throughout the university community.
- Training courses on ARMICS requirements continue to be conducted. The Controller's Office also provides assistance to any units seeking more hands-on guidance or internal control recommendations for new processes.
- Mandatory fiscal training continues to be a requirement to obtain access to the Banner Finance system.

Summary

- VCU will have met ARMICS requirements for FY 2022 through the following:
 - Completion of the certifications by the departments to the Vice Presidents by June 30, 2022
 - Focused testing of internal controls by the Controller's office
 - Identification of agency level risks and current mitigation strategies
 - Final certification to the Department of Accounts on September 30, 2022
- ARMICS is an on-going process that is supplemented with the ERM program

**Virginia Commonwealth University
Board of Visitors Fund Annual Report**

The Board of Visitors established a donor-advised, restricted fund known as the Board of Visitors (BOV) Fund at the May 2012 meeting. Direct contributions from members of the BOV or friends provide the monies for the fund. The monies in this fund shall only be used for scholarships, faculty and staff recognitions, and other projects, undertaking or expense which the BOV deems to be in the best interests of VCU.

BOV Fund
Year Ended June 30, 2022

Beginning Balance	\$20,351
Expenses - Scholarships	7,002
	<hr/>
Ending Balance	<u>\$13,349</u>

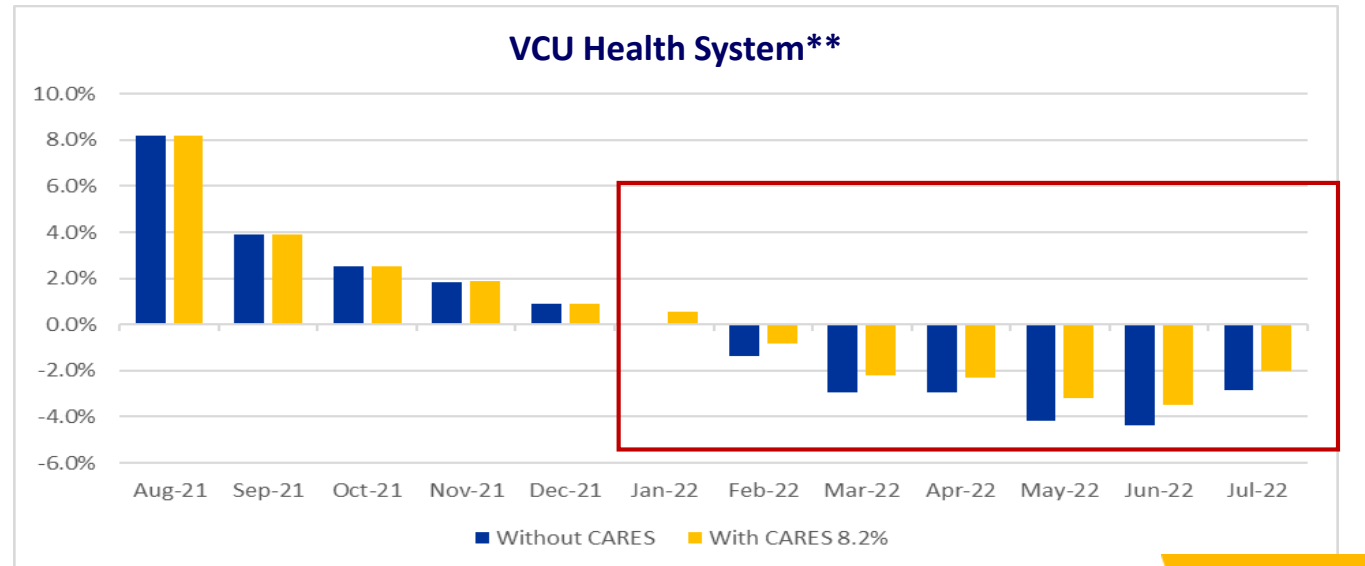
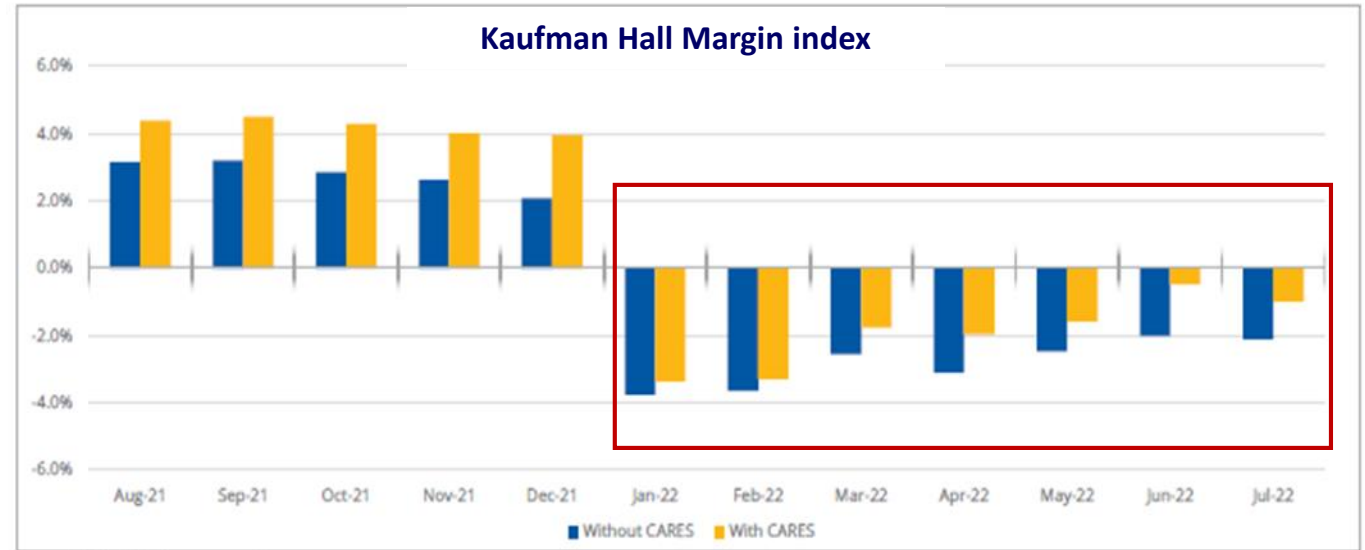
FY22 Financial Update:

- NFP Healthcare Headwinds
- VCUHS Preliminary Operating Performance
for the 12 months ending June 30, 2022 - Unaudited

National Trends

Kaufman Hall & Fitch; Flash Report & Mid-year Outlook

- U.S. hospitals and health systems are experiencing some of the worst margins since the beginning of the pandemic.
- Calendar year 2022 continues to be on pace to be the worst year of the pandemic in terms of financial performance driven by labor, and broader macro inflationary pressures.
- August 2022: **Fitch Ratings** revises U.S. NFP Hospitals Sector Outlook to **‘Deteriorating’**; as labor pressures and elevated inflation compress margins for most providers.



Calendar Year 2022 - Margin Compression

Some Pretty **BIG** Players with year over year margin deterioration



VCUHS – Operating Margin & Liquidity Performance

For 12 months ending June 30, 2022, as well as 16-month Margin/EBIDA Trend

(\$s in 1000s)	Actual FY19*	Actual FY20*	Actual FY21	Prelim. June YTD FY22	2021 S&P AA- Medians	2021 Moody's Aa3 Medians
Total Operating Revenue (\$s in 000s)	\$ 3,895,799	\$ 3,813,592	\$ 2,553,422	\$ 2,795,615	N/A	N/A
Income for Operations(\$s in 000s)	\$ 66,651	\$ 88,090	\$ 46,774	\$ (56,387)	N/A	N/A
Operating Margin %	1.7%	2.3%	1.8%	-2.0%	2.8%	4.0%
EBIDA %	5.2%	5.6%	6.3%	3.4%	8.2%	9.1%
Debt to Capitalization	23.6%	22.3%	18.6%	21.7%	25.0%	24.8%
Days Cash on Hand	203.4	221.1	338.7	234.0	291.9	340.7
Unrestricted Cash to Debt	299%	327%	337%	221%	264%	328%
Maximum Annual Debt Service Coverage	5.10	4.20	4.90	2.34	6.10	9.10

