



**OPERATING BUDGET
2020-2021**

VIRGINIA MILITARY INSTITUTE

VIRGINIA MILITARY INSTITUTE

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15 May 2020

MEMORANDUM

TO: The Board of Visitors

THROUGH: The Audit, Finance and Planning Committee

SUBJECT: Proposed Operating Budget FY 2021

The FY 2021 Operating Budget proposal for all programs totals \$95.5 million for a decrease of \$400,000 or 0.4% from the FY 2020 budget. The budget includes State general funds of \$19.3 million for an increase of \$267,000 or 1.4% from the FY 2020 budget.

The FY 2020 operating budget included providing \$3.56 million in refunds to Cadets for Room, Board, Laundry and Haircuts due to the transition to remote instruction. This net decrease in operating funds was partially offset through cost avoidance measures and other savings.

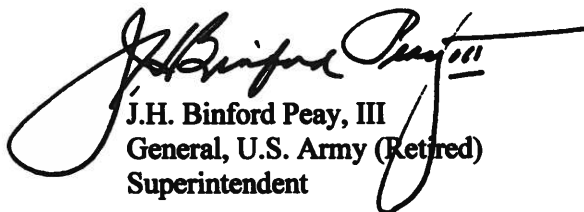
The FY 2021 budget recommends tuition and fee increases of 1.3% or \$386 for in-state cadets and 2.8% or \$1,552 for out-of-state cadets bringing total costs to \$29,270 and \$57,280, respectively. By comparison in FY19 increases were limited to fees and resulted in a \$540 increase for both in-state and out-of-state cadets. The Institute has carefully managed through various measures increases while meeting the increased costs of operations.

The fall 2020 opening enrollment is budgeted to be 1,693 and includes 500 new cadets with 63% of the total Corps from Virginia. This is a budgeted enrollment decrease from the FY 2020 budget of 1.9% and a decrease from the actual of 2.1%. The average enrollment for FY 2021 is projected to be 1,611 compared to 1,646 in FY 2020.

The budget does not include funding to support any State-initiated salary increases for employees. The budget provides for State-mandated increases in employer contribution rates for health insurance of about 2.4% as well as other contractual and unavoidable increases.

Budget planning includes flexibility to address any reductions in State general fund support, unanticipated changes in enrollment and ability to effectively respond to COVID-19 related expenses.

I recommend that you approve this proposed budget.


J.H. Binford Peay, III
General, U.S. Army (Retired)
Superintendent



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Executive Summary

Executive Summary

FY 2021 Operating Budget

1. The Budget is comprised of three main sources of operating funds that total \$95,447,000:
 - State General Funds of \$19,265,000, a 1.4 % increase from FY 2020 for a total increase of \$267,000 (Exhibit 1).
 - Cadet tuition/fees and other revenue total \$52,957,000, a decrease of \$1,540,000 or 2.8% from FY2020 (Exhibit 2).
 - Private fund support primarily from the VMI Alumni Agencies of \$23,225,000, an increase of \$895,000 or 4%. This consists of \$2,309,000 in unrestricted funds (10%) and \$20,916,000 in restricted funds (90%). Unrestricted funds decreased \$97,000 from 2020 (Exhibit 3).
2. The Budget includes cadet financial assistance from all sources of \$17,676,000, an increase of \$409,000 or 2.4%. This increase is primarily a result of Athletic scholarship funds from the Keydet Club. (Exhibit 4).
3. The Budget for all programs is \$113,123,000, an increase of \$31,000 over the prior year (Exhibits 5 and 6).
4. The Educational and General Program (E&G) Budget totals \$53,875,000 and represents a reduction of \$66,000. (Exhibit 7).
5. The Budget includes 500 new cadets (60% Virginians and 40% Non-Virginians) and a total Corps of 1,693 (63% Virginians and 37% Non-Virginians). For FY 2021, this is a reduction of 33 cadets in the total Corps or 1.9% compared to the 2020 budget and 37 less than the 2020 actual (Exhibit 8). The average enrollment for FY 2021 (fall and spring) is budgeted to be 1,611.

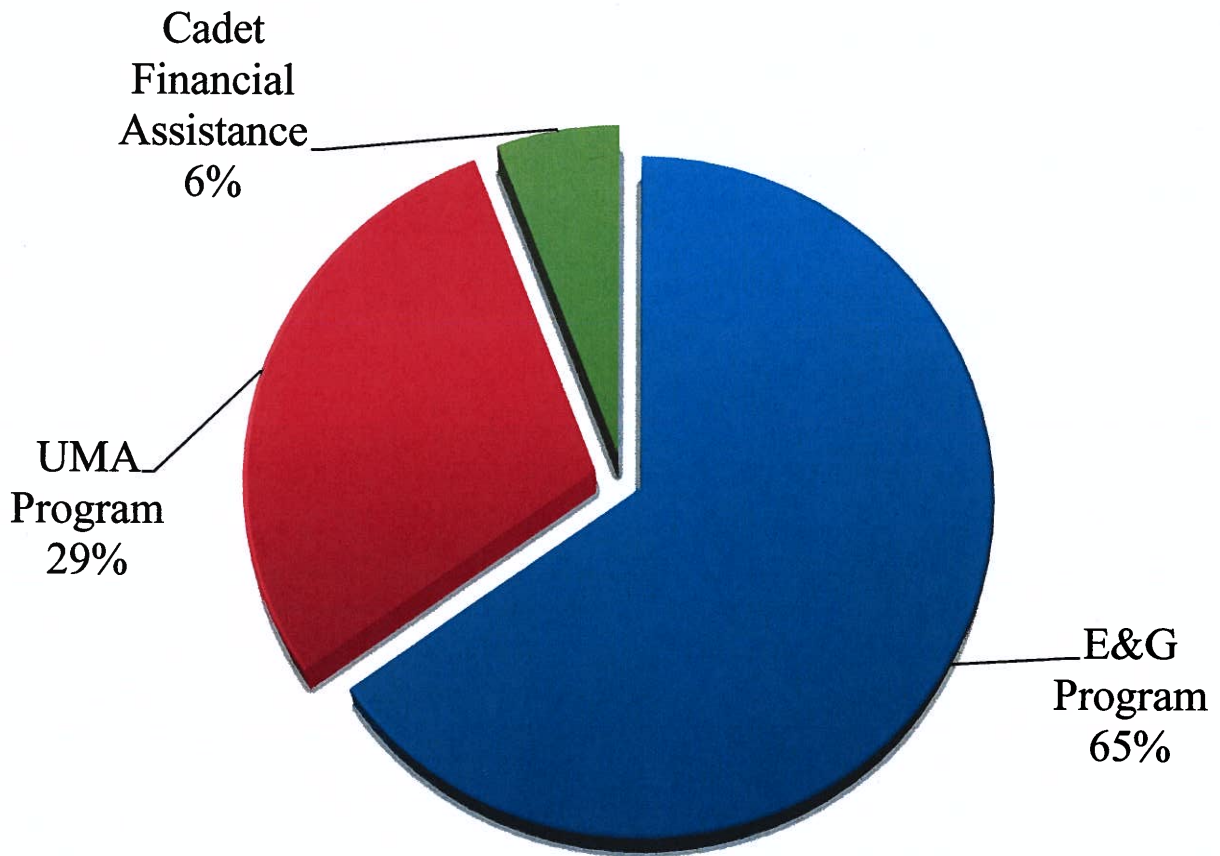
6. Tuition and fees for in-state cadets total \$29,270 and represent an increase of \$386 or 1.3% over 2020. Tuition and fees for out-of-state cadets total \$57,280 and represent an increase of \$1,552 or 2.8% (Exhibit 9).
7. In FY 2020, the State gave agencies a one-month insurance premium holiday. The one-month holiday elimination and a rate increase of 2.4% for FY 2021 generates an \$843,000 increase to personnel costs in when comparing to the prior year.

Total personnel costs are budgeted for \$59.8 million or 63% of the total Budget (excluding cadet financial aid) and include 617 full-time positions (personnel costs comprise 80% of the State E&G budget which has 388 or 63% of the full-time positions). This is an increase of \$1.5 million or 2.6% over 2020 (Exhibit 10). See the Significant Budget Assumptions—Details of New Employees and Other Changes for information on the new employee positions.

8. The Budget projects a year-end Auxiliary Fund Balance (30 June 2020) of \$14.0 million (Exhibit 11).

State General Funds

	FY 2020	FY 2021	Inc (Dec)	%
E&G Program	12,270,000	12,537,000	267,000	2.2%
UMA Program	5,610,000	5,610,000	-	0.0%
Cadet Financial Assistance	1,118,000	1,118,000	-	0.0%
Total State General Funds	18,998,000	19,265,000	267,000	1.4%



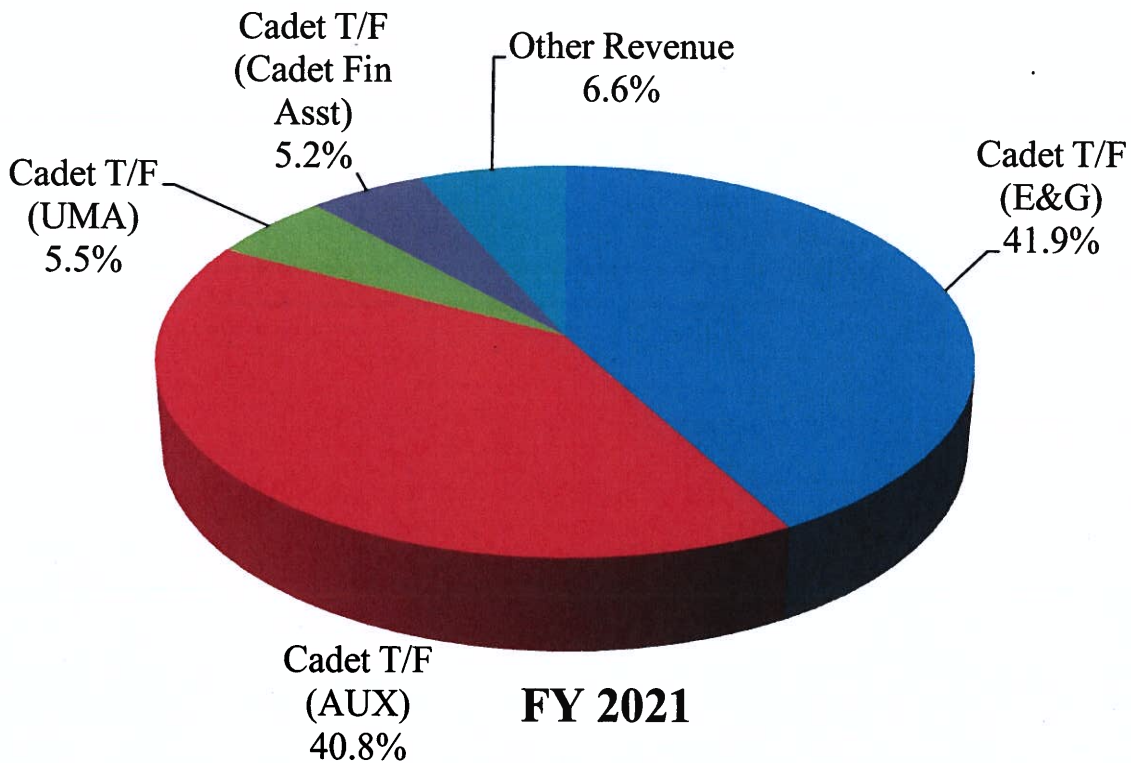
FY 2021

Exhibit 1

Cadet Tuition/Fees and Other Revenue

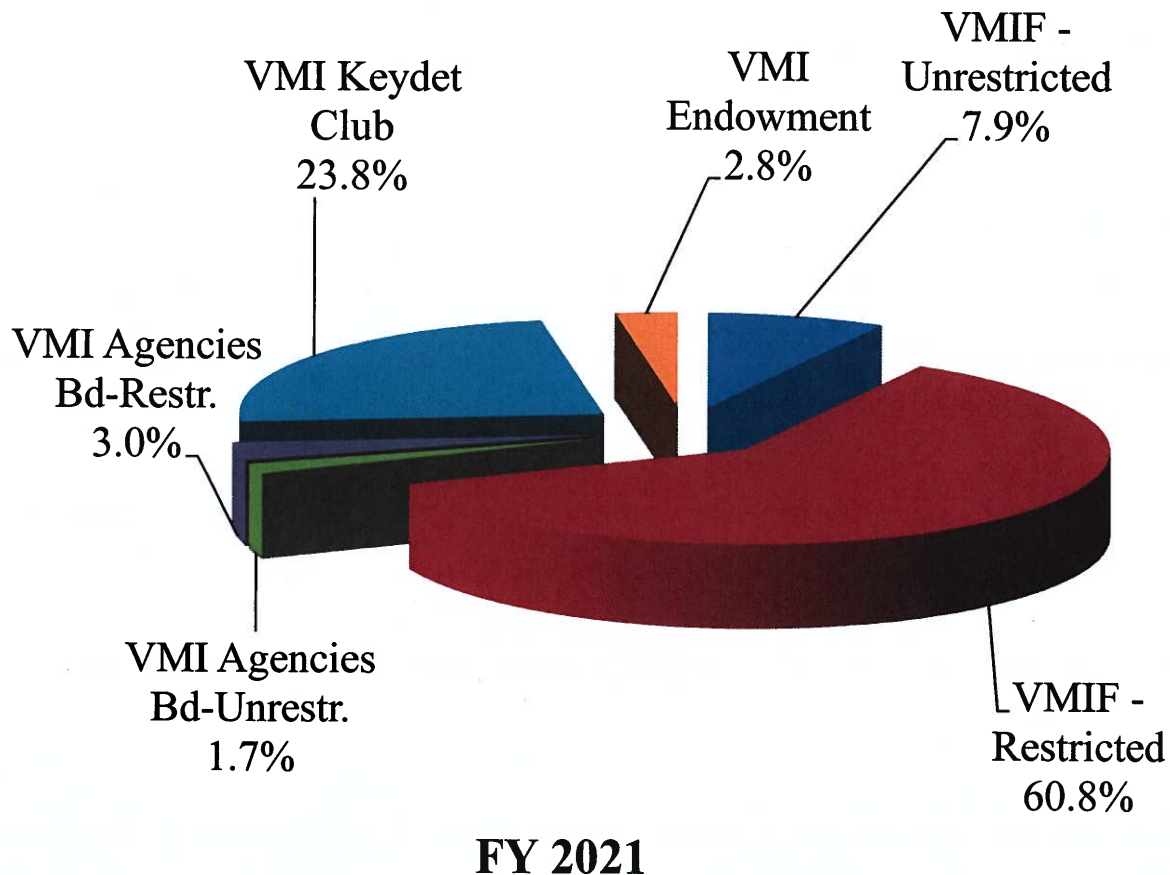
	FY 2020	FY 2021	Inc (Dec)	%
<i>Cadet Tuition and Fees</i>				
E&G Program	30,077,000	29,592,000	(485,000)	-1.6%
Auxiliary Program	29,150,000	28,812,000	(338,000)	-1.2%
UMA Program	4,632,000	3,885,000	(747,000)	-16.1%
Cadet Financial Assistance	3,700,000	3,700,000	-	0.0%
	<u>67,559,000</u>	<u>65,989,000</u>	<u>(1,570,000)</u>	<u>-2.3%</u>
Less: Cadet Financial Assistance *	(17,267,000)	(17,676,000)	(409,000)	2.4%
Total Cadet Tuition/Fees	<u>50,292,000</u>	<u>48,313,000</u>	<u>(1,979,000)</u>	<u>-3.9%</u>
<i>Other Revenue</i>				
Athletic, CLE and Museum Revenue	2,556,000	1,820,000	(736,000)	-28.8%
Fund Balances	(214,000)	906,000	1,120,000	-523.4%
Other (includes federal grants)	1,863,000	1,918,000	55,000	3.0%
Total Other Revenue	<u>4,205,000</u>	<u>4,644,000</u>	<u>439,000</u>	<u>10.4%</u>
Total Cadet Tuition/Fees and Other	<u>54,497,000</u>	<u>52,957,000</u>	<u>(1,540,000)</u>	<u>-2.8%</u>

**Cadet financial assistance from scholarships and grants (all budgeted sources) is deducted to arrive at the revenue paid by cadets and from other sources.*



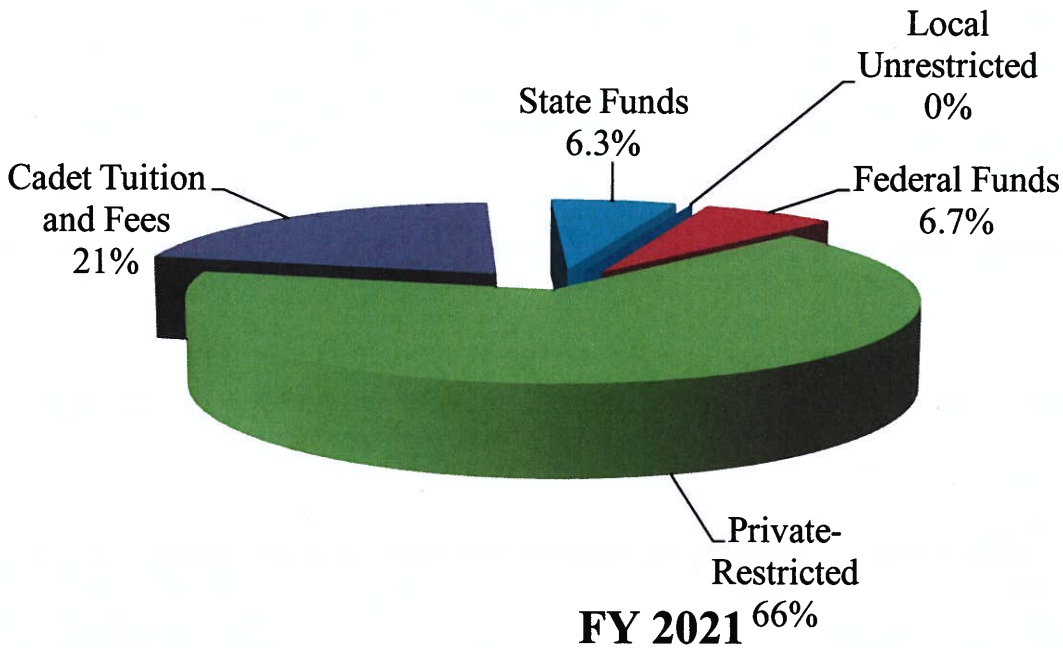
Private Funds

	FY 2020	FY 2021	Inc (Dec)	%
VMIF - Unrestricted	1,935,000	1,842,000	(93,000)	-4.8%
VMIF - Restricted	13,604,000	14,112,000	508,000	3.7%
VMI Agencies Bd-Unrestr	400,000	400,000	-	0.0%
VMI Agencies Bd-Restr.	697,000	711,000	14,000	2.0%
VMI Keydet Club	5,084,000	5,517,000	433,000	8.5%
VMI Endowment	610,000	643,000	33,000	5.4%
Total Private	22,330,000	23,225,000	895,000	4.0%



Cadet Financial Assistance

Sources	FY 2020	FY 2021	Inc (Dec)	%
State General Funds	1,118,000	1,118,000	-	0.0%
Cadet Tuition and Fees	3,700,000	3,700,000	-	0.0%
Private Funds--Restricted				
VMI Foundation	5,444,000	5,472,000	28,000	0.5%
VMI Alumni Agencies Board	330,000	339,000	9,000	2.7%
VMI Keydet Club	5,018,000	5,446,000	428,000	8.5%
VMI Endowment/Other	466,000	410,000	(56,000)	-12.0%
Total Restricted Funds	11,258,000	11,667,000	409,000	3.6%
Local Funds--Unrestricted				
VMI Foundation (primarily)	-	-	-	
Federal Funds	1,191,000	1,191,000	-	0.0%
Total	17,267,000	17,676,000	409,000	2.4%



Sources of Revenue

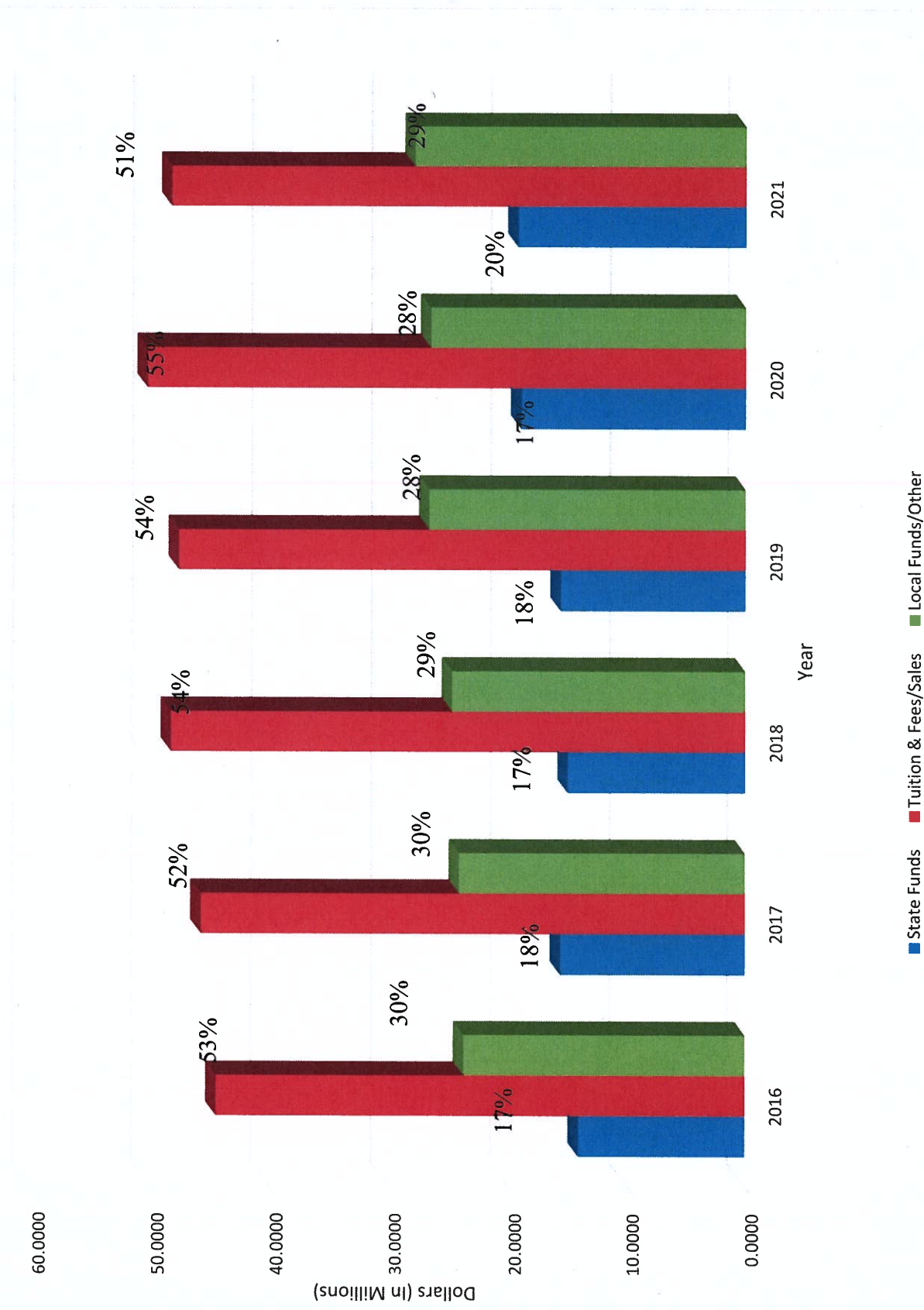
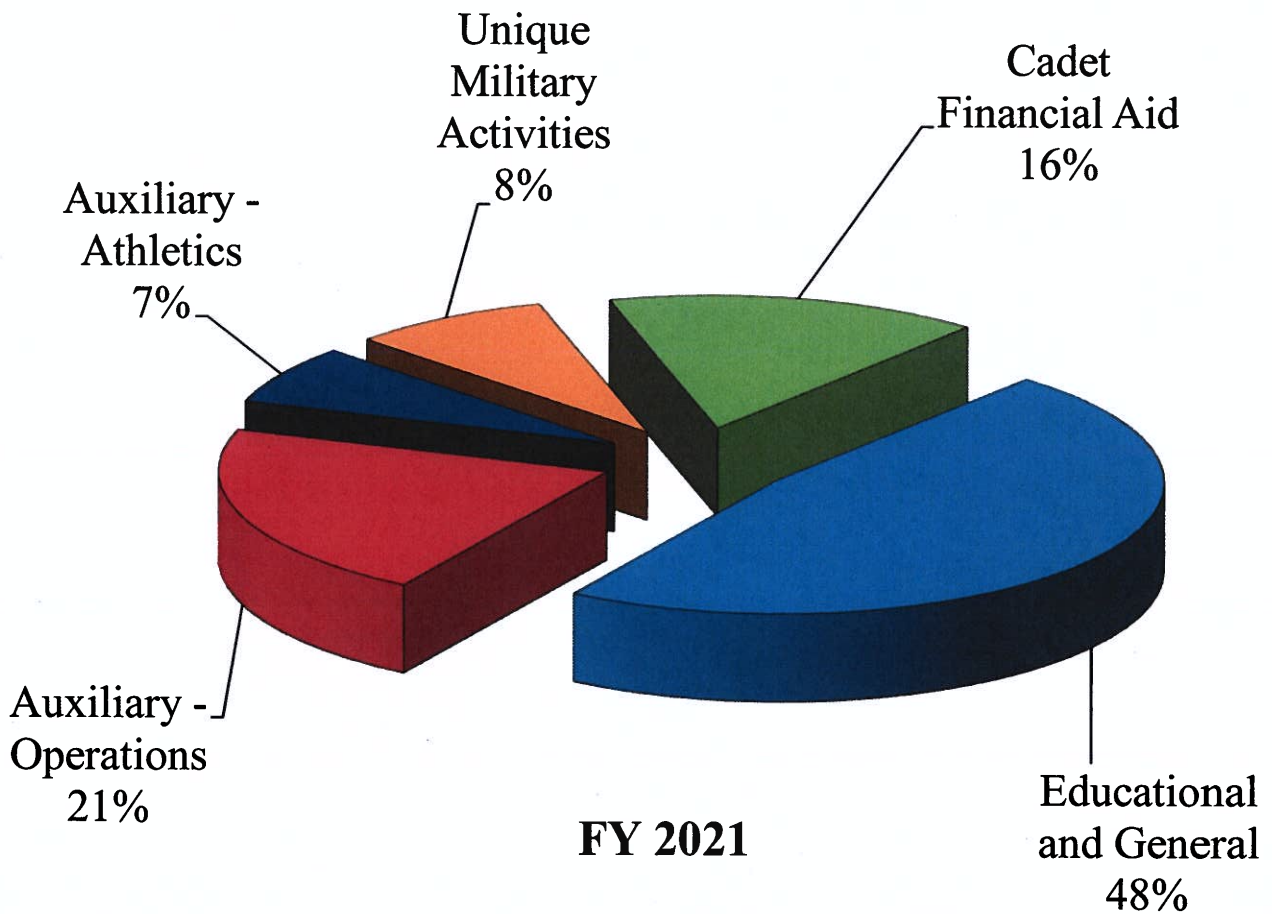


Exhibit 5

Expenses

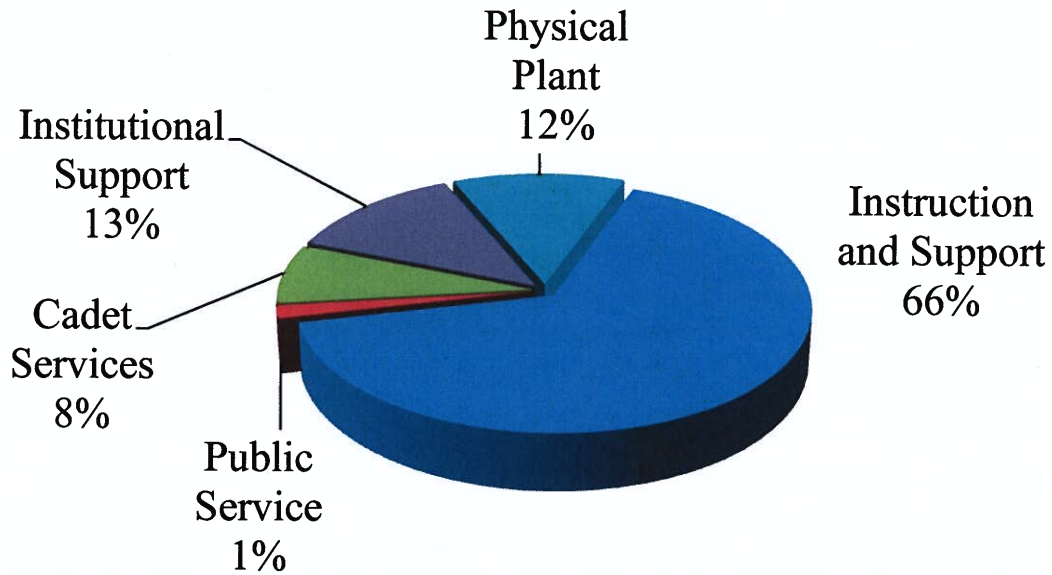
	FY 2020	FY 2021	Inc (Dec)	%
Educational and General	53,941,000	53,875,000	(66,000)	-0.1%
Auxiliary - Operations	23,283,000	24,031,000	748,000	3.2%
Auxiliary - Athletics	8,359,000	8,046,000	(313,000)	-3.7%
Unique Military Activities	10,242,000	9,495,000	(747,000)	-7.3%
Cadet Financial Aid	17,267,000	17,676,000	409,000	2.4%
Total Expenses	113,092,000	113,123,000	31,000	0.0%



Educational and General Program

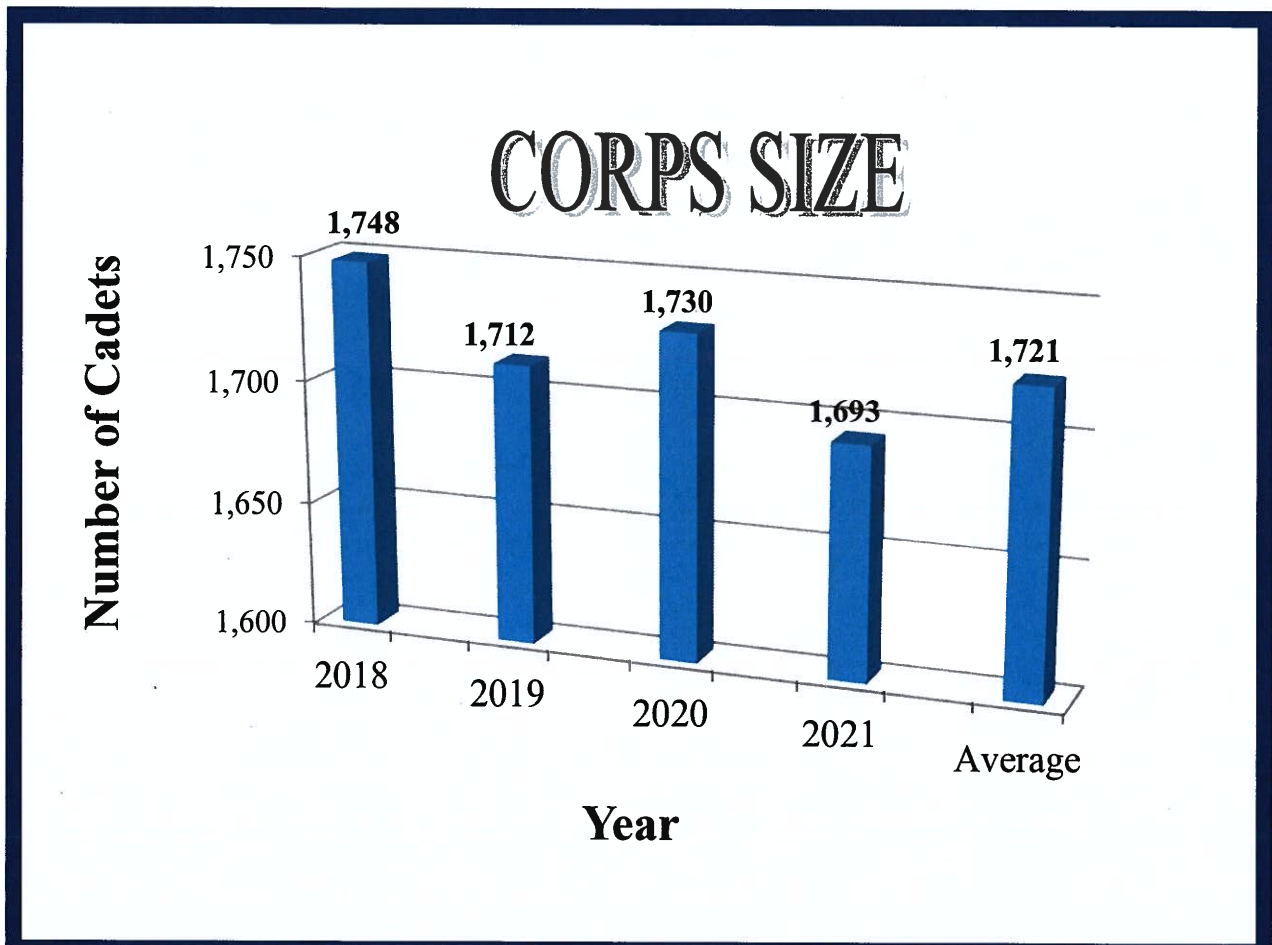
	2020	%	2021	%
Instruction & Support	34,772,000	64%	35,434,000	66%
Public Service	1,240,000	3%	924,000	2%
Cadet Services	4,034,000	7%	4,182,000	8%
Institutional Support	7,383,000	14%	6,830,000	12%
Physical Plant	6,512,000	12%	6,505,000	12%
Total E & G Program	53,941,000	100%	53,875,000	100%

Note: The State E&G Program budget totals \$42.1 million in FY 2021 and \$42.3 million in FY 2020.



Enrollment - Fall

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Budgeted 2021</u>	<u>Average</u>
New Cadets	506	519	515	500	510
Upperclass	1,242	1,193	1,215	1,193	1,211
Total	1,748	1,712	1,730	1,693	1,721
% In-State	62.7%	62.0%	62.8%	62.8%	62.6%



Tuition and Fees

	FY 2020	FY 2021	Inc (Dec)	%
Tuition				
In-State	9,284	9,562	278	3.0%
Out of State	36,128	37,572	1,444	4.0%
Fees	19,600	19,708	108	0.6%
Total Cost				
In-State	28,884	29,270	386	1.3%
Out-of-State	55,728	57,280	1,552	2.8%

Note: Fees include room, board, medical, cadet activities/facilities, athletic, laundry/pressing, haircuts, and UMA activities.

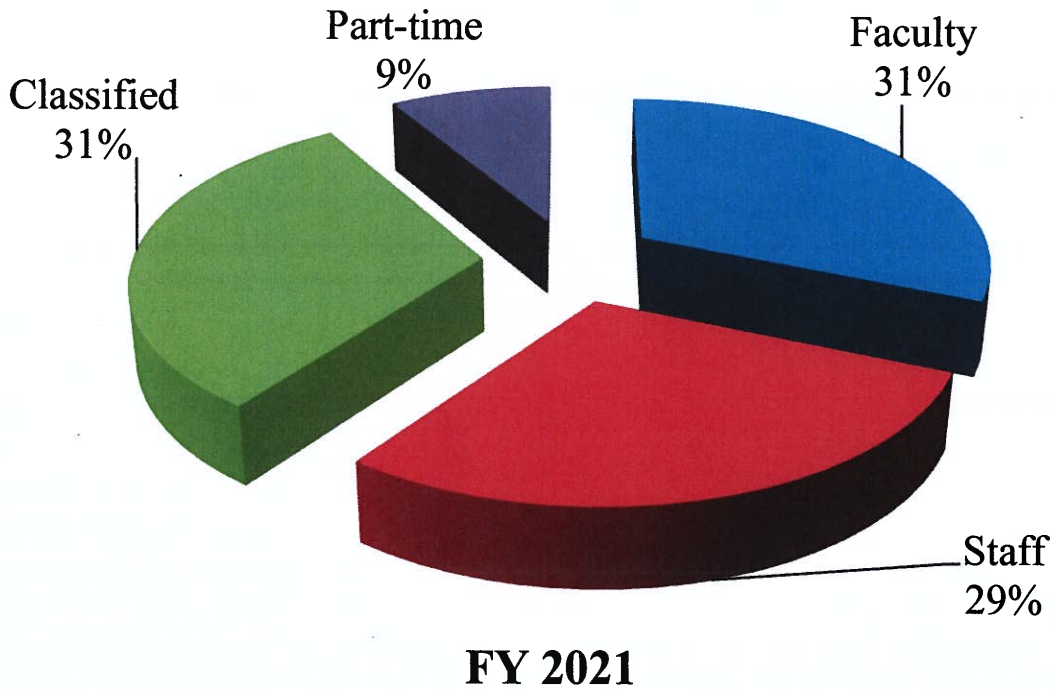
Exhibit 9

Budgeted Dollars for Personnel

	FY 2020		FY 2021	
	FTE	Salaries/Fringes	FTE	Salaries/Fringes
Full-time Staff				
Faculty	150	17.6 million	154	18.6 million
Staff	156	17.1 million	154	17.3 million
Classified	309	18.3 million	309	18.7 million
Part-time Staff		5.3 million		5.2 million
Total	615	58.3 million	617	59.8 million

Notes:

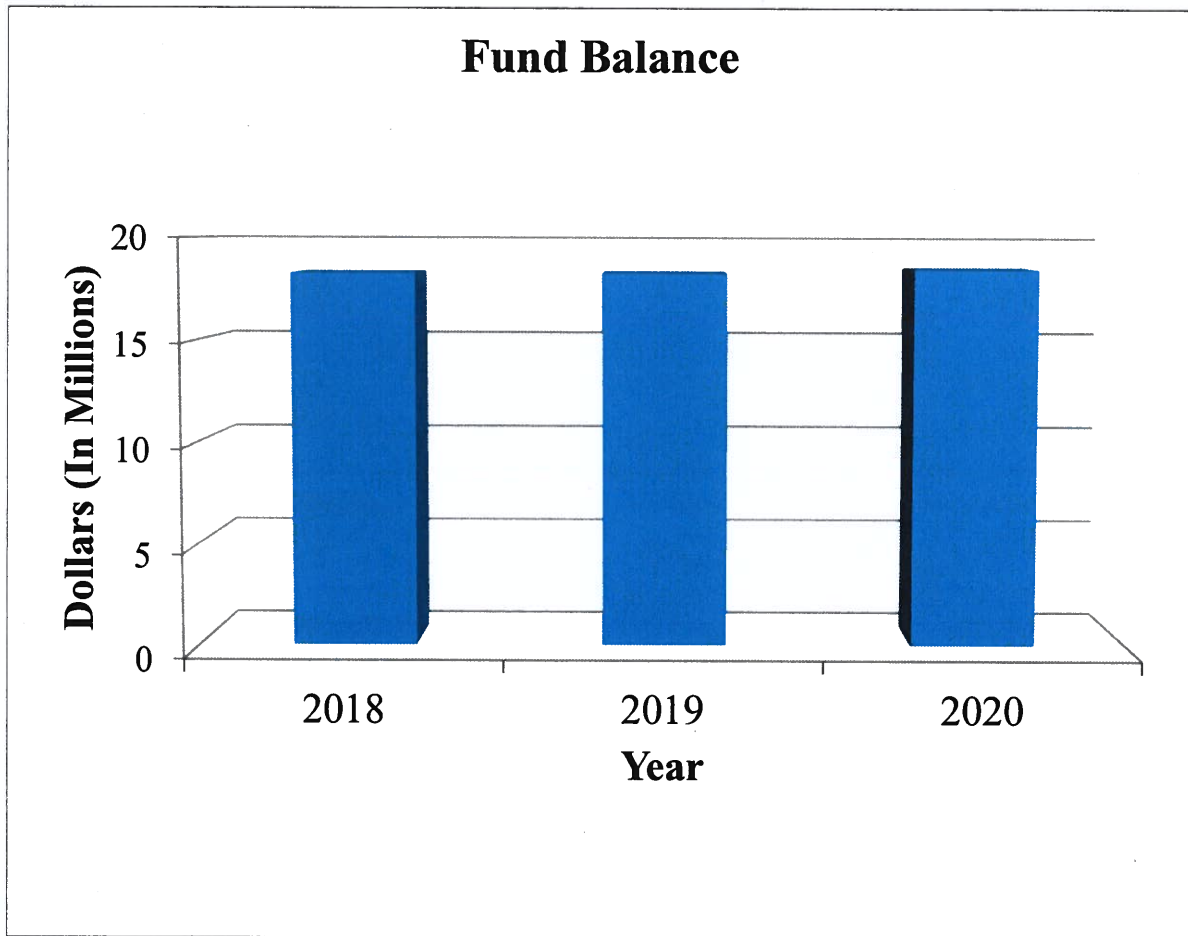
1. FTE counts full-time employees; however, the dollars also include part-time employee wages.
2. The budget reflects an increase of 2 FTE or 0.325%.
3. Salaries and fringe benefits represent 63% of the total operating budget.
4. VMI's 11:1 student-to-faculty ratio (average) is the lowest of the State's public colleges.
5. FTE and dollars include 5 full-time positions budgeted in Maintenance Reserve/Capital Projects.



Auxiliary Fund Balance

	Actual 6/30/19	Projected 6/30/20	Projected 6/30/21
Fund Balance	18,006,303	14,000,000	13,500,000

Note: Goal is to maintain Fund Balance at about \$10 million for working capital and for renewal and replacement of facilities. This balance will fluctuate over the next few years as VMI undertakes Auxiliary funded capital projects in the Post Facilities Master Plan and due to anticipated impacts of the COVID-19 pandemic.



Budget At A Glance

THE BUDGET AT A GLANCE

This section provides an overview of the budget for the Fiscal Year beginning 1 July 2020 and ending 30 June 2021 (hereinafter referred to also as 2021). This section includes the following schedules:

- *Revenues* identifies all revenues by program
- *Expenditures* identifies all expenditures by program
- *Sources of Revenue* identifies all revenues by source

REVENUE

STATE FUNDS

	2020	2021	Increase (Decrease)	%
Educational and General				
General Funds	12,270,000	12,537,000	267,000	2.2%
Cadet Tuition and Other Income	30,077,000	29,592,000	(485,000)	-1.6%
Total Educational & General	42,347,000	42,129,000	(218,000)	-0.5%
Unique Military Activities				
General Funds	5,610,000	5,610,000	-	0.0%
Cadet Fees and Other Income	4,632,000	3,885,000	(747,000)	-16.1%
Total Unique Military	10,242,000	9,495,000	(747,000)	-7.3%
Auxiliary Enterprises				
Cadet Fees and Other Income	23,309,000	22,933,000	(376,000)	-1.6%
Transfer from/(to) Reserves	(214,000)	906,000	1,120,000	-523.4%
Total Auxiliary	23,095,000	23,839,000	744,000	3.2%
Cadet Financial Assistance				
General Funds	1,118,000	1,118,000	-	0.0%
Cadet Tuition and Fees	3,700,000	3,700,000	-	0.0%
Total Cadet Financial Assistance	4,818,000	4,818,000	-	0.0%
Total State Funds	80,502,000	80,281,000	(221,000)	-0.3%

	2020	2021	Increase (Decrease)	%
LOCAL FUNDS				
Restricted Funds				
VMI Foundation/Agencies Bd	14,301,000	14,823,000	522,000	3.7%
VMI Keydet Club	5,084,000	5,517,000	433,000	8.5%
VMI Endowment	539,000	576,000	37,000	6.9%
Federal Funds/NCAA Income	1,430,000	1,470,000	40,000	2.8%
Total Restricted	21,354,000	22,386,000	1,032,000	4.8%
Unrestricted Funds				
VMI Foundation/Agencies Bd	2,335,000	2,242,000	(93,000)	-4.0%
VMI Endowment Income	71,000	67,000	(4,000)	-5.6%
Cadet Athletic Fees	5,841,000	5,879,000	38,000	0.7%
Athletic Revenue/Support	1,701,000	1,129,000	(572,000)	-33.6%
Museum Revenue	645,000	427,000	(218,000)	-33.8%
Conference Income	210,000	264,000	54,000	25.7%
Concessions Income	433,000	448,000	15,000	3.5%
Total Unrestricted	11,236,000	10,456,000	(780,000)	-6.9%
Total Local Funds	32,590,000	32,842,000	252,000	0.8%
TOTAL ALL FUNDS	113,092,000	113,123,000	31,000	0.0%
Less: Cadet Financial Assistance	(17,267,000)	(17,676,000)	(409,000)	2.4%
TOTAL REVENUE	95,825,000	95,447,000	(378,000)	-0.4%

EXPENDITURES

STATE FUNDS

	2020	2021	Increase (Decrease)	%
Educational & General				
Instruction	20,479,000	20,609,000	130,000	0.6%
Public Service	115,000	121,000	6,000	5.2%
Academic Support	6,832,000	6,903,000	71,000	1.0%
Cadet Services	3,133,000	3,096,000	(37,000)	-1.2%
Institutional Support	5,400,000	5,021,000	(379,000)	-7.0%
Physical Plant	6,388,000	6,380,000	(8,000)	-0.1%
Total Educational & General	42,347,000	42,130,000	(217,000)	-0.5%
Unique Military Activities	10,242,000	9,495,000	(747,000)	-7.3%
Auxiliary Enterprises				
Operations	19,961,000	20,449,000	488,000	2.4%
Debt Service	2,134,000	2,390,000	256,000	12.0%
Maintenance projects	1,000,000	1,000,000	-	0.0%
Total Auxiliary Enterprises	23,095,000	23,839,000	744,000	3.2%
Cadet Financial Assistance	4,818,000	4,818,000	-	0.0%
Total State Funds	80,502,000	80,282,000	(220,000)	-0.3%

	2020	2021	Increase (Decrease)	%
LOCAL FUNDS				
Educational & General				
Instruction	5,864,000	5,958,000	94,000	1.6%
Research	36,000	37,000	1,000	2.8%
Public Service	1,125,000	803,000	(322,000)	-28.6%
Academic Support	1,561,000	1,927,000	366,000	23.4%
Cadet Services	901,000	1,086,000	185,000	20.5%
Institutional Support	1,983,000	1,809,000	(174,000)	-8.8%
Physical Plant	124,000	125,000	1,000	0.8%
Total Educational & General	11,594,000	11,745,000	151,000	1.3%
Cadet Financial Assistance				
	12,449,000	12,858,000	409,000	3.3%
Auxiliary Enterprises				
Intercollegiate Athletics	8,359,000	8,046,000	(313,000)	-3.7%
Debt Service	188,000	192,000	4,000	2.1%
Total Auxiliary Enterprises	8,547,000	8,238,000	(309,000)	-3.6%
Total Local Funds	32,590,000	32,841,000	251,000	0.8%
TOTAL ALL FUNDS	113,092,000	113,123,000	31,000	0.0%
Less: Cadet Financial Assistance	(17,267,000)	(17,676,000)	(409,000)	2.4%
TOTAL EXPENDITURES	95,825,000	95,447,000	(378,000)	-0.4%

SOURCES OF REVENUE

	2020	% of Total	2021	% of Total	Inc (Dec)	%
State General Funds	18,998,000	19.8	19,265,000	20.2	267,000	1.4%
Cadet Tuition/Fees and Sales	50,292,000	52.5	48,313,000	50.6	(1,979,000)	-3.9%
VMI and Alumni Agencies Support						
<i>VMI Alumni Agencies</i>						
VMI Foundation	15,539,000	16.2	15,954,000	16.7	415,000	2.7%
VMI Alumni Agencies Board	1,097,000	1.1	1,111,000	1.2	14,000	1.3%
Total Foundation/ Agencies Bd	16,636,000	17.4	17,065,000	17.9	429,000	2.6%
VMI Keydet Club	5,084,000	5.3	5,517,000	5.8	433,000	8.5%
Total Alumni Agencies	21,720,000	22.7	22,582,000	23.7	862,000	4.0%
<i>VMI Endowment</i>						
VMI General Endowment	368,000	0.4	392,000	0.4	24,000	6.5%
VMI Collins Endowment	167,000	0.2	169,000	0.2	2,000	1.2%
Outside Trusts (scholarships)	75,000	0.1	82,000	0.1	7,000	9.3%
Total VMI Endowment	610,000	0.6	643,000	0.7	33,000	5.4%
Total VMI and Alumni Agencies	22,330,000	23.3	23,225,000	24.3	895,000	4.0%

	2020	% of Total	2021	% of Total	Inc (Dec)	% Inc (Dec)
Other Revenue						
Athletic Revenue/Support	1,701,000	1.8	1,130,000	1.2	(571,000)	-33.6%
Concessions Income	433,000	0.5	448,000	0.5	15,000	3.5%
Museum Revenue	645,000	0.7	426,000	0.4	(219,000)	-34.0%
Program/Conference Income	210,000	0.2	264,000	0.3	54,000	25.7%
Auxiliary Reserves	(214,000)	(0.2)	906,000	0.9	1,120,000	-523.4%
Federal Funds/Other Income	1,430,000	1.5	1,470,000	1.5	40,000	2.8%
Total Other Revenue	4,205,000	4.4	4,644,000	4.9	439,000	10.4%
TOTAL	95,825,000	100.0	95,447,000	100.0	(378,000)	-0.4%

General Information

GENERAL INFORMATION

Total Operating Budget

The 2021 Operating Budget totals \$113.1 million and includes \$17.7 million in cadet financial assistance. Cadet financial assistance appears twice in the budget - once in the programs from which the funds are derived (mostly local restricted funds) and again in the programs where the funds are reflected as tuition and fees (mostly State funds). The net operating budget without cadet financial assistance totals \$95.4 million.

This operating budget generally excludes major capital projects, those greater than \$1.0 million, and State Maintenance Reserve projects, those costing between \$25,000 and \$1.0 million. Such capital projects are funded and budgeted separately.

State Funds

State Funds consist of *general* funds and *nongeneral* funds that are deposited and expended from the State Treasury. General funds derive primarily from State income and sales taxes and are appropriated to VMI by the General Assembly. Nongeneral funds derive primarily from cadet tuition and fees, and revenue from auxiliary enterprises. VMI generally determines the level of its nongeneral funds. The General Assembly must also appropriate nongeneral funds before they can be spent. It is the intent of the General Assembly that each institution's combined general and nongeneral fund appropriation within its educational and general program closely approximates the anticipated budget each fiscal year. State policy also stipulates that appropriated nongeneral funds are spent first and State general funds last. Accordingly, unspent State appropriations at fiscal year-end are deemed to be general funds. Expenditures of State Funds are subject to State policies and procedures.

Local Funds

Local Funds comprise all other non-state funds that are deposited and expended from VMI's local bank account. Most of the revenue in this category derives from the VMI Alumni Agencies, VMI endowments, Intercollegiate Athletics, Museum Operations, the Center for Leadership and Ethics, and federal student financial aid grants. VMI also classifies cadet athletic fees in Local Funds because they are spent by Intercollegiate Athletics which is accounted for as a local auxiliary enterprise. State procurement regulations also apply to the expenditures of all local funds. Restricted local funds are subject to donor restrictions as to use. Unrestricted funds carry no restrictions by the donor.

With the adoption of this budget, the Board of Visitors directs that the expenditure of all budgeted funds shall be in accordance with the policies and procedures as outlined in the VMI Accounting Policies and Procedures Manual approved by the Board of Visitors.

State Budget Process and Calendar

The State adopts a biennial budget in every even-numbered session of the General Assembly. The Governor's budget staff in the Department of Planning and Budget (DPB) develops the budget with input from State institutions and agencies, the State Council of Higher Education (SCHEV), and the Secretary of Education. DPB issues budget development instructions to all State institutions and agencies in the fall of every odd-numbered year inviting them to submit their budget requests and initiatives.

The Governor presents his proposed budget to the legislative money committees (House Appropriations and Senate Finance Committees) in December. The money committees will usually develop their own amendments to the Governor's budget and a joint committee of both houses will then compromise on a single set of amendments for approval by the entire General Assembly in March. The Governor may veto items in the General Assembly budget if the General Assembly does not override the veto by a two-thirds vote of the members. The end result will be the Appropriations Act (State Budget) that will specify appropriations of State general funds and nongeneral funds to State institutions and agencies for the next two years.

The Governor and General Assembly will usually pass some amendments to the State Budget in the odd-numbered sessions of the General Assembly, but such amendments are usually limited to emergencies and other critical items.

The State Appropriations Act authorizes the Governor to reduce State general fund appropriations to State agencies and institutions of higher education up to 15% when State general fund revenues are estimated by the Governor to be insufficient to pay in full all general fund appropriations authorized by the General Assembly. In making this determination, the Governor shall take into account actual general fund revenue collections for the current fiscal year and the results of a formal written re-estimate of general fund revenues for the current and next biennium. The re-estimate of general fund revenues shall be communicated to the Chairmen of the Senate Finance, House Appropriations, and House Finance Committees before the Governor can take action to reduce general fund appropriations.

Six-Year Plan

Since 2005 the State has required that the Board of Visitors of each public institution develop and adopt biennially a six-year plan for its institution. Each Board shall submit the plan to the State Council of Higher Education for Virginia (SCHEV) no later than 1 July of each odd-numbered year. Updates to the Plan must be submitted to SCHEV no later than 1 July of even-numbered years. Each plan must address the institution's academic, financial, and enrollment plans (to include the proportion of in-state and out-of-

state students) for the six-year period. It shall be structured in accordance with specific goals and objectives outlined in the Act and in a form and manner prescribed by the State Council of Higher Education which is charged with reviewing and assessing each plan.

VMI last updated and submitted its six-year financial plan as of 1 July 2019. The next plan submission is required by 1 July 2020.

VMI Budget Process and Calendar

VMI adopts an annual operating budget at the May meeting of the Board of Visitors. The Deputy Superintendent - Finance, Administration and Support (FAS) develops the proposed budget with input from all of VMI's senior executive officers, the Superintendent, and the Audit, Finance and Planning Committee (AFP) of the Board of Visitors. VMI's Strategic Plan (Vision 2039) is a principal source of guidance and direction in the formulation of the proposal. The Plan is updated annually by the Institute Planning Committee (comprised of the senior executive officers) in coordination with the budget cycle. The Institute Planning Committee - Policy Group constitutes the Budget Committee that helps develop the proposed budget that goes to the Superintendent for his approval and then to the AFP Committee for its consideration and recommendation to the full Board of Visitors in May.

External input is obtained from the State Appropriations Act regarding State funds and from the VMI Alumni Agencies regarding local funds. The Deputy Superintendent - Finance, Administration and Support (FAS) presents VMI's draft local unrestricted funds budget to the VMI Foundation Finance Committee usually in April for its review and information.

Programs

The State's *Commonwealth Planning and Budgeting System* is the basis of VMI's operating programs. This encompasses the following programs:

Educational and General Program (E&G)

- *Instruction* — the general academic instruction and community education programs -- includes all academic departments, Reserve Officer Training Corps (ROTC), and community education programs.
- *Public Service* — the provision of services beneficial to individuals and groups outside VMI -- includes the VMI Museum, the Virginia Museum of the Civil War at New Market, and the Stonewall Jackson House in Lexington, VA.
- *Academic Support* — the support services to the instruction and public service sub-programs -- includes the library, academic administration, computing services, and student assessment.

- *Cadet Services* — the support services to cadets -- includes admissions, cadet records, financial aid administration, cadet counseling and cultural development.
- *Institutional Support* — the operational and administrative support for the day-to-day functioning of VMI -- includes executive management, fiscal operations, general administrative services, logistical services, and public relations and development.
- *Physical Plant* — the operation and maintenance of the physical plant -- includes administration and supervision, custodial services, building repairs and maintenance, utilities, and insurance.

Unique Military Activities (UMA)

This program supports VMI's military activities. It includes military administration, cadet uniform issuance and maintenance (Laundry/Pressing, Tailor Shop, and Military Store), the Regimental Band, Rat Challenge, cadet counseling, facilities maintenance, and most of the VMI Infirmary operations.

Auxiliary Enterprises (AUX)

This program provides the goods, services, and facilities needed to support cadets outside the classroom and to support faculty and staff. It includes the Barracks, the Mess Hall, the Barber Shop, social and recreational facilities, cadet clubs and organizations, Corps trips, intercollegiate athletics, and employee housing.

Cadet Financial Assistance (CFA)

This includes all financial aid programs for cadets including scholarships, grants, and loans.

State Funding

The State generally uses an incremental budgeting policy in which an institution's base budget for each program is carried forward biennially with adjustments as necessary for State-initiated salary increases, fringe benefit cost increases, and application of "base adequacy funding guidelines" in the case of the E&G Program. Current State base adequacy funding guidelines (as adjusted for the impact of VMI's Unique Military Activities Program as approved by the State Council of Higher Education effective FY 2013) indicate that VMI is generally fully-funded. Since adoption of the Higher Education Opportunity Act (HEOA) in 2011, some State funding has also been appropriated to institutions based on performance and initiatives in achieving the goals of the Act. The Act addresses several important goals to include producing more graduates especially in the fields of science, technology, engineering, and math (STEM).

Educational and General Program

The Appropriations Act provides that in establishing the appropriate State share of funding for in-state students in the E&G Program the General Assembly “shall seek to cover at least 67 percent of educational costs associated with providing full funding of the base adequacy guidelines, raising average salaries for teaching and research faculty to the 60th percentile of peer institutions, and other priorities set forth in the act.” The Appropriations Act requires out-of-state students to pay at least 100% of the cost of their education. Accordingly, this policy provides that VMI should receive State general fund support of its E&G Program that is equal to approximately 67% times the percentage of its in-state students. **For FY 2021, VMI projects an in-state enrollment of about 63% which would indicate that State general fund support of the E&G Program should approximate 42% of the total State E&G budget (67% times 63%). State general fund support budgeted for FY 2021 totals about 30% of the total State E&G budget. The shortfall in State funding is about \$5.2 million and largely reflects State general fund reductions from FY 2008 to FY 2012 due to the economic recession and relatively flat funding in subsequent years.**

Equipment Trust Fund monies and Maintenance Reserve Program funds are normally appropriated based on a prescribed methodology by DPB or SCHEV. These funds are not included in VMI’s operating budget.

Unique Military Activities

State general fund support for the UMA Program is budgeted to total about \$5.6 million in FY 2021 and reflects the continuation of increased funding received in FY 2020. State general fund support of the UMA program historically has fallen short based on the recommendations of the State Council of Higher Education (SCHEV) in 1987. SCHEV recommended that the State provide full general fund support for all UMA costs except uniforms for which cadets were expected to pay 40% of the cost. Over time, cadet fees have been required to fund not only uniforms, but also other UMA costs. Because of the recent increase in State general fund support, cadet UMA fees were reduced by 14% in FY 2021. VMI will continue to analyze UMA Program funding and submit budget requests to the State requesting additional State general fund support as appropriate and consistent with SCHEV’s recommendations.

Auxiliary Enterprises

The State requires auxiliary enterprises to be self-supporting; therefore, the State provides no general fund support for these programs. Cadet fees, user charges, and other revenues must fully fund Auxiliary operations. The Appropriations Act also requires that the Auxiliary Program pay its share of VMI’s indirect costs that consist of E&G Institutional Support and Physical Plant program costs. The amount of indirect costs that the Auxiliary Program must pay is based on a biennial cost study conducted by VMI, certified to the State Controller, and subject to audit by the Auditor of Public Accounts.

Cadet Financial Assistance

The State provides general funds for financial aid to support in-state students who demonstrate need including VMI's State Cadetship Program. The level of support is based on State funding formulas that take into account unmet student need.

Significant Budget Assumptions

Significant Budget Assumptions

This section describes the significant assumptions and estimates used in the development of the budget. These key factors are the following:

- ***Tuition and fees***—Provides the proposed tuition and fees for FY 2021 (the regular session and the summer session held the summer of 2020) and supplementary information regarding the increases, other costs to cadets, discounts budgeted for Non-Virginia cadets in the Virginia National Guard, and VMI's payment and refund policies. Also provides Facility Use Fees.
- ***Enrollment***—Provides the budgeted enrollment for FY 2021 including the number of Virginia cadets, Non-Virginia cadets, new cadets, and old or returning cadets. Also provides estimates of the Fall and the Spring Semester enrollment along with the number of cadets on foreign study.
- ***New Cadet Enrollment***—Provides the estimated number of applications, acceptances, and matriculants for the Class of 2024 by in-state and out-of-state. Also provides the percentage of acceptances and the yield (i.e., number of acceptances who are expected to matriculate).
- ***Total Employment***—Provides the number of full-time employees for each program and the total personal services costs (salaries, wages, and fringe benefits). Provides details of new employees and other changes.
- ***Salary Increases and Fringe Benefits***—Provides the budgeted salary increases or bonuses and the fringe benefit rates and health care costs.

Tuition and Fees--Regular Session

	2020	2021	Inc (Dec)	%
<i>Tuition</i>				
Virginia Cadet	9,284	9,562	278	3.0%
NonVirginia Cadet	36,128	37,572	1,444	4.0%
<i>Room</i>				
	2,924	3,012	88	3.0%
<i>Board</i>				
	6,842	7,048	206	3.0%
<i>Auxiliary Fees</i>				
Athletic	3,544	3,650	106	3.0%
Medical	512	528	16	3.1%
Cadet Facilities/Activities	2,302	2,362	60	2.6%
Total	6,358	6,540	182	2.9%
<i>Quartermaster Charges</i>				
Laundry/Pressing	418	430	12	2.9%
Haircuts	288	296	8	2.8%
Uniforms/UMA Activities	2,770	2,382	(388)	-14.0%
Total	3,476	3,108	(368)	-10.6%
Total Virginia Cadet	28,884	29,270	386	1.3%
Total NonVirginia Cadet	55,728	57,280	1,552	2.8%

Significant Budget Assumptions

Tuition and Fees Notes

Tuition

The FY 2021 budget includes a 3% increase in in-state tuition and a 4% increase for out-of-state tuition. Tuition Moderation funding was originally approved in the Governor's budget, but was un-allotted due to the economic impact of the Coronavirus pandemic. General consensus is this funding will not be restored for FY2021. For this reason, VMI incorporated the aforementioned tuition increases into the budget. Without these increases, there would be a \$1.1M budget deficit. After all fees are considered, the net overall increase in costs for an in-state cadet is \$386 or 1.3%. For the out-of-state cadet, the overall increase in cost is \$1,552 or 2.8%. In addition, the budget is based on many considerations to include the following:

- a) General Assembly authorization for the Board of Visitors of State institutions to set tuition at levels they deem to be appropriate based on, but not limited to, competitive market rates, provided that a) the total tuition revenue generated is within the non-general fund appropriation for educational and general programs in the Appropriations Act and b) the tuition of nonresident students covers at least 100 percent of the average cost of education;
- b) An estimated net increase in State General Funds for the E&G program of approximately \$267,000 or 2.2% for FY 2021 compared to FY 2020. This primarily reflects State central appropriations to cover the State share of various fringe benefit cost increases. The State provided no other new General funds for operations in FY 2021. There was also no increase in UMA general funds; however, these funds were increased by \$1,400,000 in FY 2020 and this increased funding was retained in FY 2021.
- c) A 2.4% increase in the employer contribution rates for health insurance.
- d) No budget increases submitted from the senior executive officers during the budget development process were approved. Departmental budgets remain relatively unchanged from the prior year.
- e) Unavoidable cost increases for utilities, insurances, facility preventive maintenance contracts, and other costs;
- f) A budget of tuition revenue used for cadet financial assistance of \$3,700,000 to help ensure that VMI meets its enrollment targets especially of out-of-state cadets; this funding reflects rising tuition and fees and greater demonstrated need of all cadets, especially out-of-state cadets;

- g) The tuition and fees of VMI's competitor institutions and other Virginia public institutions;
- h) VMI's recent past history of tuition and fee increases (See Supplementary Information included at the end of this Budget); and
- i) Compliance with the State Council of Higher Education's (SCHEV) rigorous Institutional Performance Standards.

Room and Board

The Barracks or room fee increase of \$88 or 3.0% to \$3,012 provides for increases in facility operations and maintenance costs. This includes State-initiated or mandated salary and fringe benefit cost increases as described in the Tuition Note.

The board fee increase of \$206 per cadet or 3.0% to \$7,045 helps to fund an anticipated increase in the meal rates charged by VMI's outside food contractor due to rising food and labor costs. It also funds increasing costs for facilities, equipment maintenance, and debt service.

Auxiliary Fees

VMI's comprehensive auxiliary fees covering athletics, medical services, and cadet facilities/activities will increase a net total of \$182 or 2.9% to \$6,540. It consists of a \$106 increase in the cadet athletic fee, a \$16 increase in the medical fee, and a \$60 increase in the cadet facilities/activities fee. The net fee increase primarily funds State-initiated or mandated salary and fringe benefit cost increases as described in the Tuition Note, increased debt service costs on bonds issued for facilities improvements, and operation and maintenance of newly renovated and new facilities coming on line. It also funds Athletic Program cost increases.

The Appropriations Act limits auxiliary fee increases to 3% excluding the requirements for wage, salary, and fringe benefit increases authorized by the General Assembly. The restriction does not apply to medical services or to fees (such as debt service) directly related to General Assembly approved capital projects. VMI's proposed auxiliary fee increase for FY 2021 complies with the Act.

Quartermaster Charges

VMI's comprehensive quartermaster charges covering laundry/pressing, haircuts, cadet uniforms, and Unique Military Activities will decrease \$368 or 10.63% to \$3,108. The decrease results from the increased UMA funding received from the State in FY2020 that is now built into the base budget.

Other Notes

National Guard Tuition Discount

This budget continues to provide \$100,000 in Virginia National Guard (VNG) tuition discounts to qualified Non-Virginia cadets. The maximum annual discount per cadet is \$5,000 and awards are based on merit. This allows for a total of 20 full awards each semester.

Deposits and Other Charges

The budget continues the application fee at \$40. A reservation fee of \$300 applies to all new cadets.

A security deposit of \$200 for the regular session and \$100 for the summer session will be required of all cadets/students. VMI will return this deposit, less any deductions for damages, loss of property, or unpaid obligations, without interest, upon the graduation of the cadet or the termination of the cadetship. Foreign students (enrolled at VMI on an exchange or other temporary basis) are not required to pay the security deposit.

The State requires institutions to impose late fees. VMI will continue to assess a late fee of \$100 or 10% of the unpaid balance, whichever is less, on tuition and fees not paid by the due date. Tuition and fees will be due 1 August 2020 for the Fall Semester and 15 December 2020 for the Spring Semester. In addition, a \$100 late registration fee will be assessed to all cadets who fail to pre-register by the appropriate due date.

This budget includes a vehicle registration/parking fee of \$40 applicable to all cadets/students for the regular session and the summer session. The fee covers both terms of each session. Parking fees for the Parade Ground and other locations during special events (including football games) may be authorized by the Superintendent.

All cadets from foreign countries are assessed a fee for health insurance coverage. The fee is expected to approximate \$1,000 for the academic year.

Payment Policy

This budget authorizes the administration to dismiss cadets who fail to pay required tuition and fees or any other financial obligations to VMI. It also grants the authority to hold grades, credits, transcripts, and diplomas until all financial obligations are satisfied. **This budget authorizes the administration to prohibit any cadets from registering for a semester who have not satisfied all financial obligations for past semesters.**

Other Costs

Other costs payable by cadets include textbooks, supplies, and non-issue clothing items. Cadets may pay for such items with cash, check, or debit/credit cards at the time of

purchase. Parents/cadets are required to pay an administrative fee when using a debit or credit card to make tuition and fee payments. The fee will generally approximate the rate that VMI would be charged by the bank for acceptance of such payments.

Refund Policy

This budget authorizes the following refund policy:

Tuition and fees for the regular session are refundable only upon official notice of withdrawal to the Commandant. Full refunds, less \$1,000, are made for withdrawals prior to the first day of classes. On or after the first day of classes, refunds are prorated through the fifth week. No refunds are made after the fifth week of classes. Cadets receiving Title IV financial aid will receive a refund in accordance with applicable federal law. Exceptions to the refund policy are made only in extraordinary circumstances (Cadets called to active duty in the National Guard or the reserves will automatically receive a full tuition refund for the semester if they cannot complete the requirements for credit in their courses; their room and board fees will be prorated). The Board authorizes the administration to establish an appropriate appeals process. No refunds shall be made until all issued military uniforms and equipment required to be returned to the VMI Military Store and to the Commandant have been returned in good condition. Cadets will be charged for issued military uniforms and equipment that are not returned as required.

Courses Taken by Employees

With the consent of the course instructor and approval of his/her own department head and the Dean of the Faculty, this budget permits any full-time VMI employee to audit or take for credit any course offered at VMI in either the regular or summer session at no charge.

Facilities Use

As a public service, VMI makes certain of its facilities available for approved uses by groups outside of VMI, both public and private. Facilities include Cameron Hall, Jackson Memorial Hall, Marshall Hall, Preston Library, Cormack Hall, Cocke Hall, the Barracks, VMI Health Center, King Hall, McKethan Park, the Baffled Firing Range, Military and Leadership Field Training Grounds, Indoor Training Facility, classrooms, and athletic facilities (stadiums and fields). State policy requires that contracts for the use of state facilities include fees and charges to fully recover both direct and indirect costs related to such use.

This budget authorizes and directs the Deputy Superintendent for Finance, Administration and Support to establish appropriate terms for the use of any and all VMI facilities by outside groups; the terms shall include rental fees and any other fees and charges to cover both direct and indirect costs consistent with the State policy.

Tuition and Fees--Summer Session

	Summer		Inc(Dec)	%
	2019	2020		
Tuition (Per Credit Hour)				
<i>Virginia</i>				
Regular	340	340	-	0.0%
Student Transition (STP)	376	380	4	1.1%
<i>Non-Virginia</i>				
Regular	1060	1060	-	0.0%
Student Transition (STP)	1178	1190	12	1.0%
Room (Per Week)	138	140	2	1.4%
Board (Per Week)				
5-Meal Plan	62	62	-	0.0%
10-Meal Plan	119	119	-	0.0%
15-Meal Plan	154	154	-	0.0%
19-Meal Plan	196	196	-	0.0%
Auxiliary Fee (Per Term)				
Regular	75	75	-	0.0%
Summer Transition	135	135	-	0.0%
Other Charges/Fees				
Late Registration Fee (Per Term)	70	70	-	0.0%
Security Deposit (Per Session)	100	100	-	0.0%
Parking Permit (Per Session)	40	40	-	0.0%

Notes:

1. Tuition increases, where applicable, help to fund increasing costs for programs and facilities operations and maintenance.
2. Tuition for Student Transition Program students is greater than regular session students because additional faculty instruction and supervision is provided.
3. Room rate increase, where applicable, funds increasing costs for facilities operations and maintenance.
4. The board rate increase, where applicable, reflects the increasing cost of food and labor.
5. The Auxiliary fee covers medical services and use of recreational facilities during the summer.

Special Note: The Board authorizes the Superintendent to establish tuition and fees that may deviate from the normal summer session tuition and fees for special programs as considered appropriate in his judgment. Special programs include student research programs that are often supported by private endowments and grants that help pay a portion of student costs.

Tuition and Fees--Summer Session Foreign Study

	Summer		Inc(Dec)	%
	2019	2020		
Arabic - Project GO (in-state)	9,842	4,595	(5,247)	-53.3%
Arabic - Project GO (out-of-state)	-	8,920		
Germany (ME)	4,900	4,900	-	0.0%
Paris (French)	6,925	6,995	70	1.0%
Spain (Spanish)	5,000	-		
Belize (Marine Biology)	3,100	-		
Economics/Politics of EU	5,700	-		
Chinese - Project GO (in-state)	-	4,921		
Chinese - Project GO (out-of-state)	-	9,240		
Ireland (Biology)	-	5,000		
South Korea (CIS)	-	4,800		
Ecuador (Spanish)	-	5,000		

Notes:

1. The tuition and fees for the programs above generally include tuition, room, a portion of board, excursion expenses, and medical insurance. Airfare is not included. The tuition also includes some provision for VMI's indirect costs in supporting these programs.
2. Programs may be cancelled by VMI if enrollment is not considered adequate to generally cover fixed costs associated with the program or other circumstances warrant cancellation.
3. Participants earn 3 to 9 credit hours for completing these programs.
4. The Arabic and Chinese programs will be funded through a Project GO grant in 2020. This is a federally funded (DOD) program to improve the language skills, regional expertise, and intercultural communication skills of future military officers through resident language training and summer overseas language and cultural immersion.
5. The Belize and Spain programs are conducted every other year.
6. The Economics/Politics of EU program was new for 2019 and was not scheduled for 2020.
7. The Ireland, South Korea, and Ecuador programs were new for 2020.
8. All programs were cancelled for 2020 because of the COVID-19 pandemic except for the Project GO programs which are being conducted online.

Facility Use Fees

	Fee Per Day		Inc (Dec)	%
	2020	2021		
<i>Fee per Camp/School/Other</i>				
Baseball Field (day)	200	200	-	0.0%
Baseball Field (night)	285	285	-	0.0%
Cameron Hall Arena	395	395	-	0.0%
Cameron Hall Racquetball Courts	200	200	-	0.0%
Cocke Hall Basketball Arena	150	150	-	0.0%
Cocke Hall Swimming Pool	200	200	-	0.0%
Cocke Hall (Wellness Studio)	65	65	-	0.0%
Cormack Wrestling Arena	105	105	-	0.0%
Cormack Fitness/Weight Room	105	105	-	0.0%
Football Practice Field (day)	235	235	-	0.0%
Football Practice Field (night)	330	330	-	0.0%
Foster Stadium Track/Upper Field	510	510	-	0.0%
Foster Stadium Upper Throwing Field	60	60	-	0.0%
Indoor Training Facility	8,072	8,072	-	0.0%
Indoor Training Facility Climbing Wall	50	50	-	0.0%
Indoor Training Facility Endurance Obstacle Course	40	40	-	0.0%
Indoor Training Facility Fitness/Weight Room	50	50	-	0.0%
Indoor Training Facility High Ropes Course	110	110	-	0.0%
Indoor Training Facility Jump Area	60	60	-	0.0%
Indoor Training Facility Mobile Initiatives Course	40	40	-	0.0%
Indoor Training Facility Sprint Track	60	60	-	0.0%
Indoor Training Facility Throwing Areas	60	60	-	0.0%
Kilbourne Hall Indoor Range	260	260	-	0.0%
King Hall Boxing Room	65	65	-	0.0%
McKethan Park Pavilion	75-150	75-150	-	0.0%
McKethan Park Training Area	310	310	-	0.0%
McKethan Park Skeet Range	185	185	-	0.0%
North Post Field #1 and #3	160	160	-	0.0%
North Post Field #2 (day)	235	235	-	0.0%
North Post Field #2 (night)	330	330	-	0.0%
North Post Leadership Reaction Course	40	40	-	0.0%
North Post High Ropes Course	110	110	-	0.0%

Facility Use Fees

	Fee Per Day		Inc (Dec)	%
	Fiscal Year			
	2020	2021		
North Post Outdoor Range	335	335	-	0.0%
North Post Red/White/Blue Loops	40	40	-	0.0%
North Post Tennis Courts (All)	260	260	-	0.0%
Patchin Field (Soccer/Lacrosse)	125	125	-	0.0%
Classrooms	75	75	-	0.0%
Academic Lecture Halls	160	160	-	0.0%
JM Hall Chapel/Rooms	750	750	-	0.0%
<i>Fee per Camper/Participant</i>				
Barracks	20	20	-	0.0%
Post Facilities	1	1	-	0.0%

Notes:

1. State policy requires VMI to charge private groups a fee for the use of VMI facilities. (Athletic coaches, faculty and staff members, and other organizations, as private contractors, conduct a variety of summer camps/schools at VMI).
2. Fee increases provide for facilities operating and maintenance cost increases (primarily facility operations and maintenance costs and repairs).
3. McKethan Park Pavilion fees vary based on number of attendees.
4. Additional fees may be assessed for certain facilities as appropriate for supervision and other services.

Special Note: The Board authorizes the Superintendent or his designee to adjust any of the fees above on an exception basis as considered appropriate in his judgment due to special circumstances to include partial day use of facilities or other pertinent factors.

Enrollment

	2020				2021		Budget	
	Budget	%	Actual	%	Budget	%	Inc(Dec)	%
Fall Semester								
New Cadets								
Virginia	300	60.0	320	62.1	305	61.0	5	1.7%
NonVirginia	200	40.0	195	37.9	195	39.0	(5)	-2.5%
Total	500	100.0	515	100.0	500	100.0	-	0.0%
Old Cadets								
Virginia	780	63.6	767	63.1	758	63.5	(22)	-2.8%
NonVirginia	446	36.4	448	36.9	435	36.5	(11)	-2.5%
Total	1,226	100.0	1,215	100.0	1,193	100.0	(33)	-2.7%
Total Fall								
Virginia	1,080	62.6	1,087	62.8	1,063	62.8	(17)	-1.6%
NonVirginia	646	37.4	643	37.2	630	37.2	(16)	-2.5%
Total	1,726	100.0	1,730	100.0	1,693	100.0	(33)	-1.9%
Cadets on Foreign Study	2		2		-		(2)	-100.0%
Total Potential	1,728		1,732		1,693		(35)	-2.0%
Spring Semester								
Virginia	1,014	63.3	1,007	63.2	989	63.3	(25)	-2.5%
NonVirginia	588	36.7	587	36.8	574	36.7	(14)	-2.4%
Total	1,602	100.0	1,594	100.0	1,563	100.0	(39)	-2.4%
Cadets on Foreign Study	33		29		33		-	0.0%
Total Potential	1,635		1,623		1,596		(39)	-2.4%
Average enrollment for the Year (Fall census and Spring)								
	1,648		1,646		1,611		(37)	-2.2%

New Cadet Enrollment

Opening Day

	FY 2020 Actual			FY 2021 Estimated/Budgeted		
	VA	NVA	Total	VA	NVA	Total
Total Applications	724	908	1,632	726	902	1,628
Total Acceptances	437	511	948	437	521	958
% of Applicants Accepted	60%	56%	58%	60%	58%	59%
Matriculants	320	195	515	317	200	517
% of Accepted (Yield)	73%	38%	54%	73%	38%	54%

Significant Budget Assumptions Enrollment Notes

Fall Semester

New Cadets

The budget is based on a new cadet class of 500 with 61% in-state cadets. VMI budgeted 500 new cadets for FY 2020 with 60% in-state cadets and enrolled 515 cadets with about 62% in-state cadets.

Old Cadets

An Old Corps (returning cadets) of 1,193 is budgeted for fall 2020; 33 less than budgeted for FY 2020 and 22 less than actually enrolled last fall. The percentage of in-state old cadets is projected to be 63.5% compared to 63.1% actually enrolled in FY 2020.

Total Cadets

The budget is based on a total projected “opening” day enrollment of 1,693 cadets with 62.8% in-state cadets. Opening day refers to matriculation day for new cadets and registration day for old cadets. The old cadets usually return and register about 9 to 10 days after new cadet matriculation; usually about 20-25 new cadets will have withdrawn by then resulting in a total projected Barracks enrollment of about 1,668 cadets at that date. By “census” date, which is the State’s official headcount date and occurs about a week after classes begin, VMI is projected to have an enrollment of about 1,660; this compares to 1,698 last census date.

Spring Semester

The spring semester enrollment is budgeted to total 1,563 or 92.3% of the fall opening day enrollment and reflects VMI’s actual average rate for the last three years.

Average Enrollment

VMI’s projected “average” annual enrollment for FY 2021 is 1,611 and consists of 1,660 cadets at the fall census date and 1,563 in the spring semester. The average enrollment for FY 2020 is 1,646. **The Superintendent has approved a target average enrollment of 1,625 cadets.**

Foreign Study

This budget sets a limit of 35 cadets total that can be on foreign study during the year (fall and spring semester); it does not include cadets on foreign “exchange” programs. Cadets on foreign study do not pay VMI any tuition and fees; however, cadets on foreign exchange programs are generally required to pay VMI its normal tuition and fees.

Total Employment Summary

	2020		2021		Inc (Dec)		
	FTE	Dollars	FTE	Dollars	FTE	Dollars	%
State Funds							
Educational and General Program	388	38,089,000	388	38,658,000	-	569,000	1.5%
Auxiliary Enterprises Program	114	7,229,000	111	7,197,000	(3)	(32,000)	-0.4%
Unique Military Program	25	2,645,000	29	2,928,000	4	283,000	10.7%
Total State Funds	527	47,963,000	528	48,783,000	1	820,000	1.7%
Local Funds							
Intercollegiate Athletics	50	4,249,000	49	4,474,000	(1)	225,000	5.3%
Museum Programs	9	646,000	8	503,000	(1)	(143,000)	-22.1%
Local Restricted	13	2,582,000	16	3,101,000	3	519,000	20.1%
Local Unrestricted	11	2,582,020	11	2,577,000	-	(5,020)	-0.2%
Total Local Funds	83	10,059,020	84	10,655,000	1	595,980	5.9%
Total State and Local	610	58,022,020	612	59,438,000	2	1,415,980	2.4%
Capital Programs							
Maintenance Reserve/Projects	5	334,000	5	364,000	-	30,000	9.0%
Total All	615	58,356,020	617	59,802,000	2	1,445,980	2.4%

Note: FTE represents the number of "full-time employees". The dollars indicated represent salaries and fringes for full-time and part-time employees.

Total Employment
Details of New Employees and Other Changes
FY 2021

Department	Position	Type Change	# FTE
<i>E&G Program</i>			
Applied Math	Teaching Faculty	New position	1
Mechanical Engineering	Teaching Faculty	New position	1
Biology	Teaching Faculty	Move to a chair position	(1)
Economics	Teaching Faculty	Move to a chair position	(1)
International Studies	Teaching Faculty	Move to a chair position	(1)
English	Teaching Faculty	Buyback from Local (JH)	1
International Studies	Teaching Faculty	Buyback from Local (JH)	1
Miller Academic Center	Admin Prof	Convert to Classified	(1)
Miller Academic Center	Classified	Covert from Admin Prof	1
Engineer - P2 Admin	Admin Prof	Convert to Classified	(1)
Eng. Tech - P2 Admin	Classified	Covert from Admin Prof	1
Cadet Programs	Classified	Move to UMA	(1)
<i>Auxiliary Enterprises</i>			
Corp Physical Training Facility	Admin Prof	Move to UMA	(1)
Corp Physical Training Facility	Classified	Move to UMA	(2)
			(3)
<i>UMA</i>			
Cadet Programs	Classified	Move to UMA	1
Corp Physical Training Facility	Admin Prof	Move to UMA	1
Corp Physical Training Facility	Classified	Move to UMA	2
			4
<i>Local Funds</i>			
Economics	Teaching Faculty	Move to Local funded chair	1
International Studies	Teaching Faculty	Move to Local funded chair	1
Biology	Teaching Faculty	Move to Local funded chair	1
English	Teaching Faculty	Buyback from Local (JH)	(1)
International Studies	Teaching Faculty	Buyback from Local (JH)	(1)
Physics	Teaching Faculty	New position (JH)	1
TBD - New Distinguished Chair	Teaching Faculty	New position (JH)	1
Museums	Classified Staff	Vacancy freeze	(1)
Athletics - Football Admin Asst.	Classified Staff	Convert to PT position	(1)
			1
Net Increase			2

Total Employment Notes

1. Two new full-time teaching faculty positions are budgeted in FY 2021, one in Applied Math and one in Mechanical Engineering. There are three chair positions being funded from Local Restricted funds, one is the Watjen chair for Economics and Business, the other two are Biology and International Studies funded from the Peay Endowment. Offsetting the movement to Local is the buy-back of two Jackson Hope funded positions. The net increase to State E&G funds is one Faculty position.

Administrative Professional (AP) staff will decrease by two positions in FY 2021. Two positions moved from Administrative Professional to Classified, one position in the Miller Academic Center and one position in Physical Plant Administration.

Four positions moved into the UMA program (three Classified Staff positions and one AP staff). Previously, all but one position was being paid from Auxiliary funds and are related to Cadet Programs and the Corp Physical Training Facility.

2. Local funded positions increased by three as a result of the movement of previously E&G funded positions to local funded chair positions. The two Jackson Hope positions bought back in E&G are offset by two additional Jackson Hope positions funded locally for Physics and a Distinguished Chair to be determined.

Classified staff has been reduced by two positions. One position is for the Stonewall Jackson House Museum. This is a vacant position that is not being filled due to decreased traffic and revenue at the Museum. Athletics converted a full time Classified Staff position to part-time upon retirement of the current employee at the end of Fiscal 2020.

Salary Increases and Fringe Benefits

	2020	2021	Inc (dec)	%
State Appropriated Salary Increases				
Teaching Faculty	3.00%	0.00%		
Administrative and Professional Staff	3.00%	0.00%		
Classified Employees	5.00%	0.00%		
VRS Employees (hired prior FY 2010)--Note 1	0.00%	0.00%		
VMI Funded Salary Increases				
Teaching Faculty	2.00%	0.00%		
Administrative and Professional Staff	2.00%	0.00%		
VMI Foundation Funded Benefits				
Teaching/Admin Faculty salary supplements	4.0%	4.0%		
Mortgage subsidies (max of \$1,500/year; must be employed prior to 1 Jan 2010)	2.5%	2.5%		
State Fringe Benefit Rates				
Virginia Retirement System (VRS)	14.14%	15.07%		
Optional Retirement System (ORP)-Before 7/1/2010	10.40%	10.40%		
Optional Retirement System (ORP)-After 6/30/2010	8.50%	8.50%		
Retiree Health Credit	1.17%	1.12%		
Social Security Rate	7.65%	7.65%		
Group Life Insurance	1.31%	1.34%		
Total for VRS Employee	24.27%	25.18%		
Total for ORP Employee-Before 7/1/2010	20.53%	20.51%		
Total for ORP Employee-After 6/30/2010	18.63%	18.61%		
Health Insurance (Employer share)				
Single	8,244	8,436	192	2.3%
Family	21,624	22,140	516	2.4%
Employee plus one	14,748	15,108	360	2.4%

Notes:

1. There were no State initiated salary increases for FY 2021.
2. The FY 2021 and FY 2020 Budgets include very limited provisions for salary increases to selected employees due to added responsibilities, promotions, merit, and/or market/benchmark adjustments.
3. The VMI Foundation salary supplement is paid to all full-time teaching faculty and to certain administrative/professional faculty at 4% and 3.33% of their base State salary, respectively. Beginning FY 2016, this salary supplement was added to most all administrative/professional employee base State salaries and no longer funded by the VMI Foundation.
4. The VMI Foundation funded mortgage subsidy is available to full-time teaching faculty and administrative/professional faculty members who were employed prior to 1 January 2010; the Program was discontinued for employees hired after that date as a cost savings measure.

State Funds

State Funds

Overview of Section

This section provides the details of the State Funds Budget including notes explaining significant variances between the current and the proposed budget. The following budget summaries and schedules are provided:

- ***Budget Highlights***—Provides significant notes and assumptions underlying the State Funds Budget.
- ***General Funds***—Describes the amount and categories of State general funds appropriated by program.
- ***Cadet Tuition, Fees and Other Income***—Describes the amounts and categories of cadet tuition, fees, and other income by program.
- ***E&G Expenditure Summary***—Summarizes the budget for each E&G subprogram and its percentage of the total E&G budget with comparison to the prior year budget.
- ***E&G Budget—Summary of Revenue and Expenditure Changes***—Summarizes and describes the major factors and changes in revenues and expenditures that impacted the budget.
- ***Auxiliary Budget-- Summary of Revenue and Expenditure Changes***—Summarizes and describes the major factors and changes in revenues and expenditures that impacted the budget.
- ***State Expenditures***—Describes the budgeted expenditures for each major program (E&G Program, Auxiliary Enterprises Program, and Unique Military Activities Program); provides budgets by department or activity including the number of full-time employees.

State Funds Budget Highlights

Educational and General (E&G) Program

1. E&G budgeted revenues and support (before deduction for tuition revenue used for cadet financial aid) total \$45.8 million, compared to \$46 million in FY 2020.
2. State general funds are budgeted at \$12.5 million for an increase of \$267,000 or 2.2% compared to FY 2020.
3. Cadet tuition/other revenue is budgeted at \$33.3 million, a decrease of \$485,000 or 1.6% less than FY 2020. This generally reflects the decrease in enrollment as compared to FY 2020.
4. Cadet tuition revenue allocated for cadet financial aid is budgeted at \$3.7 million, the same as FY 2020. The funding mostly reflects efforts to meet financial need of NVA cadets and limited increases in other funding for cadet financial assistance.
5. The percentage of cadet tuition/other revenue allocated for cadet financial aid remains unchanged at 11%.

Note: VMI continues to review and make changes as appropriate to its cadet financial aid program to bring it to sustainable levels. This includes decreasing the percentage of a NVA cadet financial aid "need" that VMI will cover with financial aid grants from 60% to 55%, which began in FY 2018. It also includes on-going consideration of balancing NVA cadet enrollment and with VA cadet enrollment while maintaining a target average enrollment for the year of 1,625 cadets. Any significant shift to more VA cadets could require significant increases in VA cadet tuition rates to help offset the loss of NVA cadet tuition (NVA cadet tuition is \$28,010 greater or 3.9 times more than a VA cadet tuition in FY 2021).

6. E&G budgeted revenues and support after deducting cadet financial aid totals \$42.1 million compared to \$42.3 million in FY 2020.
7. E&G personal services costs are budgeted to total \$38 million (before recoveries) for a net increase of \$222,000 over FY 2020. The increase in fringe benefits of \$525,000 due to the elimination of the one-month insurance premium holiday is offset by an increase in vacancy/turnover savings budgeted. Gross salaries for FY 2021 are budgeted \$303,000 lower than FY 2020.
8. E&G non-personal services costs (excluding contingencies) are budgeted to total \$10.3 million, a decrease of \$400,000 or 3.1% compared to FY 2020.
9. Indirect costs recovered from the Auxiliary Enterprises and the Unique Military Activities Programs are budgeted to be \$7.4 million for an increase of \$146,000 or 2% over FY 2020.

10. E&G Contingencies are budgeted at \$1,150,000, or \$38,000 more than FY 2020. This budget represents about 2.5% of total E&G expenditures including cadet financial aid.

Auxiliary Enterprises Program

11. Auxiliary Enterprise revenues and support are budgeted to total \$23.8 million for an increase of \$744,000 or 3.2% over FY 2020. The increase mostly reflects a \$906,000 transfer from the Auxiliary fund reserve in order to balance the budget.
12. Room and Board fees will both increase 3.0% to support increasing operations and maintenance costs and to cover State mandated fringe benefit increases.
13. Auxiliary Enterprise personal services costs are projected to total \$4.3 million or about \$106,000 less than FY 2020. We reallocated \$180,000 in personal service cost by moving the three employees managing the Corp Physical Training Facility to UMA.
14. Auxiliary non-personal services are projected to total \$10.6 million, an increase of \$197,000 or 1.9% from FY 2020. This increase is primarily attributed to increased cadet meal costs along with other unavoidable contractual service type increases.
15. The Auxiliary Enterprises Program share of indirect costs (payable to the E&G Program for administration and facilities support) is projected to total \$4.2 million compared to \$4.1 million in FY 2020.
16. Auxiliary contingencies are budgeted for \$1,300,000, \$300,000 more than the prior year in anticipation of increased expenses for COVID-19.
17. Small non-capital repairs and improvements to facilities are budgeted for \$1,000,000; the same as budgeted in FY 20.
18. Auxiliary Enterprises debt service is budgeted for \$2.4 million. This is an increase of \$300,000 over last fiscal year for the addition of the new debt issued for the Improve Post Infrastructure project.

Note: VMI's three \$4.0 million bond financings through the Virginia College Building Authority (VCBA) began in FY 2014 and continued through FY 2020. The bonds are funding repairs and improvements to Barracks (turrets, parapets, stoops, hot water/showers, and windows), Cocke Hall pool, Foster Stadium, Moody Hall, McKethan Park, Heat Plant, Richardson Hall, Cameron Hall, Cabell House, and Virginia Museum of the Civil War at New Market. New debt of \$3.34 million was issued in December 2019 for the Lackey Parking project.

Debt service on the four VCBA bond financings total about \$1,135,000 and are being financed with cadet fees.

19. The Auxiliary Fund Balance is projected to total approximately \$14 million at the end of FY 2020 and approximately \$13.5 million at the end of FY 2021.
20. State guidelines indicate that the Auxiliary Fund Balance should be about \$10.0 million for FY 2020. The projected fund balance includes accumulated reserves to fund several construction projects to be completed over the next few years.

Unique Military Activities Program (UMA)

21. UMA revenues and support are budgeted at \$9.5 million, a decrease of \$747,000 compared to FY 2020. The total consists of \$5.6 million in State general funds and \$3.9 million in cadet fees and sales.
22. The funding reflects a UMA fee decrease of 10.6%, or \$368 per cadet. No additional base UMA funding was received from the State for FY 2021.
23. UMA personal services expenditures are budgeted for \$2.89 million, for an increase of \$248,000 or 9.4% compared to FY 2020. This reflects the movement of staff from Auxiliary to UMA. We moved four full time positions from the Corp Physical Training Facilities to UMA to more accurately reflect the nature of their job duties as it relates to overall Corp military training.
24. UMA non-personal services costs are budgeted for \$6.6 million, a decrease of \$1 million compared to FY 2020. The budget for the purchase of military uniforms decreased \$1.2 million. These costs consist mostly of cadet uniform purchases, (\$1.5 million), cadet uniform maintenance and other support services (Laundry, Tailor shop, Military Store, Hospital, Regimental Band, and Armory).
25. The UMA Program's share of indirect costs (payable to the E&G Program for administration and facilities support) are budgeted for \$1.69 million, compared to \$1.59 million in FY 2020. This represents continued efforts to achieve full indirect cost recovery from the UMA program; however, due to a lack of new State funds in past years, the UMA program has not fully paid its share of indirect costs.

State Funds
General Funds

	2020	2021	Inc (Dec)	%
<i>State General Funds--Operating</i>				
<i>Educational and General Program</i>				
State Appropriation--VMI	12,202,000	12,503,000	301,000	2.5%
State funding reduction	-	-	-	
State Central Allocation	68,000	34,000	(34,000)	-50.0%
Total	12,270,000	12,537,000	267,000	2.2%
<i>Unique Military Activities</i>				
State Appropriation--VMI	5,610,058	5,610,058	-	0.0%
New Funding ("anticipated")	-	-	-	
	5,610,058	5,610,058	-	0.0%
<i>Cadet Financial Assistance</i>				
State Appropriation--VMI	1,118,000	1,118,000	-	0.0%
Total General Funds--Operating	18,998,058	19,265,058	267,000	1.4%
<i>Other State Appropriations--Capital*</i>				
Equipment Trust Fund (ETF)	886,000	886,000	-	0.0%
Maintenance Reserve Program	1,715,000	1,734,000	19,000	1.1%
Total	2,601,000	2,620,000	19,000	0.7%
Total All	21,599,058	21,885,058	286,000	1.3%

* *These appropriations are excluded from the Operating Budget because they are considered part of the "capital budget" and variations in annual funding can be significant.*

State Funds

State General Funds Notes

Educational and General Program

The State general funds budget increased \$267,000 or 2.2% from FY 2020.

Unique Military Activities

State general funds remain unchanged at \$5,610,058.

VMI continuously submits budget requests to the State for more support of the UMA Program to fully bring it to a level more consistent with the recommendations of the State Council of Higher Education (SCHEV) in 1985 when the program was established.

Cadet Financial Assistance

State general funds for cadet financial assistance is limited to in-state cadets with demonstrated need. The general funds budget did not increase from FY 2020. These funds, \$1,118,000, are intended to help make education more affordable and accessible for in-state students.

Other Appropriations

Equipment Trust Fund allocations to institutions are based on formulas that take into account the number of students and the age and quantity of equipment in inventory.

Maintenance Reserve Program allocations are also based on formulas that take into account the age and replacement cost of the facilities (the formula indicates VMI's annual maintenance reserve need to be over \$4.5 million). The State continues to under-fund this program for all institutions due to lack of revenues and other priorities. VMI received a small increase of \$19,120 in funds for FY 2021.

State Funds

Cadet Tuition, Fees and Other Income

	Budget 2020	Budget 2021	Inc (Dec)	%
<i>E&G Program</i>				
<i>Tuition--Regular Session</i>				
Gross tuition--current year	31,875,000	32,276,000	401,000	1.3%
Less: refunds	(324,000)	(327,000)	(3,000)	0.9%
Net potential	31,551,000	31,949,000	398,000	1.3%
Less: uncollected	(150,000)	(196,000)	(46,000)	30.7%
Net tuition	31,401,000	31,753,000	352,000	1.1%
<i>Tuition--Collection of Prior Years</i>	75,000	75,000	-	0.0%
<i>Tuition--Summer Session</i>				
First Term	486,000	452,000	(34,000)	-7.0%
Second Term	514,000	724,000	210,000	40.9%
STP	454,000	-	(454,000)	-100.0%
Foreign Study	526,000	-	(526,000)	-100.0%
Total Summer	1,980,000	1,176,000	(804,000)	-40.6%
Total tuition	33,456,000	33,004,000	(452,000)	-1.4%
<i>Student Fees</i>				
Application fees	70,000	70,000	-	0.0%
Forfeited deposits	12,000	13,000	1,000	8.3%
Late fees	50,000	51,000	1,000	2.0%
Total fees	132,000	134,000	2,000	1.5%
<i>Other Income</i>				
Interest on notes--Cadets	14,000	14,000	-	0.0%
Transcripts	15,000	15,000	-	0.0%
Energy Demand	35,000	35,000	-	
Miscellaneous	60,000	60,000	-	0.0%
Total other	124,000	124,000	-	0.0%
<i>Indirect Costs & Admin Fees</i>				
Indirect Costs--grants/contracts	55,000	20,000	(35,000)	-63.6%
Total indirects	55,000	20,000	(35,000)	-63.6%

	Budget 2020	Budget 2021	Inc (Dec)	%
<i>Prior Year Expenses Reimbursed</i>	10,000	10,000	-	0.0%
Subtotal	33,777,000	33,292,000	(485,000)	-1.4%
<i>Transfer to Cadet Financial Aid</i>	(3,700,000)	(3,700,000)	-	0.0%
Total E&G Program	30,077,000	29,592,000	(485,000)	-1.6%

Auxiliary Program

Cadet Fees--Regular Session

Gross fees--current year	27,968,000	28,133,000	165,000	0.6%
Less: refunds	(227,000)	(228,000)	(1,000)	0.4%
Net potential	27,741,000	27,905,000	164,000	0.6%
Less: uncollected	-	-	-	
Net collections	27,741,000	27,905,000	164,000	0.6%
Transfer fees to Athletics Program	(5,841,000)	(5,879,000)	(38,000)	0.7%
Net cadet fees	21,900,000	22,026,000	126,000	0.6%

Food Service

Cadet fees--summer session	298,000	-	(298,000)	-100.0%
Commission revenue-ARA	99,000	102,000	3,000	3.0%
Total food service	397,000	102,000	(295,000)	-74.3%

Barracks

Cadet fees--summer session	246,000	-	(246,000)	-100.0%
Rents--summer camps/others	26,000	25,000	(1,000)	-3.8%
Total Barracks	272,000	25,000	(247,000)	-90.8%

Military Store/Other Sales

	22,000	23,000	1,000	4.5%
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Medical/Other--Cadet fees (summer)

	63,000	-	(63,000)	-100.0%
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Parking Fees and Fines

	40,000	40,000	-	0.0%
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Total cadet fees/sales

	22,694,000	22,216,000	(478,000)	-2.1%
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Other Income

	Budget 2020	Budget 2021	Inc (Dec)	%
Rents--Post Housing	370,000	370,000	-	0.0%
Rents-Cameron Hall	2,000	2,000	-	0.0%
Interest earned on Reserves	200,000	300,000	100,000	50.0%
Miscellaneous	43,000	45,000	2,000	4.7%
Total Other	615,000	717,000	102,000	16.6%
Subtotal	23,309,000	22,933,000	(376,000)	-1.6%
Add: Transfer in from Reserves	(214,000)	906,000	1,120,000	100.0%
Total AUX Program	23,095,000	23,839,000	744,000	3.2%

Unique Military Activities

Cadet Fees

Gross fees--current year	4,610,000	3,854,000	(756,000)	-16.4%
Less: refunds	(44,000)	(37,000)	7,000	-15.9%
Net potential	4,566,000	3,817,000	(749,000)	-16.4%
Less: uncollected				
Net cadet fees	4,566,000	3,817,000	(749,000)	-16.4%

Sales and Other Income

Military Store Sales	66,000	68,000	2,000	3.0%
Total UMA	4,632,000	3,885,000	(747,000)	-16.1%

State Funds

Cadet Tuition, Fees and Other Income Notes

E&G Program

Tuition Revenue—Regular Session

Regular session tuition revenue before refunds is budgeted to increase \$401,000 or 1.3% and is attributed primarily to the increase in tuition rates partially offset by a projected enrollment decrease of 37 cadets.

Uncollected Tuition and Fees

Uncollected tuition and fees are based on VMI's past collection experience. VMI cadets are not permitted to return unless they have paid outstanding debts from the previous semester. VMI has written off as uncollectible an average of only about \$23,444 a year for the last 10 years.

Write-Off of Uncollectible Accounts

VMI Board policy authorizes the Superintendent to write-off uncollectible accounts up to \$2,500 and requires Board approval for accounts over \$2,500. VMI currently has three accounts greater than \$2,500 that are proposed for write-off by the Board. These accounts total \$22,226.70 (ranging from \$3,930.70 to \$12,006) and are from former cadets whose cadetships ended with outstanding balances. VMI has expended considerable effort to collect these accounts including sending it to the Office of the Attorney General for assistance in collection. It is now deemed uncollectible and should be written off. However, VMI will continue to hold official transcripts until full payment is received from these former cadets. The Board's approval of the FY 2021 budget includes approval to write-off this account.

The Superintendent is expected to approve the write-off of nine former cadet accounts during FY 2021 that are under \$2,500 each and that total \$8,231.55.

Tuition Revenue—Summer Session

Summer session tuition revenue is budgeted to decrease \$804,000 or 40.6%. It reflects no tuition increases but projects a decrease in budgeted enrollment due to cancellation of the STP program and the requirement to provide only on line instruction, and the elimination of the summer study abroad programs.

Transfer to Cadet Financial Aid

Tuition revenue used to fund cadet financial aid is budgeted at \$3.7 million, the same budget as FY 2020. The actual cost for FY 2020 was about \$2.7 million.

VMI's Admissions and Financial Aid Task Force meets regularly to review and monitor VMI's financial aid policies. Beginning with new out-of-state cadets in FY 2018, it revised VMI's financial aid policy by bringing grants and loans from 60% to 55% of demonstrated need (as determined by federal guidelines). This provided some savings in financial aid costs but requires monitoring to ensure that the savings are not more than offset by the loss of tuition revenue from a smaller enrollment of out-of-state cadets. VMI's policy for in-state cadets of providing grants and loans equal to 100% of demonstrated need remains the same. See the Cadet Financial Assistance budget in Local Funds for more information.

Auxiliary Program

Cadet Fee Revenue--Regular Session

Regular session cadet fee revenue before refunds is budgeted to increase \$165,000 or 0.6%. This reflects an increase of \$496 or 2.9% in total cadet auxiliary fees consisting of room, board, athletic, medical, cadet activities/facilities, debt service, laundry/dry cleaning, and haircuts, and a projected enrollment increase.

Athletic fee revenue is transferred to the Intercollegiate Athletics Program which operates as a Local auxiliary activity. The \$38,000 increase in fees transferred to the Athletics Program reflects the \$106 or 3% increase in the Athletic Fee, offset by a projected enrollment decrease.

Cadet Fee Revenue—Summer Session

The summer session food service and Barracks cadet fee revenue budgets reflect the cancellation of on Post programs and conversion to on line programs.

Rents on Housing

Rent revenue budgeted for VMI Post Housing reflects the anticipated vacancy of certain units while improvements are made to the housing during the year.

No rent increase is budgeted; however, it is VMI policy to charge the current fair market rental rate for new occupants. The Board's approval of the FY 2021 Budget authorizes the Superintendent to approve a rent increase at any time during the fiscal year as deemed appropriate.

Approval for Officials Required to Live on Post

In accordance with the Housing Policy Regulation, dated 4 September 2019, and previous exceptions granted by the Superintendent, the following 11 officials are required to live on Post: Superintendent, Deputy Superintendent for Finance, Administration, and Support, Deputy Superintendent for Academics and Dean of the Faculty, Commandant, Chief of Staff, Deputy Commandant, Director of Intercollegiate Athletics, Chaplain, Institute Sergeant Major to the Corps, Head Football Coach, and Head Basketball Coach,. Exceptions to this policy may be approved by the Superintendent.

Interest on Reserves

Interest income is paid by the State on VMI's Auxiliary cash balance (fund balance) which is required to be maintained with the State Treasury. The budget is adjusted to more closely reflect recent rates and projected cash balances.

Transfer to Reserves

The transfer from the Auxiliary Fund Balance (or reserves) totals \$906,000 for FY 2021 and represents a projected operating deficit in the Auxiliary program for FY 2021.

VMI's Auxiliary Fund Balance is projected to approximate \$14.0 million at 30 June 2020 and \$13.5 million at 30 June 2021. Based on past experience for working capital needs, VMI's minimum target for the fund balance is about \$10.0 million. In addition, the fund balance includes reserves for future capital improvements to auxiliary facilities.

Unique Military Activities Program

Cadet Fee Revenue

Cadet fee revenue before refunds are budgeted to decrease \$756,000 or 16.4%. This reflects a decrease of 14.0% in the cadet UMA fee along with a small projected enrollment decrease. The cadet UMA fee totals \$2,382 for FY 2021 and mostly funds cadet uniforms and maintenance.

Sales and Other Income

Military Store sales consist of cadet purchases of additional uniform items beyond the standard uniform issue provided to all cadets.

**State Funds
E&G Expenditure Summary**

Subprogram	2020	%	2021	%	Inc (Dec)	%
Instruction	20,479,000	48.4%	20,609,000	48.9%	130,000	0.6%
Public Service	115,000	0.3%	121,000	0.3%	6,000	5.2%
Academic Support	6,832,000	16.1%	6,903,000	16.4%	71,000	1.0%
Cadet Services	3,133,000	7.4%	3,096,000	7.3%	(37,000)	-1.2%
Institutional Support	5,400,000	12.8%	5,021,000	11.9%	(379,000)	-7.0%
Physical Plant	6,388,000	15.1%	6,380,000	15.1%	(8,000)	-0.1%
Total E&G Program	42,347,000	100.0%	42,130,000	100.0%	(217,000)	-0.5%

Notes:

1. The percentage of E&G Program funds allocated for Instruction, Academic Support and Cadet Services totals 73% in 2021, up from 72% in 2020.
2. The increase in Instruction costs primarily reflects the addition of one full-time teaching faculty position (see Total Employment schedule in the Significant Assumptions section of the Budget).

E&G Program
Revenue and Expenditure Budget Changes
FY 2021 Compared to FY 2020

Revenue Increase (Decrease)

General Funds

Adjust estimated FY 2020 budgeted central appropriations to actual	233,000	
State share of FY 2021 fringe benefit changes	34,000	
Total General Funds		267,000

Cadet Tuition/Other Income

Tuition rate increase for in-state cadets (3.0%)	282,000	
Tuition rate increase for out-of-state cadets (4.0%)	868,000	
Net enrollment decrease for in-state cadets	(250,000)	
Net enrollment decrease for out-of-state cadets	(548,000)	
Summer Sessions	(804,000)	
Other	(33,000)	
Total Cadet Tuition/Other Income		<u>(485,000)</u>

Total Revenue Increase (Decrease) (218,000)

Expenditures Increase (Decrease)

Personal Services:

Faculty/Staff salary - increase in turnover savings	46,000	
Health Insurance Changes - Premium Holiday elim, 2.4% rate increase	522,000	
Increase in Budgeted Vacancy Savings	(347,000)	
Indirect Costs - Increase Recoveries from Auxiliary and UMA	(9,000)	
Total Personal Services		212,000

Non-Personal Services:

Elimination of Foreign Study Expenses	(374,000)	
Contingencies Non-Personnel Budget Increase	97,000	
Indirect Costs - Increase in Recoveries from Auxiliary and UMA	(137,000)	
Building R&M budget increase for contractual services	(16,000)	
Total Non-Personal Services		<u>(430,000)</u>

Total Expenditures Increase (Decrease) (218,000)

**Auxiliary Enterprises Budget
Revenue and Expenditure Budget Changes
FY 2021 Compared to FY 2020**

Revenue Increase (Decrease)

Cadet fees revenue--rate increase (\$496 per cadet or 2.9%)	665,000	
Cadet fees revenue--enrollment decrease	(501,000)	
Increase in transfer fees to Athletics program	(38,000)	
Decrease in Summer Session revenues	(605,000)	
Increase in Interest Earned on Reserves	100,000	
Net other changes	3,000	
Increase in Transfer from Reserves	1,120,000	
Total Revenue Increase (Decrease)		<u>744,000</u>

Expenditures Increase (Decrease)

Personal Services

Faculty/Staff salary increases/transfers	(108,000)	
Increase in Recoveries from UMA	(90,000)	
Health Insurance Changes - Premium Holiday elimination & 2.4% rate increase	92,000	
Total Personal Services		(106,000)

Nonpersonal Services

Food Service--cadet meals (rate increase)	176,000	
Decrease Parking and Storage	(4,000)	
Increase in indirect costs payable to E&G Program	95,000	
Net change in debt service costs	256,000	
Net change in Contingency budget	327,000	
Total Nonpersonal Services		<u>850,000</u>
Total Expenditures Increase (Decrease)		<u>744,000</u>

State Funds
E&G Expenditures

Department	Account #	FTE	Salaries & Wages	Fringe Benefits	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NonPers Total	2021 Total	2020 Total	Inc (Dec)	%	Notes
<i>Instruction</i>																
Biology	10-03-011-10100	11	637,232	281,788	919,020	15,685	1,000	5,700	1,700	-	24,085	943,105	1,037,405	(94,300)	-9.1%	1
Chemistry	10-03-011-26100	10	676,827	352,038	1,028,865	16,884	2,100	5,000	100	-	24,084	1,052,949	1,009,876	43,073	4.3%	
Physics/Astronomy	10-03-011-78100	7	485,093	194,501	679,594	3,637	1,800	5,300	500	-	11,237	690,831	655,744	35,087	5.4%	
Civil Engineering	10-03-011-28100	13	1,037,363	387,808	1,425,171	6,940	100	650	-	200	7,890	1,433,061	1,405,257	27,804	2.0%	
Mechanical Engineering	10-03-011-66100	11	1,077,713	407,452	1,485,165	10,000	2,000	8,052	1,000	-	21,052	1,506,217	1,343,370	162,847	12.1%	1
Electrical Engineering	10-03-011-38100	9	760,373	283,786	1,044,159	5,162	-	1,200	300	-	6,662	1,050,821	1,036,540	14,281	1.4%	
Applied Mathematics	10-03-011-64100	14	910,890	395,976	1,306,866	2,000	3,000	14,519	2,000	-	21,519	1,328,385	1,204,121	124,264	10.3%	1
Computer Info Science	10-03-011-65100	9	721,449	305,393	1,026,842	4,000	2,000	5,500	1,000	-	12,500	1,039,342	1,012,304	27,038	2.7%	
English, Rhetoric, Hmn St	10-03-011-40100	16	880,697	454,915	1,335,612	500	100	5,554	-	-	6,154	1,341,766	1,362,522	(20,756)	-1.5%	
History	10-03-011-48100	14	989,758	415,816	1,405,574	1,200	900	1,895	-	300	4,295	1,409,869	1,439,196	(29,327)	-2.0%	
Internat'l Studies	10-03-011-56100	8	532,430	208,167	740,597	1,700	300	3,000	1,924	-	6,924	747,521	722,541	24,980	3.5%	
Economics	10-03-011-36100	13	1,176,539	483,206	1,659,745	-	-	6,669	-	-	6,669	1,666,414	1,781,899	(115,485)	-6.5%	1
Modern Language	10-03-011-68100	11	728,712	308,001	1,036,713	4,200	4,500	6,006	2,500	1,000	18,206	1,054,919	1,077,249	(22,330)	-2.1%	
Psychology	10-03-011-86100	10	581,450	309,606	891,056	2,700	4,800	7,716	-	-	15,216	906,272	846,932	59,340	7.0%	
Physical Education	10-03-011-76100	10	659,242	302,475	961,717	4,500	1,500	3,400	800	41	10,241	971,958	932,191	39,767	4.3%	
ROTC - Army	10-03-011-04100	4	174,290	49,017	223,307	800	2,500	6,010	500	-	9,810	233,117	234,435	(1,318)	-0.6%	
ROTC - Navy	10-03-011-72100	1	32,180	30,723	62,903	500	-	3,701	-	-	4,201	67,104	61,881	5,223	8.4%	
ROTC - Air Force	10-03-011-02100	1	28,917	15,717	44,634	3,619	150	600	-	-	4,369	49,003	53,119	(4,116)	-7.7%	
ROTC - Army FTX	10-03-011-04125		-	-	-	620	1,200	100	-	200	2,120	2,120	2,120	-	0.0%	
ROTC - Navy FTX	10-03-011-72125		-	-	-	-	2,500	3,000	-	900	6,400	6,400	6,400	-	0.0%	
ROTC - AF FTX	10-03-011-02125		-	-	-	4,400	2,400	4,500	500	1,000	12,800	12,800	12,800	-	0.0%	

State Funds
E&G Expenditures

Department	Account #	FTE	Salaries & Wages	Fringe Benefits	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NonPers Total	2021 Total	2020 Total	Inc (Dec)	%	Notes
Writing Center	10-03-011-99100		23,973	1,834	25,807	-	-	-	-	-	-	25,807	25,807	-	0.0%	
MERC	10-03-054-67100	1	44,125	30,352	74,477	2,000	-	1,580	1,000	-	4,580	79,057	76,748	2,309	3.0%	
Undergrad Research	10-03-011-34175		19,867	3,164	23,031	1,700	500	1,100	360	-	3,660	26,691	27,584	(893)	-3.2%	
Teacher Education	10-03-011-34210		-	-	-	-	-	-	-	-	-	-	-	-	#DIV/0!	
Elect Maint Shop	10-03-011-38150		-	-	-	1,370	-	-	-	-	1,370	1,370	1,370	-	0.0%	
Metal Shop	10-03-011-66150	2	94,212	68,963	163,175	960	-	-	-	-	960	164,135	152,560	11,575	7.6%	
PT Faculty-Reg Ses	10-03-011-34120		1,252,838	95,842	1,348,680	-	-	-	-	-	-	1,348,680	1,326,949	21,731	1.6%	
PT Faculty-Sum Ses	10-03-011-92100		493,000	37,715	530,715	-	-	-	-	-	-	530,715	436,589	94,126	21.6%	
PT Faculty-STP	10-03-011-92125		150,000	11,475	161,475	-	-	-	-	-	-	161,475	133,887	27,588	20.6%	
PT Faculty-Sum FS	10-03-011-92200		-	-	-	-	-	-	-	-	-	-	487,338	(487,338)	-100.0%	2
Equipment Lease	10-03-011-98146		-	-	-	-	-	-	-	88,900	88,900	88,900	88,900	-	0.0%	
Dean's Discretionary	10-03-011-34150		-	-	-	60,000	58,000	120,314	114,000	10,000	362,314	362,314	362,314	-	0.0%	
Dean Faculty Research	10-03-011-34152		-	-	-	14,400	20,000	5,500	100	-	40,000	40,000	40,000	-	0.0%	
Dean's Faculty Funds	10-03-011-34330		152,783	38,471	191,254	-	-	-	-	-	-	191,254	6,622	184,632	2788.2%	3
Dean's Software	10-03-011-34144		-	-	-	-	-	52,300	14,000	-	66,300	66,300	66,300	-	0.0%	
Dean's Faculty Travel	10-03-011-34145		-	-	-	-	7,100	1,000	-	-	8,100	8,100	8,100	-	0.0%	
Total Instruction		175	14,321,953	5,474,201	19,796,154	169,477	118,450	279,866	142,284	102,541	812,618	20,608,772	20,478,970	129,802	0.6%	
Public Service																
Museum	10-03-031-70100	1	93,440	25,470	118,910	1,200	-	500	-	-	1,700	120,610	114,706	5,904	5.1%	
Total Public Serv		1	93,440	25,470	118,910	1,200	-	500	-	-	1,700	120,610	114,706	5,904	5.1%	
Academic Support																
Preston Library	10-03-041-62100	13	802,974	350,996	1,153,970	8,000	6,000	301,660	90,000	-	405,660	1,559,630	1,559,310	320	0.0%	

State Funds
E&G Expenditures

Department	Account #	FTE	Salaries & Wages	Fringe Benefits	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NonPers Total	2021 Total	2020 Total	Inc (Dec)	%	Notes
Info Technology	10-03-043-50100	20	1,419,378	682,612	2,101,990	4,000	15,000	713,897	500,000	1,000	1,233,897	3,335,887	3,248,978	86,909	2.7%	4
Dean of Faculty	10-03-063-98140															
	10-03-045-34100	6	624,013	227,720	851,733	1,900	4,069	4,000	-	-	9,969	861,702	846,575	15,127	1.8%	
Inst Research/Analysis	10-03-045-54100	5	363,376	140,158	503,534	2,800	6,700	15,000	20,640	500	45,640	549,174	531,527	17,647	3.3%	
Internat'l Programs	10-03-045-55100	2	130,736	33,246	163,982	500	11,660	9,000	500	2,000	23,660	187,642	186,789	853	0.5%	
Ctr Leadership & Ethics	10-03-045-61100							10,000			10,000	10,000	10,000	-		
Sum Sch Adm--Reg	10-03-045-92150	0.38	37,016	14,053	51,069	-	-	3,027	-	-	3,027	54,096	156,983	(102,887)	-65.5%	5
Sunn Sch Adm--STP	10-03-045-92500		8,600	658	9,258	5,152	-	-	-	-	5,152	14,410	5,152	9,258	179.7%	
Dean-New Fac Uniforms	10-03-045-34160					12,000					12,000	12,000	12,000	-	0.0%	
Institute Assessmnt	10-03-045-34165		22,504	1,722	24,226	15,000	12,000	18,400	15,000	-	60,400	84,626	84,626	-	0.0%	
Program Review	10-03-045-34170						4,000	7,950		2,200	14,150	14,150	14,150	-	0.0%	
SACSCOC Accreditation	10-03-045-34205		27,074	1,956	29,030	1,200	-	4,300	-	1,000	6,500	35,530	29,530	6,000	20.3%	
Inst Writing Program	10-03-045-99200					1,200	2,300	6,000			9,500	9,500	9,500	-	0.0%	
Inst Honors Program	10-03-045-34770		11,891	910	12,801	3,000	1,000	3,000	1,000	-	8,000	20,801	20,801	-	0.0%	
VMIRL Support	10-06-106-98160									55,000	55,000	55,000	55,000	-	0.0%	
Cader Assist-Instruction	10-03-045-74450		42,453		42,453							42,453	42,453	-	0.0%	
Media Services	10-03-043-50500					1,000		2,400	15,000		18,400	18,400	18,400	-	0.0%	
Moving/Relocation	10-03-045-34190		35,000	2,678	37,678							37,678	-	37,678	#DIV/0!	
Total Acad Supt		47	3,525,015	1,456,709	4,981,724	55,752	62,729	1,098,634	642,140	61,700	1,920,955	6,902,679	6,831,774	70,905	1.0%	
Student Services																
Admissions	10-03-054-01100	12	683,864	323,743	1,007,607	14,000	25,000	444,000	500	500	484,000	1,491,607	1,472,175	19,432	1.3%	
Financial Aid	10-03-055-42100	4	225,760	138,221	363,981	1,800	3,200	7,500	500	-	13,000	376,981	387,452	(10,471)	-2.7%	
Registrar	10-03-054-90100	5	279,906	143,008	422,914	11,500	200	13,595	-	-	25,295	448,209	431,745	16,464	3.8%	

State Funds
E&G Expenditures

Department	Account #	FTE	Salaries & Wages	Fringe Benefits	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NonPers Total	2021 Total	2020 Total	Inc (Dec)	%	Notes
Cadet Counseling	10-03-053-52100	2	137,184	75,982	213,166	2,000	500	3,000	500	-	6,000	219,166	233,907	(14,741)	-6.3%	
Disabilities Services	10-03-053-52125		20,878	1,597	22,475	2,000	500	3,500	-	-	6,000	28,475	6,000	22,475	374.6%	
Miller Academic Center	10-03-054-60100	2	124,700	57,057	181,757	3,000	500	4,138	500	-	8,138	189,895	165,680	24,215	14.6%	
Career Services	10-03-053-20300	3	165,285	65,272	230,557	3,240	5,000	6,400	-	-	14,640	245,197	262,156	(16,959)	-6.5%	
Commandant Cadet Pgms	10-03-050-30100		-	-	-	-	-	-	-	-	-	-	67,758	(67,758)	-100.0%	6
Cadet Assist-Other	10-03-053-74500		96,664	-	96,664	-	-	-	-	-	-	96,664	96,664	-	0.0%	
Orientation	10-03-054-01200		-	-	-	-	-	-	-	-	-	-	10,000	(10,000)	-100.0%	
Total Student Serv		28	1,734,241	804,880	2,539,121	37,540	34,900	482,133	2,000	500	557,073	3,096,194	3,133,537	(37,343)	-1.2%	
Institutional Support																
Board of Visitors	10-03-061-12100		-	-	-	500	13,500	12,000	-	-	26,000	26,000	26,000	-	0.0%	
Superintendent	10-03-061-94100	6	595,712	215,726	811,438	1,200	1,400	18,400	500	500	22,000	833,438	823,125	10,313	1.3%	
Chief of Staff	10-03-061-46110		-	-	-	500	500	6,000	1,000	500	8,500	8,500	8,500	-	0.0%	
Finance and Admin	10-03-062-16100	5	535,199	188,606	723,805	3,000	5,000	12,800	2,000	3,800	26,600	750,405	742,413	7,992	1.1%	
Treasurer	10-03-062-98100	4	347,344	152,376	499,720	250	1,200	3,050	500	-	5,000	504,720	491,387	13,333	2.7%	
Comptroller	10-03-062-32100	11	675,904	336,090	1,011,994	3,500	2,800	36,340	3,500	500	46,640	1,058,634	997,700	60,934	6.1%	7
Human Resources	10-03-063-74100	5	299,772	149,479	449,251	1,500	250	20,779	200	500	23,229	472,480	463,629	8,851	1.9%	
Procurement	10-03-064-89100	4	237,440	109,464	346,904	1,200	2,100	6,800	900	500	11,500	358,404	311,711	46,693	15.0%	8
Communications/Mkt	10-03-065-88100	10	613,228	244,533	857,761	6,000	8,000	97,050	32,000	1,000	144,050	1,001,811	998,514	3,297	0.3%	
Printing/Publications	10-03-065-88125		-	-	-	4,000	1,000	23,600	500	-	29,100	29,100	29,100	-	0.0%	
Videography			-	-	-	-	-	3,200	-	-	3,200	3,200	3,200	-	0.0%	
Post Security	10-03-071-81100	11	527,822	344,804	872,626	10,000	26,000	11,500	11,000	500	59,000	931,626	910,581	21,045	2.3%	
Central Dispatch			-	-	-	-	-	58,550	-	-	58,550	58,550	55,000	3,550	6.5%	

State Funds
E&G Expenditures

Department	Account #	FTE	Salaries & Wages	Fringe Benefits	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NonPers Total	2021 Total	2020 Total	Inc (Dec)	%	Notes
Protocol	10-03-065-84100	2	104,215	57,417	161,632	3,400	-	2,300	-	-	5,700	167,332	156,801	10,531	6.7%	
Post Mail	10-03-064-82140	3	117,903	57,311	175,214	7,000	-	139,000	2,000	12,000	160,000	335,214	348,938	(13,724)	-3.9%	
Post Transportation	10-03-064-14155	2	73,846	42,618	116,464	70,000	20,000	11,500	20,000	-	121,500	237,964	227,063	10,901	4.8%	
Legislative Affairs	10-03-065-16400					500	17,400	2,000	100	-	20,000	20,000	20,000	-	0.0%	
Title IX	10-03-061-46120		21,630	1,655	23,285	500	9,000	20,300	500	-	30,300	53,585	53,585	-	0.0%	
Institute Planning	10-03-062-16150					500	1,000	5,000	500	-	7,000	7,000	7,000	-	0.0%	
Post Engineer	10-03-062-16160					400	500	900	200	-	2,000	2,000	2,000	-	0.0%	
Telephone	10-03-064-50150							90,000	10,000	-	100,000	100,000	100,000	-	0.0%	
Duplicating	10-03-064-89200					40,000		40,000			80,000	80,000	80,000	-	0.0%	
Printer Services	10-03-064-50550							40,000			40,000	40,000	40,000	-	0.0%	
General Insurance	10-03-063-98120									280,000	280,000	280,000	280,000	-	0.0%	
Debt Service Fee	10-03-060-98158									400,470	400,470	400,470	400,470	-	0.0%	
State Fees (eVA/Cardinal)	10-03-062-89150									28,000	28,000	28,000	28,000	-	0.0%	
State Fees ("ORP")	10-03-063-74400					22,000					22,000	22,000	3,200	18,800	587.5%	9
Credit Card Discounts	10-03-062-32125							12,000			12,000	12,000	12,000	-	0.0%	
Dues & Memberships	10-03-061-34200							22,172			22,172	22,172	22,172	-	0.0%	
Recruiting	10-03-063-74350							15,000			15,000	15,000	15,000	-	0.0%	
Staff Uniforms	10-03-063-98112					15,000					15,000	15,000	15,000	-	0.0%	
Trash Collection	10-03-064-14150					1,500	100	500	200	59,700	62,000	62,000	62,000	-	0.0%	
Commencement	10-03-065-46150					100	100	4,000		9,800	14,000	14,000	14,000	-	0.0%	
Vacancy Savings/Transfers			(295,000)	(125,000)	(420,000)						-	(420,000)	(210,000)	(210,000)	100.0%	10
Contingencies	10-03-060-98152		114,890	23,564	138,454	50,000	25,000	835,000	200,000	40,000	1,150,000	1,288,454	1,650,395	(361,941)	-21.9%	11

State Funds
E&G Expenditures

Department	Account #	FTE	Salaries & Wages	Fringe Benefits	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NonPers Total	2021 Total	2020 Total	Inc (Dec)	%	Notes
Salary Adjustments																
Bonuses			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal		62.40	3,969,905	1,798,643	5,768,548	242,550	134,850	1,549,741	285,600	837,770	3,050,511	8,819,059	9,188,484	(369,425)	-4.0%	
Recoveries-Athletics	10-03-060-98142		(340,000)	(146,000)	(486,000)	(20,000)	(11,000)	(130,000)	(24,000)	(71,000)	(256,000)	(742,000)	(778,000)	36,000	-4.6%	
Recoveries-Aux	10-03-060-98148		(897,000)	(384,000)	(1,281,000)	(54,000)	(30,000)	(344,000)	(64,000)	(186,000)	(678,000)	(1,959,000)	(1,969,000)	10,000	-0.5%	
Recoveries -UMA	10-03-060-98155		(462,000)	(200,000)	(662,000)	(28,000)	(16,000)	(178,000)	(33,000)	(96,000)	(351,000)	(1,013,000)	(960,000)	(53,000)	5.5%	
UMA (Demands)	10-03-060-98154		(77,500)	(7,000)	(84,500)	-	-	-	-	-	-	(84,500)	(81,500)	(3,000)	3.7%	
Total Recoveries		-	(1,776,500)	(737,000)	(2,513,500)	(102,000)	(57,000)	(652,000)	(121,000)	(553,000)	(1,285,000)	(3,798,500)	(3,788,500)	(10,000)	0.3%	
Total Insit Support		62	2,193,405	1,061,643	3,255,048	140,550	77,850	897,741	164,600	484,770	1,765,511	5,020,559	5,399,984	(379,425)	-7.0%	
Physical Plant																
Administration	10-03-071-14100	11	759,437	355,951	1,115,388	4,000	4,500	18,000	1,500	-	28,000	1,143,388	1,083,228	60,160	5.6%	7
Construction Office	10-03-071-14788	2	135,327	55,833	191,160	-	-	-	-	-	-	191,160	187,122	4,038	2.2%	
Bldg Repair/Maint	10-03-074-14130	28	1,102,363	704,079	1,806,442	320,000	2,500	812,700	7,800	10,000	1,153,000	2,959,442	2,883,890	75,552	2.6%	12
Custodial Service	10-03-073-14120	18	452,924	237,610	690,534	99,200	-	2,000	500	500	102,200	792,734	742,277	50,457	6.8%	13
Energy Savings/Demand	10-03-074-14135		-	-	-	8,000	-	10,500	6,000	500	25,000	25,000	25,000	-	0.0%	
Grounds Maintenance	10-03-074-14140	11	306,086	239,504	545,590	50,000	500	28,000	43,500	3,000	125,000	670,590	609,013	61,577	10.1%	13
Heating Plant	10-03-077-14170	3	136,419	94,698	231,117	30,000	500	37,000	6,000	-	73,500	304,617	300,130	4,487	1.5%	
Utilities	10-03-075-14160		-	-	-	400,000	-	30,000	-	2,783,750	3,213,750	3,213,750	3,213,750	-	0.0%	
Property Insurance	10-03-076-98126		-	-	-	-	-	-	-	380,500	380,500	380,500	380,500	-	0.0%	
Plant Contingencies	10-03-074-98115		-	-	-	25,000	-	97,200	1,800	1,000	125,000	125,000	125,000	-	0.0%	
Part-time wages	10-03-078-14110		271,614	20,779	292,393	-	-	-	-	-	-	292,393	292,391	2	0.0%	
Alumni Hall Maint	10-03-072-14115	2	49,200	29,741	78,941	5,000	-	1,400	-	-	6,400	85,341	75,964	9,377	12.3%	

State Funds
E&G Expenditures

Department	Account #	FTE	Salaries & Wages	Fringe Benefits	Salaries & Fringes	Contract Services	Equip	Other	NonPers Total	2021 Total	2020 Total	Inc (Dec)	%	Notes
Special Projects	10-03-078-14180		75,714	5,792	81,506	2,000	-	8,000	34,300	115,806	115,806	-	0.0%	
Vacancy Savings/Transfers			(194,000)	(83,000)	(277,000)				-	(277,000)	(140,000)	(137,000)	97.9%	10
Subtotal	74		3,095,084	1,660,987	4,756,071	10,000	67,100	3,187,250	5,266,650	10,022,721	9,894,071	128,650	1.3%	
Recoveries-UMA Kil/Par	10-03-070-98122				-	-	-	(105,000)	(235,500)	(235,500)	(228,500)	(7,000)	3.1%	
Recoveries-UMA	10-03-070-98123		(110,000)	(50,000)	(160,000)	-	(2,000)	(107,000)	(177,000)	(337,000)	(320,000)	(17,000)	5.3%	
Recoveries-Athletics	10-03-070-98124		(280,000)	(120,000)	(400,000)	(1,000)	(6,000)	(268,000)	(444,000)	(844,000)	(837,000)	(7,000)	0.8%	
Recoveries-Utilities	10-03-070-98128				-	-	-	-	-	-	-	-		
Recoveries-Aux	10-03-070-98130		(740,000)	(316,000)	(1,056,000)	(2,000)	(15,000)	(708,000)	(1,170,000)	(2,226,000)	(2,121,000)	(105,000)	5.0%	
Total Recoveries	-		(1,130,000)	(486,000)	(1,616,000)	(3,000)	(23,000)	(1,188,000)	(2,026,500)	(3,642,500)	(3,506,500)	(136,000)	3.9%	
Total Physical Plant	74		1,965,084	1,174,987	3,140,071	7,000	44,100	1,999,250	3,240,150	6,380,221	6,387,571	(7,350)	-0.1%	
E&G Summary														
Before recoveries	388		26,739,638	11,220,890	37,960,528	360,929	1,139,124	4,189,761	11,609,507	49,570,035	49,641,542	(71,507)	-0.1%	
Recoveries	-		(2,906,500)	(1,223,000)	(4,129,500)	(60,000)	(144,000)	(1,541,000)	(3,311,500)	(7,441,000)	(7,295,000)	(146,000)	2.0%	14
Total E&G	387.97		23,833,138	9,997,890	33,831,028	300,929	995,124	2,648,761	8,298,007	42,129,035	42,346,542	(217,507)	-0.5%	

State Funds

E&G Expenditure Notes

Note: The Budgets for all departments with personal services include a 2.4% increase in employer health insurance premiums. Fiscal FY 2020 had the one-month insurance premium holiday and FY 2021 is for a full twelve months resulting in an increase over the prior year.

1. The Biology and Economics and Business departmental cost decrease reflects the movement of one faculty position in each area from E&G to a Local Funded chair position. Two new positions were budgeted, one in Mechanical Engineering and one in Applied Math resulting in increases to both of those departments over the prior year.
2. Due to COVID-19, the Summer Foreign Study programs were cancelled.
3. This amount is the faculty pool funds resulting from turnover savings and is used at the Dean's discretion for faculty promotions and salary adjustments as needed. The amount available varies from year to year.
4. The increase in IT is due to the extras month of medical insurance premiums, turnover, and/or changes in staff benefit selection.
5. The cost of Summer School administration is lower for FY 2021 since instruction will be on-line versus on Post.
6. The budget for this program shifted to UMA for FY 2021.
7. The increase is due to the extra month of medical insurance premiums and/or changes in staff benefit coverage.
8. The departmental increase is a result of salary adjustments made during FY 2020 to bring staff salaries in line with State averages for comparable positions.
9. ORP budget increased to more accurately reflect VMI share of State allocations, previous budgeted amount was too low and well below actual costs.
10. VMI has committed to holding certain vacant positions unfilled for the fiscal year until more information is available regarding cuts in State funding. State revenue estimates will not be available until later in the fiscal year.
11. Contingencies are generally budgeted to mitigate revenue shortfalls and provide for emergencies and other unforeseen costs. The budgeted amount available for FY 2021 is 21.9% less than FY 2020.
12. This budget increase includes costs that are unavoidable in nature and are competitive and contract driven service type expenditures.

13. During FY 2020, VMI raised the minimum starting pay to \$11 an hour. The biggest areas impacted were the Custodial and Grounds Maintenance departments.
14. Recoveries represent the “cost sharing” of indirect costs (institutional support and physical plant costs incurred by the E&G Program) by the Auxiliary and UMA Programs to the E&G Program as required by the State. The FY 2021 recoveries or indirect costs budgets reflect a total decrease of \$146,000 or 2% under FY 2020. The amount of the recovery is based on a State-mandated biennial cost study conducted by VMI and certified to the State Comptroller to determine the appropriate indirect cost rate for use each biennium.

State Funds
Auxiliary Expenditures

Department	Account #	FTE	Salary & Wages	Fringe Benefits	Less: Uma	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NPS Total	2021 Total	2020 Total	Inc (Dec)	Notes	
Food Service	10-08-301-82250				-	-	112,000	-	6,956,000	8,000	5,000	7,081,000	7,081,000	6,905,000	176,000	2.5%	1
Food Service Maint	10-08-301-14225	1	32,130	30,710	-	62,840	25,000	-	107,000	-	47,000	179,000	241,840	232,144	9,696	4.2%	
Baracks Maintenance	10-08-304-14220	18	567,238	319,306	-	886,544	160,000	-	201,000	103,000	-	464,000	1,350,544	1,255,529	95,015	7.6%	2
Baracks Utilities	10-08-304-14222				-	-	2,700	-	18,000	-	409,300	430,000	430,000	430,000	-	0.0%	
Baracks Network	10-08-304-50200	3	151,793	61,403	-	213,196	-	-	72,000	2,500	1,500	76,000	289,196	296,821	(7,625)	-2.6%	
Military Store	10-08-302-82190	9	344,795	184,760	(503,078)	26,477	2,000	2,000	2,000	-	12,000	18,000	44,477	43,586	891	2.0%	
Tailor Shop	10-08-302-82230	11	335,579	234,871	(570,450)	-	-	-	-	-	-	-	-	-	-	-	3
Laundry/Pressing	10-08-303-82240	29	674,478	520,521	(896,249)	298,750	21,000	-	1,000	3,000	20,700	45,700	344,450	339,992	4,458	1.3%	4
Barber Shop	10-08-302-82180	2	233,492	39,250	-	272,742	16,500	-	2,000	-	2,500	21,000	293,742	309,552	(15,810)	-5.1%	
Student Health	10-08-305-80150	13	687,477	382,430	(797,081)	272,826	9,000	3,300	3,250	300	2,500	18,350	291,176	280,428	10,748	3.8%	5
Cadet Insurance	10-08-305-80200				-	-	-	-	-	-	483,000	483,000	483,000	483,000	-	0.0%	
Student Union	10-08-307-18380	3	197,925	92,212	-	290,137	9,000	2,000	26,500	5,000	4,000	46,500	336,637	327,139	9,498	2.9%	
Cadet Programs	10-08-308-18-xxx				-	205,613	102,000	175,000	140,000	30,000	40,000	487,000	692,613	692,613	-	0.0%	
Career Services	10-08-307-20150				-	-	1,000	-	-	-	-	1,000	1,000	1,000	-	0.0%	
Cadet Counseling	10-08-308-52175	2	113,662	34,328	-	147,990	15,000	1,500	24,100	2,000	2,000	44,600	192,590	199,889	(7,299)	-3.7%	
Corps Trips	10-08-308-30250				-	-	-	126,000	-	-	-	126,000	126,000	126,000	-	0.0%	
Glee Club	10-08-308-18420				-	-	-	9,500	500	-	-	10,000	10,000	33,653	(23,653)	-70.3%	6
Academic Clubs	10-08-308-34180				-	-	1,000	3,250	1,700	-	-	5,950	5,950	5,950	-	0.0%	
Honor Court	10-08-308-94175				-	36,092	400	-	4,000	600	-	5,000	41,092	41,092	-	0.0%	
Inspector General	10-08-309-46650	1	98,178	18,751	-	116,929	-	-	-	-	-	-	116,929	115,762	1,167	1.0%	
Parents Council	10-08-308-84600				-	-	1,000	-	6,500	1,000	-	8,500	8,500	8,500	-	0.0%	
Post Housing-Maint	10-08-304-14230	5	179,948	107,063	-	287,011	20,000	-	160,000	9,000	3,000	192,000	479,011	520,869	(41,858)	-8.0%	7

State Funds
Auxiliary Expenditures

Department	Account #	FTE	Salary & Wages	Fringe Benefits	Less: Uma	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NPS Total	2021 Total	2020 Total	Inc (Dec)	Notes
Post Housing-Utilities	10-08-304-14232		-	-	-	-	-	-	-	-	77,000	77,000	77,000	77,000	-	0.0%
Cameron Hall-Oper	10-08-306-06130	1	34,888	13,578	-	48,466	2,500	-	17,800	7,200	500	28,000	76,466	75,216	1,250	1.7%
Cameron Hall-Maint	10-08-306-14247		-	-	-	-	-	-	95,665	-	-	95,665	95,665	70,665	25,000	35.4%
Athletic Facilities/Support	10-08-310-14240	3	119,826	59,458	-	179,284	85,000	2,000	132,500	3,000	6,500	229,000	408,284	437,705	(29,421)	-6.7%
Weight Room	10-08-307-76300		-	-	-	-	20,000	1,000	41,000	3,000	1,000	66,000	66,000	66,000	-	0.0%
Cadet Recreation Facility	10-08-307-30275	3	107,553	68,595	-	176,148	10,000	-	31,230	9,000	3,000	53,230	229,378	199,775	29,603	14.8%
CPTF	10-08-307-30280		-	-	-	-	22,500	-	3,500	8,000	1,000	35,000	35,000	204,934	(169,934)	-82.9%
MLFTG Maintenance	10-08-307-14244		-	-	-	-	1,000	-	19,000	-	-	20,000	20,000	20,000	-	0.0%
Auxiliary-Admin	10-08-309-82115	3	184,561	67,629	-	252,190	14,000	3,000	9,500	6,000	7,500	40,000	292,190	261,165	31,025	11.9%
Master Planning	10-08-309-98175		-	-	-	-	-	-	10,000	-	-	10,000	10,000	10,000	-	0.0%
COOP	10-08-309-16175	1	56,350	14,189	-	70,539	-	200	4,000	400	400	5,000	75,539	75,025	514	0.7%
Post Security	10-08-309-81200	2	162,919	67,693	-	230,612	1,000	-	20,000	8,000	2,000	31,000	261,612	271,869	(10,257)	-3.8%
State Fees (eVA/Cardinal)	10-08-309-89250		-	-	-	-	-	-	-	-	55,000	55,000	55,000	55,000	-	0.0%
Wellness Program	10-08-309-89450		20,971	1,604	-	22,575	2,500	500	-	-	-	3,000	25,575	25,575	-	0.0%
Museum Support	10-08-309-70110	2	83,336	53,420	-	136,756	10,000	-	52,800	-	-	62,800	199,556	194,014	5,542	2.9%
Indirect Costs-E&G	10-08-309-98167		-	-	-	-	-	-	-	-	4,185,000	4,185,000	4,185,000	4,090,000	95,000	2.3%
Contingencies	10-08-309-98172		104,715	21,477	-	126,192	200,000	65,000	800,000	200,000	35,000	1,300,000	1,426,192	1,124,213	301,979	26.9%
Salary Contingencies	10-08-309-98374		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Savings/Transfers			(70,000)	(30,000)	-	(100,000)	-	-	-	-	-	-	(100,000)	(100,000)	-	0.0%
Parking - On Post	10-08-311-14252		-	-	-	-	15,000	1,000	9,000	-	5,000	30,000	30,000	30,000	-	0.0%
Parking/Storage-Off Post	10-08-309-98184		-	-	-	-	-	-	-	-	36,000	36,000	36,000	40,000	(4,000)	-10.0%
Maintenance Projects	10-08-306-14245	1	55,517	29,315	-	84,832	20,000	-	949,000	30,000	1,000	1,000,000	1,084,832	1,084,748	84	0.0%
Debt Service-Crozet	27-18-301-32860		-	-	-	-	-	-	-	-	887,000	887,000	887,000	886,000	1,000	0.1%

State Funds
Auxiliary Expenditures

Department	Account #	FTE	Salary & Wages	Fringe Benefits	Less: Uma	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NPS Total	2021 Total	2020 Total	Inc (Dec)	Notes
Debt Service-Cooke	27-22-079-32830		-	-	-	-	-	-	-	-	164,000	164,000	164,000	162,000	2,000	1.2%
Debt Service-SIH	27-22-311-32870		-	-	-	-	-	-	-	-	204,000	204,000	204,000	203,000	1,000	0.5%
Debt Service-Post Imp I	27-22-309-32825		-	-	-	-	-	-	-	-	300,000	300,000	300,000	304,000	(4,000)	-1.3%
Debt Service-Post Imp II	27-22-309-32827		-	-	-	-	-	-	-	-	290,000	290,000	290,000	292,000	(2,000)	-0.7%
Debt Service-Post Imp III	27-22-309-32829		-	-	-	-	-	-	-	-	290,000	290,000	290,000	287,000	3,000	1.0%
Debt Service-P Inf I,II,III	27-22-309-32XXX		-	-	-	-	-	-	-	-	255,000	255,000	255,000	-	255,000	14
Total Auxiliary		111	4,701,859	2,409,740	(2,766,858)	4,344,741	901,100	395,250	9,920,545	439,000	7,838,400	19,494,295	23,839,036	23,095,423	743,613	3.2%

State Funds

Auxiliary Expenditure Notes

1. The Food Service budget increase reflects a 6.23% increase in food costs per cadet and an additional \$125,000 budgeted for equipment and supplies. The increase in average food cost per cadet is offset by the lower enrollment projected for FY 2021 resulting in a total budget increase of 2.5% or \$176,000.
2. The Barracks Maintenance budget increase is a result of the movement to the \$11 hour minimum starting pay.
3. Tailor Shop costs are budgeted 100% in the UMA Program although the employee positions are included in the Auxiliary Enterprise Program in accordance with the State budget policy.
4. Laundry/Dry Cleaning costs are allocated 75% to the UMA Program and 25% to the Auxiliary Program in accordance with State budget policy (the UMA portion is considered costs above the normal amount for laundry services encountered by students at non-military institutions).
5. Student Health costs are allocated 74.5% to the UMA Program and 25.5% to the Auxiliary Program in accordance with the State budget policy (the UMA portion is considered costs above the normal amount for health services encountered by students at non-military institutions).
6. The wage budget for Glee Club was eliminated for FY 2021.
7. The savings in the department can be attributed to staff turnover.
8. The increase in Cameron Hall Maintenance is unavoidable due to increases in contractual services costs.
9. The increase in Cadet Recreation Facility cost is due to the \$11 hour minimum pay.
10. The salary and fringe costs for the three employees working at this facility beginning in FY 2021 will be charged to UMA.
11. The increase in this department is the result of turnover and the medical insurance one month premium holiday in FY 2020.
12. The Indirect Costs – E&G budget represents indirect cost reimbursement paid to the E&G program for Institutional Support and Operation and Maintenance of Plant support provided by the E&G Program to the Auxiliary Program.

13. The Contingency budget increase includes funds estimated to cover the cost of supplies needed for Coronavirus mitigation.
14. VMI begins making debt payments on the VCBA debt issued in 2018 for the Improve Post Infrastructure projects.

State Funds
UMA Expenditures

Department	Account #	FTE	Salary & Wages	Fringe Benefits	Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NPS Total	2021 Total	2020 Total	Inc (Dec)	Notes
Commandant	10-07-205-30150	12	1,165,228	330,565	1,495,793	26,100	13,000	26,000	4,400	1,500	71,000	1,566,793	1,579,860	(13,067)	-0.8%
Corps Marksmanship	10-07-205-30175	1	61,193	11,155	72,348	31,500	6,000	16,000	5,000	500	59,000	131,348	131,360	(12)	0.0%
Commandant--FTX	10-07-205-30125		-	-	-	500	8,200	800	-	500	10,000	10,000	10,000	-	0.0%
Band	10-07-205-30200	2	136,915	79,715	216,630	4,000	6,500	3,000	-	-	13,500	230,130	224,248	5,882	2.6%
Rat Activities	10-07-205-30225		-	-	-	11,000	38,000	11,800	2,000	10,000	72,800	72,800	72,800	-	0.0%
Rat Challenge	10-07-201-76150	1	73,995	28,675	102,670	-	-	-	-	-	-	102,670	91,201	11,469	12.6%
UMA Training Fac	10-07-201-30105	1	-	-	-	5,500	500	11,000	-	-	17,000	17,000	17,000	-	0.0%
Corp Phys Train Fac		3	111,319	68,864	180,183	-	-	-	-	-	-	180,183	-	180,183	#DIV/0!
Cadet Programs		1	44,125	26,699	70,824	-	-	-	-	-	-	70,824	-	70,824	#DIV/0!
Chief of Staff-HQ	10-07-205-46250	1	100,705	41,090	141,795	-	-	-	-	-	-	141,795	138,459	3,336	2.4%
Cadet Counseling	10-07-205-52150	1	65,058	31,970	97,028	-	2,300	3,500	-	400	6,200	103,228	90,114	13,114	14.6%
Armory	10-07-205-82450	1	78,927	29,282	108,209	10,370	-	200	3,800	-	14,370	122,579	119,528	3,051	2.6%
Academic Advising	10-07-205-90300		-	-	-	4,000	1,000	1,000	-	-	6,000	6,000	6,000	-	0.0%
Honor Court	10-07-205-12400		-	-	-	-	-	4,000	-	-	4,000	4,000	4,000	-	0.0%
Wages--E&G Demand	10-07-206-32390		-	-	-	-	-	-	-	84,500	84,500	84,500	81,500	3,000	3.7%
Indirect Costs--E&G	10-07-206-98164		-	-	-	-	-	-	-	1,350,000	1,350,000	1,350,000	1,280,000	70,000	5.5%
Contingencies	10-07-206-98166		124,932	25,624	150,556	22,000	1,000	36,000	12,000	19,000	90,000	240,556	194,581	45,975	23.6%
Parade Ground Maint	10-07-207-14190	3	68,640	34,156	102,796	-	-	-	-	35,500	35,500	138,296	133,561	4,735	3.5%
Kilbourne Hall Maint	10-07-207-14210	1	22,880	14,197	37,077	-	-	-	-	200,000	200,000	237,077	219,223	17,854	8.1%

State Funds
UMA Expenditures

Department	Account #	FTE	Salary & Wages	Fringe Benefits	Fringe Salaries & Fringes	Supplies	Travel	Contract Services	Equip	Other	NPS Total	2021 Total	2020 Total	Inc (Dec)	Notes
Barracks	10-07-208-14200	1	22,880	5,761	28,641	-	-	-	-	83,000	83,000	111,641	120,742	(9,101)	-7.5%
Student Health	10-07-208-80100		-	-	-	-	-	-	-	859,000	859,000	859,000	827,000	32,000	3.9%
Military Store	10-07-208-82150	1	62,660	15,778	78,438	1,500,000	-	-	-	503,000	2,003,000	2,081,438	3,272,340	(1,190,902)	-36.4%
Tailor Shop	10-07-208-82160		42,082	3,219	45,301	37,000	1,000	2,000	4,000	570,000	614,000	659,301	632,301	27,000	4.3%
Laundry	10-07-208-82170		-	-	-	-	-	-	-	1,024,000	1,024,000	1,024,000	1,011,000	13,000	1.3%
Less: Vacancy Savings			(35,000)	(15,000)	(50,000)						-	(50,000)	(15,000)	(35,000)	233.3%
Total UMA		29	2,146,539	731,750	2,878,289	1,651,970	77,500	115,300	31,200	4,740,900	6,616,870	9,495,159	10,241,818	(746,659)	-7.3%

State Funds

UMA Expenditure Notes

1. The staff working in CPTF and one staff member from Cocke Hall are now being budgeted in UMA to more accurately reflect the nature of their job duties.
2. The Contingencies budget includes funding set aside for salary adjustments pending for classified staff and for merit increases for Administrative staff as deemed appropriate. In addition there are planned increases in Supplies and Contractual Services due to unavoidable cost increases.
3. The Student Health increase represents the UMA share of the salary increases. The UMA program reimburses the Auxiliary program for 74.5% of expenditures.
4. The Military Store supply decrease reflects the purchase of the new Army OCP uniforms for cadets, which largely occurred in FY 2020. More uniforms will need to be purchased in FY 2021, but will be down to a normal replacement level of inventory purchase versus a full uniform change as occurred last fiscal year.

Local Funds

Local Funds

Overview of Section

This section provides the details of the Local Funds Budget including notes explaining significant variances between the current and the proposed budget. The following budget schedules are presented:

- ***Budget Highlights***—Provides significant notes and assumptions underlying the Local Funds Budget.
- ***VMI and VMI Alumni Agencies Income and Support***—Summarizes the restricted and unrestricted income support from VMI and the VMI Alumni Agencies comprising the VMI Foundation, the VMI Development Board, and the VMI Keydet Club.
- ***Expenditures Summary***—Summarizes the Restricted and the Unrestricted Expenditure Budgets and shows how the budgets are consolidated to produce the total Local Funds Budget.
- ***Restricted Funds Budget***—Provides by source of support the allocation of funds to programs and activities.
- ***Jackson-Hope Program***—Provides the allocation of funds to programs and activities.
- ***Local Unrestricted Budget***— Provides by source of support the allocation of funds to programs and activities.
- ***Intercollegiate Athletics Revenues and Expenditures Budget***—Provides the components of athletic revenues and support and presents by sport and supporting activities the expenditures for personnel, supplies, travel, recruiting, officials, and other. Also includes separate schedule for details of significant other expenditures.
- ***Museum Operations***--Provides the components of revenue and support and the details of expenditures for the VMI Museum, the Virginia Museum of the Civil War at New Market, and the Stonewall Jackson House.
- ***Center for Leadership and Ethics***—Summarizes the budgeted revenues, support and expenditures for the program.

- ***Cadet Financial Assistance Summary***—Provides by source the components of the various grants and scholarships budgeted for cadets.

Local Funds Budget Highlights

Local Unrestricted Funds

1. Local Unrestricted Funds are budgeted for \$10.5 million, a decrease from FY 2020 of \$780,000.
2. Private unrestricted income from the VMIF and VMIAAB decreased \$93,000 to \$2.2 million for FY 2021.
3. The Local Unrestricted Funds budget supports faculty salary supplements, a portion of the Superintendent's salary, mortgage subsidies, cadet financial assistance, Chaplain's Office support, and academic programs. The budget also includes unrestricted revenues and support for Intercollegiate Athletics, Museum Operations, and the Center for Leadership and Ethics.
4. The Local Unrestricted Fund Balance is projected to total \$1.4 million at the end of FY 2020 and about the same at the end of FY 2021. This includes fund balances for the Museum Programs, Center for Leadership and Ethics, Athletics, and the Unrestricted Pool.

Athletics Programs

5. Athletics Program revenues and support are budgeted at \$13.9 million which is \$100K more than the previous year. Expenses consist of \$8.1 million for operations and \$5.8 million for scholarships. Overall, the operations budget declined by \$200,000
6. The Athletics Program budget assumes Keydet Club private donations for scholarships and operations will total \$5.5 million, \$400,000 more than was available for FY 2020.
7. Cadet athletic fee revenues are budgeted at \$5.9 million, a \$38,000 increase from FY 2020. The athletic fee increased \$106 per cadet, 3.0% over FY 2020 rates. A projected enrollment decline reduced the revenue normally a result of a 3% increase.

Museum Systems

8. Museum revenues are anticipated to fall significantly below the FY 2020 budget. Revenues have continued to decline year over year in all locations. With the impact of Coronavirus on discretionary spending, this trend is expected to continue. Hours of operation and staffing will be adjusted along with the operating expenditure budgets in an attempt to minimize losses.

Center for Leadership and Ethics

9. Center for Leadership and Ethics (CLE) conference revenues are projected to be \$54,000 higher than FY 2020.

Cadet Financial Assistance

10. VMI funding for cadet financial aid is budgeted for \$3.7 million, the same as FY 2020. This funding consists solely of tuition revenue. The Administration continues to closely monitor and adjust its financial aid policies to ensure sustainability (See State Funds Budget Highlights Note #5).

Local Funds

VMI and Alumni Agencies Income and Support

	2020	2021	Inc (Dec)	%	Notes
<i>VMI Alumni Agencies</i>					
<i>Unrestricted Funds</i>					
VMI Foundation, Inc.					
Endowment Income/Annual Funds	1,747,000	1,650,000	(97,000)	-5.6%	
Debt Service-JM Hall	188,000	192,250	4,250	2.3%	
Total VMI Foundation	1,935,000	1,842,250	(92,750)	-4.8%	
VMI Alumni Agencies Board					
Endowment Income/Donations	400,000	400,000	-	0.0%	
Total Unrestricted	2,335,000	2,242,250	(92,750)	-4.0%	1
<i>Restricted Funds</i>					
VMI Foundation, Inc.					
Endowment Income/Donations	13,604,000	14,112,000	508,000	3.7%	
VMI Alumni Agencies Board					
Endowment Income/Donations	697,000	711,000	14,000	2.0%	
Total VMI Foundation/Agencies Bd	14,301,000	14,823,000	522,000	3.7%	
VMI Keydet Club					
Endowment Income/Donations	5,084,000	5,517,000	433,000	8.5%	
Total Restricted Funds	19,385,000	20,340,000	955,000	4.9%	2
Total VMI Alumni Agencies	21,720,000	22,582,250	862,250	4.0%	
<i>VMI</i>					
<i>Unrestricted Funds</i>					
VMI General Endowment	63,000	67,000	4,000	6.3%	
Interest Income and Other	8,000	-	(8,000)	-100.0%	
Total Unrestricted	71,000	67,000	(4,000)	-5.6%	
<i>Restricted Funds</i>					
VMI General Endowment	305,000	325,000	20,000	6.6%	
VMI Collins Endowment--Operations	159,000	169,000	10,000	6.3%	
Outside Trusts and Other	75,000	82,000	7,000	9.3%	
Total Restricted Funds	539,000	576,000	37,000	6.9%	
Total VMI Endowment	610,000	643,000	33,000	5.4%	3
Total VMI and Alumni Agencies	22,330,000	23,225,250	895,250	4.0%	

Local Funds

VMI and Alumni Agencies Income and Support

Notes

1. VMI Foundation (VMIF) and VMI Alumni Agencies Board (VMIAAB) unrestricted spendable income for FY 2021 totals \$2.2 million or \$93,000 less than FY 2020. In addition, the VMIF and VMIAAB are funding debt service on the \$45 million in bonds issued on VMI's behalf in 2006 to fund various capital projects. This debt service currently totals about \$2.6 million annually and is part of the overall support to VMI.

Spendable endowment income is based on a 12-quarter rolling average endowment market value and a spending rate of 4.5%. The VMIF spendable income rate of 4.5% combined with an administrative fee rate of 1.0% on all endowment funds results in a total spending rate of 5.5%. The Foundation plans to reduce the overall spend rate to 5.0% (4.25% spending and 0.75% admin) over the next several years. Spendable income is combined with donations from the Annual Fund and used to fund Alumni Agencies operating expenses and provide unrestricted income to VMI.

2. VMIF, VMIAAB, and Keydet Club (KC) restricted income is budgeted for \$20.4 million or an increase of \$955,000 or 4.9%.
3. VMI endowment income derives mostly from VMI's General Endowment and Collins Endowment. These funds had a 31 December 2019 market value of \$10.1 million and \$3.9 million, respectively. The General Endowment consists mostly of scholarship funds and the Collins Endowment is restricted to support of the Virginia Museum of the Civil War at New Market. Spendable endowment income is based on a 4.5% spending rate applied to the average endowment market value for the past 12 quarters. VMI's endowments are pooled and invested with endowment funds of the VMI Alumni Agencies.

Local Funds Expenditure Summary

	Restricted Budget	Unrestricted Budget	2021 Total	2020 Total	Inc (Dec)	%
<i>Educational and General</i>						
Instruction	5,385,000	573,000	5,958,000	5,863,000	95,000	1.6%
Research	38,000	-	38,000	36,000	2,000	5.6%
Public Service	340,000	463,000	803,000	1,125,000	(322,000)	-28.6%
Academic Support	1,649,000	278,000	1,927,000	1,561,000	366,000	23.4%
Cadet Services	963,000	123,000	1,086,000	901,000	185,000	20.5%
Institutional Support	424,000	1,385,000	1,809,000	1,984,000	(175,000)	-8.8%
Physical Plant	125,000	-	125,000	124,000	1,000	0.8%
Total E&G	8,924,000	2,822,000	11,746,000	11,594,000	152,000	1.3%
<i>Cadet Financial Assistance</i>						
	12,858,000		12,858,000	12,449,000	409,000	3.3%
<i>Auxiliary Enterprises</i>						
Intercollegiate Athletics	604,000	7,442,000	8,046,000	8,359,000	(313,000)	-3.7%
Debt Service	-	192,000	192,000	188,000	4,000	2.1%
Total Auxiliary	604,000	7,634,000	8,238,000	8,547,000	(309,000)	-3.6%
Total	22,386,000	10,456,000	32,842,000	32,590,000	252,000	0.8%

**Local Funds
Restricted Funds Budget
2020-2021**

Source/Activity	VMI	Alumni	Keydet Club	VMI	Federal	2021 Total	2020 Total	Inc (Dec)
	Foundation	Agencies Board		Endowment	Grants/Other			
Expenditures								
Instruction	5,382,000	-	-	3,000		5,385,000	5,351,000	34,000
Research	38,000			-		38,000	37,000	1,000
Public Service	171,000			169,000		340,000	332,000	8,000
Academic Support	1,649,000					1,649,000	1,337,000	312,000
Student Services	925,000	4,000		34,000		963,000	767,000	196,000
Institutional Support	424,000					424,000	482,000	(58,000)
Physical Plant	42,000	83,000	-			125,000	124,000	1,000
Total Educ & General	8,631,000	87,000	-	206,000		8,924,000	8,430,000	494,000
Auxiliary Enterprises	8,000	286,000	71,000	-	239,000	604,000	475,000	129,000
Cadet Financial Assistance	5,472,000	339,000	5,446,000	370,000	1,231,000	12,858,000	12,449,000	409,000
Total	14,111,000	712,000	5,517,000	576,000	1,470,000	22,386,000	21,354,000	1,032,000

Local Funds Restricted Funds Budget

Source/Activity	VMI Foundation	Alumni Agencies Board	Keydet Club	VMI Endowment	Federal Grants/Other	2021 Total	2020 Total	Inc (Dec)	Notes
Revenue									
Income/Donations	14,111,990	711,280	5,517,000	576,000		20,916,270	19,924,553	991,717	1
Federal Funds					1,191,000	1,191,000	1,191,000	-	2
Outside Grants					278,736	278,736	238,500	40,236	
Total Revenue	14,111,990	711,280	5,517,000	576,000	1,469,736	22,386,006	21,354,053	1,031,953	
Expenditures									
Instruction									
Professional Chair Funds									
Biology	24,640				24,640	24,750	24,750	(110)	
Chemistry	36,360				36,360	36,410	35,410	950	
Economics	235,255				235,255	235,415	235,415	(160)	
Engineering	273,880				273,880	287,500	287,500	(13,620)	
English, Rhetoric & HS	52,680				52,680	123,990	123,990	(71,310)	
History	182,755				182,755	182,065	182,065	690	
International Studies	60,090				60,090	58,800	58,800	1,290	
Physics	29,680				29,680	29,690	29,690	(10)	
Peay Chair	601,290				601,290	669,180	669,180	(67,890)	
Gottwald Leadership	139,210				139,210	133,040	133,040	6,170	
New funds						-	166,380	(166,380)	
Dean's Funds	238,520				238,520	43,140	43,140	195,380	
Total Prof Chairs	1,874,360				1,874,360	1,989,360	1,989,360	(115,000)	
Departmental Funds									
Biology	59,700				59,700	57,600	57,600	2,100	
Civil Engineering	69,750				69,750	42,690	42,690	27,060	
Chemistry	28,500				28,500	27,390	27,390	1,110	
Computer Science	5,090				5,090	8,300	8,300	(3,210)	
Economics	161,760				161,760	71,570	71,570	90,190	
Electrical Engineering	5,630			3,000	8,630	7,220	7,220	1,410	

**Local Funds
Restricted Funds Budget**

Source/Activity	VMI	Alumni	Keydet	VMI	Federal	2021	2020	Inc
	Foundation	Agencies Board		Club	Endowment			
English, Rhetoric & HS	89,530					89,530	88,270	1,260
History	66,660					66,660	5,390	61,270
International Studies	18,710					18,710	42,400	(23,690)
Mathematics	50,320					50,320	44,810	5,510
Mechanical Engineering	22,960					22,960	21,300	1,660
Modern Languages	2,010					2,010	1,950	60
Physical Education	4,550					4,550	4,390	160
Physics	8,880					8,880	3,330	5,550
Psychology	65,070					65,070	58,940	6,130
Total Dept Funds	659,120			3,000		662,120	485,550	176,570
Faculty Development	348,290					348,290	318,850	29,440
Jackson-Hope	1,458,690					1,458,690	1,398,080	60,610
Visiting Scholars	86,950					86,950	83,440	3,510
Curriculum Development	97,050					97,050	93,790	3,260
Other Instruction	857,900					857,900	982,541	(124,641)
Total Instruction	5,382,360			3,000		5,385,360	5,351,611	33,749
Research								
Biology	12,955					12,955	8,300	4,655
Chemistry	16,565					16,565	15,910	655
Undergraduate Res	8,000					8,000	12,320	(4,320)
Total Research	37,520					37,520	36,530	990

Local Funds Restricted Funds Budget

Source/Activity	VMI	Alumni	Keydet	VMI	Federal	2021	2020	Inc	Notes
	Foundation	Agencies Board		Club	Endowment				
Public Service									
Museum Programs									
VMI Museum	76,750					76,750	69,450	7,300	
Stonewall Jackson House	-					-	22,000	(22,000)	
VA Mus of Civil War	47,310			169,000		216,310	195,200	21,110	
Total Museums	124,060			169,000		293,060	286,650	6,410	
Lectures and Symposiums	-					-	-	-	
Other Public Service	47,380					47,380	45,510	1,870	
Total Public Service	171,440	-	-	169,000	-	340,440	332,160	8,280	
Academic Support									
Preston Library	409,326					409,326	133,850	275,476	
Information Technology	67,470					67,470	67,140	330	
Departmental Funds									
International Studies	11,470					11,470	11,310	160	
Music	-					-	-	-	
Biology	11,840					11,840	11,690	150	
Total Dept Funds	23,310					23,310	23,000	310	
Leadership Program	834,040					834,040	803,480	30,560	
Dean's Office									
Fellowships	18,910					18,910	18,470	440	
Faculty Awards	63,220					63,220	61,770	1,450	
Faculty Development	232,980					232,980	228,990	3,990	
Outside Grants						-	-	-	
Total Dean's Funds	315,110					315,110	309,230	5,880	
Total Academic Support	1,649,256	-	-	-	-	1,649,256	1,336,700	312,556	

Local Funds Restricted Funds Budget

Source/Activity	VMI Foundation	Alumni Agencies Board	Keydet Club	VMI Endowment	Federal Grants/Other	2021 Total	2020 Total	Inc (Dec)	Notes
Student Services									
Departmental Funds									
Intercollegiate Athletics		3,530				3,530	3,460	70	
Band	41,730					41,730	37,750	3,980	
Cadet Programs	337,150					337,150	246,562	90,588	
Chaplain's Office	266,690					266,690	195,700	70,990	
Commandant	29,240					29,240	20,870	8,370	
Cadet Counseling	1,000					1,000	-	1,000	
Music	59,050					59,050	27,940	31,110	
Total Dept Fund	734,860	3,530		-		738,390	532,282	206,108	
Graduate Fellowships	70,180					70,180	69,080	1,100	
Cadet Awards	109,120			34,000		143,120	137,340	5,780	
Other Student Services	11,000					11,000	29,000	(18,000)	
Total Student Services	925,160	3,530	-	34,000	-	962,690	767,702	194,988	
Institutional Support									
Comm & Marketing	48,390					48,390	100,000	(51,610)	
Superintendent's Office	375,360					375,360	382,060	(6,700)	
Total Inst Support	423,750	-	-	-	-	423,750	482,060	(58,310)	
Physical Plant									
	41,950	82,890				124,840	123,650	1,190	
Total E & G	8,631,436	86,420	-	206,000	-	8,923,856	8,430,413	493,443	

**Local Funds
Restricted Funds Budget**

Source/Activity	VMI	Alumni	Keydet	Federal	2021	2020	Inc
	Foundation	Agencies Board					
Auxiliary Enterprises							
Intercollegiate Athletics	8,128	286,199	71,000	238,565	603,892	474,562	129,330
Total Auxiliary	8,128	286,199	71,000	238,565	603,892	474,562	129,330
Cadet Financial Assistance							
Athletic Scholarships	43,790	338,661	5,446,000	40,171	5,868,622	5,511,028	357,594
Cadet Scholarships	5,428,636	-	-	370,000	5,798,636	5,747,050	51,586
Federal Grants and Loans				1,191,000	1,191,000	1,191,000	-
Total Cadet Financial	5,472,426	338,661	5,446,000	1,231,171	12,858,258	12,449,078	409,180
Total Restricted	14,111,990	711,280	5,517,000	1,469,736	22,386,006	21,354,053	1,031,953

Restricted Local Budget Notes

1. The Restricted Funds Budget primarily reflects spendable income from endowment funds and cash donations. See Notes to VMI and Alumni Agencies Income and Support Budget Schedule.
2. Federal Funds consist primarily of PELL grants for cadets with financial need.
3. See the Local Funds Budget section of this Budget Book for the Jackson-Hope, Athletics, and Cadet Financial Assistance program budgets.
4. Total Restricted income of \$22.4 million for FY 2021 is about 4.8% more than FY 2020. The budget increases or decreases among departmental and program budgets generally reflect changes in the level of cash donations from year to year. Budgets often include a combination of cash donations and endowment income. Budget increases may also reflect new endowment gifts.

**Local Funds
Jackson-Hope Program**

	2021				2020		Inc (Dec)	Note
	FTE	Salaries/FB	Faculty Develop	Undergrad Research	Other	Total		
<i>Local Restricted</i>								
<i>Academic Programs</i>								
New faculty-Fine Arts		-				-	92,000	(92,000)
New faculty-Civil & Environmental Eng	1	104,000				104,000	109,000	(5,000)
New faculty-International Studies		-				-	92,000	(92,000)
New Faculty - Arabic	1	92,000				92,000	92,000	-
New Faculty - Physics (Temporary)	1	97,000				97,000	-	97,000
Faculty development-leaves		72,000				72,000	72,000	-
Faculty development-travel & projects					120,000		120,000	-
Undergraduate Research				190,000			190,000	-
MERC Tutors		88,500				88,500	86,000	2,500
Program Development Grants					101,300		93,500	7,800
Learning Center Tutors		34,000				34,000	33,000	1,000
Jackson-Hope Distinguished Chair (Foster)	1	134,000				134,000	130,000	4,000
Jackson-Hope Distinguished Chair (Gire)	1	140,000				140,000	135,000	5,000
Jackson-Hope Distinguished Chair (C. McDonal)	1	156,000				156,000	145,000	11,000
Jackson-Hope Distinguished Chair (TBD)	1	136,000				136,000	-	136,000
Center for Leadership & Ethics					300,000		300,000	-
Faculty Recruitment					50,000		50,000	-
Total Jackson Hope	7	1,053,500	-	190,000	571,300	1,814,800	1,739,500	75,300

Notes:

1. The Jackson-Hope budget is approved annually by the Jackson-Hope Board of Overseers. The goal of the fund is "to provide the capital necessary for the Institute to plan and execute a program that will ensure marked improvement of YMI's academic enterprise."
2. The FY 2021 allocations were approved by the Jackson-Hope Board of Overseers at the 14 April 2020 meeting.
3. The Board approved the carry-over of \$56,110 in unexpended funds from FY20 into FY21

Local Unrestricted Budget

FY 2021

	FY 2021 Allocation				Total	FY 2020		Notes	
	FY 2021 Budget	VMI Funds	VMI Foundation	VMI Agencies Bd		Budget	Inc (Dec)		%
Revenue									
VMI Endowment	67,000	67,000			67,000	71,000	(4,000)	-5.6%	1
VMI Foundation	1,842,250		1,842,250		1,842,250	1,935,000	(92,750)	-4.8%	2
VMI Alumni Agencies Board	400,000			400,000	400,000	400,000	-	0.0%	2
Athletic Revenue	1,129,500	1,129,500			1,129,500	1,701,000	(571,500)	-33.6%	3
Cadet Fees--Athletics	5,879,000	5,879,000			5,879,000	5,840,881	38,119	0.7%	3
Auxiliary Fund Balance--Ath					-	-	-		3
Museum Systems	427,000	427,000			427,000	645,000	(218,000)	-33.8%	4
Conference Revenue--CLE	264,000	264,000			264,000	210,000	54,000	25.7%	5
Concessions Commissions	448,000	448,000			448,000	433,000	15,000	3.5%	6
Total Revenue	10,456,750	8,214,500	1,842,250	400,000	10,456,750	11,235,881	(779,131)	-6.9%	
E&G Expenditures									
Instruction									
Faculty Salary Supplements	573,000		573,000		573,000	512,000	61,000	11.9%	7
Public Service									
Daniel's Award	-	-			-	-	-		15
Museum Systems	463,000	463,000			463,000	793,000	(330,000)	-41.6%	4
Total Public Service	463,000	463,000	-	-	463,000	793,000	(330,000)	-41.6%	
Academic Support									
Dean's Funds									
Dean's Official Fund	14,000	14,000			14,000	14,000	-	0.0%	
Center for Leadership/Ethics	264,000	264,000			264,000	210,000	54,000	25.7%	5
Total Academic Support	278,000	278,000	-	-	278,000	224,000	54,000	24.1%	

Local Unrestricted Budget FY 2021

	FY 2021 Allocation				FY 2020		Notes	
	FY 2021 Budget	VMI Funds	VMI Foundation	VMI Agencies Bd	Total	Budget		Inc (Dec)
<i>Student Services</i>								
Commandant's Official Fund	3,000		3,000		3,000	3,000	-	0.0%
Chaplain's Office Support	120,000		20,000	100,000	120,000	130,000	(10,000)	-7.7%
Total Student Services	123,000	-	23,000	100,000	123,000	133,000	(10,000)	-7.5%
<i>Institutional Support</i>								
Staff Salary Supplements	839,000	-	839,000		839,000	972,000	(133,000)	-13.7%
Mortgage Subsidies	56,000		56,000		56,000	62,000	(6,000)	-9.7%
Superintendent's Funds								
Quarter's--Rent/A18Enter	80,000	80,000			80,000	80,000	-	0.0%
Allotment	30,000	30,000			30,000	30,000	-	0.0%
Travel	10,000	10,000			10,000	10,000	-	0.0%
Protocol Office--Gifts	13,000	13,000			13,000	13,000	-	0.0%
Local Bank Fees/Charges	2,000	2,000			2,000	2,000	-	0.0%
Board of Visitors' Meetings	9,000	9,000			9,000	9,000	-	0.0%
Membership Dues	3,000	3,000			3,000	3,000	-	0.0%
VA Hi-Ed Bus Council Dues	9,000	9,000			9,000	9,000	-	0.0%
Contingencies	214,300	125,300	39,000	50,000	214,300	191,500	22,800	11.9%
Total Institutional Support	1,265,300	281,300	934,000	50,000	1,265,300	1,381,500	(116,200)	-8.4%
<i>Cadet Financial Aid</i>								
Cadet Financial Aid								
Total Scholarships/Grants	-	-	-	-	-	-	-	0.0%
<i>Auxiliary Enterprises</i>								
Auxiliary Enterprises								
Athletics								
Operations	7,442,200	7,192,200		250,000	7,442,200	7,884,381	(442,181)	-5.6%
								3, 12

Local Unrestricted Budget FY 2021

	FY 2021 Budget	FY 2021 Allocation			Total	FY 2020 Budget	Inc (Dec)	%	Notes
		VMI Funds	VMI Foundation	VMI Agencies Bd					
<i>Debt Service</i>									
JM Hall Renovation	192,250		192,250		192,250	188,000	4,250	2.3%	13
Total Debt	192,250	-	192,250	-	192,250	188,000	4,250	2.3%	
Total Expenditures	10,336,750	8,214,500	1,722,250	400,000	10,336,750	11,115,881	(779,131)	-7.0%	
Excess (Deficiency)	120,000	-	120,000	-	120,000	120,000	-	0.0%	
<i>Add: Beginning Fund Bal</i>	1,400,000	1,400,000	-	-	1,400,000	1,600,000	(200,000)	-12.5%	
<i>Less: VMIF Direct Pays</i>	(120,000)	(120,000)			(120,000)	(120,000)	-	0.0%	14
Ending fund balance	1,400,000	1,400,000	-	-	1,400,000	1,600,000	(200,000)	-12.5%	

Local Unrestricted Funds Notes

1. VMI Endowment income of \$67,000 consists primarily of spendable income on the unrestricted portion of VMI's General Endowment; the income is based on 4.5% of the average endowment market value for the past 12-quarters (the market value of the unrestricted endowment was about \$1.64 million as of 29 February 2020).
2. VMI Foundation (VMIF) and VMI Alumni Agencies Board (VMIAAB) spendable income totals \$2.2 million. It consists of \$2 million of unrestricted income and about \$200,000 of other income to include the debt service on the Jackson Memorial Hall renovation project.

The VMIF and VMIAAB are also providing additional financial support of \$3.6 million annually on debt service related to the \$45 million of bonds issued on VMI's behalf in 2006 to fund various capital projects.

3. Athletic Revenues consists of gate receipts (football and basketball), guarantees (football, basketball, and baseball), NCAA and Southern Conference sponsorship revenues, track invitational entry fees, and sales and other income. Guarantees in FY 2021 are projected to be \$254,000 less than FY 2020. Southern Conference and NCAA revenues are expected to be down \$189,000 from FY2020 levels. Cadet Athletic Fees increased by 3% for FY 2021, or \$106 per cadet and represent approximately 73% of operating revenues. A projected decline in enrollment erodes some of the benefit the increase in fees would normally generate.
4. Museum Systems revenues and expenditures consist of the VMI Museum at VMI, the Virginia Museum of the Civil War (VMCW) at New Market, VA and the Stonewall Jackson House in Lexington, VA. Museum income and expenses for FY 2021 are expected to fall short of FY 2020 levels. Revenue is projected to be down 40% below last year's budget primarily due to decreased attendance and sales in response to the economic downturn caused by the Coronavirus pandemic.
5. The Center for Leadership and Ethics (CLE) conducts about four or five conferences each year with income from donations, attendance fees, exhibitor fees, and corporate sponsorships. The CLE generally seeks to cover conference expenses with conference revenues, but some private donations from the VMIF have been necessary to support conferences. VMI also provides support in its State Educational and General Program (E&G) for the CLE as needed. Private support from the VMIF and E&G Program support are budgeted in those programs. VMI did not budget direct E&G support to the CLE in FY 2021 although some direct support was given to them in FY 2019.
6. VMI earns commissions on sales in the bookstore, PX, outside catering, and vending operations. The commissions approximate 17% of sales overall and are paid by the

outside contractors (Follett, Parkhurst, and Compass) to VMI for the use of the space to operate the concessions.

7. Local unrestricted funds provide 4% of the cost of faculty salaries, 3.33% of the cost of certain administrative professional staff salaries, and a portion of the Superintendent's compensation. The balance of these salaries is funded from State or other private funds.
8. Chaplain's Office support covers the difference in the amount of private restricted donations and other funds available to cover the salaries of the Chaplain, the Associate Chaplain, and the administrative assistant. Support was reduced by \$10k in FY2021 to reflect the ability of the Chaplain's Office to use money in an endowment that was previously unavailable due to restrictions no longer applicable.
9. VMI provides a subsidy up to \$1,500 per year for full-time teaching and administrative faculty who purchase a home as their primary residence. The amount budgeted is based on the number of participants and their mortgage balances (currently about 56 employees). VMI discontinued this program for new employees effective 1 January 2010 as a cost saving measure.
10. Contingency funds of \$214,000 are budgeted to cover unanticipated costs, especially costs that are not appropriate for State funding.
11. VMI uses unrestricted funds as necessary to supplement "need-based" student financial aid from private restricted funds, State funds, cadet tuition revenue, and federal funds. No local unrestricted funds are budgeted for financial aid in FY 2021.
12. A portion of the VMI Alumni Agencies Board income is budgeted to support the Athletic program. For FY 2021, 62.5% of Development Board unrestricted income is being budgeted for athletics.
13. The JM Hall Debt will be satisfied in FY 2023, thus making these funds available for other Institute uses.
14. The VMI Foundation is expected to spend approximately \$120,000 of VMI's unrestricted income for outside consultants on VMI's behalf (primarily government relations consultants).
15. The Daniels Award is given periodically and was awarded in FY 2019, therefore the budget for FY 2021 is zero.

Intercollegiate Athletics Operating Revenues and Support

	2020 Budget	2021 Budget	Inc (Dec)	%	Notes
<i>Revenue and Support</i>					
<i>Revenue</i>					
Cadet Fees	5,840,800	5,879,000	38,200	0.7%	1
Guarantees--Football	625,000	375,000	(250,000)	-40.0%	2
Guarantees--Basketball	275,000	270,000	(5,000)	-1.8%	3
Guarantees - Baseball	6,500	7,500	1,000	100.0%	
Guarantees - Men's Soccer	-	-	-	100.0%	
Gate Receipts--Football	240,000	210,000	(30,000)	-12.5%	4
Gate Receipts--Basketball	42,000	42,000	-	0.0%	
Football ticket sales - away games	-	-	-		4
Entry Fees - Track Invitationals	60,000	80,000	20,000	33.3%	5
NCAA Academic Assistance	82,500	43,800	(38,700)	-46.9%	6
NCAA /Conference Revenue	332,500	143,700	(188,800)	-56.8%	6
Sales and Other Income	120,000	145,000	25,000	20.8%	7
Total Revenue	7,624,300	7,196,000	(428,300)	-5.6%	
<i>Support</i>					
VMI Alumni Agencies Board					
Unrestricted Endowment	250,000	250,000	-	0.0%	8
Restricted Endowment	281,700	294,300	12,600	4.5%	
Keydet Club	66,000	71,000	5,000	7.6%	10
NCAA Distribution	36,000	51,000	15,000	100.0%	11
VMI Unrestricted Income	12,500	12,500	-	0.0%	9
VMI Concessions Commissions	80,000	171,200	91,200	114.0%	9
Total Support	726,200	850,000	123,800	17.0%	
Total Revenue and Support	8,350,500	8,046,000	(304,500)	-3.6%	

Local Funds

Intercollegiate Athletics Revenues

Notes

1. The Cadet Fees budget increase reflects a \$106 or 3% increase in the cadet athletic fee from \$3,544 to \$3,650 offset by a decline of 37 cadets in the enrollment projection.
2. Football Guarantees are \$375,000 for FY 2021. The only guarantee game for this fiscal year is for the matchup against UVA. This is a \$250,000 decrease from FY 2020.
3. Basketball Guarantees generally consist of four or five games ranging from about \$75,000 to \$85,000 each. FY 2021 is budgeted to be \$5,000 less than in FY 2020.
4. The Football Gate Receipts budget totals \$210,000 and consists of five home games. Four of the games are at \$40,000 each and the home game against The Citadel is \$50,000. The FY 2020 budget was \$240,000 and consisted of six home games.
5. The Athletic Department will host several indoor track events in FY 2021. The invitational events attract numerous teams with each visiting team charged an entry fee to cover costs of hosting the event. The FY 2021 budget is estimated to bring in an additional \$20,000 more than FY 2020.
6. The NCAA and Conference provide funding to support academic enhancement, student assistance, and operations. Due to the impact of the Coronavirus pandemic on NCAA revenues, the support for FY 2021 will be drastically less than in previous years.
7. The Sales and Promotions budget includes royalties from outside vendor sales of VMI logo merchandise, sponsorship revenues, advertising fees (ads on scoreboards and around the football, baseball, and Cameron Hall stadiums/arenas), program sales, and other income.
8. A portion of VMI Development Board unrestricted support will be used to subsidize Athletic operations in FY 2021. The amount of support for FY 2021 will be \$250,000. In past years, this Development Board support was used for Athletic scholarships rather than operations. Because of recent significant increases in Keydet Club scholarship support, these funds became available to support Athletics operations.
9. Other Local Unrestricted funds, \$12,500, will be given to the Athletic Department for athletic strength training support in FY 2021. Commission revenue will continue at \$80,000 with and additional \$91,200 to cover the portion of athletic salaries previously budgeted and paid for by Commission revenue but never charged to the Athletic Department.
10. The Keydet Club is budgeted to provide \$5.5 million in donations and endowment income to the Athletic Program in FY 2021. This funding supports athletic scholarships and program

operating costs. Most of the funding is needed for scholarship costs which are budgeted for a total \$5.5 million in FY 2021.

11. In FY 2018, the NCAA provided a one-time distribution of \$360,000 to be used over a ten-year period for athlete health/welfare in accordance with an approved spending plan. FY 2021 is the fourth year of this support.

**Local Funds
Intercollegiate Athletic Expenditures**

Department	FTE	Salaries & Supplies				Travel	Recruiting	Officials	Other	2021	2020	Inc (Dec)	Notes
		Fringes	& Equip	Total	Total								
Football	10	1,017,462	101,961	185,000	82,150	52,625	69,664	1,508,862	1,563,115	(54,253)	1		
Basketball	5	591,286	47,555	103,200	41,000	75,000	64,445	922,486	897,573	24,913			
Track--Men	2	151,504	10,500	39,325	2,500	25,000	6,000	234,829	218,325	16,504			
Track--Women	2	151,503	10,500	39,325	2,500	25,000	6,000	234,828	218,325	16,503			
Wrestling	2	149,181	14,000	41,186	5,800	3,200	11,474	224,841	221,262	3,579			
Baseball	3	249,973	37,700	71,000	13,000	39,125	3,175	413,973	420,971	(6,998)			
Soccer--Men	1	92,974	9,500	34,720	6,500	10,000	2,000	155,694	154,901	793			
Soccer--Women	2	124,573	4,000	51,115	2,500	9,385	-	191,573	200,084	(8,511)			
Lacrosse	2	171,912	40,000	42,900	12,000	12,000	8,750	287,562	294,724	(7,162)			
Swimming	1	74,327	15,000	51,660	2,500	500	8,740	152,727	149,728	2,999			
Water Polo--Women	1	85,195	8,500	58,900	12,000	1,500	7,000	173,095	173,469	(374)			
Rifle	0	22,176	15,000	13,800	100	-	1,500	52,576	54,180	(1,604)			
Training/Medical	4	273,333	34,500	-	-	-	25,940	333,773	302,426	31,347			
Strength/Condition	2	213,462	7,150	-	-	-	2,850	223,462	195,573	27,889			

**Local Funds
Intercollegiate Athletic Expenditures**

Department	FTE	Salaries & Supplies Fringes & Equip	Travel	Recruiting Officials	Other	2021 Total	2020 Total	Inc (Dec)	Notes
Sports Information	3	234,655	30,900	-	69,100	334,655	343,348	(8,693)	
Sports Marketing	1	61,219	-	-	6,500	67,719	65,305	2,414	
NCAA Acad/Assist	0	53,825	-	-	500	54,325	88,620	(34,295)	
Administration	9	754,973	13,875	-	170,625	952,723	953,914	(1,191)	
Indirect Costs-E&G		-	-	-	1,586,244	1,586,244	1,614,588	(28,344)	2
Transfer to Reserve		-	-	-	(59,812)	(59,812)	75,000	(134,812)	3
Contingencies		-	-	-	-	-	145,000	(145,000)	4
Total Athletics	49	4,473,533	400,641	182,550	1,990,695	8,046,135	8,350,431	(304,296)	

Note: See Details of Other Expenditures following this schedule.

Intercollegiate Athletic Expenditures
Details of Other Expenditures
2021

	Training/			Total	Notes
	Football	Basketball	Medical		
Telecommunications					
Home Game Expenses	19,150	10,000			29,150
Preseason Meals	-				-
Guarantees	-	10,000			10,000
Medical Services			17,640		17,640
Photography	19,114				19,114
Medical Insurance				46,000	46,000 1
Dues and Fees	4,000	5,400	2,500	58,000	69,900
Postage				5,500	5,500
Bank Card Charges				7,500	7,500
Plant/Equipment Maintenance				11,000	11,000
Awards and Prizes				10,000	10,000
Rent--AD/Head Coach	22,000	25,000		25,125	72,125
Miscellaneous	5,400	14,045	5,800	7,500	32,745
Total Other Expenditures	69,664	64,445	25,940	170,625	330,674
	<u>69,664</u>	<u>64,445</u>	<u>25,940</u>	<u>170,625</u>	

Notes

1. This represents medical insurance premiums to insure players without personal medical coverage and to enhance coverage for those players without adequate coverage.

Local Funds
Intercollegiate Athletics Expenditures
Notes

1. The Football budget decrease reflects a reduction in non-payroll related operating expenditures.
2. Indirect Cost is calculated as a percentage of total Athletic Direct Costs. The recovery rate in FY 2021 is 24.33% versus 24.24% in FY 2020. Total decrease in costs for FY 2021 generates a decrease in Indirect Cost.
3. The Transfer from Reserve is to make up the shortfall in revenue to cover FY 2021 budgeted expenditures.
4. For FY 2021, we are unable to budget a contingency account due to revenue downturns and the level of expenditures to maintain all programs. Contingencies vary each year and are budgeted based on available funding.

VMI Museum Operations Revenues and Expenses

	FY 2021 Budget			FY 2020 Budget		Inc (Dec)	%	Notes
	VMIM	VMCW	SJH	Total	Total			
<i>Revenue and Support</i>								
Admissions	-	135,750	54,750	190,500	268,000	(77,500)	-28.9%	1
Sales	104,250	20,000	12,250	136,500	271,000	(134,500)	-49.6%	1
Contributions and Grants	11,250	5,000	75,000	91,250	100,000	(8,750)	-8.8%	2
Endowment Income	41,500	169,000	-	210,500	188,000	22,500	12.0%	3
Reserve Funds	-	26,000	10,000	36,000	148,000	(112,000)	-75.7%	4
Other Income	1,000	7,000	1,000	9,000	6,000	3,000	50.0%	
Total Revenue and Support	158,000	362,750	153,000	673,750	981,000	(307,250)	-31.3%	
<i>Operating Expenses</i>								
Personal Services	100,350	284,800	117,800	502,950	646,500	(143,550)	-22.2%	5
Merchandise for Resale	37,500	-	-	37,500	135,500	(98,000)	-72.3%	
Other Operating	20,150	77,950	35,200	133,300	199,000	(65,700)	-33.0%	6
Total Expenses	158,000	362,750	153,000	673,750	981,000	(307,250)	-31.3%	
<i>Excess (Deficiency) Revenue</i>								
Add: Fund Balance, begin	(111,000)	(42,000)	(189,000)	(342,000)	46,420	(388,420)	-836.8%	
Fund Balance, ending	(111,000)	(42,000)	(189,000)	(342,000)	46,420	(388,420)	-836.8%	

Museum Systems Notes

1. Admissions and sales are budgeted for a total of \$327,000 or \$212,000 (40%) less than in FY 2020. The economic downturn will severely impact non-essential travel and discretionary spending negatively impacting visitation to the Museums.
2. Contributions and grants, consisting mostly of gifts to the Stonewall Jackson House (SJH), are budgeted for a total of \$91,000 in FY 2021 or \$9,000 less than FY 2020. SJH gifts consist mostly of a large grant from the Lee-Jackson Foundation.

Note: VMI's State Educational and General Program and Auxiliary Enterprises Program also provide support of \$119,000 and \$200,000, respectively, in FY 2021 for Museum programs that benefit cadets, faculty, and visitors. This support consists mostly of funding for some of the personal services costs of Museum employees.

3. Endowment income consists mostly of spendable income on the VMI Collins Endowment that is restricted to support of the Virginia Museum of the Civil War (VMCW) located at New Market, VA. The Collins Endowment had a market value of \$3.7 million as of 29 February 2020 for no gain from the same time period last year.
4. Reserve funds represents use of Local Unrestricted funds on behalf of the Museum Programs.
5. The Museum personal services budget reflects a decrease of \$143k. The vacant classified staff position at SJH is frozen and is not included in the FY 2021 budget. All part-time wage payroll is eliminated. Hours of operation and staff schedules will be adjusted to accommodate the reduction.
6. Other operating costs consists largely of supplies, utilities, facility maintenance, advertising, and contractual services. Operating costs will need to be closely monitored to stay within budget and will need to be adjusted during the year for actual revenues versus projections. Operating expenses based on sales projections are \$164k less than the previous fiscal year.

**Local Funds
Center for Leadership and Ethics**

	2020 Budget	2021 Budget	Inc Dec	%	Notes
Revenue and Support					
Cash Donations	539,000	465,000	(74,000)	-13.7%	1
Endowment Income	392,000	493,000	101,000	25.8%	2
Conference Income	210,000	264,000	54,000	25.7%	3
VMI E&G Program Support	-	-	-		4
Rental Income	10,000	10,000	-	0.0%	
Total Revenue and Support	1,151,000	1,232,000	81,000	7.0%	
Expenses					
Personal Services	906,000	939,000	33,000	3.6%	5
Conference Expenses	166,000	322,000	156,000	94.0%	3
Program/Other Expenses	173,000	286,000	113,000	65.3%	6
Total Expenses	1,245,000	1,547,000	302,000	24.3%	
Excess (Deficiency) Revenue					
	(94,000)	(315,000)	(221,000)		
Beginning Fund Balance	736,000	907,000	171,000		
Ending Fund Balance	642,000	592,000	(50,000)		7

Center for Leadership and Ethics Notes

1. Cash donations consist mostly of gifts already received and held by the VMI Foundation. The donations are restricted or available for use by the Center for Leadership and Ethics (CLE). Most of the gifts are from a few large donors.
2. Endowment income derives from endowment gifts for the CLE for certain positions or operations and programs in general. The increase from FY 2020 is due to the inclusion of the \$88k in endowment funds available for the HB Johnson Lecture Series not previously in the CLE budget. There is not overall impact to the CLE budget because the same amount is included as conference expenses.
3. The CLE holds approximately four to five major conferences annually to include Environment Virginia and conferences on leadership, public policy, and topics of national importance. Conference income consists of registration fees, exhibitor fees, private donations, and other support. Conferences may require private donations to help cover all expenses. Conference expenses will vary annually based on the number of conferences held and the expected attendance.
4. VMI State E&G support is provided to supplement private funding for the CLE. E&G support derives from State funds including cadet tuition revenue. CLE programs and activities are an integral part of a cadet's VMI education. For FY 2021, no E&G support is budgeted and the CLE fund balance will be used to supplement CLE revenues
5. The Personal Services budget increase is attributed to the one month insurance premium holiday given to state agencies in FY 2020. FY 2021 does not include a premium holiday, resulting in an overall increase in expenditures from FY 2020 to FY 2021.
6. Program and Other expenses include several cadet programs addressing leadership and ethics. It also includes a faculty/cadet leadership development program, and other military history events. Other expenses consist mostly of the general and administrative costs of operating the CLE. All facilities and grounds maintenance to include utilities, insurance, preventive maintenance, repairs, and other costs are funded by VMI in its Educational and General (E&G) Program. These facilities and grounds costs total over \$200,000 annually and are not included in the CLE budget.
7. The CLE fund balance consists mostly of conference income and private support that has been received but not fully spent by the end of the fiscal year.

Cadet Financial Assistance

Sources/Programs	2020	2021	Inc (Dec)	%	Notes
State Funds					
General Funds					
Student Financial Aid	1,118,000	1,118,000	-	0.0%	1
Total General Funds	1,118,000	1,118,000	-	0.0%	
Cadet Tuition and Fees					
E&G Program	3,700,000	3,700,000	-	0.0%	2
Total State Funds	4,818,000	4,818,000	-	0.0%	
Local Funds					
Restricted					
VMI Foundation					
Merit and Other Scholarships	5,401,000	5,428,000	27,000	0.5%	
Athletic Scholarships	43,000	44,000	1,000	2.3%	
Total VMI Foundation	5,444,000	5,472,000	28,000	0.5%	3
VMI Alumni Agencies Board					
Athletic scholarships	330,000	339,000	9,000	2.7%	3
VMI Keydet Club--Scholarships	5,018,000	5,446,000	428,000	8.5%	3
VMI BOV Endowment	271,000	288,000	17,000	6.3%	
NCAA/Conference Assistance	120,000	40,000	(80,000)	-66.7%	
Outside Trusts	75,000	82,000	7,000	9.3%	
Total Restricted	11,258,000	11,667,000	409,000	3.6%	
Federal Grants/Aid					
SEOG	91,000	91,000	-	0.0%	
PELL	1,100,000	1,100,000	-	0.0%	
Total Federal Aid	1,191,000	1,191,000	-	0.0%	4

Sources/Programs	2020	2021	Inc (Dec)	%	Notes
Total Local Funds	12,449,000	12,858,000	409,000	3.3%	
Total All	17,267,000	17,676,000	409,000	2.4%	5

Cadet Financial Assistance Notes

1. State general funds appropriated for cadet financial assistance remained unchanged for FY2021 at \$1,118,000. These funds are for in-state cadets with demonstrated financial need.
2. VMI cadet financial aid funded from tuition revenue is budgeted for \$3.7 million, the same as the FY 2020 budget. These funds are mostly awarded to out-of-state cadets with demonstrated financial need because these cadets are not eligible for State financial aid funds and VMI lacks sufficient private scholarship funds.

Non-Virginia tuition and fees are almost twice the amount of in-state tuition and fees. Non-Virginia cadets are projected to comprise approximately 37% of the Corps in FY 2021 and about 65% are projected to qualify for need-based financial aid. Approximately 49% of in-state cadets qualify for need-based aid which results in an overall average of about 55% of the total Corps qualifying for need-based aid.

Sufficient financial aid is needed to help ensure the realization of the budget assumptions regarding total enrollment and the mix of in-state and out-of-state cadets. The VMI cadet financial aid budget is determined in consultation with the Director of Financial Aid and is based on estimates of the funding needed to supplement State, Federal, and private restricted sources of aid. Using a combination of grants and loans, VMI generally funds about 100% of the required need of in-state cadets and about 60%-65% required need of out-of-state cadets.

Note: For FY 2019, 63.2% of VMI's graduates had loans. This consisted of 62.3% of in-state graduates with an average loan balance of \$25,707 and 64.9% of out-of-state graduates with an average loan balance of \$40,443. Lending institutions include the Department of Education and private lenders. According to The Institute for College Access & Success, average indebtedness nationally for 2018 graduates of public four-year colleges and universities was \$29,200. In addition, about 66% of college seniors graduated with student loan debt in 2018.

3. Cadet financial assistance from the VMI Foundation (VMIF), the VMI Alumni Agencies Board (VMIAAB), and the VMI Keydet Club (KC) is budgeted to total \$11.3 million or about \$465,000 more than in FY 2020.

The athletic scholarship budget totals \$5.9 million, 7% more than in FY 2020.

4. Federal aid funding for PELL grants is budgeted to remain at FY 2020 funding levels. PELL grants are awarded to needy cadets and the actual award amount for eligible cadets is determined by the U.S. Department of Education; VMI does not determine who is eligible for these grants. The total PELL amount can vary from year to year depending on the level of need of the cadets applying for the grants.

5. VMI's cadet financial assistance budget totals \$17.7 million for an increase of \$409,000 or 2.4% over FY 2020. This compares to an increase in tuition and fees of 1.3% for in-state and 2.8% for out-of-state cadets. Taking into account the projected number of ROTC scholarship cadets and other sources of outside funds to include loans that are not included in VMI's financial aid budget, this budget is considered about adequate for VMI to meet approximately 100% of the need of in-state cadets and about 55% - 60% of the need of out-of-state cadets with the general policy of requiring needy cadets to assume some loan amount.

This budget represents 26% of VMI's total projected tuition and fee revenues of \$62.3 million for FY 2021 which is comparable to the 28% in FY 2020. This 26% "tuition discount" consists mostly of restricted funds that are required to be used for financial assistance (financial aid budget consists of 79% restricted funds and 21% unrestricted funds). VMI's "tuition discount" is significantly less than private institutions (average discount rate for private non-profit undergraduate institutions rose to 50% in the most recent NACUBO survey released 10 May 2019). The average discount rate for public institutions is not readily available but is estimated to be less than VMI's percentage.

VMI's tuition discount rate is probably higher than most other public institutions due to its relatively larger private endowment which includes a significant portion of restricted scholarships. The number of cadets with demonstrated financial need and the extent of their need continues to require that VMI use significant amounts of tuition revenues to meet the demand for financial aid. VMI needs more "restricted" scholarship endowments to minimize the amount of tuition revenues that it must allocate to cadet financial assistance.

Supplementary Information

Key Budget Statistics Six-Year Review

	<i>(Fiscal Year Ending)</i>					
	2016	2017	2018	2019	2020	2021
Corps Data						
Total Enrollment (Fall Opening)						
Budget	1,715	1,726	1,756	1,756	1,726	1,693
Actual	1,738	1,737	1,748	1,712	1,730	
Actual Over (Under)	23	11	(8)	(44)	4	
New Cadet Enrollment						
Budget	490	500	500	500	500	500
Actual	495	506	506	519	515	
Actual Over (Under)	5	6	6	19	15	
% Virginians						
Budget	59.4%	61.2%	62.7%	63.2%	62.6%	62.8%
Actual	59.3%	60.9%	62.7%	62.0%	62.8%	
Tuition and Fees						
Virginia	25,202	26,460	27,450	28,344	28,884	29,270
% Increase	5.5%	5.0%	3.7%	3.3%	1.9%	1.3%
Non-Virginia	48,216	50,769	53,138	55,188	55,728	57,280
% Increase	4.9%	5.3%	4.7%	3.9%	1.0%	2.8%
VMI Financial Aid	15,552,000	16,362,000	16,991,000	17,457,000	17,267,000	17,676,000
% Increase	8.4%	5.2%	3.8%	2.7%	-1.1%	2.4%

(Fiscal Year Ending)

	2016	2017	2018	2019	2020	2021
VMI Workforce						
Total Full-time Employees	581	590	605	610	615	617
Total Full-time Teaching Faculty (included in total above also)	139	143	144	147	150	154
Total Payroll (Salaries and fringes) % Increase	49,821,000 1.6%	51,953,000 4.3%	53,947,000 3.8%	55,215,000 2.4%	58,356,000 5.7%	59,801,000 2.5%
Budgets						
Total Operating Budget % Increase	82,371,000 1.5%	85,615,000 3.9%	88,090,000 2.9%	89,980,000 2.1%	95,825,000 6.5%	95,447,000 -0.4%
Total State General Funds % Inc (Dec)	14,130,000 -2.1%	15,676,000 10.9%	15,058,000 -3.9%	15,673,000 4.1%	18,998,000 21.2%	19,265,000 1.4%
Total Cadet Tuition/Fees/Sales % Increase	44,517,000 5.7%	45,795,000 2.9%	48,315,000 5.5%	47,665,000 -1.3%	50,292,000 5.5%	48,313,000 -3.9%
Total Private Funds Support % Increase	19,083,000 -2.3%	19,625,000 2.8%	20,458,000 4.2%	21,483,000 5.0%	22,330,000 3.9%	23,225,000 4.0%
Total Other Funds % Increase	4,641,000 -8.7%	4,519,000 -2.6%	4,259,000 -5.8%	5,159,000 21.1%	4,205,000 -18.5%	4,644,000 10.4%

(Fiscal Year Ending)

	2016	2017	2018	2019	2020	2021
Sources of Funds As % of Total Budget						
Total State General Funds	17.2%	18.3%	17.1%	17.4%	19.8%	20.2%
Total Cadet Tuition/Fees/Sales	54.0%	53.5%	54.8%	53.0%	52.5%	50.6%
Total Private Funds Support	23.2%	22.9%	23.2%	23.9%	23.3%	24.3%
Total Other Funds	5.6%	5.3%	4.8%	5.7%	4.4%	4.9%
Total Sources	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

% of E&G Budget for Instruction/
Academic Support/Student Services

	73.2%	75.0%	74.0%	74.9%	71.9%	72.7%
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Key Financial Balances

(Actual 30 June or projected for 2019 and 2020)

VMI General Endowment	7,535,157	8,062,005	8,314,319	9,638,335	9,000,000	9,400,000
VMI Collins Endowment	3,436,993	3,660,724	3,774,072	3,787,147	3,500,000	3,700,000
Auxiliary Fund Balance	12,927,511	16,176,952	18,341,162	18,006,303	14,000,000	13,500,000
Local Unrestricted Fund Balance	463,982	1,236,572	478,512	1,822,637	1,400,000	1,400,000
Total Fund Balances	24,363,643	29,136,253	30,908,065	33,254,422	27,900,000	28,000,000

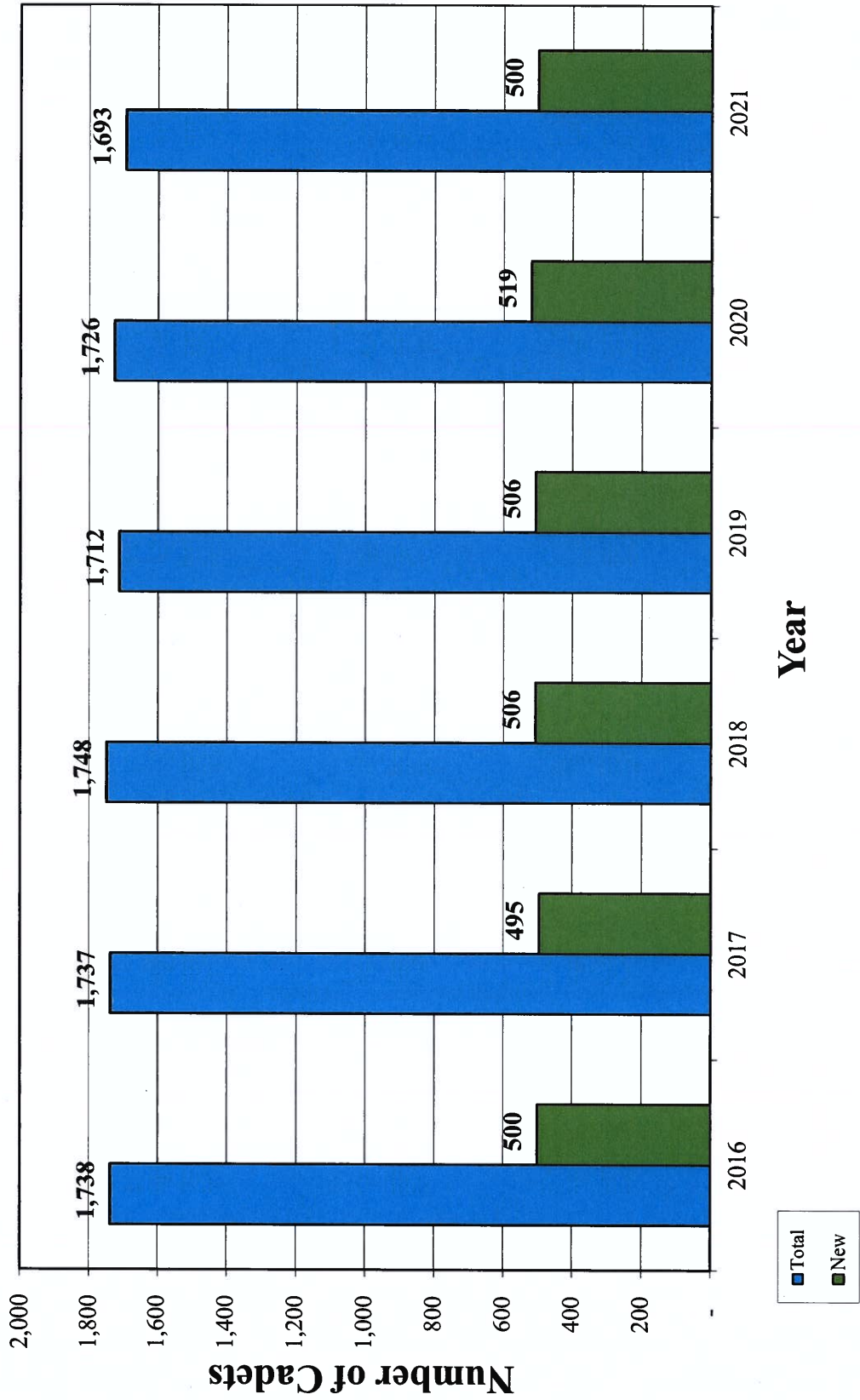
(Fiscal Year Ending)

	2016	2017	2018	2019	2020	2021
Balance of Outstanding Debt (Actual 30 June or projected for 2019 and 2020)						
JM Hall (\$2.3M original)	1,125,000	983,000	838,000	688,000	530,000	360,000
Cocke Hall Annex (\$2.0M original)	970,000	847,000	722,000	592,000	455,000	310,000
Crozet Hall (\$11.2M original)	6,433,000	5,854,000	5,244,000	4,604,000	3,844,000	3,184,000
South Institute Hill (\$2.85M original)	2,415,000	2,290,000	2,160,000	2,025,000	1,885,000	1,740,000
VCBA 2013A Projects (\$4.0M original)	3,935,000	3,780,000	3,620,000	3,450,000	3,275,000	3,100,000
VCBA 2014A Projects (\$4.0M original)	3,565,000	3,450,000	3,330,000	3,200,000	3,065,000	2,925,000
VCBA 2015A Projects (\$4.0M original)	3,915,000	3,915,000	3,785,000	3,645,000	3,500,000	3,345,000
VCBA 2018A Projects (\$3.38M original)				3,240,000	3,240,000	3,135,000
VCBA 2019A Projects (\$3.5M original)				-	3,340,000	3,340,000
Total Debt Outstanding	22,358,000	21,119,000	19,699,000	21,444,000	23,134,000	21,439,000

Note: All Supplementary data above reflects budget figures except where "actual" noted

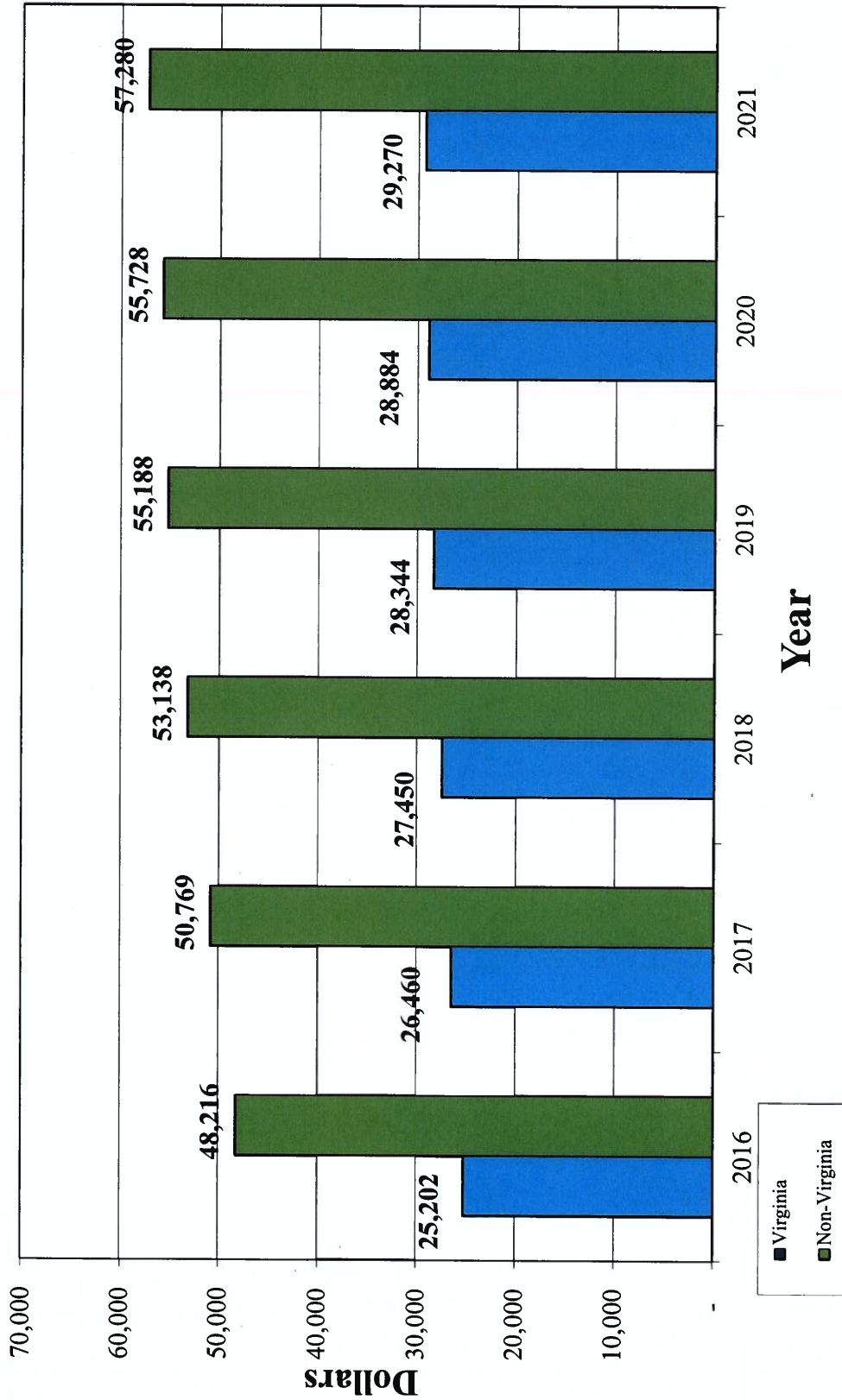
Note: JM Hall and Cocke Hall debt will be satisfied in FY 2023. Crozet Hall debt will be satisfied in FY 2025. Remaining debt will be satisfied between FY 2031 and FY 2040

Enrollment Total and New Cadets



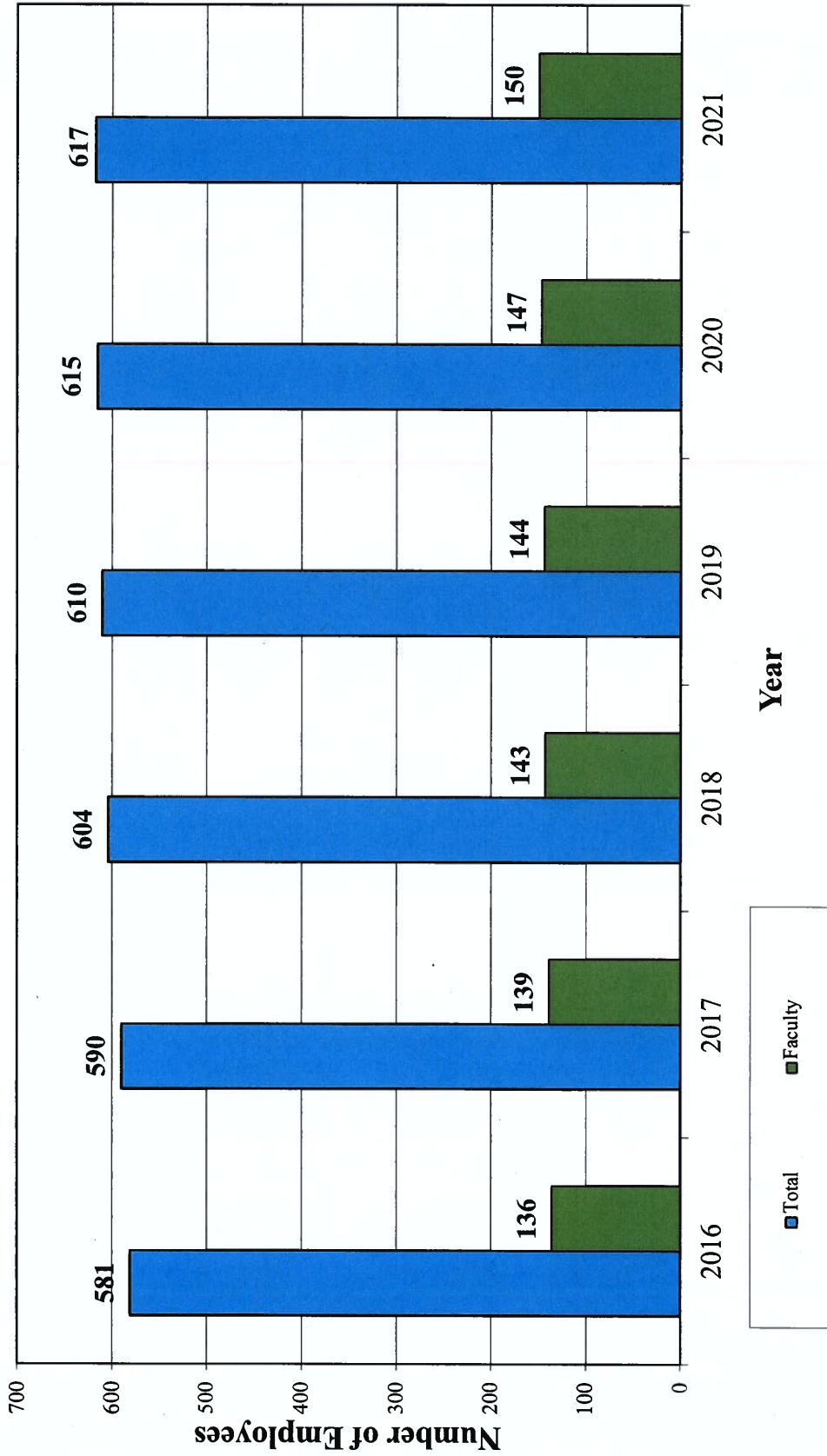
Tuition and Fees

In-State v. Out-of-State

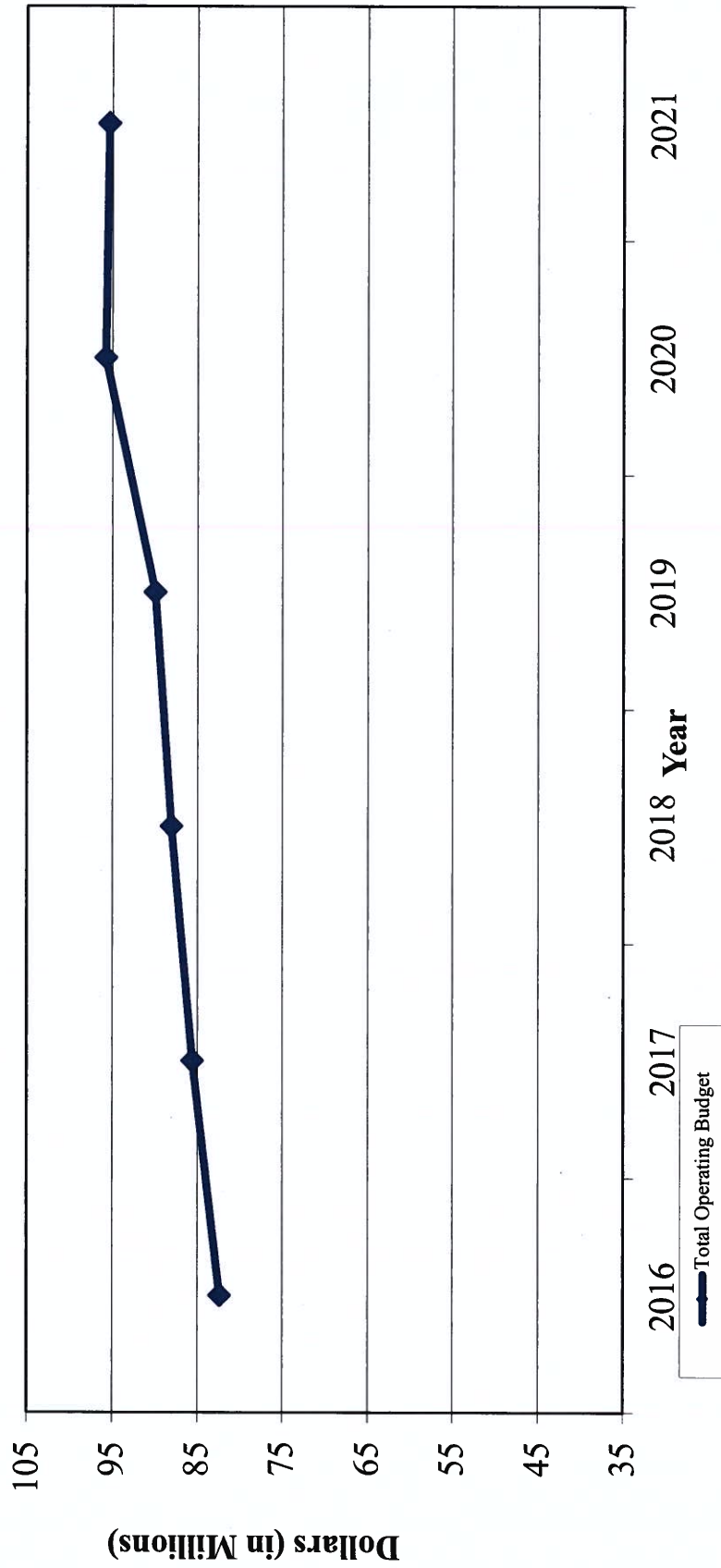


VMI Workforce

Total Employees vs. Teaching Faculty



Total Operating Budget



Key Financial Balances

