



Policy 403: System Annual Operating Budget

Calculations

Step 1: Calculate amount of general fund available

	<u>FY24</u>	
All State General Funds	49,086	
a. Allocations named to a specific purpose	(1,586)	Allied Health + VMEC
b. Extraordinary & one-time funding not named to a specific purpose	-	
General Fund less Special Purpose and Extraordinary	47,500	
c. Strategic Initiatives - 3% of General Fund less (a) and (b)	(1,425)	
d. Economic Stabilization - 2% of General Fund less (a) and (b)	(950)	
e. Estimated Retiree Medical Costs	(9,294)	
f. Corporate Functions	(1,118)	
Deductions before Distribution	(12,788)	
Balance to Allocate	34,712	

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General Fund less Special Purpose and Extraordinary	47,500	
c. Strategic Initiatives - 3% of General Fund less (a) and (b)	(1,425)	Revised requirements
d. Economic Stabilization - 2% of General Fund less (a) and (b)	(950)	
e. Estimated Retiree Medical Costs	(9,294)	
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e. Estimated Retiree Medical Costs	(9,294)	Estimate as of 1/2023
f. Corporate Functions	(1,118)	
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Estimated available balance to allocate for FY24

Step 2: Distribute funds. 3 year look-back relative to institutional need for academic and administrative functions

	VSCS	CCV	VTSU	
FY24 Balance to Allocate	34,712			Estimated available balance to allocate for FY24 from Step 1
Average Academic/Administrative Need		5,202	15,646	
Proportion of Total Need		25%	75%	
FY24 Allocation		8,661	26,051	

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3 year average academic & administrative need = \$20.848M

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Proportion of need is 25% / 75%			
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FY24 Balance to allocate is multiplied by proportion of need

General Fund Comparison FY24 to FY23

	CCV	VTSU	
(1) FY23 General Fund Allocation	8,757	30,849	FY23 Allocated General Fund
(2) FY24 General Fund Allocation	8,661	26,051	FY24 Policy 403-A General Fund
FY24 Expenses Covered by Initial Deductions			
Corporate Functions	237	946	
Retiree Medical	882	8,093	
Total Initial Deductions	1,119	9,039	
(3) FY24 Value of Gen'l Fund	9,780	35,090	
Change in General Fund	1,023	4,241	

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Costs covered by new allocation method before distribution

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FY24 Expenses Covered by Initial Deductions		
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Total value of general fund to each institution

Policy 403-B: Shared Expenses Comparison

	CCV	VTSU	Total	
(1) FY23 Shared Expenses	3,717	12,228	15,945	23.3% of total expenses covered by CCV in FY23
(2) FY24 Shared Expenses	5,315	11,191	16,506	32.2% of total expenses covered by CCV in FY24
Variance FY23 to FY24	1,598	(1,037)	561	

Impact of Revised Policy 403-A and 403-B

	CCV	VTSU
(1) FY23 General Fund	8,757	30,849
(2) FY23 Retiree Healthcare	(802)	(7,357)
(3) FY23 Corporate Functions	(209)	(836)
(4) FY23 Shared Expenses	(3,717)	(12,228)
General Fund Net	4,029	10,428
(5) FY24 General Fund	8,661	26,051
(6) FY24 Shared Expenses	(5,315)	(11,191)
General Fund Net of Shared Expenses	3,346	14,860

Change in Net Available General Fund

(683)

4,432

Net difference in new methodology