

## REPORT OF THE BOARD OF VISITORS RETREAT AUGUST 25, 2018

The Board of Visitors retreat was convened in open session by Rector Dennis Treacy on Saturday, August 25, 2018, at 9:00 a.m. at the W. E. Skelton 4-H Center in Wirtz, Virginia. There were no action items, and there was no public comment period. Larry Hincker served as the facilitator. The agenda included:

- Orientation for new Board members
  - a. Legal framework for new Board members  
Kay Heidbreder, University Legal Counsel, briefed the Board on the Freedom of Information Act, the Conflicts of Interests Act, and changes to the law regarding electronic meetings.
  - b. Higher education funding principles  
Dwight Shelton, Vice President for Finance and CFO, briefed the Board on the university budget process, sources of revenue, and the requirement for a balanced budget. The Board was reminded of their personal liability for unauthorized deficits.
  - c. Overview of academic enterprise  
Cyril Clarke, Interim Executive Vice President and Provost, and Jack Finney, Vice Provost for Faculty Affairs, briefed the Board on the tenure process, research leaves, and the role of the State Council of Higher Education for Virginia (SCHEV) and the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), which is the accrediting body for Virginia Tech.
  - d. Overview of higher education hot topics (Sands) – President Sands discussed with the Board several current hot topics in higher education including free speech, mental health, and institutional culture.
  - e. Board's fundamental responsibility to the university (Treacy)
- Revenue models to support Virginia Tech's priorities (Sands, Shelton, Yianilos, Hooper)
- Enterprise Risk Management tabletop exercise (Kurek, President's Leadership Team)
- Break-out sessions for committees to plan annual agenda

(Copies of the presentations are filed with the permanent minutes and attached.)

The meeting was adjourned at 6:05 p.m.

# **Virginia Tech Board of Visitors Retreat**

**Saturday, August 25, 2018**

**775 Hermitage Road, Wirtz, Virginia**

**9:00 – 11:30 a.m. Orientation for new BOV members (all members encouraged to attend)**

**11:30 – 12:30 p.m. Lunch**

**12:30 - 3:30 p.m. Revenue models to support Virginia Tech's Priorities**

**3:30 - 3:45 p.m. Break**

**3:45 - 5:30 p.m. ERM Tabletop Exercise**

**5:30 – 5:45 p.m. Break-out sessions for committees to review agenda for the year**

**5:45 – 6:00 p.m. Wrap up**

**6:00 p.m. Meeting adjourns; tour begins followed by reception and casual dinner**



# LEGAL FRAMEWORK FOR NEW BOARD MEMBERS

Kay Heidbreder

University Legal Counsel



# Three Key Statutes

Virginia Freedom of Information Act,  
§2.2-3700, Code of Virginia

State and Local Government Conflict of Interests Act,  
§2.2-3100, Code of Virginia, as amended

Virginia Polytechnic Institute and State University,  
§23.1-2600, Code of Virginia, as amended



# VFOIA

## TWO KEY COMPONENTS:

- Open Meetings
- Open Records

Public has a right to have government operate in the sunshine



# OPEN MEETING DEFINITION:

- Three or more members discussing public business at the same time
- To hold a meeting, absent an emergency, must provide public notice of meeting at least three days in advance



# Public Meetings

- Quorum of Board Members must be assembled in one location
- Electronic Meetings only permissible with:
  - Notice
  - Quorum in one physical location
  - Members of Public permitted to participate electronically
  - Electronic access must remain open during entire meeting
  - State Public Comment Form to be used



# New Addition to Law July 1, 2018

Board Member Electronic Participation Conditions:

1. Temporary or permanent disability
2. Up to two meetings per year for personal reasons

Minutes to include location of Board Member participation, personal reason to attend remotely, but do not need to open location to public





# CLOSED SESSION

At discretion of Board, may go into closed session - examples:

1. Personnel issues
2. Student issues
3. Legal Advice
4. Awards
5. Acquisition or Disposition of Real Property

After closed session, must certify only appropriate closed session topics discussed



# OPEN RECORDS

All records in possession of Board Members which discuss public business are open to public inspection - This Includes:

1. Emails
2. Text messages
3. Cell phone records

Exclusions similar to closed session meetings apply



# CONFLICT OF INTERESTS ACT

1. Every two years must complete on-line training
2. Annual Disclosure of Interests
3. Recuse yourself from the discussion if there is a matter before the Board in which you have a personal interest

# Board Obligations (See By-Laws)

## Highlights include:

- >Attend training administered by SCHEV within two years of appointment
- >Oversee University Property
- >Make regulations and policies concerning the Institution
- >Appoint Chief Executive Officer of the Institution
- >Appoint Professors and fix salaries
- >Set tuition and fees
- >Regulate student discipline
- >Operate Virginia Cooperative Extension

# Higher Education Funding Principles

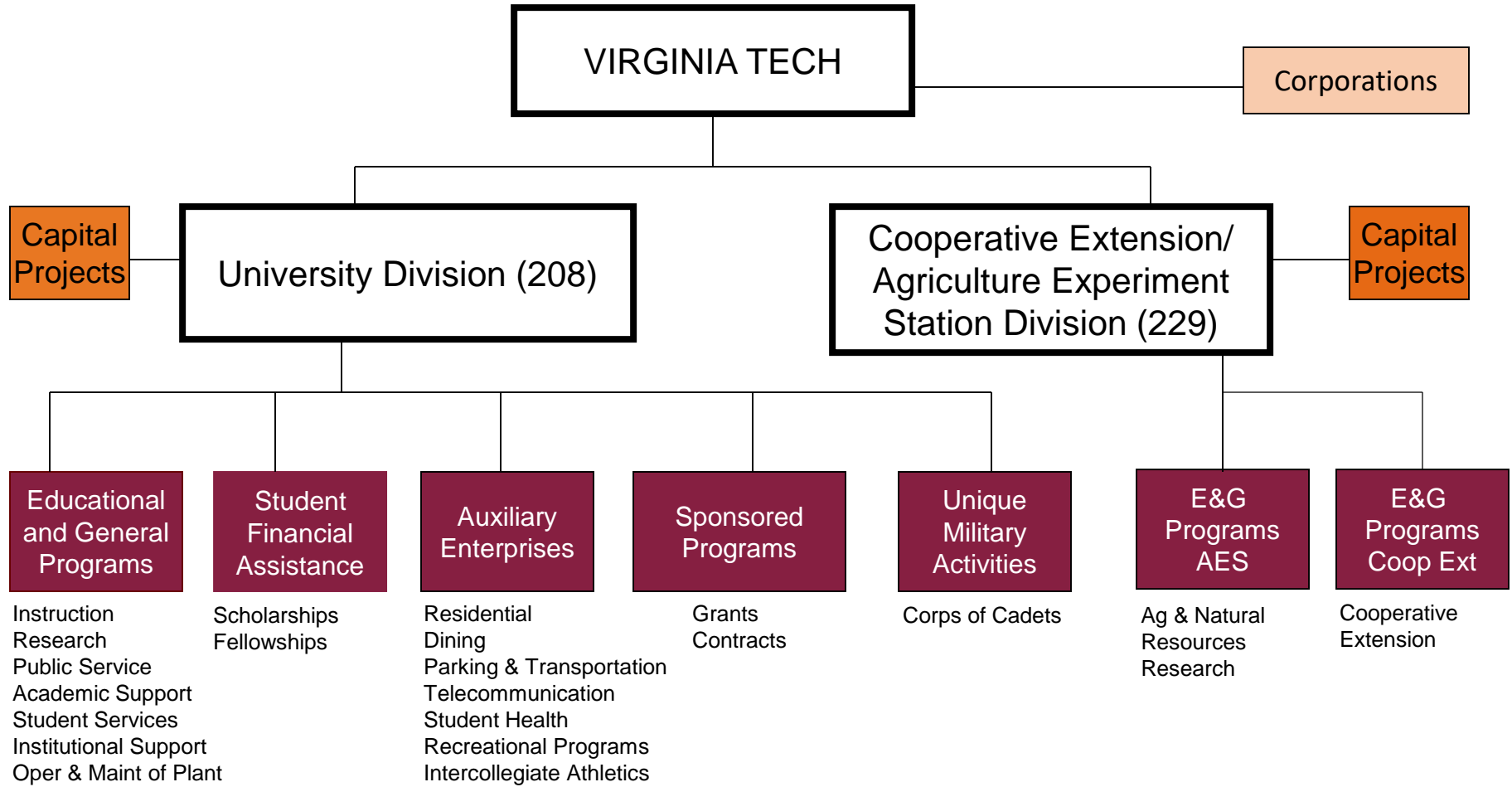
## Board of Visitors

August 25, 2018

**DWIGHT SHELTON**  
VICE PRESIDENT FOR FINANCE AND CFO



# Programmatic Structure



# Public & Private Resources

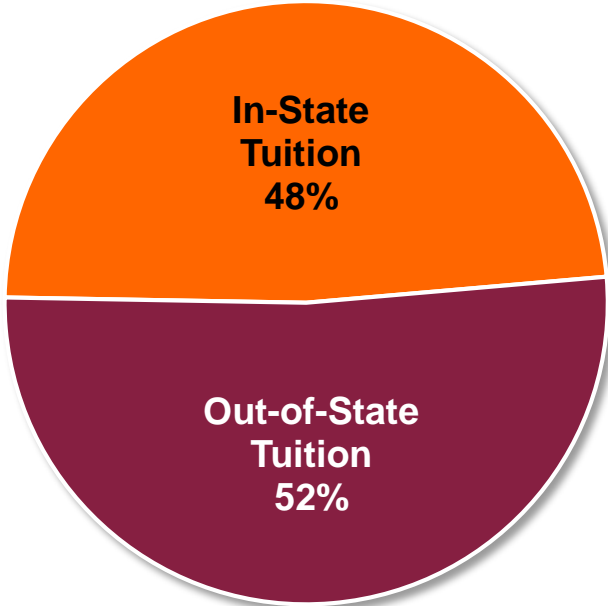
2018-19 Budget (\$ in Millions)

	State	In-State T&F	Out-of-State T&F	Self- Generated	Private	Total
208 E&G	\$164.4	\$264.3	\$288.1	\$45.1		\$762.0
229 E&G	72.3			16.5		88.8
Student Financial Aid	21.8			8.3		30.1
Auxiliary Enterprises		43.2	22.8	282.4		348.4
Sponsored Programs	5.4			316.7		322.1
All Other Programs (UMA)	2.3			5.2		7.5
Subtotal Public Resources	266.2	307.5	310.9	674.2	-	1,559.0
Virginia Tech Foundation					168.7	168.7*
Other University-Related Entities					27.3	27.3*
<b>Total</b>	<b>\$266.1</b>	<b>\$307.5</b>	<b>\$310.9</b>	<b>\$674.2</b>	<b>\$196.0</b>	<b>\$1,755.0</b>
<i>% of total</i>	<i>15%</i>	<i>18%</i>	<i>18%</i>	<i>38%</i>	<i>11%</i>	

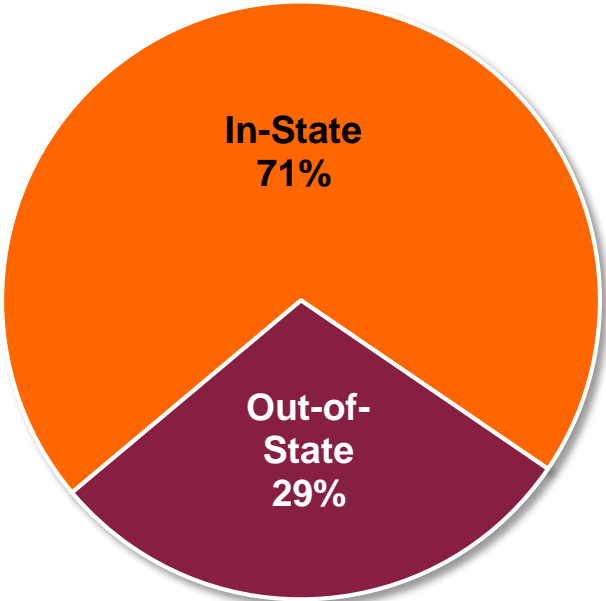
\*estimated

# Undergraduate Tuition Revenue

Undergraduate Tuition Revenue  
\$439.7 million



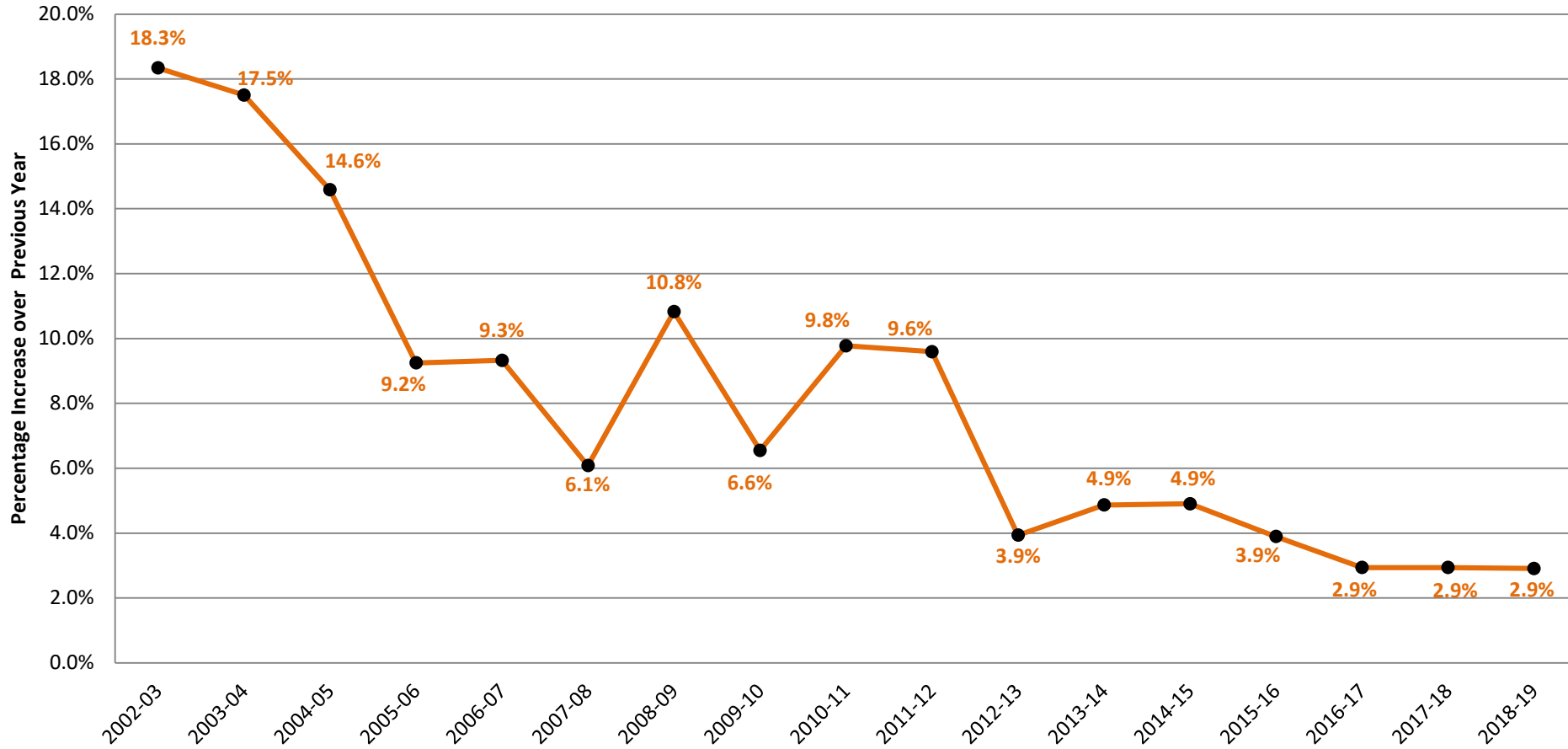
Undergraduate Residency  
Fall 2018 Budget





# Virginia Undergraduate Tuition and Fee Increase History

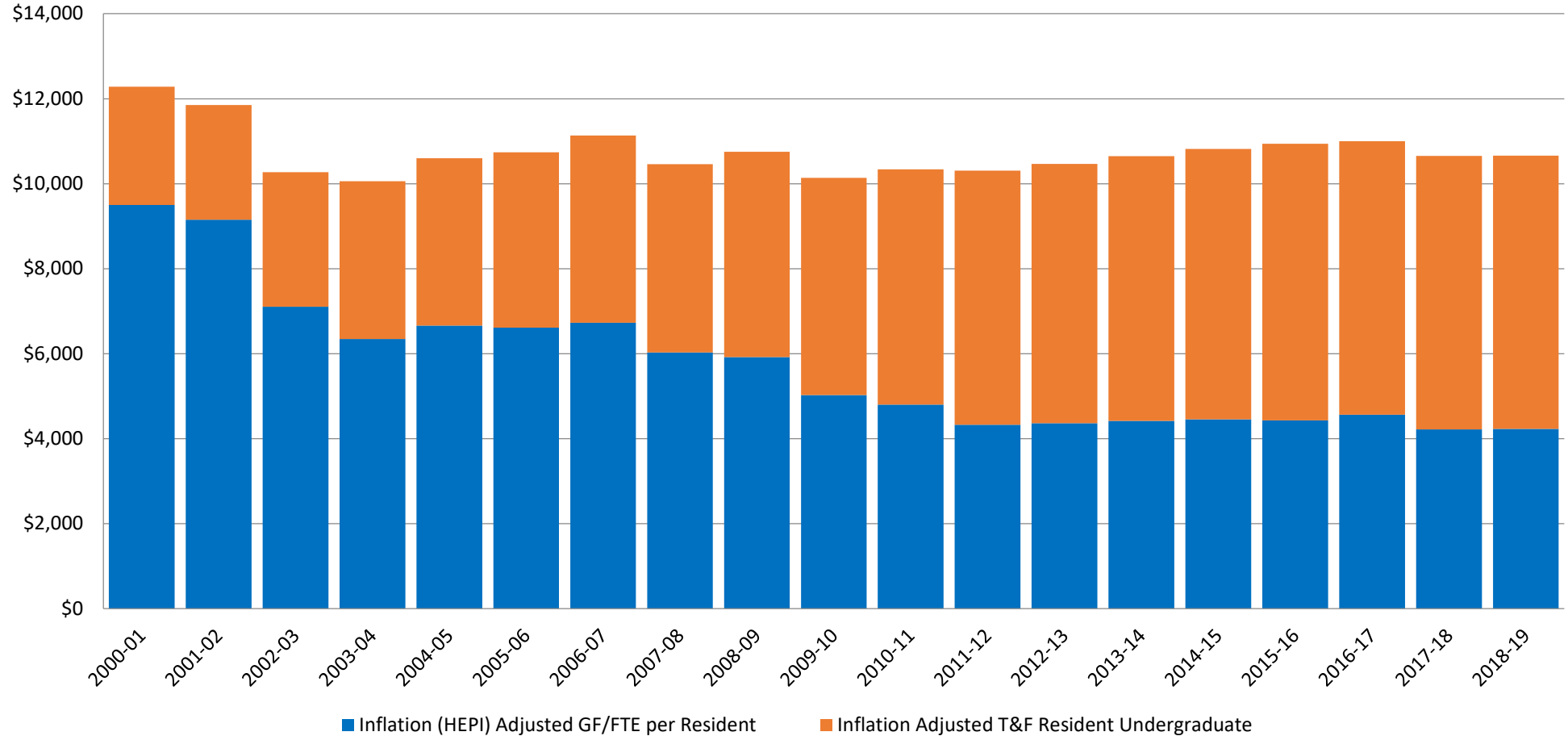
*2018-19 Recommendation continues the trend of slowing increases.*



# Resources Per Student - HEPI

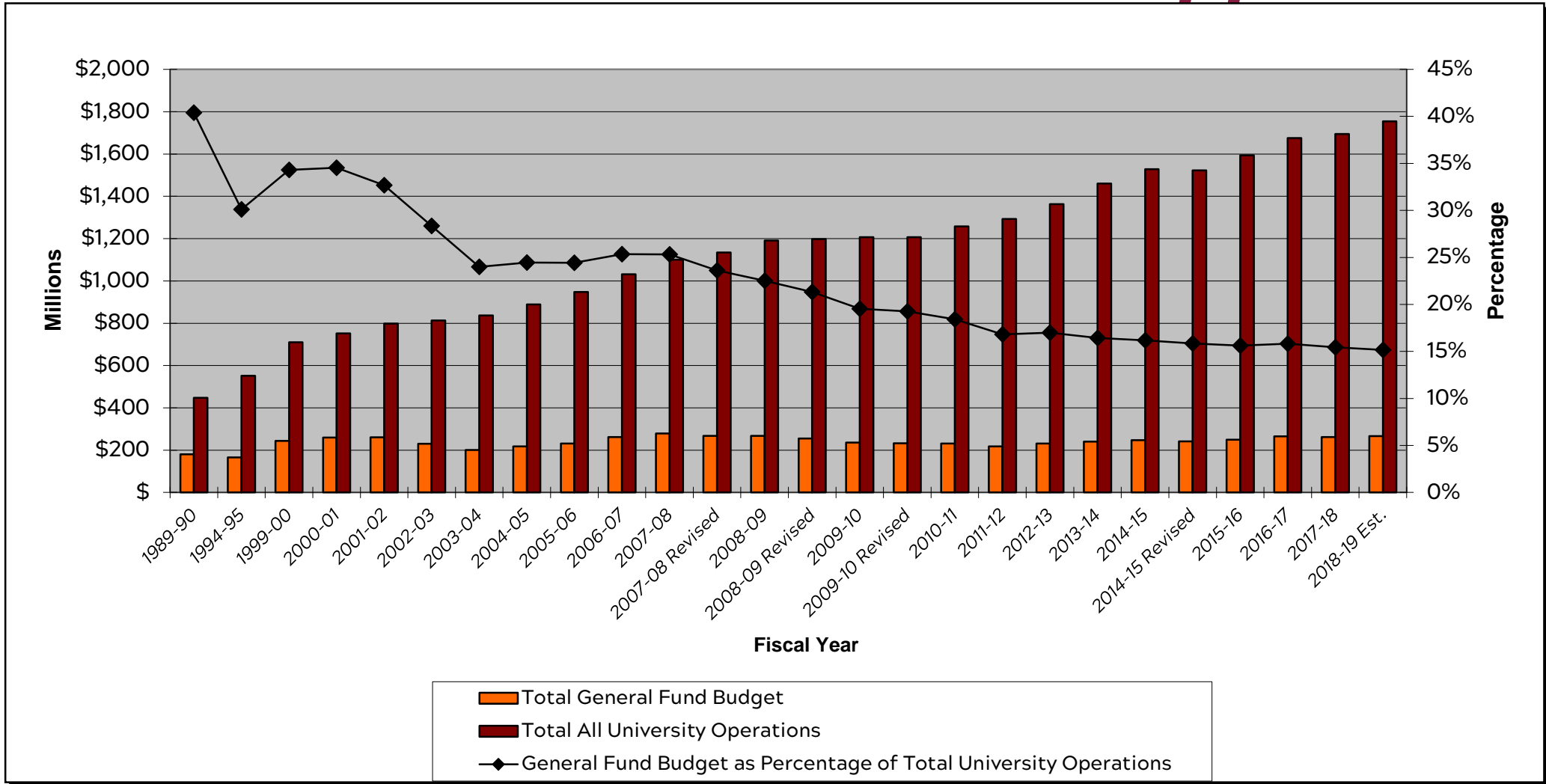
- Net Tuition and General Fund per student adjusted by HEPI

GF and Net T&F per Resident FTE  
HEPI - Inflation Adjusted to 2000s



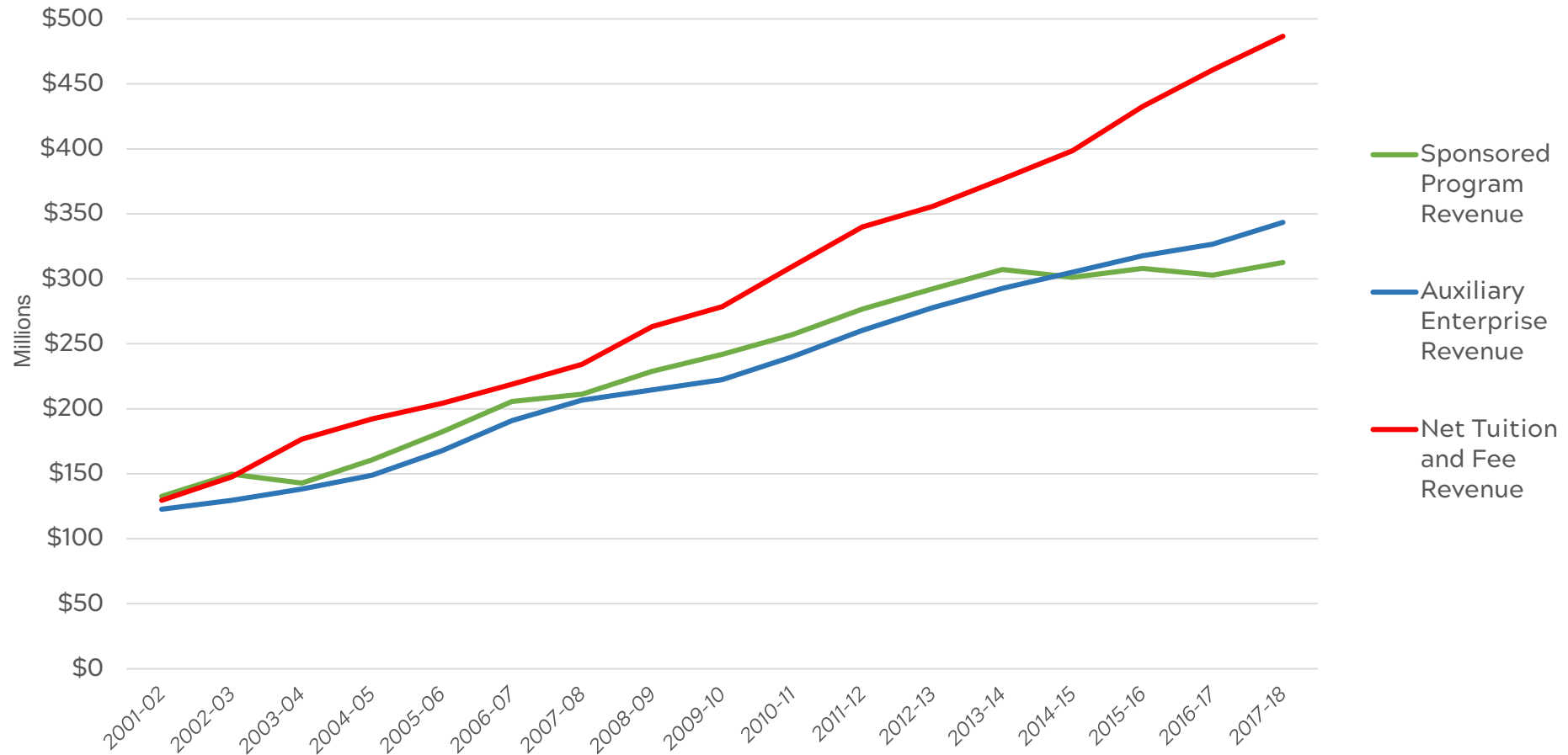
Inflation adjustment utilizing the Higher Education Price Index (HEPI).

# Historical General Fund Support



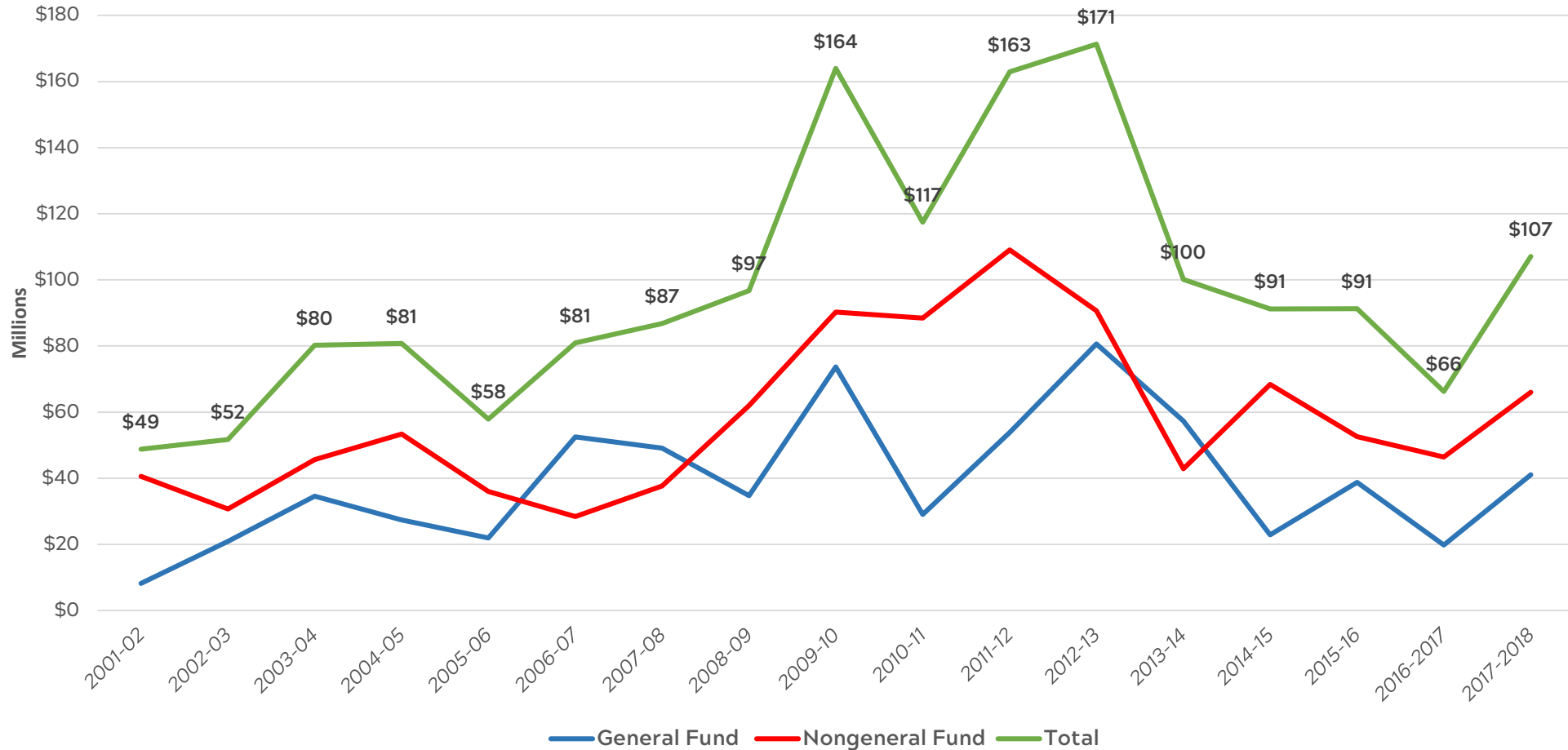
# Major Categories of Self-Generated Revenue

(\$ in Millions)



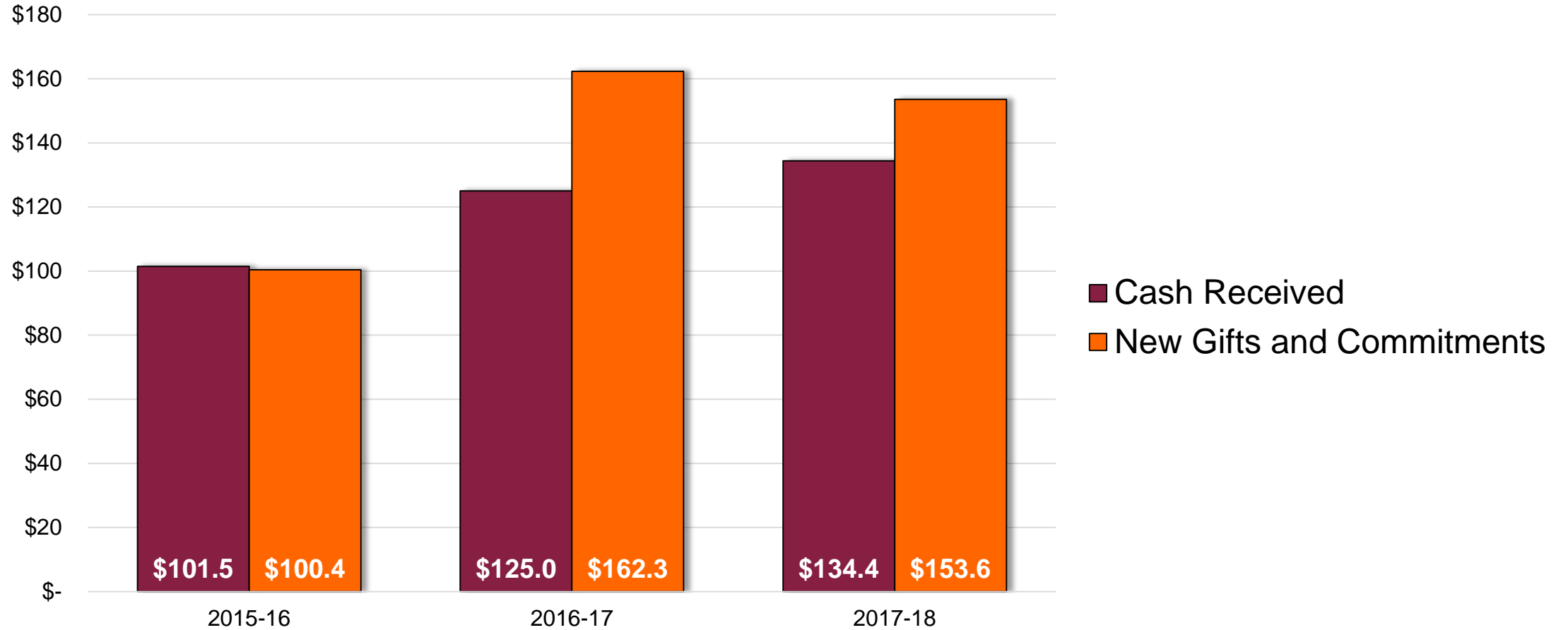
# Capital Funding Trend Expenditures by Fund Source

(\$ in Millions)



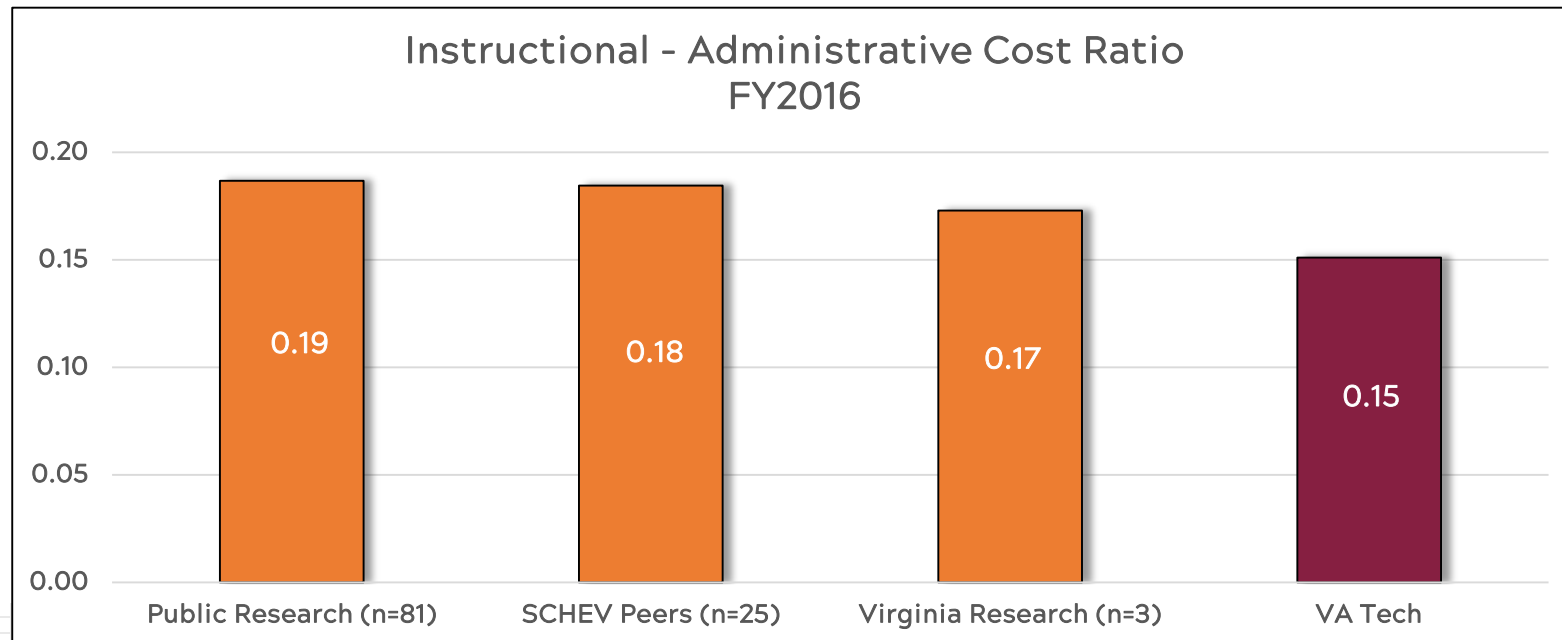
# New Gifts and Commitments

(\$ in Millions)



# Administrative Efficiency

- 2017 methodology from the *American Council of Trustees and Alumni (ACTA)* in a published report on administrative spending.
- Using IPEDS data, the study calculates a ratio of **Institutional Support** (*administrative*) spending compared to **Instruction and Academic Support** (*instructional*) spending.
- Virginia Tech's ratio is **0.15**, meaning VT spent \$0.15 on **Institutional Support** for each \$1.00 of spending on **Instruction and Academic Support**. *This ratio is lower than peer averages.*



Data Source: IPEDS

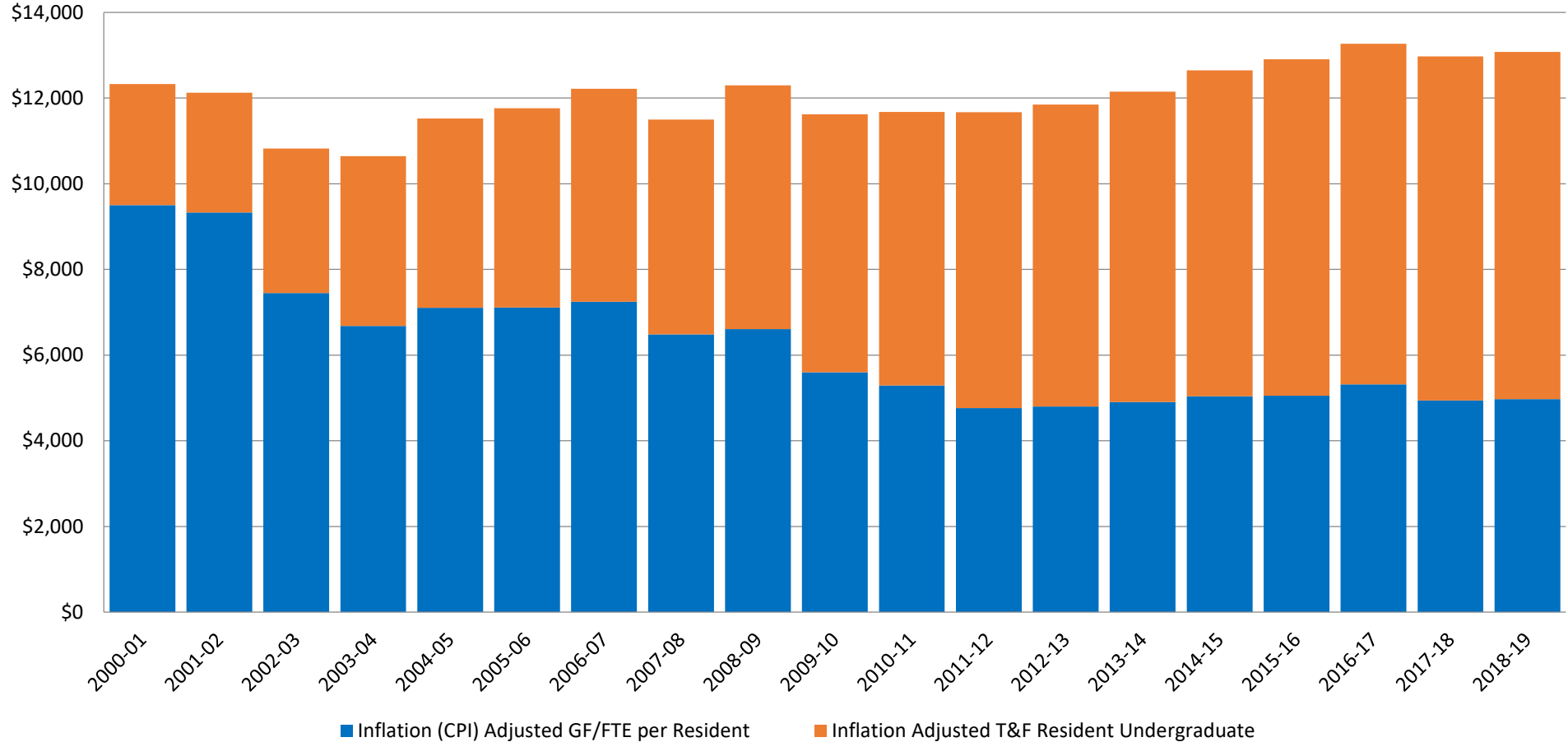
# *Discussion*



# Resources Per Student - CPI

- Net Tuition and General Fund per student adjusted by CPI

GF and Net T&F per Resident FTE  
CPI - Inflation Adjusted to 2000s



Inflation adjustment utilizing the Consumer Price Index (CPI).

CV

# The Academic Enterprise

CV

**CYRIL R. CLARKE & JACK W. FINNEY**  
**BOV ORIENTATION SESSION, AUGUST 25, 2018**



"Our team serves to promote academic quality and advance the strategic goals of Virginia Tech by providing academic leadership, service, and effective management of university resources."

Dr. Cyril Clarke, Interim Executive Vice President and Provost

- **Academic Colleges**
  - > Agriculture and Life Sciences
  - > Architecture and Urban Studies
  - > Business
  - > Engineering
  - > Liberal Arts and Human Sciences
  - > Natural Resources and Environment
  - > Science
  - > Veterinary Medicine
  - > Virginia Tech Carilion School of Medicine
- **Honors College**
- **University Libraries**
- **Moss Arts Center**
- **Academic Vice Presidents**
  - > Graduate Education
  - > Health Sciences and Technology
  - > Outreach and International Affairs
  - > National Capital Region
  - > Student Affairs
- **Vice Provosts**
  - > Academic Resource Management
  - > Enrollment Management
  - > Faculty Affairs
  - > Inclusion and Diversity
  - > Learning Systems Innovation and Effectiveness
  - > Undergraduate Academic Affairs

# Tenure and Continued Appointment

## Tenure

- Tenure is awarded when the community of scholars has judged the candidate to have met the teaching, research, and/or service expectations of the discipline, college, and university.

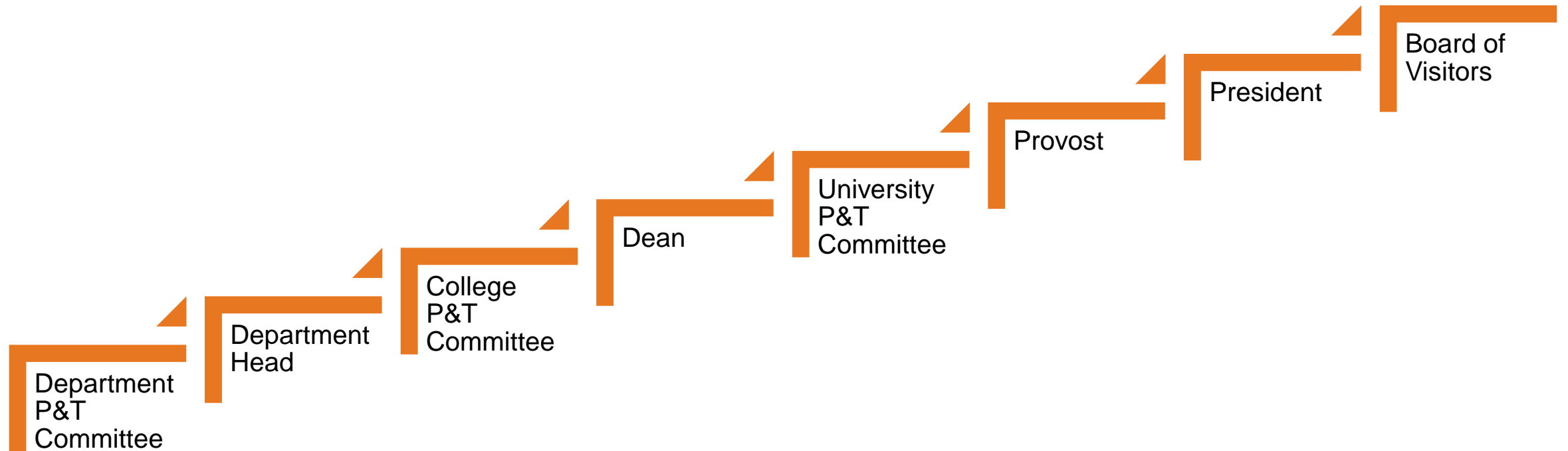
## Continued Appointment

- Continued appointment is a parallel tenure status for library and extension faculty who demonstrate excellent service to Virginia Tech and continued professional growth and engagement.

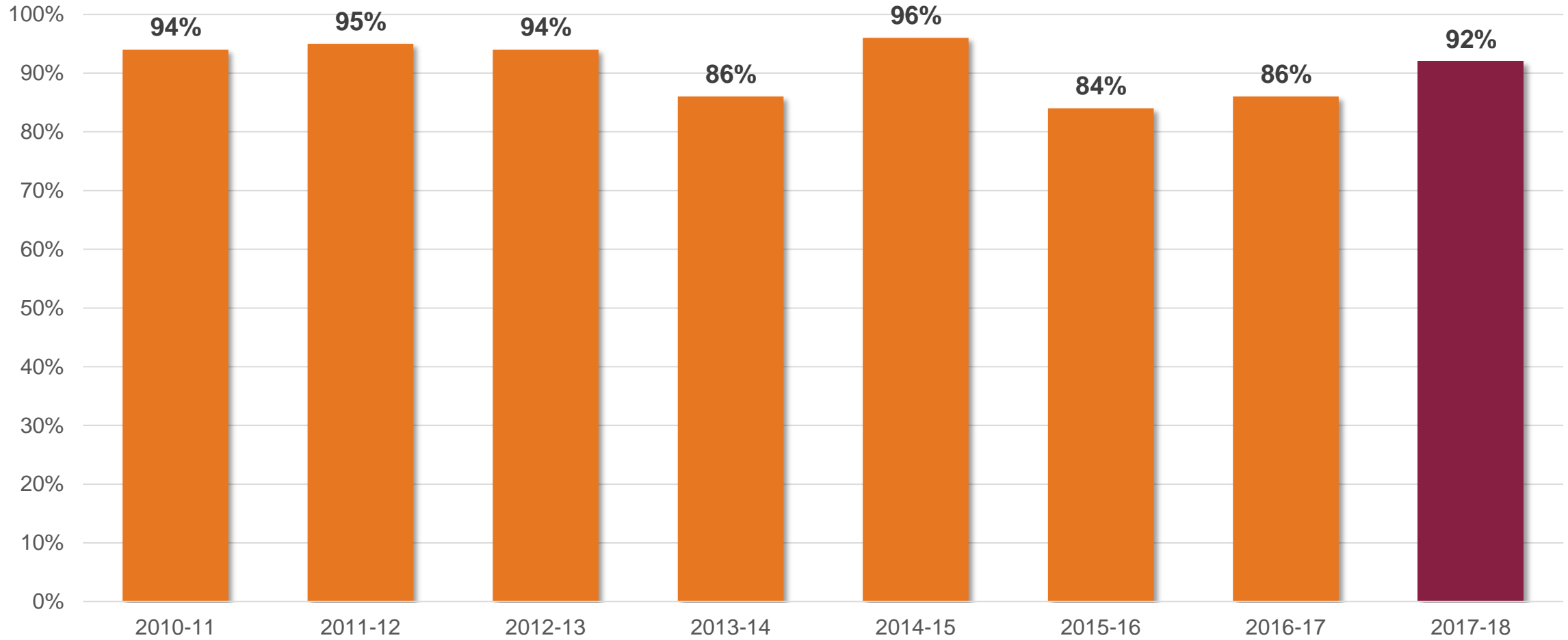
Tenure and continued appointment ensure  
**academic freedom** in research and teaching.

# Evaluation Process for Promotion & Tenure

Attachment B



# Promotion & Tenure Success, 2010-2018



# Research Leaves for Tenured Faculty Members

*“...for research and/or advanced study necessary to enhance the competencies of those faculty members to carry out their obligations to the university.”*

- Commonwealth's *Educational Aid for State Employees*
- At least six years of service
- Additional six years of service before eligible again
- A privilege, not a right
- Approved by department head, dean, and provost
- Approved by Board of Visitors at the March meeting

- **Study-research Leave**

- > Two semesters, half salary

- **Research Assignment**

- > One semester, full salary

**For both:**

- Obligation to return to Virginia Tech for one year or repay salary
- Letter of accomplishments

# Shared Governance

*Representatives*

Faculty  
Staff  
Undergraduate students  
Graduate students  
Administrators

- Commission on Faculty Affairs
- Commission on Staff Policies and Affairs
- Commission on Equal Opportunity and Diversity
- Commission on Outreach and International Affairs
- Commission on Research
- Commission on Graduate Studies and Policies
- Commission on Administrative and Professional Faculty Affairs
- Commission on Student Affairs
- Commission on Undergraduate Studies and Policies
- Commission on University Support



# Shared Governance

- CURRICULUM



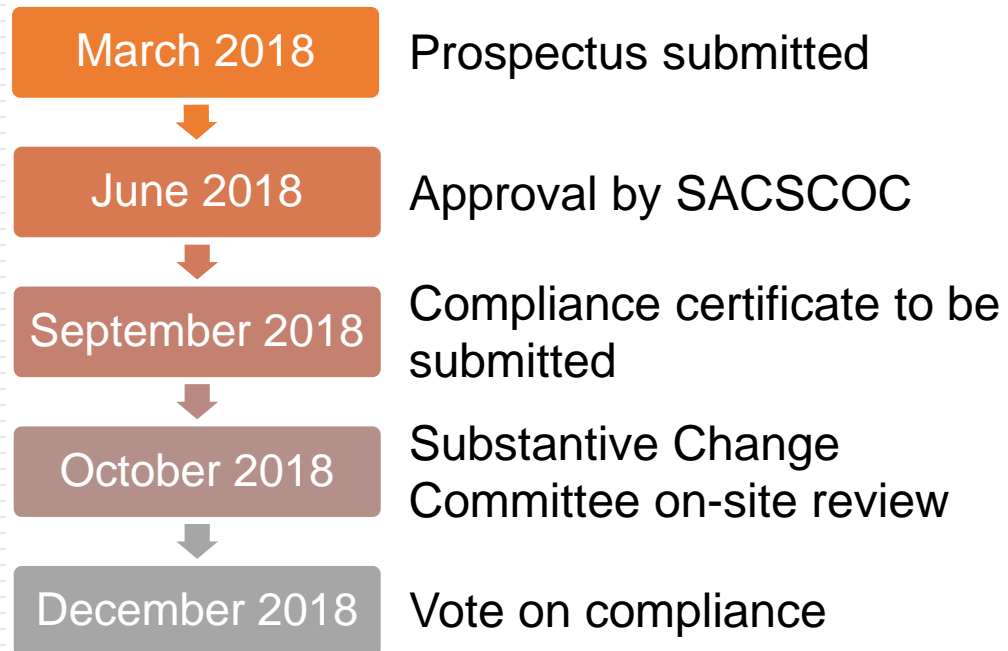
New degrees, substantive changes to degrees, and organizational changes are reviewed and approved by the State Council on Higher Education for Virginia (SCHEV)

# Southern Association of Colleges and Schools Commission on Colleges (SACSCOC)

- SACSCOC is the regional accrediting body for universities in Virginia and 10 other southern states; one of seven regional accrediting bodies.
- Regional accreditation ensures that an institution's academic programs meet acceptable levels of quality.
- Institutions must be accredited by a federally recognized accrediting agency to qualify for participation in federal financial aid programs that provide low cost loans to students.

# Upcoming Accreditation Milestones

## Substantive change related to the Virginia Tech Carilion School of Medicine



## Ten Year Reaffirmation of Accreditation

72 standards (principles) covering 13 topics



# Questions?

# Enabling Beyond Boundaries – General Fund Revenue Priorities

August 25, 2018

**TIM SANDS**  
PRESIDENT



# *Beyond Boundaries Themes - A Next-Gen Vision for Virginia Tech*

- **VT-shaped experience for all students** - experiential learning; transdisciplinary problem solving; disciplinary depth; *Ut Prosim* difference.
- **Access and affordability** - broaden and deepen pool of talent; enhance access and pathways; eliminate disparities in student success; ensure affordability.
- **Transdisciplinary research that matters** - organizing around grand challenges; attracting global talent; deep partnerships.
- **Catalyzing economic growth across Virginia** - rural and urban; innovation, translation and commercialization; engagement.

# Major Milestones and Goals

- Double FY14 endowment by FY22 - **on track.**
- Increase URM and URM+USS (Pell+1stGen) in entering class (including transfers) to 25% and 40% by Fall 2022 - **16%/36% estimated for Fall 2018.**
- Increase alumni giving participation from 9% in 2014 to 22% in 2022 - **currently 13%.**
- Grow annual fundraising from \$80M in FY15 to \$175M in FY22 - **ahead of pace.**
- Grow undergraduate enrollment from 24,247 in Fall 2014 to 30,000 in Fall 2022 - **ahead of pace.**
- Top 100 global ranking (consistent with top 10 public land-grants and AAU membership) - **long-term goal.**
- Every graduating student will have had a high-impact experiential learning opportunity - **long-term goal.**
- Strategic Planning process will add to and prioritize these milestones and goals.

# *Major Beyond Boundaries Initiatives*

- InclusiveVT
- Destination Areas and Strategic Growth Areas
- Partnership for an Incentive-Based Budget (PIBB)
- VTC Health Science and Technology campus in the Roanoke Innovation Corridor
- Binary Star - Connecting Blacksburg/Roanoke to the NCR
- Agriculture and Natural Resources Initiative
- Commonwealth Cyber Initiative and NCR growth
- Master Plan



*What will it take  
to get us there?*

**FOCUS ON BASE OPERATING BUDGET**

# Big-Ticket Base-Budget Uses

- Competitive compensation for world-class faculty
  - ~\$25M recurring
- Financial aid to reduce debt for low- and middle-income Virginia students, to retain the best students in Virginia, and attract talent from outside Virginia - ~\$25M recurring
- Other recurring needs include:
  - Competitive staff and A/P faculty compensation
  - Start-up funds for faculty
  - Innovation ecosystem (seed, prototyping, IP)
  - Operation of core research facilities

# Sources

- Efficiency and effectiveness
  - Co-op 2.0 (matching resources from employers)
  - Math Emporium 2.0 - adaptive learning (AI assisted)
  - ANR Initiative for Agency 229 (partner resources)
  - PIBB-informed academic program decisions
  - Procurement programs
- Tuition revenue
  - Rates (net); program fees; residency mix; growth
- Philanthropy
  - Faculty endowments; capital project support; scholarships
- (State appropriations)
  - Declined by ~50% since FY01 in real dollars, per-VA student

# *Issues - Faculty Talent*

- Recruiting at market leads to compression, inversion, and retention challenges.
- Competitive faculty start-up packages are difficult to assemble under current budget limitations.

# Issues - Student Talent

- Resident undergraduates are underfunded by ~\$2,000 per student.
- At 29% non-VA-resident, we are at the cap on residency mix.
- Virginia Tech's discount rate is far below peers, presenting affordability challenges for low- and middle-income students.
- Studies show that non-resident net price is at the inelastic point.

# *Discussion*



# Advancing Strategic Initiatives: *Resource Discussion*

August 25, 2018

**DWIGHT SHELTON**  
VICE PRESIDENT FOR FINANCE AND CFO



## Advancing Strategic Objectives

*As a Global Land Grant, Virginia Tech is in a fierce competition to acquire and retain **talent**. Our people are our greatest asset.*

- **Students:** *VT should be within reach for all highly qualified Virginians, regardless of financial resources.*
- **Faculty:** *Progress towards the market is critical to retain current top-performing faculty and attract new faculty in high demand.*
- **Staff:** *Staff support faculty productivity. Ensuring market competitiveness improves retention and recruitment of quality staff.*



# Attracting Talented Students

VT should be an option for all talented Virginia undergraduates.

Retreat background materials outline student financial Aid (SFA) needs

The university plans to:

- Work to close “Net Price” deficit as compared to UVA and CWM
  - AGB - Institutional Aid deficit as compared to national peers
- Enhance pricing predictability: Expand Funds for the Future
- Pursue private support for SFA gifts and endowments
- Mitigate Student Debt: Net price reduction should reduce debt
  - Enhance measures of debt to income relationship

# Attracting and Retaining Talented Employees

## FACULTY:

- *Specific disciplines have unique competitive markets and rankings*
  - *VT disciplines lag peer discipline averages (SCHEV Peers, Land Grants, R1s)*
- *Market disparity affects current faculty and reduces the capacity to attract new faculty, especially those who are in high-demand*
- *Merit and National Distinction processes provide colleges the tools to differentiate*
- *Peers projected to move at 2.8% per year (SCHEV); VT must do more to gain ground*

## STAFF:

- *US Department of Labor June 2018 report: wages up 2.8% year over year*
- *Salaries are 3% below market, and the market is moving faster than VT*

## Resource Requirements to Move Toward Best in Class

Resource plan should reflect resource targets to pursue talent goals:

- SFA: Access and Affordability of Virginia undergraduates
  - Net Price Gap: At current enrollment, based on UVa/W&M \$25M
  - Improve Funds for the Future to full coverage at \$100K \$1M
  
- Compensation: Attracting and Retaining Talented Employees
  - Faculty Compensation
    - 50<sup>th</sup> percentile (average) of peers: \$25M
    - 60<sup>th</sup> percentile of peers: \$40M
  - University Staff Compensation
    - 3% market gap: \$5M

Each market is moving: resources needed to keep pace and make progress.  
 These figures represent current cost to achieve goals.

## Major Revenue Sources

- *Direct State investment*
- *Nonresident and international student enrollment*
  - *Resident enrollment growth has negative impact on budget unless price is reset or state makes major instructional investment*
- *Tuition and fees, including differential charges for high-cost, high-demand disciplines*
  - *In March, Board implemented and/or enhanced differential rates*
- *Increased philanthropy*
- *Enhanced efficiency and partnerships*
- *Leverage industry partners, e.g., our Land Grant business partners*

# Financial Outlook

## *One-time General Fund surplus may support statewide initiatives*

- *Higher Ed holds a shrinking share of the overall General Fund budget and competes with many other agencies*
- *Resource requests need to be differentiated*
- *VT's multiple years of low tuition increases may be beneficial*

## *Opportunity to rebase tuition and fees revenue budget*

- *Growing reliance on self-generated revenue; tuition is largest component*
- *Some VA and national peers have “reset” tuition to address new financial reality*
- *Window of opportunity may be closing*

# Potential Opportunities for State Support

University requests need to be differentiated from other institutions and support state goals:

- Research
  - Specific programs with state-wide, economic development appeal
  - Faculty startup
- Innovation Ecosystem
  - Entrepreneurship & Commercialization Fund
  - Smart Agriculture & Natural Resources Initiative
- Capital Projects
- Enrollment Growth in key areas - consistent with state budget language

## *The Opportunity For Enrollment Flexibility*

- *Nonresident enrollment flexibility can capitalize on unmet demand and contribute net revenue to university priorities*
- *Current legal environment limits nonresident growth to a cap of 29%*
  - *Nonresident undergraduates must fund own financial aid and cost of education*
  - *Growing enrollment at the current residency mix does not generate a net surplus of revenue to help with critical needs*
- *VT can offer to guarantee current in-state undergraduate enrollment levels and potentially grow high-demand areas critical to state economy*
- *Lawmakers may be receptive to potential nonresident growth in areas that can contribute to Virginia economy*

## Potential Elements of an Updated State Partnership

- *Guaranteed in-state undergraduate enrollment level (could have STEM-H goal)*
- *Limiting in-state undergraduate tuition and fee increases (e.g. inflation/2.9%)*
- *State commitment to basic support (e.g. inflationary increases)*
- *Significant increase in Student Financial Aid from both parties*
  - *Prospective state aid model to help attract students with financial need*
- *Advance additional operational autonomies (restructuring)*
  - *Opportunities exist in human resources, finance, capital outlay, and procurement*
  - *Delegation of Academic Program Approval to BOV*
  - *Eliminate nonresident enrollment caps, consistent with Virginia undergraduate enrollment commitment*
- *Leverage SFA to grow internship opportunities with corporate support*
- *Continued access to state support for non-instructional programs (research, SFA, land grant programs, and capital outlay)*



# Tuition Revenue Growth Strategies

*Advance reading material provides background on tuition revenue growth strategies used by various Virginia universities.*

- *Four-year fixed rate, tuition rate “resets”, and the traditional incremental rate model*

*The traditional tuition model, as deployed by VT:*

- *Can maintain current funding levels, and perhaps make modest investments in program quality*
- *Is not able to generate major revenue to meet our vision of the future, unless coupled with nonresident undergraduate enrollment growth*

*The university has modeled revenue growth options with several major elements:*

- *Undergraduate enrollment growth to 30,000 by FY23*
- *Revenue growth through tuition resets for Virginia undergraduates*
- *Revenue growth through nonresident enrollment growth (to 35%)*
- *Continued state support for mandated/inflationary costs and 2% annual compensation program*
- *Inflationary tuition rate increases to address traditional instructional cost increases*
- *Sufficient investments in the PIBB budget model to ensure quality along with enrollment growth*

# Modeling Tuition/Enrollment Scenarios

## Primary goals

- Competitive Virginia Undergraduate Net Price (Increased SFA)
- Competitive Faculty & University Staff Salaries
- Each year the university loses ground, the more expensive these become.
- Scenarios apportion incremental revenue is across each initiative.

## Current year cost estimate

\$25M  
\$30M

Scenario	Annual Revenue beyond Base Costs - FY23 *	Faculty & Staff Salary Progress	Net Price Reduction Progress
Status Quo (2.9% tuition / inflationary costs)	\$(2.2m)	No progress 35 <sup>th</sup>	No progress
A) \$1,000 In-State Undergraduate Reset (twice)	\$29.1m	From 35 <sup>th</sup> to 43 <sup>rd</sup>	58% to goal
B) Out-of-State growth to 30k total undergraduates	\$19.7m	From 35 <sup>th</sup> to 40 <sup>th</sup>	39% to goal
C) Scenario A + B	\$48.8m	From 35 <sup>th</sup> to 47 <sup>th</sup>	98% to goal

\* Net revenue after discounting, both resident and nonresident undergraduates, and covering the cost of PIBB for enrollment growth.

## Next Steps

- *Consider revenue options and window of opportunity*
- *Advocate for incremental General Fund support as economy improves*
- *Continue to advance Partnership opportunity with state officials, including:*
  - *Increased autonomy, with emphasis on enrollment mix flexibility*
  - *Tuition and General Fund support for shared goals*
  - *Prospective Student Financial Aid model*
  - *Support for enhanced internship programs*
- *Based on level of state support, finalize tuition proposal at future meeting*

**ERM TABLETOP EXERCISE OVERVIEW**

**Scenario**

Recent history would suggest that a significant period of economic recession is likely to occur in the next 10 years. The National Bureau of Economic Research officially recognizes three different recessions since 1990, all of which had a significant impact on state funding for the university that lasted several years.

The scenario hypothesizes the arrival of the next recession, without warning, resulting in a 7.5% general fund reduction for fiscal year 2020-21 and an additional 15% in the following year for a cumulative 22.5% reduction.

\*\* Data presented below are estimates for the purpose of the exercise. \*\*

**DATA AND REFERENCES**

**I. SIGNIFICANT COMMONWEALTH ECONOMIC RECESSION PERIODS SINCE 1990**

Recession Period	\$ General Fund Reduction	% General Fund Reduction
1990-94 (Recession)	\$46.7M	24.2%
2001-04 (Dot Com Recession)	\$72.3M	27.6%
2008-12 (Great Recession)	\$74.7M	28.5%

Reference: OBFP Data

**II. GENERAL FUND REDUCTION IMPLICATIONS**

\$ in millions	General Fund 2018-19 Total	(less) Exemption	Reducible General Fund	Total 22.5% Computation of GF Reduction
Agency 208 E&G	\$ 164.4		\$ 164.4	\$ (37.0)
Commonwealth Research	\$ 5.4	-	\$ 5.4	\$ (1.2)
Unique Military Activities	\$ 2.3	-	\$ 2.3	\$ (0.5)
Student Financial Aid	\$ 21.8	\$ (21.8)	\$ -	\$ -
Agency 229 E&G	\$ 72.3		\$ 72.3	\$ (16.3)
<b>Total Operating</b>	<b>\$ 266.2</b>	<b>-</b>	<b>\$ 244.4</b>	<b>\$ (55.0)</b>

**Potential Actions to Offset General Fund Reductions (OPTIONS 1-3)**

22.5% GF Reductions	\$ GF Reductions	(1) Cut Expenditure Budgets		(2) Increase Tuition		(3) Enrollment Growth	
		% Budget Cut	# of Equivalent Positions	% Tuition Increase	\$ Per Student	Resident/ Nonresident: 50/50	Resident/ Nonresident: 0/100 *
Agency 208 E&G	-\$37.0M	6%	267	9%	\$1,363	8,887	2,780
Agency 229 E&G	-\$16.2M	22.5%	117	N/A	N/A	N/A	N/A

\* Presumes authority

**Potential Actions to Offset General Fund Reductions (OPTION 4)**

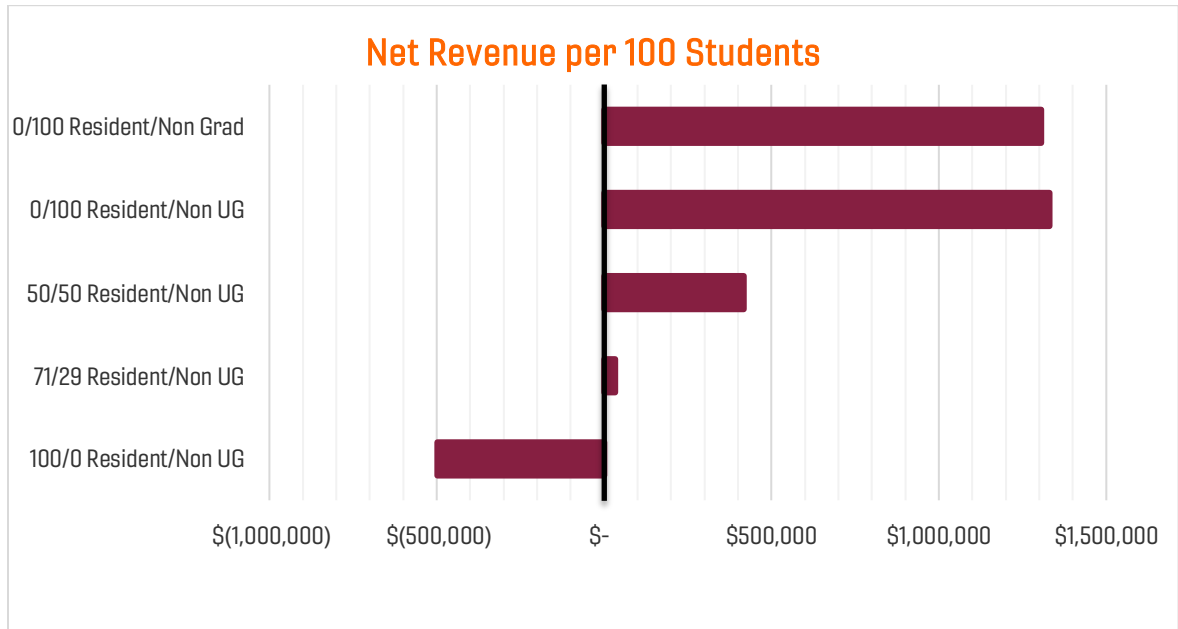
HYBRID MODEL							
22.5% GF Reductions	\$ GF Reductions	1/3 Cut Expenditure Budgets		1/3 Increase Tuition		1/3 Enrollment Growth	
		% Budget Cut	# of Equivalent Positions	% Tuition Increase	\$ Per Student	Resident/ Nonresident: 0/100 *	
Agency 208 E&G	-\$37.0M	2%	89	3%	\$454	927	

\* Presumes authority

Reference: OBFP Data

## ERM TABLETOP EXERCISE OVERVIEW

### III. NET REVENUE – FINANCIAL IMPACT OF ENROLLMENT GROWTH PER 100 STUDENTS



Based on FY 2018-19 tuition and fees

### IV. ENTERPRISE RISK LANDSCAPE

