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## EXECUTIVE SUMMARY

The 2007-2008 Operating Budget Plan for Old Dominion University has been developed from the initiatives outlined in the *University's Strategic Plan* and the previous actions taken by the Governor and the General Assembly during the 2007 session. This budget document details the relevant components that comprise the University's 2007-2008 Budget and organizes the information in a format that provides a concise explanation of the budget planning process.

Chapter 1 provides an overview of the strategic planning initiatives, and summarizes the policy and program direction for the development of the 2007-2008 budget plan.

Chapter 2 describes the actions of the General Assembly during the 2007 Budget Session that impact the 2007-2008 budget year.

Chapter 3 outlines the University's budget process and provides relevant comparative data on general funding per FTE student, tuition and fee costs, and expenditures by program for the Virginia Public Higher Education Institutions.

Chapter 4 summarizes the program priorities that comprise the Educational and General Program portion of the total budget. The majority of the funded initiatives fall within the instruction and academic support operations of the University.

- The E&G appropriation increased from \$196.4 million in FY2007 to \$211.5 million in FY2008.
- The proposed FY2008 budget adds 22 Faculty members, 11.75 Professionals/ Administrators, and 32 classified staff.
- E&G investments are consistent with the University's Strategic Plan.

Chapter 5 highlights the program priorities that comprise the Auxiliary Services portion of the total budget. The planned contribution to fund balance by these self-supporting auxiliary operations is \$2.8 million.

- The Auxiliary appropriation for FY2008 remains at \$50.8 million.
- The proposed FY2008 budget adds 9.25 Professionals/ Administrators, and 2.5 classified staff positions.
- Auxiliary investments are consistent with the University's Strategic Plan.

Chapter 6 contains graphs that depict the sources of revenue and provides a comparison between the 2006-2007 and 2007-2008 fiscal years.

Chapter 7 graphically represents the expenditure categories and provides a comparison between the 2006-2007 and 2007-2008 fiscal years.

## CHAPTER 1 OVERVIEW OF THE 2007-2008 OPERATING BUDGET AND PLAN

### STRATEGIC PLAN

As outlined in the *University's Strategic Plan 2005-2009*, a series of strategic initiatives were created that continue to provide the priorities for the resource allocation decisions contained in the 2007-2008 operating budget and plan that will benefit the University in the next fiscal year and beyond. Through the University-wide strategic planning process, the University developed a vision statement, emphases, initiatives, objectives, and actions for the 2005-2009 Strategic Plan. The following seven general strategic initiatives formed the basis of the plan.

- (1) Old Dominion University will increase undergraduate and graduate academic quality, retain faculty, and gain a national reputation for excellence (to be among the nation's top 100 public research universities).
- (2) Old Dominion University will create an agenda and a climate that encourage research and creative activity.
- (3) Old Dominion University will improve the quality and productivity of graduate programs.
- (4) Old Dominion University will create a viable, lively campus community.
- (5) Old Dominion University will integrate and improve academic and administrative programs and services.
- (6) Old Dominion University will be sensitive to the people and needs of the region and world around it.
- (7) Old Dominion University will find the means necessary to accomplish all of the above.

### PROGRAM, POLICY DIRECTION, BUDGET DRIVERS FOR 2007-08

The Commonwealth of Virginia 2006-2008 biennial operating and capital budget development and appropriation process have been well publicized. While the adoption of the Commonwealth's biennial budget was delayed last year, the Governor and General Assembly demonstrated a commitment to higher education funding needs. The State

Budget was indeed “worth waiting for” as President Runte noted. The Commonwealth investment in “base adequacy funding,” faculty and staff salaries, financial aid, capital investments, and the modeling and simulation research initiative are all indicative of an economy and State policy that promotes education and research investments. Governor Kaine and the General Assembly’s 2007 session amendments further strengthened the appropriations for higher education. The University consequently has developed a budget plan which responds to the current fiscal environment, priority needs for our students and faculty/staff, and the strategic investment needs of the University. Old Dominion University’s budget process for FY2008 was designed to maintain the base budget, to sustain specific budget initiatives/programs consistent with the Commonwealth’s funding policy recognition of the need for “base adequacy funding,” and to build a tuition and fee increase model which would address operating budget priorities and unavoidable costs. In addition, the University budget is consistent with the criteria set forth in the University Strategic Plan and the Code of Virginia higher education institutional performance standards as follows: access, affordability, breadth of academic programs, academic standards, student retention and timely graduation, articulation agreements and dual enrollment, economic development, research, patents and licenses, elementary and secondary education, the six-year financial plan, and financial and administrative efficiency standards. President Runte defined the following priorities to address these diverse needs:

- Ensure the quality of academic, teaching and research programs
- Enhance direct services for students
- Continue implementation of the 2005-2009 Strategic Plan and begin to make possible the principles of the upcoming plan
- Building the appropriate infrastructure support especially as it relates to accomplishing the goals of the strategic plan
- Recognize our students’ financial capabilities and limitations
- Reallocate or redirect resources, where possible, to support academic priorities
- Support research centers/targeted activities
- Support educational assessment initiatives, fundraising, marketing, and student housing staffing and
- Minimize the addition of other user and service fees to students

Proposed funding allocations in the 2007-2008 budget have been consistent with these principles.

- *A continued investment in people.* We will continue to improve the salaries of faculty and staff to retain and recruit a well-qualified workforce. This year the focus will be on skilled trades positions, library and distance learning staff, and Student Affairs support positions. We are making the compensation adjustments for these positions reflective of market competition, equity, promotions, compression, and job realignments. This is an on-going process and will continue into future years pending available funding.
- *Scholarships and fellowships.* Accessibility and quality are keys both to the *Strategic*

*Plan* and to the state's requirements. There can be no better investment than in our students.

- *Research and Information Technology.* We will continue to build the foundation for a strong, research enterprise. At the same time, to support our innovative teaching and cutting-edge research, we need to invest in information technology.
- *Infrastructure and Support Staff.* We have grown over the last few years and now is the time to invest in the supporting structures and personnel necessary to serve our students and faculty in their important mission.

The initiatives are continuously evaluated and modified and those that do not lead to significant measurable results will be abandoned. The University must both be responsive to the rapidly changing higher education environment and follow the objectives outlined in the University's Strategic Plan.

**CHAPTER 2**  
**FY2006-2008 ACTIONS OF THE GENERAL ASSEMBLY**

As a result of the actions taken by the Governor and the General Assembly in the 2007 session, the University's Educational and General fund appropriation increased from \$196.4 million in 2006-2007 to \$211.5 million in 2007-2008. The operating budget allocation addresses the long-standing funding issue of base adequacy and hopefully future appropriations will continue to promote the base adequacy goal.

The following table outlines the Educational and General Operating Budget for the 2006-2008 biennium as authorized by the Governor and the General Assembly in the 2007 session and highlights the funding appropriated to the University for 2007-2008, the second year of the biennium.

Budget (in thousands)	General (State)	Nongeneral (Tuition/Fees)	Total
<b>Governor Kaine's 2008 Introduced Budget with Annualized Salary &amp; Technical Adjustments</b>	\$107,219	\$95,424	\$202,643
<b>2007-2008 Budget Adjustments:</b>			
Operations & Maintenance New Facilities	\$282	\$206	\$488
Base Operating & Enrollment Growth Funds	\$536	\$959	\$1,495
Faculty Salary Increase	\$742	\$	\$742
Nursing Faculty Increase	\$133	\$	\$133
Center for Teaching Quality & Leadership	\$500	\$	\$500
<b>FY2007 - 2008 Budget Subtotal</b>	\$109,412	\$96,589	\$206,001
<b>Modeling &amp; Simulation Research Initiative</b>	\$4,000		\$4,000
<b>Virginia Coastal Energy Research Consortium</b>	\$1,500		\$1,500
<b>Fiscal Year 2007-2008 Appropriation</b>	\$114,912	\$96,589	\$211,501

**UNIVERSITY'S OPERATING, FINANCIAL AID AND CAPITAL BUDGET APPROPRIATIONS**

The major highlights of the approved operating and capital budgets for 2007-2008 are described in the following narrative.

**Salary Increases**

The State budget includes funding for merit-based salary increases of 4 percent for state classified employees effective November 25<sup>th</sup>, 2007. President Runte has recommended implementing the 4 percent merit increase for teaching, research and administrative faculty. Faculty will receive 4 percent as will part-time faculty and graduate assistants effective November 25<sup>th</sup>, 2007. The University also received additional salary funding for nursing faculty to enable 10 percent salary adjustments and to encourage the retention of critical nursing faculty. The University will also allocate \$1.25 million in an effort to continue to address salary issues related to in-band adjustments and internal alignment for classified staff, market and internal alignment for administrative and professional faculty, as well as merit, retention and promotion funds for teaching and research faculty.

### **Fringe Benefits**

Overall, the benefit rates established by the Commonwealth have increased from 36.13% to 36.6% in FY2008, a .47% increase. The biggest increases are associated with retirement and health care costs. These increases have consequently increased the E&G fringe benefit budget by approximately \$464,000. The Commonwealth has retained the health care insurance changes of FY2007 with the goal of managing costs in an era of escalating health care increases. The FY2007 plan options and features are continued for FY2008 and are designed to balance adequate coverage, accessibility, utilization and costs.

### **Base Budget Adequacy & Enrollment Growth**

The State budget provides the University with \$536,367 in FY2008 for base operating and enrollment growth. This is in addition to the \$1,973,617 included in the second year of the biennial budget. These state general funds together with University budget planning and tuition setting for the upcoming fiscal year enables the University to respond positively to a long standing list of institutional needs. The University community is appreciative of the Governor's and General Assembly's commitment to higher education funding challenges.

### **Tuition Incentive Fund**

The General Assembly created the Higher Education Incentive Fund with potential allocations to public colleges and universities provided the institutions limit the increase of tuition and mandatory E&G fees for in-state undergraduate students to not more than six percent for the 2007-2008 academic year. ODU's increase was 5.4% and the institution may be granted \$259,591 in additional State general funds.

### **Student Financial Aid**

The amended Commonwealth budget recommended an increase of \$1,692,778 for undergraduate financial aid bringing the total financial aid appropriation for both undergraduate and graduate students to \$13.3 million.

### **Equipment Trust Fund**

The 2006-2008 Equipment Trust Fund provides for allocations totaling \$52 million

annually statewide to purchase technology and other equipment. Old Dominion's share of this allocation is approximately \$3.6 million for each year of the 2006-2008 biennium. The funds will be used to support technological initiatives such as student computer lab upgrades, communications systems enhancements, obsolete instructional equipment and faculty and staff workstations.

### Maintenance Reserve Funds

Maintenance Reserve funding has been a function of the Commonwealth's budget and the economy. Prior biennium general fund appropriations to fund repairs aimed at maintaining or extending the useful life of a facility, such as roofs, heating and cooling, and electrical systems have fluctuated. The budget includes a maintenance reserve allocation of \$1.9 million for 2007-2008.

### New Capital Projects

The Commonwealth's 2006-2008 Budget includes capital budget initiatives largely dependent upon the University's nongeneral funds to enhance operations and quality of life. Commonwealth 2007 session statewide amendments addressed the escalating costs of construction and authorized an increase in appropriations based on construction industry prices for the Physical Science II and Batten Arts & Letters Buildings. Plans are proceeding on the existing projects. In addition, the amended Biennium Budget included capital outlay funds for a Performing Arts and Fine Arts Building and nongeneral fund bond authority for the Powhatan Sports Complex and a new Residence Hall (Phase II). Finally, authorization language was added to enable the University to collaborate with the Real Estate Foundation in expediting the University's Sports Complex plans.

## CAPITAL OUTLAY BUDGET AMENDMENTS FOR 2007-08

<u>Project Name</u>	<u>General</u>	<u>VCBA</u> <u>Bonds</u> <u>Paid by</u> <u>State</u>	<u>9C NGF</u> <u>Bonds</u>	<u>9D NGF</u> <u>Bonds</u>	<u>Project Cost</u>
	<u>Funds</u>				
New Residence Hall (Phase 2)			\$3,535,000		\$3,535,000
Powhatan Sports Complex				\$28,793,000	\$28,793,000
Fine & Performing Arts		\$18,000,000			\$18,000,000
Batten Arts & Letters Increase	\$250,000				\$250,000
Physical Science II Increase	\$1,500,000				\$1,500,000
Language for Powhatan Sports Complex					
<b>Total for 2007 Amendments</b>	<b>\$1,750,000</b>	<b>\$18,000,000</b>	<b>\$3,535,000</b>	<b>\$28,793,000</b>	<b>\$52,078,000</b>



## CHAPTER 3 2007-2008 BUDGET PROCESS AND RELEVANT COMPARATIVE DATA

### BUDGET DEVELOPMENT PROCESS & TIMETABLE

The University's budget development process transcends many months of planning, development of resource requests and initiatives, review and analysis, budget hearings, budget preparation and compilation and interfacing to the University's financial and administrative systems for execution. Listed below are the calendar highlights of the budget development process and the critical interfaces with the Commonwealth's budgeting and General Assembly proceedings.

#### ***FY2008 BUDGET PROCESS AND TIMEFRAMES***

<b><i>Budget Process</i></b>	<b><i>Projected Timing</i></b>
• Submit State Budget Initiatives for Secretary of Education & Governor's consideration	October , 2006
• Realign revenue forecasts based on known and anticipated State GF\$; Alternative Tuition Increase Models Base Funding Level Parameters	December 1, 2006
• <b>Budget Guidance Memo Requesting:</b>	December 7, 2006
• Revised Budget Plans	
• E&G Base budget realignment by subaccount, net zero	
• Organizational Hierarchy proposed changes for 7/1/07	
• Fee & Service Charge changes/additions	
• Major College/Divisional Goals	
• Major College/Divisional Accomplishments for the 2006-2007 Academic Year	
• <b>Budget Resources</b>	
• Base Budget Summary Tables	December 15, 2006
• Base Budget Worksheets	December 15, 2006
• Organizational Hierarchy Report	December 15, 2006
• Budget Planning Assumptions - Fringe Benefits, Indirect Rate	December 15, 2006
• Five Year Planning Model for Auxiliaries; A&F Auxiliary Models in process	December 15, 2006
• Tuition Fees & Service Charges	December 15, 2006
• Budget Webpage Templates	December 15, 2006
• Governor Kaine's December 15th Budget Proposals	December 15, 2006
• General Assembly Convenes, Senate Finance & House Appropriations Committees begin their budget amendment process	January 5, 2007
• Senate Finance & House Appropriations to complete their budget analysis	February 6, 2007
• Senate & House to act on their Budget Bills	February 9, 2007
• <b>Budget Material Submissions Due</b>	February 23, 2007
• First Conference on the Budget Bill	February 20, 2007
• Budget Bill Conference Report Available	February 22, 2007
• General Assembly Session closes	February 24, 2007
• Realign revenue forecasts based on General Assembly Budget Actions Alternative Tuition Increase Models	March 12, 2007
• Request Budget Modification Plans if General Assembly actions necessitate	March 12, 2007
• <b>Budget Reviews with President Runte</b>	March 12-30, 2007
• Budget Material Supplemental Materials Due ( Policy & Accomplishments)	March 30, 2007
• Governor's Review of General Assembly Actions	until April 6, 2007

- General Assembly Reconvenes April 10, 2007
- **Tuition & Fee Proposal to Board of Visitors** April 6, 2007
- **Budget Guidance Memos with Decisions** May 5, 2007
- Budget Office Webpage Instructions with detailed Operating Instructions
- Base Budget realignments (net zero) due June 5, 2007
- Review of draft budget adjustments for Auxiliaries due June 5, 2007
- **Budget Proposal to Board of Visitors** June 15, 2007
- **Base Budget Roll for FY2008 Operating** June 20, 2007
- **Academic Affairs submits Ed Foundation Transfer Requests** June 25, 2007
- **Implement Budget Actions in New Fiscal Year** July 1, 2007
- Load non-base budget adjustments for one-time-only adjustments July 1, 2007

Clearly the University's budget planning and development process must integrate and factor in many variables in order to build a budget and operating plan recommending the best allocation of available resources.

## ENROLLMENT TRENDS

<b>OLD DOMINION UNIVERSITY</b>									
<b>Headcount</b>	<b>Actual Fall 2006</b>			<b>Projected Fall 2007</b>			<b>Change Fall 2006 to 2007</b>		
	<u>Resident</u>	<u>Non</u>	<u>Total</u>	<u>Resident</u>	<u>Non</u>	<u>Total</u>	<u>Resident</u>	<u>Non</u>	<u>Total</u>
<b>On-Campus</b>		<u>Resident</u>			<u>Resident</u>			<u>Resident</u>	
Undergraduate	11,811	1,200	13,011	11,990	1,264	13,254	179	64	243
Graduate	<u>2,547</u>	<u>881</u>	<u>3,428</u>	<u>2,613</u>	<u>919</u>	<u>3,532</u>	<u>66</u>	<u>38</u>	<u>104</u>
<b>Total On-Campus</b>	14,358	2,081	16,439	14,603	2,183	16,786	245	102	347
Higher Ed Centers &									
Off-Campus in Hampton Roads									
Undergraduate	289	18	307	305	19	324	16	1	17
Graduate	<u>892</u>	<u>103</u>	<u>995</u>	<u>946</u>	<u>109</u>	<u>1,055</u>	<u>54</u>	<u>6</u>	<u>60</u>
<b>Subtotal</b>	1,181	121	1,302	1,251	128	1,379	70	7	77
Teletechnet & Off-Campus									
Outside Hampton Roads									
Undergraduate	1,836	27	1,863	1,940	28	1,968	104	1	105
Graduate	<u>1,184</u>	<u>81</u>	<u>1,265</u>	<u>1,255</u>	<u>86</u>	<u>1,341</u>	<u>71</u>	<u>5</u>	<u>76</u>
<b>Subtotal</b>	3,020	108	3,128	3,195	114	3,309	175	6	181
Teletechnet USA Outside VA									
Undergraduate	21	262	283	22	276	298	1	14	15
Graduate	<u>16</u>	<u>457</u>	<u>473</u>	<u>17</u>	<u>486</u>	<u>503</u>	<u>1</u>	<u>29</u>	<u>30</u>
<b>Subtotal</b>	37	719	756	39	762	801	2	43	45
<b>Total Headcount</b>	18,596	3,029	21,625	19,088	3,187	22,275	492	158	650
<b>Annual FTE</b>	14,496	2,270	16,766	14,868	2,382	17,250	372	112	484
<b>First-Time Freshman</b>	1,851	248	2,099	1,921	262	2,183	70	14	84
<b>Transfer Students</b>	1,500	191	1,691	1,518	207	1,725	18	16	34

## AFFORDABILITY - HISTORICAL COMPARISONS TO VIRGINIA UNIVERSITIES

The University Enrollment Management Commission reviewed the following data assessing ODU's pricing relative to other Virginia doctoral institutions. The conclusion was that ODU was consistently in the bottom in lowest cost for full-time resident and nonresident undergraduate students. Ever mindful of this benchmark, the University's Executive leadership remains committed to accessible and affordable education. Consequently, budget development and resource allocation reflect this approach to balancing student, institutional needs, and student affordability.

<b>FULL-TIME RESIDENT UNDERGRADUATE TUITION, FEES, AND AVERAGE ROOM &amp; BOARD COSTS (2007-2008)</b>					
Institution	Tuition & E&G Fees*	Total Auxiliary Fees	Tuition & Fees	Average Room & Board	Total
CWM	\$5,602	\$3,562	<b>\$9,164</b>	\$7,385	\$16,549
UVA	\$6,776	\$1,724	<b>\$8,500</b>	\$7,435	\$15,935
GMU	\$4,993	\$1,847	<b>\$6,840</b>	\$7,020	\$13,860
VCU	\$4,525	\$1,671	<b>\$6,196</b>	\$7,567	\$13,763
ODU	\$4,024	\$2,504	<b>\$6,528</b>	\$6,685	\$13,213
VPI	\$5,772	\$1,625	<b>\$7,397</b>	\$5,106	\$12,503
<b>FULL-TIME NONRESIDENT UNDERGRADUATE TUITION, FEES, AND AVERAGE ROOM &amp; BOARD COSTS (2007-2008)</b>					
Institution	Tuition & E&G Fees*	Total Auxiliary Fees	Tuition & Fees	Room & Board	Total
UVA	\$26,026	\$1,712	<b>\$27,750</b>	\$7,435	\$35,185
CWM	\$23,200	\$3,734	<b>\$26,934</b>	\$7,385	\$34,319
GMU	\$17,881	\$1,847	<b>\$19,728</b>	\$7,020	\$26,748
VCU	\$17,069	\$1,671	<b>\$18,740</b>	\$7,567	\$26,307
VPI	\$17,980	\$1,795	<b>\$19,775</b>	\$5,106	\$24,881
ODU	\$15,164	\$2,584	<b>\$17,748</b>	\$6,685	\$24,433

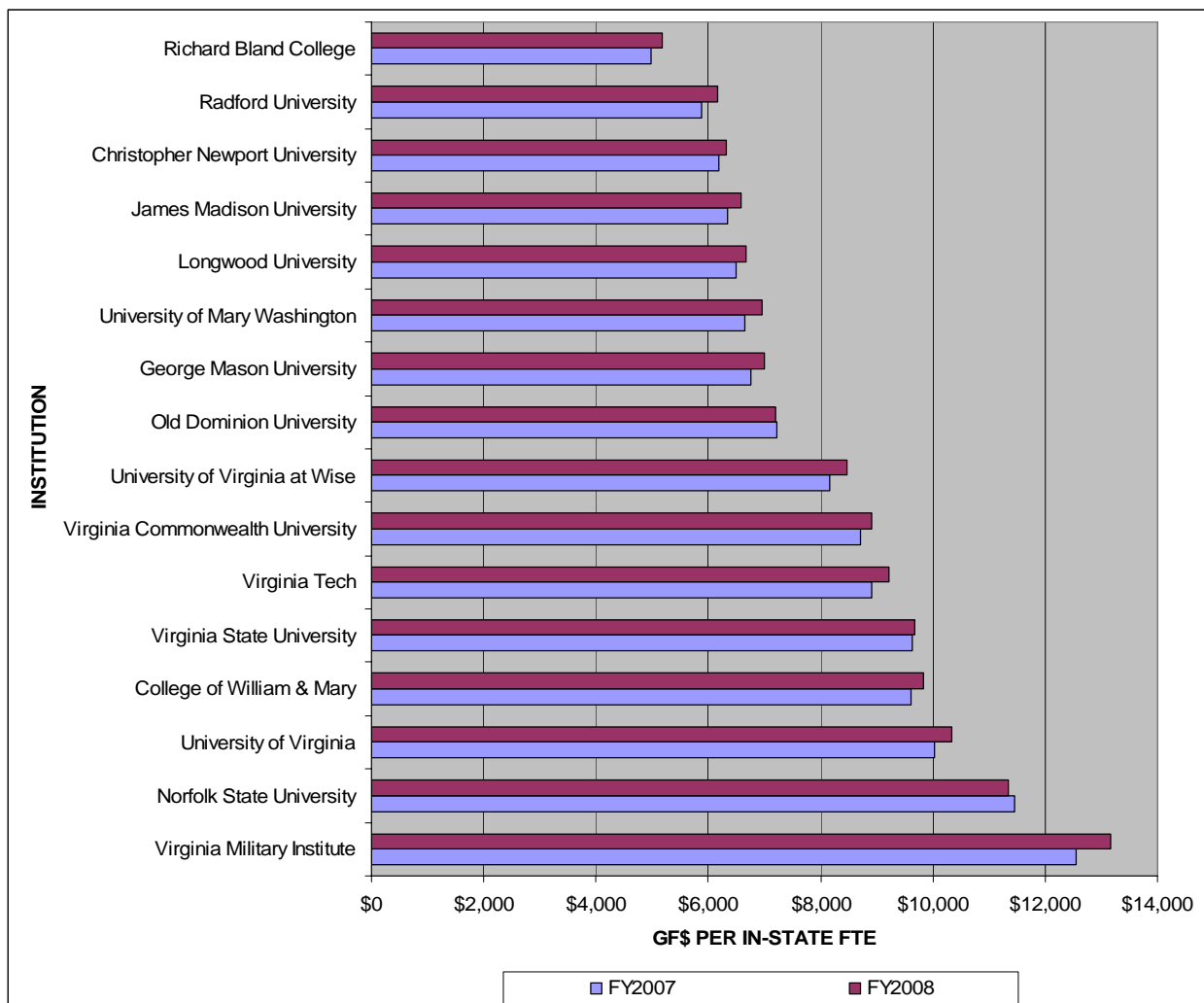
\* Includes the technology fee.

## GENERAL FUNDING PER IN-STATE STUDENT FTE

A preliminary analysis of the 2007-2008 general fund appropriation per in-state, full-time equivalent student reveals that Old Dominion University continues to receive less general fund support than other doctoral institutions except George Mason University. The following analysis includes agency appropriations only. It does not include central appropriation amounts for classified salary increases or the student financial assistance appropriation.

The combined low tuition and general fund support per in-state student FTE indicate that Old Dominion University has fewer resources available as compared to the other Virginia doctoral and research institutions. Nonetheless, the University demonstrates prudent fiscal management by achieving its mission while remaining affordable and accessible to our constituents.

### COMPARISON OF FY2007 VS. FY2008 GF\$ PER IN-STATE FTE



## COMPARISON OF GENERAL AND NONGENERAL APPROPRIATIONS FOR VIRGINIA HIGHER EDUCATION INSTITUTIONS

The following analysis includes agency appropriations only comparing the relative State vs. non-general fund support per institution. Note ODU's non-general funds have been adjusted here to reflect the ODU Research Foundation revenues not customarily portrayed in such appropriation comparisons.

### Virginia's Public Colleges and Universities Percentage of State Support for 2007-2008 Educational Operating Budgets (In Millions)

Institution	State Support		Tuition, Fees & Other Non-State Funds	
	Amount	Percent	Amount	Percent
Christopher Newport University	\$ 27.9	56.6%	\$ 21.4	43.4%
College of William & Mary	\$ 48.8	38.5%	\$ 78.1	61.5%
George Mason University	\$ 136.8	40.3%	\$ 202.4	59.7%
James Madison University	\$ 77.3	38.1%	\$ 125.5	61.9%
Longwood University	\$ 27.8	53.7%	\$ 24.0	46.3%
Norfolk State University	\$ 46.5	56.0%	\$ 36.6	44.0%
Old Dominion University	\$ 109.7	43.8% ***	\$ <b>140.6</b>	56.2%
Radford University	\$ 51.0	53.7%	\$ 43.9	46.3%
University of Mary Washington	\$ 23.3	41.4%	\$ 33.0	58.6%
University of Virginia	\$ 147.6	32.0%	\$ 314.2	68.0%
University of Virginia at Wise	\$ 15.3	67.7%	\$ 7.3	32.3%
Virginia Commonwealth	\$ 195.8	44.3%	\$ 245.8	55.7%
Virginia Military Institute	\$ 11.0	38.2%	\$ 17.8	61.8%
Virginia State University	\$ 33.4	55.5%	\$ 26.8	44.5%
Virginia Tech	\$ 175.8	38.9%	\$ 276.4	61.1%
Richard Bland College	\$ 6.0	65.9%	\$ 3.1	34.1%
Community College System	<u>\$ 392.6</u>	<u>57.0%</u>	<u>\$ 296.6</u>	<u>43.0%</u>
<b>Totals</b>	<b>\$ 1,526.6</b>	<b>44.6%</b>	<b>\$ 1,893.5</b>	<b>55.3%</b>

\*\*\* Includes unappropriated \$44M from ODU Research Foundation

## TUITION & FEE TRENDS

The University's tuition and fee trends over the past five years are cited below and demonstrate the consistent approach to balancing pricing with student affordability and institutional requirements.

### OLD DOMINION UNIVERSITY

#### Cost of Old Dominion University

In-State Undergraduate	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Tuition and Fees	\$4,928	\$5,268	\$5,614	\$6,098	\$6,528
Percent Adjusted	6.6%	6.9%	6.6%	8.6%	7.1%
Room and Board	\$5,480	\$5,706	\$5,877	\$6,312	\$6,685
<b>Total Cost</b>	<b>\$ 10,408</b>	<b>\$ 10,974</b>	<b>\$ 11,491</b>	<b>\$ 12,410</b>	<b>\$ 13,213</b>
Percent Adjusted	4.4%	5.4%	4.7%	8.0%	6.5%

Fees include Technology, Transportation, Health and General Service Fees based on 30 credit hours

Room and Board reflects a weighted average.

Out-State Undergraduate	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Tuition and Fees	\$14,078	\$14,688	\$15,394	\$16,658	\$17,748
Percent Adjusted	3.1%	4.3%	4.8%	8.2%	6.5%
Room and Board	\$5,480	\$5,706	\$5,877	\$6,312	\$6,685
<b>Total Cost</b>	<b>\$ 19,558</b>	<b>\$ 20,394</b>	<b>\$ 21,271</b>	<b>\$ 22,970</b>	<b>\$ 24,433</b>
Percent Adjusted	2.9%	4.3%	4.3%	8.0%	6.4%

Fees include Technology, Transportation, Health and General Service Fees based on 30 credit hours

Room and Board reflects a weighted average.

In-State Graduate	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Tuition and Fees	\$5,798	\$6,072	\$6,496	\$7,028	\$7,494
Percent Adjusted	3.1%	4.7%	7.0%	8.2%	6.6%
Room and Board	\$5,480	\$5,706	\$5,877	\$6,312	\$6,685
<b>Total Cost</b>	<b>\$ 11,278</b>	<b>\$ 11,778</b>	<b>\$ 12,373</b>	<b>\$ 13,340</b>	<b>\$ 14,179</b>
Percent Adjusted	2.8%	4.4%	5.1%	7.8%	6.3%

Fees include Technology, Transportation, Health and General Service Fees based on 24 credit hours

Room and Board reflects a weighted average.

Out-State Graduate	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Tuition and Fees	\$14,640	\$15,322	\$16,058	\$17,358	\$18,478
Percent Adjusted	3.0%	4.7%	4.8%	8.1%	6.5%
Room and Board	\$5,480	\$5,706	\$5,877	\$6,312	\$6,685
<b>Total Cost</b>	<b>\$ 20,120</b>	<b>\$ 21,028</b>	<b>\$ 21,935</b>	<b>\$ 23,670</b>	<b>\$ 25,163</b>
Percent Adjusted	2.8%	4.5%	4.3%	7.9%	6.3%

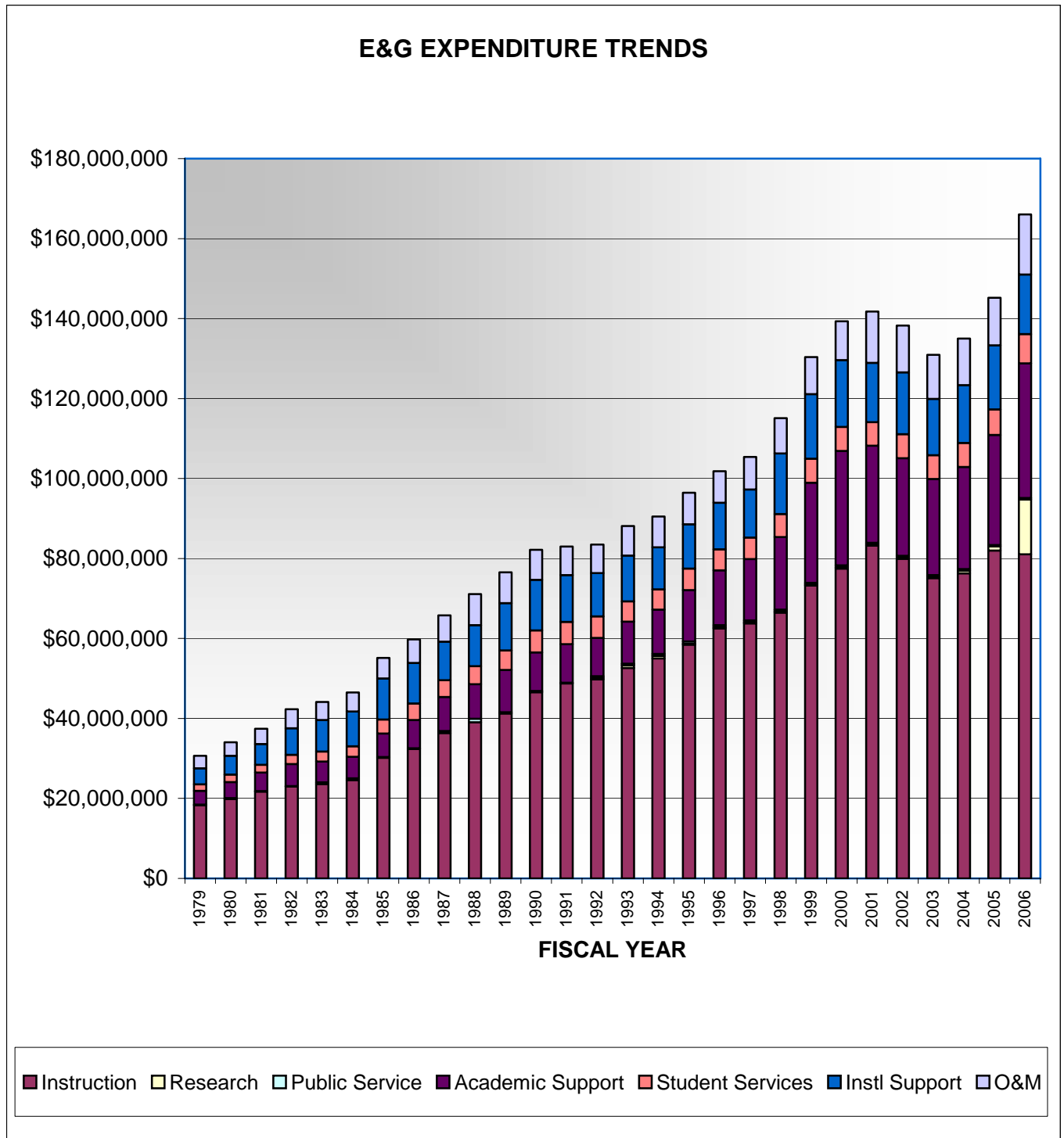
Fees include Technology, Transportation, Health and General Service Fees based on 24 credit hours

Room and Board reflects a weighted average.

FY2007 Room & Board reflects revised weighted average

## E&G EXPENDITURE TRENDS

The following chart and data are extracted from the Commonwealth's Accounting & Reporting System and portray the pattern of ODU expenditures from 1979 - 2006. The distribution of functional expense is relatively consistent over the fiscal years while the total resources are strongly correlated with the economy and Commonwealth funding.



## E&G EXPENDITURES BY PROGRAM FOR ALL THE VIRGINIA PUBLIC HIGHER EDUCATION INSTITUTIONS

The following chart indicates the total Educational and General Expenditures by Program for all the Virginia Public Higher Education Institutions. The State Council of Higher Education is mandated to report the institutions annual expenditures to the General Assembly every year. With the exception of the College of William and Mary, Old Dominion University's E&G expenditures are the lowest among the doctoral research institutions.

### ***2005-06 Total Educational and General Expenditures by Program Virginia Public Higher Education Institutions***

Instituti	Instruction	Research	Public Service	Academic Support	Student Services	Institutional Support	O&M	Total
VT	\$ 219,060,968	\$ 33,477,690	\$ 11,514,264	\$ 54,251,359	\$ 12,202,325	\$ 38,628,350	\$ 42,854,477	\$ 411,989,433
UVA	\$ 195,171,903	\$ 11,184,953	\$ 4,017,015	\$ 81,097,187	\$ 19,802,051	\$ 39,855,102	\$ 52,579,833	\$ 403,708,043
VCU	\$ 223,744,059	\$ 5,806,794	\$ 5,240,127	\$ 55,277,359	\$ 12,899,793	\$ 39,926,723	\$ 34,628,381	\$ 377,523,237
GMU	\$ 173,903,215	\$ 721,602	\$ 1,120,010	\$ 35,558,194	\$ 16,961,892	\$ 31,626,917	\$ 22,306,688	\$ 282,198,518
JMU	\$ 93,890,409	\$ 310,924	\$ 888,188	\$ 25,304,182	\$ 8,992,510	\$ 19,142,945	\$ 21,783,223	\$ 170,312,381
ODU	\$ 81,066,205	\$ 13,694,580	\$ 366,414	\$ 33,679,864	\$ 7,307,632	\$ 14,933,844	\$ 14,970,239	\$ 166,018,779
CWM	\$ 65,845,123	\$ 1,619,603	\$ 8,298	\$ 20,142,528	\$ 5,350,670	\$ 12,268,351	\$ 9,441,607	\$ 114,676,180
RU	\$ 45,087,321		\$ 401,193	\$ 9,083,633	\$ 4,078,438	\$ 13,953,754	\$ 8,352,135	\$ 80,956,474
NSU	\$ 32,292,671	\$ 124,635	\$ 476,219	\$ 9,984,919	\$ 5,255,944	\$ 14,180,417	\$ 8,938,659	\$ 71,253,463
VSU	\$ 31,152,550	\$ 123,560	\$ 140,963	\$ 4,455,142	\$ 3,472,943	\$ 6,820,331	\$ 5,922,557	\$ 52,088,046
CNU	\$ 21,340,379		\$ 5,264,455	\$ 6,474,995	\$ 4,067,251	\$ 5,396,218	\$ 5,563,891	\$ 48,107,190
UMW	\$ 23,756,374	\$ 271,875	\$ 280,469	\$ 4,750,318	\$ 4,312,351	\$ 8,959,521	\$ 5,141,909	\$ 47,472,817
LU	\$ 18,606,297		\$ 559,193	\$ 4,975,564	\$ 2,773,729	\$ 10,632,370	\$ 4,246,446	\$ 41,793,599
VMI	\$ 11,911,027		\$ 76,563	\$ 3,342,218	\$ 1,930,210	\$ 5,042,606	\$ 6,107,570	\$ 28,410,194
UVA	\$ 7,122,136		\$ 15,127	\$ 3,554,364	\$ 1,687,596	\$ 2,993,478	\$ 1,866,740	\$ 17,239,441
Wise								
RBC	\$ 3,141,566			\$ 311,431	\$ 826,747	\$ 1,970,623	\$ 1,494,970	\$ 7,745,337
VCCS	\$ 276,891,019		\$ 4,789,174	\$ 64,508,547	\$ 45,678,926	\$ 131,755,210	\$ 51,299,567	\$ 574,922,442
<b>Total</b>	<b>\$ 1,523,983,222</b>	<b>\$ 67,336,216</b>	<b>\$ 35,157,672</b>	<b>\$ 416,751,804</b>	<b>\$ 157,601,009</b>	<b>\$ 398,086,758</b>	<b>\$ 297,498,891</b>	<b>\$ 2,896,415,572</b>

The following table shows the Expenditures (less Research) per FTE Student. Old Dominion University's ratio of \$9,340 per FTE falls well below the overall average, followed only by Radford, Richard Bland and the Virginia Community College System. This comparison shows that Old Dominion University is the lowest of all the doctoral and research institutions and the majority of the comprehensive four-year institutions in its spending per student FTE.



**2005-06 Total Educational and General Expenditures by Program  
Virginia Public Higher Education Institutions**

<b>Institution</b>	<b>Total</b>	<b>ANNUAL FTE</b>	<b>Exp Less Research per FTE</b>
Virginia Military Institute	28,410,194	1,531	\$18,557
University of Virginia	403,708,043	22,836	\$17,189
Virginia Commonwealth University	377,523,237	24,417	\$15,224
College of William and Mary	114,676,180	7,625	\$14,827
Norfolk State University	71,253,463	5,024	\$14,158
Virginia Tech	411,989,433	28,215	\$13,415
George Mason University	282,198,518	22,569	\$12,472
Christopher Newport University	48,107,190	4,322	\$11,131
University of Mary Washington	47,472,817	4,351	\$10,848
Virginia State University	52,088,046	4,897	\$10,611
University of Virginia at Wise	17,239,441	1,628	\$10,589
Longwood University	41,793,599	4,099	\$10,196
James Madison University	170,312,381	16,697	\$10,182
Old Dominion University	166,018,779	16,308	\$9,340
Radford University	80,956,474	9,122	\$8,875
Richard Bland College	7,745,337	982	\$7,887
Virginia Community College System	574,922,442	93,198	\$6,169
<b>Total</b>	<b>2,896,415,572</b>	<b>267,821</b>	<b>\$10,563</b>

Source: FY06 CARS.

**BUDGET SUBMISSION REQUESTS**

Each year the President issues a budget development memo which attempts to gauge the environ impacting next year’s budget development. Historically the budget development message encourages reallocations where possible, submission of well-defined and measurable program initiatives, and advocates proposals advancing the University’s Strategic Plan. Furthermore, it provides a reminder of the fiscal environment facing the Commonwealth and higher education arena.

Higher education naturally generates incredibly exciting proposals and initiatives for funding consideration. Historically, ODU has submitted bold research and instruction initiatives in cutting edge fields such as bioinformatics, modeling and simulation just to name a few. The Commonwealth receives numerous proposals from all State agencies and cannot underwrite all the extremely well conceived prospectuses. ODU has benefited from State research and development funding in the past; however, the innovative initiatives developed by University faculty cannot always attain State and/or sponsored funding. While University research efforts grow, funding capacity

rarely can keep pace with the depth and breath of creative initiatives put forward.

The University's internal budget process provides the structured opportunity to solicit, evaluate, and prioritize many compelling institutional initiatives focused on advancing strategic themes. Like most public sector organizations, the scope and diversity of the documented needs far exceeds the resource capacity of the institution to fully fund all requests. Consequently, the budget resource requests that are totaled below do not reflect the totality of actual submissions from the Vice Presidents given finite resources.

### FY2008 UNIVERSITY TOTAL BUDGET REQUESTS BY STRATEGIC GOALS

<b>Strategic Objective</b>	BASE	ETF	OTO	Grand Total
Academic Quality	\$ 2,369,231		\$ 215,500	\$ 2,584,731
Retaining Faculty	\$ 756,862		\$ 16,148	\$ 773,010
National Reputation for Excellence	\$ 2,703,736		\$ 344,452	\$ 3,048,188
Faculty Research	\$ 1,790,497		\$ 240,000	\$ 2,030,497
Interdisciplinary Research & Centers	\$ 2,496,347		\$ 245,000	\$ 2,741,347
Increased Research Funding Expenditures	\$ 69,065	\$ 500,000		\$ 569,065
Quality of Graduate Programs	\$ 1,089,872		\$ 13,000	\$ 1,102,872
Main Campus Master Plan Update	\$ 209,175		\$ 497,832	\$ 707,007
Campus Life	\$ 5,478,900		\$ 2,249,930	\$ 7,728,830
Faculty & Staff Benefits	\$ 151,284		\$ 9,424	\$ 160,708
Integrate & Improve Academic & Administrative	\$ 1,501,395		\$ 806,040	\$ 2,307,435
Enrollment Management	\$ 79,500		\$ 20,000	\$ 99,500
Academic Support Services	\$ 838,183		\$ 1,152,015	\$ 1,990,198
Administrative Support Services	\$ 1,320,401		\$ 335,480	\$ 1,655,881
Regional Outreach Programs	\$ 978,568		\$ 77,000	\$ 1,055,568
International Connections	\$ 20,000			\$ 20,000
Reallocation of Current Resources	\$ 100,241			\$ 100,241
Commonwealth Funding	\$ 421,927	\$ 23,500	\$ 5,760	\$ 451,187
Development Funding	\$ 364,394		\$ 184,000	\$ 548,394
<b>GRAND TOTAL</b>	<b>\$22,739,578</b>	<b>\$ 523,500</b>	<b>\$ 6,411,581</b>	<b>\$29,674,659</b>

## 2007-08 BUDGET SUMMARY

This section provides an overview of the University's 2007-2008 operating budget. Some significant elements in the proposed plan are presented below.

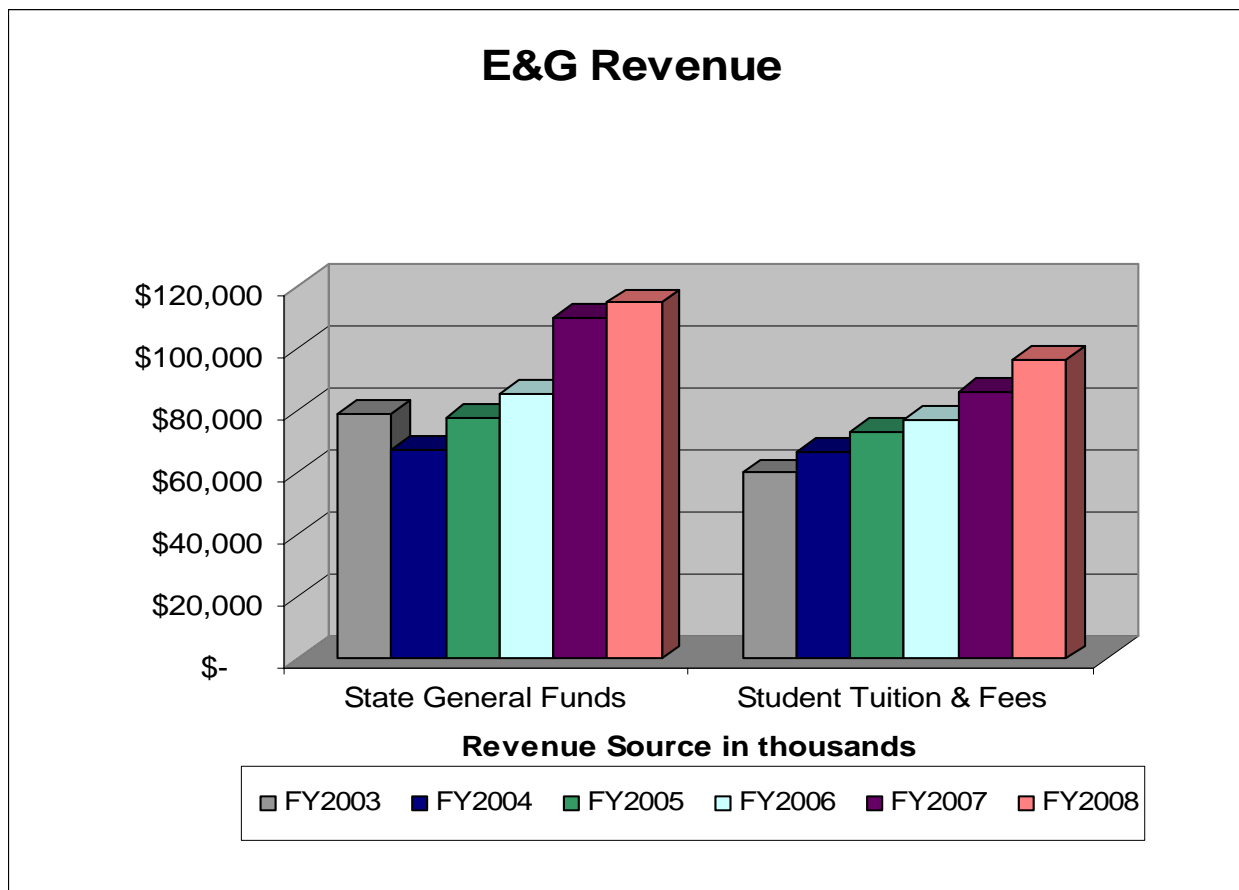
- The budget is based on conservative assumptions related to enrollment projections, revenue calculations and expenditure estimates as contained in the University's Six-Year Plan.
- The budget balances revenues and expenditures within the University's Educational and General programs and other operating funds and contributes approximately \$2.8 million to fund balances in the Auxiliary Services area. This fund balance contribution is consistent with planning for the use of these resources to accomplish future initiatives in that area. Adequate reserves are provided within the budget to address changes in key planning assumptions.
- As approved by the Board of Visitors at the April, 2007 board meeting, tuition and mandatory educational fees for Virginia undergraduates will increase by 7.1 percent for full-time Virginia undergraduates and 6.5 percent for out-of-state undergraduates. With room and board the total increases are 6.5 percent and 6.4 percent respectively. Likewise, the auxiliary student fees, and room and board charges were increased slightly to cover the salary, health-care benefits, indirect cost adjustments and inflationary costs. Auxiliary fees increased by \$ 209, a 10 percent increase, and room and board costs increased \$373, a 5.9 percent increase. The student health fee increased \$10 but \$8 will cover the cost of on-site lab work and students will not be charged separately for lab work. The transportation fee remained constant. In total, tuition, fees and room and board for full-time Virginia undergraduates increased by \$803, a 6.5 percent increase.

Tuition and fees increased 6.6 percent for in-state graduate students, and 6.5 percent for out-of-state undergraduates and 6.5 percent for out-of-state graduates. The increases in tuition were necessary to cover operating expenses and salary and benefit requirements.

The proposed expenditure budget for 2007-2008 for the total University is \$381.1 million, an increase of 6.5 percent over the original 2006-2007 operating budget. This overall increase is primarily attributed to the combined effects of increased state funding and tuition increases, anticipated expenditures in increased student scholarships and loan funds, an increase in grant activity, an increase in gift and endowment transfers from the Educational Foundation, and Auxiliary Services (University Village debt service and parking and student recreation center initiatives). The budget consists of the following components: the Educational and General Programs budget, the Auxiliary Services budget, grants and contracts, gifts and discretionary, scholarships, and student loan funds/direct federal lending. The

Educational and General Programs budget, which includes both general and nongeneral funding sources, is composed primarily of expenditures and revenues in the Instructional Programs.

The E&G budget revenue mix over FY2003 to FY2008 is illustrated by the chart below demonstrating the dramatic shift in the University's E&G revenue mix as a result of the Commonwealth's funding actions.



As noted in the graph, general fund support for the Educational and General programs (excluding state financial aid) decreased from \$79.0 million to \$67.5 million in FY04, increased to \$77.7 million in FY2005, increased to \$85.6 million in FY2006, increased to \$110.3 million in FY2007, and will now increase to \$114.9 million in FY2008.

- Student tuition and fee revenue increased from \$61.3 million in FY2003 to \$68.5 million in FY2004, to \$73.3 in FY2005, to \$77.2 in FY2006, to \$86.1 in FY2007 and to \$96.6 million --- a cumulative increase of \$35 million. The University will earn approximately \$10.5 million more in tuition and fees for FY2008. Based on conservative budget decisions, the revenue generated by Commonwealth general funds and the tuition and fee increase provided funding for the 2007-08 Operating Budget and Plan as follows:

	<b>2006-2007</b>	<b>2007-2008</b>	<b>\$ Increase</b>
<b>Educational &amp; General Programs</b>	<b>\$191.9</b>	<b>\$199.8</b>	<b>\$ 7.9</b>
<b>Auxiliary Services</b>	<b>\$ 57.6</b>	<b>\$ 62.9</b>	<b>\$ 5.3</b>
<b>Grants &amp; Contracts</b>	<b>\$ 18.7</b>	<b>\$ 23.2</b>	<b>\$ 4.5</b>
<b>Gifts &amp; Discretionary</b>	<b>\$ 6.1</b>	<b>\$ 7.5</b>	<b>\$ 1.4</b>
<b>Scholarships &amp; Fellowships</b>	<b>\$ 22.1</b>	<b>\$24.0</b>	<b>\$ 1.9</b>
<b>Student Loan Funds</b>	<b>\$61.5</b>	<b>\$63.7</b>	<b>\$ 2.2</b>
<b>Total University Budget</b>	<b>\$ 357.9</b>	<b>\$ 381.1</b>	<b>\$ 23.2</b>

## **CHAPTER 4**

### **2007-2008 EDUCATIONAL AND GENERAL PROGRAM PRIORITIES**

The University's 2007-2008 Educational and General budget is based on the strategic program priorities that follow. The funds appropriated by the General Assembly for the 2006-2008 biennium were earmarked for continuation of services coupled with latitude in increasing tuition and fees. The Commonwealth's budget investments consistent with the higher education base adequacy funding model will enable allocations for long standing University needs. Principally, the University will allocate funds for instructional quality investments and faculty/staff compensation adjustments that were not possible over the last two biennia. Together with modest tuition and fee increases Old Dominion looks forward to advancing the institution's strategic agenda. Likewise, the University supports the Commonwealth's continuing investment in higher education consistent with the base funding adequacy model which demonstrates that all Virginia institutions still require substantially more state general funds to attain nationally recognized funding benchmarks in terms of faculty salaries, instructional support, institutional support, and operations and maintenance.

#### **UNIVERSITY-WIDE:**

##### **Compensation**

The Governor and General Assembly included provisions for merit-based salary increases of 4 percent for state classified employees effective November 25, 2007. Full-time teaching and research faculty, administrators, part-time faculty, graduate teaching and research assistants will receive merit increases of 4 percent. The University will allocate sufficient funding to support faculty and administrator retention. The University will also allocate a centralized pool of over \$1.3 million to address salary issues related to in-band adjustments and internal alignment for classified staff, market and internal alignment for administrative and professional faculty, and compression, equity, retention and promotion funds for teaching and research faculty. In addition, both State funds and tuition dollars were used to cover the increased costs in health care, disability insurance and retirement.

#### **INSTRUCTION AND ACADEMIC SUPPORT PROGRAMS:**

##### **University Professor Awards**

The designation of University Professor has been established in order to recognize faculty members who are outstanding teachers. Only tenured faculty will be considered for this honor. A maximum of eight tenured faculty may be designated for the award in any one year to a four-year term. University professors receive \$2,500 per year of discretionary funds to support their professional development.

##### **Funding of Full and Part-Time Faculty Positions/Faculty Retention**

Base funding has been allocated to support 22 faculty positions in support of academic

needs. Faculty merit, retention, promotion and new faculty funds total \$4.6 million.

### **University College**

Consistent with the Strategic Plan and the Enrollment Management initiative significant examination and focus has been conducted over the past two years to integrate and enhance a continuum of services aimed at student success. To that end, the realignment and creation of the University College continues to evolve.

### **Library Materials**

Old Dominion University's desire to promote and sustain high quality instruction and research is well documented in its Strategic Plan. A strong library collection is an integral component to support such an objective. Base funding of \$300,000 will be allocated to cover the inflationary cost for maintaining journal subscriptions and adding collections during the upcoming year.

### **Research Initiatives**

Funding allocations have been made to continue the Commonwealth Higher Education Research Initiative for the University's expansion of modeling and simulation research and teaching. The Commonwealth also added \$1.5 million for the Virginia Coastal Energy Research Consortium to implement research and development of renewable energy resources, with an initial focus on offshore winds, waves and marine biomass. Strategically, the University should strive to increase our research grants and move towards advancing to the Top 100 research Universities status.

### **Technology Initiatives**

The *University's Strategic Plan* emphasizes the significance of the availability and use of technology in support of the University's mission. The \$3.6 million in funding from the Higher Equipment Trust Fund and a reallocation of institutional resources will be used to replace obsolete instructional equipment, to address the equipment needs for lab upgrades and to fund technical equipment to be used in the mediated classrooms. The technology-based requests funded in this year's budget include:

- Technology Classrooms - One-time funding to maintain existing mediated classrooms through equipment replacement and to address general classroom repairs and renovations to these mediated facilities.
- Faculty Workstations/Academic Equipment - One-time funding to replace obsolete PC workstations and academic teaching/research equipment.
- Server and Network Infrastructure Upgrades - One-time funds to address mission-critical infrastructure including network and system monitoring programs.
- Software and Hardware Contract Increases. Banner Operational Data Store and

Enterprise Data Warehouse projects.

- Mediated classrooms support expansion.

### **Distance Learning**

- Continuation of transition plan for next generation satellite broadcast system (video over IP) and implementation of the system.

### **STUDENT AFFAIRS (Campus Life Initiatives):**

#### **Program Enhancements**

Several allocations were made to address Student Affairs initiatives in support of international students, disability services, student life programming and residence life. In addition, the Health Center budget has been adjusted for inflationary costs consistent with the approved increase in the student health fee.

#### **Public Safety Services**

The University has expanded policing and security staff to cover a vibrant and growing campus as well as Tri-Cities Center and VMASC. Compensation/retention upgrades have been added to the base budget in order to retain market equity. A campus emergency coordinator position, law enforcement officers, security officers, and a door/access manager position have been added to the budget. As the campus continues to evolve, public safety support and monitoring must be maintained.

### **OPERATION AND MAINTENANCE OF FACILITIES**

The University will allocate funding for Tri-Cities and VMASC facility maintenance and utilities. The University has allocated additional base funds to cover Tri-Cities and VMASC operations, maintenance and utilities. The cost of utilities University wide continues to be closely monitored. Additional funding has been provided for storm water management one-time maintenance needs and environmental health and safety programs.

### **SCHOLARSHIPS AND FELLOWSHIPS**

#### **Institutional Scholarship Programs**

Central and need-based scholarship funds have been base funded at \$3.8 million to provide resources to attract qualified students. It should be noted that a portion of the approved tuition and fee rate increase for 2008 was earmarked to support this initiative which, coupled with the student assistance program, make attractive packages for students.

#### **State Scholarship Program**

The University's appropriation was increased by \$1,692,778 in state-supported student



financial aid during the most recent state budget process. We are very mindful of the fact that the majority of our students must either work or finance loans to cover the cost of attending college.

### Student Loan Program

Another noteworthy change in the University's scholarship and loan programs is an increase in the amount of loan funds being expended by students. Both the number of borrowers and the amount of funds they are borrowing to cover the cost of their education is increasing. Some of this increase is attributed to tuition adjustments and the economic environment.

### New E&G Investments

The following list details the E&G initiatives funded in this budget pursuant to internal budget deliberations. The list is presented as base initiatives and one-time by program area.

#### **FY2008 E&G BASE AND ONE-TIME ALLOCATIONS**

E&G PROGRAM	INITIATIVE	AMOUNT
INSTRUCTION	Remove FY07 one-time allocations from the budget: Temporary faculty positions, faculty recruitment funds, Wharton Research Data services, etc.	(1,922,719)
	Faculty (22 FTE) includes 2 Research positions	1,655,038
	Ambassadors in Residence	\$26,913
	Proctor Funds for Higher Education Centers	30,142
	Music Faculty (Marching Band) and OTO Equipment	79,872
	Operating and Travel Expense Increases	98,512
	Tri-Cities operating plan for new facility (includes new staffing costs)	212,342
	Va Beach Higher Education Center Expansion Plan	200,000
	Salary & Benefit Increases	742,000
	<b>TOTAL</b>	
RESEARCH	Salary & Benefit Increases	60,840
	Less: Wind Tunnel OTO	(2,000,000)
	Less: Research Equipment Cytometer	(1,000,000)
	Orchid Conservatory Position (1FTE)	78,065
	Grant Writer Positions (2)	140,030
	Research Development Coordinator	69,065
<b>TOTAL</b>		<b>(2,652,000)</b>
<b>PUBLIC SERVICE TOTAL</b>	Salary & Benefit Increases	<b>10,193</b>
ACADEMIC SUPPORT	Distance Learning Site Directors Compensation Study	62,787
	Faculty for Criminal Justice Program and OTO Equipment	94,418
	Faculty Incentives for Asynchronous Programs	37,494
	Library Books & Subscriptions	300,000
	Library Positions - Compensation Study	98,029
	Ph.D. Programs Quality & Productivity	200,000

	PSYD Graduate RA Stipend Increase	10,000
	Teacher Education Services	59,402
	IT Security Support	115,829
	Information Technology Infrastructure	155,000
	Commodity Internet Service	60,000
	National Lambda Rail	175,000
	Software & Hardware Contract Increases	100,000
	Classroom Central Senior Engineer Upgrade	11,783
	Salary & Benefit Increases	360,081
	University College	200,000
	Registrar Graduation Specialist	34,033
	Faculty Activity Reporting System	16,148
	Gornto Building Improvements OTO	42,000
	Center for Teaching Quality (as appropriated in State Budget)	500,000
	Asynchronous Course Development Team	100,000
<b>TOTAL</b>		<b>2,732,004</b>
<b>STUDENT SERVICES</b>	Move Disability Services Positions from Aux to E&G	169,441
	Move Rec Sports Positions from Aux to E&G	294,819
	Global Series Showcase-Multicultural	100,000
	REAL Conversation Series	11,000
	Compensation Study for Student Affairs Support Staff	56,822
	Graduate Assistant Positions	20,000
	Schedule Management Software	4,550
	Wireless Safety Alarm System OTO	4,100
	Workstation in Counseling Services OTO	5,874
	International Student Services to support incoming international students	3,500
	Salary & Benefit Increases	26,742
	Welcome Week Programming	25,000
	Office Furnishings and Renovations to Student Affairs Office OTO	15,560
<b>TOTAL</b>		<b>737,408</b>
<b>INSTITUTIONAL SUPPORT</b>	Remove one-time allocations from budget	(2,442,422)
	Abolish Marketing Coordinator Position	(71,685)
	SWAM Procurement Program	7,000
	eVA Transaction Fee OTO	250,000
	Director of Real Estate Development to Full-time	59,562
	Executive Director for Economic Development	43,679
	Benefit Support Position (1 FTE)	40,839
	Consultant and Legal fees for Benefit and Training Program	13,390
	Salary and Benefit Increases	449,907
	Associate VP Development/CIO and OTO	139,130
	Admin Support for Assoc & Asst VPs Development, OTO	34,413
	Planned Giving Program Enhancements	15,900
	Capital Campaign Support OTO	150,000

	Alumni Communications/Newsletters	34,500
	Alumni Event Planning Software OTO	8,000
	Asst Dir Out-State Recruitment	53,825
	Public Relations Specialists for Colleges (2 FTE)	87,124
	Clerical Support for VP Institutional Advancement	23,123
	Classified Position in University Events	43,562
	Branding Plan Implementation OTO	100,000
	IT Professional for Budget & Finance	89,505
	Accounts Payable Manager	81,678
	Compliance Accountant ARMICS	81,678
	Tax Compliance Consultant OTO	20,000
	Annual Fee for Eduventures	26,000
	Software System technical Support	29,000
	International Undergraduate/Graduate Recruitment	23,000
	Enrollment Management Officer	26,175
	IT Professional for Admissions	70,005
	Operating and Travel Increases	27,112
TOTAL		(486,000)
OPNS & MAINT OF PLANT	Building Rentals	1,747,499
	Utility Costs	210,000
	Property & Worker's Comp Increases	143,820
	Electronic Locksmith	38,116
	Hourly Grounds Worker Position	19,915
	VMASC/Tri-Cities Maintenance Position	37,999
	Tree Evaluation Program	25,000
	Environmental Health and Safety Position	61,259
	Waste Management Consultant	10,000
	Stormwater Program base and OTO	11,500
	Underground Storage Tank Removal OTO	75,000
	Facility Maintenance Contracts	64,000
	Emergency Coordinator for Campus and OTO	39,877
	Door/Card Access Manager and OTO	61,968
	Law Enforcement Officers (2 FTE) and OTO	98,464
	Tri-Cities Utility Costs & O&M	85,636
	Security Officers at Tri-Cities and VMASC and OTO	188,650
	Mail Room Support Position	25,030
	Salary and Benefit Increases	440,337
	Compensation Adjustments for Skilled Trades Positions	305,650
	Workplace Safety Program	4,321
	Housing Maintenance Contract (recovery from housing) zero impact to E&G	2,714,718
TOTAL		6,408,759
Grand Total		7,872,464

## CHAPTER 5 2007-2008 AUXILIARY SERVICES PROGRAM PRIORITIES

The University's 2007-2008 Auxiliary Services budget reflects a total addition of \$2.8 million to fund balances for the next fiscal year. Adequate reserves are provided within the auxiliary budget to accomplish the program initiatives for FY2007-2008 and beyond. Rate and fee increases were held to a minimum and will be primarily used to fund the employee compensation increases, to address inflationary costs in auxiliary services and programs, and to fund debt service increases on non-Educational and General projects. No state funds are received to support auxiliary service operations.

### **Auxiliary Indirect Cost Rate**

The Auxiliary Services operations are charged an indirect cost recovery rate for services provided by Educational and General operations (such as payroll processing, mail room services, purchasing and billing services). An increase in costs within these Educational and General operations has been documented in the auxiliary cost study submitted to the State Council of Higher Education in Virginia (SCHEV). The study sets the auxiliary indirect cost rate for the biennium. The rate for the 2007-2008 year will remain at the current 11.62 percent as approved by SCHEV.

### **Student Activity Fee Increase**

The student fee component of the comprehensive tuition and fee charge is used to support the following auxiliary programs and operations:

- student organizations and clubs
- intercollegiate and intramural athletics
- Webb Center and student activities
- debt service and maintenance on non-Educational and General facilities.

The Board of Visitors approved a 10 percent increase in student activity fees, which will be used to support institutionally-based and athletic scholarships, staff salary and benefit increases, debt service on new capital projects, such as the Recreational Center and Indoor Tennis Facility, program enhancements, such as football and associated Title IX sports, extended operating hours in Webb Center, and funding to support student programs and organizations.

### **Compensation**

Planning assumptions for the auxiliary budget were consistent with salary and benefit rate increases in E&G funded operations. The University has reserved sufficient auxiliary funding to cover this increase.

### **Student Housing and Board**

The room and board rates were increased by an average of 5.9 percent for 2007-2008. Revenue estimates are based on conservative occupancy rates.

The University continues to plan for improvements to its facilities in order to ensure that its residence halls remain competitive with the surrounding area and other state institutions. In addition, residence life programs, staff salary adjustments, position upgrades as well as inflationary costs of the residence hall operations were addressed in the budget plan.

Organizational changes have been implemented to move housing operations from Student Affairs to Administration and Finance. Residence Life programming will continue to report to Student Affairs.

### **Webb University Center**

The Webb University Center continues to host an ever increasing number of University events, training sessions, job fairs, and conferences, requiring extended operating hours. In order to meet the Webb Center demand schedule a number of operational coverage and maintenance investments are included in the FY2008 base budget including media support hourly funds, utility and insurance costs, equipment replacement and maintenance repairs. In addition, one-time resource needs funding for carpet replacement, cafeteria tables and chairs and computer software are included. Funding for security and equipment to operate Webb on a 24 hour basis is also included.

### **TELETECHNET Instructional Enterprise**

As authorized by the General Assembly in the 1996-98 biennium, the University received approval to offer TELETECHNET programs outside the Commonwealth. Consistent with the guidance from the General Assembly, these programs must be self-supporting, and operational costs will be funded directly from students enrolled in these programs. Additional markets have been explored, and investments have been made to continue to develop several initiatives with the military. These programs will be evaluated in terms of program quality, access, and cost-effectiveness.

### **Village Development**

As authorized by the General Assembly in the 2000-2002 biennium, the University completed the Ted Constant Convocation Center and Parking Projects. These projects were funded with non-state funds and the increase in debt service has been anticipated through previous budgets. Sufficient fund balances are available to ensure that future operating costs related to these projects are budgeted. The University Village development requires prudent management including increased security presence by the Public Safety Department.

### **Student Health Center**

At the April meeting, the Board of Visitors approved the proposal to increase the student health fee from \$55 to \$60 per semester. The \$10 annual increase will be charged to all full-time students and any part-time students wishing to participate in the programs and services offered by the student health center. The revenue increase was planned so that \$8 of the \$10 increase will cover the cost of on-site lab work and the

University will no longer charge student users for lab work since it will now be part of the Health Fee. The net additional revenue generated from the fee will be used to fund staff salary and benefit increases, and medical and lab supplies.

### **Parking Services**

The University did not increase the transportation fee for 2007-08, however, there was an increase in the parking decal fees. Financial planning to support the capital budget authorized parking garages requires a multi-year forecast on the parking revenue stream. Operating cost adjustments include anticipated increases in debt service principal and interest, salary and fringe benefit increases, shuttle bus service increase, Hampton Roads Transit (HRT) fees per ride increase, increased security costs at the Convocation Center South Garage, and increased utility costs. One-time enhancements to the parking budget include physical enhancements and repairs to several parking lots around the campus. In addition, resource allocations will be made to provide free Hampton Roads Transit (HRT) and Handi-ride trips for students taking credit courses at the Norfolk campus.

### **Intercollegiate Athletics**

Several base and one-time investments have been authorized to the intercollegiate athletic programs. Planning allocations have been made for staff salary and benefit adjustments, the addition of several athletic positions; equipment, vehicle and computer replacements; increases in scholarship funds for student athletes, program enhancements related to the addition of football and crew, and operating expenses for the opening of the new indoor tennis facility. Also, one-time enhancements will be made for athletic equipment particularly for football, crew and the marching band.

### **Recreational Sports**

The Commonwealth approval of the University's capital plans and cost increase appropriations to renovate the H&PE Building enables a concerted effort to promote wellness and recreational sport options for students, faculty and staff. University staff have been evaluating options and plans for recreation center programming. Together with a consultant's assessment and architectural planning, significant development work is anticipated to enhance the University's recreational programming.

## New Auxiliary Investments

The following list details the Auxiliary initiatives funded in this budget pursuant to internal budget deliberations. The list is presented as base initiatives and one-time by program area

### **FY2008 AUXILIARY BASE AND ONE-TIME ALLOCATIONS**

AUXILIARY PROGRAM	INITIATIVE	AMOUNT
RESIDENCE HALLS	Front Desk Manager for the Quad	31,542
	Security Cameras for Ireland & Virginia Houses (OTO)	94,877
	Furniture for Tripling Rooms (OTO)	138,707
	Indirect Costs	51,270
	Salary and Benefit Increases	51,500
	Computer Tech Support for student housing needs	1,167,000
	Property Insurance	225,216
	Food and Dietary Services	181,138
	Custodial Services	49,000
	Graduate Assistant Positions	88,750
<b>TOTAL</b>		<b>2,079,000</b>
FOOD SERVICES	Salary and Benefit Increases	1,000
STUDENT SERVICES	Move Disability Services Positions from Aux to E&G	(169,441)
	Move Rec Sports Positions from Aux to E&G	(294,819)
	Card Center Subsidy Removal	(29,021)
	Move Dance Team to Athletics	(29,153)
	Ebony Impact Choir Director	4,465
	Childcare Referral Contract	1,116
	SGA Programming	135,982
	Sport Club Expansion	22,324
	Salary and Benefit Increases	38,547
<b>TOTAL</b>		<b>(320,000)</b>
INTERCOLLEGIATE ATHLETICS	15 Football Positions Salary & Benefits	740,372
	Crew Coach Salary & Benefits	81,960
	Move Dance Team from Student Affairs	29,153
	Football Operating Costs	191,000
	Football Travel	85,000
	Indirect Costs	232,207
	Insurance Costs Increase	7,579
	New Facility Utility Costs	27,905
	Athletic Scholarship Increase	123,157
	Utility Inflation Costs	33,893
	Salary and Benefit Increases	136,010
	Indoor Tennis Center Indirect Cost Charge	34,788
	Indoor Tennis Center Operating Expenses	299,384
	Computers for Football & Crew OTO	33,486
	Crew Equipment OTOs	293,750
	Equipment Replacements OTO	66,972
	Facility (Soccer, Training, Strength) Equipment OTO	334,860

	Football Equipment OTO	900,000
	Swimming & Wrestling Displacement with HPE Reno OTO	59,159
	Football Reserve	706,365
TOTAL		4,417,000
BOOKSTORE	Increased sales and related expenses with the transition from Barnes & Nobles to Follett	68,000
OTHER SERVICES	HEALTH CENTER:	
	LPN Position/PT Receptionist	14,710
	Registered Nurse Adjustment	4,444
	Health Services Programming OTO	5,581
	TECHNICAL ADJUSTMENTS	
	Convocation Center revenue and associated expense adjustment: due to revised funding strategy (zero impact on budget)	(1,872,420)
	Student Fee revenue and associated expense adjustment: due to revised funding strategy for institutional scholarships (zero impact on budget)	(1,453,000)
	WEBB CENTER:	
	Overtime & Temp Wage Funds (24 Hour Service)	9,923
	Professional Development	4,465
	Utilities	154,378
	IT Position Upgrade & Hourly for Media	23,114
	Pest Control Contract	2,344
	Security Guard (24 Hour Service)	13,939
	Security Equipment	33,988
	Software, Carpet, Cafeteria Tables & Chairs	107,752
	PARKING SERVICES:	
	Insurance Increases	18,203
	Grounds Maintenance	48,258
	Indirect Costs	15,362
	Parking Management System	20,000
	Computer Replacements (OTO)	20,000
	Parking Management System Start-up OTO	50,000
	Parking Maintenance Reserve OTO (repairs)	445,000
	SALARY BENEFITS:	
	Market/Internal Alignment for Skilled Services Staff	184,020
	Salary & Benefits for Auxiliary Staff	56,816
	Compensation Adjustments for Distance Learning Staff	57,135
	Voice, Video and Data Services for Student Housing	578,392
	Debt service Increase on Auxiliary Facilities	488,596
TOTAL		(969,000)
Grand Total		\$ 5,276,000



## CHAPTER 6 UNIVERSITY REVENUE SUMMARY

The University receives revenue from a variety of sources. The following revenue sources are used in financial planning for higher education:

- Educational and General Tuition and Fees
- Commonwealth Appropriations
- Grants/Contracts/Gifts
- Student Loan Funds
- Auxiliary Services Revenue

The following graphs summarize the sources of the University's revenue and provide a comparison between the 2006-2007 and 2007-2008 fiscal years.

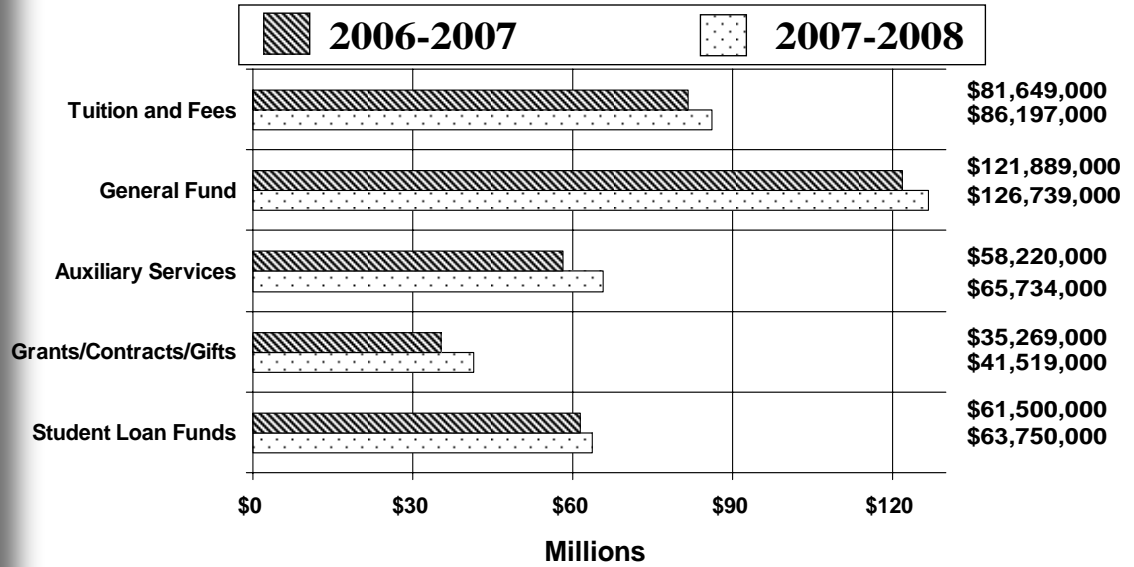
- Bar graph showing summary of revenues by major sources.
- Bar graph showing summary of revenues by General v. Nongeneral funding v. student loan funds.
- Pie graph comparing 2006-2007 to 2007-2008 by revenue fund source (Educational and General, Auxiliary, Grants/Contracts/Gifts, and Student Loan Funds revenue).
- Pie graph comparing 2006-2007 to 2007-2008 Educational and General programs by revenue source.
- Bar graph comparing 2006-2007 to 2007-2008 Auxiliary Services programs by revenue source.



# Revenue Comparisons:

2006-2007 Total Revenue: \$358,527,000

2007-2008 Total Revenue: \$383,939,000



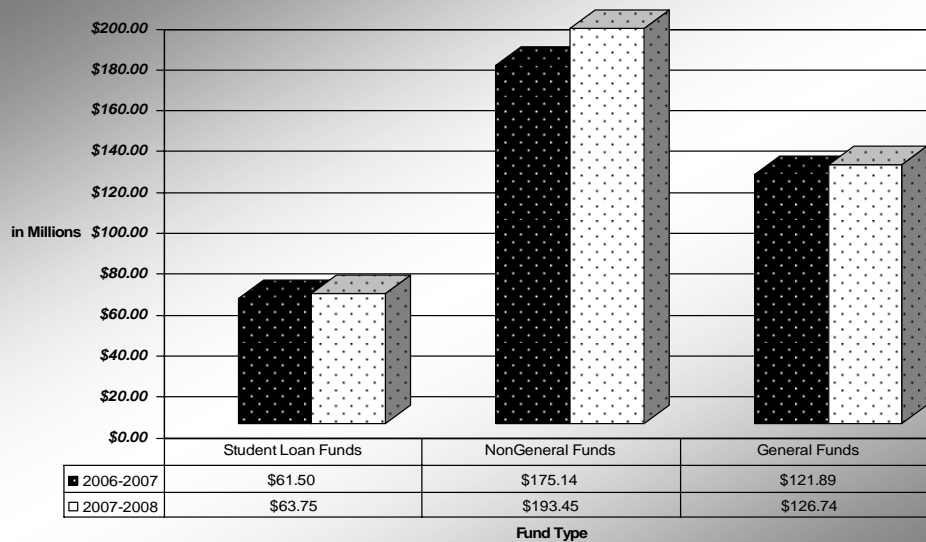
*Old Dominion University Operating Budget and Plan 2007-2008*



# Revenue Comparisons:

2006-2007 Total Revenue: \$358,527,000

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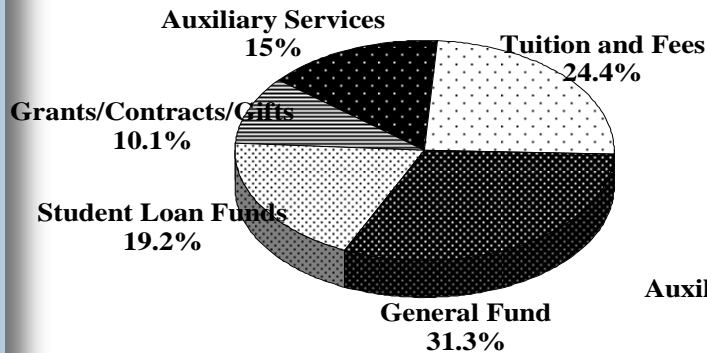
*Old Dominion University Operating Budget and Plan 2007-2008*



## Revenue Comparisons (all sources):

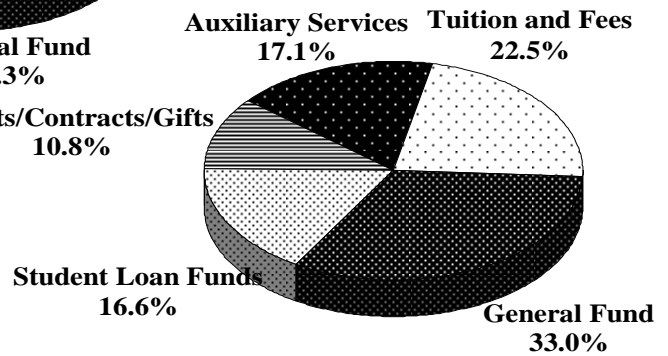
2006-2007: \$358,527,000

2007-2008: \$383,939,000



**2006-2007**

**2007-2008**



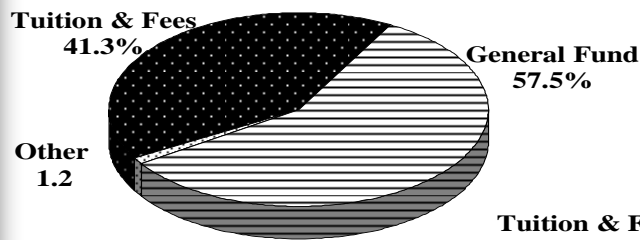
*Old Dominion University Operating Budget and Plan 2007-2008*



## E&G Revenue Analysis :

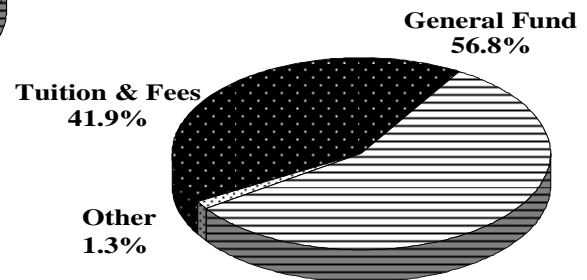
2006-2007: \$191,876,000

2007-2008: \$199,748,000



**2006-2007**

**2007-2008**



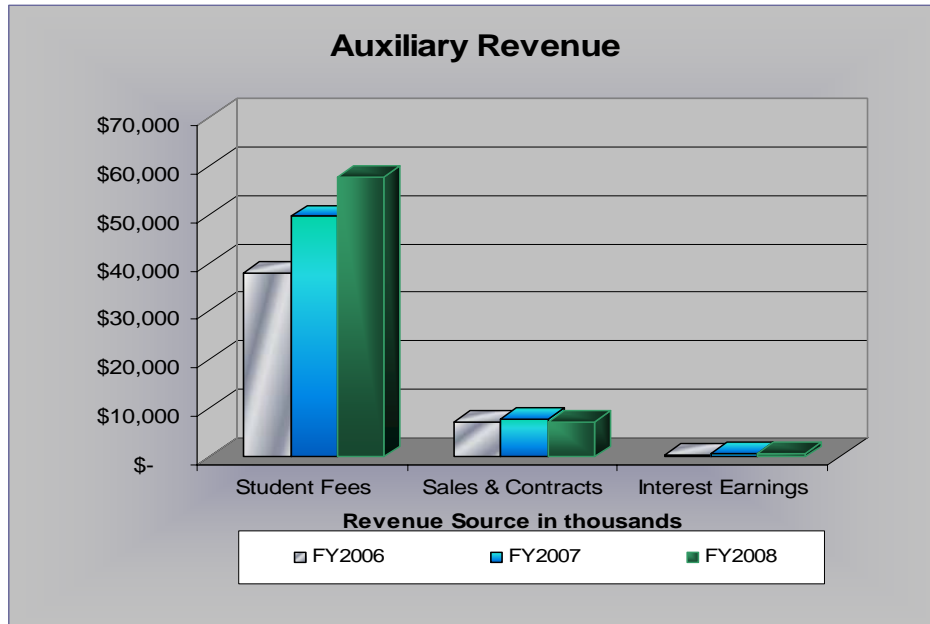
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## Auxiliary Services Revenue Analysis:

2006-2007: \$58,220,000

2007-2008: \$65,734,000



*Old Dominion University Operating Budget and Plan 2007-2008*

## CHAPTER 7 UNIVERSITY EXPENDITURE SUMMARY

Old Dominion University utilizes the revenue that it receives to fund a variety of activities and programs. The following expenditure classifications used in higher education budgeting fall into the following major categories: Educational Programs, Auxiliary Services, Grants & Contracts, Gifts/Discretionary, Scholarships & Fellowships, and Student Loan Funds.

### Educational and General Programs (E&G):

- Instruction
- Research and Sponsored Programs
- Public Service
- Academic Support
- Student Services
- Institutional Support
- Operations and Maintenance of Plant

### Auxiliary Services:

- Expenditures by Program Functions

The following graphs summarize the uses of the funds within each of these two categories by program and major expense and compare the 2005-2006 to 2006-2007 expenditures.

- Bar graph comparing 2006-2007 to 2007-2008 Total Expenditures by Fund Category.
- Pie graph comparing 2006-2007 to 2007-2008 E&G by program areas.
- Pie graph comparing 2006-2007 to 2007-2008 E&G by expense category.
- Pie graph comparing 2006-2007 to 2007-2008 Auxiliary by program function category.
- Pie graph comparing 2006-2007 to 2007-2008 Auxiliary by expense category.

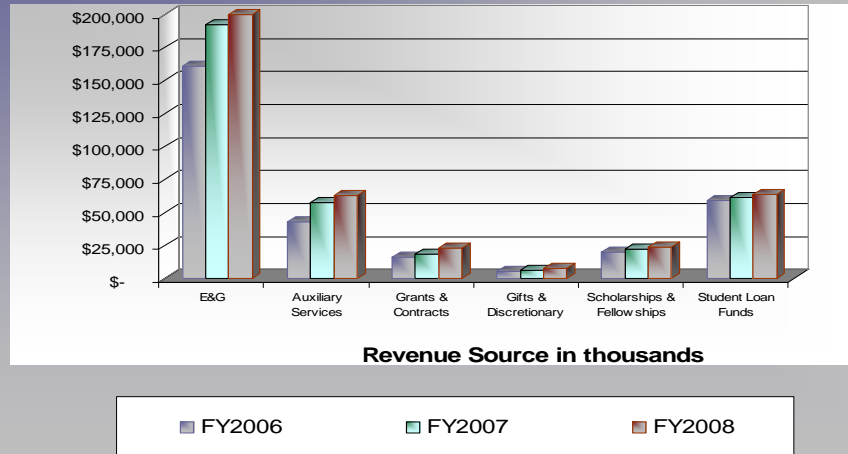
### DATA FORMAT

The data format to present the budget numbers is consistent with the changed format introduced in 2003 as compared to previous editions of the University's Operating Budget & Plan. Specifically, the budget disaggregates the presentation of what use to be rolled up to the "Educational & General" budget. In years prior to FY2003, the E&G budget was actually inclusive of E&G budgets as well as our internal ledgers devoted to: grants and contracts; gifts/discretionary; scholarships and fellowships; and student loan funds. These respective budgets are now disaggregated and presented discreetly to present a clearer picture of University resources.



## Expenditure Comparisons (by Fund Category):

2006-2007: \$357,921,000  
2007-2008: \$381,138,000

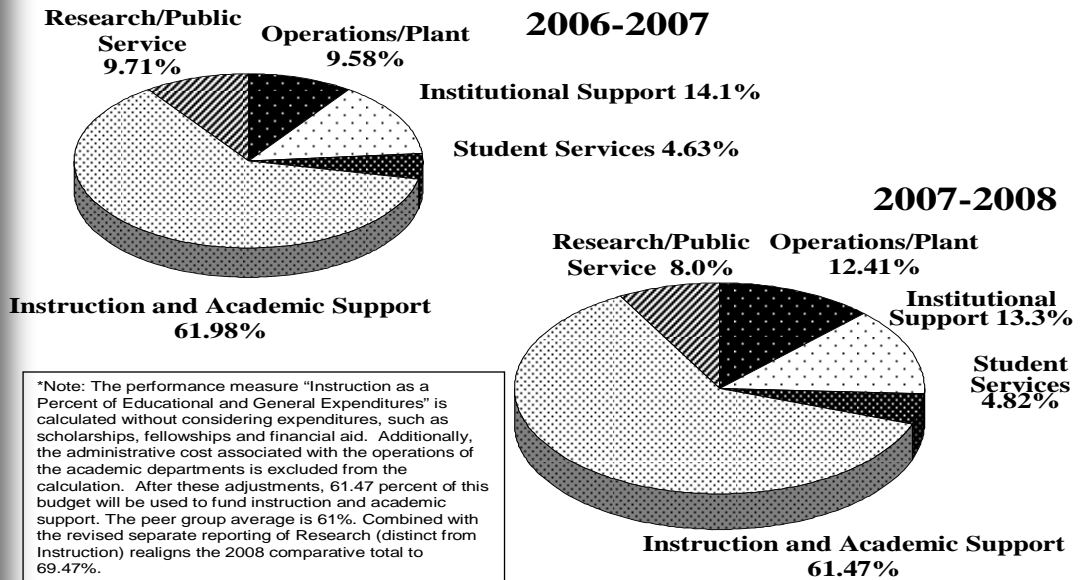


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## E&G Expenditure Comparison By Program:

2006-2007: \$191,876,000  
2007-2008: \$199,748,000

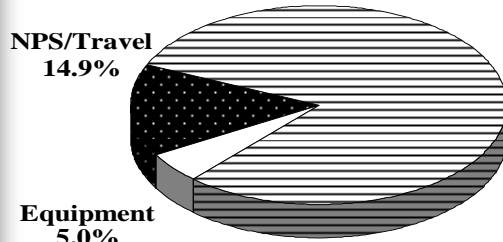


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## E&G Expense Comparison By Category :

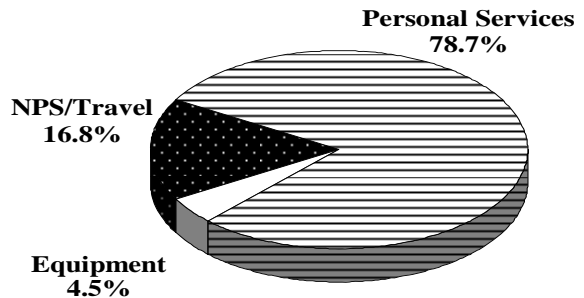
2006-2007: \$191,876,000  
2007-2008: \$199,748,000



2006-2007

Personal Services  
80.1%

2007-2008

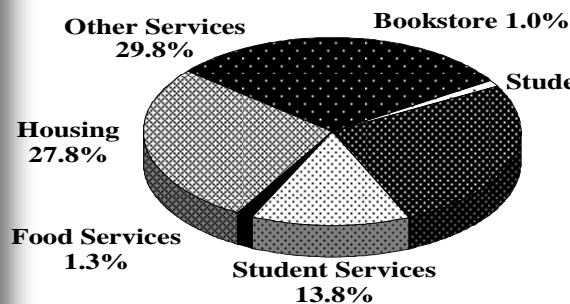


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## Auxiliary Services Expenditure Analysis By Function:

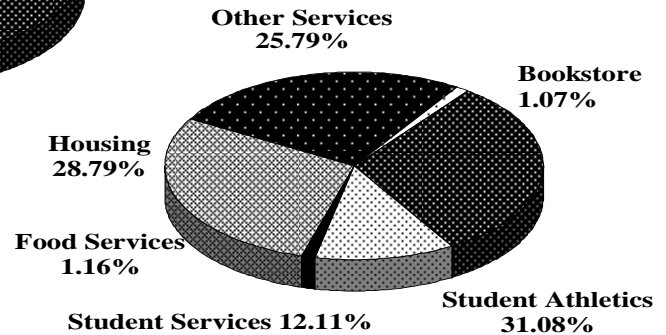
2006-2007: \$57,614,000  
2007-2008: \$62,889,000



2006-2007

2007-2008

Note: "Other Services" includes:  
Virginia Beach Higher Ed  
Parking Operations  
Constant Convocation Center  
Operating and Debt Service  
Telecommunications  
Other Auxiliary Units

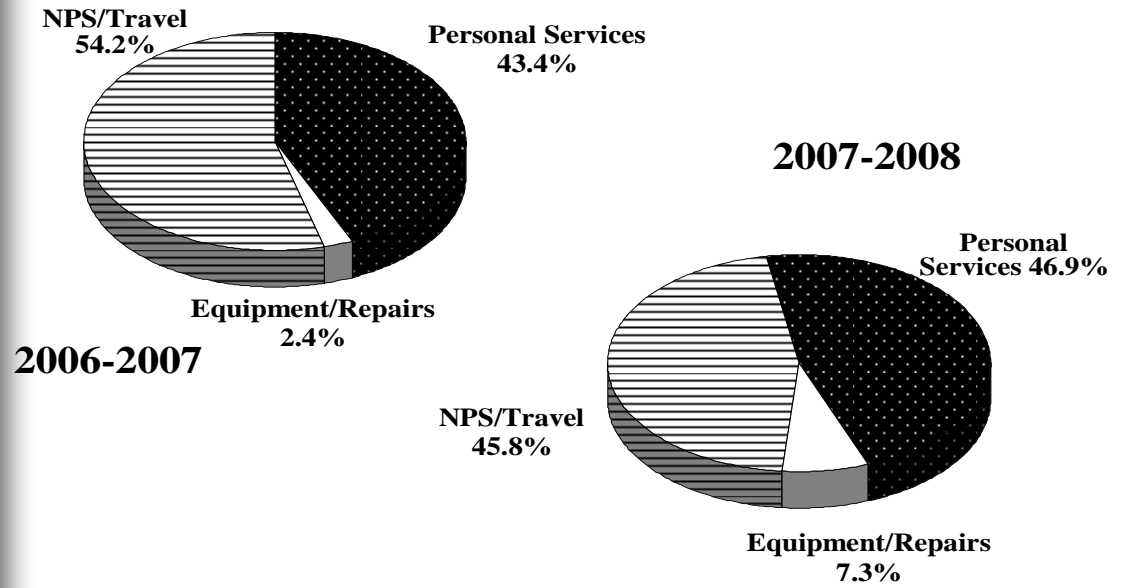


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## Auxiliary Services Expense Comparison By Category:

2006-2007: \$57,614,000  
2007-2008: \$62,889,000



*Old Dominion University Operating Budget and Plan 2007-2008*