



FY2020-2021 UNIVERSITY OPERATING BUDGET

FY2020-21 Operating Budget Development Process

Typical Annual Budget Development Process Began

- September 2019: Determined Key Planning Assumptions
- October 2019: Initiated Operating Budget Development
- Mid-March 2020: Completed Schools and Auxiliaries, Service Units, Medial Center Operating Budget Proposals

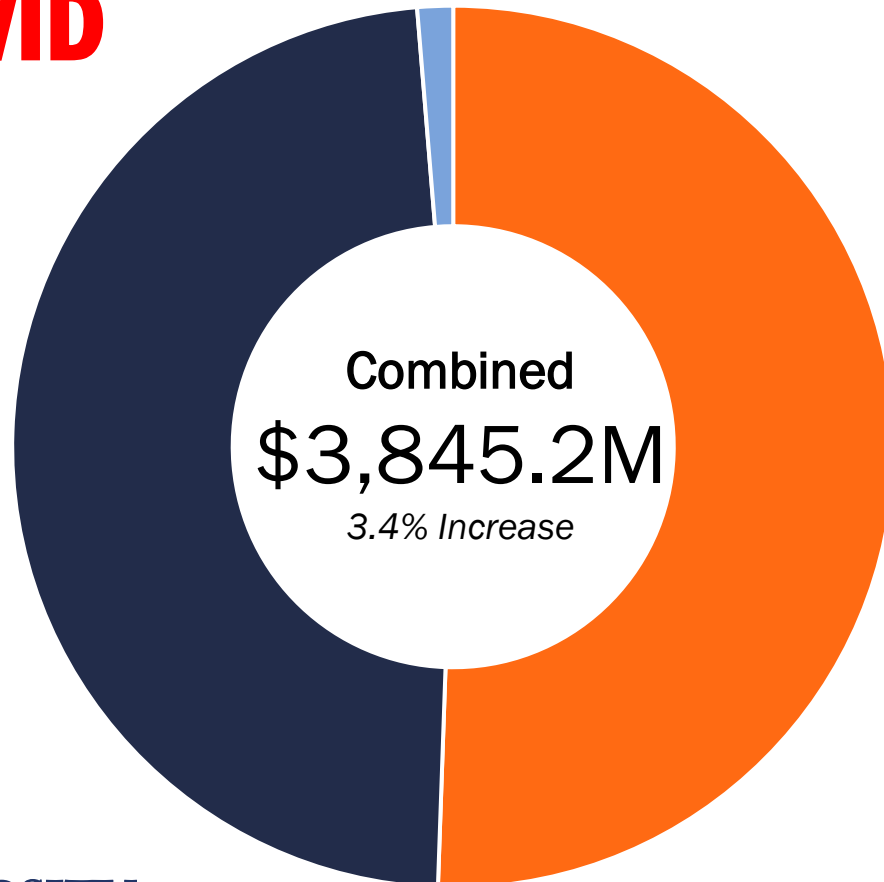
March 13, 2020: Federal State of Emergency Declared

Budget Revision Process Underway Now

- April 2020: Consolidated FY21 Base Budget
- June 2020: BOV to Review and Consider FY21 Base Budget
- June 2020: Revisit Key Budget Assumptions Based on Fall Plan
- June–August 2020: Complete FY21 Operating Budget Revision
- September 2020: Present Revised FY2020-21 Budget to the BOV

University of Virginia FY2020-21 Pre-COVID-19 Operating Budget (Dollars in Millions)

Pre-COVID



50.6%

ACADEMIC DIVISION

2020-21 Budget: \$1,943.9M
1.8% Increase

48.1%

MEDICAL CENTER

2020-21 Budget: \$1,851.0M
5.2% Increase

1.3%

UVA WISE

2020-21 Budget: \$50.3M
1.4% Increase

Non-Recurring Budget Commitments FY21-24

\$167.5M in non-recurring commitments between FY2021 and 2024

- \$70.8M faculty hiring and academic support to the College and Schools
- \$57.6M for systems and operational improvements
- \$39.1M for minor capital projects

Immediate Budget Actions Taken Across the University

PERSONNEL ACTIONS

- Froze Hiring
- Eliminated Merit Increases
- Implemented Health System Furloughs, Benefits Adjustments, Salary Reductions

FINANCE ACTIONS

- Established Debt Shelf Registration
- Cash Flow and Liquidity Modeling
- Scenario-based Budget Forecasting
- Evaluated Long-term Pool Returns

OTHER ACTIONS

- Reviewed Capital Projects
- Reducing Discretionary Spending
- Utilizing CARES Act Funding
- Modified Spring/Summer Operations
- Considered Enrollment and Capacity Implications

Key Budget Assumptions to be Revisited through Revision

- State General Funds appropriated
- Sponsored research volume
- Philanthropy assumptions
- Net undergraduate and graduate tuition
- Enrollment projections
- Auxiliary revenues
- Fall athletics schedules
- Faculty and staff merit increases
- Faculty and staff hiring
- Supplies, travel, and other spending
- On-line/in-person delivery
- Inpatient and outpatient visits and stays
- Restoration of elective procedures
- Medical Center personnel actions

FY2020-21 Operating Budget Development Process

Typical Annual Budget Development Process Began

- September 2019: Determined Key Planning Assumptions
- October 2019: Initiated Operating Budget Development
- Mid-March 2020: Completed Schools and Auxiliaries, Service Units, Medical Center Operating Budget Proposals

March 13, 2020: Federal State of Emergency Declared

Budget Revision Process Underway Now

- April 2020: Consolidated FY21 Base Budget
- June 2020: BOV to Review and Consider FY21 Base Budget
- June 2020: Revisit Key Budget Assumptions Based on Fall Plan
- June–August 2020: Complete FY21 Operating Budget Revision
- September 2020: Present Revised FY2020-21 Budget to the BOV