

WILLIAM & MARY

BOARD OF VISITORS
COMMITTEE ON FINANCIAL AFFAIRS
DRAFT MINUTES
APRIL 25, 2024
GRIMSLEY BOARD ROOM - BLOW MEMORIAL HALL

COMMITTEE MEMBERS PRESENT

Mr. C. Michael Petters, Chair
Ms. Anne Leigh Kerr, Vice Chair
Mr. Kendrick F. Ashton, Jr.
Hon. Thomas K. Norment, Jr.
Mr. John P. Rathbone

Ms. Laura Keehner Rigas
Mr. J.E. Lincoln Saunders
Ms. Taylor Fox, Student Representative
Dr. David Feldman, Faculty Representative

OTHER BOARD MEMBERS PRESENT

Mr. S. Douglas Bunch
Ms. AnnaMaria DeSalva
Ms. Cynthia E. Hudson
Mr. Stephen J. Huebner
Ms. Barbara L. Johnson
Hon. John E. Littel

Mr. Courtney M. Malveaux
Hon. Charles E. Poston, Rector
Ms. Ardine Williams
Mr. Brian P. Woolfolk
Dr. David S. Armstrong, Faculty Representative
Ms. Taylor V. Brings, Staff Liaison

OTHERS PRESENT

Dr. Katherine A. Rowe, President
Dr. Peggy Agouris, Provost
Ms. Carrie S. Nee, University Counsel
Mr. Jacob P. Long, Associate Vice President, Budget & Financial Planning
Ms. Melanie Thomas O'Dell, Chief Financial Officer
Mr. Kent Erdahl, Director Internal Audit
Mr. Sean Hughes, Associate Vice President for Business Affairs
Dr. Matthew T. Lambert, Senior Vice President for University Advancement
Mr. Brian Mann, Director of Athletics
Dr. Jeremy P. Martin, Vice President for Strategy & Innovation
Mr. Dan Pisaniello, University Architect
Dr. Carlane Pittman-Hampton, Chief of Staff
Mr. Brian W. Whitson, Chief Communications Officer
Ms. Pamela W. Carroll, Executive Assistant to the Chief Operating Officer
Mr. Michael J. Fox, Secretary to the Board of Visitors
Ms. Jessica Walton, Deputy Secretary to the Board of Visitors
Members of the President's Cabinet
William & Mary Staff and Faculty
Members of The Flat Hat

INTRODUCTORY REMARKS

Mr. C. Michael Petters, Chair, called the Committee on Financial Affairs to order at 1:49 p.m. He recognized and thanked Ms. Taylor Fox, Student Representative, and Dr. David Feldman, Faculty Representative, for their service to the Committee. He then provided an overview of the agenda and noted action items to be brought forth for the Committee's consideration.

APPROVAL OF MINUTES

Recognizing a quorum was present, Mr. Petters asked for a motion to approve the minutes of the February 7, 2024, meeting. The motion was made by Hon. Thomas K. Norment, Jr., seconded by Mr. Kendrick F. Ashton, and approved by voice vote.

KEY PERFORMANCE INDICATORS

Mr. Jacob P. Long, Associate Vice President for Budget & Financial Planning gave an overview of the Committee's Key Performance Indicators (KPI): Composition, Operating Margin, and Financial Resources. He noted that the figures presented are preliminary figures pending the final audit of the FY23 financials by the Auditor of Public Accounts. A discussion ensued regarding the projected results of the final audit and the university's rating.

FACULTY RETIREMENT PLAN

Dr. Peggy Agouris, Provost, provided the Committee with an overview of the proposed Early Retirement Incentive Plan, and noted that the proposal is to exceed the 1% general fund limit and raise it to 5%. She highlighted the benefits of the plan, for both the university and faculty, presented the proposed metrics, and noted the eligibility and approval process for participation in the plan. Lastly, Provost Agouris said that following Board approval the proposal will be submitted to the Office of the Attorney General and Office of the Governor in July. She said a decision is expected out of Richmond regarding the proposal in the fall of 2024. A discussion ensued regarding the proposed plan.

AVP FOR BUDGET & FINANCIAL PLANNING REPORT

Mr. Long gave a presentation on William & Mary's unique position in higher education, affordability, price sensitivity, FY24 financials, and major revenue and expense drivers. He presented William & Mary's proposed Financial Plan for FY25 and FY26 and highlighted its strategic priorities.

Mr. Long noted that the proposed financial plan, outlined in **Resolution 38** (as originally proposed), for FY25 and FY26 would increase the total cost (tuition, fees, room, and board) for in-state undergraduates by \$1,865 (4.7%) in FY25 and \$1,776 (4.3%) in FY26, and by \$2,599 (4.1%) in FY25 and \$2,529 (3.8%) in FY26 for out-of-state undergraduate students. Of the total cost, the proposed plan would raise in-state undergraduate tuition and mandatory fees by 3.1% in FY25 and 3.0% in FY26 and raise out-of-state undergraduate tuition and mandatory fees by 3.2% and 3.1% respectively.

Mr. Long continued with a presentation on the FY25 proposed operating budget, which used the tuition & fee model previously mentioned. Under this model revenues will increase by 4.3% and expenditures will increase by 4.4%, showing the major expense drivers (instruction, research, institutional support) of the university.

A lengthy discussion ensued regarding the FY25 and FY26 undergraduate tuition and fees, alternative options, and the net impact on in-state and out-of-state students.

Mr. Long concluded his presentation with an overview of the proposed FY25 operating budget for VIMS.

ACTION ITEMS

Mr. Petters brought forth **Resolution 38**, William & Mary's FY 2025 and FY 2026 Tuition and Fee Structure for Full and Part-Time Students and asked for a motion. Mr. Thomas K. Norment made a motion to amend Resolution 38. The amendment changed the proposed general in-state

undergraduate student tuition from 2.9% to 2.5% and general out-of-state undergraduate student tuition from 3% to 3.3% for FY25 and FY26. The motion to approve **Resolution 38 as amended** was seconded by Ms. Laura Keehner Rigas and was approved by voice vote.

Mr. Petters brought forth **Resolution 39**, William & Mary FY 2025 Operating Budget Proposal and asked for a motion. The motion was made by Mr. Kendrick F. Ashton, seconded by Mr. John P. Rathbone and approved by voice vote.

Mr. Petters brought forth **Resolution 37**, VIMS FY 25 Operating Budget, and asked for a motion. The motion was made by Mr. Rathbone, seconded by Mr. Ashton and approved by voice vote.

Mr. Petters brought forth **Resolution 36**, William & Mary's Faculty Retirement Incentive Plan, and asked for a motion. The motion was made by Mr. Ashton, seconded by Ms. Rigas and approved by voice vote.

ADJOURNMENT

There being no further business, Mr. Petters adjourned the meeting at 3:15 p.m.