

D4. Reflect on the categories/subcategories of cost that have recently experienced the most significant increases on an absolute or per-student basis. What have been the primary drivers of those increases? Please be specific and include supporting data.

We appreciate the legislature's recent significant investments in higher education operating support to restore historic funding reductions and also recognize increased inflationary costs. However, the Commonwealth's cost-share policy goal included in the Code of Virginia (Paragraph A of Section 23.1-303 of the Higher Education Opportunity Act) and in the Appropriation Act is still not being met. Despite recent improvements in the state cost-share, the Commonwealth remains 13 percentage points below the policy goal of the state covering 67% of the cost of higher education for in-state students, thus shifting the responsibility from the state to the student in the form of higher tuition.

At W&M, over the ten-year period roughly \$25 million of total cost increases were related to state mandated salary actions. In addition to state salary actions, W&M targeted faculty salary increases as part of the institution's plan to remain competitive nationally and retain the outstanding faculty our students expect. That \$25 million does not include increased minimum wage. W&M responded to competition in the local employment market by first going to \$12/hour minimum wage and subsequently \$15.50/hour. Both were ahead of the state requirements and saved the General Fund money because W&M had already funded the full increase in advance of the state mandate and did not benefit from a general fund share.

Maintaining a talented workforce is essential to providing a high-quality educational experience. Fringe benefit costs have also increased, a function of increased salaries and increases to rates, over 80% since 2012. Chapter 890 retirement plus other post-employment benefit rates totaled 9.25%. Those same benefits reached 17.53% in 2023. Health insurance rates increased 85%, which combined with fluctuations in employee elections, have led to almost \$11 million in additional cost. On the non-personnel side, the university has opened new educational facilities, experienced an average of 3.6% annual increase in utility costs over ten years, and seen inflationary costs related to contracts for library resources, technology, and facilities management, among others.

In addition to these general resource pressures, W&M has evolved academic programs in response to demand, requiring new and reallocated faculty, staff, and operational resources. In 2012, W&M did not have any online graduate programs producing revenue, but the Schools of Business and Education have implemented several programs since 2016 which now produce over \$20M in revenue that supports costs.

VMSDEP waivers have emerged as an unmanageable cost-driver, as the Virginia legislature has expanded their scope with zero allocations. At W&M, VMSDEP waivers grew ~550% from FY19 to FY23. We anticipate they may exceed \$4M for FY24.

Deferred maintenance on campus infrastructure and business systems are near-term "cost rocks" that W&M has sought innovative solutions for – to continue to flatten the curve of tuition growth.

D5. What specific strategies/actions do you plan to take to contain/reduce key costs and improve fiscal health going forward while improving student outcomes? What are your objectives and what have been your results to date of any already-launched initiatives? What is the expected impact and timeframe of these strategies? Include any short-term costs that would need to be incurred to implement the strategies.

1. Over the past three years, W&M has implemented new systems for procurement, undergraduate admissions, sponsored programs and research compliance, vendor payments, business meals and catering, robotic process automation, vendor payments and Amazon lockers. These modernizations increase efficiency, while providing better data that further improves our business processes. We estimate that these operational efficiencies resulted in 2.5% savings in non-personnel expenditures, a \$5.7M cumulative savings.
2. As part of our five-year tuition freeze, W&M reduced overall headcount by 200+ positions (6% of faculty, 5% of staff). With an ever-changing technological landscape and evolving student demand, it is important to assess vacant positions to ensure that we align staffing with our institutional mission. Further improvements in position control tools would permit greater insight into future staffing needs.
3. The next big “cost rock” W&M faces is the urgent need to modernize our business systems by converting from a 20th C. enterprise platform to a cloud based, S.A.A.S. solution. We estimate upwards of \$30M in costs to modernize, which will produce operational efficiencies and the ability to reallocate activity towards more strategic priorities over time. We are in conversation with the Secretary of Administration and peer institutions about consortium purchasing approaches to this significant expenditure.
4. While W&M has prioritized efficiency in our administrative processes, we also undertook a faculty productivity study in 2022 and reported back to the Board of Visitors. As part of this work, the provost established a longitudinal enrollment dataset to track degree conferrals over time. This data supports enrollment trend analysis, curriculum planning, and staff projections. W&M now has a baseline for establishing faculty workloads and enrollment demand — ensuring informed decision-making.
5. The university faces significant deferred maintenance in buildings and physical infrastructure. By making facilities more efficient, we contain costs and redirect resources. To this end, W&M is focusing on renovating existing E&G facilities while implementing a comprehensive plan for its housing and dining facilities via a P3.

D6. Provide information about your institution’s highest-priority E&G capital projects and requests (including new construction as well as renovations) over the six-year plan period and how they align to your enrollment trajectory, student outcomes improvement plans, or other strategic priorities. Please also reflect on your current E&G facilities utilization (especially classrooms, labs and student service areas), particularly in light of any recent trends that might impact space needs (e.g., enrollment trends, shifting learning modalities). How has square footage per student changed over time and why? What efforts have you made to reassess and further optimize the use of your existing facilities, and what has been the impact of those efforts to date? What do you intend to do in the next six years to increase utilization?

The university continues to assess its capital needs on a regular basis. Preserving existing facilities and ensuring they are structurally sound, code compliant, accessible, efficient, and sustainable are high priorities — ensuring the best learning environment experience for current and future students.

Renovate: Ewell Hall / \$30,000,000 GF

Consistent with W&M’s capital plans for more than a decade, Ewell Hall — one of the historic academic buildings at the heart of campus — requires significant renovation. With the completion of Fine & Performing Arts Phase 1 & 2 in 2023, we will vacate most of Ewell Hall, allowing W&M to address significant building systems issues, and modernize classroom and administrative space that will support Health Sciences, the Arts & Sciences Dean’s Office and the Reves Center for International Studies. The project includes long-overdue renovations to update life safety and other building systems, achieve code compliance, ensure full accessibility, and reconfigure the interior to suit future use. Timing is critical: Ewell will become partially vacant with the opening of Fine & Performing Arts. This near-term vacancy allows a non-disruptive window for renovations.

Renovate: Adair Hall / \$16,600,000 GF

As outlined in the university’s 2015 Master Campus Plan and with the opening of the final phase of the Integrated Science Center scheduled for August 2025, the university’s focus will need to shift to addressing other academic facilities on campus that house the remaining science departments. The project will update life safety systems including fire alarm and sprinkler systems, ensure full accessibility, and make necessary adjustments to mechanical and electrical systems to support continued use of the facility as an academic space for what is currently the Kinesiology department. Arts & Sciences is reorganizing this department to better align the program with industry and workforce needs.

Maintenance Reserve Program

State funding to support the renovation and revitalization of aging E&G facilities is essential to ensure that the physical plant can be utilized efficiently and effectively. This has become even more critical as the university works toward becoming carbon neutral by 2030. In addition, ongoing support through the maintenance reserve program ensures that W&M can address essential repairs to E&G facilities, thus extending their useful life.

Campus Master Planning, 2023-25

During this six-year plan period, the university will complete a Campus Comprehensive Plan. The most recent Master Plan, completed in 2015, provided an excellent framework for strategic capital investments. The next Comprehensive Plan will incorporate additional components: 1)

the recently completed housing and dining master plan; 2) a landscape plan to steward and protect our beautiful campuses; 3) a learning spaces plan focused on modernizing educational facilities and optimizing their use.

W&M is assessing opportunities to utilize spaces more fully over the summer semester — so as to run the university year-round, a far more efficient use of resources overall. W&M is currently exploring demand and will prepare a business case this coming year.

Using SCHEV's annual FTE figures, W&M instructional square footage has gone from 102.2/FTE in 2018-19 to 101.1 in 2022-23. Over that time, total instructional square footage increased by almost 50,000 contributing to W&M's overall plan for enrollment growth that can be sustained and supported. As noted above, better enrollment projections enabled by the provost's data initiative now provide for improved curricular planning.

SECTION E: BUDGET REQUESTS

E1. Provide additional information for any budget requests in Part I of your planning template that are not described elsewhere in your narrative.

SECTION F: ECONOMIC DEVELOPMENT ANNUAL REPORT

F1. Provide a link to any report your institution has produced about its economic development contributions. You may also share it in the appendix or as an attachment.

See Appendix B.

SECTION G: FREEDOM OF EXPRESSION AND INQUIRY, FREE SPEECH, ACADEMIC FREEDOM AND DIVERSITY OF THOUGHT

G1. Provide a copy of any policy or reports your institution has produced and provide information about annual training or orientation related to this topic.

W&M is a community in which the ideals of freedom of inquiry, thought, and expression are actively respected and sustained. The university is committed to supporting the exercise of constitutionally protected expression in university-controlled facilities and property while maintaining a safe atmosphere free from disruption. Consistent with the university's mission to "create a learning environment where teaching, research and public service are linked through programs designed to preserve, transmit, and expand knowledge," a commitment to free

expression is essential to fostering open discourse, argumentation, speaking, listening, learning, and exploration of ideas.

W&M's relevant policies and materials concerning freedom of expression (including our process for reporting disruptions of constitutionally protected speech and our annual report of campus freedom of expression) are published [here](#). As laid out in the annual report located at the shared link, during fall orientation new students participated programming based on the Aspen Institute's Better Arguments Project, "a national civic initiative created to help bridge divides."

Further, the Council of Presidents affirmed our commitment to free speech with the below statement:

As presidents of Virginia's public colleges and universities, we unequivocally support free expression and viewpoint diversity on our campuses. Free expression is the fundamental basis for both academic freedom and for effective teaching and learning inside and outside the classroom. Our member universities and colleges are bound to uphold the First Amendment. We are committed to promoting this constitutional freedom through robust statements and policies that are formulated through shared governance processes and through actions that reflect and reinforce this core foundation of education. We value a scholarly environment that is supported by a diversity of research and intellectual perspectives among our faculty and staff. We pledge to promote and uphold inclusivity, academic freedom, free expression, and an environment that promotes civil discourse across differences. We will protect these principles when others seek to restrict them.

SECTION H: NEW SCHOOLS, SITES, MERGERS

H1. Provide information on any new instructional sites, schools, or mergers supported by all types of funding that your institution is considering or planning to undertake during the six-year period.

As noted above, W&M is developing plans to establish a School of Computing, Data Science, and Applied Science. In Spring 2023, the provost charged a Steering Committee to study the opportunity. They synthesized market research, feedback from the W&M community, and submitted their findings on 6/12/2023. In fall 2023, the provost will submit a business case to the president and Board. W&M anticipates making a proposal to SCHEV in 2024.

If approved, a school of Computing, Data Science and Applied Science ("CDSAS") at W&M would become the first new school established at the institution in more than half a century. Proponents of this new entity believe that once established, it will address increased student demands in high growth areas, elevating W&M's national profile in industries marked by robust innovation across the country. They also note that increased visibility and autonomy for these three disciplines will strengthen recruitment of world-class faculty and graduate students and attract increased external funding for research (both external grants and state funds).

W&M has no plans to establish new instructional sites nor merge with other institutions.

SECTION I: RESEARCH

I1. Highlight any strategic research priorities, programs, or key areas of investment (e.g., hiring plans, critical research agendas, interdisciplinary centers, business partnerships, commercialization efforts) and IP dissemination and commercialization priorities you intend to pursue over the next 6 years that have not already been mentioned in this narrative. What are the anticipated benefits to your faculty attraction/retention strategy, student value proposition, and the economic competitiveness of the Commonwealth?

W&M seeks to expand our research. Vision 2026 emphasizes high-impact research — research directly relevant to future needs of the Commonwealth. W&M anchors GoVa Region 5, aligning with Governor Youngkin’s goals of advancing marine technology. In GoVa Region 6 the Commonwealth has set growth objectives for IT, data centers, and manufacturing. Here we are also strategically aligned with our commitments to growing Data Science degrees and job-oriented student internships. Our Engineering Physics and Applied Design (EPAD) major provides study of advanced prototyping of mechanical, electrical, and nanodevices, and remote-sensing, machine-learning and artificial/augmented intelligence control of autonomous vehicles and other systems.

In addition to being a powerful presence in the statewide Commonwealth Cybersecurity Initiative, W&M is currently developing a Center for Academic Excellence for Cybersecurity, to meet the interests of the intelligence community in our area. Our Data Science program is working with DOE to expand Jefferson Lab’s (JLab’s) scope to multidisciplinary research. The construction of JLab’s data center will generate a very large number of construction jobs in Virginia, along with significant jobs (>\$400M) for an enduring operational presence. W&M data scientists, working with Jlab personnel, have been organizing machine learning and advanced artificial intelligence workshop programs (AI4EIC) to meet that challenge.

All of these areas are targets of opportunity called out in Commonwealth plans. In coordination with VIPC, and with attention to Virginia Economic Development Partnership objectives, directed proposals bringing advanced computerized methods to bear on problems in human health and public health, have been positioned as joint targets of opportunity. W&M remains a closely connected partner to the local military presence on the Peninsula, offering both research and advanced training support to uniformed members of all branches of service. We have recently become a highly valued partner to NATO in all-domain training.

Internal incentives to grow research output include:

- Revised faculty research grants program to reinforce the expectation that faculty scholars labeled research-active must conduct research year-round.
- Workshops and pilot funding supporting major grant applications.
- Systematic academic restructuring to focus on “wicked problems” — complex problems and require interdisciplinary solutions. The vanguard of this trend is our School of Marine Science at VIMS, which dissolved traditional departments. VIMS is now structured around pressing scientific and industry challenges, which will guide faculty hiring. We anticipate that major improvements to research outcomes will follow this “cluster-hiring”

approach. We anticipate similar efforts on the Williamsburg campus will enhance our reputation as an undergraduate destination, while increasing post-doctoral and graduate enrollment.

- We will continue to prioritize commercialization opportunities. Over consecutive years, IP commercialization revenues to W&M have exceeded all technology transfer office expenses and payouts to inventors. (We note that only 25% of universities nationwide are net profitable in any given year.) Historically, most W&M licensing revenues come from “green tech.” Yet, in the absence of a medical school or engineering school, W&M’s IP is field-agnostic. We aim to get W&M research into the public domain, often freely. E.g., VIMS’ SCHISM model is [used](#) by the EPA for the Chesapeake Bay.

SECTION J: COLLABORATION

J1. Outline any existing or potential initiatives you have not already highlighted in this narrative that feature collaboration across public higher education institutions (and other state agencies as appropriate) in furthering the goals outlined in sections B-D. What is the expected impact and in what timeframe? What is the timeline for the initiative and how far along is it? What (if anything) would be required from a budget or policy perspective to facilitate the success of the initiative?

Data Science. The Hampton Roads region has positioned itself as an emerging player in data science but is lagging in job growth and the necessary talent pipeline to support industry. To address this gap, the State Council of Higher Education for Virginia (SCHEV) has been charged through Item 487.10 of the 2022 Appropriations Act to assess the implementation of a data science innovation hub in the region. Since March 2022, W&M has been a lead advisor on this effort, along with several other major public institutions in the region and Jefferson Labs, sharing expertise on the necessary services, collaborations, applied research, and industry engagement to support the region. We will contribute faculty, facilities, and research funding to the hub. We expect this multilateral effort to bolster the regional talent pipeline, better attract and retain students and faculty, and align academia-industry priorities.

William & Mary has already identified four data science-related thrust areas that reflect its immediate innovation interests and its deep expertise in the data science ecosystem: *Data & Society*, *Data & Location*, *Data & Public Health*, and *Data & Large-Scale Experiments*. We expect that activities in these thrust areas will be featured prominently among the portfolio of the future data science innovation hub, with W&M managing the corresponding portion of that portfolio to maximize the return on the Commonwealth’s investment to this activity. Hub activities are expected to include: i) collaborations with local stakeholders (industry, government, and communities) to foster immediate regional innovation and impact, as well as ii) basic and applied research and entrepreneurship to establish the innovation foundation for the future data-driven regional economy that will help the Hampton Roads region elevate its economic conditions. Ongoing activities at W&M related to the establishment of a new School of Computing and Data Sciences are perfectly aligned with this endeavor.

ERP Conversion. A consortial approach to Enterprise Systems akin to the Commonwealth’s successful library consortium would modernize business systems, improve operational performance, and significantly reduce both one-time outlays and annual costs. As noted above,

W&M is leading conversations with peers and the Governor's team about this innovative approach. It would require both a new policy vehicle for business modernization and significant one-time funding support.

Williamsburg Schools. In June, the City of Williamsburg City Council voted to launch a feasibility study regarding the possibility of running its own school system, separate from James City County. The study will take place this summer through fall 2023. The City has invited W&M to share its expertise through its School of Education. Following the input of nearly 2,000 residents, the City seeks to improve K-12 pathways to higher education and certificate programs via coordination with local institutions.

Williamsburg Economic Development Authority. W&M collaborated with the Williamsburg Economic Development Authority in a bond issuance for Phase 1 of our housing and dining comprehensive facilities plan. Bonds will support essential upgrades to W&M's infrastructure, via a public-private partnership. This financing structure allows the university to replace facilities more expeditiously than traditional financing methods and eases the burden on the university's debt capacity and ratio. Ultimately, this focus on cost containment benefits students and families: reducing the potential impact on room rates and dining plans, which are driven in part by debt service.

SECTION K: STATE POLICY

K1. Use this section to outline any state policy changes you have not already mentioned in this narrative that would enhance your ability to achieve greater success on the topics, strategies, and initiatives referenced in this narrative. What existing policies, if any, are hindering your ability to maximize outcomes and value for students? What new policies might create conditions that are more conducive to achieving those goals? What strategies or initiatives would these policy changes enable your institution to do or try that you are not yet able to do today? Please be as specific as possible.

Please see above.

SECTION L: ADDITIONAL INFORMATION

L1. Use this final section to provide any additional context and/or supporting materials you feel should be incorporated into the six-year planning process.