



Public Hearing on Undergraduate Tuition & Fees

April 24, 2024

Key takeaways

- W&M intentionally keeps tuition and fees below inflation when possible
- W&M depends on tuition as our largest revenue source
- We spend smart on what matters most to our students:
 - *How is each tuition dollar spent?*
 - *What are the primary drivers?*
- Context and goals
- Drivers and impacts
- Timeline

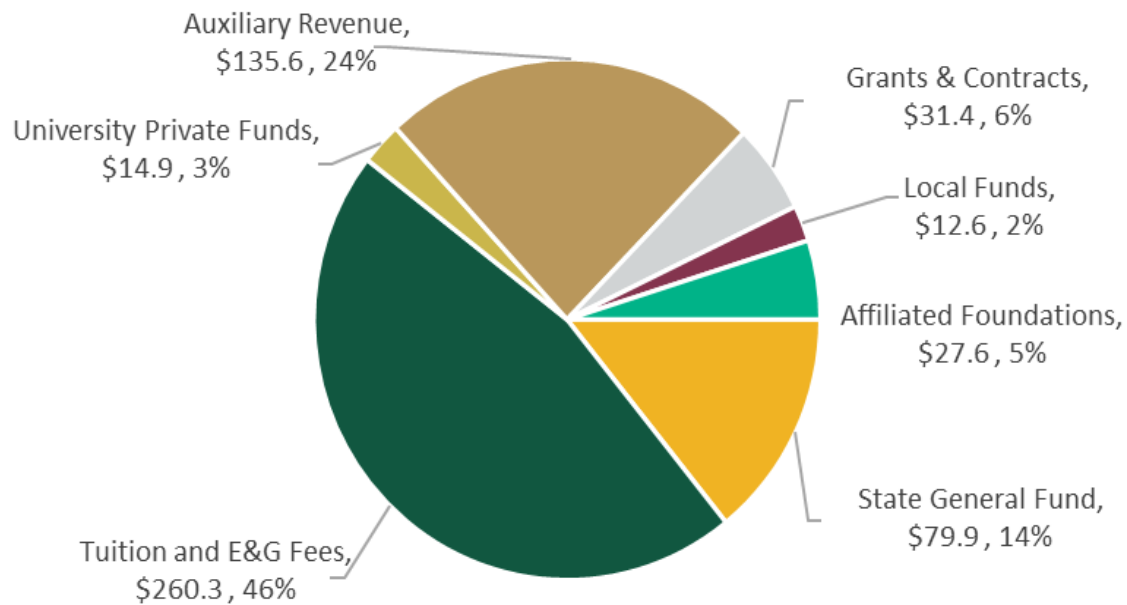


W&M tuition and fees track below inflation

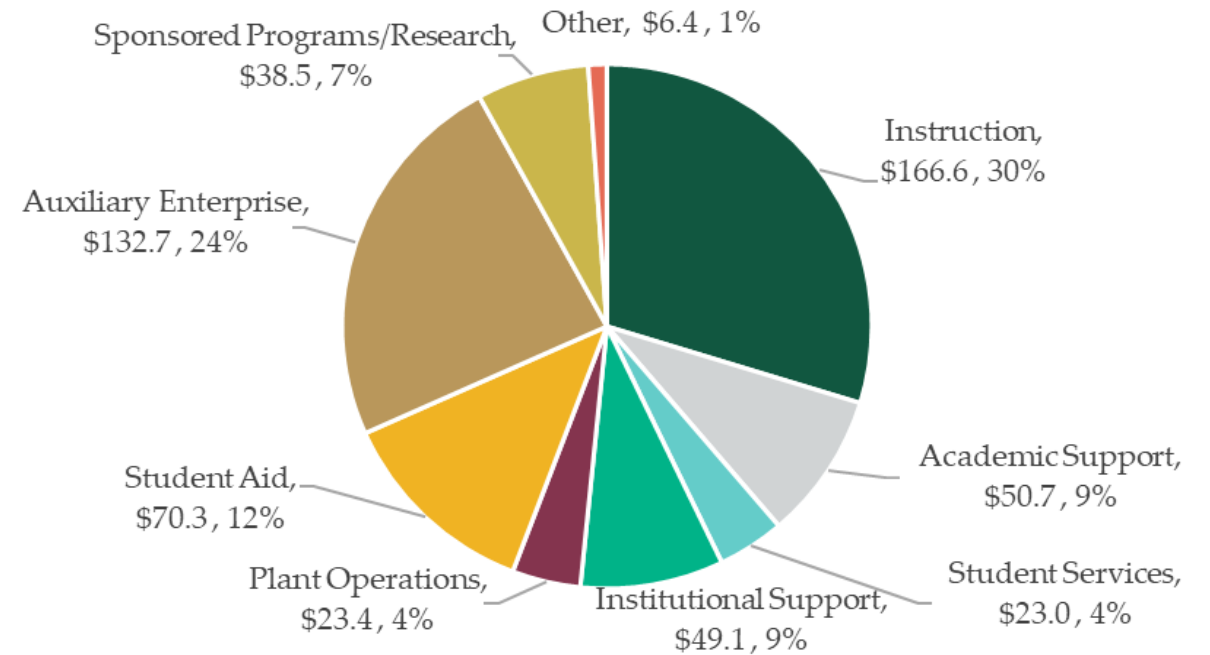
	FY20	FY21	FY22	FY23	FY24	Total %	Avg.
In-State Undergraduate Tuition Increase	0.0%	0.0%	0.0%	0.0%	4.7%	4.7%	0.9%
Out-of-State Undergraduate Tuition Increase	3.4%	0.0%	0.0%	0.0%	4.8%	8.2%	1.6%
Mandatory Fee Increases	0.0%	3.9%	3.0%	2.5%	3.9%	13.3%	2.7%
CPI Annual Growth ¹	1.8%	1.2%	4.7%	8.0%	4.1%	19.9%	4.0%

*The Commonwealth of Virginia provides no state general fund support for out-of-state students.
CPI is from Bureau of Labor Statistics for All Urban Consumers U.S. City Average series for all items.

Tuition is W&M's largest revenue source, and we spend on what our students value most



Total FY24 Revenue Budget: \$562.2 million



Total FY24 Expenditure Budget: \$561 million

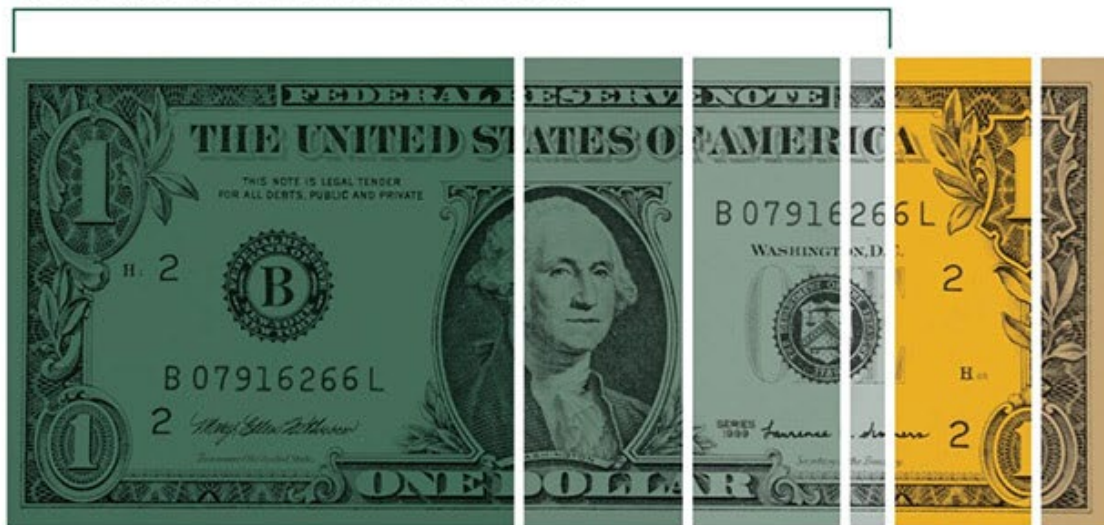
**Excludes VIMS and activity within Foundations*

How is each dollar of tuition spent?

FY23 Actual

Nearly 80%

GOES BACK TO SUPPORTING STUDENTS



46%
DIRECT
INSTRUCTION
(including Faculty
Compensation)

15%
STUDENT AID

14%
ACADEMIC
SUPPORT

4%
STUDENT
SERVICES

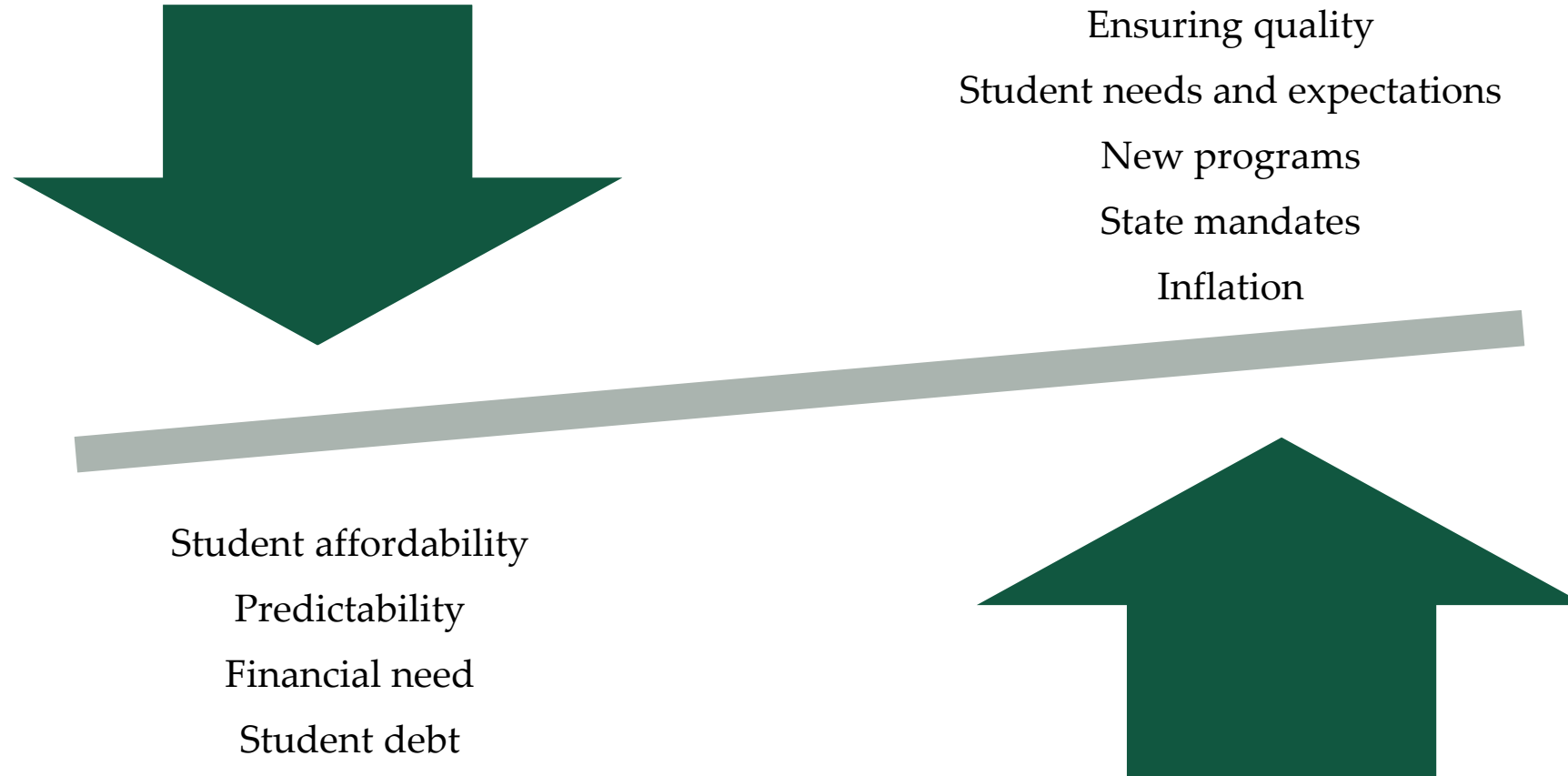
13%
INSTITUTIONAL
SUPPORT
(HR, Finance, IT)

8%
PLANT
OPERATIONS

Context: FY20-FY24 financial trends

- 600 undergraduate enrollment growth
- Growth in state support combined with growth in mandatory costs
 - 20% salary increases since FY20; reminder that state funds only E&G salaries, at 38.2%
 - 590%+ growth in state-mandated waivers
- W&M Minimum Wage increases
 - Increased from \$10.61 to \$12/hr FY20
 - Increased from \$12 to \$15.50/hr FY23
- \$3M+ inflation, utilities and library contracts (27%)

Goals of the process: balance affordability & predictability



Goals of the process: fund FY25-FY26 strategic priorities

1. Enhance student experience (wellness, housing, dining, campus safety)
2. Grow scholarships (including Pell)
3. Strengthen Career Services
4. CDS school (ISC IV)
5. ERP transition
6. Retain faculty and staff talent

FY25 Drivers

- Compensation: \$8M+
- Contractual obligations not offset by reallocations: \$400k+
- O&M + Staffing for Museum Expansion
- ERP Transition

FY26 Drivers

- Compensation: ~\$6M
- Inflationary contract increases
- O&M for ISC IV
- ERP Transition

Potential impacts

- *Undergraduate tuition range 0-4%:*
 - 0% increase → \$0M in new revenue with \$0 IS / OOS cost
 - 4.0% increase → \$6.9M in new revenue; it would increase IS tuition by \$730 and OOS tuition by \$1,682
- *Undergraduate fees: 4.0% mandatory fee increase → \$2.08M; this would add \$266 to all student fees per semester*

Timeline

April 26: W&M acts on FY25 budget

May 13: General Assembly special session

July 1: FY25 begins

Thank you!