



# W&M Financial Plan Financial Affairs Committee

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April 2024 Board Meeting

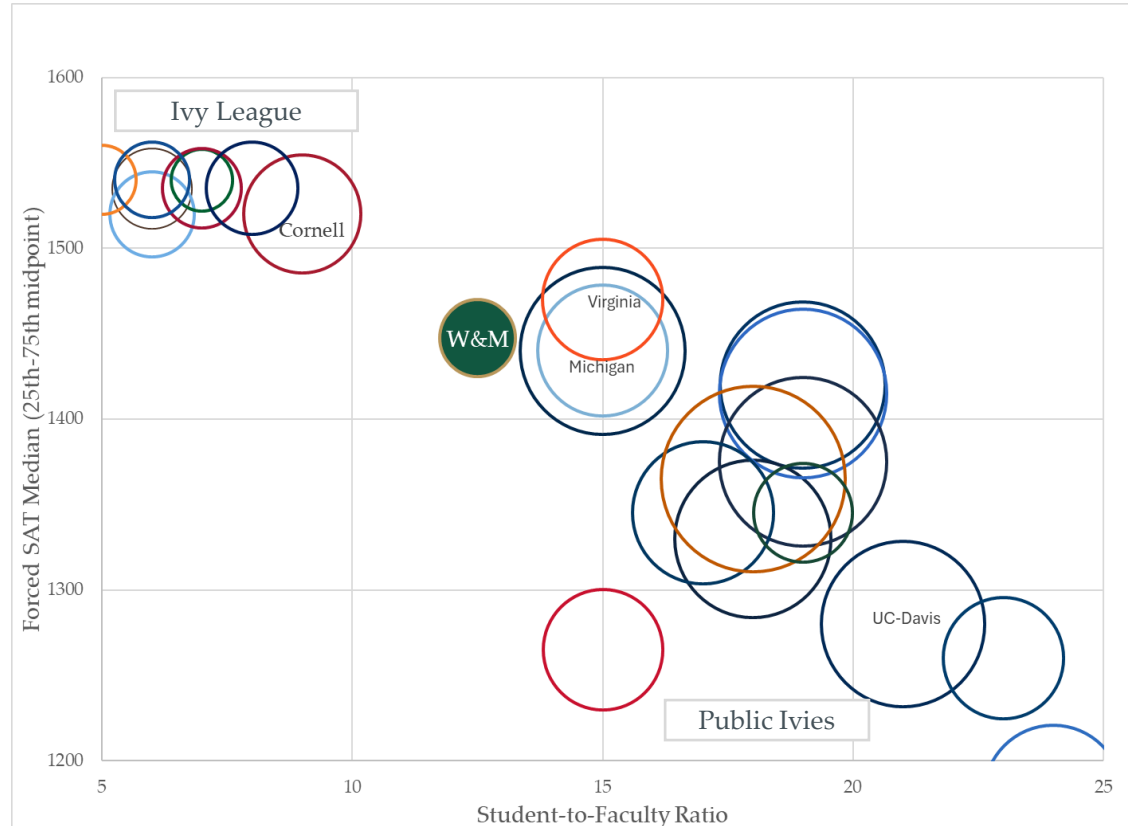


# William & Mary's Unique Position

# Alma Mater of the Nation

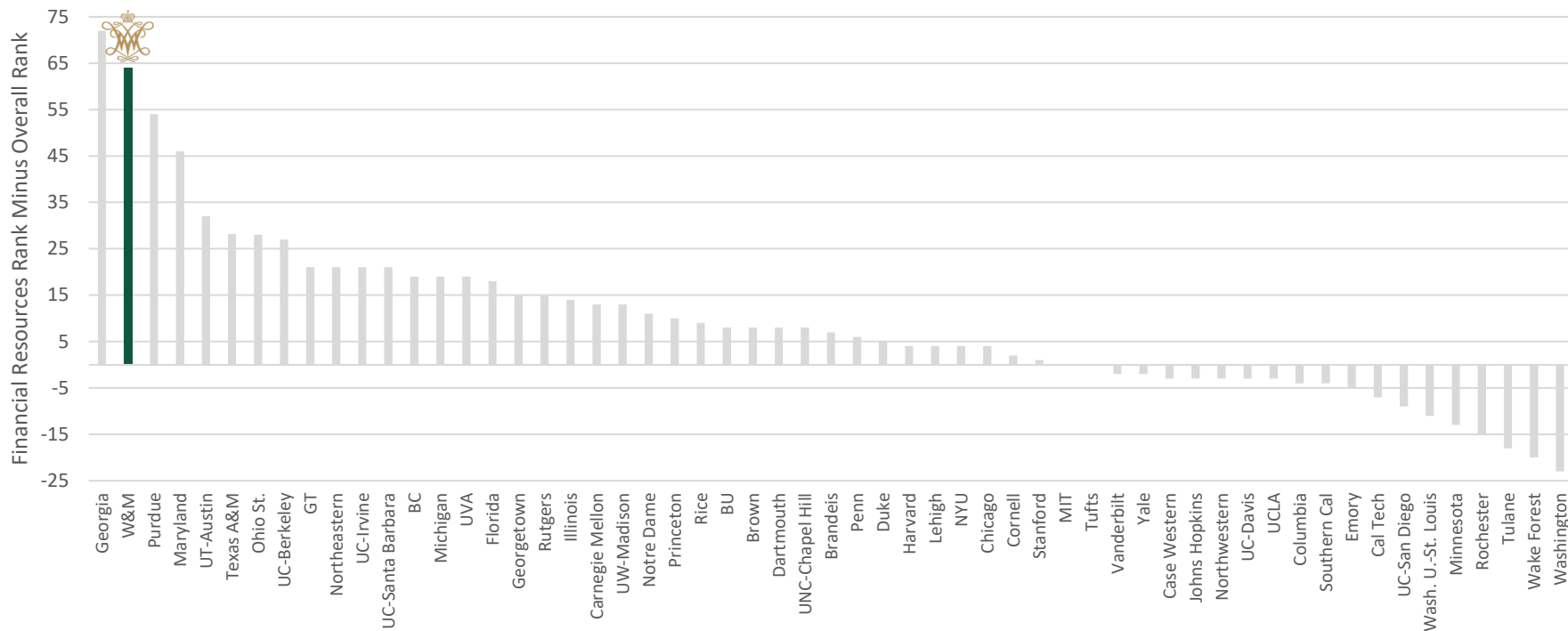
- A highly selective public university with a welcoming community, personal mentoring, and small classes
- Attracting exceptionally talented students from and to Virginia
- Ensuring outstanding outcomes for those who come here: the future citizens and professionals who lead in all walks of life in the 21<sup>st</sup> century – advancing democracy around the world

Bubble size reflects total undergraduate enrollment



# W&M Prizes Efficiency and Return On Mission

Rank Above Resources, 2023 USNWR Top 50 Universities



Source: USNWR National University Rankings, 2023

## Educating for Impact

#1

Public University  
for Internships

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*Princeton  
Review*

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#1

Study Abroad  
Participation: Public  
Universities

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*Institute of  
Int'l Education*

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#6

Best Colleges:  
Undergraduate  
Teaching

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*U.S. News &  
World Report*

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## Graduate Outcomes

#13

Best Career  
Placement

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*Princeton  
Review*

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#5

Public University for  
Finance Salaries

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*Wall Street  
Journal*

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#16

Public University for  
Tech Salaries

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*Wall Street  
Journal*

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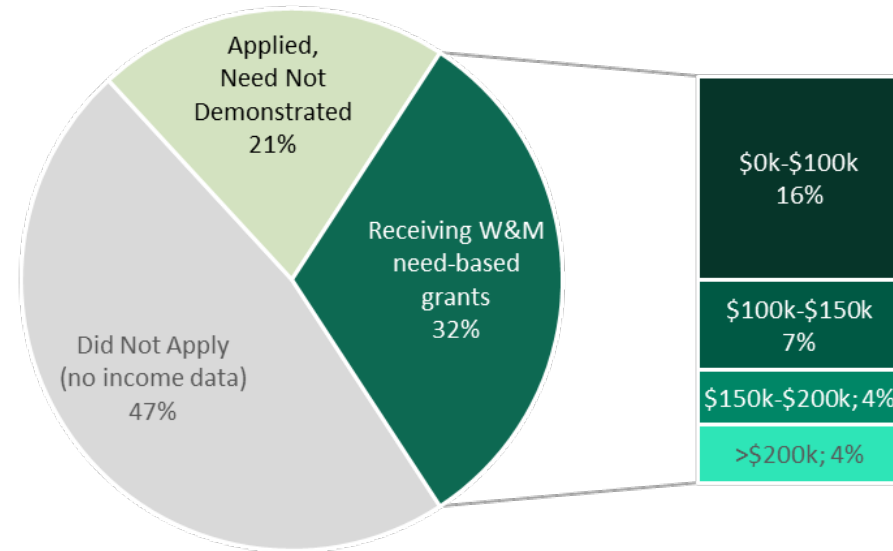


# Affordability

## W&M awards need-based institutional grants

- In 2023-24, a total of 7,205 unduplicated undergraduates enrolled at W&M in the fall or spring:
  - 47% did not apply for financial aid
  - 21% applied and did not demonstrate need
  - 32% received need-based aid from W&M

Financial Aid Status of W&M Undergraduates, 2023-24

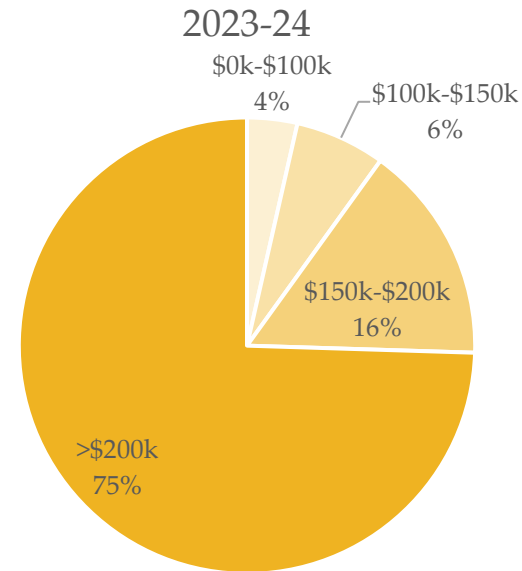




## 75% who applied without demonstrating need earn $\geq$ \$200k

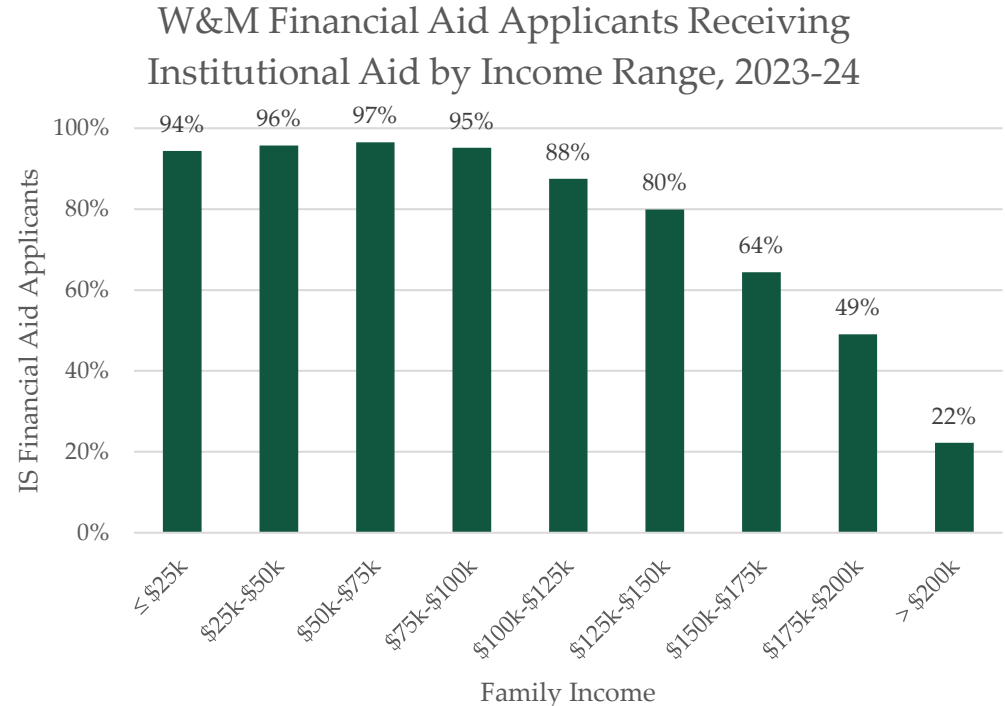
- For 2023-24 undergraduates who applied for financial aid and did not demonstrate need:
  - 91% of family incomes exceeded \$150,000
  - 75% of family incomes exceeded \$200,000
- Need assessment includes income and available assets.

### W&M Undergraduate Financial Aid Applicants Who Did Not Demonstrate Need by Income,



## W&M financial aid reaches well into the middle class

- W&M meets full demonstrated need for in-state students (IS).
- Individuals from any family income may qualify based on their circumstances.
- Out-of-state students (OOS) may also receive need-based aid packages, which are capped at \$21,000.
- In 2023-24, OOS tuition and fees are 97.3% more than IS tuition and fees.

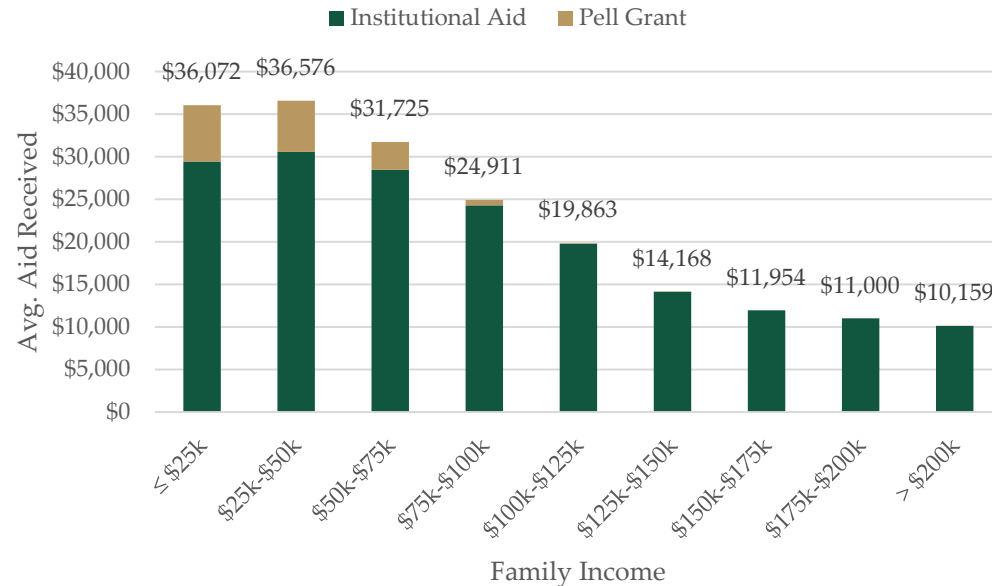


Notes: Live institutional data reported. Only need-based grants are included; other sources such as athletic scholarships, federal work-study and loans are excluded. Different sources have differing data definitions (e.g., SCHEV, IPEDS, etc.). Therefore, comparisons are not applicable to other data sources.

## Financial aid packages remain generous for higher incomes

- The amount of aid received aligns with family income, reflecting W&M's commitment to meet full demonstrated need for IS students.
- 90% of need-based aid provided to undergraduates comes from W&M.

Average Need-Based Aid for IS Recipients, 2023-24



Notes: Live institutional data reported. Only need-based grants are included; other sources such as athletic scholarships, federal work-study and loans are excluded. Different sources have differing data definitions (e.g., SCHEV, IPEDS, etc.). Therefore, comparisons are not applicable to other data sources.

# For in-state students applying for financial aid in 2023-24

## Family Income Range

< \$100k

97%

Receive Aid

\$28,270

Avg. Grant Package

\$100k – \$150k

84%

Receive Aid

\$17,217

Avg. Grant Package

\$150k – \$200k

49%

Receive Aid

\$11,569

Avg. Grant Package

≥ \$200k

14%

Receive Aid

\$10,159

Avg. Grant Package

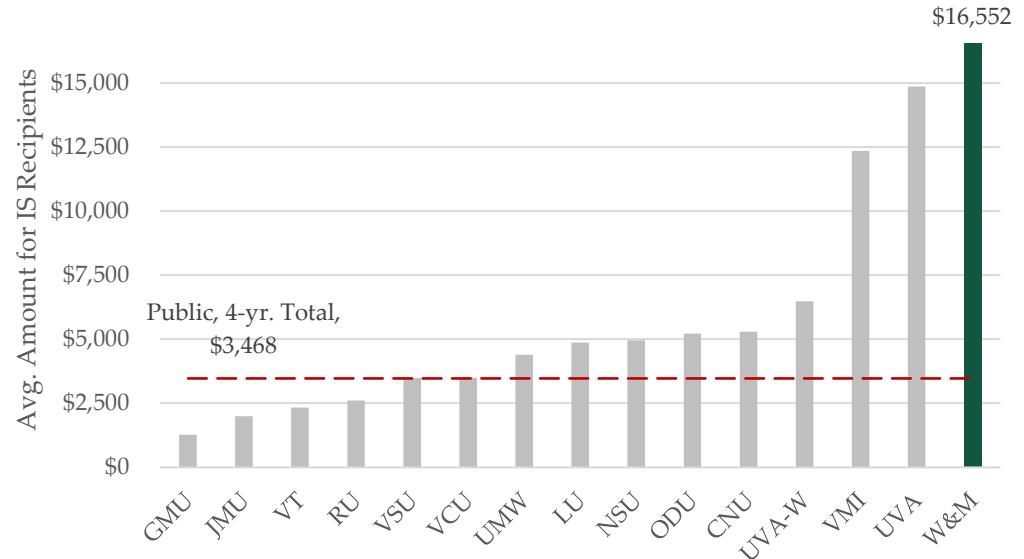


# Price Sensitivity

## Generous in-state aid is a W&M competitive advantage

- On average, W&M offers the **most generous financial aid** from institutional sources of any Virginia public university.
- Per IS recipient, the average aid amount from W&M institutional sources is **4.8x** the average amount for Virginia public universities.

IS Undergraduate Financial Aid from Institutional Sources, Average Amount per Recipient, 2022-23

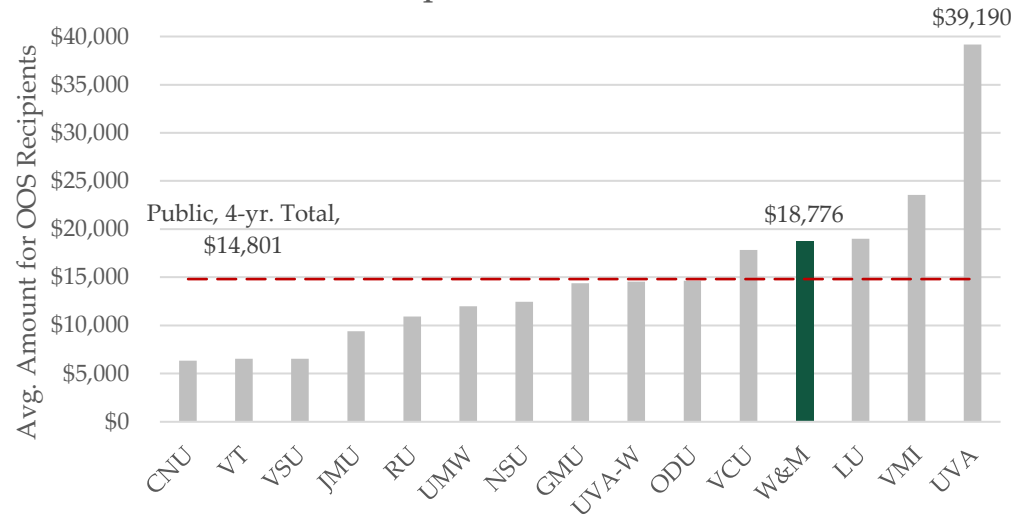


Source: SCHEV FA17: Financial Aid Awards by Source

## W&M is challenged to provide competitive OOS aid

- For OOS students, average aid provided at W&M from institutional sources is 52% less than UVA.
  - Though UVA's OOS tuition and fees are 14.2% more than W&M, its more generous OOS aid results in a lower, more competitive net price.
- W&M's average OOS aid from institutional sources is only slightly above the average for all public Virginia universities.

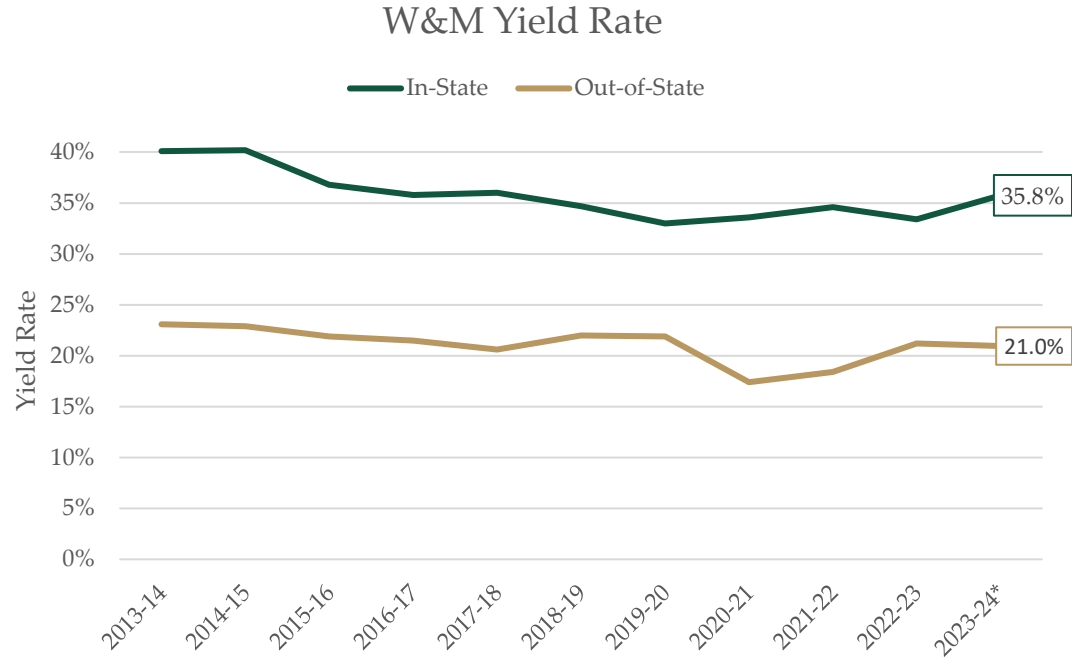
OOS Undergraduate Financial Aid from Institutional Source, Average Amount per Recipient, 2022-23



Source: SCHEV FA17: Financial Aid Awards by Source

## W&M yield rates have been generally stable over time

- Over the last decade, IS and OOS yield is steady
- Nationally, yield rates have declined, dropping by 6.1 percentage points from 2014-2022:
  - Public universities saw an 11.6 percentage point decline.
  - One factor is the increasing number of colleges to which students apply.



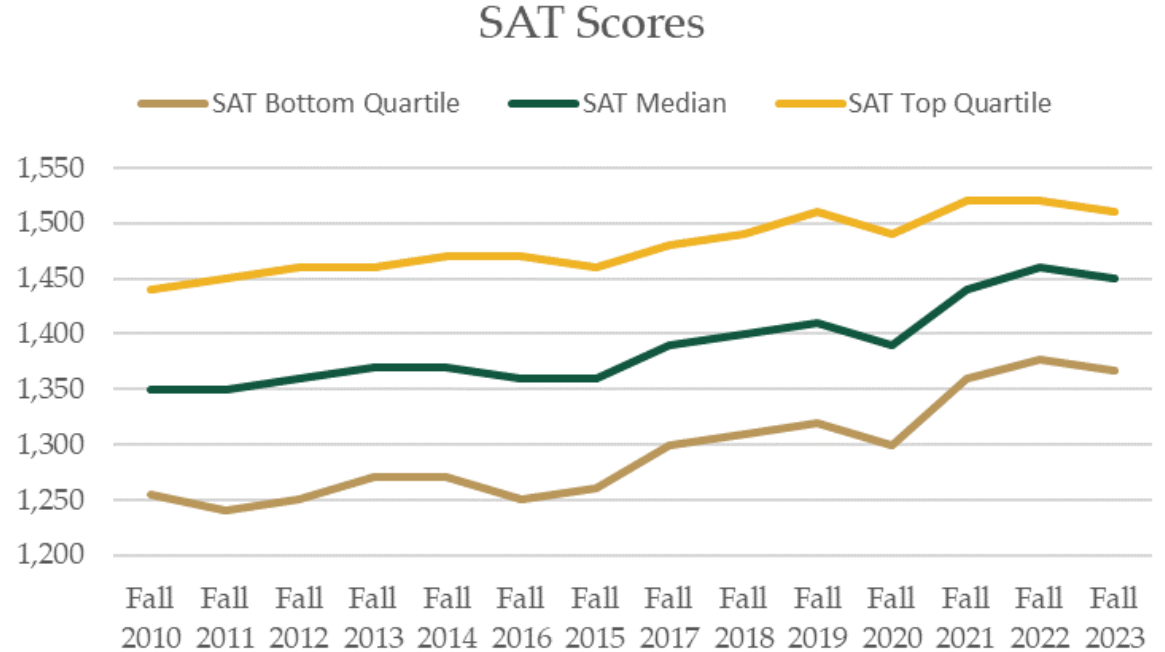
Source: SCHEV B08: Admission Report

(\*2023-24 from W&M Fact Book, not yet available in SCHEV)



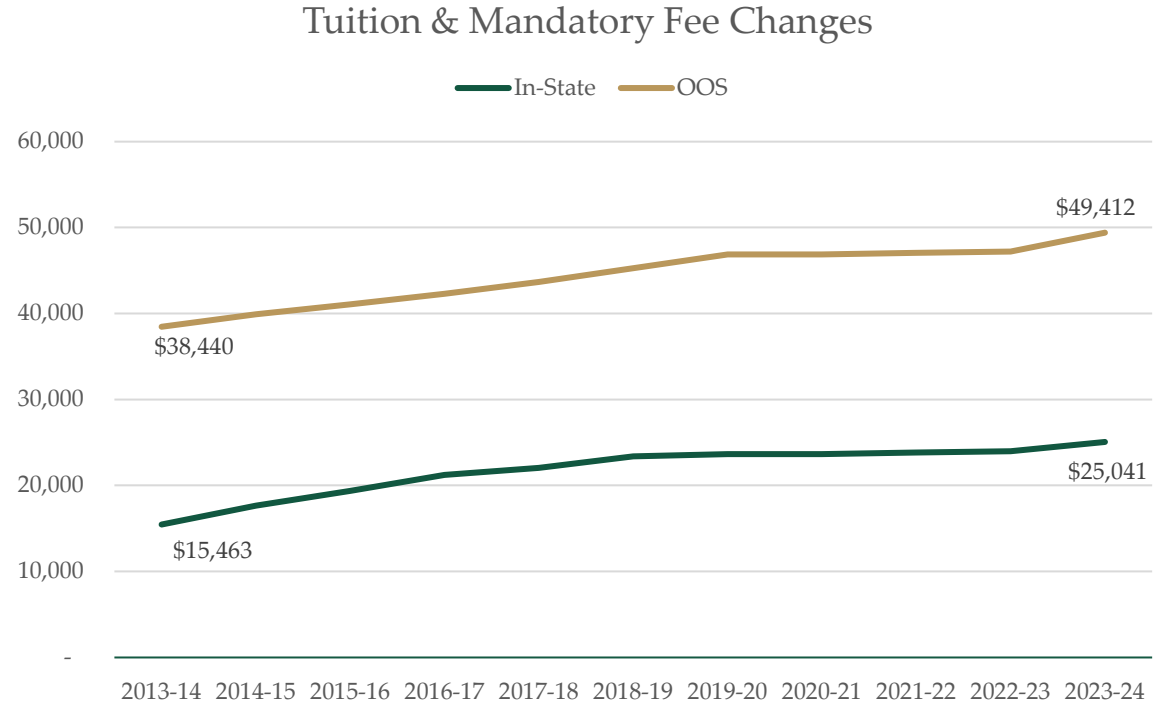
## W&M freshman SAT scores increased

- Over the last decade, SAT scores for incoming freshman have increased
- Bottom quartile and median increased by 100 points or more, top by 70



## W&M costs have increased

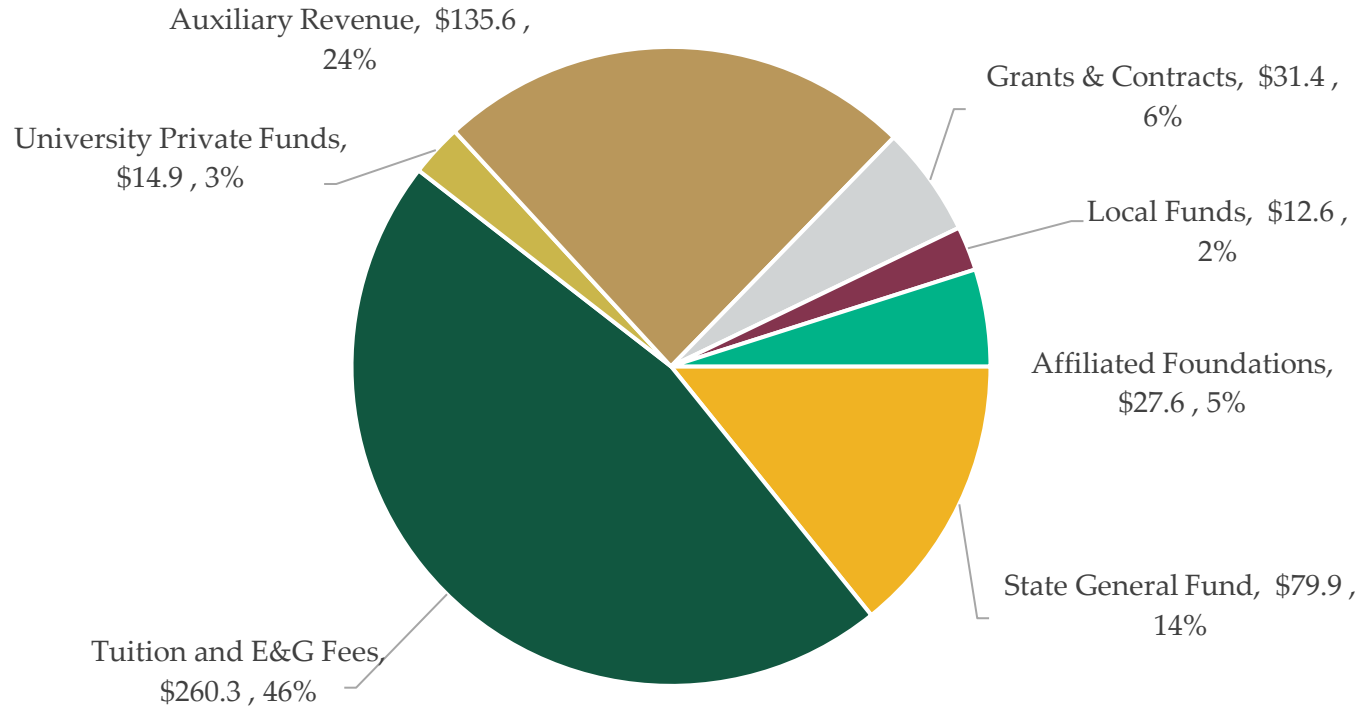
- Over the last decade, IS tuition & fees have increased \$9,578 and OOS \$10,972
- Larger percentage increases for IS up to 2019-20 related to W&M Promise and 4-year tuition guarantee





# Financials

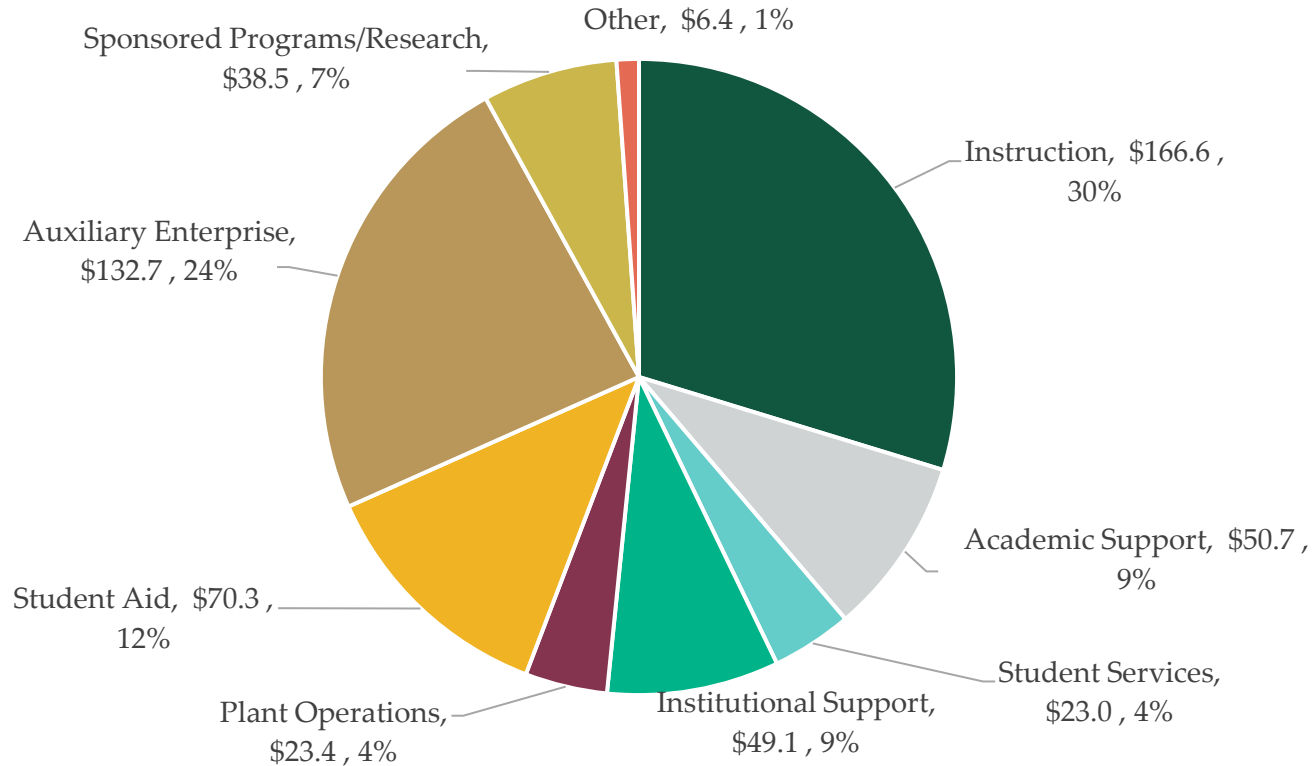
# FY24 operating revenue



**Total FY24 Revenue Budget: \$562.2 million**

*\*Excludes VIMS*

# FY24 operating expenses



**Total FY24 Expense Budget: \$560.5 million**

*\*Excludes VIMS*

## Average annual inflation vs. tuition & fee increases

	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 <sup>1</sup>	1.8%	1.2%	4.7%	8.0%	4.1%	19.9%	4.0%

<sup>1</sup>CPI is from Bureau of Labor Statistics for All Urban Consumers U.S. City Average series for all items annual average. Calendar year annual increase is matched to the fiscal year.

## FY20-FY24 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 at 38.2%)
- Minimum Wage
  - Increased from \$10.61 to \$12/hour FY20
  - Increased from \$12 to \$15.50/hour FY23
- \$3M+ Inflation Utilities and Library Contracts (27%)

## Major revenue and expense drivers

Category	1% Amount
In-State Undergraduate Tuition	\$750k
Out-of-State Undergraduate Tuition	\$965k
Mandatory Fees	\$520k
Salaries (all funds)	\$2.5M
Health Insurance (all funds)	\$268k





# Financial Plan

## 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

## Two-year funding plan

Item	FY 2025		FY 2026	
	Change	Revenue	Change	Revenue
In-State UG Tuition	2.9%	\$2.18M	2.9%	\$2.23M
Out-of-State UG Tuition	3.0%	\$2.89M	3.0%	\$3.0M
Mandatory Non-E&G Fees	3.56%	\$2.1M	2.3%	\$1.3M
Housing <sup>1</sup>	6.0%	\$2.4M	6.0%	\$2.5M
Dining All Access Plan <sup>1</sup>	9.9%	\$2.7M	6.1%	\$1.8M
Reallocation <sup>2</sup>	TBD*	TBD*	1.0%-2.0%	\$3.2-\$6.4M
Technology Fee	\$0	\$0	\$123	\$1.0M
CDS Per Credit UG Fee	N/A	N/A	\$250	TBD

<sup>1</sup>Rates for all housing types and dining plans are included in board materials along with the resolution.

<sup>2</sup>Reallocation needs for FY25 will be determined based upon final state budget.

## Mandatory non-E&G fees

- Mandatory non-E&G student fees support a variety of non-academic programs, including
  - Student Health Center
  - Campus Recreation
  - Counseling Center
  - Athletics
  - Student Unions
  - Debt service on auxiliary facilities
- Housing and dining supported by room and board rates

Auxiliary Revenue	% of Total
Student Fees	38%
Dining	18%
Housing	29%
Other	<u>15%</u>
<b>Total Auxiliary Revenues</b>	<b>100.0%</b>

## 3.56% proposed fee increases for FY25, 2.3% FY26

Driven by state-mandated salary/fringe, scholarships, contractual increases, student health & wellness investments

Fee	FY24	FY25	FY26
General Comprehensive	\$5,065	\$5,331	\$5,491
Facility Fee	\$1,446	\$1,417	\$1,417
Green Fee	\$43	\$43	\$43
Student Activity Fee	\$98	\$98	\$98
Total	\$6,652	\$6,889	\$7,049

## Most room rates proposed to increase 6%

Consistent with housing and dining master plan

	FY24	Proposed FY25	Proposed FY26	% Change
Standard Double	\$8,785	\$9,312	\$9,871	6%
Premium Double	\$9,854	\$10,445	\$11,072	6%
Standard Singles	\$9,565	\$10,138	\$10,746	6%
Premium Single/Tribe Square	\$10,632	\$11,268	\$11,944	6%
Evans Complex	\$10,121	\$10,728	\$11,372	6%
Ludwell/Nicholas <sup>1</sup>	\$9,256	\$10,116	\$11,057	9%
Standard Triple/Quad	N/A	\$9,112	\$9,659	N/A

<sup>1</sup>Residence Life is moving toward an apartment rate for all apartments in line with the Evans Complex. This accounts for similar expenditures regarding occupancy dates that range longer than our traditional rates.

<sup>2</sup>Discounted rate for triple/quad rooms needed as housing works through facilities going off-line as part of the master plan.

## 9.9% proposed all access plan increase FY25, 6.1% FY26

Dining Plan	FY24	Proposed FY25	Proposed FY26
All Access	\$5,770	\$6,341	\$6,730
Block 125	\$4,878	\$5,226	\$5,600
Block 100	\$4,218	\$4,540	\$4,820
Block 50	\$2,348	\$2,890	\$3,030
Block 25	\$1,872	\$2,006	\$2,075

- New contract awarded going into FY24 with rate increases needed over multiple years associated with higher labor costs.
- Contract increases annually with union labor rates and food cost increases.

The dining program reassesses plan options periodically based upon student feedback. Proposed rate changes for FY26 assume the same plan structure. If assessment of student demand leads to plan changes to items like amount of dining dollars rates will be brought back in FY26.

# Proposed FY25-FY26 UG tuition and fees

<b>UNDERGRADUATE, FULL-TIME<sup>1</sup></b>						
	FY 2024		Proposed FY 2025		Proposed FY 2026	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Undergraduate Tuition	18,253	42,053	18,782	43,316	19,328	44,615
<b>Mandatory E&amp;G Fees<sup>1</sup></b>						
Technology Fee	100	100	100	100	223	223
Student Faculty Fee	5	5	5	5	5	5
HEETF Fee	31	62	31	62	31	62
State Building Fee	N/A	540	N/A	540	N/A	540
<b>Subtotal, E&amp;G Fees</b>	<b>136</b>	<b>707</b>	<b>136</b>	<b>707</b>	<b>259</b>	<b>830</b>
<b>Mandatory Non-E&amp;G Fees</b>						
General Comprehensive Fee	5,065	5,065	5,331	5,331	5,491	5,491
Undergraduate Facility Fee	1,446	1,446	1,417	1,417	1,417	1,417
Student Activity Fee	98	98	98	98	98	98
Green Fee	43	43	43	43	43	43
<b>Subtotal, Non-E&amp;G Fees</b>	<b>6,652</b>	<b>6,652</b>	<b>6,889</b>	<b>6,889</b>	<b>7,049</b>	<b>7,049</b>
<b>Room and Board</b>						
Room, Standard Doubles <sup>2</sup>	8,785	8,785	9,312	9,312	9,871	9,871
Board (All Access Plan)	5,770	5,770	6,342	6,342	6,730	6,730
<b>Subtotal, Room and Board</b>	<b>14,555</b>	<b>14,555</b>	<b>15,654</b>	<b>15,654</b>	<b>16,601</b>	<b>16,601</b>
<b>Total Cost</b>						
<b>Undergraduate Students</b>	<b>39,596</b>	<b>63,967</b>	<b>41,461</b>	<b>66,566</b>	<b>43,237</b>	<b>69,095</b>
<b>UNDERGRADUATE, PART-TIME INCLUDING SUMMER SESSION(S)<sup>3</sup></b>						
<b>Tuition Per Credit Hour</b>						
<b>All Undergraduates, Part-Time</b>	<b>\$608</b>	<b>\$1,402</b>	<b>\$626</b>	<b>\$1,444</b>	<b>\$644</b>	<b>\$1,487</b>

## Totals vary by residency

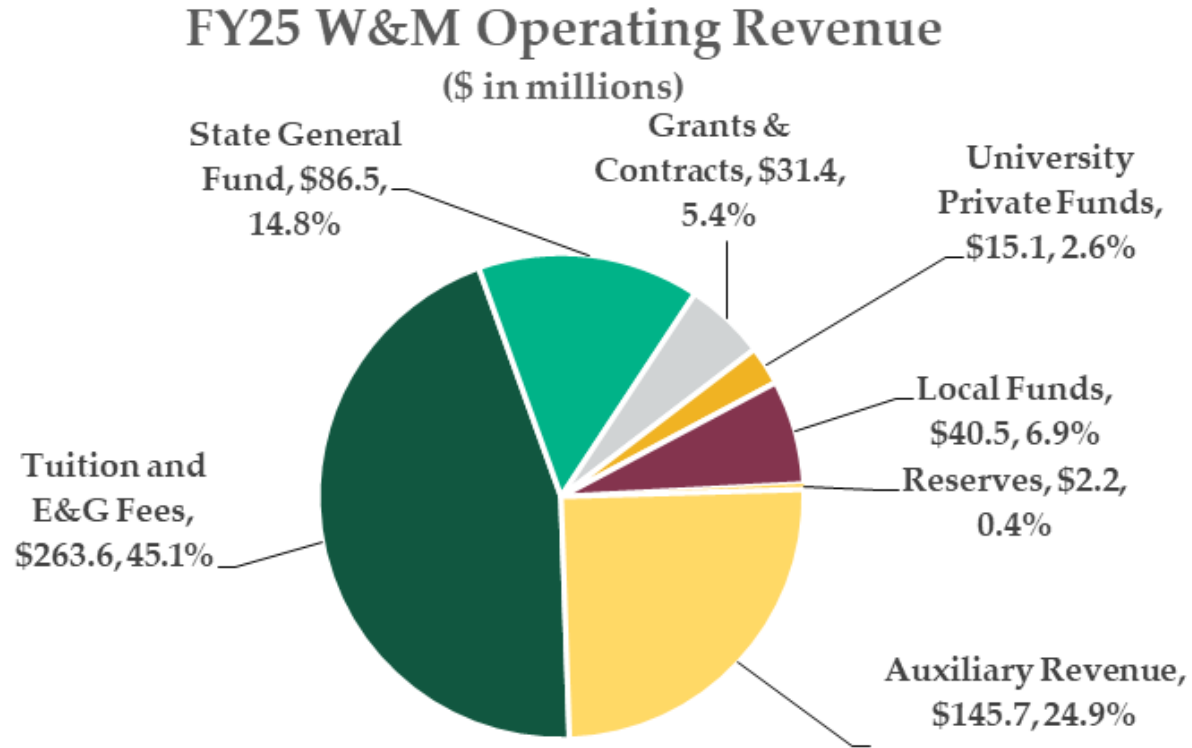
- On campus:
  - **FY25 and FY26 In-state (IS)** students: 4.7% (\$1,865) and 4.3% (\$1,776)
  - **FY25 and FY26 Out-of-state (OOS)** students: 4.1% (\$2,599) and 3.8% (\$2,529)
- Off campus:
  - **FY25 IS and OOS** students: 3.1% (\$766) and 3.0% (\$1,500) respectively
  - **FY26 IS and OOS** students: 3.2% (\$829) and 3.1% (\$1,582) respectively



## Resolution 38: FY25-FY26 tuition and fees

- THEREFORE, BE IT RESOLVED, That the Board of Visitors approves the Tuition and Fees outlined in Tables 1-7 for FY25 and FY26.
- BE IT FURTHER RESOLVED, That Pursuant to Section 23.1-1301 A.5., Code of Virginia, the Board further delegates authority to the Provost and the Executive Vice President for Finance & Administration to establish: 1) course fees as needed to offset materials, supplies or additional course-specific costs not covered by general tuition and fees, and 2) special program fees for study abroad programs, online programs, certificate or other professional programs.

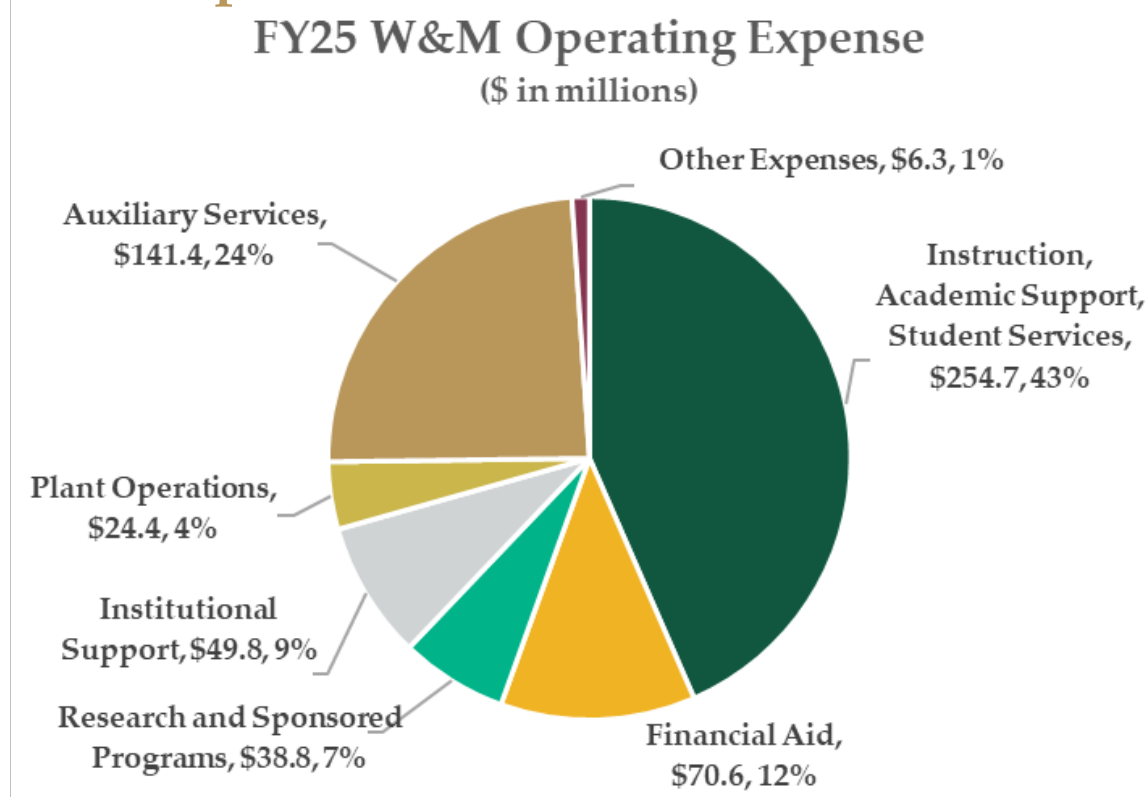
## FY25 proposed revenue



Total Resources: \$585.1 million

\*Excludes VIMS

## FY25 proposed expenses

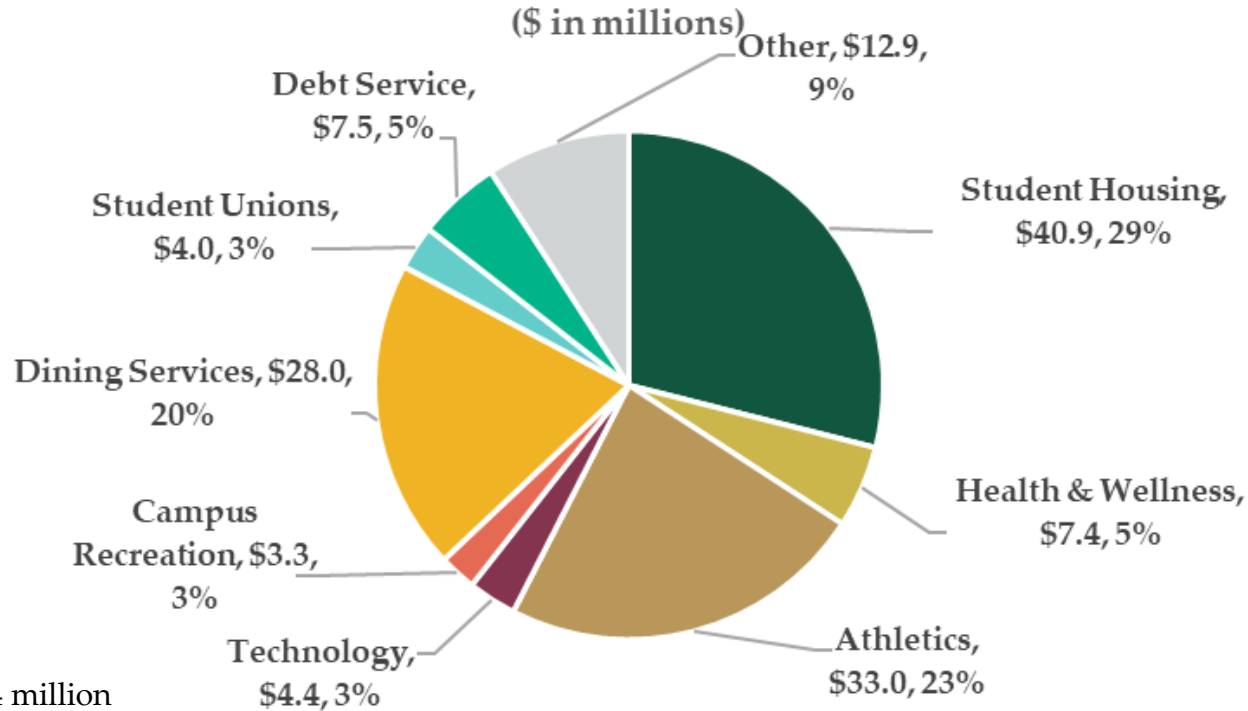


Total Expenses: \$582.3 million

\*Excludes VIMS

## FY25 proposed auxiliary

### FY25 Projected Auxiliary Enterprise Expenditures, by Major Program



Total Expenses: \$141.4 million

## Resolution 39: W&M FY 2025 operating budget

Revenue	FY24 Budget	FY25 Proposed Budget <sup>1</sup>	Change from Prior Year	
			\$ Change	% Change
State General Fund	\$79,897,022	\$86,549,238	\$6,652,216	8.3%
Tuition and E&G Fees	258,115,667	263,604,504	5,488,837	2.1%
Grants & Contracts	31,350,000	31,350,000	-	0.0%
University Private Funds <sup>2</sup>	16,791,300	15,120,118	(1,671,182)	-10.0%
Auxiliary Revenue <sup>3</sup>	135,679,485	145,725,716	10,046,231	7.4%
Local Funds	40,156,400	40,547,000	390,600	1.0%
<b>Total Revenue</b>	<b>\$561,989,874</b>	<b>\$582,896,576</b>	<b>\$20,906,702</b>	<b>3.7%</b>
Planned Use of Reserves <sup>4</sup>	2,199,131	5,768,453	3,569,322	N/A
<b>Total Available Resources</b>	<b>\$564,189,005</b>	<b>\$588,665,029</b>	<b>\$24,476,024</b>	<b>4.3%</b>

Expenditures, by Program	FY24 Budget	FY25 Proposed Budget	Change from Prior Year	
			\$ Change	% Change
Instruction	\$166,517,278	\$174,004,182	\$7,486,904	4.5%
Research	7,012,329	7,332,102	319,773	4.6%
Public Service	186,993	163,693	(23,300)	-12.5%
Academic Support	50,660,005	56,668,613	6,008,608	11.9%
Student Services	23,073,417	24,017,479	944,062	4.1%
Institutional Support	47,766,397	49,827,456	2,061,059	4.3%
Plant Operations	25,852,310	24,387,975	(1,464,335)	-5.7%
Financial Aid	69,907,174	70,642,375	735,201	1.1%
Sponsored Programs	31,481,900	31,481,900	-	0.0%
Auxiliary Services	132,832,510	141,440,226	8,607,716	6.5%
Other Expenses	212,300	214,400	2,100	1.0%
E&G Debt Service	5,954,717	5,946,120	(8,597)	-0.1%
<b>Total Expenditures</b>	<b>\$561,457,330</b>	<b>\$586,126,521</b>	<b>\$24,669,191</b>	<b>4.4%</b>

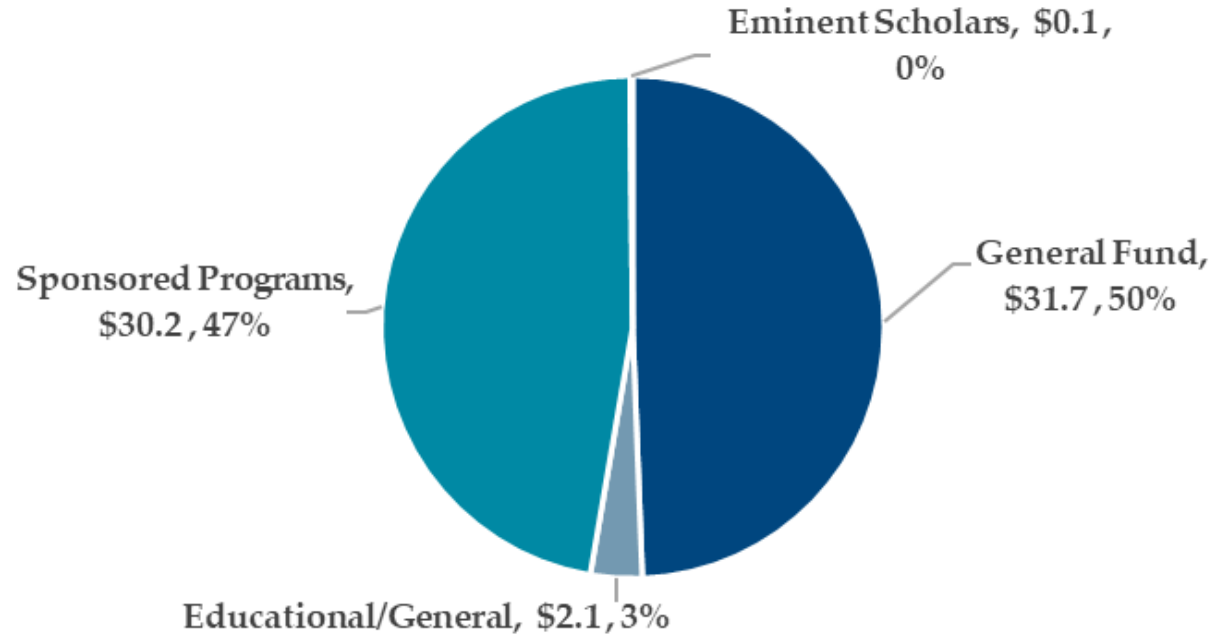
THEREFORE, BE IT RESOLVED, That the William & Mary Board of Visitors approves the FY25 Operating Budget of the university as displayed herein.

*\*Excludes VIMS;  
BOV adopts budget separately*

## FY25 proposed revenue

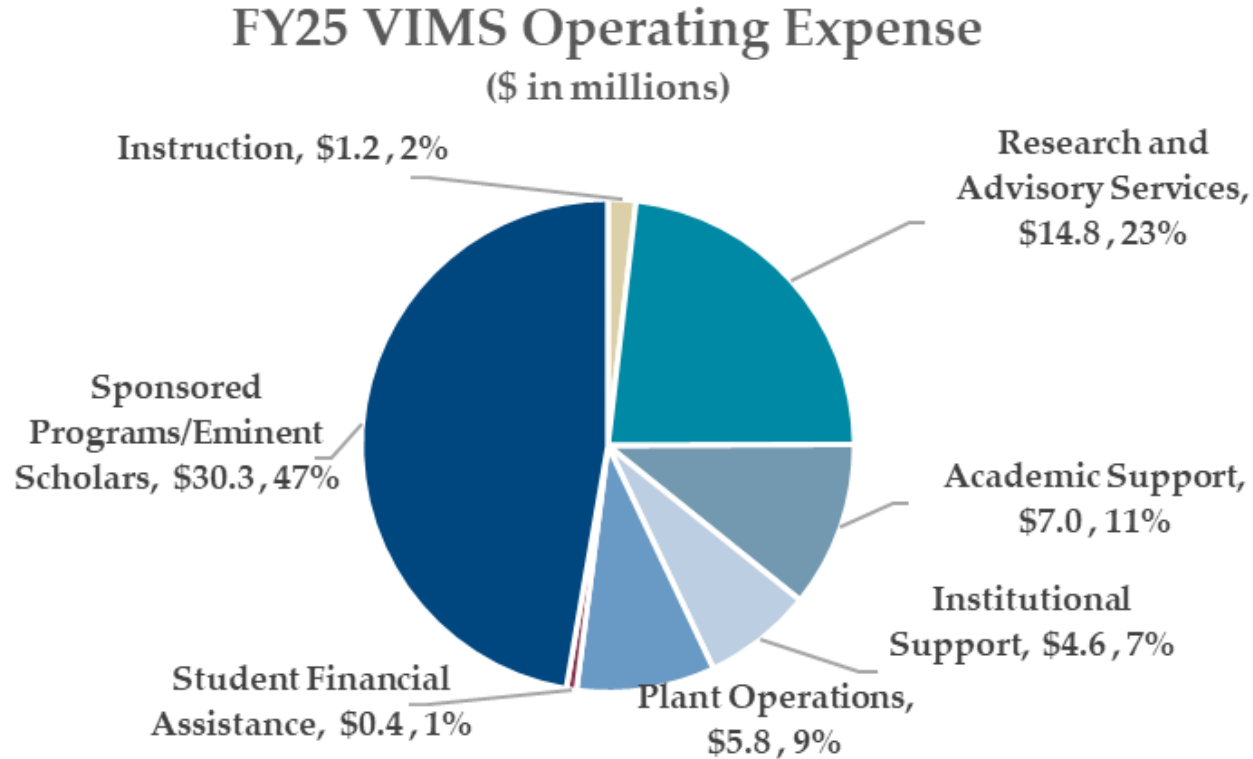
### FY25 VIMS Operating Revenue

(\$ in millions)



Total Resources: \$64.1 million

# FY25 proposed expenses



Total Expenses: \$64.1 million

# Resolution 37: VIMS FY 2024-25 operating budget

## VIRGINIA INSTITUTE OF MARINE SCIENCE

### FY 2024 ESTIMATED AND FY 2025 PROPOSED REVENUE AND EXPENDITURES

	<b>Estimated 2023-2024 <u>Budget</u></b>	<b>Proposed 2024-2025 <u>Budget</u></b>
<b><u>REVENUE</u></b>		
General Fund	\$30,518,434	\$31,684,865
Nongeneral Fund		
Education and General	1,965,086	2,127,807
Eminent Scholars	96,000	99,573
Sponsored Programs	<u>24,922,447</u>	<u>30,237,298</u>
TOTAL REVENUE	\$57,501,967	\$64,149,543
<b><u>EXPENDITURES</u></b>		
Instruction	\$1,221,453	\$1,169,506
Research & Advisory Services	14,493,539	14,812,876
Academic Support	6,846,188	6,974,118
Institutional Support	3,532,217	4,603,460
Plant and Maintenance	5,977,620	5,827,710
Student Financial Assistance	412,502	425,002
Sponsored Programs	<u>25,018,447</u>	<u>30,336,871</u>
TOTAL EXPENDITURES	\$57,501,967	\$64,149,543

BE IT RESOLVED, that the William & Mary Board of Visitors approves the FY 2024-25 operating budget of the Virginia Institute of Marine Science, as displayed on the attached schedule.