



Financial Affairs Committee Public Private Partnership Update

Board of Visitors
April 2023

I.

**Public Private
Partnership Ground
Lease
(Action)**

II.

**Public Private
Partnership
Contingent
Support
Agreement
(Action)**

III.

**Retirement of
Debt
(Action)**

Evolve to Excel

- Attract and retain outstanding employees and students to further our mission
- Modernize our campus – dining, dorms, classrooms and other learning spaces – so that students, faculty and staff thrive



Project Schedule



★ 4/21/22 Approval of Master Plan & Procurement of a Developer

★ 9/22/22 Selection of Developer

Pre-Development Agreement

★ November 2022 BOV Meeting (Approval to execute Pre-Development Agreement)

Design (9 – 12 months)

★ April 2023 BOV Meeting (Approval to execute Ground Lease, Contingent Support Lease and Retirement of Debt)

Legal and Financial Close

Phase 1A Construction (20 - 24 months)

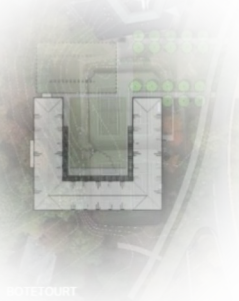
★ West Woods 1A and Jamestown East Open

Phase 1B Construction (20 - 24 months)

★ West Woods 1B Open

Current Program

West Woods 1B



Housing
+/- 265 beds

Final Unit Mix
TBD

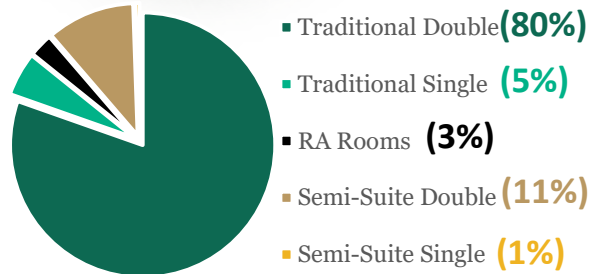
Design to start in
August 2023

West Woods 1A + Dining

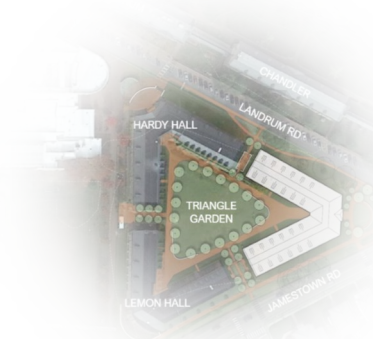


Housing
291k SF
928 beds

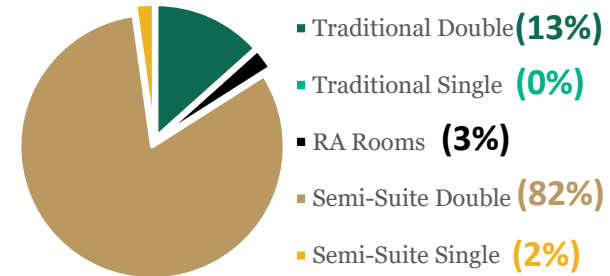
Dining
47k SF
800 seats



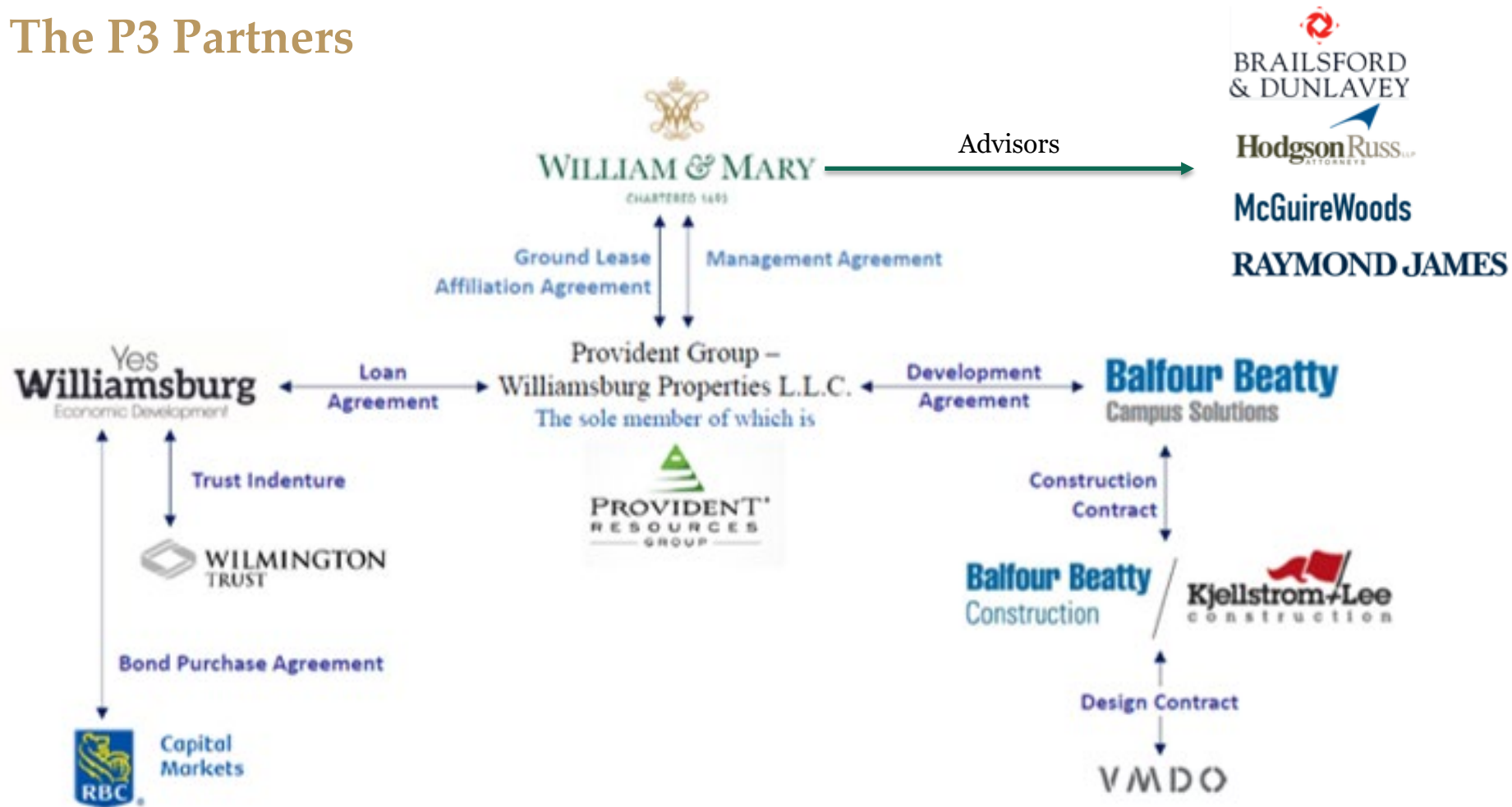
Jamestown East

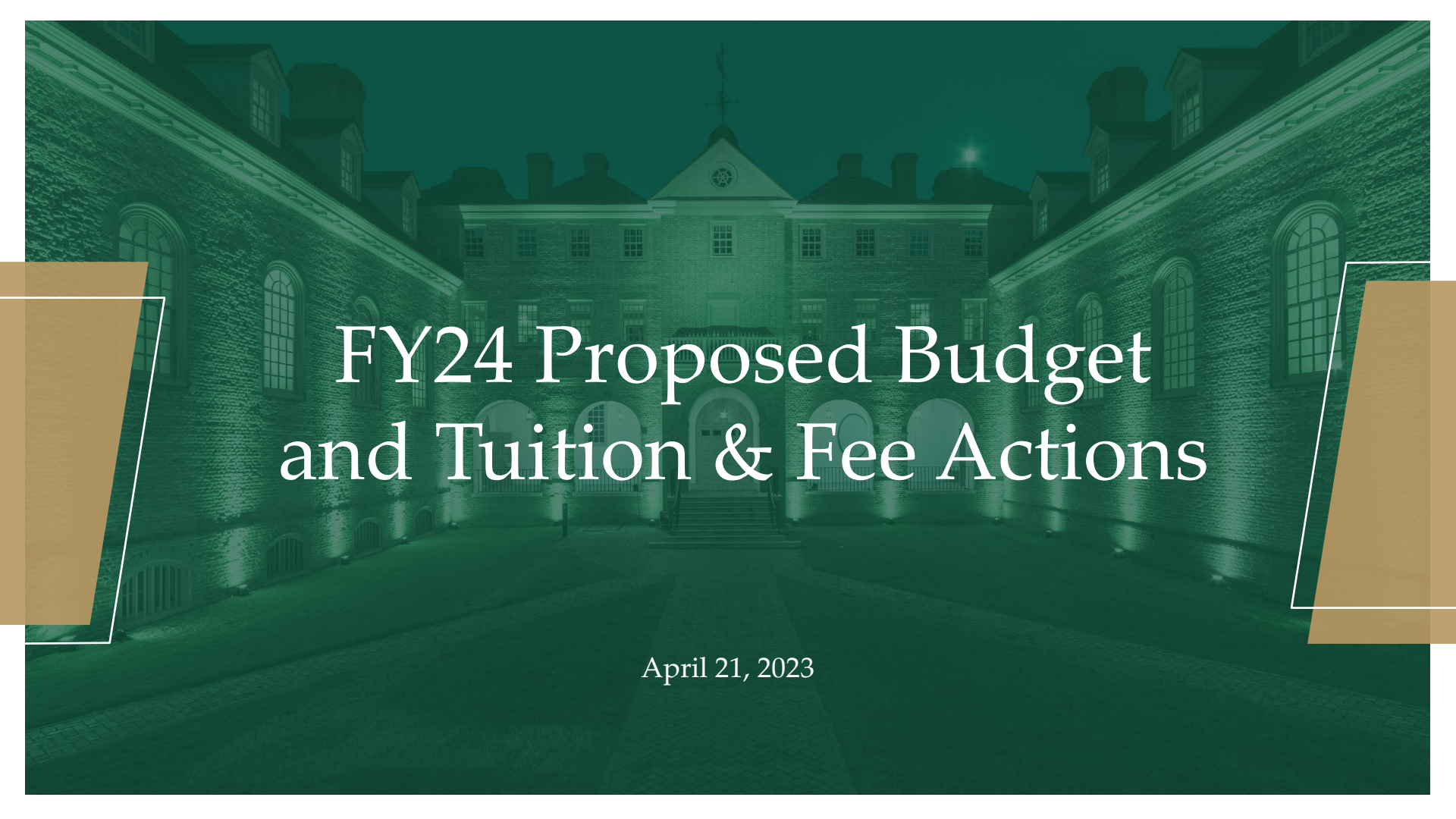


Housing
74k SF
269 beds



The P3 Partners





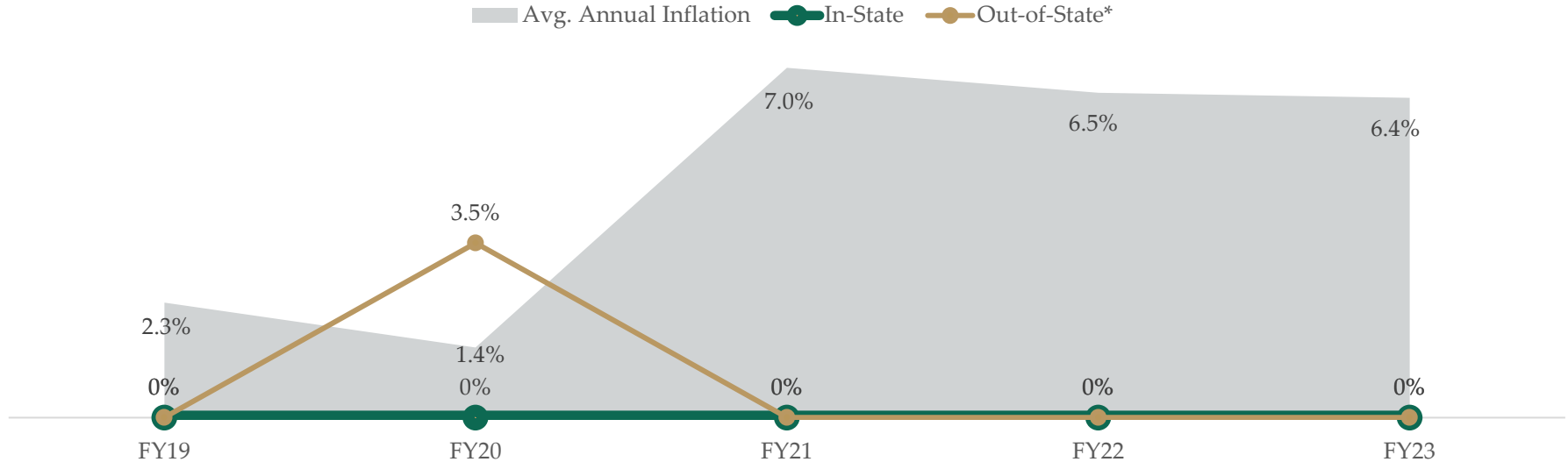
FY24 Proposed Budget and Tuition & Fee Actions

April 21, 2023



FY24 Tuition & Fees

Tuition vs. Inflation



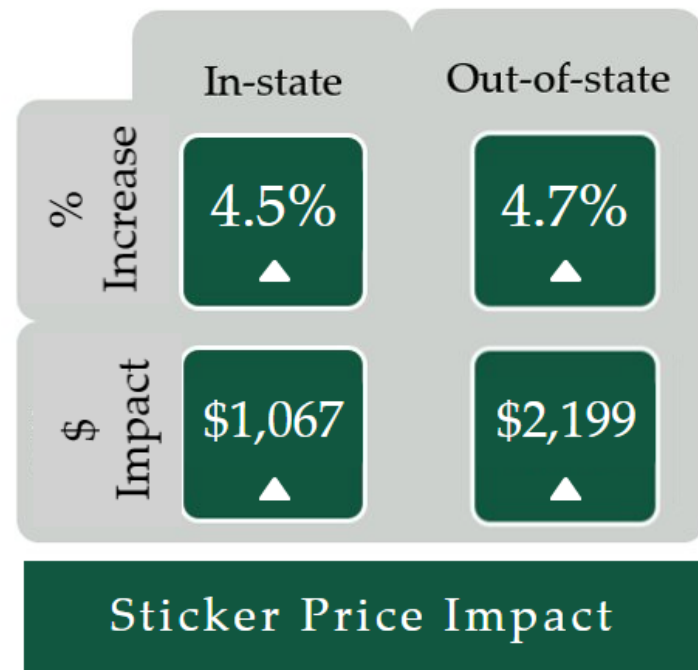
17.5% inflation with flat tuition

*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.

Proposed FY24 UG Tuition and Mandatory Fees

	FY 2023		FY2024		Dollar Change	
	Out-of-		Out-of-		Out-of-	
	In-State	State	In-State	State	In-State	State
Undergraduate Tuition	17,434	40,089	18,306	42,093	872	2,004
E&G Fees	136	707	136	707	-	-
Non-E&G Fees	6,400	6,400	6,595	6,595	195	195
Undergraduate Total	23,970	47,196	25,037	49,395	1,067	2,199

- Increases based on residency
- Total impact 4.5-4.7%



Mandatory Fees

- Mandatory non-E&G student fees support a variety of non-academic programs, including
 - Student Health Center
 - Rec Center
 - Counseling Center
 - Athletics
 - Student Unions
 - Debt service on auxiliary facilities
 - Sustainability
 - Cultural Programs

- Housing and dining supported by room and board rates

Auxiliary Revenue	% of Total
Student Fees	36.8%
Dining	17.7%
Housing	30.0%
Other	<u>15.5%</u>
Total Auxiliary Revenues	100.0%

Online Counselor Education Program

- Propose increase from \$665 / credit to \$825 based on market analysis



EverSpring Market Analysis

Institutions	Credits	Cost Per Credit	Total Tuition
Median – All Programs	60	\$816	\$48,960
Median – Top 200 Schools	60	\$1,521	\$91,260
W&M - Current	60	\$665	\$39,900
W&M - Proposed	60	\$825	\$49,500



FY24 Proposed Operating Budget

W&M's FY24 projected budget: \$556.7M

- Revenue increased by:
 - General fund share of salary, fringe and financial aid
 - Tuition, fee and enrollment changes
- Expenses driven by inflation plus state-mandated costs

Revenue	FY23 Budget	FY24 Proposed Budget	Change from Prior Year	
			\$ Change	% Change
State General Fund	\$74,277,400	\$78,368,800	\$4,091,400	5.5%
Tuition and E&G Fees	248,982,025	259,432,012	10,449,987	4.2%
Grants & Contracts	31,350,000	31,350,000	-	0.0%
University Private Funds	14,412,100	14,889,800	477,700	3.3%
Auxiliary Revenue	129,164,800	130,405,600	1,240,800	1.0%
Local Funds	34,970,000	40,156,400	5,186,400	14.8%
Total Revenue	\$533,156,325	\$554,602,612	\$21,446,287	4.0%
Planned Use of Reserves	-	2,518,203	2,518,203	N/A
Total Available Resources	\$533,156,325	\$557,120,815	\$23,964,490	4.5%

Expenditures, by Program	FY23 Budget	FY24 Proposed Budget	Change from Prior Year	
			\$ Change	% Change
Instruction	\$160,250,042	\$169,537,238	\$9,287,196	5.8%
Research	4,354,594	6,750,463	2,395,869	55.0%
Public Service	2,721,693	186,993	(2,534,700)	-93.1%
Academic Support	45,877,177	50,042,508	4,165,331	9.1%
Student Services	20,349,294	22,472,900	2,123,606	10.4%
Institutional Support	45,302,901	47,030,113	1,727,212	3.8%
Plant Operations	21,914,591	23,626,809	1,712,218	7.8%
Financial Aid	65,511,220	69,819,274	4,308,054	6.6%
Sponsored Programs	31,481,900	31,481,900	-	0.0%
Auxiliary Services	126,653,500	129,592,600	2,939,100	2.3%
Other Expenses	229,900	212,300	(17,600)	-7.7%
E&G Debt Service	5,962,900	5,954,717	(8,183)	-0.1%
Total Expenditures	\$530,609,712	\$556,707,815	\$26,098,103	4.9%

FY24 Operating Expense Drivers

State Mandates

	Tuition (E&G)	Fee (Aux)	Total
Salary	\$14.4M	\$1.4M	\$15.8M
Health	\$1M	\$0.1M	\$1.1M
VMSDEP	\$4M	\$0M	\$4M
Total	\$19.4M	\$1.5M	\$20.9M

State Support \$5.4M

Inflation & Financial Aid

Tuition (E&G)	Fee (Aux)	Total	
\$1.4M	\$1.4M	\$2.8M	Utilities
\$4.1M	\$0M	\$4.1M	Pell
\$5.5M	\$1.4M	\$6.9M	Total

20% VA Pell Commitment

Thank you!