AGENDA

I. Call to Order

II. Approval of Minutes

III. Operational Issues
   A. Schematic Design Review
   B. Acquisition of High Performance MRI
   C. Accounts Receivable Write-Off
   D. JLARC Initiatives Update

IV. Strategic Matters
   A. FY 2018 Financial Update
   B. Legislative Update
   C. Room & Board Rates, FY 2018
   D. Debt Policy Compliance

V. Adjournment
Schematic Design Review

Tier 2.5 Process
• BOV review at Schematic Design
  • Two-member detailed review
  • Summary presentation to full Committee
• BOV approval of changes >10%

Current Projects
• Global Center Renovations
• Bull Run Hall Renovations
• Hazel Hall Renovations
• Robinson Hall Replacement

Board Book page 217
Current Renovation Projects

- On Schedule
- Within Budget
- Requesting BOV Approval

Global Center Renovations

Bull Run Hall Renovations

Hazel Hall Renovations
The Finance & Land Use Committee recommends approval by the Board of Visitors of the Schematic Designs for the three Capital projects outlined in the Board Book.

MOTION: ______________________

SECOND: _____________________
Robinson Hall Project Highlights

**Purpose**
- Will be largest academic building on campus
- 30 University Classrooms
- College of Humanities and Social Sciences
- Mason Innovation Exchange (MIX)
- Harris Theater separation

**Scope**
- New Robinson 218,000 SF
- New Harris 2,000 SF
- Harris Renovation 21,000 SF

**Budget**
- Requested $112 M
- Final TBD

**Schedule**
- Construction Start October 2018
- Construction Complete January 2021
- Demolition Complete Fall 2021
ROBINSON HALL | SPACE ALLOCATION

- University Classrooms: 31%
- Admin/Faculty/Academic Workplace: 45%
- Mason Innovation Exchange: 8%
- CHSS: 8%
- Community: 8%
- Academic/Instructional/Research: 4%
- Building Support (NET): 1%
- CAL/ITS Support: 3%
BUILDING COMMITTEE MEETING
Visual Listening / Preferences

- warm / natural atriums with daylight views
- organic, bespoke, lived-in, unfinished
- openness

- internal gathering, grottoes
- pops of color, unfixed, display
- low-tech interactivity, impressions
ROBINSON HALL | BRAND SYSTEM

ROBINSON HALL IS A PASSAGE, A METAPHORICAL JOURNEY FOR LEARNING AND WHAT IT MEANS TO BE HUMAN.

MORE OUTWARD FACING

LANDSCAPE

MAIN ENTRY

EVENT ENTRY / MIX

CORRIDORS

CLASS CORRIDORS

NEIGHBORHOOD CENTERS

MORE INWARD FACING

INTENT

INVITE. EXCITE.
PRELUDE.
CONNECT.

WELCOME.
INTRODUCE.
ORIENT. DIRECT.

POSSIBILITY

PROVOKE. CHALLENGE.
SHOWCASE. SHARE.
IMPRESS. ENTICE.
INCENTIVIZE.

CREATION + ETERNAL
QUESTIONS

REFLECT. INSPIRE.
INTERMINGLE.
DISCUSS. DISCOVER.
ADVANCE.

FLOW OF
KNOWLEDGE

MOTIVATE.
LEARN. GROW.
EMPOWER.

HONOR.
RESPECT.
CELEBRATE.

WORDS + MEANING

STORY THEME

PERSPECTIVE CHANGEMENT

TRANSFORMATION

STUDENT VOICE SCULPTURES

• Sculptural walls to be painted by students / shape change depending on perspective

“How Might We”

• Declaration Terrace + Terrace seating with 16 pts of Why/How/How Might We VA Declaration points

WAYFINDING + SIGNAGE

• Student Wayfinding + Signage / Graphic Facade Pattern

SIGNIFIER BEACON

• Ambient focal wall / column with alphabet signifier pattern source revealed

CANON MIX WALL

• Juxtaposed canon excerpts using MIX technology re-frame classics to provoke new contexts of thinking

DIGITAL SIGNAGE

• Service + Big Ideas
• Donors
• History + Values
• Diversity
• Scholarship
• Student life
• Entrepreneurship

SIGNIFIER FRIZZE

• Railing Ribbon and underside of corridors abstracted with alphabet signifiers pattern emanating from column pinnacle at entry

SIGNIFIER CONNECTORS

• Alphabet Signifier Pattern integrated into flooring to highlight a path: accentuates points of convergence

THINKING DISPLAYED

• Break out workspaces with writable / tactileable surfaces

• Digital option

BOOK RECEPTION

• Multi-story focal wall of glass encased book cases.
• Cases framed so that the organic nature created by page/non-spine side of books creates beautiful, uncurated pattern
### UNIFYING FORM LANGUAGE | SIGNIFIER PATTERN

<table>
<thead>
<tr>
<th>SYMBOLISM</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perspective</td>
<td>- Create a pattern/grid/cadence that will unify story elements and architecture.</td>
</tr>
<tr>
<td>Change</td>
<td>- It can exist abstractly (for timelessness) and have moments where the source is revealed/reconstituted.</td>
</tr>
<tr>
<td>Transformation</td>
<td></td>
</tr>
</tbody>
</table>

![Image of unifying form language and signifier pattern examples]
ROBINSON HALL | AMPHITHEATER

STUDENT VOICE SCULPTURES

SYMBOLISM
- Perspective
- Change
- Transformation

DESCRIPTION
Sculptural walls to be painted by students / shape changes depending on perspective.
ROBINSON HALL | MONUMENTAL STAIR

SIGNIFIER ENTRY WALL

**SYMBOLISM**
Possibility

**DESCRIPTION**
- Alphabet signifier pattern forms global pattern, symbolic of global reach
- Dimensional letter forms are rotated 90 degrees and installed on wall (perpendicular), revealing letters when shadow is cast
ROBINSON HALL | GATHERING SPACE

CANON MIX WALL / DIGITAL VENEER

SYMBOLISM
- Creation
- Eternal
- Questions

DESCRIPTION
- The Mix entry is framed with digital monitors/writing surface on side and Canon-Mix wall on other
- At a pedestrian level, a digital touchscreen array is embedded to display donor names, showcase scholarship, service, entrepreneurship, events etc.
- Canon-Mix wall juxtaposes canon excerpts using MIX technology and reframes classics to provoke new contexts of thinking
- The wall is connected to a database of literary works and displays them at random

CANON-MIX // DIGITAL VENEER METHOD
- Video monitors shine through a thin veneer
- Graphics can be designed to simulate dots / pixels
ROBINSON HALL | FEATURE WALL

READING WALL

SYMBOLISM
Words + Meaning

DESCRIPTION
• Multi-story focal wall of glass encased book cases.
• Cases framed so that the organic nature created by page/non-spine side of books creates beautiful, uncared pattern
•Writable glass wall
Robinson Hall Project Risks

Budget Risks
- Commonwealth pool-funded target is significantly below our request
- Extent of enabling projects underestimated
- BCOM acceptance of atrium/compact site as most efficient

Schedule Risks
- Delay in funding has put design team behind on major decisions

Coordination with Utility Project
Acquisition of High Performance MRI Scanner
The Finance & Land Use Committee recommends the Board of Visitors approve signature delegation for the President or Senior Vice President to enter into a contract to purchase a Siemens MAGNETOM Prisma 3T MRI scanner, with a not-to-exceed value of $2.5M, as detailed in the resolution in III.B. of the Board Book.

MOTION: ____________________

SECOND: ____________________
Accounts Receivable Write-Off

Certain delinquent accounts are written off annually, for accounting purposes only, to eliminate as assets from the financial statements. The write-off of $1.47M is three tenths of 1 percent of FY 2016 billings.
Addressing the Cost of Public Higher Education in Virginia
Revenue Diversification: George Mason’s use of fitness memberships, charges to all non-student users and tiered pricing is a model of how additional revenues can be generated to support recreational facilities.

Managing Costs: Highlights George Mason’s use of staff time to identify similar purchases from multiple departments that were aggregated and purchased through one contract. This initiative did result in true savings.

Internal Controls: The National Association of College and Business Officers recognized George Mason’s debt management policy as a best practice.

See Handout A for George Mason University’s status on each recommendation issued by the Joint Legislative Audit and Review Commission for increasing cost efficiency in Virginia’s higher education institutions.
FY 2018 FINANCIAL & LEGISLATIVE UPDATE
“I met with the budget people and we agreed that the cheapest way to fix all of our problems is chocolate.”
STABLE FINANCIAL RATINGS IN 2017

January 2017
Received Two Ratings on GMUF’s Prince William Lab LLC Refunding Bonds!

<table>
<thead>
<tr>
<th><strong>STANDARD &amp;POOR’S</strong></th>
<th><strong>Moody’s</strong></th>
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<tr>
<td>AA-</td>
<td>Aa3</td>
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<tr>
<td>A+</td>
<td>A1</td>
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<tr>
<td>A</td>
<td>A2</td>
</tr>
<tr>
<td>A-</td>
<td>A3</td>
</tr>
<tr>
<td>BBB+</td>
<td>Baa1</td>
</tr>
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</table>
Persistent economic pressures and a changing marketplace are putting unprecedented pressure on higher education institutions and requiring institutional boards and leaders to think differently.
Financial Framework

REVENUES

State Appropriations
Tuition & Fees
Retention & Enrollment Mix
Philanthropy
New Programs

FOR STUDENTS
- Innovative learning
- Accessible pathways
- Return on investment

FOR THE COMMUNITY
- 100,000 career-ready graduates
- Innovation engine
- Community builder

FOR THE WORLD
- Elevate research
- Research of consequence
- Global learning platform

FOR FACULTY AND STAFF
- Support teaching and scholarship excellence
- Well-being
- Diverse academic community

EXPENSES (E&E)

Mandatory Cost Increases and Regulatory Environment
Academic & Administrative Enterprise
Debt Service

NET RESOURCES

Operating and Capital Reserves
Capital Infrastructure

Physical Plant

The Mason IDEA
FY 2017 REVENUE BUDGET $1.0B

Pressure: Anticipated Budget Cuts

VA State Funding, 22%

Capital

Operating, $138.6

Mandatory Student Services & Activity Fees, $83.9

Tuition, $353.3

Room & Board, $70.2

Contracted Services, $32.8

Community & User Service Fees, $84.9

Sponsored Research, $104.7

Philanthropic Activities, $45.0

One Time, $2.5

Financial Aid, $22.3

Capital Improvements, $57.8

Mason Capital Funds, $5.0

Enrollment Related Fees, 51%

All Other Activities, 27%
FY 2017 EXPENSE BUDGET $1.0B

- Foundation Support for Mason, $45.0
- Enrollment Related, 69%
- Educational & General, $514.8
- All Other Activities, 25%
- Capital, 6%

- Contracted Services, $32.8
- Community & User Services (Non E&G), $66.4
- Research Contracts & Grants, $104.7
- Capital Improvements, $58.4
- Financial Aid, $22.3
- Room & Board, $70.2
- Student Services & Activity Fees, $83.9
- One-Time Funding, $2.5

GEORGE MASON UNIVERSITY | 41 |
FY 2018 Commonwealth Budget: Conference Report Released

**UPDATES:**
- Additional Financial Aid: Over $3M for undergraduate & graduate students
- Faculty & Staff Compensation Increases
- Funding for Robinson and Utility Infrastructure: ~$140M for mission critical projects
- Partial Restoration for Competitive Faculty Research: GO Virginia

**ADVOCACY WORKS!**

**CHALLENGES:**
- More Budget Cuts: ~$7.0 million in base reductions.

Thanks to the hard work of the BOV, Faculty and Staff - Mason Continues to find ways to stay ACCESSIBLE, AFFORDABLE and HIGH QUALITY
FY 2018 PROPOSED BUDGET AMENDMENTS

Mason Priorities
- Increase Student Financial Aid
- Attract & Retain Top Talent
- Multidisciplinary Research Institute for Biomedical Innovation
- Career-ready graduates with equitable resources to support enrollment growth

Governor’s Amended
- Increase undergraduate financial aid $3.1M
- 1.5% One-Time Bonus
- Block Grant - $1.25M for IBI Initiative
- -$9.3M budget reduction

Conference Amendments
- Increase undergraduate financial aid $3.1M
- 2% Faculty* and 3% Classified Staff Salary Increase
- Block Grant - $1.25M for IBI Initiative
- -$6.9M budget reduction

*Faculty salary has allowance for an additional 1% increase IF funded 100% from University funds.

Amendments are subject to change and Governor’s line item veto.
TUITION PRICING STRATEGY - UPDATE

- Conducted Market Research, Staff Interviews, Student Survey
- Analyzed Course Consumption, Student Demographics & Data
- Developed initial high-level retention, persistence, and time-to-graduation model
- Deliver Draft of Tuition Structure Model(s) and Alternatives
March 13 – 18  Spring Break
April TBD  BOV Financial Orientation & Overview Session
May 6  Last Day of Classes
May 11  BOV Meeting
FY 2018 Financial Plan
May 20  Commencement

SPRING 2017
Room and Board Rates, FY 2018

**Affordability** – Create an affordable living environment for students.

**Accessibility** – Access to on-campus living and dining for those students who desire that option.

**Involvement** – Improve student retention and graduation through involvement in activities and groups.

**Sense of Community** – Create an environment where students feel part of the Mason community.

**Well-Being** – Provide healthy dining options, access to a dietician and menu options for specialized diet requirements.
The proposed average increases for FY 2018 for all room and boards plans are 2.5% for housing, and 1.5% for dining meal plans.

Overall, the room and board rates are proposed to increase an average of 3.4% for Freshmen.
The Finance & Land Use Committee recommends the Board of Visitors approve the proposed FY 2018 Room and Board rates.

MOTION: _________________

SECOND: _________________
Debt Policy: An Overview

Comprehensive Approach: Evaluate University’s Overall Financial Strength

Financial Health

Debt Management & Risk Considerations

Alignment w/ Mission & Strategic Goals

Reporting
Debt Policy: Annual Compliance

Policy Compliance?

Maintain “A” Category Rating

✓ Completed January 2017

Annual Board Report

✓ Overall Financial Strength
### Rating Category

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</tr>
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**January 2017**

**Two Ratings**

GMUF’s PW LS Lab LLC Refunding Bonds
Mason Debt

Principal Balance
Actual & Projected as of 1/31/17

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<td>Existing Mason Debt</td>
<td>$672</td>
<td>$633</td>
<td>$587</td>
<td>$552</td>
<td>$517</td>
<td>$487</td>
<td>$469</td>
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<td>New Debt to be Issued</td>
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<td></td>
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</tr>
<tr>
<td>Authorized Debt Not Issued</td>
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<td></td>
<td>$28</td>
<td>$24</td>
<td>$3</td>
<td>$3</td>
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Annual Debt Service
Actual & Projected as of 1/31/17

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<tbody>
<tr>
<td>Existing Mason Debt</td>
<td>$61</td>
<td>$61</td>
<td>$62</td>
<td>$59</td>
<td>$59</td>
<td>$56</td>
<td>$57</td>
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<tr>
<td>New Debt to be Issued</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Authorized Debt Not Issued</td>
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<td></td>
<td></td>
<td>$2</td>
<td>$2</td>
<td>$2</td>
<td>$2</td>
</tr>
</tbody>
</table>

dollars in millions
Enterprise Debt: Mason Debt & GMUF Debt w/ Operating Lease Structures

Principal Balance
Actual & Projected as of 1/31/17

Annual Debt Service
Actual & Projected as of 1/31/17

dollars in millions
A Year In Review

Restructured Debt

Debt De-Authorized

No New Debt

Moody’s Ratings
The Finance & Land Use Committee recommends the Board of Visitors approve the resolution confirming the University is in compliance with the Debt Policy.

MOTION: ____________________

SECOND: ____________________
“Develop a passion for learning. If you do, you will never cease to grow.”

- Anthony J. D’Angelo

“Education is not preparation for life; education is life itself.”

- John Dewey