I. Call to Order

II. Approval of Minutes for May 11, 2017

III. New Business
   A. Financial and Operational Overview
   B. State Six Year Operational Plan

IV. Capital Matters
   A. Land Use Certification
   B. Robinson Hall Overview and Schematic Design Approval
   C. Other Capital Budget Issues
      i. IABR Third Floor Fit-Out/Clean Room
      ii. Bull Run Hall IIIB
      iii. Utilities Infrastructure
   D. 9d Debt Resolution - Utility Infrastructure Project

V. Adjournment
New Rankings!

Times Higher Education Young University Rankings of 200 colleges and universities worldwide.


1 of 97 institutions in a category U.S. News calls “A+ Schools for B Students…where spirit and hard work make all the difference.”

Best 4-Year College for Adult Learners, Washington Monthly

Who’s Going to School at MASON?

Fall 2017 Enrolled Student Population by Headcount: ~36,000
Fall 2017 Enrollment Update

Total Enrollment

36,247

Up 3.5% over last year to date

Out of State
7,254
3.3%

In State
28,993
3.6%

Total Undergraduate Enrollment

25,351

Up 5.1% over last year to date

Out of State
3,873
4.6%

In State
21,478
5.2%
New Business

The Financial Framework
MASON INITIATIVES - UPDATES

Mason Incentive Model

Tuition Strategy Plan

Capital Matters

West Campus Development
(December BOV meeting)
Mason Incentive Model

FY 2016: Launched MIM to run in parallel with Incremental Budget
FY 2017: Implemented Incentive Base Budget Model
Positive Results – Growth in Fund Balances

Next Steps
Multidisciplinary and Indirect Committees
Continued meetings with Deans and Assistant Deans
Comprehensive Communication Plan

Enrollment Goals
- Revenue targets set for each college
- If college exceeds revenue target, college shares in the gain with central

Two Main Levers
- Increase Revenue
- Decrease Expenses

End of Fiscal Year
- Model populated with actual revenue and expenses
- If revenue target exceeded, college shares gain with central
- If target missed, shortfall covered with unit fund balance
FY 2019 Tuition Strategy Update

**Major Components:**
- Formulate model and assess impacts
- Concurrent tuition strategy for all other returning students
- Review and rationalize student fee structures
- Review billing system and consider upgrades

<table>
<thead>
<tr>
<th>September, 2017</th>
<th>October</th>
<th>November</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish internal working group, initiate search for consultant</td>
<td>Set-up university-wide working committee, hire consultant</td>
<td>Begin drafting tuition strategy model</td>
<td>Publish first-draft of tuition strategy model</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>January through February, 2018</th>
<th>March</th>
<th>May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finalize tuition policy model, draft communications campaign</td>
<td>Communicate strategy publicly, review for BOV</td>
<td>Prepare for BOV approval at May 3 meeting</td>
</tr>
</tbody>
</table>
Long Term Financial Shift from Taxpayer to Student

George Mason University
General Fund vs. Tuition and Other as a Percent of the E&G Budget

% State Funded

1985: 67%
2000: 57%
2018: 25%

FY 1985
FY 1986
FY 1987
FY 1988
FY 1989
FY 1990
FY 1991
FY 1992
FY 1993
FY 1994
FY 1995
FY 1996
FY 1997
FY 1998
FY 1999
FY 2000
FY 2001
FY 2002
FY 2003
FY 2004
FY 2005
FY 2006
FY 2007
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
FY 2014
FY 2015
FY 2016
FY 2017
FY 2018

State Appropriations
Tuition & Other

67%
33%

75%
25%

Internal & External Pressures on Mason

- Disinvestment
- Federal & State Policy
- High Cost of Living
- Increased Diversity
- Strategic Plan
- Infrastructure Needs
- Enrollment Growth Mix
- HS Graduates

Internal & External Pressures on Mason
FY 2018 REVENUE BUDGET $1.0B

- Tuition: $380.7
- Operating: $131.4
- Financial Aid: $22.6
- Capital Improvements: $48.9
- Mason Capital Funds: $18.8
- Enrollment Related Revenue, 54%
- VA State Funding, 20%
- All Other Activities, 25%
- Philanthropic Activities: $60.0
- Sponsored Research: $104.7
- Room & Board: $71.4
- Mandatory Student Services & Activity Fees: $91.5
- Community & User Service Fee: $84.3

Pie chart $ in millions
FY 2018 EXPENSE BUDGET $1.0B

- **Student Services & Activity Fees**: $91.5
- **Research Contracts and Grants**: $104.7
- **Capital Improvements**: $63.3
- **Financial Aid**: $22.6
- **Room & Board**: $71.4
- **Community & User Service (Non-E&G)**: $65.6
- **Foundation Support for Mason**: $60.0
- **Enrollment Related, 71%**
- **Educational & General**: $535.2
- **All Other Activities, 23%**
- **Capital, 6%**
Six Year Operating Plan

Provide Affordable Access for All Students

Support Salary Compensation Increases

Enrollment Growth & Degree Awards for VA Residents

Multidisciplinary Institutes

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
- Well-being
- Diverse, talented community
- Support teaching and scholarship innovation and excellence
Provide Affordable Access for All Students
Mason Priority 1
Virginia Plan Goal 1

**Strategy 1:** Mason must make available additional student aid resources at both the undergraduate and graduate level.

**Biennium Request:** $4M General Fund, $1M Nongeneral Fund
PRIORIT ONE: Increase Student Financial Aid

% of Mason undergraduate, degree-seeking, in-state students receiving Pell Grants

Mason Pell Grant Recipients

Virginia Student Financial Aid Program
Funds Needed to Achieve 100% of the Model

Total FY 2018 Need
Total FY 2018 Funded
Support Salary Compensation Increases
Mason Priority 2
Virginia Plan Goal 3, 4

**Strategy 8:** Mason must recognize high-quality faculty and staff by providing an annual merit based salary increase.

**Biennium Request:** $12.7M General Fund, $12.7M Nongeneral Fund
Priority Two: Salary Compensation Increases

Based on DHRM Position Titles, a majority of Mason employees are below the northern Virginia classified salary average.
Priority Two: Salary Compensation Increases

Required % Increase in Funds Needed to Achieve 100% of Salary Goal

<table>
<thead>
<tr>
<th>Institution</th>
<th>Total Required Funding</th>
<th>Required % Increase to Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>VCU</td>
<td>$15.3</td>
<td>8.8%</td>
</tr>
<tr>
<td>VT</td>
<td>$22.6</td>
<td>11.1%</td>
</tr>
<tr>
<td>ODU</td>
<td>$9.8</td>
<td>11.4%</td>
</tr>
<tr>
<td>UVA</td>
<td>$25.3</td>
<td>12.3%</td>
</tr>
<tr>
<td>W&amp;M</td>
<td>$10.1</td>
<td>14.1%</td>
</tr>
<tr>
<td>MASON</td>
<td>$45.8M</td>
<td>24.4%</td>
</tr>
</tbody>
</table>

dollars in millions

SCHEV 2016-18 Operating Budget Amendments
Enrollment Growth & Degree Awards for VA Undergraduate and Graduate Residents

Mason Priority 3
Virginia Plan Goal 1, 2, 4

**Strategy 2:** Mason seeks equitable resources for past enrollment growth.

**Biennium Request:** $10M General Fund, $6M Nongeneral Fund
Priority Three: Equitable Resources for Past Growth

Enrollment Growth, Fall 2008 - 2016

George Mason University enrolled ~48% of growth!
Priority Three: Address Financial Disparity

Mason receives just 77% of the doctoral average for GF support.
Multidisciplinary Institutes

Mason Priority 4
Virginia Plan Goal 3, 4

**Strategy 11:** To promote innovation and job creation, Mason will establish additional multidisciplinary institutes.

**Biennium Request:** $2.75M General Fund, $1.25M Nongeneral Fund
Priority 4: Multidisciplinary Institutes

The Institute for Biomedical Innovation (IBI) will continue to focus on driving advances in technologies and interventions designed to improve the health and wellbeing of the citizens of the Commonwealth and beyond.

The University will serve as a founding member of the Global Genomics and Bioinformatics Research Institute (GGBRI), in partnership with the University of Virginia and the Inova Health System. The institute will offer cutting-edge translational research and training in domains such as proteomics, systems biology, bioengineering, bioinformatics, and related public policy.
FY 2019 Mason Budget Requests to Commonwealth

*Provide Affordable Access for All Students*
Additional student aid for both undergraduate and graduate students.

*Support Salary Compensation Increases*
Annual salary increases for faculty and staff.

*Enrollment Growth & Degree Awards for VA undergraduate and graduate residents*
Provide equitable resources for past enrollment growth.

*Multidisciplinary Institutes*
Make available funds to establish additional multidisciplinary institutes.
BOARD RECOMMENDATION

The Finance & Land Use Committee recommends approval by the Board of Visitors of the University’s 2017 Six-Year Plan.

MOTION: __________________

SECOND: ________________
Capital Matters

Land Use Certification
Schematic Design Approval – Robinson

Capital Budget Matters: Modification of Project Scope – IABR, Utilities Infrastructure and Bull Run IIIB

Debt Issuance – Utility Infrastructure
Virginia Code §2.2-1153 requires agencies and institutions to submit a Land Use Plan annually for all Commonwealth/University-owned land:

★ Principal information desired by Department of General Services is last column identifying what land the Commonwealth may be able to surplus.

★ The significant change since last year’s report is the addition of the Potomac Science Center Campus. Additionally there has been one easement added to the Main Campus at Fairfax.
Robinson Hall Replacement Project
Schematic Design - Approval

Area: 240,887 GSF
Budget: $113,040,000

Schedule
Design Complete: Fall 2018
Construction NTP: Fall 2018
Occupancy: Spring 2021
Harris Complete: Spring 2022
Robinson Hall Replacement
IABR Third Floor Fit-Out
Life Sciences Building
Major Modification - Approval

Major Modification
Add Clean Room
Increase Project Budget from $3.8M to $6.2M
Modification financed with Mason Funds
Bull Run Hall IIIB
Capital Budget Request Reauthorization - Approval

Resubmitted Capital Budget Request
Original Authorization 2012-2014 Biennium
Changes in enrollment since 2012
• 67% Increase Volgenau School of Engineering
• 14.3% Increase College of Science

2017 Program Changes
• Eliminate Library 30k gross square feet (gsf)
• Reduce Office 30k gsf
• Eliminate Growth 15k gsf
• Increase Lab 75k gsf

Budget
2012 Authorization $43.7M
2017 Request $67M
Resubmitted Capital Budget Request

- Adjustment to the fund split between Agency (Mason) Funds and the Commonwealth
- Additional Scope
Utilities Infrastructure
Utilities Infrastructure
The Finance & Land Use Committee recommends approval by the Board of Visitors of the Capital Matters as described:

1) Land Use Certification
2) Robinson Hall Schematic Design Approval
3) IABR Third Floor Fit-Out Project Modification
4) Capital Budget Submission for Bull Run IIIB
5) Capital Budget Submission for Utilities Infrastructure

MOTION: ________________

SECOND: ________________
Utilities Infrastructure Project
Bond Issuance (9d)

Utilities Distribution Infrastructure Project – 9d Bond Resolution

✓ This Bond Financing issued through the Virginia College Building Authority (VCBA) is scheduled to close December 2017.

✓ VCBA will sell Revenue Bonds for the aggregate principal amount of $3.50M (plus financing costs) for the design phase of the project.
The Finance & Land Use Committee recommends approval by the Board of Visitors of the financing resolution as included in the Board Book that includes the following:

1. The University is hereby authorized to enter into the Loan Agreements and Promissory Notes with the Virginia College Building Authority (VCBA) for the aggregate principal amount of $3,500,000 for Utilities Distribution Infrastructure capital project.

2. The Senior Vice President for Administration and Finance is hereby authorized and directed to approve, execute and deliver all documents necessary to effectuate this Bond Financing through VCBA.

MOTION: ____________________

SECOND: ____________________
FINANCIAL INITIATIVES

• Tuition Pricing Strategy
• Student Billing System
• Budget Model Redesign, Next Phase
• Year Two of Tier 2.5

CAPITAL INITIATIVES

• Secure construction funding for Robinson Academic Building and Utility Infrastructure
• Plan and secure construction funding for IT Infrastructure
• Secure construction funding for Life Sciences – Bull Run Addition
• Complete site survey for Fairfax: West Campus
WHAT’S ON THE HORIZON

1. Peterson Hall
   Open Spring 2018

2. IT Network Planning

3. Mason Global Center Classrooms

4. West Campus

5. CHIPOTLE!!
BOARD OF VISITORS
Upcoming Meeting Schedule

**WEDNESDAY**
December 13, 2017
- Financial Overview
- Governor’s Budget
- Capital Update/West Campus
- Investment Policy
- Unaudited Financial Statements

**THURSDAY**
March 1, 2018
- Room & Board Rates
- Commonwealth Budget Update
- Human Resources & Payroll Annual Report
- FY 2019 Financial Overview

**THURSDAY**
May 3, 2018
- Operating Budget, Tuition & Fees
- Six Year Capital Plan
- Span of Control
- Audited Financial Statements
- FY 2018 & FY 2019 Financial Overview

**Thursday - Friday**
July 26-27, 2018
- Annual Planning Conference
- FY 2018 & FY 2019 Financial Overview

**Winter Graduation:** Thursday, December 21, EagleBank Arena
Be kind whenever possible.

IT IS ALWAYS POSSIBLE.

~Dalai Lama~