Agenda

I. Call to Order

II. Approval of Minutes

III. Financial Overview

IV. New Business
   A. GMUF Potomac Heights Capital Lease
   B. Enhanced Capital Authority Revised Capital Construction Process

V. Operational Issues
   A. Investment Policy Committee Update
   B. Accounts Receivable Write-Off
   C. Controlled Unclassified Information

VI. Capital Matters
   A. Potomac Science Center
   B. West Campus Planning

VII. Police and Public Safety Update

VIII. Adjournment
AMAZING FACTS ABOUT MASON

NO disparity in graduation rates!

U.S. News Top 20
2018 Most Efficient Universities!

Enrolled ~50% of VA student growth in last decade

Grad rate better than 70%

Virginia’s most diverse college
FINANCIAL OVERVIEW
Recent Financial Accomplishments

- A1 Moody’s Rating
- A S&P Rating
- Improved or Stabilized all financial metrics
- Potomac Heights Refinancing
- Reutilized Capital Assets
- Approved for Increased Financial Authority
- Deauthorized $230M in debt
- Launched Mason Incentive Model
- Opened Fenwick Library, Potomac Science Center, and West Campus Drive
- Funded Robinson Hall Replacement and Utility Infrastructure
Mason Incentive Model

**FY 2016**
- Launched Mason Incentive Model to run in parallel with Incremental Budget

**FY 2017**
- Implemented Incentive Base Budget Model
- Positive Results in Unit Growth and Fund Balances

**FY 2018**
- Multidisciplinary and Indirect Models – Committee Work
- Continue meeting with Deans and Assistant Deans
- Comprehensive Communication Plan
Tuition & Billing Strategy Update

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

<table>
<thead>
<tr>
<th>September, 2017</th>
<th>October</th>
<th>November</th>
<th>December</th>
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<tbody>
<tr>
<td>Establish internal working group, initiate search for consultant</td>
<td>Set-up working committee and hire consultant</td>
<td>Begin drafting tuition strategy model</td>
<td>Publish first-draft of tuition strategy model</td>
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<table>
<thead>
<tr>
<th>January through February, 2018</th>
<th>March</th>
<th>May</th>
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<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>
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The Mason IDEA

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
### Scenario A

**Description**: The “Keep Doing the Same Thing” Projection

<table>
<thead>
<tr>
<th>FR/TR OOS</th>
<th>FR/TR VA</th>
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<tbody>
<tr>
<td>Flat</td>
<td>Flat</td>
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#### FY 2024 Overall Enrollment

Out Of State: 22.3%

<table>
<thead>
<tr>
<th>Year</th>
<th>In State</th>
<th>Out Of State</th>
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<tbody>
<tr>
<td>FY19</td>
<td>36,774</td>
<td>7,557</td>
</tr>
<tr>
<td>FY20</td>
<td>37,459</td>
<td>7,785</td>
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<tr>
<td>FY21</td>
<td>38,308</td>
<td>8,132</td>
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<tr>
<td>FY22</td>
<td>39,024</td>
<td>8,434</td>
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<tr>
<td>FY23</td>
<td>39,619</td>
<td>8,707</td>
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<td>FY24</td>
<td>40,132</td>
<td>8,960</td>
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#### New Freshmen Enrollment

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<tr>
<th>Year</th>
<th>In State</th>
<th>Out Of State</th>
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<tr>
<td>FY19</td>
<td>2,650</td>
<td>755</td>
</tr>
<tr>
<td>FY20</td>
<td>2,660</td>
<td>755</td>
</tr>
<tr>
<td>FY21</td>
<td>2,673</td>
<td>755</td>
</tr>
<tr>
<td>FY22</td>
<td>2,683</td>
<td>755</td>
</tr>
<tr>
<td>FY23</td>
<td>2,693</td>
<td>755</td>
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<tr>
<td>FY24</td>
<td>2,703</td>
<td>755</td>
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</table>

#### New Transfer Enrollment

<table>
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<th>Year</th>
<th>In State</th>
<th>Out Of State</th>
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<tr>
<td>FY19</td>
<td>3,875</td>
<td>295</td>
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<tr>
<td>FY20</td>
<td>3,890</td>
<td>312</td>
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<tr>
<td>FY21</td>
<td>3,900</td>
<td>323</td>
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<tr>
<td>FY22</td>
<td>3,910</td>
<td>323</td>
</tr>
<tr>
<td>FY23</td>
<td>3,920</td>
<td>323</td>
</tr>
<tr>
<td>FY24</td>
<td>3,930</td>
<td>323</td>
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</table>

#### Overall Enrollment Timeline

- **Key Assumptions**
  - No transfer growth.
  - No or limited increase in non-resident freshmen or transfer.

- **International Enrollment**: Flat
Scenario B Description FR/TR OOS FR/TR VA
Grow Both (moderate) Increase VA and Out of State Enrollment 8% each year 1 - 3% each year

FY 2024 Overall Enrollment

New Freshmen Enrollment

New Transfer Enrollment

Overall Enrollment Timeline

Key Assumptions

- ADVANCE gains.
- Growth in residents consistent with recent past.

New International 10% Undergrad 5% Grad Each Year
Revenue and Resource Implications

- Students, Faculty & Staff
- Classrooms, Labs, & Offices
- Residence Halls, Dining, & Recreation
- Convening Space/Parking
2017 Fall Headcount Enrollment - Domicile

<table>
<thead>
<tr>
<th>University</th>
<th>Total Enrollment</th>
<th>In State Enrollment</th>
<th>Out of State Enrollment</th>
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<tbody>
<tr>
<td>W&amp;M</td>
<td>8,740</td>
<td>3,404</td>
<td>5,336</td>
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<tr>
<td>UVA</td>
<td>24,360</td>
<td>14,817</td>
<td>9,543</td>
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<tr>
<td>ODU</td>
<td>24,375</td>
<td>21,429</td>
<td>2,946</td>
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<tr>
<td>VCU</td>
<td>31,036</td>
<td>26,674</td>
<td>4,362</td>
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<tr>
<td>VT</td>
<td>34,440</td>
<td>22,732</td>
<td>11,708</td>
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<tr>
<td>GMU</td>
<td>36,297</td>
<td>29,045</td>
<td>7,252</td>
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Source: SCHEV Research Reports E03: Enrollment Fall Headcount
FY 2024 – Strategic Plan, Enrollment and Vision for the Future

FY 2018 Base Year

100,000 Graduates by 2024
7,000 New Students
5,300 on Ground

Maintain R1 Status

Maximize Use of Existing Assets
Peterson Hall – 2018
Robinson Hall – 2022

Additional Gross Revenue
Moderate Tuition Increase

FY 2024
6 Years of Growth

Facilities

Students, Faculty & Staff

Enrollment
FY 2024 – What will it take to get there?

**Faculty & Staff**
- Projected 6 Year Growth
  - Faculty +75 Tenure Track/Term annually → 450
  - All Other Staff +75 annually → 450

**Facilities**
- How do we manage growth?
  - Shared Offices
  - Off-Campus Leasing
  - Space Utilization Study
  - Class Scheduling (F/S/S)
  - Private Sector Housing
  - Dining Hall Expansion

**Student Services**
- Auxiliary: Student Centers, Student Life, Recreation
- Transportation & Parking
- Information Technology: WiFi, contract per student escalation, $60M infrastructure

Renovation of existing facilities?
Key Components for Success

University-wide Conversation around how we grow Successfully

Comprehensive Communication Plan

Detailed Financial & Operation Plan

Complete May, 2018
New Business
GMUF Potomac Heights LLC Capital Lease

- A new capital Lease for Potomac Heights, a student housing building on GMU’s Fairfax Campus
- Annual Capital Lease payments (approx.) $2.5m
- 10 year term
- GMUF will transfer the building to GMU at the end of the term
The Finance & Land Use Committee recommends approval by the Board of Visitors of the capital lease resolution found in the Board Book:

The University hereby is authorized to enter into a capital lease and an amended and restated ground lease with George Mason University Foundation Potomac Heights LLC in conjunction with the Foundation’s refinancing of their 2013 Fairfax County Economic Development Authority Student Housing Refunding Tax-exempt Revenue Bonds (GMUF Potomac Heights Project).

MOTION: ____________________________

SECOND: ____________________________
December 2016: BOV approved delegated authority of procurement process. Under delegated authority, University selects contract type. Virginia Assembly moved Construction Management at Risk and Design Build procurement law to separate section in the Code of Virginia. Revised procedure requires the BOV to approve the University’s process for choosing the construction contract type. New process described in Board Book.
Board Recommendation

The Finance & Land Use Committee recommends approval by the Board of Visitors of the new capital authority selection process found in the Board Book:

MOTION: __________________________

SECOND: __________________________
OPERATIONAL ISSUES
Annual Investment Policy Update

Total Assets Under Management: ~$470M
University-wide Investment Committee
Advisor: CAPTRUST Financial Partners

- No funds closed due to performance
- BOV approved revised Investment Policy Statement
- Lowered fees on Fidelity
- Reviewed cybersecurity policies with Fidelity & TIAA
- Participated in CAPTRUST Fiduciary Responsibility training
Annual Report to BOV
FY 2017 Increased Collection Rate to 99.74%
FY 2016 wrote off 0.30% of student account billings
FY 2017 wrote off 0.26% of student account billings
Cumulative Recovery Rate since 1981 is 39%

Update to BOV
Department of Defense issued new compliance guidelines (DFARS)
Engaged SLAIT Consulting for Assessment & Remediation Plan
Required for Mason Researchers working with CUI
Potomac Science Center
West Campus Planning
POTOMAC SCIENCE CENTER

Building:
Four stories
50,838 GSF
2.22 Acres
• Classrooms/Teaching Labs
• Research Wet labs
• Faculty/Staff Offices
• Computer Labs
• Exhibition Gallery
• Support spaces
West Campus
216 Acres

Fairfax West Campus – in conceptualization

Note: West Campus 216 Acres
One University
Conceptual Site Plan - Design
FCHRA / GMU Redevelopment Site - Fairfax, VA

SITE DEVELOPMENT:

BUILDING 100 -
4 STORY: 254,755 GSF
237 UNITS / 798 AVG. SF PER UNIT
12,250 SF AMENITY / LEASING
PARKING: 322 SPACE PARKING DECK
71 SPACES / LVL @ 4.5 LEVELS
60 SURFACE SPACES
TOTAL: 382 SPACES (1.61 SPACES / UNIT)

BUILDING 200 -
TOTAL: 390,450 GSF @ 5/6 STORIES
316 UNITS / 939 AVG. SF PER UNIT
713 BEDS @ 413 SF PER BED
9,790 SF AMENITY / LEASING
PARKING: 522 SPACE PARKING DECK
87 SPACES / LVL @ 6 LEVELS
(1.65 SPACES / UNIT) & (0.73 SPACES / BED)
One University Conceptual

Timeline
- County RFP due – January 16, 2018
- Due Diligence – currently conducting capacity work and will continue if selected
- Entitlements- 12-24 months
- Construction Q1 2019 for 18 months
- Opening Summer 2020
Overview
- 760 beds in 240 Units
- Mix of 1, 2 and 4 bedroom units
- 730 structured parking spaces
- 10,000 SF clubhouse
- Shuttle service

Timeline
- Due Diligence – through Sept 2018
- Land Closing – May 2019
- Construction 2019-2021
- Opening July 2021

10366 Democracy Lane
George Mason University recognizes the potential for new University development on its Fairfax West Campus. Desire is to develop an Innovation District that will offer opportunities for public-private development, research collaboration, innovative funding streams, attractive public open space, and University amenities.

**Recommendations & Timeline:**
A 20-50 year vision
- Identify possible partners
- Develop Administration & Management Structure
- Campus Programming
- Budgeting & Entitlements
- Infrastructure Planning

**Next Steps:**
- Capacity Study
- Market Analysis / Proforma
- Master Planning Study
Next Board of Visitors Meetings

**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
Department of Police & Public Safety Update

Carl Rowan. Jr.
Chief of Police
Technology Updates

- Officers on every shift now carry Narcan to rescue drug overdose victims
- Officer-worn body cameras in pipe-line for early 2018
- Significant potential improvements to 911 communications center capabilities being studied for 2018
## New and Improved Partnerships

<table>
<thead>
<tr>
<th>Partnership Description</th>
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<tbody>
<tr>
<td>Re-established partnership with Student Support and Advocacy Center (SSAC) for joint-responses to campus sexual assaults</td>
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<td>Mason criminal investigators will shadow Fairfax County Police Homicide Squad during the summer months to enhance investigative skills and crime scene experience.</td>
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<tr>
<td>Entered into agreement with Fairfax City to share a state of the art firing range with Fairfax City Police and Falls Church City Police (construction to be completed in late 2018)</td>
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<td>Improved partnership with the GMU IT team for better practices, synergies, and overall technology effectiveness</td>
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</table>
Captain Emily Ross recently completed highly regarded 22 week police command leadership program presented by Northwestern University. Graduated with 4.0 GPA

Sgt. Keith Jochem, our in-house Narcan training expert, continues to train officers on the dangers of handling opioid drugs and proper use of Narcan as a life-saving tool for overdose victims.

MPO Corey Rourke graduated from Patrol Dog School; and MPO Stephanie Bietsch and Officer John O’Hare were chosen as our next Patrol and Bomb Dog handlers for training in early 2018.
Whatever you are, be a good one.

I am a slow walker, but I never walk back.

Be sure you put your feet in the right place, then stand firm.

We can succeed only by concert. It is not, ‘Can any of us imagine better,’ but, ‘Can we all do better?’

~Abraham Lincoln~