Agenda

I. Call to Order

II. Approval of Minutes

III. FY 2019 University Operating Budget, Tuition and Fees

IV. Capital Matters
   A. Capital Project Authorization – Hylton HVAC Renovation
   B. Merten Hall Capital Lease and Ground Lease Resolution
   C. Six-Year Capital Plan

V. Operational Issue – JLARC Span of Control

VI. Strategic Matter – West Campus Update

VII. Adjournment
BREAKING NEWS

S&P Global
Mason Upgraded
A+

GEORGE MASON
#54 out of 500
FY 2019
University Operating Budget, Tuition & Fees
The Financial Framework
FY 2019 Proposed Budget Amendments

Mason Priorities

- Provide Affordable Access for All Students
- Attract & Retain Top Talent
- Career-ready graduates with equitable resources to support enrollment growth
- Commonwealth Research

Governor’s FY 2019 Proposed Budget

- Increase undergraduate financial aid $14.7M over the biennium
- 2% salary increase as of Dec 1, 2019 (FY 2020)
- $4m year 1 and $10M year 2 for prior in-state enrollment growth
- $16M over 2 years for Virginia Research Investment Fund (VRIF)

House FY 2019 Proposed Budget

- No change to dollars, adds priority funding language
- 2% salary increase as of July 1, 2019, 1% merit increase for classified staff employees*
- Removes $14M, Adds $300k STEP, $1.4M O&M for Facilities, $7M for High Degree Awards
- Maintains $16M for VRIF and adds $40M for CyberX

Senate FY 2019 Proposed Budget

- Funds approximately half of the Governor’s recommended amount
- Eliminated funding but directs funds (2% raise) to reserves, dependent on FY2018 revenue outcomes
- Removes $4M year 1, keeps $10M year 2
- Maintains $16M for VRIF

***No State Budget***
FY 2019 Proposed Budget – Items of Note

***No State Budget***

**CAPITAL:**

Bull Run III B: With a change of scope, added additional funding of $21.1M.

Utility Infrastructure: Received additional Commonwealth funding and provides bond authority.

Maintenance Reserves: Additional $1.8M per each year of biennium.

**LARGE GAP:**

$1B Differential between House & Senate Budgets

Virginia House budget includes Medicaid expansion; Senate version does not

**CHALLENGES:**

Compensation for Faculty and Staff
Enrollment Growth Funding
Financial Aid
New Requirements
FY 2001 - 2018 In-State Tuition and Fees Comparison

Source: SCHEV 2000-01, 2008-09, 2015-16 Tuition and Fee Report – Tuition and Total Mandatory Fees

Range of ∆ $1,306 to $10,120 per student

Δ = $1,047 per student
Mason FY 2018 Financial Disparity

In-State Tuition  General Fund

<table>
<thead>
<tr>
<th>University</th>
<th>In-State Tuition</th>
<th>General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Virginia (UVA)</td>
<td>$7,733</td>
<td>$8,640</td>
</tr>
<tr>
<td>Virginia Common Sense (VCU)</td>
<td>$11,483</td>
<td>$6,275</td>
</tr>
<tr>
<td>Virginia Polytechnic Institute (VT)</td>
<td>$12,923</td>
<td>$6,648</td>
</tr>
<tr>
<td>Old Dominion University (ODU)</td>
<td>$11,942</td>
<td>$11,263</td>
</tr>
<tr>
<td>Mason</td>
<td>$14,330</td>
<td>$5,658</td>
</tr>
</tbody>
</table>

Mason receives just 74% of doctoral average
Efficient: Faculty/Staff to Student Comparison

<table>
<thead>
<tr>
<th>Institution</th>
<th>Faculty or Staff</th>
<th>Students</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>William and Mary</td>
<td>![Icon]</td>
<td>![Icon]</td>
<td>1 to 3.4</td>
</tr>
<tr>
<td>Doctoral Average</td>
<td>![Icon]</td>
<td>![Icon]</td>
<td>1 to 5.4</td>
</tr>
<tr>
<td>Virginia Commonwealth</td>
<td>![Icon]</td>
<td>![Icon]</td>
<td>1 to 6.6</td>
</tr>
<tr>
<td>University</td>
<td>![Icon]</td>
<td>![Icon]</td>
<td>1 to 8.1</td>
</tr>
</tbody>
</table>

Mason would need to add over **1,000** people to be comparable with doctoral average.
Key Challenge

How does MASON remain ACCESSIBLE AFFORDABLE HIGH QUALITY with a great ROI?

Balanced Budget
Moderate Tuition Increase
Proposed FY 2019 Revenue Budget $1.06B

- Tuition, $409.3
- Mandatory Student Services & Activity Fees, $97.1
- Room & Board, $76.5
- Community & User Service Fee, $86.2
- Sponsored Research, $115.3
- Capital Improvements, $33.7
- Mason Capital Funds, $17.1
- Financial Aid, $22.6
- Philanthropic Activities, $65.0
- Operating, $136.1

- Enrollment Related Fees, 55%
- VA State Funding, 18%
- Capital, 2%
- All Other Activities, 25%
Key Increases of Proposed FY 2019 Revenue Budget

- **$15.2M** Compensation, Emergency Retention, Promotion & Tenure and Healthcare
- **$10.6M** Sponsored Research
- **$8.4M** Undergraduate and Graduate Financial Aid
- **$5.0M** Philanthropy
- **$4.7M** IT Infrastructure and Research
- **$4.0M** Strategic Initiatives
- **$3.6M** Student Services, Operations & Athletics

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$10.6M Undergraduate and Graduate Financial Aid

$15.2M Compensation, Emergency Retention, Promotion & Tenure and Healthcare

$8.4M Undergraduate and Graduate Financial Aid

$5.0M Philanthropy

$4.7M IT Infrastructure and Research

$4.0M Strategic Initiatives

$3.6M Student Services, Operations & Athletics
Proposed FY 2019 Expense Budget $1.06B

- Foundation Support for Mason, $65.0
- Educational & General, $570.3
- Enrollment Related, 72%
- Research Contracts and Grants, $115.3
- Capital, 5%
- Community & User Service (Non-E&G), $65.7
- All Other Activities, 23%
- Capital Improvements, $46.4
- Financial Aid, $22.6
- Room & Board, $76.5
- Student Services & Activity Fees, $97.1

pie chart $ in millions
Posted FY 2019 Tuition Increase Range 4.5% – 5.5%

<table>
<thead>
<tr>
<th>Proposed 4.5% Tuition &amp; Fees Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IN-STATE UNDERGRADUATE</strong></td>
</tr>
<tr>
<td>FY 2019</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>Tuition &amp; Fees</td>
</tr>
<tr>
<td>Room and Board</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
</tbody>
</table>

A 5.5% increase would have added ~$3M net tuition to fund IT Infrastructure, President’s Strategic Fund, and Deferred Maintenance.
Board Recommendation

The Finance & Land Use Committee recommends approval by the Board of Visitors of the FY 2019 proposed Tuition and Fees increase as detailed on pages 49-54 in the (PROPOSED) 2018 - 2019 Executive Budget Summary; and approval of the proposed budget as provided in the (PROPOSED) 2018 - 2019 Executive Budget Summary.

MOTION: ________________  
SECOND: ________________
Capital Matters
Capital Projects Authorization

Hylton Performing Arts Center
HVAC Repairs

- Modify temperature of supply air in Merchant Hall and increase return capacity.
- Add temperature control to the Merchant Hall stage.
- Modify air supply and return in the Grand Foyer & Art Gallery.
- Various locations throughout building – add cooling.
- Boiler #2 requires replacement

Total Cost/Source:
$4,025,000  University Funding
GMUF Mason Administration LLC Capital Leases

- Amended capital and ground leases for Merten Hall
- Decrease lease payments $2.7M over term
- GMUF Refinancing
- 18 year term lease (2036)
- Annual capital lease payments ~ $2.4M
- GMUF will transfer the building to GMU at the end of the term
**Proposed Six Year Capital Plan: 2018 – 2024**

**Proposed Projects for submission to DPB for Legislative Consideration**

<table>
<thead>
<tr>
<th>Project Description</th>
<th>GF</th>
<th>NGF</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Telecomm/Network Infrastructure – Fairfax</td>
<td>$11-13M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construct Academic VIII/Research IV-STEM (200,000 GSF)</td>
<td>GF $127.5 - 135M</td>
<td>NGF $42.5 - 45M</td>
<td>Total $170 - 180M</td>
</tr>
<tr>
<td>Renovate Planetary (S&amp;T I) Hall (100,000 GSF)</td>
<td>GF $65 - 75M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renovate and Addition David King Hall</td>
<td>GF $90 - 100M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improve Telecom/Network Infrastructure – Phase II</td>
<td>GF $13.9 - 15M</td>
<td>NGF $10.1 - 11M</td>
<td>Total $24 - 26M</td>
</tr>
<tr>
<td>Improve Telecom/Network Infrastructure – Phase III</td>
<td>GF $10.1 - 11.65M</td>
<td>NGF $8.9 - 10.35M</td>
<td>Total $19 - 22M</td>
</tr>
<tr>
<td>Renovate Fenwick Learning Commons Phase 2</td>
<td>GF $50 - 55M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renovate Enterprise Hall (100,000 GSF)</td>
<td>GF $45 - 50M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Proposed Six Year Capital Plan: 2018 – 2024

<table>
<thead>
<tr>
<th>Proposed Projects for BOV Approval only under Higher Education Capital Outlay (HECO)</th>
<th>New Business School Building (100,000 GSF)</th>
<th>NGF (Donor)</th>
<th>$70 - 80M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovations to Center for the Arts Concert Hall</td>
<td>NGF (Donor)</td>
<td>$25M</td>
<td></td>
</tr>
<tr>
<td>Surface Parking Lot Expansion (Approximately 400 Spaces)</td>
<td>NGF (Auxiliary)</td>
<td>$2M</td>
<td></td>
</tr>
</tbody>
</table>

### Pending Future Projects

<table>
<thead>
<tr>
<th>Pending Future Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Campus</td>
</tr>
<tr>
<td>Arlington Campus</td>
</tr>
</tbody>
</table>
Board Resolution/Recommendations

The Finance & Land Use Committee recommends approval by the Board of Visitors of the Hylton HVAC Repairs Capital Project Authorization; the Capital Lease Resolution for Merten Hall; and, approval of the Six-Year Capital Plan as detailed in the Board Book.

The University hereby is authorized to enter into an amended capital lease and an amended ground lease with George Mason University Foundation Mason Administration LLC in conjunction with the Foundation’s refinancing of their 2010A Fairfax County Economic Development Authority Tax-exempt Revenue Bonds (GMUF Mason Administration LLC Project).

MOTION: __________________
SECOND: _____________
Operational Issues
JLARC Span Of Control: Background & Context

**Governor & General Assembly Report:**
*Support Costs and Staffing at Virginia’s Higher Education Institutions*, October 2014

**Study:** Analyzed staffing levels and “spans of control” – measured by the number of direct reports per supervisor

**Recommendations:**
- Analyze span of control regularly
- Periodic BOV reports
- Develop standards that establish and promote broader spans of control
- Establish a Span of Control policy
George Mason’s Span of Control Policy Number 2233

The policy outlines the target average span of control, the minimum number of direct reports per supervisor, the process for exceptions, and information on the required mandatory annual reporting.
Mason has 10,938 employees, categorized as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>I/R Faculty</td>
<td>1,548</td>
</tr>
<tr>
<td>Adjunct Faculty</td>
<td>1,143</td>
</tr>
<tr>
<td>A/P Faculty</td>
<td>822</td>
</tr>
<tr>
<td>Classified Staff</td>
<td>1,802</td>
</tr>
<tr>
<td>Student Workers</td>
<td>4,250</td>
</tr>
<tr>
<td>Non-Student Wage</td>
<td>1,373</td>
</tr>
<tr>
<td>All Employees</td>
<td>10,938</td>
</tr>
</tbody>
</table>

Distribution of Mason’s Workforce

April 2018

MASON'S WORKFORCE

- I/R Faculty 14%
- Adjunct Faculty 10%
- A/P Faculty 8%
- Classified Staff 16%
- Student Workers 39%
- Non-Student Wage Workers 13%
Proportion of Mason’s Workforce in JLARC Study

April 2018

JLARC’s span of control recommendations cover only a portion of the workforce

### Employee Type Included as Supervisors

<table>
<thead>
<tr>
<th>Employee Type</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/P Faculty</td>
<td>822</td>
<td>7%</td>
</tr>
<tr>
<td>Classified Staff</td>
<td>1,802</td>
<td>17%</td>
</tr>
<tr>
<td>All Employees</td>
<td>2,624</td>
<td>24%</td>
</tr>
</tbody>
</table>

### Employee Type Not Included as Supervisor

<table>
<thead>
<tr>
<th>Employee Type</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I/R Faculty*</td>
<td>1,548</td>
<td>15%</td>
</tr>
<tr>
<td>Adjunct Faculty †</td>
<td>1,143</td>
<td>10%</td>
</tr>
<tr>
<td>Non-Student Wage †</td>
<td>1,373</td>
<td>13%</td>
</tr>
<tr>
<td>Student Workers †</td>
<td>4,250</td>
<td>38%</td>
</tr>
<tr>
<td>All Employees</td>
<td>8,314</td>
<td>76%</td>
</tr>
</tbody>
</table>

* I/R Faculty, as benefited employees, are included as direct reports in the remainder of the analysis.
† Adjunct, Non-Student Wage, and Student Workers are not included in the analysis as direct reports. The exclusion of these employee types impacts the span of control statistics – lowering it for those that supervise large numbers of students and wage employees.
About half (49%) of A/P Faculty and 14% of Classified Staff have supervisory responsibilities.
## Span of Control

<table>
<thead>
<tr>
<th>Span of Control</th>
<th>A/P Faculty &amp; Classified Supervisors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb 2017</td>
</tr>
<tr>
<td>Average Span of Control</td>
<td>3.98</td>
</tr>
<tr>
<td>Median Span of Control</td>
<td>3.00</td>
</tr>
<tr>
<td>Number of Supervisors with 1-2 Direct Reports</td>
<td>296</td>
</tr>
<tr>
<td>Number of Supervisors with 3 or fewer Direct Reports</td>
<td>388</td>
</tr>
<tr>
<td>Number of Supervisors with 6 or fewer Direct Reports</td>
<td>542</td>
</tr>
</tbody>
</table>
Board Recommendation

The Finance & Land Use Committee recommends approval by the Board of Visitors of the annual report on Span of Control, as detailed in the Board Book:

MOTION: __________
SECOND: __________
Strategic Matters
West Campus Update

Note: West Campus 216 Acres
Topics

- Student Housing:
  - Update
    - Capstone Collegiate Communities Proposal – City of Fairfax
    - One University Proposal – Fairfax County
- West Campus Capacity Update
- EYP Engagement and Process Overview
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)
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
West Campus
Innovation District
Site: 60 Acres

35 Acres

25 Acres
Traffic Capacity – Future Forecasted Conditions

Intersection Levels of Service
AM Peak Hour/PM Peak Hour
Traffic Capacity – Conclusions

- Future Forecasts based on campus population growth
  - Does not apply specific programmatic elements of Master Plan

- Reserve capacity exists at the Ox Road/University Drive and Braddock Road/Campus Drive intersections
  - May need to consider spot improvements (e.g., turn lane extension)

- Regional improvements needed at the Ox Road/Braddock Road intersection to improve levels of service
  - County Comprehensive Plan recommends grade-separated interchange
  - Extension of Shirley Gate Road to Fairfax County Parkway
Utilities - Water

- New 24” Transmission Main
- Tank Replacement
- Improved pressure and service
- Capacity for additional development
Utilities - Sanitary

- East Campus gravity
- West Campus pump station
- No anticipated significant challenges

Fairfax County Sewer Map – East Campus

City of Fairfax Sewer Shed to West Campus Pump Station
Environmental- Soils

- Pockets of steep slopes
- Soils common to region
  - Clay and silty sand
- No recognized environmental hazards or contaminants
- No significant challenges to development
Environmental

- Wetlands
- Resource Protection Areas (RPAs)
Stormwater

- Three outfalls
- Existing facilities
- No significant challenges to development
Next Steps

• **West Campus Master Plan**
  • Phase 1- Stakeholder Information Gathering
  • Phase 2- Concept Ideation
  • Phase 3- Concept Refinement
    • Flexible framework plan – adaptable over time
    • Orderly development of the district (phasing)
    • Street grids, land uses
    • Transportation/utilities/landscape
    • Basic design guidelines
    • Cost estimates
    • Renderings
  • COMPLETE BY JUNE 30
West Campus 216 Acres
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 Review
- Market Analysis / Proforma
- Master Planning Study
May 18 Commencement
July 25-26 Annual Planning Conference
July 27 BOV Annual Meeting
“Energy and persistence alter all things.”
—Benjamin Franklin