



# BOARD OF VISITORS

## Finance & Land Use Committee

Office of the Executive Vice President | September 28, 2023



# Agenda

## **Financial Matters**

- A. Preliminary FY 2023 Year-End Close
- B. Amended FY 2024 Budget (ACTION)
- C. State Six-Year Operating Plan Update

## **Operational Matters**

- A. Incentive Retirement Plan (ACTION)
- B. Joint Legislative Audit and Review Commission Span of Control

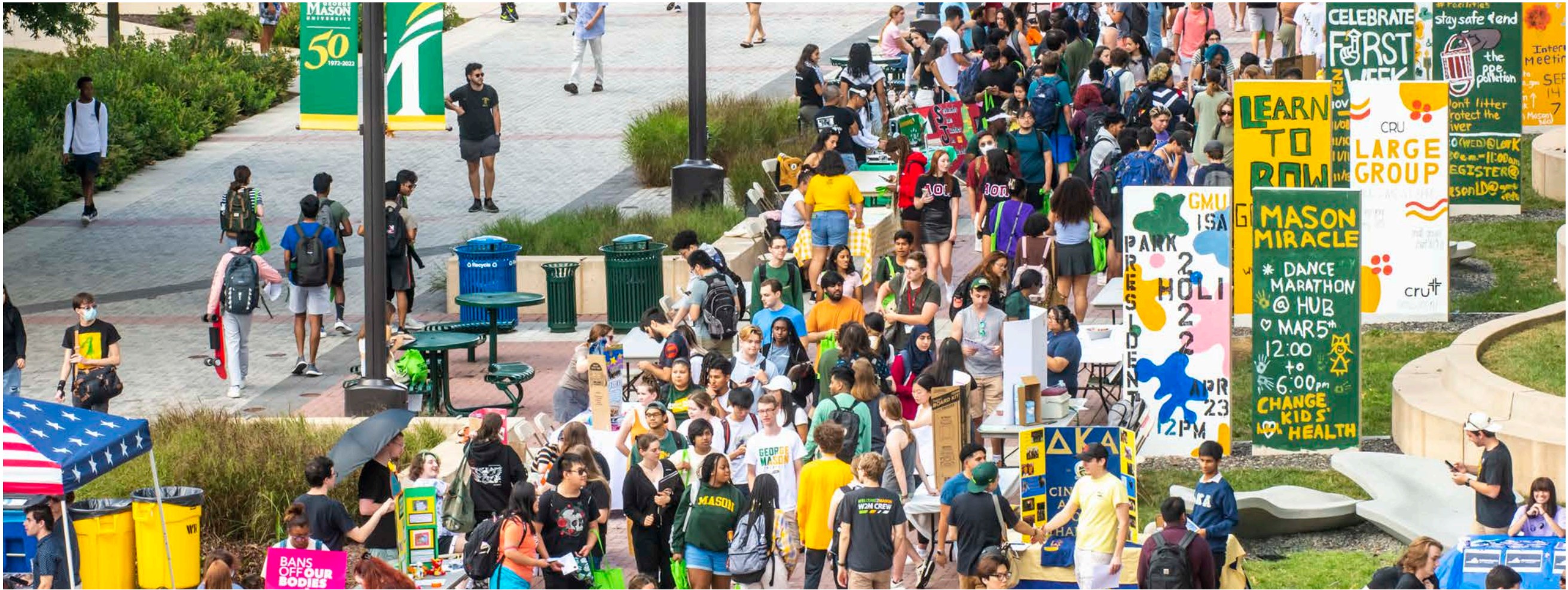
## **Capital Matters**

- A. Land Use Certification (ACTION)

Appendix I – Capital Projects Review (Stoplight)

Appendix II – Supplemental Financial Information





# Preliminary FY 2023 Close

## Financial Matters



# Preliminary FY 2023 Close

Cash basis, (\$Ms)	FY22 Actual	FY23 Budget (Amended)	FY23 3Q Forecast	FY23 Actual			Variance Actual to 3Q
Revenues				Operating*	Capital	Total	
Net Tuition and Fees	466	486	489	496	0	496	7
State Appropriations	251	266	269	267	0	267	(2)
Grants & Contracts	247	245	249	244	0	244	(5)
Auxiliary Enterprises	233	245	250	249	0	249	(1)
Other Operating Revenue	13	16	21	29	0	29	8
Non-Operating Revenue:							
Relief Funding	40	46	46	50	0	50	4
Capital Grants	32	89	77	0	82	82	5
Total Revenues	1,283	1,393	1,401	1,335	82	1,417	16
Expenses							
Salaries and Wages	526	565	595	595	0	595	0
Fringe Benefits	149	158	168	163	0	163	5
Contractual Services	191	194	199	210	3	213	(14)
Travel and Training	13	21	20	20	0	20	(0)
Supplies	26	26	27	27	0	27	0
Equipment	26	31	22	22	1	23	(1)
Capital Expenditures	46	130	102	4	130	134	(32)
Debt Service	14	25	25	0	25	25	(0)
Scholarships & Fellowships	168	157	164	164	0	164	(0)
Occupancy	46	48	44	41	0	41	3
Transfers-Capital Project Funding	0	0	(0)	135	(135)	0	(0)
AE-Infrastructure Funding**	78	38	35	(45)	57	12	23
Total Expenses	1,283	1,393	1,401	1,335	82	1,417	(16)

\* Operating includes the following funds: Education & General (E&G), Auxiliary Enterprises, Sponsored Research, Indirects, Financial Aid, Other Restricted and Unrestricted.

\*\* AE Infrastructure reflects reserve adjustments and strategic investment funds. FY22 Operating Results favorably impacted by COVID Relief Funding, deferral of debt principal payments, and reduced expenditures during pandemic.



# Amended FY2024 Budget

## Financial Matters

# FY24 Proposed All Funds Operating\* Changes

Cash basis, (\$Ms)		FY24 Proposed Amended Budget
FY24 Approved Budget Shortfall		(31.6)
Revenue Adjustments		38.2
Net Tuition and Fees	Primarily increase in O/S students	1.8
State Appropriations	Affordable Access	8.0
	Financial Aid	
	• Additional Financial Aid	12.7
	• Financial Aid Restatement**	(7.2)
	Compensation	
	• Additional 2% salary cost share (estimated)	3.2
	• Additional Nursing Faculty compensation	0.6
	Total	17.3
Auxiliary Enterprises	Primarily Masonvale and Vernon Smith Hall	8.6
Other Operating Revenue	Higher AE Interest Revenue	10.5
Expense Adjustments		15.2
Salaries and Wages	2% increase (6 Months) and Nursing Faculty	6.1
Fringe Benefits	2% increase (6 Months) and Nursing Faculty	1.9
Scholarships & Fellowships	Financial Aid	
	• Additional Financial Aid	12.7
	• Financial Aid Restatement**	(7.2)
	Total	5.5
AE Infrastructure/Other	Masonvale and Vernon Smith AE expenses	1.7
FY24 Proposed Budget Shortfall		(8.6)

- Affordable Access totaling \$8M will be used to offset compensation & operation shortfalls
- \$18M FY24 State Request for more equitable funding was only partially granted

\* Operating includes the following funds: Education and General (E&G), Auxiliary Enterprises, Sponsored Research, Indirects, Financial Aid. Other Restricted & Other Unrestricted  
 \*\*Correction of budget overstatement and removal of enrollment growth

# FY24 Proposed E&G Operating Changes

Cash basis, (\$Ms)		FY24 Proposed Amended Budget
FY24 Approved Budget Shortfall		(41.4)
Revenue Adjustments		13.5
Net Tuition and Fees	Primarily increase in Out of State students	1.8
State Appropriations	Affordable Access	8.0
	<u>Compensation</u>	
	• Additional 2% salary cost share (estimated)	3.2
	• Additional Nursing Faculty compensation	0.6
	Total	11.7
Expense Adjustments		7.2
Salaries and Wages	2% increase (6 Months) and Nursing Faculty	5.5
Fringe Benefits	2% increase (6 Months) and Nursing Faculty	1.7
FY24 Proposed Budget Shortfall		(35.1)

- E&G is where Mason is most reliant on equitable State appropriations
- Affordable Access totaling \$8M will be used to offset compensation & operation shortfalls
- \$18M FY24 State Request for more equitable funding was only partially granted



# FY24 Proposed Capital Changes

<i>Cash basis, (\$Ms)</i>		FY24 Proposed Amended Budget
FY24 Approved Budget - Drawdown of Fund Balance for Capital		(22.0)
Revenue Adjustments		1.2
Capital Grants	Additional Maintenance Reserve	1.2
Expense Adjustments		108.2
Capital Expense	Vernon Smith Hall Acquisition	107.0
	Additional Maintenance Reserve	1.2
	Total	108.2
FY24 Proposed Budget - Drawdown of Fund Balance for Capital		(129.0)



# FY24 Proposed All Funds Operating\* Budget

Cash basis, in \$M's	FY 2023 Actual	FY 2024 Approved (Baseline)	FY 2024 Proposed Changes	FY 2024 Proposed (Amended)
Revenues				
Net Tuition and Fees	496	512	1.8	514
State Appropriations	267	310	17.3	327
Grants & Contracts	244	256	-	256
Auxiliary Enterprises	249	257	8.6	266
Other Operating Revenue	29	17	10.5	27
Non-Operating Revenue:				
Relief Funding	50	-	-	-
Total Revenues	1,335	1,352	38.2	1,391
Expenses				
Salaries and Wages	595	634	6.1	640
Fringe Benefits	163	186	1.9	187
Contractual Services	210	208	-	208
Travel	20	21	-	21
Supplies	27	28	-	28
Equipment	22	21	-	21
Capital Expenditures	4	3	-	3
Scholarships & Fellowships	164	182	5.5	187
Occupancy	41	45	-	45
Transfers-Capital Projects/Debt	135	58	-	58
AE Infrastructure**	-	-	1.7	1.7
Total Expenses	1,381	1,384	15.2	1,399
Shortfall	(46)	(32)	23	(9)
Balancing Mitigation Strategies	46	32	(23)	9
Adjusted Shortfall	-	-	-	-

**Board Approval Required**

- Proposed changes for FY24 Amended Budget

\* Operating includes the following funds: Education and General (E&G), Auxiliary Enterprises, Sponsored Research, Indirects, Financial Aid. Other Restricted & Other Unrestricted

\*\*AE Infrastructure reflects reserve adjustments, strategic investment funds and/or AE to E&G overhead transfer

# FY24 Proposed E&G Operating Budget

Cash basis, in \$M's	FY 2023 Actual	FY 2024 Approved (Baseline)	FY 2024 Proposed Changes	FY 2024 Proposed (Amended)
<b>Revenues</b>				
Net Tuition and Fees	494	512	1.8	514
State Appropriations	220	235	11.7	246
Auxiliary Enterprises	1	1	-	1
Other Operating Revenue	19	14	-	14
<u>Non-Operating Revenue:</u>				
Relief Funding	-	-	-	-
Capital Grants	-	-	-	-
<b>Total Revenues</b>	<b>734</b>	<b>762</b>	<b>13.5</b>	<b>775</b>
<b>Expenses</b>				
Salaries and Wages	457	488	5.5	494
Fringe Benefits	140	145	1.7	146
Contractual Services	80	80	-	80
Travel	6	7	-	7
Supplies	18	17	-	17
Equipment	11	11	-	11
Capital Expenditures	2	1	-	1
Scholarships & Fellowships	46	45	-	45
Occupancy	22	24	-	24
Transfers-Capital Project Funding	31	3	-	3
AE Infrastructure*	(18)	(18)	-	(18)
<b>Total Expenses</b>	<b>796</b>	<b>803</b>	<b>7.2</b>	<b>810</b>
<b>E&amp;G Shortfall</b>	<b>(62)</b>	<b>(41)</b>	<b>6.3</b>	<b>(35)</b>
<b>Balancing Mitigation Strategies</b>	<b>62</b>	<b>41</b>	<b>(6.3)</b>	<b>35</b>
<b>Adjusted E&amp;G Shortfall</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Board Approval Required

- Proposed changes for FY24 Amended Budget

*\* AE Infrastructure reflects reserve adjustments, strategic investment funds and/or AE to E&G overhead transfer*



# FY24 Proposed Capital Budget

Cash basis, in \$M's	FY 2023 Actual	FY 2024 Approved	FY 2024 Proposed Changes	FY 2024 Proposed (Amended)
Revenues				
Capital Grants	82	168	1	169
Total Revenues	82	168	1	169
Expenses				
Contractual Services	3	3	-	3
Equipment	1	2	-	2
Capital Expenditures	130	194	108	302
Debt Service	25	49	-	49
Transfers-Capital Project Funding	(135)	(58)	-	(58)
Total Expenses	25	190	108	298
Capital (Shortfall)/Surplus	57	(22)	(107)	(129)
Drawdown/Increase of Fund Balances	(57)	22	107	129
Adjusted Margin	-	-	-	-

**Board Approval Required**

- Proposed changes for FY24 Amended Budget

# Operating Challenges & Difficult Decisions

- Mitigating operating shortfall
  - Slowed hiring & spending
  - Budget reductions
  - Reserves are not a sustainable option
- Exploring long term solutions and must make difficult decisions
  - Policy Changes
  - Retirement incentives
  - Reorganizations
  - Resetting service models
  - Technology support



# FY24 Shortfall Mitigation

Current estimates as of 9/15/23

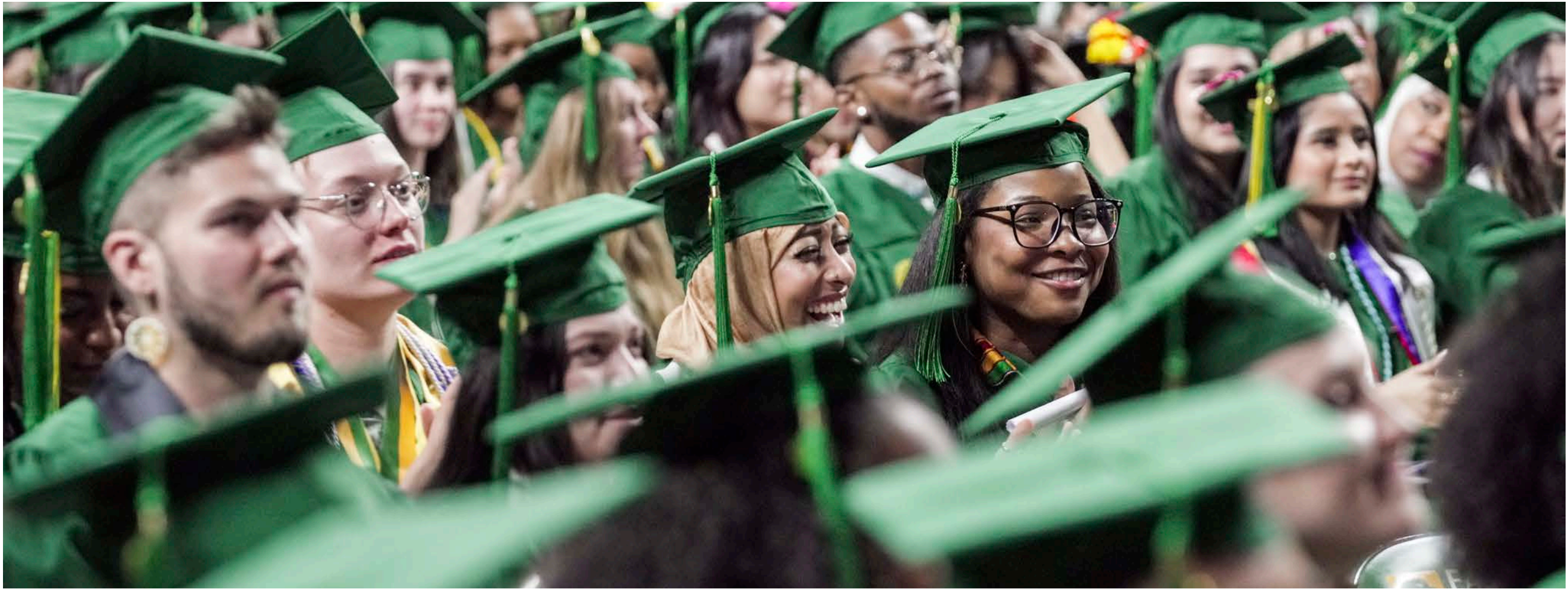
<b>State Support</b>		
Incremental State Operating Support - Affordable Access	E&G	\$8.0M
Incremental Appropriation - State Share of 2% increase + Nursing Faculty	E&G	\$3.7M
Offset by: Increased Expenses - 2% increase + Nursing Faculty	E&G	(\$7.2M)
<b>Cost Containment*</b>		
Permanent Elimination of Vacant positions (identified as of 9/2023)	E&G	\$7.1M
Estimated other expense savings (salary savings from paused hiring, operating expense reductions)	E&G	\$5 - \$7M
<b>Revenue Enhancement Initiatives</b>		
Incremental Net Tuition and Fee Revenue - enrollment increase	E&G	\$1.8M
Vernon Smith Hall lease elimination (partial year)	E&G	\$2.8M
<b>Total Estimated Mitigation - E&amp;G</b>		<b>\$21.2M - \$23.2M</b>
<b>Revenue Enhancement Initiatives</b>		
Incremental estimated Interest Income	AE	\$10.5M
Masonvale net income	AE	\$3.2M
Vernon Smith Hall net income (partial year)	AE	\$3.4M
<b>Total Estimated Mitigation - AE</b>		<b>\$17.1M</b>
<b>Total Estimated Mitigation - All Funds</b>		<b>\$38.3M - \$40.3M</b>

\* Internally targeted budget reduction for FY24 of ~\$20.7M (50% of E&G budgeted deficit).

# Staff Recommendation to the Board

The Finance and Land Use Committee recommends approval by the Board of Visitors of the Amended FY2024 Operating and Capital Budgets.





# Six-Year Operating Plan

## Financial Matters

# **“What Support Can Op Six Provide?”**

- **Support equitable funding – realignment of appropriations**  
**Acknowledging the value Mason provides the Commonwealth, we seek funding commensurate with our value and aligned with funding provided other institutions**
- **Support revenue diversification & partnership opportunities**  
**Allow Mason to manage own cash**  
**Support future partnerships to move Mason forward**
- **Policy Changes & Unfunded Mandates**  
**Cover full cost of compensation increase for state employees**  
**Virginia Military Survivors & Dependent Education Program**  
**DHRM policy flexibility**
  - **Retirement incentive**
  - **Reorganizations**
  - **Performance Management Exception for Classified Staff**

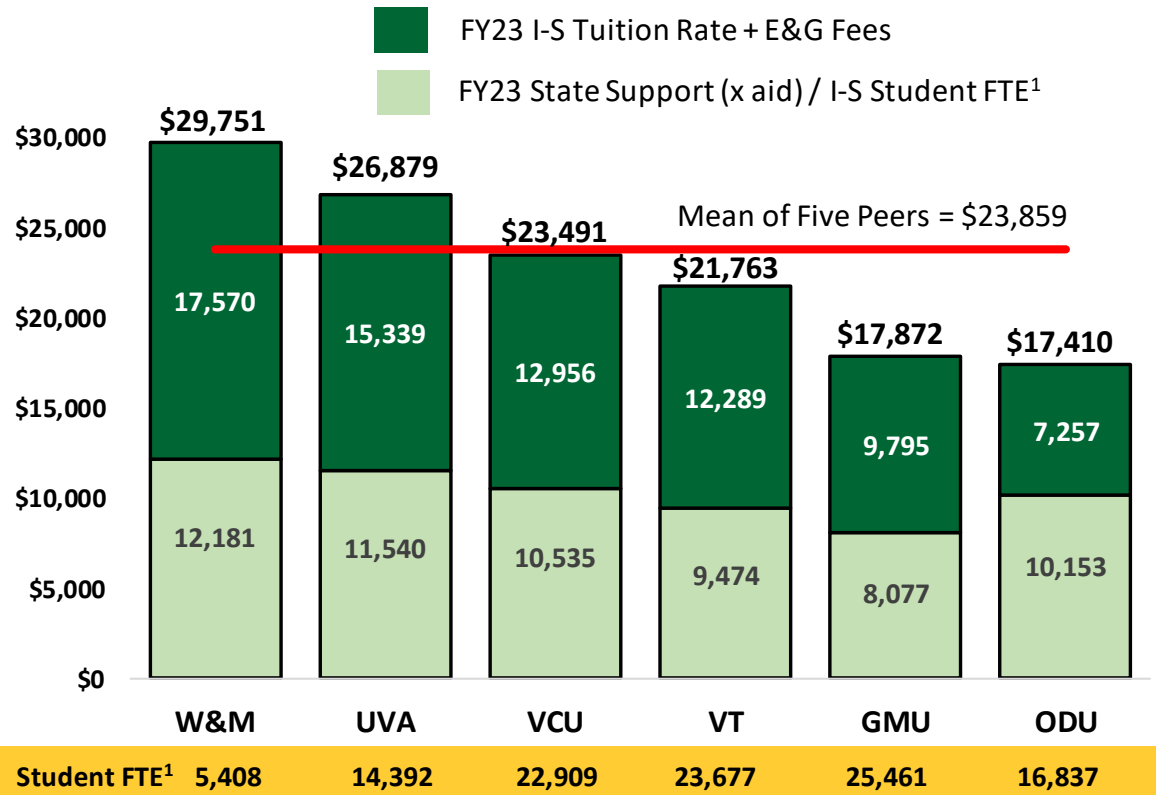


# General Fund Request

Priority Ranking	Strategies (Match Academic-Financial Worksheet Short Title)	Biennium 2024-2026 (7/1/24-6/30/26)			
		2024-2025		2025-2026	
		Total Amount	GF Support	Total Amount	GF Support
1	Deliver a distinctive & inclusive student experience that fosters lifelong engagement				
	1a) Financial Aid	\$18,267,204	\$8,000,000	\$18,909,435	\$8,000,000
	1b) Expand Access	\$2,365,000	\$1,182,500	\$2,365,000	\$1,182,500
	1c) Student Success Initiatives	\$20,000,000	\$13,000,000	\$16,800,000	\$13,400,000
	1d) Unfunded Mandate-Virginia Military Survivors & Dependent Education Program	\$13,013,000	\$13,013,000	\$16,916,900	\$16,916,900
4	Expand the impact of Mason's research, scholarship, & creative enterprise				
	4a) Support/ Infrastructure	\$9,850,000	\$9,850,000	\$3,850,000	\$3,850,000
	4b) Scholarship	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000
3	Expand partnerships for economic & social impact.	\$5,400,000	\$5,400,000	\$5,400,000	\$5,400,000
2	Invest in faculty and staff success				
	2a) Equitable Compensation	\$6,115,894	\$6,115,894	\$6,273,585	\$6,273,585
	2b) Efficient systems, infrastructure, reduce manual processes	\$5,500,000	\$5,500,000	\$3,700,000	\$3,700,000
	2c) HEETF-Increased institutional support	\$5,000,000	\$5,000,000	\$8,000,000	\$8,000,000
	Total General Fund Request	\$88,261,098	\$69,811,394	\$84,964,920	\$69,472,985

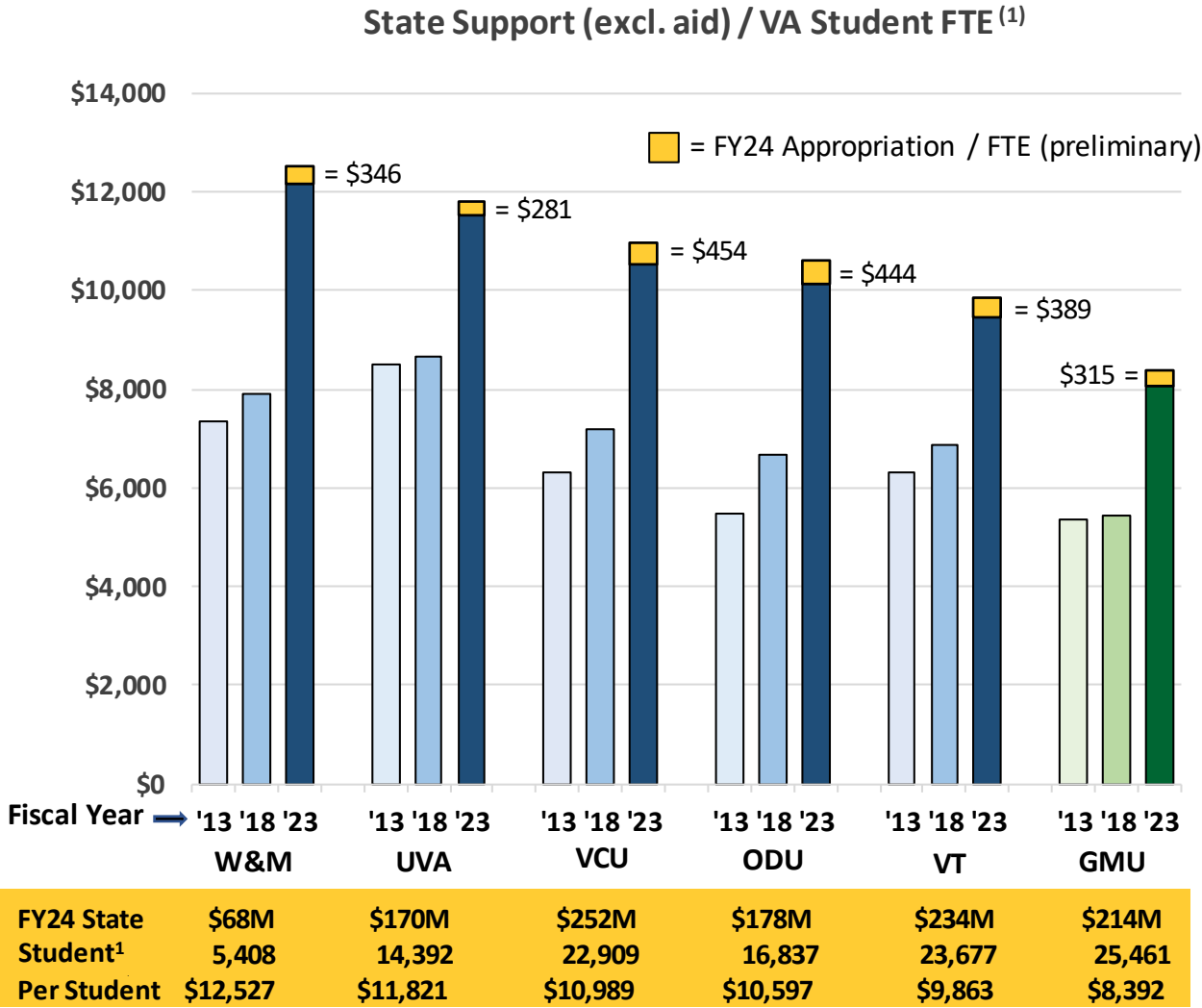
# Mason Keeps Tuition Low

When state and tuition funding are combined, Mason is nearly **\$6,000** per in-state student FTE below the mean of five doctoral peer institutions, despite operating in the **most expensive region** in the Commonwealth



(1) I-S Student FTE is based on FY22 enrollment. The update for FY23 will be available in the Fall.

# State Appropriations per In-State Student (FTE) E&G General Fund (excluding aid)



**Slower appropriations growth has put Mason further behind over last decade**

**Mason per student vs peer median:**

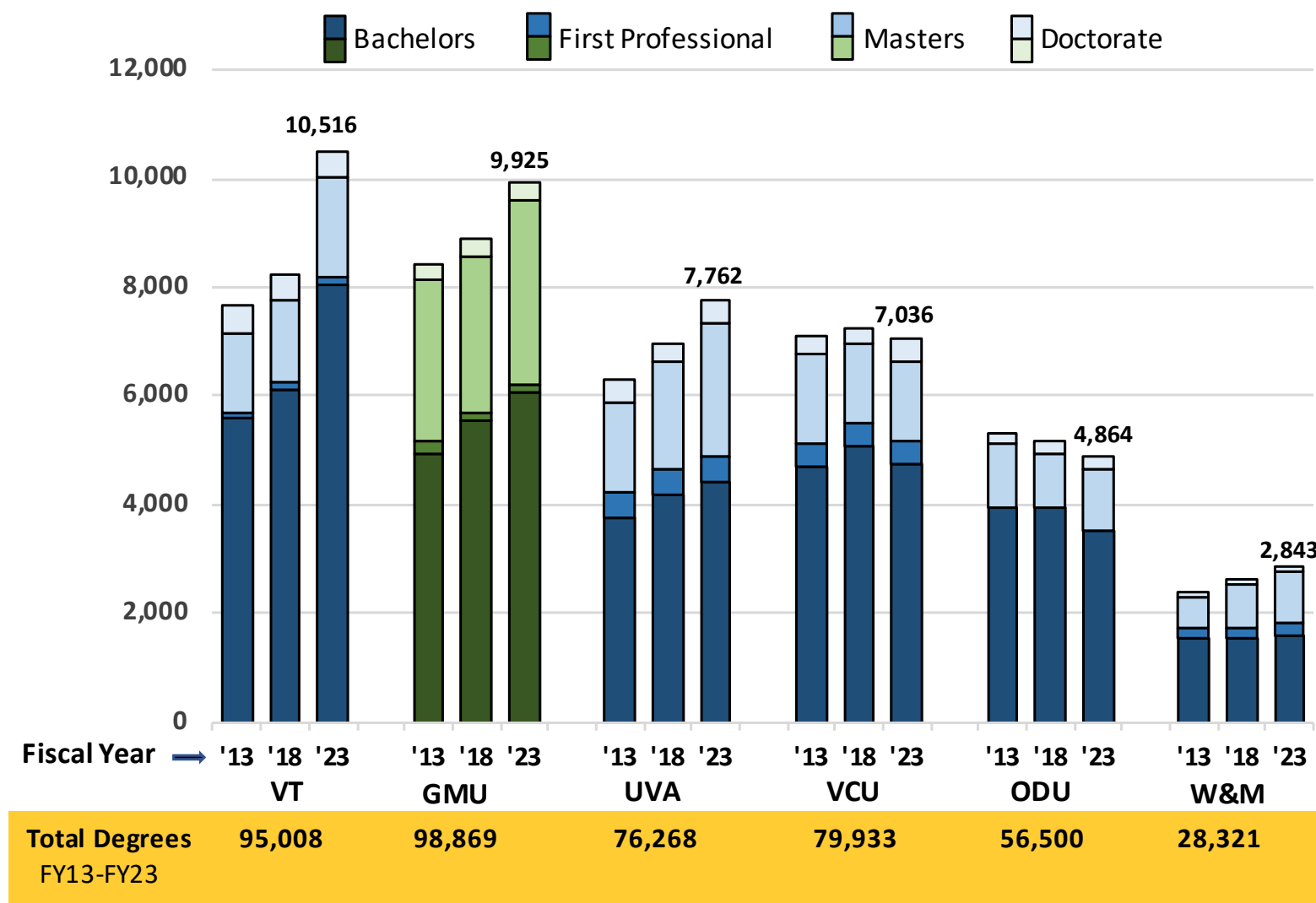
- **FY13: \$958 below**
- **FY23: \$2,458 below**
- **FY24: \$2,597 below**

**If Mason received funding equitable to our nearest peer, it would offset our operating shortfall by \$37M**

1 - FY24 Appropriation is preliminary. FY24 Student FTE is based on FY22 (Fall 2021) enrollment and will be updated in late September 2023.



# Degrees Granted



**Despite the funding disparity, Mason conferred the second highest number of degrees among peers in FY23 and most total degrees FY13-FY23**

**More of Mason's graduates stay in Virginia than peers' average:**

- **In-state: 73% vs 64%**
- **Out-of-state: 29% vs 19%**

**Imagine what Mason could achieve with funding equity**

# Personnel: Numbers & Costs

Chart (C): How has personnel increased on a per-student basis?

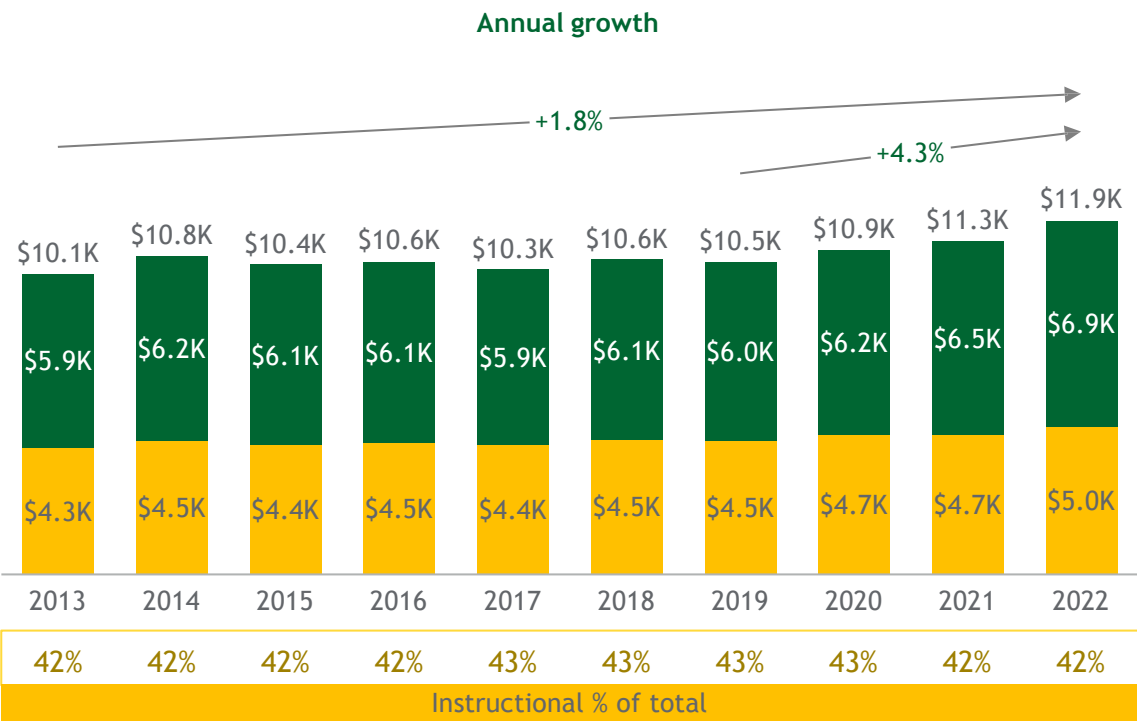
Breakdown of personnel by # and \$ on a per-student basis [2013-2022]

	Annual Total	
Inflation (HEPI) <sup>1</sup>	2.8%	28%
Inflation (CPI) <sup>1</sup>	2.6%	26%

## By # of employees per student FTE



## By salary outlay \$\$ per student FTE



1. Determined as growth in HEPI/CPI over period  
Note: full-time personnel only; includes personnel from all sources of funding; William & Mary includes VIMS and VT/VSU include extension campuses  
Source: IPEDS

# FY24 Commonwealth Capital Submission

*(millions)*

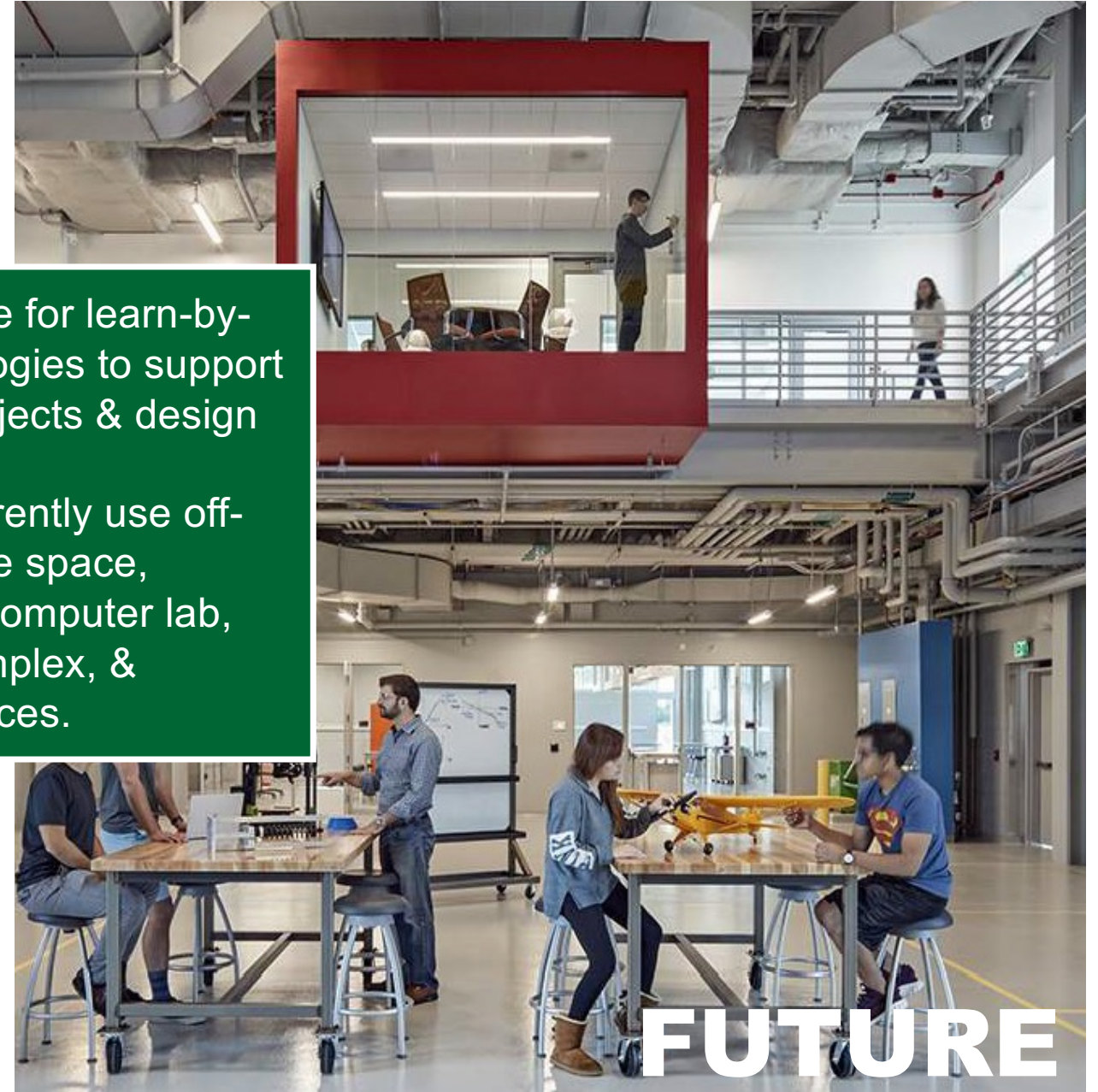
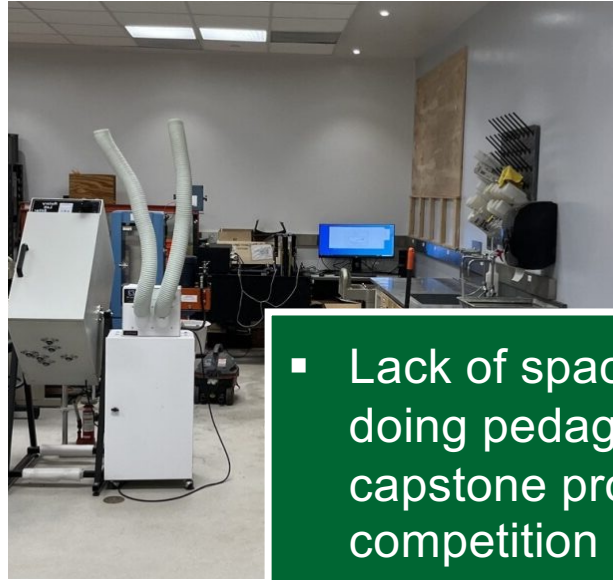
	GF Authorization	NGF Authorization	Total Authorization
Life Sciences and Engineering Building - Equipment	\$9.0 <sup>(2)</sup>	\$0	\$9.0
Real Estate Acquisitions Phase 2 <b>(Vernon Smith Hall)</b>	\$0	\$107.0	\$107.0
Student Innovation Factory Building	\$37.0	\$0	\$37.0
Interdisciplinary Sci. & Eng. Building - 1 (ISEB-1)	\$165.0	\$0	\$165.0
Business School Building <sup>(1)</sup>	\$82.5	\$82.5	\$165.0
Critical Deferred Maintenance	\$36.0	\$0	\$36.0
<b>Total</b>	<b>\$329.5</b>	<b>\$189.5</b>	<b>\$519.0</b>

*(1)Project was previously approved by BOV in May 2019 with \$165M NGF budget. Project was submitted as part of the University's 2024 Commonwealth Capital Plan submission. If approved, funding will be split between NGF and GF.*

*(2)Funding is already part of existing pool.*



# Student Innovation Factory Building



- Lack of space for learn-by-doing pedagogies to support capstone projects & design competition
- Students currently use off-campus lease space, repurposed computer lab, Facilities complex, & common spaces.

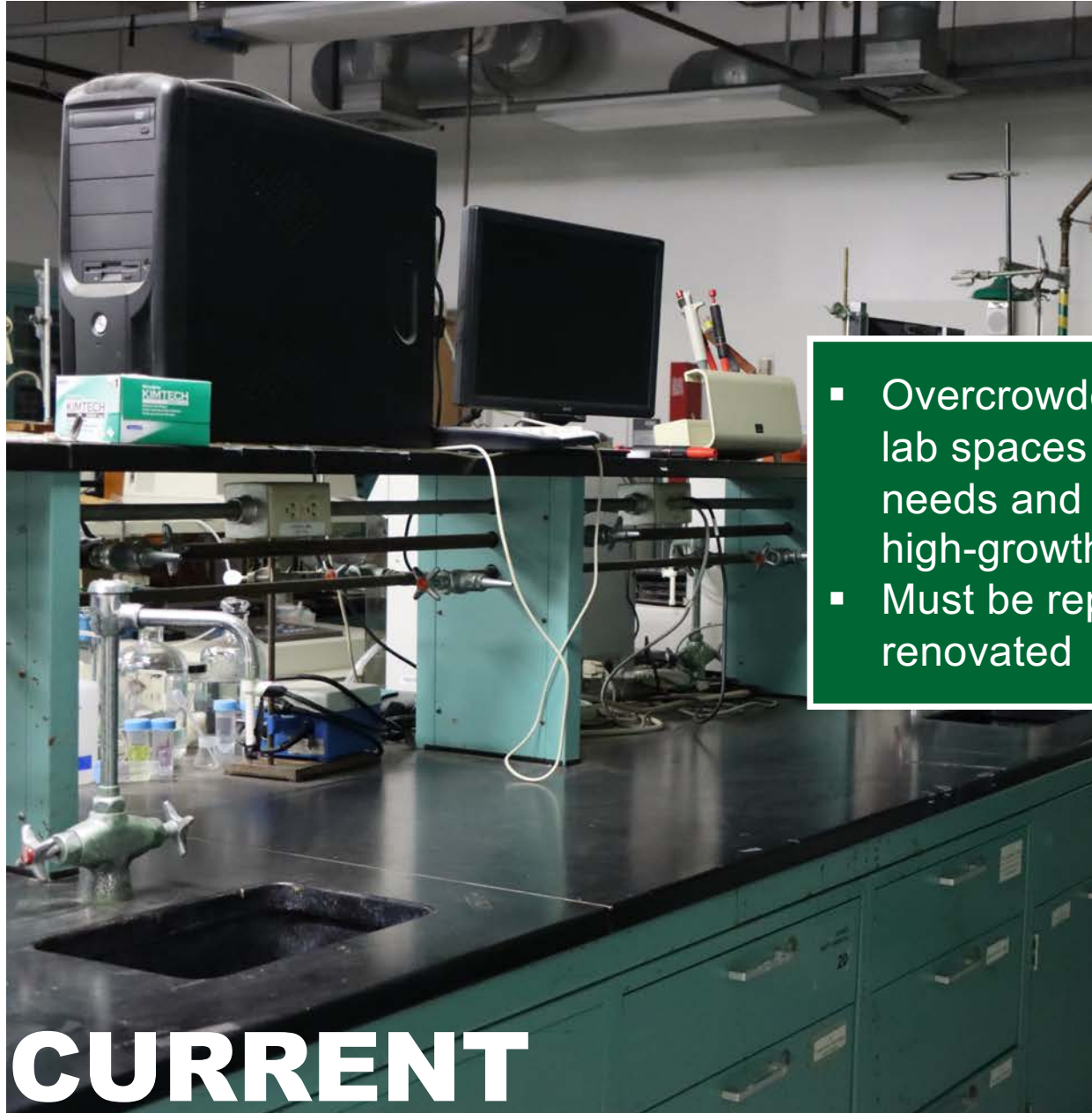


**CURRENT**

**FUTURE**



# Interdisciplinary Science & Engineering Building



**CURRENT**

- Overcrowded, antiquated lab spaces barely meet the needs and demands of high-growth R1 programs
- Must be replaced or renovated



**FUTURE**



# Modern Facilities for High-Demand Programs



- Support Mason's high-demand science & engineering programs
- Provide access to excellence for Virginians & workforce ready graduates to Commonwealth
- Modernized facilities within existing footprint for cohesive learning experience



**CURRENT**



**FUTURE**





# Incentive Retirement Plan Operational Matters



# What Are We Trying to Do?

Requesting BOV approval to establish a new Incentive Retirement Plan (IRP) for tenured faculty.

Recommend enhanced Spring 2024 IRP to encourage adoption, which requires Governor's approval to exceed 1% General Fund\* (GF) threshold.

Further recommend establishing a standing policy to offer future incentives within normal 1% GF\* threshold.



# Why Implement an Incentive Retirement Plan (IRP)?

- **Help alleviate the financial strain for faculty members who may wish to retire**
- **Provide flexibility to meet changing enrollment and academic program needs**
- **Facilitate the hiring of new faculty members and succession planning**
- **Provide opportunity for budget savings requested by faculty and Deans**

# New Proposal Compared to Prior Incentives

- Mason’s previous retirement incentives have had low adoption rates
- The proposed plan offers a higher financial incentive
- Expanded GF threshold funding will accommodate a higher adoption rate for the increased anticipated participation in the FY24-FY25 IRP
- Standing policy will enable expediency for future plan implementation

	Prior Incentive Plan	Proposed Plan
Financial Incentive	2% of base salary x years of service (YOS), capped at \$100k	150% of base salary for 20+ YOS 125% of base salary for all others
Medical Benefit	\$490/month up to age 65	\$505/month up to age 65
Payment Schedule	24 months	Up to 60 months*
Availability	Limited offer in FY21 - 23	June 2024 through June 2025 with Standing Policy for future process expediency
Adoption	Only 13 Faculty Members across all 3 years	Anticipated higher rate based on discussions and modeling

*\* Depending on IRS limits*

# Proposed IRP Eligibility, Criteria, and Approval

## Eligibility and Approval Criteria

- Tenured Faculty – Currently 172 eligible (as of 10/1/23)
- Age 60 with at least 10 years of service at Mason\*
- Seniority within School or College

## Required Approvals

Must be approved by  
both Dean and  
Provost

*\*Eligibility for the IRP does not equate to eligibility for full VRS retirement benefits.  
Individuals should consult with a Mason Benefits Administrator for individual guidance.*

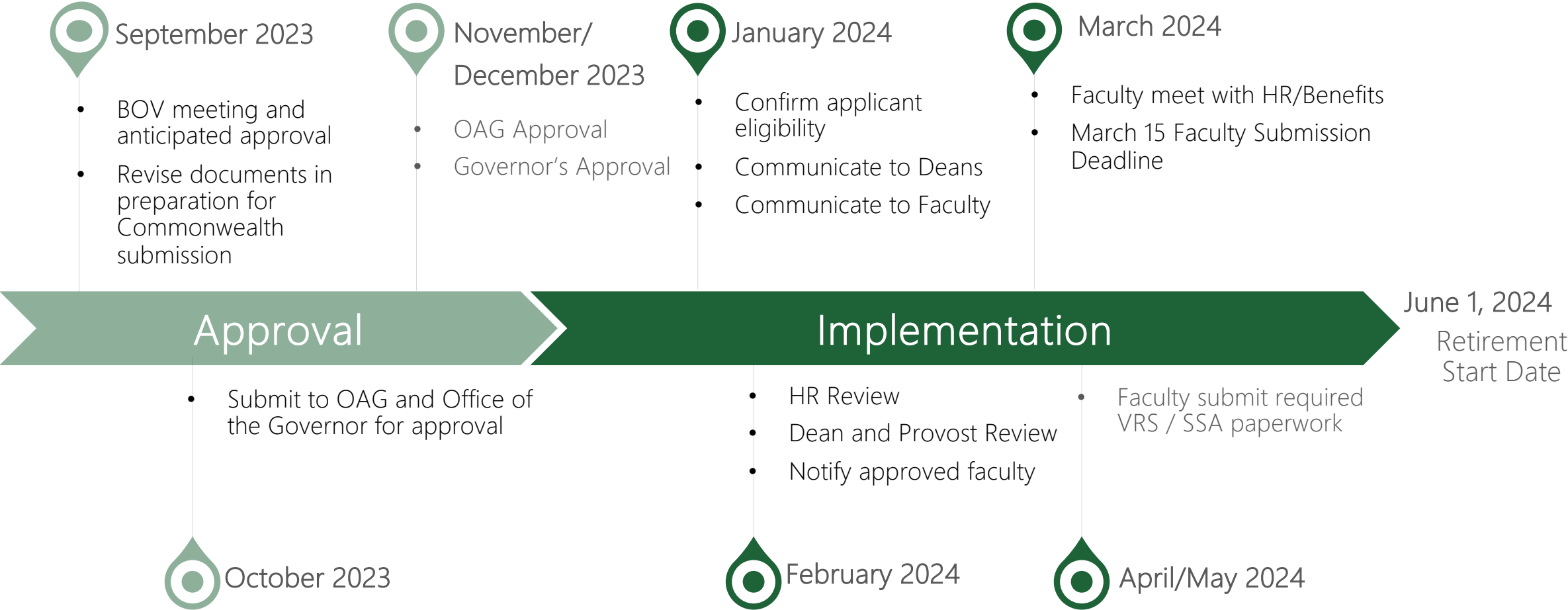


# Improved Plan for Increased Impact

- Encourage plan adoption through enhanced financial incentives to benefit employees and Mason
- Mason’s 1% GF\* allowance will likely not accommodate anticipated demand
- Requesting an exception up to 7% of GF\* for the FY24-FY25 IRP
- Other Commonwealth schools have received exception approvals

General Fund Threshold %	1%	3%	5%	7%
General Fund Cap – FY23	\$1.24M	\$3.74M	\$6.24M	\$8.74M
Total Eligible Tenured Faculty	172	172	172	172
Anticipated Faculty Participants	~9	~30	~49	~69

# Proposed Timeline for IRP Approval/Implementation



# Staff Recommendation to Board

The Finance & Land Use Committee recommends approval by the Board of Visitors to establish a new Incentive Retirement Plan as detailed in the Board Book.





# JLARC Span of Control Operational Matters

# Span Of Control

- Annual reporting\* to Board of Visitors and Joint Legislative Audit and Review Commission (JLARC)
  - Includes Benefitted employees; does not include Non-Benefitted employees
  - Policy 2233 established in 2018; based on 2014 JLARC report recommendations
- Supervisor Targets & Requirements
  - Target: Average of 4 (or more) direct reports
  - Requirement: At least 2 direct reports
  - Exceptions:
    - Statutory Requirements
    - Safety of Employees or Students
    - Working supervisor with only 1 employee\*\*
    - Business necessity authorized by Dean or VP

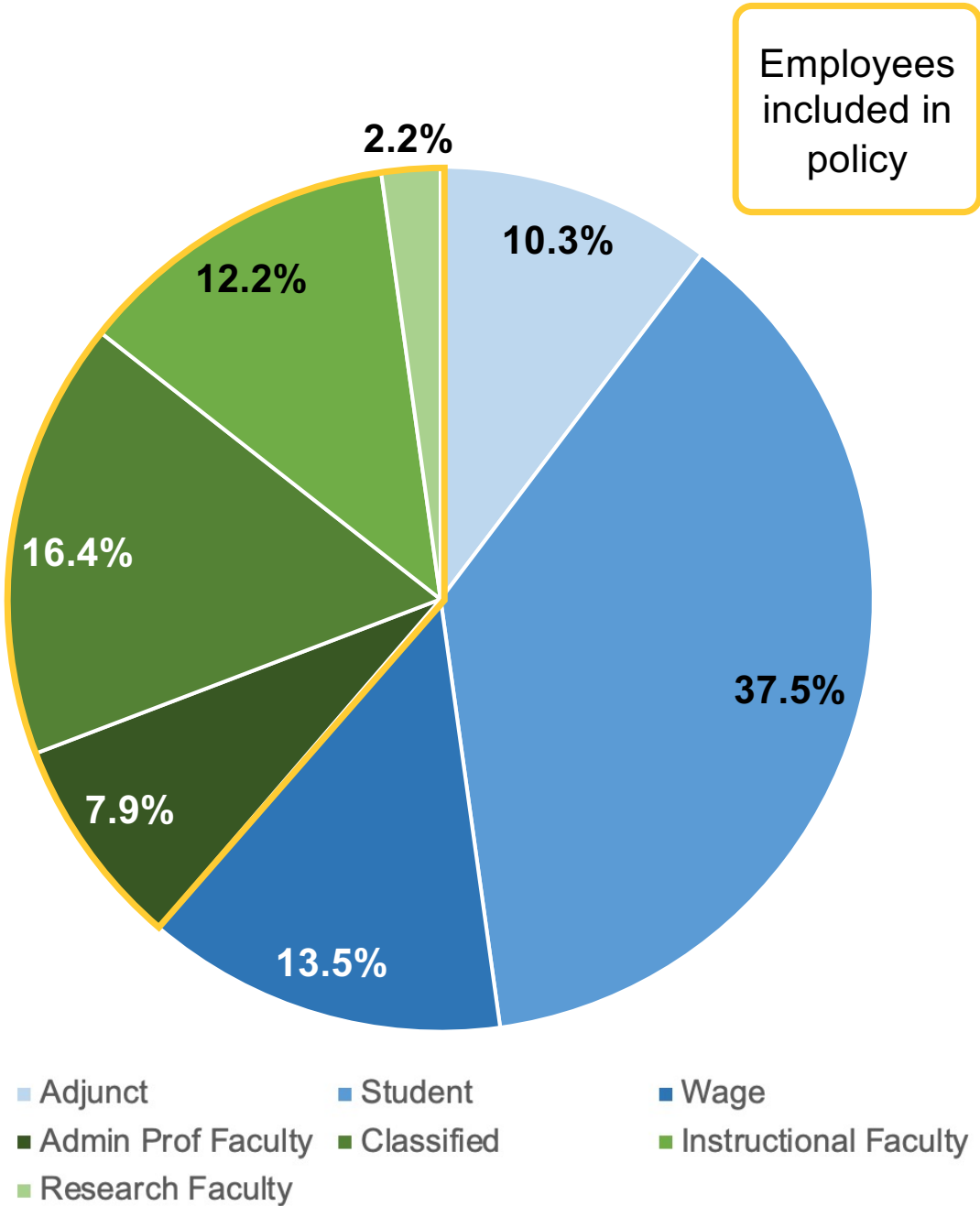
*\*Reporting usually occurs in spring; utilizing March 2023 numbers for consistency*

*\*\*Supervisory positions are mandated when specific technical knowledge is required to effectively manage employees, when safety requires more direct management of employees, and if a supervisory position is required to comply with state or federal law.*

# Mason's Workforce

<b><u>Benefited:</u></b>	<b><u>4,782</u></b>	<b><u>38.7%</u></b>
Admin Prof Faculty	973	7.9%
Classified	2,027	16.4%
Instructional Faculty	1,510	12.2%
Research Faculty	272	2.2%
<b><u>Non-Benefited:</u></b>	<b><u>7,580</u></b>	<b><u>61.3%</u></b>
Adjunct	1,275	10.3%
Student	4,631	37.5%
Wage	1,674	13.5%
<b><u>Grand Total</u></b>	<b><u>12,362</u></b>	<b><u>100%</u></b>

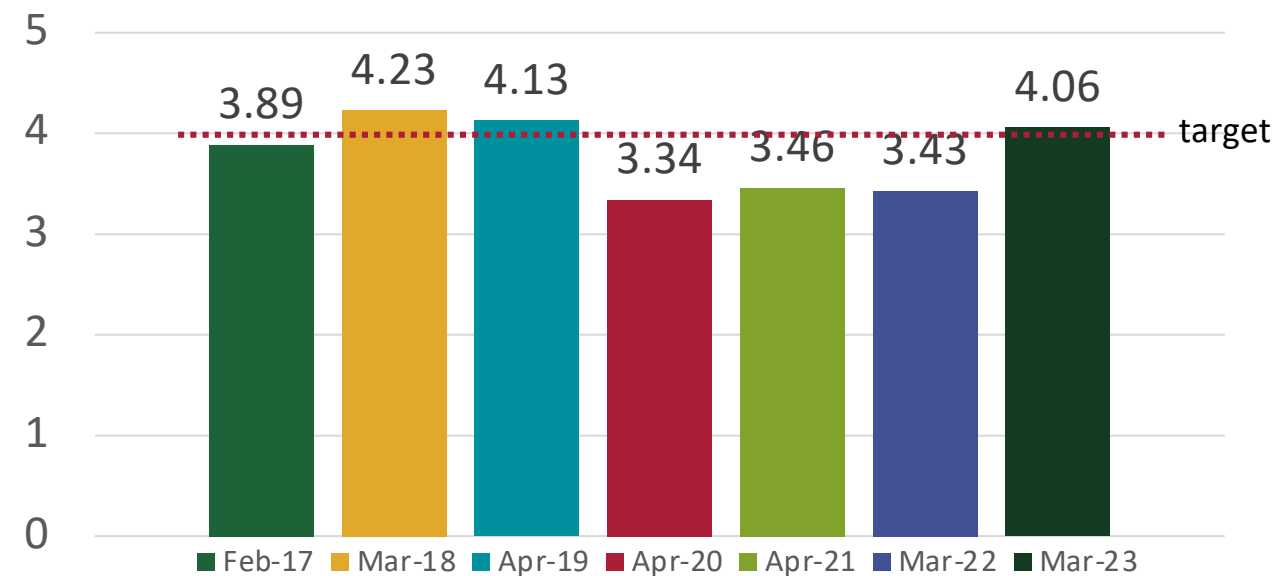
*Benefited employees are included as direct reports; only A/P Faculty and Classified employees are considered supervisors in Span of Control reporting  
Data pulled as of March 2023*



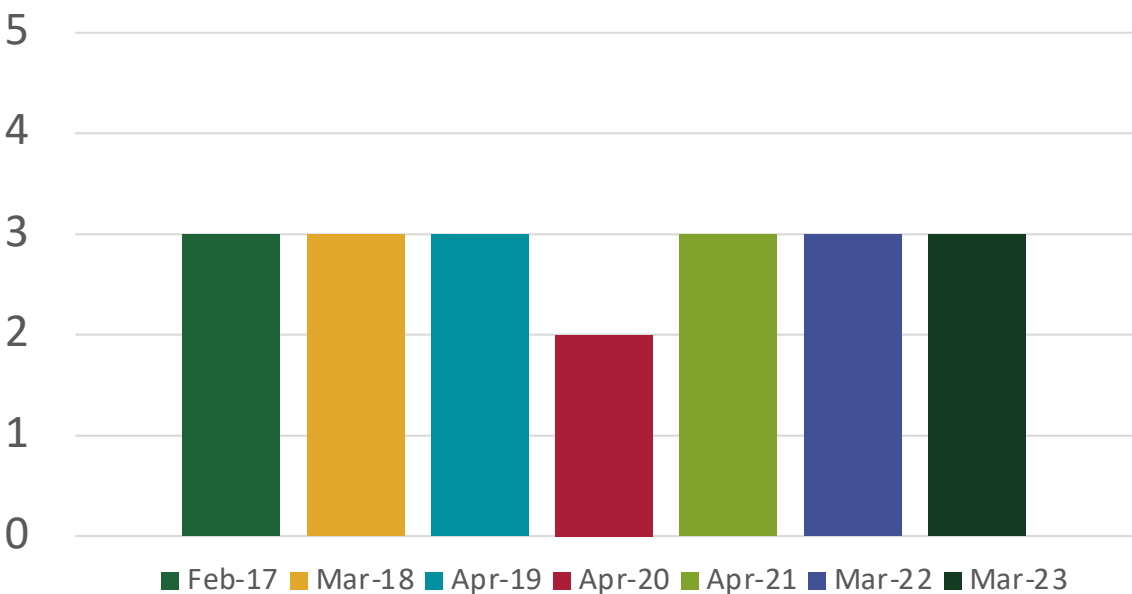


# Span of Control for Benefited Employee

Average Span of Control  
FY17 – FY23

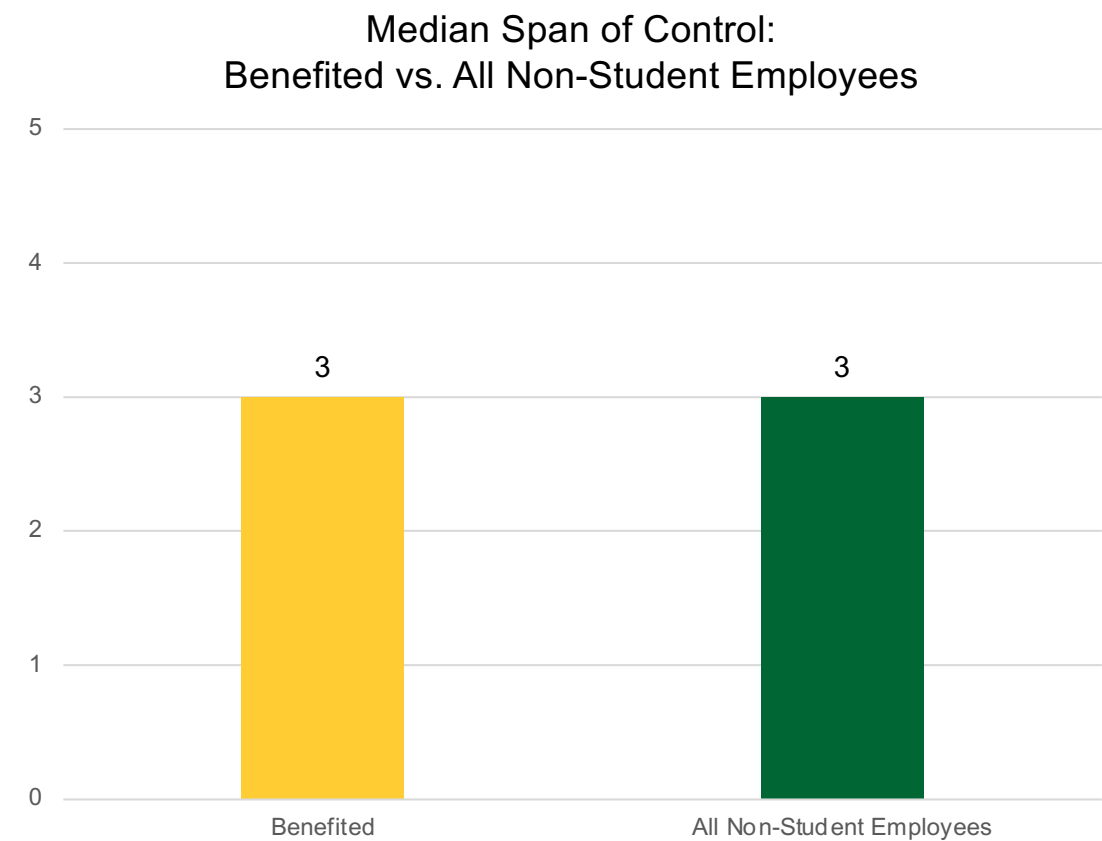
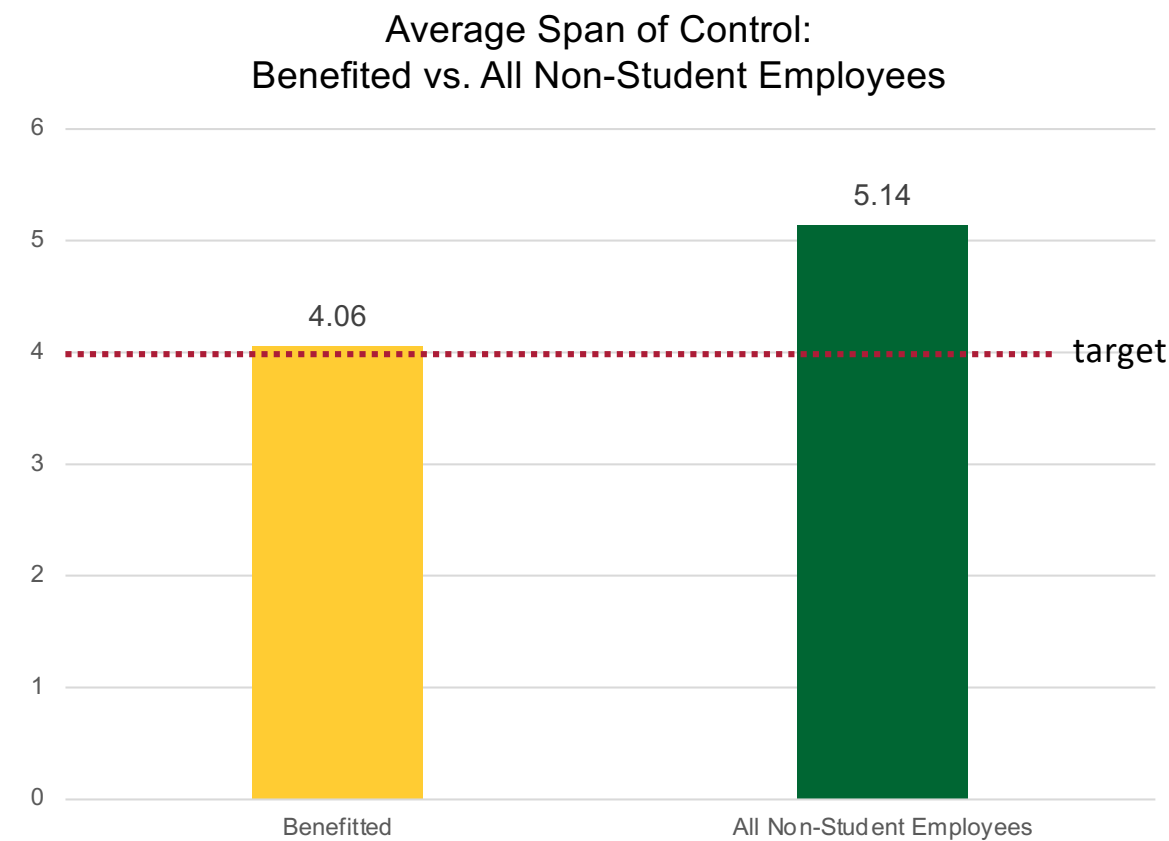


Median Span of Control  
FY17 – FY23

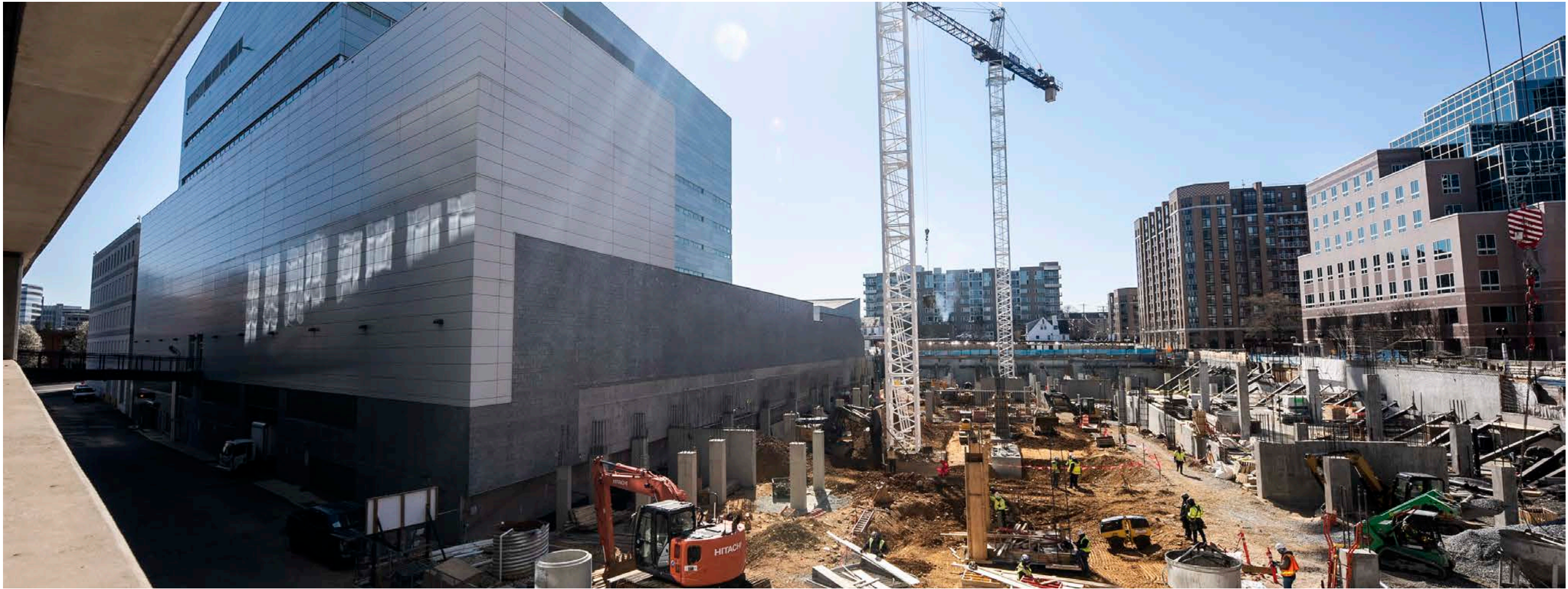


Data pulled as of March 2023

# Span of Control for All Non-Student Employees



*Data pulled as of March 2023*  
*Wage includes all individual wage employees, not FTE*



# Land Use Certification Capital Matters



# FY 2023 Land Use Certification

**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 identifying what land the Commonwealth may be able to surplus.
- The significant changes since last year's report are:
  - Acquisition of additional property across Fairfax Drive on the Mason Square Campus
  - Addition of the Masonvale improvements as a Commonwealth asset

# Staff Recommendation to Board

The Finance & Land Use Committee recommends approval by the Board of Visitors of the University's Land Use Certification Spreadsheet included in the Board Book.



# Board Action Items

Motion: I move to approve the following items, en bloc, as they are outlined in the meeting materials:

- Amended FY2024 Budget
- Incentive Retirement Plan
- Land Use Certification





# Appendix I

## Capital Projects Stoplight

# Capital Projects Stoplight Chart

	Project #	Project Name	Scope(sf) New	Scope(sf) Reno	Total Budget	Budget Status	Schedule	Scope	Construction Start Date	Occupancy Date	Construction % Complete
		Construction									
1	18482-000	FUSE (formerly IDIA HQ)	461,066	0	\$ 253,781,941				1/3/22	7/1/25	43.0%
2	18000-000	Life Sciences & Engineering Building - Bull Run Add*	133,300	0	\$ 107,123,650				8/31/22	1/13/25	25.0%
3	18339-000	Telecom Infrastructure Phase 1*	576	0	\$ 10,525,000				9/1/22	12/3/25	39.0%
4	A8247-027	Johnson Center HVAC Repairs	0	348,447	\$ 7,963,005				3/15/23	5/15/25	7.0%
6	18529-000	Aquatic & Fitness Center Capital Renewal	0	90,736	\$ 16,500,000				6/1/23	9/1/24	10.0%
		Design									
5	18509-000	Central Heating & Cooling Plant Boiler & Chiller Addition*	0	0	\$ 8,197,000				11/1/23	12/15/25	N/A
7	18487-000	Telecom Infrastructure Phase 2	0	0	\$ 23,250,000				6/1/25	4/16/26	N/A
8	18593-000	Telecom Infrastructure Phase 3	0	0	\$ 24,000,000				TBD	TBD	N/A
9	221382	Activities Building	24,852	0	\$ 11,000,000				2/6/24	12/11/24	N/A
		Design Procurement/ Pre-Planning									
10	18253-000	Construct Basketball Training, Wrestling, and Athlete Academic Support (RAC Addition	TBD	TBD	\$ 15,500,000				TBD	TBD	N/A
		Acquisition									
11	221512	Real Estate Acquisitions Phase 1 (Arlington)	0	0	\$ 40,000,000				N/A	N/A	N/A
12	231646	Real Estate Acquisitions Phase 2 (Vernon Smith Hall)	0	0	\$ 107,000,000				N/A	N/A	N/A
		Pending Authorization to Proceed									
13	18498-000	Academic VIII*	200,000	0	\$ 185,675,000				TBD	TBD	N/A
14	18497-000	SCAR Point of View Cottages	TBD	0	\$ 8,000,000				TBD	TBD	N/A
15	TBD	Renovations Concert Hall	0	120,750	\$ 25,000,000				TBD	TBD	N/A
16	TBD	Business School Building	200,000	0	\$ 165,000,000				TBD	TBD	N/A

\* Pool Funded Project; will require DPB/DEB approval for release of funds after Preliminary Design

Data as of September 2023

STOPLIGHT KEY	
	Red: Likely to exceed approved budget/schedule/scope
	Yellow: At risk to exceed approved budget/schedule/scope
	Green: Within approved budget/schedule/scope





# Appendix II

## Supplemental Financial Information



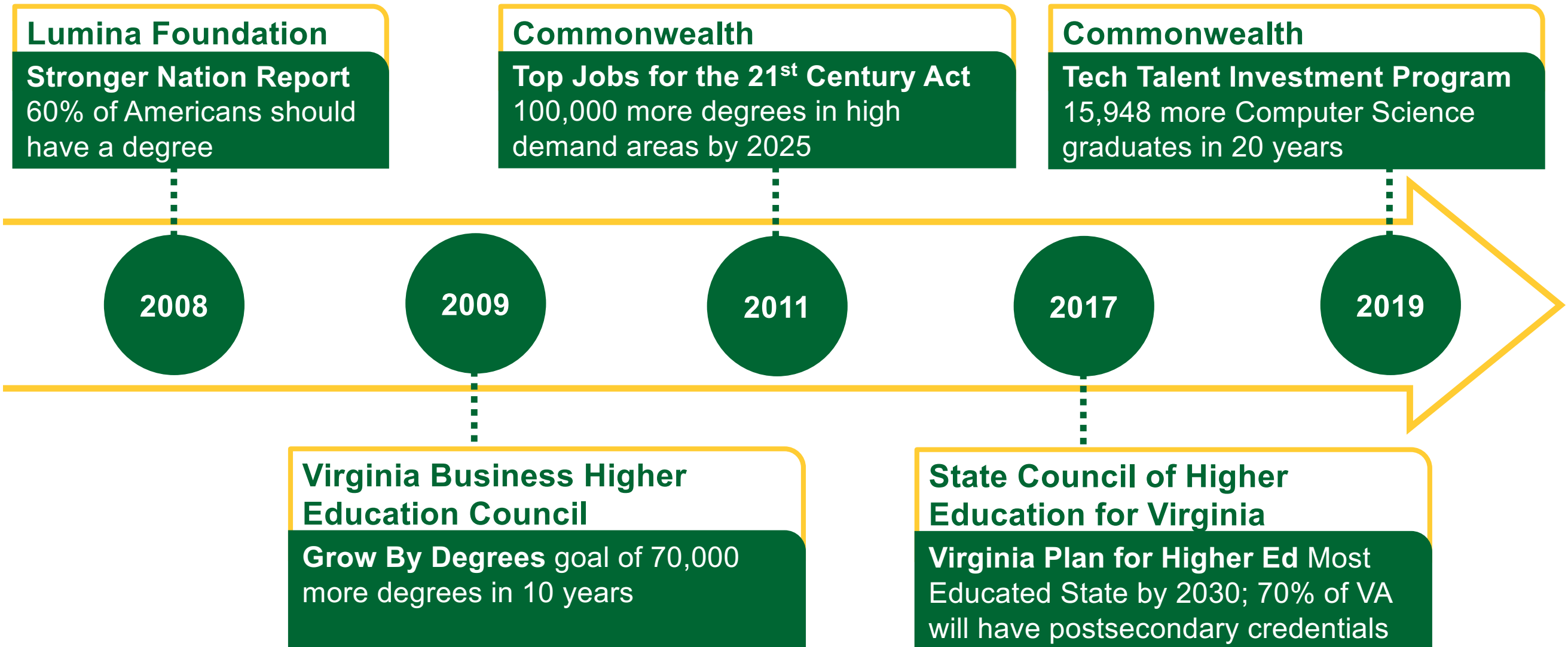
**2024 General Assembly Budget Session-Proposed Conference Budget\***  
**Recommendations-Pending Governor's Approval**

	<b>FY24 Baseline Budget Scenario -May BOV</b>	<b>9/6/23 Conference Budget</b>
<b>Compensation</b>	5% salary increase (State employees excl/wage) Wage employees (100% Mason funded)	5% salary increase (State employees excl/wage) 2% salary increase (State employees excl/wage) effective- 12/10/23 Wage employees (100% Mason funded) \$560K -Full-time and Part-time Nursing Faculty
<b>Affordable Access/GF Operating Support</b>	\$0 -GF increase over FY23 5% State Salary Cost-Share- \$14.5M	\$8M - Additional GF operating support (Affordable Access) \$3.2M -2% State Salary Cost-Share (6 months)
<b>Financial Aid</b> Undergraduate I/S  Graduate I/S	<b>FY24-\$27.8M**</b> \$ 4.2M-FY23 \$22.8M- FY24  \$0.52M-FY23 \$0.26M-FY24	<b>FY24- \$40.5M**</b> \$ 4.2M-FY23 \$35.5M- FY24  \$0.52M-FY23 \$0.26M-FY24
<b>Capital</b> Maintenance Reserves	\$5.3M- FY24 (reduction from FY23 \$5.9M allocation)	\$1.2M (FY24- \$6.5M)

\* Validating all State appropriations with DPB once finalized.

\*\* FY 23- FY24 Cumulative Allocation

# Enrollment Growth Demand

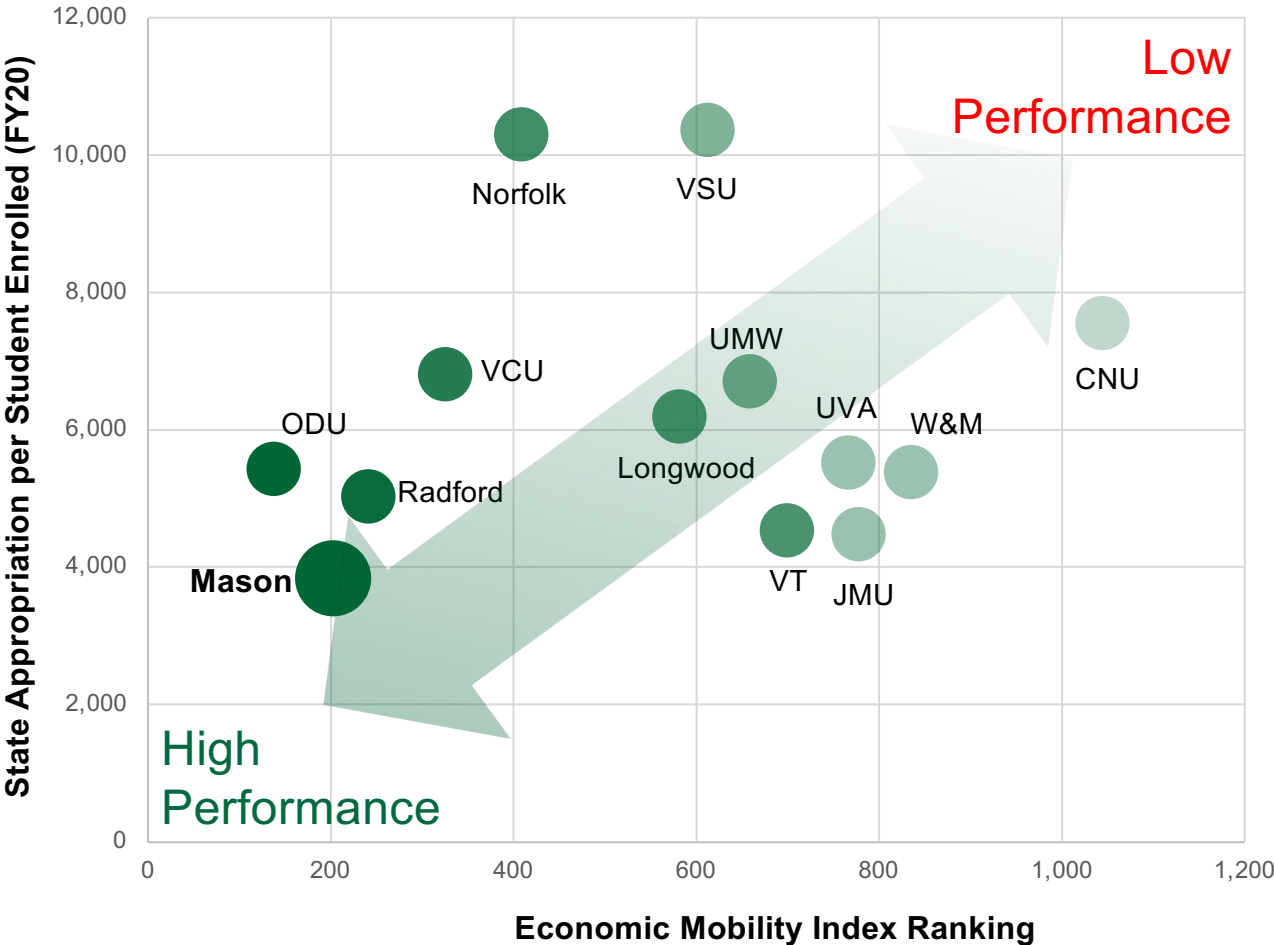


# Delivering Economic Mobility

Mason provides the second highest economic mobility among all Virginia institutions

However, Mason has the best performance when comparing economic mobility and funding per student

Mason is the **best ROI** for the Commonwealth



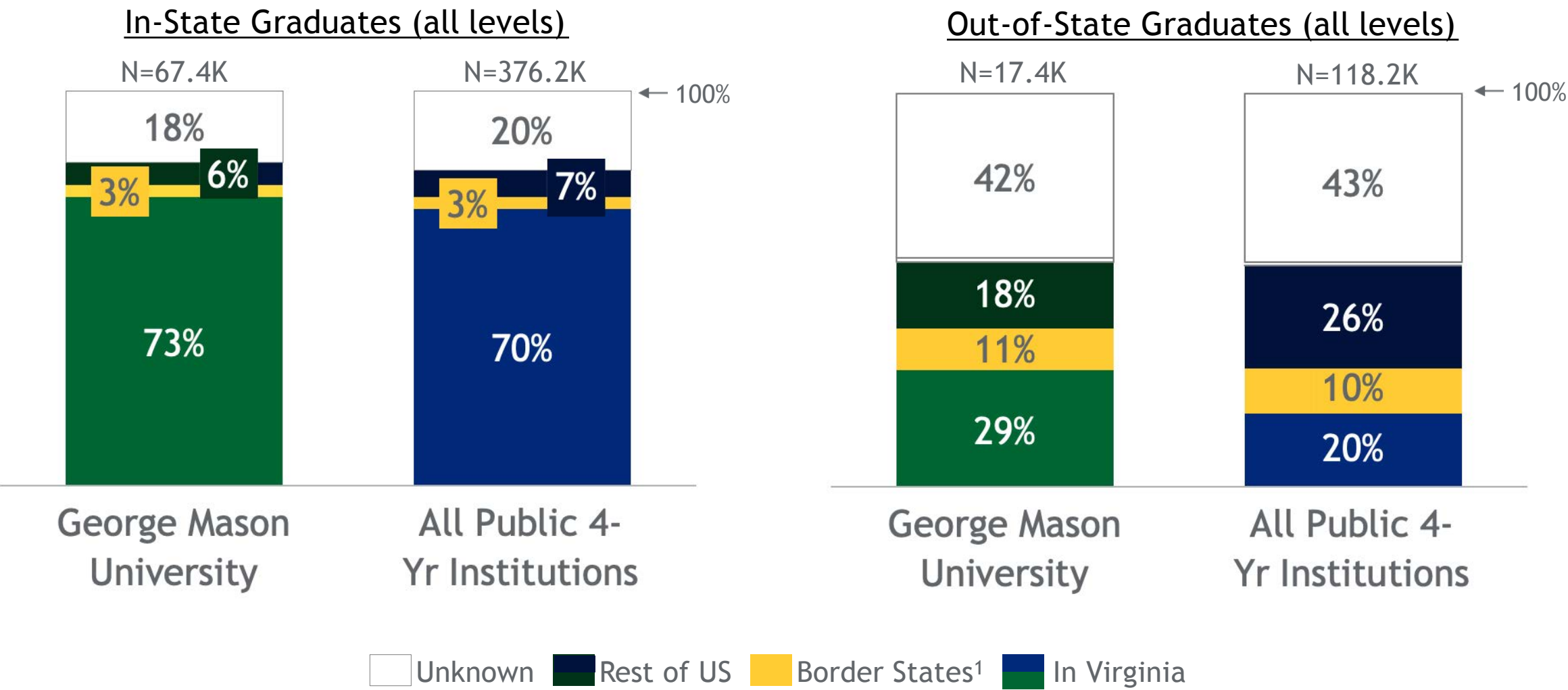
*Economic mobility is based on volume of Pell students and the success at graduating those students*

*Source: Fair Funding and the Future of Higher Education in Virginia, Partners for College Affordability and Education Reform Now, September 8, 2022.*



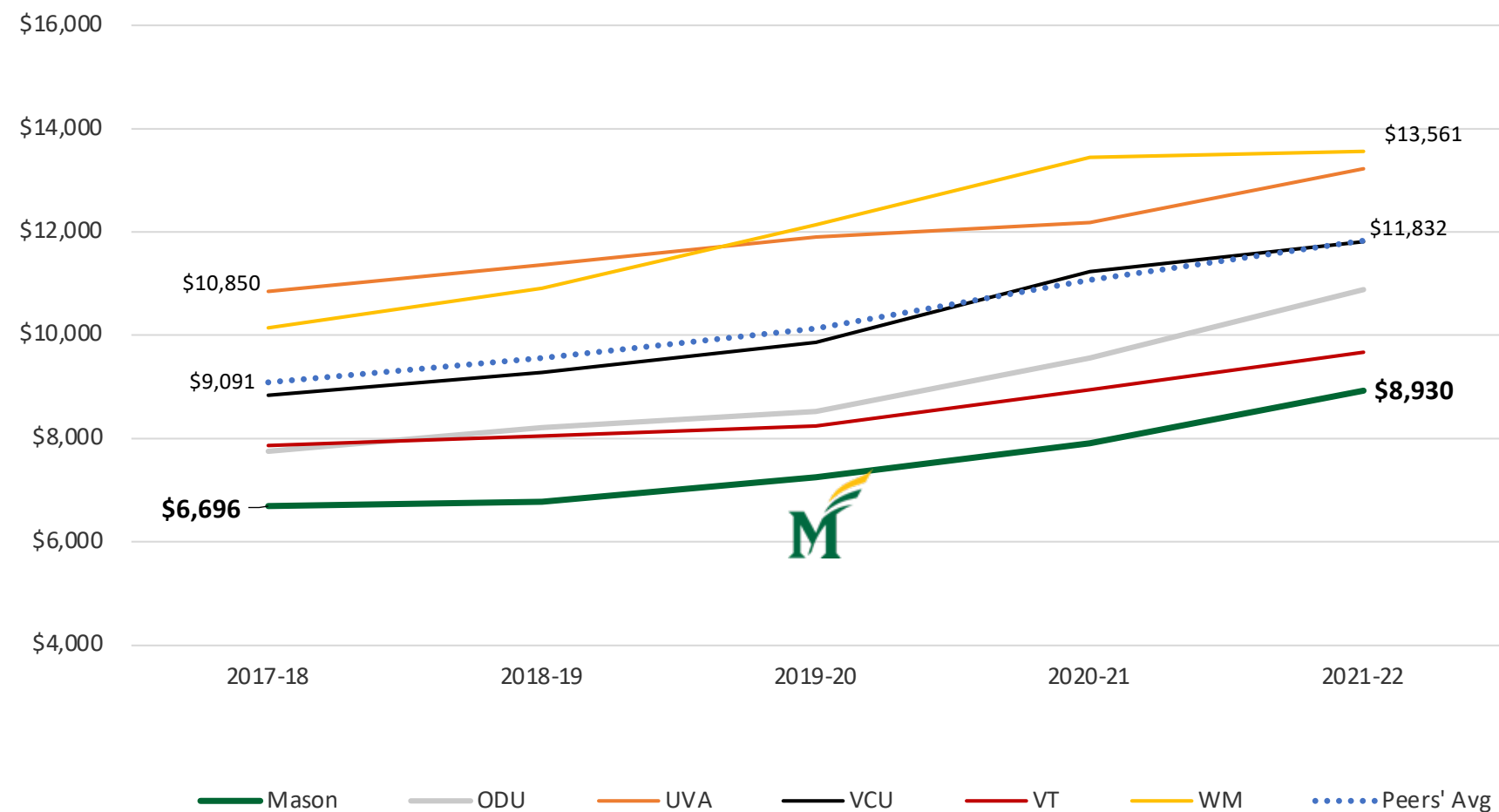
# Mason Graduates Stay In Virginia

(%) Location in 2018 (1-10 yrs post-grad)



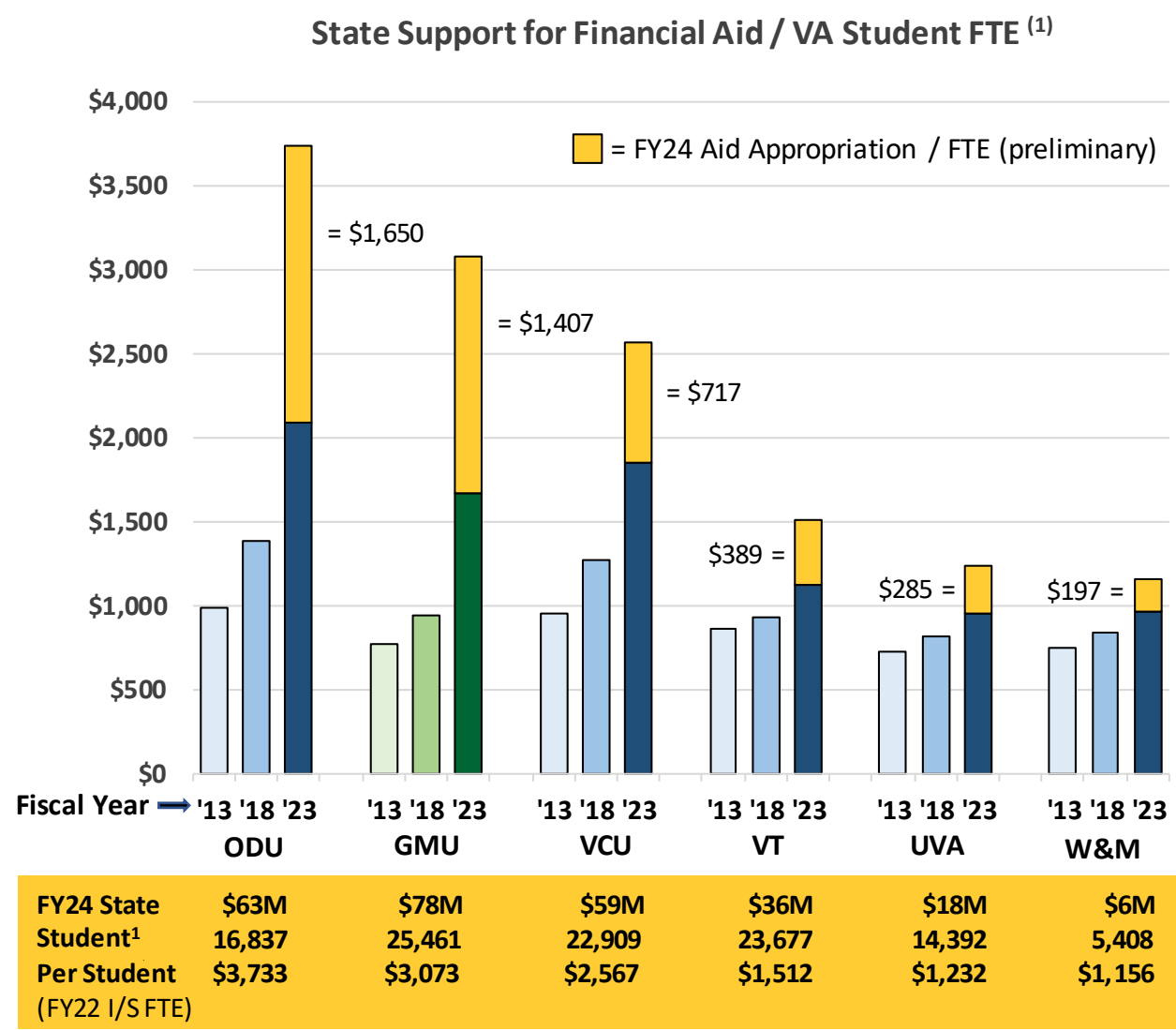
Note: Graduates include students from all degree programs and levels from graduating classes of 2007-08-2017-18  
1. Border States Include North Carolina, Tennessee, Kentucky, West Virginia, Maryland and Washington, D.C.  
Source: SCHEV Graduate Mobility Website

# State Appropriations per In-State Undergrad (FTE) E&G General Fund (including aid)



**Mason per student  
has fallen further  
below peers**

# State Financial Aid Appropriation per In-State Student (FTE)



State support per student for Mason financial aid has nearly tripled in the last five years

- Mason per student financial aid vs peer median:
- FY13: \$87 below
  - FY23: \$543 above
  - FY24: \$1,561 above

Financial Aid appropriation passes directly through to students

1 - FY24 Appropriation is preliminary. FY24 Student FTE is based on FY22 (Fall 2021) enrollment and will be updated in late September 2023.



# Capital Investment

Commonwealth partnership has enabled acquisition opportunities:

- ✓ **Masonvale**
  - *Closed: June 15, 2023*
  - Generates \$3.5M annually
- ✓ **Lots 6 & 11**
  - *Closed: April 6, 2023*
  - Potential development opportunity
- **Lot 8**
  - Closing in Fall 2023
  - Potential development opportunity
- **Vernon Smith Hall (VSH)**
  - Potential closing in Fall 2023
  - DPB has approved transaction
  - Will generate annual cashflow
  - Owner: GMU Foundation (GMUF)

