



BOARD OF VISITORS

Finance & Land Use Committee

Office of the EVP for Finance & Administration | February 13, 2025

Agenda

Financial Matters

- A. FY 2025 Q2 Financial Report
- B. FY 2026 Budget Planning
- C. FY 2026 Room and Board Rates (ACTION)

Supplemental Materials

Detailed Room & Board Rates



FY 2025 Q2 Financial Report

Financial Matters

FY 2025 Q2 Budget & Actuals

Operating

As of Q2 FY25, the Operating budget is in good standing.

Revenues:

- Approximately 57% of the revenue budget has been achieved. Revenues trending ahead of prior YTD actuals by 10%.
- The primary drivers are State Appropriations, Grants & Contracts, and Auxiliary Enterprises.

Expenses:

- Approximately 52% of the expense budget has been utilized. Expenses are trending ahead of prior YTD actuals by 7%.
- The primary drivers are contractual services due to increased grants and contracts. The budget continues to reflect budget reduction mitigation strategies.

Note: The FY 2025 YTD Actual (Dec) Surplus is not reflective of projected year-end results. This amount will continuously change as additional expenses are incurred and aligned with revenues received.

Cash basis, in \$M's	FY 2024 Actual	5/2/2024 Approved Budget	Recalibrated FY 2025 Budget*	Prior & Current YTD Actuals				FY 2025 YTD Actual as % of Recalibrated Budget**
				FY 2024 YTD Actual (Dec)	FY 2025 YTD Actual (Dec)	\$ Variance (YTD Actuals)	% Variance (YTD Actuals)	
Revenues								
Net Tuition and Fees	518	531	531	270	278	8		
State Appropriations	328	359	359	192	226	34		
Grants & Contracts	294	286	286	151	168	17		
Auxiliary Enterprises	288	290	290	143	154	11		
Other Operating Revenue	38	39	39	20	28	8		
Total Revenues	1,466	1,505	1,505	776	854	78	10%	57%
Expenses								
Compensation	819	868	865	419	438	19		
Contractual Services	235	242	242	112	136	24		
Direct Expenses/Other	380	387	381	189	196	7		
Total Expenses	1,433	1,497	1,488	720	770	50	7%	52%
(Shortfall)/Surplus	33	8	17	56	84	28		
Strategic Use of Reserves	-	3	-	-	-	-		
Balancing Mitigation Strategies	(33)	-	-	-	-	-		
Adjusted (Shortfall)/Surplus	-	-	-	-	-	-		

* Budget adjustments incorporating higher than anticipated vacancies along with ongoing refinements in operating costs, as reflected in Direct Expenses/Other.

** Straight-line benchmark as of Q2 (Dec): Revenue achieved ~50% and Expenses utilized ~50%. This methodology does not incorporate specific trends or seasonality.

FY 2025 Q2 Budget & Actuals

E&G Operating

As of Q2 FY25, the E&G Operating budget is in good standing.

Revenues:

- Approximately 52% of the revenue budget has been achieved. Revenues are trending ahead of prior YTD actuals by 9%.
- The primary drivers are State Appropriations with a slight increase in Net Tuition and Fees.

Expenses:

- Approximately 49% of the expense budget has been utilized. Expenses are trending ahead of prior YTD actuals by 2%.
- Although contractual services are reflecting a significant increase to prior YTD, other direct expense savings served as an offset.

Note: The FY 2025 YTD Actual (Dec) Surplus is not reflective of projected year-end results. This amount will continuously change as additional expenses are incurred and aligned with revenues received.

Cash basis, in \$M's	FY 2024 Actual	5/2/2024 Approved Budget	Recalibrated FY 2025 Budget*	Prior & Current YTD Actuals				FY 2025 YTD Actual as % of Recalibrated Budget**
				FY 2024 YTD Actual (Dec)	FY 2025 YTD Actual (Dec)	\$ Variance (YTD Actuals)	% Variance (YTD Actuals)	
Revenues								
Net Tuition and Fees	515	529	529	269	277	7		
State Appropriations	245	274	274	110	139	29		
Auxiliary Enterprises	1	-	-	-	-	-		
Other Operating Revenue	16	20	20	15	16	1		
Total Revenues	777	823	823	394	432	37	9%	52%
Expenses								
Compensation	626	662	659	318	326	8		
Contractual Services	83	84	84	35	43	8		
Direct Expenses/Other	81	86	80	47	38	(9)		
Total Expenses	790	832	823	400	407	7	2%	49%
E&G (Shortfall)/Surplus	(13)	(9)	-	(6)	25	30		
Strategic Use of Reserves		3	-	-	-	-		
Balancing Mitigation Strategies	13	6	-	6	-	-		
Adjusted E&G (Shortfall)/Surplus	-	-	-	-	-	-		

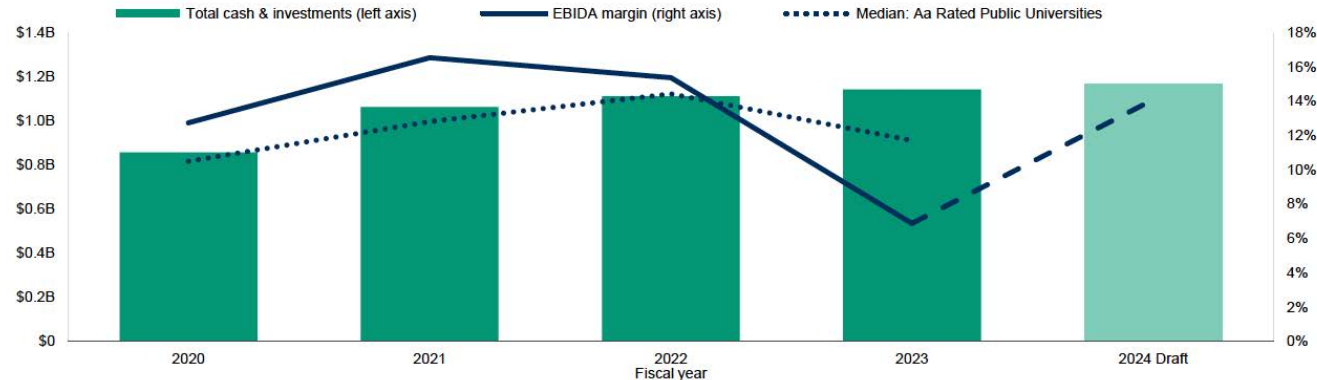
* Budget adjustments incorporating higher than anticipated vacancies along with ongoing refinements in operating costs, as reflected in Direct Expenses/Other.

** Straight-line benchmark as of Q2 (Dec): Revenue achieved ~50% and Expenses utilized ~50%. This methodology does not incorporate specific trends or seasonality.

Moody's Ratings Affirmation

- On January 13, 2025, Moody's affirmed George Mason's Aa3 issuer rating and GMUF's A1 lease revenue bonds rating with a stable outlook.
- Issuer rating reflects strong strategic position and market strength with continued wealth and liquidity growth.
- GMUF taxable refunding revenue bond ratings for 2020's GMUF Prince William Housing LLC) & 2017's GMUF Prince William Life Sciences Lab LLC.
- Acknowledgement of George Mason's strong overall financial health, driven largely by enrollment growth and strategic financial planning.

Growth of total cash and investments provides a solid cushion for operations



Source: Moody's Ratings

Credit strengths

- » Very good strategic position bolstered by program diversity and capital investments
- » Continued growth of wealth evidenced by nearly \$1.2 billion total cash and investments
- » Strong operating and capital support from the Commonwealth of Virginia



FY 2026 Budget Update

Financial Matters

Commonwealth Budget Update

- **Governor and Legislature proposed budgets issued**
- **George Mason's Proposed Budget Amendments:**
 - **Operations Funding:** \$18M, ongoing
 - **Maintenance Reserve Funding:** \$32M, one time
 - **Planning for ISEB:** \$12.25M, one time
 - **Small Business Development Centers:** \$1.4M, ongoing
 - **Tick Borne Illness Research:** \$450K, ongoing
 - **A.I. Institute:** Partnership with UVA and VT
 - **State Climate Office:** Authorization to host

FY 2026 and FY 2027 Budget Planning Scenarios

E&G Operating

Summary:

- FY26 and FY27 budget scenarios reflect the importance of the \$18M additional state funding request.
- The FY26 and FY27 planning assumptions highlight the primary drivers of our tuition use.
- For FY26, Scenario #1, which is aligned with our approved Six-Year Plan, creates a net source for infrastructure investment, while Scenarios #2 and #3 continue our funding gap.
- The FY27 budget scenarios reflect an incremental impact gap that ranges from \$6M - \$22M. For most scenarios, this is driven by the potential removal of \$6M in VSMDEP funding.

Highlights:

- Direct expenditure escalations are being managed to mitigate the E&G impact.
- Continued pursuit of operating efficiencies and other resources address expenses as needed.
- Contract escalations are included for inflationary increases in Facilities, Information Technology, and other operating costs.

Planning Assumptions	Scenario 1		Scenario 2		Scenario 3	
	FY 2026	FY 2027	FY 2026	FY 2027	FY 2026	FY 2027
Enrollment - Volume	1.5%	1.5%	1.5%	1.5%	1.5%	0.0%
Tuition Rate	2.5%	2.5%	0.0%	2.5%	0.0%	0.0%
VMSDEP Participation Growth	30%	30%	30%	30%	30%	30%
State Appropriations (salary cost-share)	\$10M	\$10M	\$10M	\$10M	\$10M	\$10M
State Appropriations (VMSDEP)	\$6M	(\$6M)	\$6M	(\$6M)	\$6M	(\$6M)
3% Salary Increases	\$20M	\$21M	\$20M	\$21M	\$20M	\$21M

Budget Planning Scenarios	Scenario 1		Scenario 2		Scenario 3	
	FY 2026 (2.5% Tuition Rate Increase)	FY 2027 (2.5% Tuition Rate Increase)	FY 2026 (0% Tuition Rate Increase)	FY 2027 (2.5% Tuition Rate Increase)	FY 2026 (0% Tuition Rate Increase)	FY 2027 (0% Tuition Rate Increase)
Cash basis, in \$M's						
Sources						
Tuition Revenue (volume/tuition rate incrs)	16	22	7	22	7	-
Foregone revenue: VMSDEP Incremental Tuition Exemptions	(4)	(4)	(4)	(4)	(4)	(4)
Financial Aid (1/3 of tuition rate incr)	(5)	(6)	-	(6)	-	-
State Appropriation (salary cost-share)	10	10	10	10	10	10
State Appropriation (VMSDEP)	6	(6)	6	(6)	6	(6)
Other Operating Revenue	1	1	1	1	1	1
Total Sources	24	17	20	17	20	1
Uses						
Compensation (Primarily 3% increase)	22	22	22	22	22	22
Contractual Services	1	1	1	1	1	1
Total Uses	23	23	23	23	23	23
Incremental Impact	1	(6)	(3)	(6)	(3)	(22)
Additional State Funding Request	18	18	18	18	18	18
Funding Available to Address Market Compensation	19	12	15	12	15	(4)

Student & Board Engagement

- December BOV Meeting:** Draft Tuition & Fee Scenarios
- February BOV Meeting:** Revised Tuition & Fee Scenarios
- Student Government Hosted Town Hall**
- Student Government Leadership Meetings**
- Open Public Comment Portal**
- April BOV Public Comment Session**
- May BOV Meeting:** Proposed FY2026 Budget



FY2026 Room & Board Rates

Financial Matters

FY26 Room & Board Recommendations

- 1.5% housing rate* increase: \$120
- 4% board rate* increase: \$230

2.5% total increase
room & board: \$350



*Specific rates vary, please see detailed rate table.

Methodology

Housing Rate Recommendations:

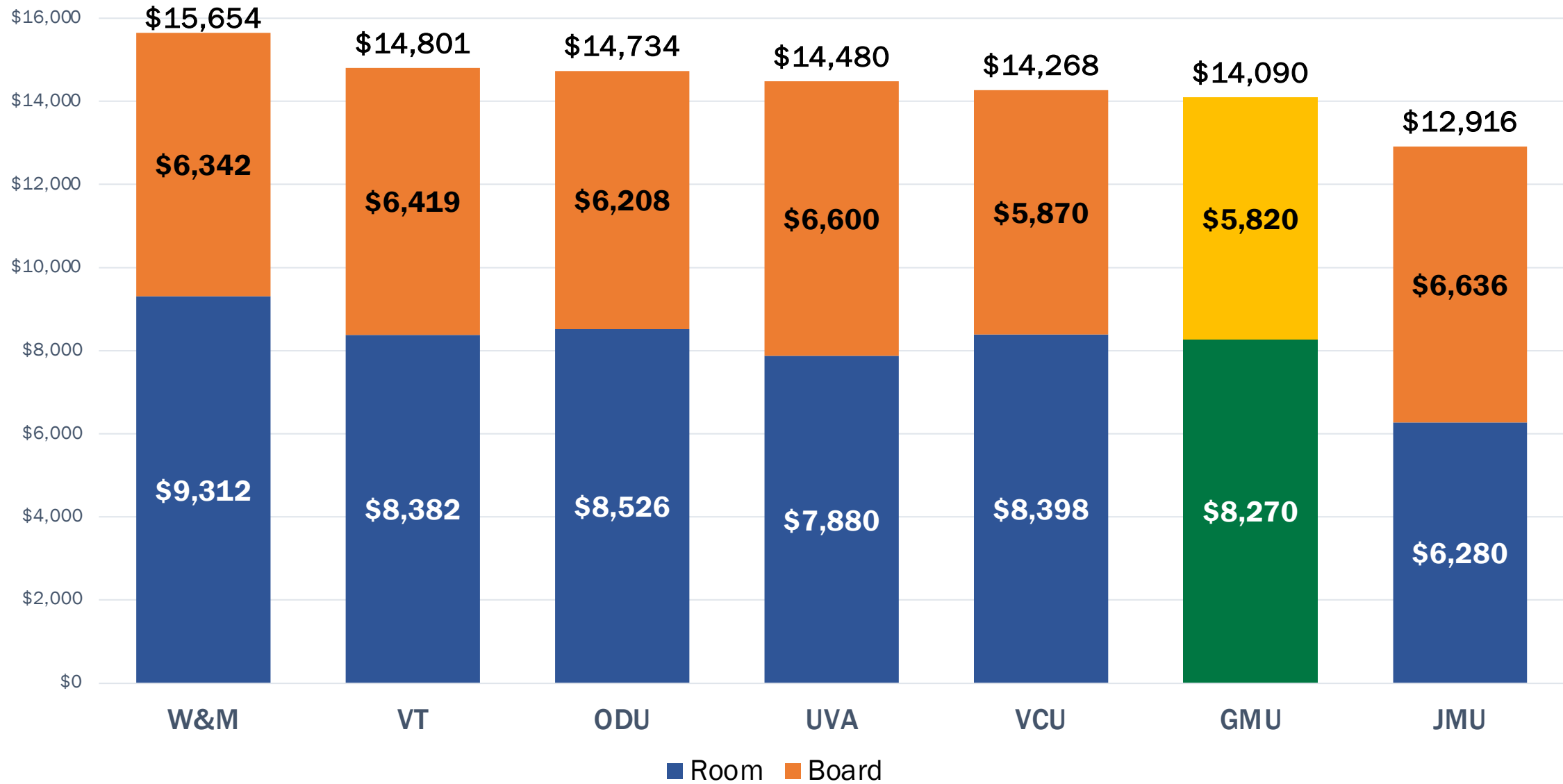
- Overarching mission to maintain an affordable cost of living on-campus
- Provide support for future operating inflation, salary increases, and capital renovation expenditures
- Determine room rates tiered to offerings, affordability, and competitive pricing

Board Rate Recommendations:

- Increase driven by Consumer Price Index (CPI), based on the Bureau of Labor Statistics' Mid Atlantic "Food-Away-From-Home"
- Primary vendor contract follows 12-month CPI average
- Recommended 4% is less than 4.2% average CPI
- Daily per student increase is \$1.02

Freshman Traditional Double & Board	FY25	FY26	\$ Change	% Change
Traditional Double Room Rate	\$8,270	\$8,390	\$120	1.5%
Independence Meal Plan Board Rate	\$5,820	\$6,050	\$230	4.0%
Total Room & Board	\$14,090	\$14,440	\$350	2.5%

Peer FY25 Room & Board Rates



Why Approve Room & Board Rates in February?

Approving room and board rates in February allows students and families to make informed choices about their financial plans and meet key deadlines:

- FY26 housing applications opened in December with students needing to choose their rooms in February.
- FY26 freshmen financial aid packages are sent in early February before May 1st national freshman acceptance deadline.
- Room and board rates determine the cost of basic living needs like housing and food for students on campus.

Students and families benefit from having confirmed rates rather than estimates during this process

Committee Vote:

Motion: To approve the FY 2026 Room and Board Rates, as they are outlined in the meeting materials.



Supplemental Materials

Detailed Room & Board Rates

FY26 Proposed Housing Room Rates

- Proposing a **1.5% average increase** on all Fairfax room rates for FY26 over FY25.
- There are **over 6,000 beds** on the Fairfax campus.
- Beacon Hall** on the Science and Technology Campus has **145 graduate beds**.
- All freshmen are required to live on campus unless they meet established criteria and are granted an exemption.

ACADEMIC YEAR ROOM RATES (Fall + Spring Semesters) *	FY25	FY26	\$ Change	% Change
Traditional Halls (Freshmen; Meal Plan Required)				
Single	\$ 11,020	\$ 11,190	\$ 170	1.54%
Double	\$ 8,270	\$ 8,390	\$ 120	1.45%
Triple	\$ 7,230	\$ 7,340	\$ 110	1.52%
ODS Single	\$ 8,270	\$ 8,390	\$ 120	1.45%
Suites (Freshmen & Upper Class; Meal Plan Required)				
Single	\$ 11,820	\$ 12,000	\$ 180	1.52%
Double	\$ 9,070	\$ 9,210	\$ 140	1.54%
Triple	\$ 9,070	\$ 9,210	\$ 140	1.54%
Economy Double/Triple	\$ 7,540	\$ 7,650	\$ 110	1.46%
ODS Single	\$ 9,070	\$ 9,210	\$ 140	1.54%
Apartments (Upper Class; Meal Plan Optional)				
Single **	\$ 14,010	\$ 14,220	\$ 210	1.50%
Double **	\$ 11,270	\$ 11,440	\$ 170	1.51%
ODS Apartment Single	\$ 11,270	\$ 11,440	\$ 170	1.51%
Townhouse Single	\$ 12,800	\$ 12,990	\$ 190	1.48%
Townhouse Double	\$ 10,300	\$ 10,450	\$ 150	1.46%
Angel Cabrera Global Center (Upper Class; Meal Plan Required)				
Single	\$ 12,550	\$ 12,740	\$ 190	1.51%
Double	\$ 9,630	\$ 9,770	\$ 140	1.45%
Expanded Triple	\$ 7,540	\$ 7,650	\$ 110	1.46%
Average of Fairfax Beds				1.50%
Beacon Hall - SciTech Graduate Housing ***				
Studio	\$ 11,800	\$ 12,350	\$ 550	4.66%
One Bedroom	\$ 15,480	\$ 16,210	\$ 730	4.72%
Two Bedroom (per person)	\$ 9,100	\$ 9,530	\$ 430	4.73%
Average of Beacon Hall Beds				4.70%

* Rates do not include the \$150 HRL Application Fee

** Smithsonian Mason School of Conservation (Front Royal) has same rates as Apartments: Single \$14,220, Double \$11,440

*** Beacon Hall rates include fall early arrival and winter break

FY26 Housing Details

- FY26 Room rates for bed types on Fairfax and SMSC campuses increased 1.5% on average. Beacon Hall rates increased 4.7% on average as part of a 5-year rebalancing plan to be closer to PWC market rates.
- **First-year freshmen undergraduates are required to live on campus** but can request an exemption if they either live locally with parents/family, are veterans, are 20 years of age or more, are married, have dependent family, or for financial or health reasons.
- **Summer rates** are offered on all three campuses and are based on the number of days in the term derived from the academic year rates.
- The **SMSC rates** are set at the highest Fairfax campus rates approved by the BOV. For FY26, there will be 107 revenue beds available, which may be configured as either a single or double room as needed.
- A limited number of **graduate student beds** are offered on the Fairfax Campus in the **Angel Cabrera Global Center and the Townhouses (located off Chain Bridge Road)**.
- **Beacon Hall** graduate housing on Science and Technology Campus has **145 revenue beds** and four graduate RA beds. For FY26, leases at Beacon Hall will run 9.5 months, and run from August 1 thru mid-May, including early arrival and fall winter break in their rate.

FY26 Proposed Board Meal Plans

Proposed meal plan rates increase 4.0%:

- Based on food Consumer Price Index, which is less than the 4.2%, 12-month CPI average
- Daily increase per student is \$1.02

University policy requires all students living in on-campus housing without full kitchens in the room have a residential meal plan.

ACADEMIC YEAR BOARD RATES (Fall and Spring Semesters Combined)	FY25	FY26	\$ CHANGE	% CHANGE
Independence Dining Plans (Includes Minimum \$100/Semester Dining Dollars)				
Independence	\$ 5,820	\$ 6,050	\$ 230	4.0%
Extended	\$ 6,090	\$ 6,330	\$ 240	3.9%
Ultimate	\$ 7,000	\$ 7,280	\$ 280	4.0%
Liberty Meal Plans (Includes Dining Dollars)				
Liberty Weekly 9	\$ 5,820	\$ 6,050	\$ 230	4.0%
Liberty Weekly 14	\$ 5,820	\$ 6,050	\$ 230	4.0%
Patriot Meal Plans (Includes Minimum \$100/Semester Dining Dollars)				
Patriot Meals 25	\$ 770	\$ 790	\$ 20	2.6%
Patriot Meals 55	\$ 1,270	\$ 1,310	\$ 40	3.1%
Patriot Meals 85	\$ 1,760	\$ 1,820	\$ 60	3.4%
Dining Dollars Declining Balance Plans				
Dining Dollars 350	\$ 700	\$ 700	\$ -	0.0%
Dining Dollars 500	\$ 1,000	\$ 1,000	\$ -	0.0%
Dining Dollars 750	\$ 1,500	\$ 1,500	\$ -	0.0%
Dining Dollars 1000	\$ 2,000	\$ 2,000	\$ -	0.0%
Dining Dollars 1500	\$ 3,000	\$ 3,000	\$ -	0.0%
Dining Dollars 2000	\$ 4,000	\$ 4,000	\$ -	0.0%
Smithsonian Mason School of Conservation Plan (No Dining Dollars)				
SMSC	\$ 5,980	\$ 6,230	\$ 250	4.2%

FY26 Board Meal Plan Details

- **Independence meal plans**, including \$100 in Dining Dollars, increase 4.0% in FY26 based on current CPI trends.
- **Liberty plans** rates equal the Independence rate including the minimum Dining Dollars.
- **Patriot plans** will increase to be in line with the costs of number of semester meals.
- **Dining Dollars Declining Balance** retail plan rates are priced dollar-for-dollar.
- University policy requires **all students living in on-campus housing without full kitchens in the room to have a residential meal plan.**
 - All **first-year students**, including those living in halls with kitchens, are required to have an Independence meal plan.
 - **Sophomores** residing in traditional rooms or suites are required to have an Independence meal plan.
 - **Juniors and seniors** living in traditional rooms or suites may purchase Independence or Liberty meal plans.
 - **Students living in those residence halls with full kitchens**, Liberty Square, Northern Neck, Potomac Heights, Rogers, and Townhouses, **are not required** to purchase a meal plan but may purchase any plan.
- **Exemptions** to the meal plan policy are considered only for **medical considerations** with proper medical documentation supporting the request, or for students engaged in a **university sponsored off-campus practicum or internship at a minimum three days a week.** A student must apply through the Mason Card Office to the Exemption Committee to be considered exempt from a meal plan. University Life's **Disability Services office will review those who apply for an exemption/change** to their meal plan based on medical documentation.

FY26 Board Meal Plan Details (continued)

- The **Independence** plans provide students **unlimited access during operating hours** to all-you-care-to-eat dining halls to eat at their convenience, as often as they desire. Independence plans will have four choices of Dining Dollars (\$100, \$200, \$350, \$500) with a minimum of \$100 per semester required.
- **Liberty** plans are **priced to equal the Independence plan** including \$100 in Dining Dollars but have more flexibility. Liberty Weekly 9 will include nine weekly meals and Liberty Weekly 14 will include 14 weekly meals. The semester Dining Dollars are increasing \$45 to \$1,385 for Liberty Weekly 9, and \$15 to \$610 for Liberty Weekly 14.
- The optional **Patriot** meal plans will have four choices of Dining Dollars (\$100, \$200, \$350, \$500) with a minimum of \$100 per semester required.
- Students with **Independence, Liberty, Patriot or Dining Dollar** plans have the option of purchasing **additional Dining Dollars** in increments of \$100, \$200, \$350, \$500 throughout the semester.
- **Dining Dollars 350 and Dining Dollars 500** will be offered during the **2025 summer sessions**.
- Prior to FY'25, Dining Dollars Declining Balance plans were called Freedom plans. Dining Dollars associated with Independence, Liberty and Patriot meal plans were called Bonus Funds.



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