



WILLIAM
& MARY

CHARTERED 1693

FY20 Proposed Operating Budget and Related Tuition & Fee Recommendations

*Committee of Financial Affairs
April 25, 2019*

Budget Overview Presentation Schedule

SEPT 2018	OCT 2018	NOV 2018	DEC 2018	JAN 2019	FEB 2019
9/11/2018 A&S Council of Chairs and Program Directors	10/8/2018 President's Cabinet 10/19/2018 W&M Foundation–Budget & Finance Committee 10/22/2018 Provost Executive Team Tuition Public Hearing 10/23/2018 Faculty Assembly Committee on Planning and Resources 10/30/2018 Faculty Assembly	11/27/2018 Business Officers Group	12/4/2018 Arts & Sciences 12/13/2018 Communications Committee	1/15/2019 IT Managers Meeting 1/23/2019 Advancement Finance Staff	2/13/2019 School of Education 2/14/2019 Student Affairs IT Advisory Committee

Budget Overview Presentation Schedule

MAR 2019	APR 2019	MAY 2019	JUNE 2019
<p>3/13/2019 School of Education Faculty</p> <p>3/20/2019 PPFA General Meeting</p> <p>3/28/2019 Tuition Public Hearing</p>	<p>4/13/2019 Parents & Family Counsel</p> <p>4/26/2019 School of Business Faculty & Staff</p>	<p>5/8/2019 Athletics</p> <p>School of Business Foundation</p>	<p>6/5/2019 VIMS</p>
<hr/> <p>To Be Scheduled: School of Law and Foundation Arts & Sciences follow up Muscarelle Foundation Open meeting for campus</p>			

W&M's Operating Budget is Comprised of 4 Major Programs

1. **Education and General (E&G)** which includes

- Direct Instruction
- State Sponsored Research and Public Service
- Academic Support, including libraries and academic technology
- Student Services, including academic advising, career services, and the Registrar
- Institutional Support, providing back office services such as HR, financial operations, and student accounting
- Plant Operations for the operation and maintenance of E&G buildings/grounds

2. **Student Financial Aid**

3. **Sponsored Programs** (i.e., research grants and contracts)

4. **Auxiliary Services** are non-academic functions that support the campus community, including student housing, food service, and athletics

5 Major Sources of Revenue Support the Operating Budget

- 1 State General Fund (Taxpayer) Appropriations
- 2 Student Tuition and E&G Fees
- 3 Student and User Fees for Auxiliary Services
- 4 Philanthropic Gifts (“Private Funds”)
- 5 Grants and Contracts

W&M's FY20 Budget is Expected to Reach \$428 Million

Revenue ¹	FY19 ESTIMATED ACTUALS	FY20 PROPOSED BUDGET	CHANGE FROM PRIOR YEAR	
			\$ CHANGE	% CHANGE
State General Fund	48,888,800	53,811,500	4,922,700	10.1%
Tuition and E&G Fees	203,430,900	211,596,100	8,165,200	4.0%
Grants & Contracts	32,050,000	31,350,000	(700,000)	-2.2%
University Private Funds ²	18,623,500	17,859,400	(764,100)	-4.1%
Auxiliary Revenue ³	112,677,300	113,804,000	1,126,700	1.0%
Total Revenue	\$415,670,500	\$428,421,000	\$12,750,500	3.1%

Expenditures, by Program ¹	FY19 ESTIMATED ACTUALS	FY20 PROPOSED BUDGET	CHANGE FROM PRIOR YEAR	
			\$ CHANGE	% CHANGE
Instruction	119,555,500	126,182,500	6,627,000	5.5%
Research	2,227,800	2,217,800	(10,000)	-0.4%
Public Service	46,500	46,600	100	0.2%
Academic Support	32,907,700	33,914,300	1,006,600	3.1%
Student Services	10,266,000	10,521,400	255,400	2.5%
Institutional Support	33,985,000	35,073,900	1,088,900	3.2%
Plant Operations	20,766,700	22,497,100	1,730,400	8.3%
Financial Aid	50,078,700	53,630,200	3,551,500	7.1%
Sponsored Programs	32,217,600	31,425,000	(792,600)	-2.5%
Auxiliary Services	110,075,200	112,504,400	2,429,200	2.2%
Total Expenditures	\$412,126,700	\$428,013,200	\$15,886,500	3.9%

¹ Total revenues and expenditures exclude the Virginia Institute of Marine Science and funds maintained in university-affiliated foundations

² University Private Funds includes current year revenue of \$18.6 million in FY19. In FY20, University Private Funds include projected current year revenue of \$14.7 million plus \$3.1 million from beginning fund balance.

³ Auxiliary Revenues include \$900,000 generated in support of student financial aid.

Revenue Considerations

1. STATE GENERAL FUND	2. TUITION AND E&G FEES	3. AUXILIARY REVENUES	4. PRIVATE FUNDS	5. GRANTS AND CONTRACTS
<ul style="list-style-type: none"> • Strength of the economy and availability of tax revenues • Commonwealth priorities • Competition for scarce resources • Mandated expenses (e.g., Medicaid, K-12, Rainy Day Fund) 	<ul style="list-style-type: none"> • Available state funding for E&G programs • Change in “cost of education,” particularly related to personnel, technology and plant operations • Student Financial Aid under <i>the Promise</i> • Market data and public comment • Access and affordability 	<ul style="list-style-type: none"> • Must be 100% self-supported (no state funding) • Increases in personnel costs, incl. state-mandated salary and fringe increases • Debt service requirements • Increases in plant operations • Contract inflation escalators • Market data • Access and affordability 	<ul style="list-style-type: none"> • Income earned from Board of Visitors managed endowment • Expendable restricted gifts • Expendable unrestricted gifts 	<ul style="list-style-type: none"> • Direct research expenditures covered by a grant • Indirect costs (or facility and administrative cost recoveries) that can be reimbursed from some grant sponsors

Revenue Considerations - State General Fund

1. STATE GENERAL FUND

- Strength of the economy and availability of tax revenues
- Commonwealth priorities
- Competition for scarce resources
- Mandated expenses (e.g., Medicaid, K-12, Rainy Day Fund)

Annual State General Fund Support Expected to Increase 10%

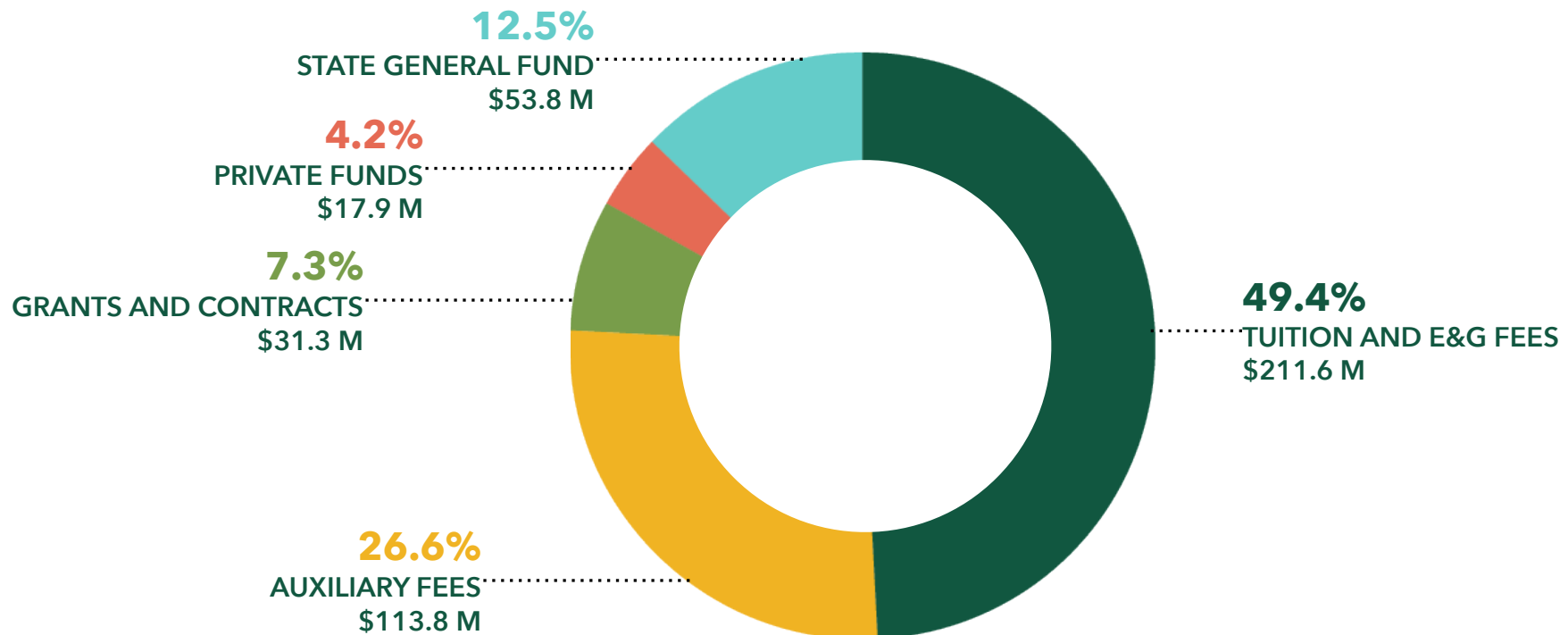
- FY20 will see one of the largest single year increases in state support in the last two decades
- Specific program support includes
 - \$1.22 million to increase degrees in high demand fields
 - \$570,000 to create an undergraduate major in data science
 - \$287,900 for the Veterans' Counseling Program
 - \$250,000 to put the first year of the M.P.P. curriculum online
 - \$ 75,000 to support new facilities coming online
 - \$389,400 to support need-based, in-state undergraduate financial aid
 - Funding for the state share (approximately 25%) of the salary increase, pending state general fund revenues meet projections
- \$1.45 million allocated to W&M to moderate increases in in-state undergraduate tuition

Revenue Considerations - Tuition and Mandatory E&G Fees

1. STATE GENERAL FUND	2. TUITION AND E&G FEES
<ul style="list-style-type: none">• Strength of the economy and availability of tax revenues• Commonwealth priorities• Competition for scarce resources• Mandated expenses (e.g., Medicaid, K-12, Rainy Day Fund)	<ul style="list-style-type: none">• Available state funding for E&G programs• Change in “cost of education,” particularly related to personnel, technology and plant operations• Student Financial Aid under <i>the Promise</i>• Market data and public comment• Access and affordability

Tuition Comprises Almost 50% of the University's Operating Revenue

FY20 Estimated Revenues*
(\$428.4 million)



*Excludes funds from affiliated foundations

In-State Undergraduate Tuition is Typically Set in the Fall

- W&M Board has set in-state, undergraduate tuition in the fall since adopting the tuition guarantee as part of *the Promise* in 2013
- In November 2018, the Board took action to increase the tuition rate for in-state, undergraduates to \$18,375
 - The approved increase reflected a 5.4% increase over the current freshman class or an effective 1.3% annual increase over the four-year guarantee

Tuition Moderation Fund

- The 2019 General Assembly established a contingent appropriation of \$52.5 million GF statewide to offset anticipated revenues generated by increases to in-state, undergraduate tuition proposed under institutions' Six-Year Plans if Boards of Visitors opted not to increase in-state, undergraduate tuition for FY20
 - For W&M, \$1.45 million GF in new base funding for FY20 is included in the Appropriation Act for this purpose
 - These funds are *in addition to* the program specific support (e.g., high demand degrees, data science, veterans' counseling, etc.) provided in the amended 2018-2020 Appropriation Act

Recommend Holding In-State Undergraduate Tuition at Current Levels

- With the additional state funding, W&M can maintain tuition for incoming in-state undergraduates in FY20 at the level of the current freshman class with a four-year guarantee
- Under *the Promise*, tuition and mandatory E&G fees for all other in-state students will remain at current levels

INCOMING CLASS	FY19 TUITION	FY20 TUITION	\$ CHANGE
Fall 2016	\$15,674	\$15,674	\$0
Fall 2017	\$16,370	\$16,370	\$0
Fall 2018	\$17,434	\$17,434	\$0
Fall 2019	N/A	\$17,434	\$0

Note: Students are also assessed a mandatory E&G fee of \$100 to support academic technology. The technology fee will remain unchanged for FY20.

Tuition Moderation Fund Does Not Address Out-of-State Undergraduates

- Recommend a 3.5% increase in out-of-state undergraduate tuition consistent with the Six-Year Plan adopted by the Board of Visitors in September 2018

	FY19 TUITION	FY20 TUITION	\$ CHANGE
Out-of-State Undergraduates	\$38,735	\$40,089	\$1,354

Mandatory E&G Fees Will Remain Unchanged

- In addition to tuition, students pay mandatory E&G fees that support academic functions, including
 - **Technology Fee:** Supplements funding for educational technology
 - **Student Faculty Fee:** Requested by the W&M student body in FY05 to support faculty compensation
 - **State-mandated Facility Fee:** Charged to out-of-state students to capture the “full cost” of debt service for state funded capital projects
 - **State-mandated HEETF Fee:** Supports debt service for equipment purchased through the Higher Education Equipment Trust Fund (HEETF)

MANDATORY E&G FEE	IN-STATE	OUT-OF STATE
Technology Fee	\$100	\$100
Student Faculty Fee	\$5	\$5
State Facility Fee	N/A	\$540
HEETF Fee	\$31	\$62

Proposed Tuition Changes for Graduate and Professional Students

FY20 Proposed Tuition, by Program

	FY19		PROPOSED FY20		\$ CHANGE	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Graduate A&S, VIMS, Ed	\$10,064	\$27,086	\$10,516	\$28,305	\$452	\$1,219
Master of Public Policy	\$22,000	\$32,000	\$22,000	\$32,000	\$0	\$0
Law (J.D., L.L.M., S.J.D.)	\$27,961	\$36,390	\$28,723	\$37,152	\$762	\$762
Business - MAcc	\$27,600	\$37,750	\$28,200	\$38,600	\$600	\$850
Business - MBA	\$26,700	\$37,500	\$28,100	\$38,520	\$1,400	\$1,020
Business - MSBA	\$35,000	\$41,500	\$36,000	\$42,700	\$1,000	\$1,200

Note: The Law School will begin offering the Doctor of Juridical Sciences (S.J.D.) in Fall 2019.

Other Tuition Actions

- Special rate programs are priced separately due to unique program characteristics driven by market or program design
- For FY20, one increase is recommended
 - St. Andrews Joint Degree Program*: Recommend total program cost (tuition and fees) from \$39,990 to \$40,990 - a proposed increase of \$1,000

*Note: Room and board are charged in addition to the program cost based on the cost of the institution where the student is studying

- Tuition for a new Post-Baccalaureate Certificate in Geo-spatial Information Systems (GIS) is proposed at \$560 per credit hour with a 15-credit hour minimum required

Tuition-Setting Process Included Two Public Comment Periods

- Members of the Board held public comment sessions in October 2018 and March 2019 to solicit input from students and the public on proposed tuition actions
- Public comments were also solicited through a web portal
- Public participation was modest
 - One individual spoke at each public hearing with a prepared statement on the public policy of ensuring that college be affordable and accessible to all
 - Four individuals submitted comments via the web

Revenue Considerations - Auxiliary Revenues

1. STATE GENERAL FUND	2. TUITION AND E&G FEES	3. AUXILIARY REVENUES
<ul style="list-style-type: none"> • Strength of the economy and availability of tax revenues • Commonwealth priorities • Competition for scarce resources • Mandated expenses (e.g., Medicaid, K-12, Rainy Day Fund) 	<ul style="list-style-type: none"> • Available state funding for E&G Programs • Change in "cost of education," particularly related to personnel, technology and plant operations • Student Financial Aid under <i>the Promise</i> • Market data and public comment • Access and affordability 	<ul style="list-style-type: none"> • Must be 100% self-supported (no state funding) • Increases in personnel costs, incl. state-mandated salary and fringe increases • Debt service requirements • Increases in plant operations • Contract inflation escalators • Market data • Access and affordability

Auxiliary Revenues Fall Into Four Primary Categories

1. **General (Operating) Fee** supports auxiliary services and student activities, including student health & wellness, bus service, student unions, computing services, athletics, and recreational sports
2. **(University) Facility Fee** supports debt service paid by the university for E&G and auxiliary facilities. The facility fee is charged to both in-state and out-of-state undergraduate students. Graduate and professional students are charged for commonly used campus facilities, but are exempt from buildings that are program specific
3. **Room Charges** support the operating costs and debt service associated with university-owned housing. Fees vary by size and location of room, but are typically reported as a weighted average based on room availability
4. **Board Rates** cover the cost of student-selected meal plans. Rates vary based upon number of meals and type of meal plan selected, but are typically reported based on a standard 19-meal per week plan

Proposed General Fee Increase is Driven Largely by Salary Actions

- Most fee increases were attributable primarily to salary actions recommended in the FY20 budget
- Modest program enhancements are included primarily in Health & Wellness and Student Unions

	FY19	FY20 PROPOSED BUDGET	\$ CHANGE
AUXILIARY SERVICES			
Health & Wellness	581	612	31
Integrative Wellness Center	32	37	5
Bus Service/Transportation	65	66	1
Student Unions	369	387	18
Kaplan Arena Operations	355	365	10
General Auxiliary	228	235	7
Telecom/Networking	288	293	5
PC Maintenance	45	46	1
Intercollegiate Athletics	1,992	2,002	10
Tennis Center	20	22	2
ID Office	32	34	2
Subtotal, Auxiliary Services	\$4,007	\$4,099	\$92
STUDENT ACTIVITIES			
Green Fee	40	43	3
Cultural Fee	46	48	2
Student Activities	98	98	0
Student Affairs	33	22	(11)
Recreational Sports	170	173	3
Recreational Center	133	136	3
Subtotal, Student Activities	\$520	\$520	\$0
TOTAL GENERAL FEE	\$4,527	\$4,619	\$92

Increase in Facility Fee Driven by Debt Service Requirements

- The incremental debt for the Sadler Center West Addition is driving increases in the facility fee
- The facility fee is applied to all undergraduate students
 - Law, Business, and Graduate students are charged only for general use facilities

	FY19	FY20 PROPOSED BUDGET	\$ CHANGE
Athletic Facilities 1	42	42	0
Athletic Facilities 2	21	21	0
Cooling Tower 1	122	120	(2)
Cooling Tower 2	121	117	(4)
Integrated Science Center	230	220	(10)
Integrative Wellness Center	122	120	(2)
Kaplan Hall 2	16	16	0
Laycock Center	23	22	(1)
Sadler West	9	164	155
School of Business	270	270	0
School of Education	27	27	0
Student Rec Center	123	123	0
Utility Improvements	49	49	0
West Utilities	128	128	0
TOTAL FACILITY FEE	\$1,303	\$1,439	\$136

Room & Board Increases Average 5.6%

- The weighted average for room rates will increase from \$7,436 to \$7,958
- The average (19 meals) board plan will increase from \$4,800 to \$4,968 based on contract terms

	FY19	FY20 PROPOSED BUDGET	\$ CHANGE
Room, Wtd. Avg	\$7,436	\$7,958	\$522
Board (19-meal plan)	\$4,800	\$4,968	\$168
Total, Room & Board	\$12,236	\$12,926	\$690

Total Undergraduate Costs Will Increase Between 2.6% and 4.0%

	FY19		FY20 PROPOSED		\$ CHANGE	
	IN-STATE	OUT-OF-STATE	IN-STATE	OUT-OF-STATE	IN-STATE	OUT-OF-STATE
TUITION						
Seniors	15,674	38,735	15,674	40,089	0	1,354
Juniors	16,370	38,735	16,370	40,089	0	1,354
Sopomores	17,434	38,735	17,434	40,089	0	1,354
New Students	N/A	38,735	17,434	40,089	N/A	1,354
STANDARD FEES						
General Fee	4,527	4,527	4,619	4,619	92	92
Facility Fee	1,303	1,303	1,439	1,439	136	136
Technology Fee	100	100	100	100	0	0
Student Faculty Fee	5	5	5	5	0	0
HEETF Fee	31	62	31	62	0	0
State Building Fee	N/A	540	N/A	540	N/A	0
Subtotal, Standard Fees	\$5,966	\$6,537	\$6,194	\$6,765	\$228	\$228
ROOM AND BOARD						
Room, Wtd. Avq.	7,436	7,436	7,958	7,958	522	522
Board (19 meals)	4,800	4,800	4,968	4,968	168	168
Subtotal, Room and	\$12,236	\$12,236	\$12,926	\$12,926	\$690	\$690
TOTAL COSTS						
Seniors	\$33,876	\$57,508	\$34,794	\$59,780	\$918	\$2,272
Juniors	\$34,572	\$57,508	\$35,490	\$59,780	\$918	\$2,272
Sopomores	\$35,636	\$57,508	\$36,554	\$59,780	\$918	\$2,272
New Students	N/A	\$57,508	\$36,554	\$59,780	N/A	\$2,272

Revenue Considerations - Private Funds

1. STATE GENERAL FUND	2. TUITION AND E&G FEES	3. AUXILIARY REVENUES	4. PRIVATE FUNDS
<ul style="list-style-type: none"> • Strength of the economy and availability of tax revenues • Commonwealth priorities • Competition for scarce resources • Mandated expenses (e.g., Medicaid, K-12, Rainy Day Fund) 	<ul style="list-style-type: none"> • Available state funding for E&G Programs • Change in "cost of education," particularly related to personnel, technology and plant operations • Student Financial Aid under <i>the Promise</i> • Market-data and public comment • Access and affordability 	<ul style="list-style-type: none"> • Must be 100% self-supported (no state funding) • Increases in personnel costs, incl. state-mandated salary and fringe increases • Debt service requirements • Increases in plant operations • Contract inflation escalators • Market data • Access and affordability 	<ul style="list-style-type: none"> • Income earned from Board of Visitors managed endowment • Expendable restricted gifts • Expendable unrestricted gifts

Private Funds Reflect Focus on Philanthropy and Market Performance

- Availability of funds driven by
 - Board's Investment and Spending Policy for Endowment
 - Market Performance
 - Fundraising Activity
 - Donor Preferences (restricted v. unrestricted)
 - Available Fund Balances
- Funds used to supplement E&G and financial aid programs

Revenue Considerations - Grants and Contracts

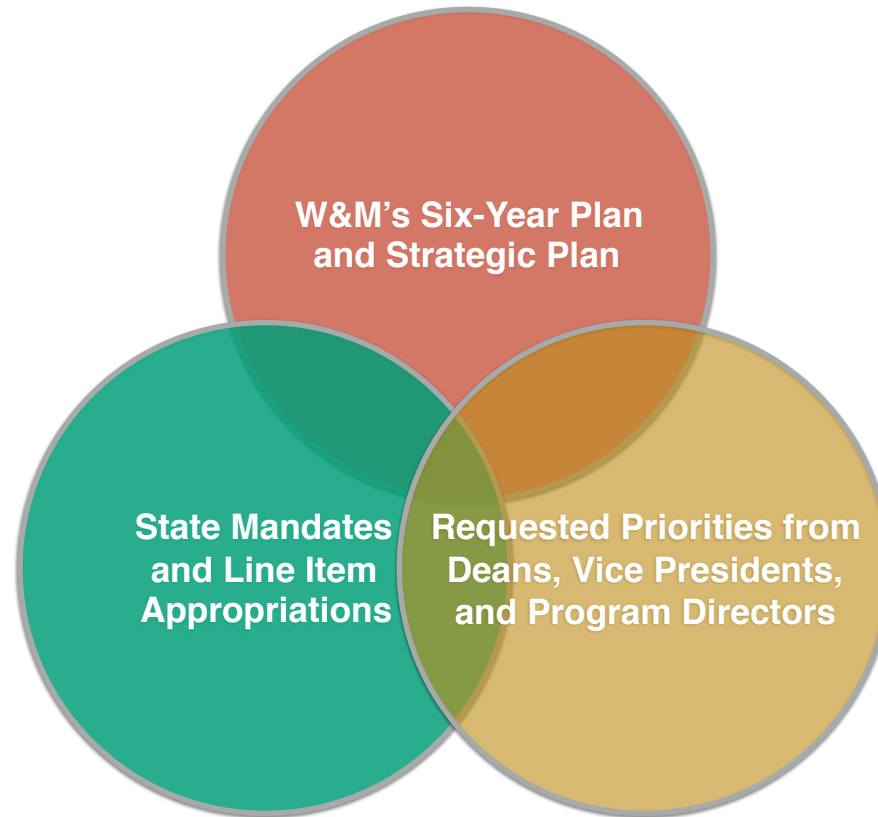
1. STATE GENERAL FUND	2. TUITION AND E&G FEES	3. AUXILIARY REVENUES	4. PRIVATE FUNDS	5. GRANTS AND CONTRACTS
<ul style="list-style-type: none"> • Strength of the economy and availability of tax revenues • Commonwealth priorities • Competition for scarce resources • Mandated expenses (e.g., Medicaid, K-12, Rainy Day Fund) 	<ul style="list-style-type: none"> • Available state funding for E&G Programs • Change in "cost of education," particularly related to personnel, technology and plant operations • Student Financial Aid under <i>the Promise</i> • Market-data and public comment • Access and affordability 	<ul style="list-style-type: none"> • Must be 100% self-supported (no state funding) • Increases in personnel costs, incl. state-mandated salary and fringe increases • Debt service requirements • Increases in plant operations • Contract inflation escalators • Market data • Access and affordability 	<ul style="list-style-type: none"> • Income earned from Board of Visitors managed endowment • Expendable restricted gifts • Expendable unrestricted gifts 	<ul style="list-style-type: none"> • Direct research expenditures covered by a grant • Indirect costs (or facility and administrative cost recoveries) that can be reimbursed from some grant sponsors

Revenue from Grants & Contracts is Expected to Remain Almost Flat for FY20

- Two primary sources of revenues
 - Grant awards, which cover direct research costs (e.g., faculty time and effort, lab technician salaries, graduate research assistants, etc.)
 - Indirect (or Facilities and Administrative) Cost Recoveries are expenses the university incurs to support the direct costs of research which may be reimbursed by grant sponsors

	ESTIMATED FY19 ACTUALS	FY20 PROPOSED BUDGET	\$ CHANGE
REVENUE			
General Fund	167,600	75,000	(92,600)
Grants Awards - Direct Costs	27,350,000	27,000,000	(350,000)
Indirect Cost Recoveries	4,700,00	4,350,000	(350,000)
TOTAL REVENUE	\$32,217,600	\$31,425,000	(\$792,600)
EXPENDITURES	\$32,217,600	\$31,425,000	(\$792,600)

Setting Expense Priorities



Putting the Budget Together - E&G Programs

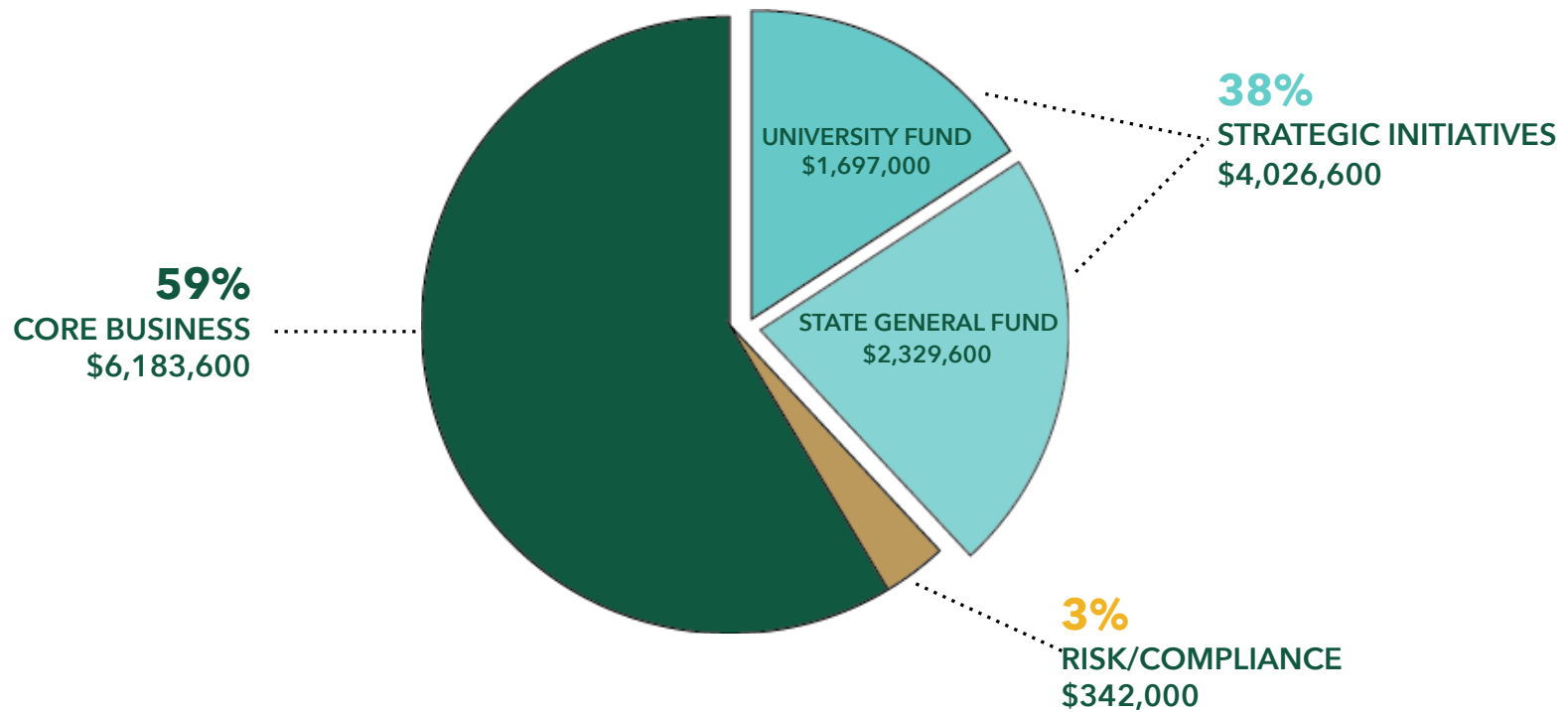
- Incremental E&G revenue is expected to exceed \$10.6 million
 - \$4.6 million in state GF support
 - \$5.4 million in tuition revenue
 - \$500,000 in private funds

Revenue	FY19 ESTIMATED	FY20 PROPOSED BUDGET	CHANGE FROM PRIOR YEAR	
			\$ CHANGE	% CHANGE
General Fund	44,206,000	48,832,000	4,626,000	10.5%
Nongeneral Funds				
Tuition and E&G Fees	162,867,400	168,294,700	5,427,300	3.3%
University Private	12,786,400	13,335,200	548,800	4.3%
Total Revenue	\$219,859,800	\$230,461,900	\$10,602,100	4.8%

Expenditures, by Program	FY19 ESTIMATED	FY20 PROPOSED BUDGET	CHANGE FROM PRIOR YEAR	
			\$ CHANGE	% CHANGE
Instruction	119,555,500	126,182,500	6,627,000	5.5%
Research	2,227,800	2,217,800	(10,000)	-0.4%
Public Service	46,500	46,600	100	0.2%
Academic Support	32,907,700	33,914,300	1,006,600	3.1%
Student Services	10,266,000	10,521,400	255,400	2.5%
Institutional Support	33,985,000	35,073,900	1,088,900	3.2%
Plant Operations	20,766,700	22,497,100	1,730,400	8.3%
Total Expenditures	\$219,755,200	\$230,453,600	\$10,698,400	4.9%

Proposed Increase in E&G Expenditures Reflect University Priorities

FY20 Incremental E&G Spend
(\$10.6 million)



Core Investments Focus on Employee Salaries and Set the Minimum Wage at \$12

- FY20 proposed budget includes \$5.9 million in increases for employee compensation and graduate students stipends
 - 3% state-mandated, across-the-board increase for faculty, *contingent on FY19 general fund revenues meeting forecast*
 - 3% across-the-board increase for operational staff and wage employees
 - The state-mandated a 2.75% increase for staff, *contingent on FY19 general fund revenues meeting forecast*. Recommend providing an additional 0.25% to bring all non-classified positions (salaried and wage) up to 3%, consistent with faculty
 - State mandate requires an additional 2.25% merit pool for classified staff only
 - Funding to increase the minimum hourly wage rate from \$10.61 per hour currently to \$12 per hour effective July 1, 2019
 - \$200,000 to increase graduate student stipends in Art & Sciences and Education

Strategic Investments Focus on Academics, Planning, Positioning, and People

- FY20 proposed budget includes \$2.9 million for investments in academic programs, including
 - Increasing production of high-demand degrees
 - Creation of a bachelor's in data science
 - Support for the Veteran's Counseling Program within the School of Education
 - Funding to put the first-year graduate public policy curriculum online
 - Academic transition support
 - Second year funding for the RBC Promise Scholars Program
- \$1.2 million in investments for planning, positioning, and people, including
 - Expanding Admissions Office outreach
 - Conducting pre-planning study for the Studio for Teaching & Learning Innovation (2020 - 2022 Biennium of Six-Year Capital Plan)
 - Conducting a compensation market survey
 - Performance-based bonus pool for faculty and operational staff
 - Classified staff are eligible for 2.25% merit-based salary increase

Funding is Also Provided for Compliance and Risk Mitigation

- Upgrade of W&M's Emergency 911 Radio System
- Enhancements to Web Accessibility, consistent with ADA requirements
- Support for Employee Compliance Database
- Funding for risk assessment in IT and Finance

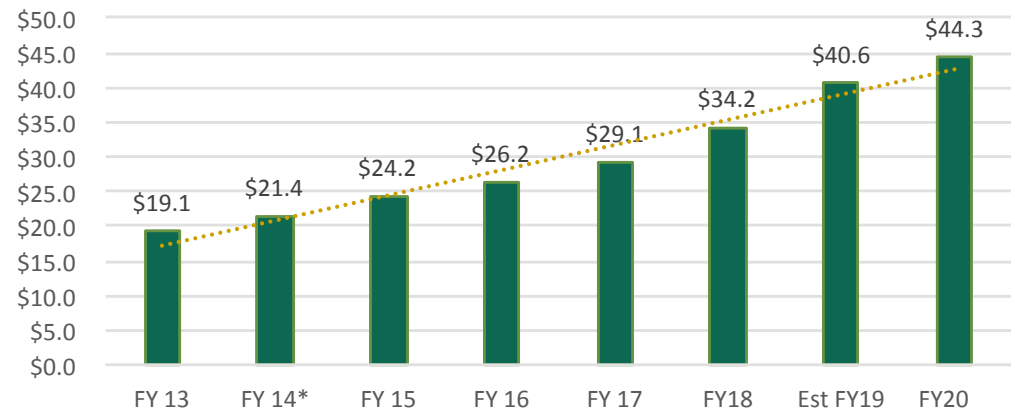
Investment in Financial Aid Remains a Priority

Total Need-Based Financial Aid Will Exceed
\$53.6 million in FY20

	ESTIMATED FY19 ACTUALS	FY20 PROPOSED BUDGET	\$ CHANGE
REVENUE			
State General Fund	4,515,100	4,904,500	389,400
Tuition Revenue*	40,563,500	43,301,500	2,738,000
Auxiliary Enterprises	900,000	900,000	0
Private Funds	4,100,100	4,524,200	424,100
TOTAL REVENUE	\$50,078,700	\$53,630,200	\$3,551,500
EXPENDITURES	\$50,078,700	\$53,630,200	\$3,551,500

*Excludes tuition waivers

Undergraduate Financial Aid Has More than Doubled Since
Inception of the Promise
(\$ in millions)



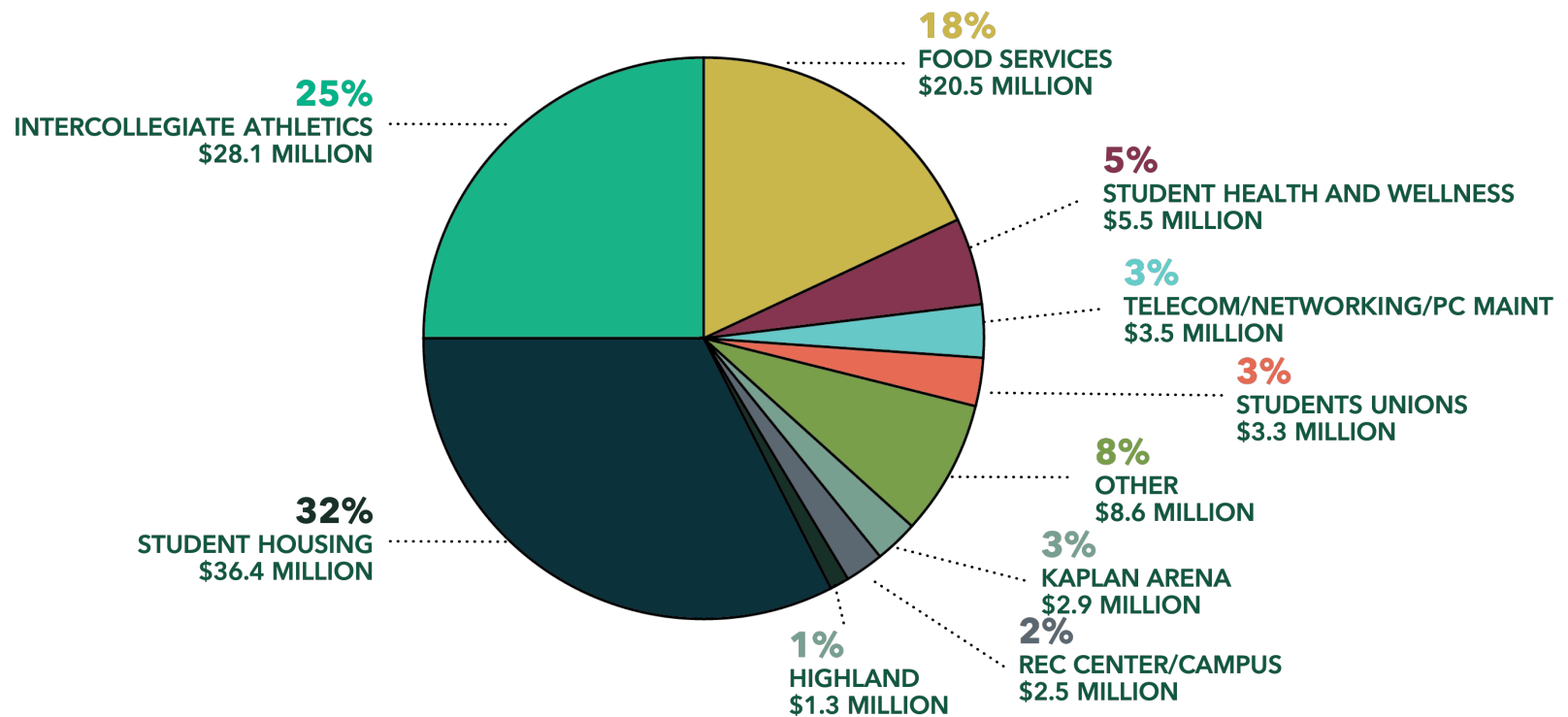
*FY14 was the first year of the William & Mary Promise

Priorities in Auxiliary Services Focused on Affordability

- The proposed FY20 budget for auxiliary services balances mandated cost escalations (e.g., salary actions, debt service, and inflationary increases in contracted services) with affordability concerns for students and families
 - Fee increases were limited primarily to unavoidable cost increases
 - Availability of fee revenue required (re-)prioritization of programmatic activities

	PARAMETERS	PROPOSED FY20 ACTION
W&M Public Comment Posted Range	2% - 4% increase in mandatory non-E&G fees contemplated	Actual FY20 = 3.9%
Appropriation Act Guidance	Not to exceed 3% excluding state-mandated compensation actions, state approved debt service, and student health	Effective increase with authorized exclusions = 0.03%
Code of Virginia Requirements for Athletics Fees	University subsidy (including fee increase) cannot be increased at a rate greater than increases in other athletics revenue, based on a five-year rolling average	<ul style="list-style-type: none"> - FY20 athletics fee increase = 0.5% - Projected increase in other FY20 revenue = 8.7% - Meets five-year rolling average criteria

Housing, Dining, and Athletics Comprise 75% of Auxiliary Expenditures



FY20 Total Expenditures = \$112.5 million

FY20 Proposed Operating Budget for Board Approval

			CHANGE FROM PRIOR YEAR	
	FY19 ESTIMATED ACTUALS	FY20 PROPOSED BUDGET	\$ CHANGE	% CHANGE
State General Fund	48,888,800	53,811,500	4,922,700	10.1%
Tuition and E&G Fees	203,430,900	211,596,100	8,165,200	4.0%
Grants & Contracts	32,050,000	31,350,000	(700,000)	-2.2%
University Private Funds ²	18,623,500	17,859,400	(764,100)	-4.1%
Auxiliary Revenue ³	112,677,300	113,804,000	1,126,700	1.0%
Total Revenue	\$415,670,500	\$428,421,000	\$12,750,500	3.1%

			CHANGE FROM PRIOR YEAR	
Expenditures, by Program ¹	FY19 ESTIMATED ACTUALS	FY20 PROPOSED BUDGET	\$ CHANGE	% CHANGE
Instruction	119,555,500	126,182,500	6,627,000	5.5%
Research	2,227,800	2,217,800	(10,000)	-0.4%
Public Service	46,500	46,600	100	0.2%
Academic Support	32,907,700	33,914,300	1,006,600	3.1%
Student Services	10,266,000	10,521,400	255,400	2.5%
Institutional Support	33,985,000	35,073,900	1,088,900	3.2%
Plant Operations	20,766,700	22,497,100	1,730,400	8.3%
Financial Aid	50,078,700	53,630,200	3,551,500	7.1%
Sponsored Programs	32,217,600	31,425,000	(792,600)	-2.5%
Auxiliary Services	110,075,200	112,504,400	2,429,200	2.2%
Total Expenditures	\$412,126,700	\$428,013,200	\$15,886,500	3.9%

¹ Total revenues and expenditures exclude the Virginia Institute of Marine Science and funds maintained in university-affiliated foundations

² University Private Funds includes current year revenue of \$18.6 million in FY19. In FY20, University Private Funds include projected current year revenue of \$14.7 million plus \$3.1 million from beginning fund balance.

³ Auxiliary Revenues include \$900,000 generated in support of student financial aid.

Resolution 26 - FY20 Operating Budget Proposal

THEREFORE, BE IT RESOLVED, that the Board of Visitors of The College of William & Mary in Virginia approves the FY20 Operating Budget of the university as displayed herein.

Resolution 27 - Revise FY20 Tuition Rate for Incoming In-State Undergraduates

THEREFORE, BE IT RESOLVED, that the Board of Visitors of The College of William & Mary in Virginia, on the recommendation of the President, and after soliciting public comment, recognizes and supports the Commonwealth's allocation of state funds to moderate FY20 tuition increases for in-state undergraduate students;

BE IT FURTHER RESOLVED, that the Board reverses its November 2018 action to increase tuition for incoming in-state undergraduate students, maintains the FY19 tuition rate of \$17,434 for these students with no increase in E&G fees and guarantees that rate for four years.

BE IT FURTHER RESOLVED, that consistent with the *William & Mary Promise* continuing in-state undergraduates would see no increase in tuition for FY20.

Resolution 28 - FY20 Tuition and Fee Structure for Full and Part-Time Students

THEREFORE, BE IT RESOLVED, that the Board of Visitors of The College of William & Mary in Virginia approves the Tuition and Fees outlined in Tables 1-8 for FY20. Pursuant to Section 23.1-1301 A.5., Code of Virginia, the Board further delegates authority to the Provost and Senior Vice President for Finance and Administration to establish: 1) course fees as needed to offset materials, supplies or additional course-specific costs not covered by general tuition and fees, and 2) special programs fees for study abroad programs, online programs, certificate or other professional programs.