



WILLIAM
& MARY

CHARTERED 1693

Committee on Financial Affairs

*Board of Visitors
September 26, 2019*



2020-2026 W&M Six-Year Plan

Resolution 19

Six-Year Plan Process Set by the State

- Required by the 2011 Higher Education Opportunity Act
 - Submitted in odd years and updated in even years
- ***Emphasizes upcoming biennium (FY21 and FY22)***
 - Draft plan submitted to SCHEV by July 1
 - Presentation to the “Op Six” Committee in August
 - “Op Six” provides comments/questions by Labor Day
 - BOV reviews, amends (if needed), and approves
 - Final Plan submitted no later than October 1
- ***Focuses on use of incremental tuition revenue***
- VIMS submits separately



W&M's Plan Aligns with State Priority on Affordability

- Ensures predictability of tuition and fees
 - Modified Tuition Guarantee for in-state undergraduates
 - Maintains predictability and reduces tuition escalation over time
 - Annual tuition increases not to exceed 3%
 - Limits on fee increases already established by the state
- Maintains access to low- and middle-income Virginians
 - Continues to grow institutional support for need-based undergraduate students



Plan Responds to State Workforce Needs

- Plan recognizes the need to expand the talent pipeline
 - Continues commitment to serve Virginia students
 - Aligns growth in in-state undergraduate enrollment to growth in Virginia high school graduates
- Key initiatives tied to state and regional economic development
 - Continued expansion of data science program
 - Launch of professional Master's of Computer Science
 - New internship program for undergraduates
 - Faculty Industry-Partners Fellows Program



Final Plan Includes Three New Components

1. Faculty Industry-Partners Fellows Program
 - Pilot program to embed 5 faculty in regional/state industries
 - Brings faculty expertise to companies and “real world” experience to faculty to enhance curriculum and improve student mentorship
2. Expedited Annual Program Approval
 - Recognizes need to develop academic programs that respond more readily to workforce needs and provide alternative learning modalities and timelines for students
3. Annual Economic Development Report

Incremental Tuition Revenue Will Be Used to Support W&M's Top Priorities

SOURCES	CHANGES OVER FY20 BASE BUDGET	
	FY21	FY22
Incremental New Tuition Revenue	\$8.67	\$19.69
USES		
Need-based Student Financial Aid	\$2.52	\$5.33
Institutional Share of 3% Faculty and Staff Increases	4.64	9.40
Fringe Benefit/Inflationary Increases	0.33	1.19
Professional Master's Programing Computer Science	0.38	0.69
Student Internships	0.30	0.37
IT Infrastructure Investments	0.20	0.72
O&M for New Facilities	0.20	1.29
Library Resource Enhancements	0.10	0.20
Studio for Teaching & Learning ¹	0.00	0.10
Graduate Student Stipends	0.00	0.25
Regional Development & Entrepreneurship	0.00	0.15
Total, Uses	\$8.67	\$19.69

¹ Excludes \$1.04 million in reallocated resources beginning in FY20

*Excludes Private Funds

Op Six Responses Focused on Statewide Issues, Including Affordability

Requests for All Institutions

- Provide more detailed information for any new programs the institution plans to seek approval for over the next two years
- What is the institution doing to prepare for an economic downturn?

Specific Questions for W&M

- Provide detailed calculations as to the level of state support required to maintain in-state, undergraduate tuition at current levels in FY21 and FY22
- Provide information on how W&M allocated institutional financial aid



2020-2022 Biennium Operating Budget Request

Resolution 20-R

State Revenue Growth Remains Strong, but Significant Expenses Are Expected

- FY19 ended \$797.9 or 3.8% above forecast
 - \$344.4 million will be directed to the Revenue Stabilization Fund and the Revenue Reserve
 - Taxpayer Relief Refunds will be issued no later than October 15
- Early estimates suggest \$1.2 billion will be needed in the 20-22 biennium to cover:
 - Medicaid forecast,
 - K-12 Standards of Quality Rebenchmarking, and
 - Virginia Retirement System contributions.
- Revenue forecast will be completed in late November/early December
- Governor's priorities in higher education are likely to focus on tuition predictability, financial aid, deferred maintenance, free community college

W&M Submitted 5 Operating Budget Requests

1. Continue to expand Data Science Major

- \$380,000 GF and 2 faculty FTE in each year

2. Expand Student Internship Opportunities

- \$401,900 GF in FY21 and \$466,700 GF in FY22 to provide 50% matching funds and 1 staff FTE to administer program
- Anticipate program will place 70 students in the first year and 85 students in the second year

3. Create Faculty Industry-Partners Fellows Program

- \$200,000 GF each year to support faculty costs while participating in fellowship program

4. Provide state share of O&M for new facilities coming online

- \$77,800 GF in FY21 and \$507,700 GF in FY22 for the Alumni House and Fine & Performing Arts, Phase 1 and 2

5. Research contracts with nonprofit organizations (Language amendment)

- Allows higher education institutions to enter into research contracts containing binding arbitration and application of laws of other jurisdictions with nonprofit organizations



Revisions to the Investment and Spending Policy for Endowment

Resolution 21