



Proposed  
2008-09 University Budget Plan  
and  
Tuition and Fees

University of Mary Washington

Board of Visitors

May 9, 2008

# **We are seeking the Board's approval of the University Budget Plan and tuition and fees for 2008-09.**

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- The proposed budget covers the period from July 1, 2008 to June 30, 2009.
- The proposed tuition and fee rates will apply to the Fall 2008, Spring 2009 and Summer 2009 terms.

# The budget is balanced. Revenue and budgeted uses are expected to total \$90.9 million in 2008-09.

	2007-08 Budget	2008-09 Budget Plan	Change
<b>Sources</b>			
State General Funds*	\$ 24,752,994	\$ 25,991,551	5.0%
Nongeneral Funds			
Student Tuition and Fees	\$ 38,400,396	\$ 39,962,896	4.1%
Sales and Services			
Housing	9,830,335	10,502,335	6.8%
Dining	6,977,227	7,472,227	7.1%
Bookstore	2,922,300	2,952,300	1.0%
Grants and Contracts	1,090,328	1,090,328	0.0%
Other Sources	2,808,000	2,961,000	5.4%
Total Nongeneral Funds	<u>\$ 62,028,586</u>	<u>\$ 64,941,086</u>	4.7%
<b>Total Sources</b>	<b>\$ 86,781,580</b>	<b>\$ 90,932,637</b>	<b>4.8%</b>
<b>Uses</b>			
Instruction	\$ 27,685,000	\$ 28,807,448	4.1%
Public Service	706,755	725,511	2.7%
Academic Support	7,351,712	7,888,976	7.3%
Student Services	4,753,024	4,793,373	0.8%
Institutional Support	7,723,370	8,109,008	5.0%
Operation and Maintenance of Plant	5,755,196	6,064,651	5.4%
Scholarships and Fellowships	3,045,519	3,418,143	12.2%
Auxiliary Enterprises	28,667,495	30,018,553	4.7%
Museums & Cultural Services	1,093,509	1,106,974	1.2%
<b>Total Uses</b>	<u><b>\$ 86,781,580</b></u>	<u><b>\$ 90,932,637</b></u>	<b>4.8%</b>
<b>Budget Balance</b>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	

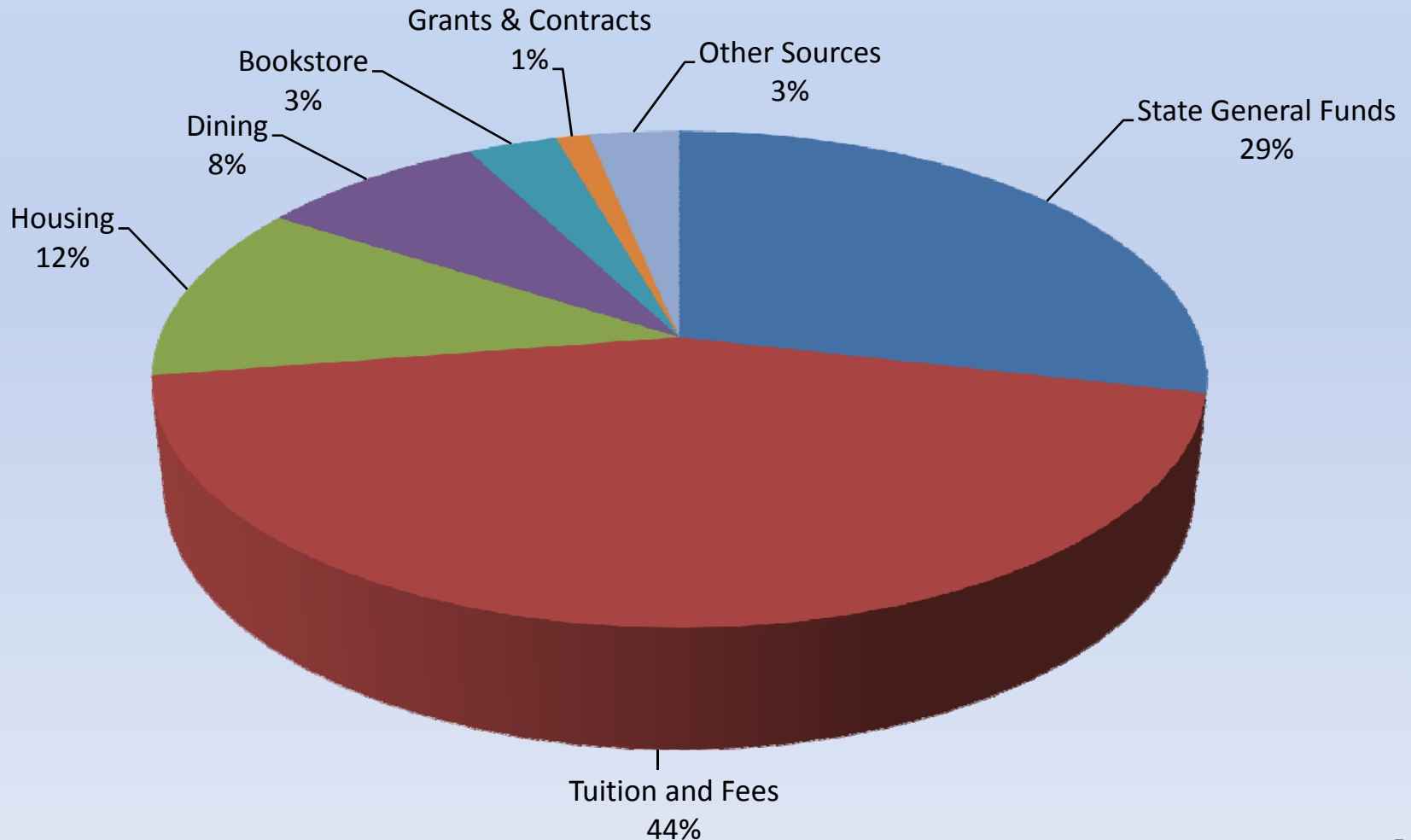
\* Includes both direct appropriations and estimated central transfers for 2008-09.

# Key factors affecting the revenue side of the budget include...

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- State appropriations
- Tuition and fee rates
- Student enrollment

# Less than 30% of UMW's revenue is from state general funds...



# State appropriations – General Funds

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- Compensation
  - State provides about 45% of the cost of salary and fringe benefit changes authorized by the General Assembly
    - General funds provided only for employees in E&G programs, Belmont and James Monroe Museum and Library
    - Annualize 4% faculty and staff increases from November 2007
    - Partial year cost of 2% increases for November 2008
- Base adequacy
  - SCHEV calculation
    - UMW total shortfall of \$2.4 million for 2007-08
    - \$149,857 in general funds added in 2008-10

# State appropriations – General Funds (cont'd)

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- Continuation of 2007-08 state budget cut
  - General fund reduction of \$1,463,347
- Additional funding for student financial assistance
  - Need-based, undergraduate aid for in-state students
  - 7% increase - \$92,624
  - \$1.4 million total funding for 2008-09

# Tuition and Fee revenue

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- Tuition Moderation Fund
  - 4% increase cap for in-state undergraduates
  - Potential general fund allocation
- Fall 2008 student enrollment projection
  - 5,017 total headcount for Fall 2008
  - Slightly higher than Fall 2007 of 5,001
  - Lower in projected out-of-state students by 29

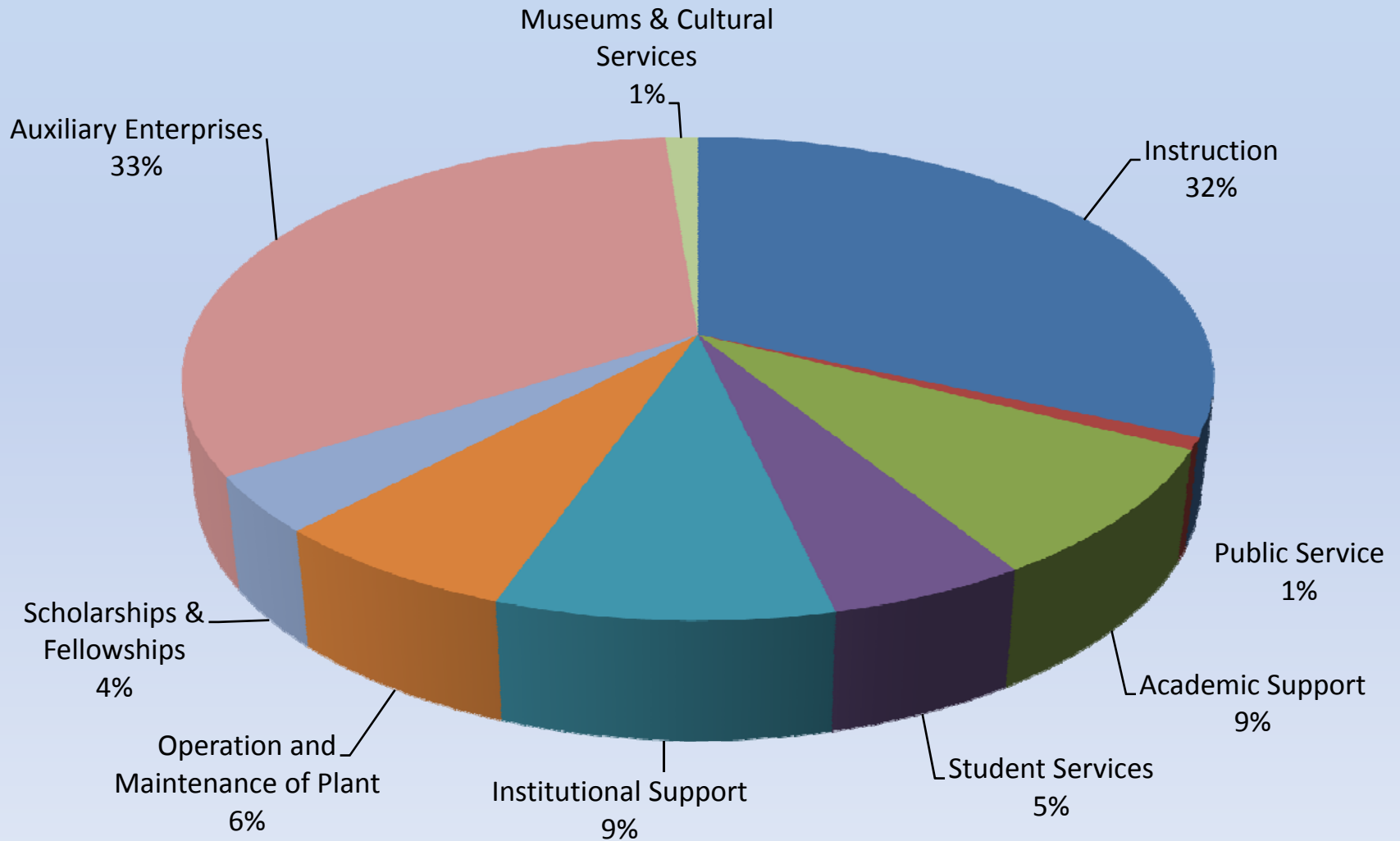


# Key factors affecting the expenditure side of the budget include...

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- Compensation increases
- Additional support for instructional programs
- Student financial assistance program increases
- Unavoidable cost increases

More than 40% of the total budget is related to direct instruction and academic support services...

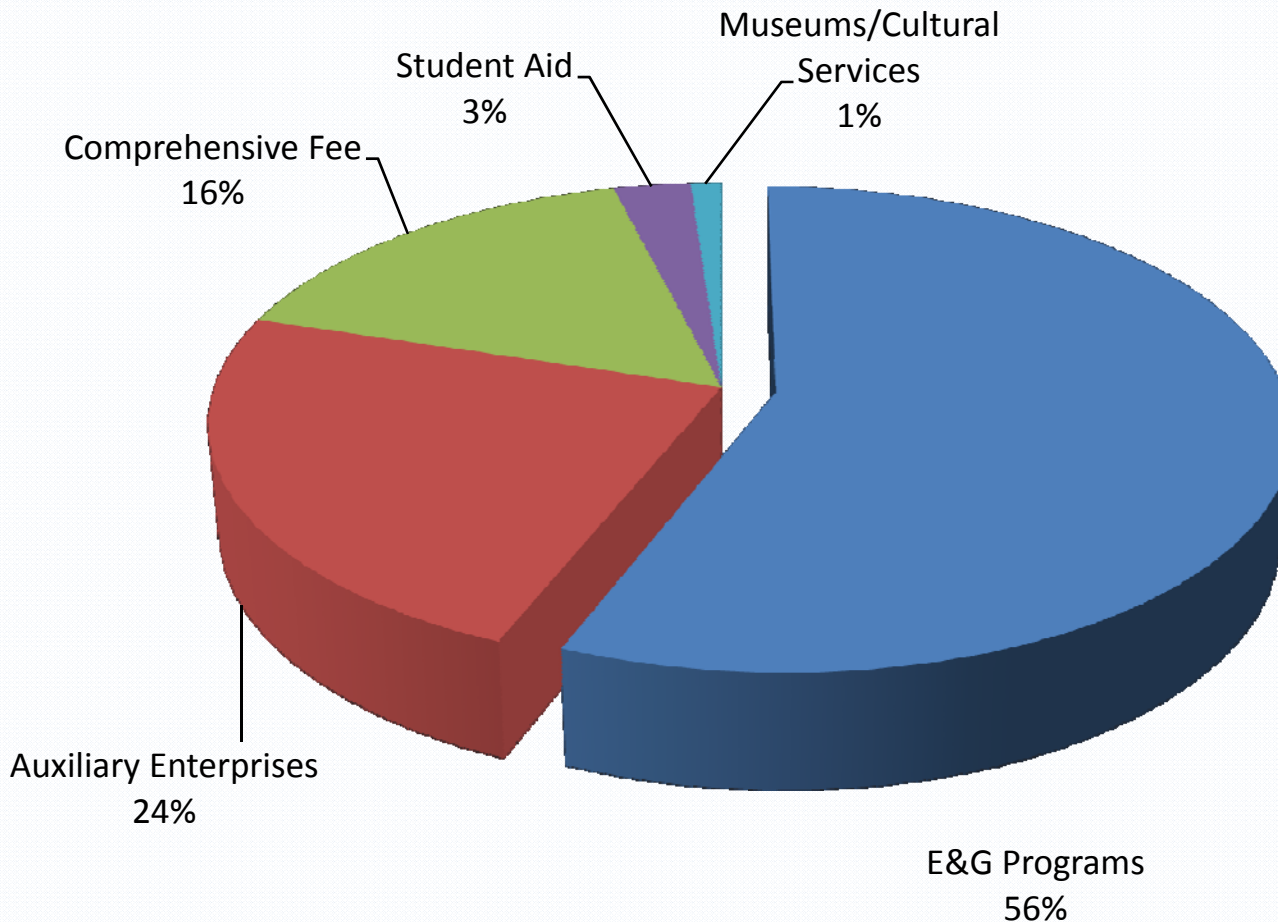


# Our discussions today will focus on the five programs in the University's operating budget...

FY 2008-09 Sources	Educational & General Programs	Auxiliary Enterprises	Comp Fee	Student Financial Assistance	Museums & Cultural Services	Total University	Change from 2007-08 Budget		
							Amount	Percent	
<b>State General Fund</b>									
Direct Appropriations	\$ 23,062,992	\$ -	\$ -	\$ 1,412,215	\$ 665,344	\$ 25,140,551	\$ 1,552,492	6.6%	
Central Transfers	782,535	-	-	55,000	13,465	851,000	(313,935)	-26.9%	
<b>Total General Fund</b>	\$ 23,845,527	\$ -	\$ -	\$ 1,467,215	\$ 678,809	\$ 25,991,551	\$ 1,238,557	5.0%	
<b>Nongeneral Funds</b>									
Student Tuition and Fees	\$ 26,173,424	\$ -	\$ 13,789,472	\$ -	\$ -	\$ 39,962,896	\$ 1,562,500	4.1%	
Grants and Contracts	-	-	-	1,090,328	-	1,090,328	-	0.0%	
Sales and Services	-	20,926,862	-	-	-	20,926,862	1,197,000	6.1%	
Other Revenues	1,039,000	606,000	980,000	-	336,000	2,961,000	153,000	5.4%	
<b>Total Nongeneral Funds</b>	\$ 27,212,424	\$ 21,532,862	\$ 14,769,472	\$ 1,090,328	\$ 336,000	\$ 64,941,086	\$ 2,912,500	4.7%	
<b>Total University Sources</b>	\$ 51,057,951	\$ 21,532,862	\$ 14,769,472	\$ 2,557,543	\$ 1,014,809	\$ 90,932,637	\$ 4,151,057	4.8%	
<b>FY 2008-09 Uses</b>									
Instruction	\$ 28,527,823	\$ -	\$ 279,625	\$ -	\$ -	\$ 28,807,448	\$ 1,122,448	4.1%	
Research and Public Service	377,581	-	347,930	-	-	725,511	18,756	2.7%	
Academic Support	7,217,453	-	671,523	-	-	7,888,976	537,264	7.3%	
Student Services	3,494,851	-	1,298,522	-	-	4,793,373	40,349	0.8%	
Institutional Support	6,560,092	-	1,548,916	-	-	8,109,008	385,638	5.0%	
Operation and Maintenance of Plant	4,880,151	-	1,184,500	-	-	6,064,651	309,455	5.4%	
Scholarships and Fellowships	-	-	860,600	2,557,543	-	3,418,143	372,624	12.2%	
Auxiliary Enterprises									
University Housing	-	8,091,983	410,000	-	-	8,501,983	309,862	3.8%	
Dining Services	-	4,681,222	-	-	-	4,681,222	210,000	4.7%	
Bookstore	-	3,052,943	-	-	-	3,052,943	190,443	6.7%	
Other Services	-	5,706,714	8,075,691	-	-	13,782,405	640,753	4.9%	
Subtotal - Auxiliary Enterprises	-	21,532,862	8,485,691	-	-	30,018,553	1,351,058	4.7%	
Museums and Cultural Services									
Belmont	-	-	63,575	-	769,819	833,394	9,969	1.2%	
James Monroe Museum & Library	-	-	28,590	-	244,990	273,580	3,496	1.3%	
Subtotal - Museums/Cultural Services	-	-	92,165	-	1,014,809	1,106,974	13,465	1.2%	
<b>Total University Uses</b>	\$ 51,057,951	\$ 21,532,862	\$ 14,769,472	\$ 2,557,543	\$ 1,014,809	\$ 90,932,637	\$ 4,151,057	4.8%	

# **Educational & General Programs (E&G)**

# More than one-half of the budget is in E&G programs...



# Educational and General Programs (E&G)

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- Core instructional programs and related support services.
- Primary sources of support come from general fund appropriations and student tuition and fees.
- \$51.1 million budget for 2008-09
  - 4.3% increase over 2007-08 (\$2.2 million)

# Key features of the proposed 2008-09 E&G budget include...

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- Annualization of the November 2007 faculty and staff salary increase
- Funding for the November 2008 salary increases
- Support for the federal minimum wage increase
- New faculty positions in New Media, GIS, Public Policy
- Purchase of additional Internet bandwidth
- Unavoidable cost increases
  - Operating costs for additional space in Lee Hall
  - Utilities and fuel
  - Lease costs for William Street house and Centre Court

# Continuation of this year's \$1.5 million state cut is also affecting the 2008-09 E&G budget...

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- 2007-08 mid-year cut was addressed with a number of one-time actions
  - Requires additional reduction strategies for 2008-09
  - Savings targets of about \$0.9 million will be applied across the E&G budget
  - About \$0.6 million will be addressed from projected revenue growth
    - Base adequacy funding
    - Allocation from Tuition Moderation Fund
    - Tuition and fee rate increases

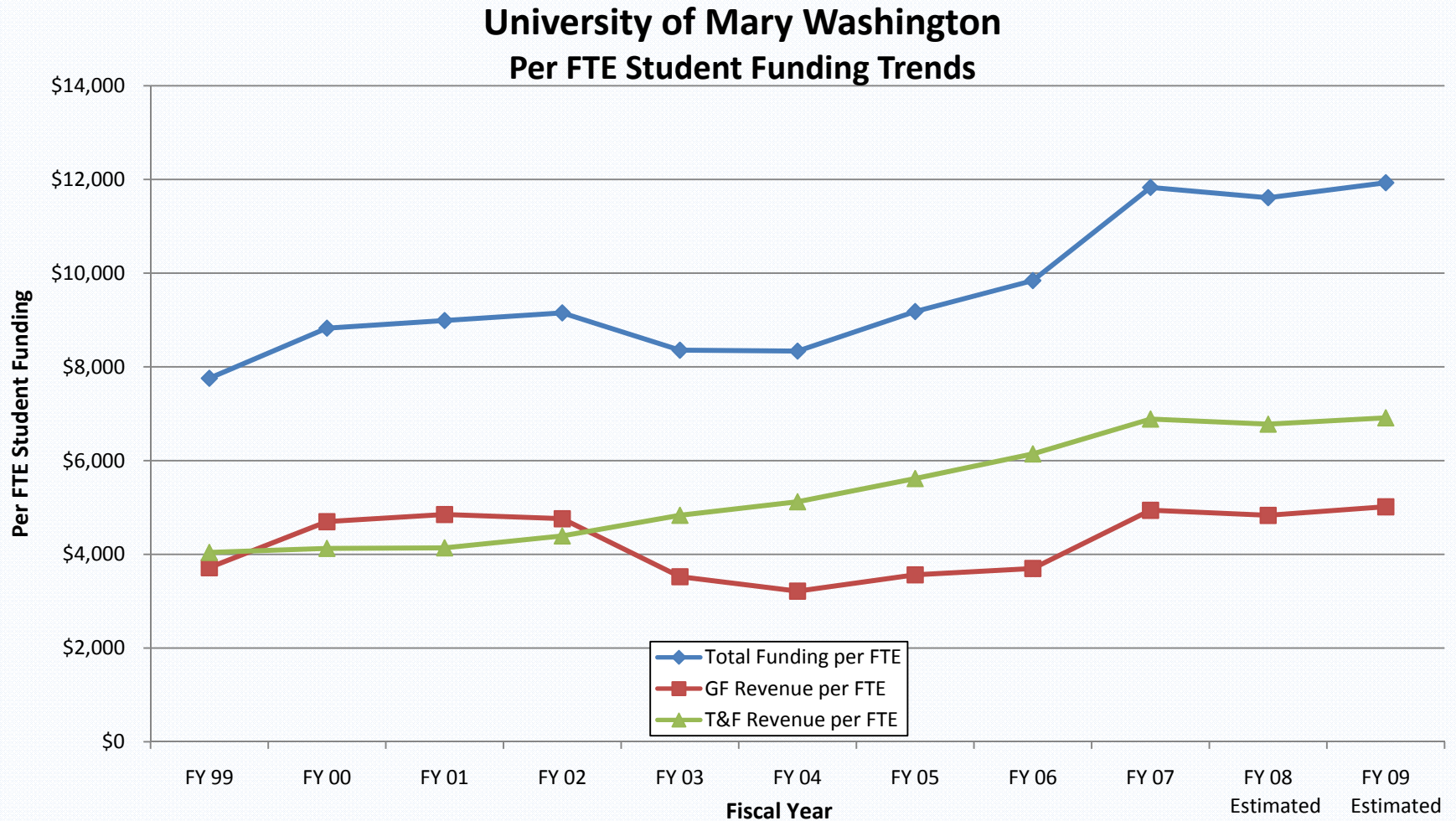


# Key E&G budget reduction strategies include...

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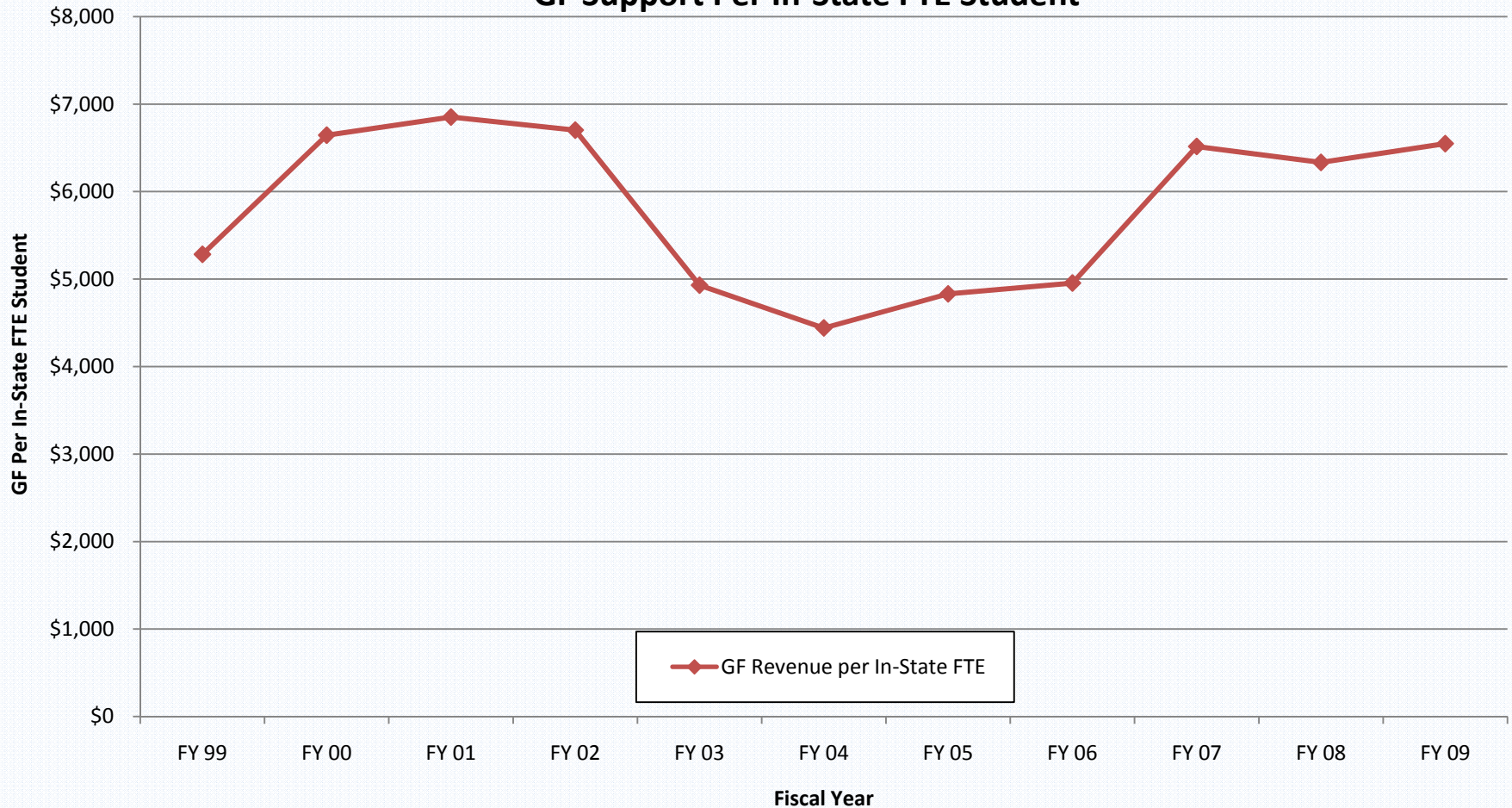
- Turnover and vacancy savings
- Selected position freezes (excluding Campus Police)
- Reduce travel
- Reduce faculty development allocation by \$100
- Reduce general operating budgets
- Utilize more email communications to save mailing costs
- Reduce printing and shift to more on-line resources

# Overall, per FTE student funding is up slightly in the 2008-09 proposed budget...



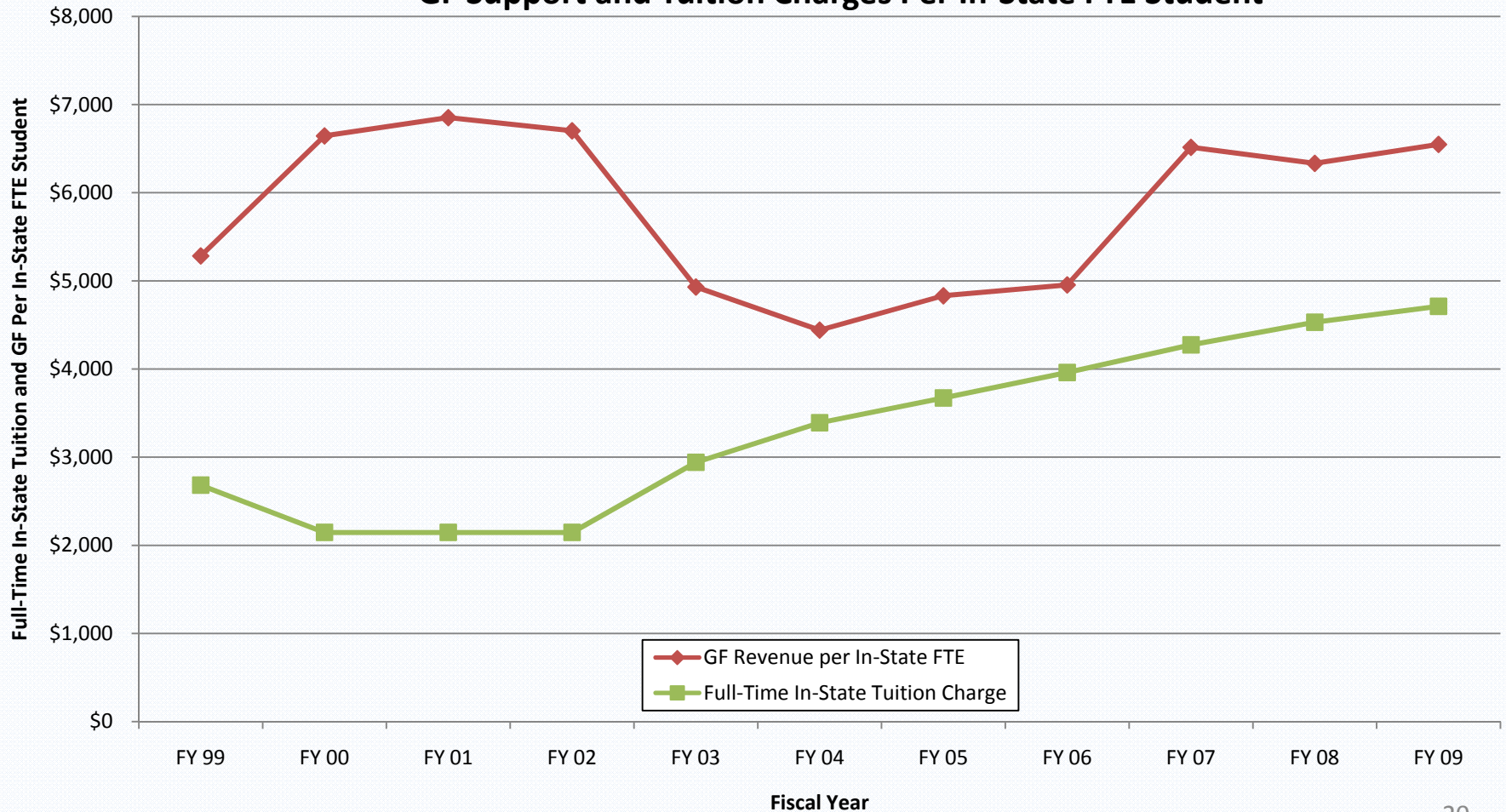
# State support on a per FTE basis for in-state students...

**University of Mary Washington  
GF Support Per In-State FTE Student**



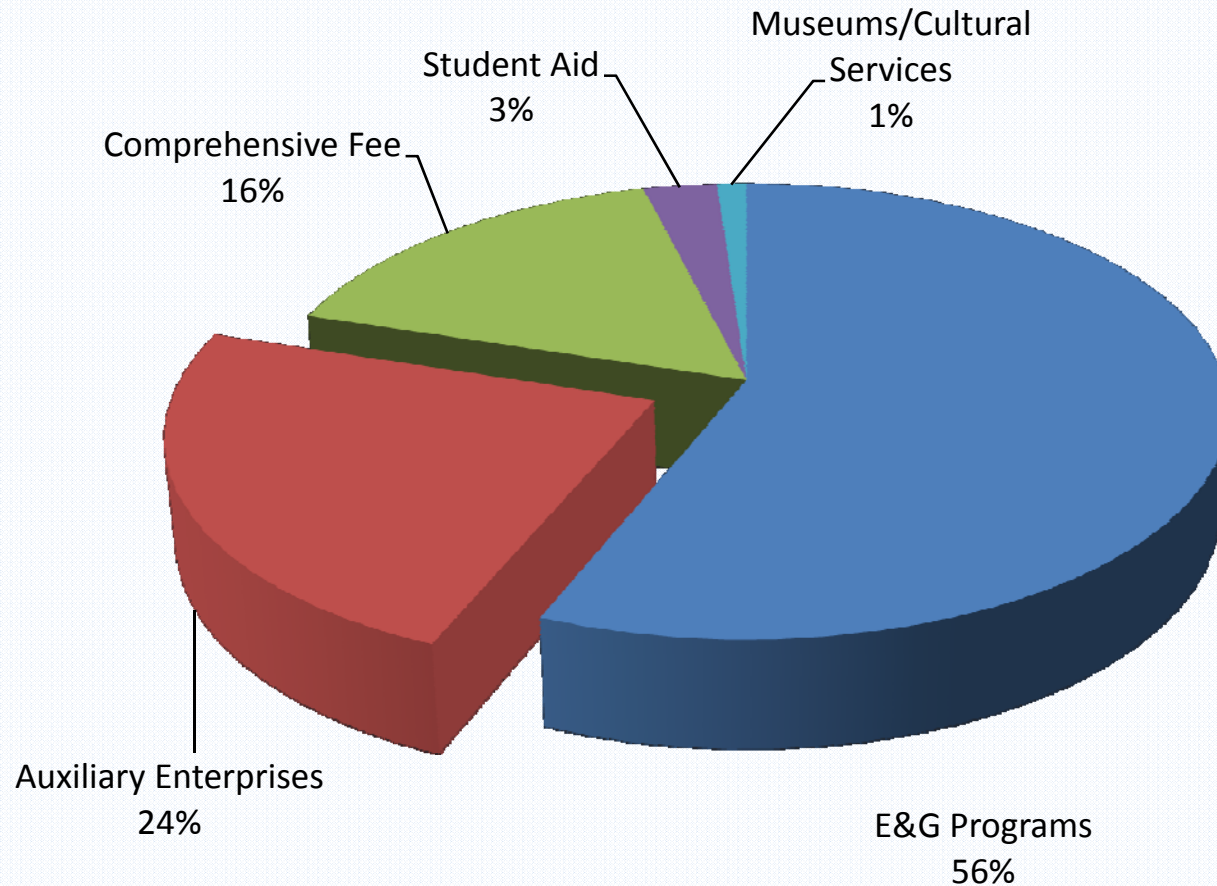
...has a significant impact on tuition charges.

**University of Mary Washington**  
**GF Support and Tuition Charges Per In-State FTE Student**



# **Auxiliary Enterprise Programs**

# Nearly one quarter of the budget supports auxiliary enterprises...



# Auxiliary Enterprise Programs

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- Self-supporting services provided to students, faculty and staff
  - Dining, University housing, bookstore, recreation, intercollegiate athletics, student life operations, student activities, UMW Galleries, network and communication services
- Receives no general fund (state taxpayer support)
- \$21.5 million budgeted for 2008-09
- Reflects 2008-09 proposed rates for University housing and dining

# Key features of the proposed 2008-09 budget for auxiliary enterprises include...

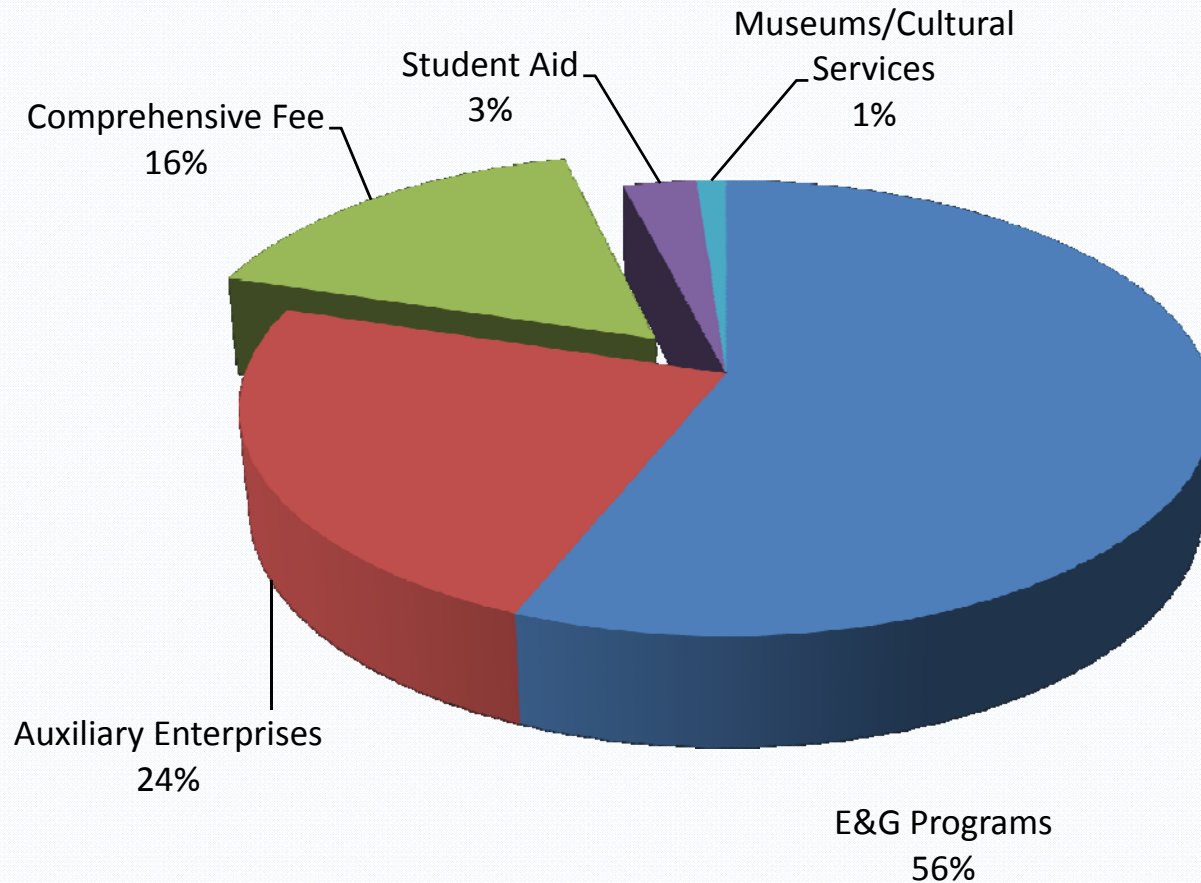
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- Annualization of the November 2007 salary increase
- Funding for the November 2008 salary increases
- Support for the federal minimum wage increase
- Funding for meals for student athletes during University closings
- Increase in debt service
  - \$5 million bond issuance for residence halls renovations
- Unavoidable cost increases
  - Cost of goods for bookstore operations
  - Contractual cost increases – dining services
  - Indirect cost recoveries



# Comprehensive Fee

# The third largest piece of the University budget is supported by the Comprehensive Fee...



# Comprehensive Fee

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- Mandatory fee charged to all students
- Two components of the fee (2007-08 charge is \$3,238)
  - E&G is about 40% or \$1,274 (full-time, academic year)
  - Auxiliary is 60% or \$1,964 (full-time, academic year)
- The state views the E&G portion of the Fee as tuition
  - State tuition restrictions apply to the E&G portion of the Comp Fee
  - State restrictions regarding mandatory non-E&G fees apply to the auxiliary portion of the Comp Fee
- \$14.8 million budget for 2008-09

# The Comp Fee budget supports a wide variety of instructional, student, and University programs...

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- Admissions
- Scholarship for Excellence
- Orientation and Programming
- Student Clubs/Recreation/Athletics
- James Farmer Visiting Professor
- Faculty development grants
- Undergraduate research program
- Special Events / Commencement
- Facilities – utilities, improvements, debt service
- Information Technology
- News and Information, Development, Alumni Relations

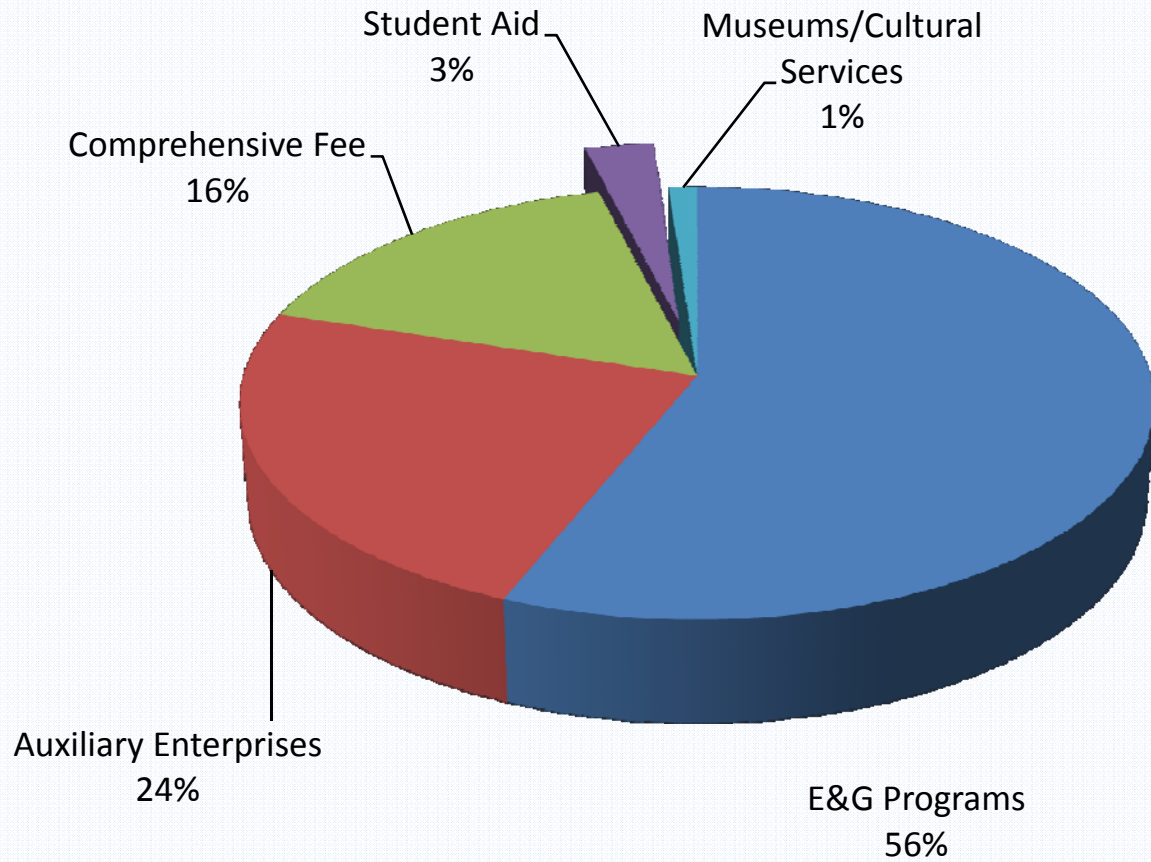
# Key features of the proposed 2008-09 Comp Fee budget include...

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- Annualization of the November 2007 salary increase
- Funding for the November 2008 salary increases
- Scholarship for Excellence
  - New freshman class
  - Final year of four-year phase-in
  - Total of \$800,000
- New women's soccer coach
- Unavoidable cost increases
  - Utilities
  - Debt service for Goolrick Field improvements
  - Fire alarm monitoring system – Brent Hall

# **Student Financial Assistance**

# About 3% of the budget is for student financial assistance programs...



# Student Financial Assistance

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- Provides support for scholarships and grants awarded to students
- Key programs include:
  - Virginia Student Financial Assistance Program
  - Federal Pell Grant Program
  - Supplemental Educational Opportunity Grants (SEOG)
  - College Scholarship Assistance Program (federal and state)
  - ACG and SMART Grants (federal)
  - Work study and student employment
- \$2.6 million budget for 2008-09
  - Excludes about \$14 million in student loan programs



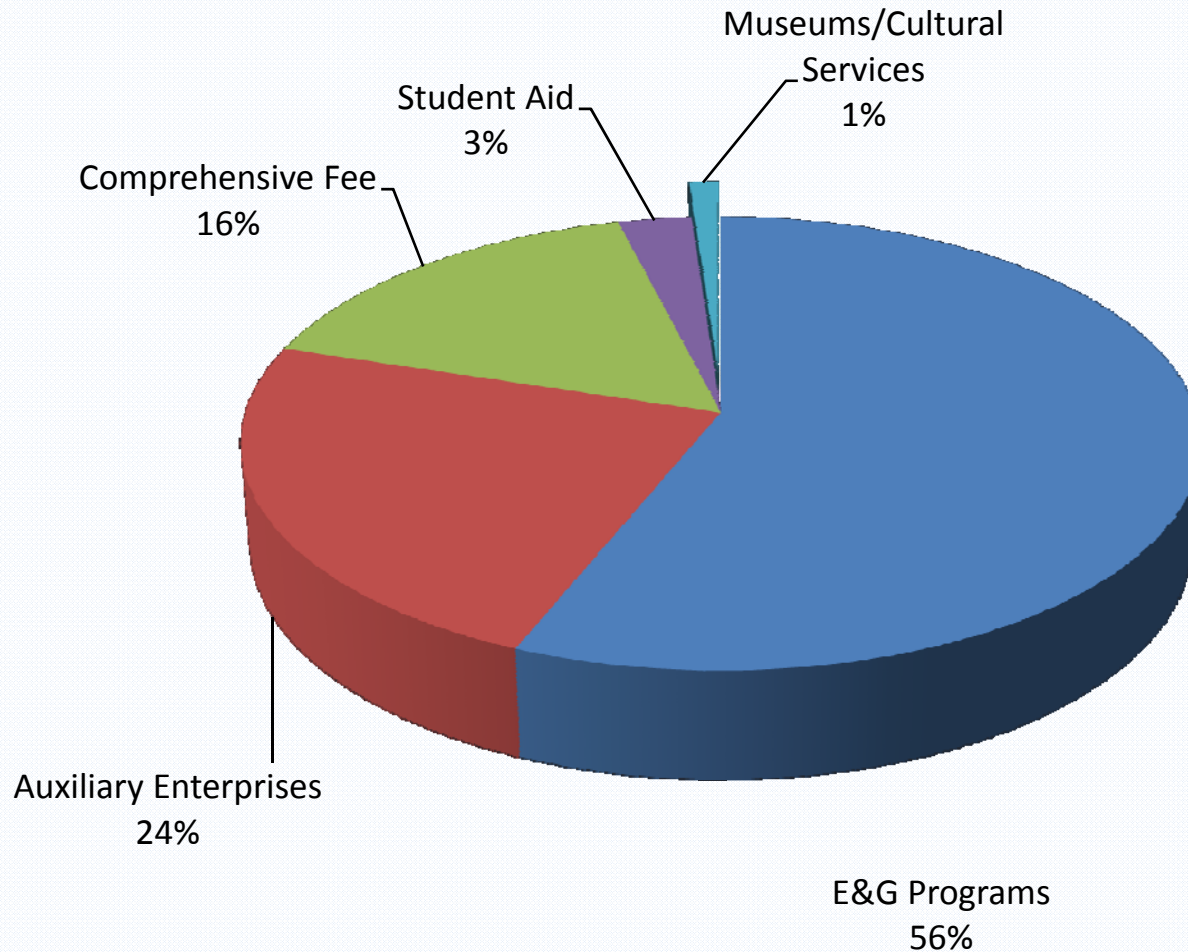
# Key features of the budget for student financial assistance include...

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- Increase in state funding for need-based aid for in-state undergraduate students
- No net increase in federal grant programs

# **Museums and Cultural Services**

# About 1% of the budget supports Belmont and the James Monroe Museum and Library...



# Museums and Cultural Services

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- Belmont
- James Monroe Museum and Law Library
- Revenue sources
  - State general funds
  - Ticket sales
  - Gift shop revenue
  - Facilities rental
  - Private gifts
- 2008-09 budget includes additional state funding for 2007-08 salary annualization and 2008-09 increases

# **Proposed 2008-09 Tuition and Fees**

# The proposed tuition increase for in-state undergraduate students is 4.0 percent.

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- General Assembly established a Tuition Moderation Incentive Fund with total funding of \$17.5 million.
- Allocations will be made to institutions that limit tuition and mandatory E&G fee increases to 3.0%.
  - Additional 1% is permitted if incremental revenue is used to increase student aid for in-state undergraduates
- UMW's potential base allocation is \$440,000.
  - Allocation will likely be higher
    - Base allocations for institutions with increases above the cap will be redistributed

# Other proposed rate increases include...

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- Out-of-state tuition: 6% increase
  - \$824 increase for the academic year
- Graduate student tuition
  - 4% increase for in-state students
  - 6% increase for out-of-state students
- University housing: 7% increase
  - \$272 increase for double dorm room
  - \$334 increase for single dorm room
  - \$298 increases for double room apartment
  - \$362 increase for single room apartment
- University board plans: 6%
  - \$162 increase for the most popular plans

# In summary, the 2008-09 recommended tuition and fee rates reflect moderate increases for undergraduates...

<i>Residential Students</i>	In-State Students			Out-of-State Students		
	2007-08	2008-09	% Chg.	2007-08	2008-09	% Chg.
Tuition	\$3,256	\$3,386	4.0%	13,730	14,554	6.0%
Comprehensive Fee (E&G)	1,274	1,325	4.0%	1,274	1,325	4.0%
Comprehensive Fee (Auxiliary)	1,964	2,063	5.0%	1,964	2,063	5.0%
Housing (1)	3,896	4,168	7.0%	3,896	4,168	7.0%
Board (2)	2,710	2,872	6.0%	2,710	2,872	6.0%
<b>Total</b>	<b>\$13,100</b>	<b>\$13,814</b>	<b>5.5%</b>	<b>\$23,574</b>	<b>\$24,982</b>	<b>6.0%</b>

(1) Based on double-occupancy room.

(2) Based on 15-meal / \$100 flex dollars plan.

<i>Commuting Students</i>	In-State Students			Out-of-State Students		
	2007-08	2008-09	% Chg.	2007-08	2008-09	% Chg.
Tuition	\$3,256	\$3,386	4.0%	13,730	14,554	6.0%
Comprehensive Fee (E&G)	1,274	1,325	4.0%	1,274	1,325	4.0%
Comprehensive Fee (Auxiliary)	1,964	2,063	5.0%	1,964	2,063	5.0%
<b>Total</b>	<b>\$6,494</b>	<b>\$6,774</b>	<b>4.3%</b>	<b>\$16,968</b>	<b>\$17,942</b>	<b>5.7%</b>



# Overall, UMW's relative position to other Virginia institutions is expected to be consistent with 2007-08...

## 2007-08 Tuition and Fees

Rank	IS Tuition		OS Tuition		Required Fees		IS Commuter		OS Commuter		Room & Board		IS Total		OS Total	
1	UVA	\$6,821	UVA	\$26,071	VMI	\$4,986	VMI	\$10,048	UVA	\$27,750	CNU	\$8,500	W&M	\$16,819	UVA	\$35,185
2	VT	\$6,160	W&M	\$23,407	LU	\$3,720	W&M	\$9,164	W&M	\$26,934	W&M	\$7,655	VMI	\$16,156	W&M	\$34,589
3	W&M	\$5,637	VMI	\$20,906	W&M	\$3,527	UVA	\$8,500	VMI	\$25,892	VCU	\$7,567	UVA	\$15,935	VMI	\$32,000
4	VMI	\$5,062	VT	\$18,538	JMU	\$3,246	LU	\$8,058	VT	\$19,775	UVA	\$7,435	CNU	\$15,550	GMU	\$26,748
5	GMU	\$5,035	GMU	\$17,923	CNU	\$3,004	VT	\$7,397	GMU	\$19,728	VSU	\$7,340	LU	\$14,334	VCU	\$26,307
6	<b>UMW</b>	<b>\$4,530</b>	VCU	\$17,069	UVA-W	\$2,666	CNU	\$7,050	VCU	\$18,740	JMU	\$7,108	GMU	\$13,860	VT	\$24,881
7	VCU	\$4,525	ODU	\$15,262	NSU	\$2,622	GMU	\$6,840	UVA-W	\$17,815	GMU	\$7,020	JMU	\$13,774	UVA-W	\$24,557
8	LU	\$4,338	UVA-W	\$15,149	ODU	\$2,486	JMU	\$6,666	ODU	\$17,748	NSU	\$6,996	VCU	\$13,763	JMU	\$24,494
9	CNU	\$4,046	<b>UMW</b>	<b>\$15,004</b>	VSU	\$2,469	ODU	\$6,528	JMU	\$17,386	UVA-W	\$6,742	ODU	\$13,213	ODU	\$24,433
10	ODU	\$4,042	JMU	\$14,140	RU	\$2,150	<b>UMW</b>	<b>\$6,494</b>	<b>UMW</b>	<b>\$16,968</b>	ODU	\$6,685	<b>UMW</b>	<b>\$13,100</b>	<b>UMW</b>	<b>\$23,574</b>
11	RU	\$4,026	NSU	\$13,620	<b>UMW</b>	<b>\$1,964</b>	VCU	\$6,196	LU	\$16,378	<b>UMW</b>	<b>\$6,606</b>	VSU	\$12,995	NSU	\$23,238
12	UVA-W	\$3,485	LU	\$12,658	GMU	\$1,805	RU	\$6,176	NSU	\$16,242	RU	\$6,490	UVA-W	\$12,893	LU	\$22,654
13	JMU	\$3,420	RU	\$12,360	UVA	\$1,679	UVA-W	\$6,151	RU	\$14,510	LU	\$6,276	RU	\$12,666	CNU	\$22,650
14	VSU	\$3,186	CNU	\$11,146	VCU	\$1,671	VSU	\$5,655	CNU	\$14,150	VMI	\$6,108	VT	\$12,503	RU	\$21,000
15	NSU	\$2,700	VSU	\$10,838	VT	\$1,237	NSU	\$5,322	VSU	\$13,307	VT	\$5,106	NSU	\$12,318	VSU	\$20,647

Source: SCHEV 2007-08 Tuition and Fee Report, July 2007.

### UMW Recommended 2008-09 Rates:

<u>\$4,711</u>	<u>\$15,879</u>	<u>\$2,063</u>	<u>\$6,774</u>	<u>\$17,942</u>	<u>\$7,040</u>	<u>\$13,814</u>	<u>\$24,982</u>
IS Tuition	OS Tuition	Required Fees	IS Commuter	OS Commuter	Room & Board	IS Total	OS Total
4.0% inc.	5.8% inc.	5.0% inc.	4.3% inc.	5.7% inc.	6.6% inc.	5.5% inc.	6.0% inc.

**In conclusion, we are asking the Board of Visitors to approve the University Budget Plan and 2008-09 tuition and fee rates as presented in the meeting materials.**