

**GEORGE MASON UNIVERSITY  
BOARD OF VISITORS**

**Finance and Land Use Committee Meeting  
February 13, 2025. 12:30 – 2:00pm  
Merten Hall, Hazel Conference Room (1201)**

**AGENDA**

- I.** Call to Order
- II.** Approval of Minutes for December 5, 2024 (**ACTION**)
- III.** Financial Matters
  - A. FY 2025 Q2 Financial Report
  - B. FY 2026 Budget Planning
  - C. FY 2026 Room and Board Rates (**ACTION**)
- IV.** Adjournment

APPENDIX I – Capital Projects Review (Stoplight)

*The February 13, 2025 Meeting of the Board of Visitors Finance and Land Use Committee will be in-person. Members of the public are welcome to observe in person or may view the meeting live at the following link: <https://bov.gmu.edu/live/>. Those attending any Board of Visitors sessions are asked to adhere to the meeting rules, accessible at the following webpage: <https://bov.gmu.edu/board-of-visitors-resources/>*

*Written comments will be accepted until the full board meeting adjourns on February 27, 2025. To submit a written public comment, please complete the form at the following link: <https://forms.office.com/r/fD28yUHui>. Written comments will be entered into the public record of this meeting.*

***No oral public comment will be taken at this meeting.***

**GEORGE MASON UNIVERSITY**  
**BOARD OF VISITORS**  
**Finance and Land Use Committee Meeting**  
**December 5, 2024**  
**Meeting Minutes**

**COMMITTEE MEMBERS PRESENT:** Chair Pence; Vice Chair Rosen; Visitors: Alacbay, Rees, Peterson, Short; Executive Vice President Dickenson; Faculty Representatives: Shutika, Venigalla

**ABSENT:** Visitor Thompson

**ALSO PRESENT:** President Washington; Visitors: Meese, Burke, Prowitt, Brown, Marcus; Faculty Representative Brockelman-Post; Staff Representative Sims; Student Representatives: Cuesta, Hoffman

**I. Call to Order**

Chair Pence called the meeting to order at 11:04 a.m. Per the Board's policy for electronic participation in meetings, Chair Pence **MOVED** the committee approve Vice Chair Rosen's electronic participation in the meeting. Motion was **SECONDED**. The **MOTION WAS CARRIED UNANIMOUSLY**

**II. Approval of Minutes for September 17, 2024 (ACTION ITEM)**

Chair Pence called for any corrections to the minutes for the Finance and Land Use Committee Meeting for September 17, 2024, while noting a correction to the Development Committee's September meeting minutes. Hearing no corrections for the Finance and Land Use Committee, the **MINUTES STOOD APPROVED AS WRITTEN**.

**III. Financial Matters**

Chair Pence turned the meeting over to Deb Dickenson, Executive Vice President for Finance and Administration, who started by introducing the incoming Vice President for Finance, Dan Stephens.

Ms. Dickenson noted a number of recent reports and studies from a number of Commonwealth entities that illustrate George Mason's strong performance, while showing our continued funding inequity by a variety of measures, including lowest appropriations per student, low equipment trust funding, lowest per student endowment, low maintenance reserve funding, and low tuition revenue. Despite operating with a leaner workforce than most of its peers George Mason produced the most graduates over the last decade and welcomed the largest student body in Commonwealth history this fall. Ms. Dickenson handed off to the outgoing Vice President for Finance, Sharon Heinle, thanking her for her exemplary service.

To begin the FY 2026 budget process, Ms. Heinle presented four scenarios of preliminary planning assumptions focused on key drivers for the education and general operating budget that include:

- Multiple increased and flat tuition and enrollment rate scenarios, which reflect a negative incremental impact ranging from \$11M-\$22M, as all scenarios reflect expenses increases outpacing revenue.
- A 3% compensation increase, half of which will be covered by the Commonwealth.
- Virginia Military Survivors & Dependents Education Program participation will be held constant at 30% in all four scenarios.
- Use of the requested \$18M from the Commonwealth to offset the projected shortfall. This funding had been requested to address market compensation issues, consistent with the State Council of Higher Education of Virginia's recommendation.
- If tuition and enrollment are held flat, it may be necessary to fill the resultant gap through workforce reductions. Given George Mason's already-lean operations, this could potentially impact the student support services and further depress enrollment.

The committee will continue to receive updates on the FY 2026 budget development process with multiple opportunities for feedback and engagement from the Board, students, and employees.

Ms. Dickenson recommended approval of the Basketball and Academic Performance Center, which is an approved project in the Capital Plan. Chair Pence noted the importance of this facility, and the need for continued development of athletic facilities in order to thrive in a shifting athletic landscape and a competitive resource environment.

Chair Pence **MOVED** the Committee to approve the Schematic Design for the Basketball & Academic Performance Center. Visitor Alacbay **SECONDED** the Motion. The **MOTION WAS CARRIED UNANIMOUSLY BY ROLL CALL VOTE.**

#### IV. **ADJOURNMENT**

There being no further business, Chair Pence adjourned the meeting at 11:30 am.

**ITEM NUMBER III.C.: FY26 ROOM AND BOARD RATES (ACTION)**

**PURPOSE OF ITEM:** To approve academic year 2025-2026 (FY26) room and board rates.

**APPROPRIATE COMMITTEE:** FINANCE AND LAND USE

**BRIEF NARRATIVE:** Approval of rates for FY26 is requested in order to provide current and prospective students, as well as their families, the information they need to make informed decisions about their financial plans for the coming academic year.

The proposed room and board increase for FY26 is 1.5% for housing and 4.0% for dining meal plans.

George Mason strives to balance the continued pressures of inflation and the high living costs of the Northern Virginia region with the need to provide affordable food and housing to our students.

For a freshman, the proposed total room and board rate of \$14,440 is a \$350, or 2.5%, academic year increase over FY25 in a traditional double room with the Independence meal plan. Freshmen choosing to live in a suite double will have a slightly higher cost than those living in traditional rooms.

Rates vary by specific plan and room; please refer to Detailed Rates provided in the presentation materials.

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%

**STAFF RECOMMENDATION:** Staff recommends Board of Visitors approval.



## Capital Projects Review

This section provides the regular report on the status of capital construction projects on all three university campuses. The project “stoplight” chart provides a summary review. For purposes of black and white printing, all stoplights are “Green” unless otherwise noted. Scoring definitions:

- “Red”: Likely to exceed approved budget, schedule, or scope
- “Yellow”: At risk to exceed approved budget, schedule, or scope, but can still recover
- “Green”: Within approved budget, schedule, or scope

Scoring is reset at the time of preliminary design completion and construction contract execution.

Changes/updates since the December 2024 report include:

- Fuse at Mason Square (IDIA HQ) – Design is completed and the construction is nearing completion on site. Core and shell achieved substantial completion on November 8, 2024. Core and Shell spaces include lobby, property management suite, building core spaces such as restrooms, electrical, telecom rooms and egress stairs, etc. The Mason Fit Out Spaces which includes about 2/3’s of the full building fit out, is also complete as of early February with mainly punch list items to finalize. Phase 1 of the AV and Furniture installation phases is complete with mainly punch list work left to complete. Phase 1 includes spaces on floors 1-7 that are in core and shell areas of the building such as a few conference rooms, pod cast studio, unenclosed collaboration spaces, pantries. Phase 2 of the AV and Furniture installation will be complete by May 1 of 2025. Mason will install fixtures and equipment including signs, door hardware and access control, appliances and other items in the Spring of 2025 with full occupancy planned for summer of 2025.
- Life Sciences Engineering Building (Bull Run Hall IIIB) – Design is completed and the construction is complete except for punch list items including the completion of HVAC Commissioning. The construction period was 24 months and the project was completed on schedule. We received the temporary occupancy permit for the building on Friday January 10th, 2025. Classes and Laboratory instruction started in the building on January 21st. As such, the schedule was turned back to green. There are a few more labs and fabrication spaces that will move in later in the year after completing research and projects in their existing spaces. Training on the building systems is ongoing. We are working to negotiate change orders and given the uncertainty of how these will end the budget status was changed to yellow.
- Telecom Infrastructure Phase 1 – Design is completed and the construction continues on site. Work on Packages 1 (work inside buildings) and Package 3 (new West Campus Core Switch Building) is substantially complete. Package 2 for outside plant (new IT duct banks) is under construction and anticipated to be substantially complete February 2025 (behind schedule due to weather impact).
- Johnson Center HVAC Repairs – Installation for AHU #1 is complete, and the unit is being Commissioned for use. AHU #1 was installed in January and is being readied for Commissioning as well. Assembly of AHU #3 is underway, and the unit will be completely installed in February.

Demolition of AHU #3 will begin in late February, and the unit will be completely installed by mid-March. Project is on track to be completed May of 2025.

- Expand Central Plant Capacity – Design is completed and construction has started. The new cooling tower has been set and assembled. Two of the three pumps associated with the chilled water expansion are set and being piped. Awaiting other long lead-time equipment for chiller and high temperature water generator (boiler) which has been ordered. Anticipated project completion is January 2026.
- Aquatic & Fitness Center Capital Renewal – All construction work for the project is complete, and the Competition Pool is back in use. Punch list corrections are in-progress and final change order work is underway (replacement of underwater pool lights). Graphics & stenciling work will be completed by mid-February, and the final roof inspections are pending favorable weather conditions. Project Closeout is underway.
- Telecom Infrastructure Phase 2 – Design is underway. The Preliminary design has been reviewed by OUBO and Land Development; the architectural/engineering firm is addressing review comments for the next design submission. The estimate was completed in October 2024 and confirms our construction budget.
- Telecom Infrastructure Phase 3 – The scope for this phase has been finalized in concert with ITS. The design contract has been executed and the schematic design is scheduled to be submitted in August of 2025 (due to scope refinement).
- Student Activities & Engagement Building (Activities Building) – A Design/Build contract was awarded to Hoar Construction. Design is complete and construction is underway. The center tilt wall construction is complete and the fabric sections are 90% complete. Interior electrical, mechanical, plumbing, and framing are underway in all three areas of the building. The project is on target for substantial completion in spring 2025.
- Basketball and Academic Performance Center (RAC Addition) – The architectural/engineering firm, Perkins & Will (P&W), has submitted the Schematic Design phase for reviewed by OUBO and approved to proceed with Preliminary Design. Project design is continuing. Whiting-Turner has been fully onboarded as the Construction Manager (CM) at Risk, ensuring a collaborative approach to both design and estimating. Estimating efforts remain ongoing to validate and confirm our construction budget, align with project goals and financial expectations. Initial estimates exceeded the construction budget and the design team is working to document pathways to bring the project back within budget. As such, the budget is note as yellow
- Tech Talent Bachelors Capital – This is the capital funding identified in the MOU with the Commonwealth to support Bachelor's degrees in the tech talent pipeline. More specifically, it is a series of projects: Advanced Computational Research (data center upgrades to support high performance computing), a data visualization/ VR Lab creation, classroom refresh, and the pilot space in Vernon Smith Hall. The Advanced Computational Research has been completed and additional capacity was included in the Data Center with liquid cooling. The data visualization/ VR Lab was completed in Research Hall. The classroom refresh is ongoing and anticipated to be

completed over 6 years. This upcoming summer will be the 5<sup>th</sup> summer of the 6 total. Finally, the renovation to create the pilot space on the 1<sup>st</sup> floor of Vernon Smith Hall as well as the conversion of the Bank Space was completed.

- Interdisciplinary Science and Engineering Building – Project was approved for pre-planning in the Commonwealth's FY25-FY26 biennium budget. Mason has selected a consultant to lead the pre-planning phase and has started the pre-planning effort. Mason is currently targeting a March completion of the pre-planning effort.
- Address Priority Facility Improvements - Project was approved in the Commonwealth's FY25-FY26 biennium budget for \$8M to go towards Mason's critical deferred maintenance deficit. Mason has identified five projects for the use of these funds: Hazel Hall Chiller Replacement, Colgan Hall Chiller Replacement, Discovery Hall Roof Replacement, Enterprise Hall Elevator Replacement, and the Performing Art Building Bridge Replacement. Mason has received the appropriation and is still in the process of procuring the design of each project.
- EagleBank Arena Air Handler Unit Replacements – Project was approved in the May BOV meeting. Mason has received proposals in response to the RFP for solicitation of the designer of record and interviews of the short-listed firms were held at the end of January. A selection was made and we are working towards the design contract.
- Real Estate Acquisitions Phase 1 (Arlington) – Mason has purchased lot 6 and 11 and the purchase of lot 8 was completed in December 2023. This project will remain open as there is additional authority included to allow for more purchases in the future should the opportunities arise.
- Real Estate Acquisitions Phase 4 (Strategic Acquisitions) – HECO authority approved to proceed with up to \$50M strategic acquisitions. The specific acquisitions are undefined at this point and could be located adjacent any of the Mason Campuses.
- Academic VIII – Project approved for planning only and contingent upon Mason providing seed funding. Project awaiting internal authorization to proceed.
- Point of View Cottages – Commonwealth has approved \$4M of funding for this project to match a target of \$4M of fundraising. Project is awaiting funding and internal authorization to proceed.
- Renovations Concert Hall – HECO authority approved to proceed on a \$25M renovation to the Concert Hall on the Fairfax Campus. The funding is based upon donations. Project is awaiting funding and internal authorization to proceed.
- Costello College of Business Building – HECO authority approved to proceed on a \$165M and 200K GSF building for the School of Business on the Fairfax Campus. The funding is based upon donations. Project is awaiting funding and internal authorization to proceed.
- Energy Efficiency Investments – HECO authority approved to proceed on a \$7.5M umbrella project to allow for energy efficiency upgrades to proceed. The specific investments are undefined but could consist of equipment replacement, solar panel installation, or geothermal infrastructure.

Project is awaiting funding and internal authorization to proceed.

- Housing Renovations Phase 1 – HECO authority approved to proceed on a \$25M renovation to housing. Project is awaiting funding and internal authorization to proceed.

**STAFF RECOMMENDATION:**

For Board Information Only

## FY25 CAPITAL PROJECT STOPLIGHT CHART

	Total Project Authorization (A)	Expenditures				Project Available Balance (=A-B-C)	Budget Status	Schedule Status	Scope Status	Construction % Complete	Occupancy/ Completion Date
		As of FY24 (B)	Fiscal Year 2025								
			Budget	YTD	Full-year Forecast (C)						
Planning Phase											
Interdisciplinary Sci. & Engr. Building	0.5	0.0	0.5	0.0	0.5	0.0				0.0%	TBD
Address Priority Facility Improvements	8.0	0.0	1.7	0.0	1.7	6.3				0.0%	TBD
EagleBank Arena AHU Replacements	11.7	0.0	0.5	0.0	0.2	11.5				0.0%	TBD
Design Phase											
Basketball and Academic Performance Center	30.0	0.3	1.8	0.5	1.8	27.9	<div></div>	<div></div>	<div></div>	0.0%	12/2/2026
Telecom Infrastructure, Ph 2	23.3	0.5	2.7	0.6	2.7	20.1	<div></div>	<div></div>	<div></div>	0.0%	4/16/2026
Telecom Infrastructure, Ph 3	24.0	0.0	1.6	0.0	0.7	23.3	<div></div>	<div></div>	<div></div>	0.0%	TBD
Construction Phase											
Student Activities & Engagement Building	11.0	1.7	9.3	3.7	9.3	0.0	<div></div>	<div></div>	<div></div>	74.2%	5/4/2025
Aquatic & Fitness Center Capital Renewal	13.5	8.1	5.4	3.3	5.4	0.0	<div></div>	<div></div>	<div></div>	99.0%	9/1/2024
Life Science Engineering Building	107.0	70.3	34.3	22.9	34.3	2.4	<div></div>	<div></div>	<div></div>	94.7%	1/10/2025
Expand Central Plant Capacity	8.2	1.2	6.0	2.0	6.0	1.0	<div></div>	<div></div>	<div></div>	40.0%	1/26/2026
Telecom Infrastructure, Ph 1	10.5	5.2	4.2	2.3	4.2	1.1	<div></div>	<div></div>	<div></div>	90.8%	2/17/2025
Johnson Center HVAC Repairs	8.0	2.7	4.5	3.2	4.5	0.8	<div></div>	<div></div>	<div></div>	84.8%	5/15/2025
FUSE at Mason Square	253.8	173.3	69.2	33.5	56.5	24.0	<div></div>	<div></div>	<div></div>	99.0%	7/1/2025
Tech Talent Bachelors Capital	23.0	16.3	1.7	1.4	1.7	5.0	<div></div>	<div></div>	<div></div>	N/A	N/A
Close-Out											
Real Estate Acquisitions Phase 1 (Arlington)	40.0	24.1	0.0	0.0	0.0	15.9	<div></div>	<div></div>	<div></div>	100.0%	Complete
Umbrella (On-going)											
Maintenance Reserve	3.4	N/A	3.4	0.9	3.4	N/A				N/A	N/A
Annual Capital	6.7	N/A	6.7	11.9	15.0	N/A				N/A	N/A
Authorized (Pending Funding)											
Academic VIII	200.0	0.0	0.0	0.0	0.0	200.0				0.0%	TBD
Point of View Cottages	8.0	0.0	0.0	0.0	0.0	8.0				0.0%	TBD
Renovations Concert Hall	25.0	0.0	0.0	0.0	0.0	25.0				0.0%	TBD
Costello College of Business Building	165.0	0.0	0.0	0.0	0.0	165.0				0.0%	TBD
Energy Efficiency Investments	7.5	0.0	0.0	0.0	0.0	7.5				0.0%	TBD
Housing Renovations Phase 1	25.0	0.0	0.0	0.0	0.0	25.0				0.0%	TBD
Real Estate Acquisitions Phase 4 (TBD)	50.0	0.0	0.0	0.0	0.0	50.0				0.0%	TBD
Total	1,063.0	303.6	153.4	86.1	147.8 <sup>(1)</sup>	619.9					

(millions)

(1) This amount (excluding P3) is prediction of the audited statement of cash flows "purchases of capital assets."





# 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.

				Prior & Current YTD Actuals				FY 2025 YTD Actual as % of Recalibrated Budget**
Cash basis, in \$M's	FY 2024 Actual	5/2/2024 Approved Budget	Recalibrated FY 2025 Budget*	FY 2024 YTD Actual (Dec)	FY 2025 YTD Actual (Dec)	\$ Variance (YTD Actuals)	% Variance (YTD Actuals)	
<b>Revenues</b>								
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		
<b>Total Revenues</b>	<b>1,466</b>	<b>1,505</b>	<b>1,505</b>	<b>776</b>	<b>854</b>	<b>78</b>	<b>10%</b>	<b>57%</b>
<b>Expenses</b>								
Compensation	819	868	865	419	438	19		
Contractual Services	235	242	242	112	136	24		
Direct Expenses/Other	380	387	381	189	196	7		
<b>Total Expenses</b>	<b>1,433</b>	<b>1,497</b>	<b>1,488</b>	<b>720</b>	<b>770</b>	<b>50</b>	<b>7%</b>	<b>52%</b>
<b>(Shortfall)/Surplus</b>	<b>33</b>	<b>8</b>	<b>17</b>	<b>56</b>	<b>84</b>	<b>28</b>		
<b>Strategic Use of Reserves</b>	-	3	-	-	-	-		
<b>Balancing Mitigation Strategies</b>	(33)	-	-	-	-	-		
<b>Adjusted (Shortfall)/Surplus</b>	-	-	-	-	-	-		

\* 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)	
<b>Revenues</b>								
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		
<b>Total Revenues</b>	<b>777</b>	<b>823</b>	<b>823</b>	<b>394</b>	<b>432</b>	<b>37</b>	<b>9%</b>	<b>52%</b>
<b>Expenses</b>								
Compensation	626	662	659	318	326	8		
Contractual Services	83	84	84	35	43	8		
Direct Expenses/Other	81	86	80	47	38	(9)		
<b>Total Expenses</b>	<b>790</b>	<b>832</b>	<b>823</b>	<b>400</b>	<b>407</b>	<b>7</b>	<b>2%</b>	<b>49%</b>
<b>E&amp;G (Shortfall)/Surplus</b>	<b>(13)</b>	<b>(9)</b>	<b>-</b>	<b>(6)</b>	<b>25</b>	<b>30</b>		
<b>Strategic Use of Reserves</b>		<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Balancing Mitigation Strategies</b>	<b>13</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>		
<b>Adjusted E&amp;G (Shortfall)/Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		

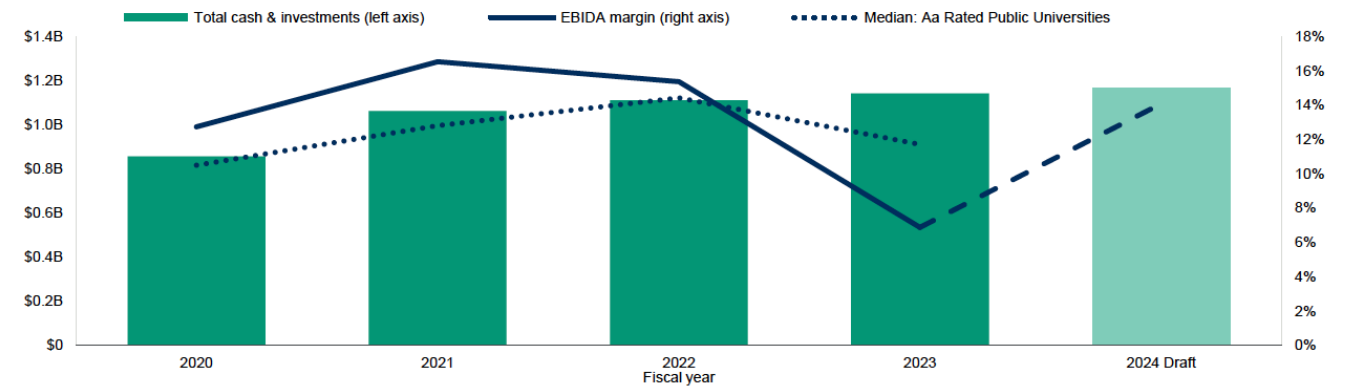
\* Budget adjustments incorporating higher than anticipated vacancies along with ongoing refinements in operating costs, as reflected in Direct Expenses/Other.

\*\* 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)
<b>Cash basis, in \$M's</b>						
<b>Sources</b>						
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
<b>Total Sources</b>	<b>24</b>	<b>17</b>	<b>20</b>	<b>17</b>	<b>20</b>	<b>1</b>
<b>Uses</b>						
Compensation (Primarily 3% increase)	22	22	22	22	22	22
Contractual Services	1	1	1	1	1	1
<b>Total Uses</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>
<b>Incremental Impact</b>	<b>1</b>	<b>(6)</b>	<b>(3)</b>	<b>(6)</b>	<b>(3)</b>	<b>(22)</b>
<b>Additional State Funding Request</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>
<b>Funding Available to Address Market Compensation</b>	<b>19</b>	<b>12</b>	<b>15</b>	<b>12</b>	<b>15</b>	<b>(4)</b>

# 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:

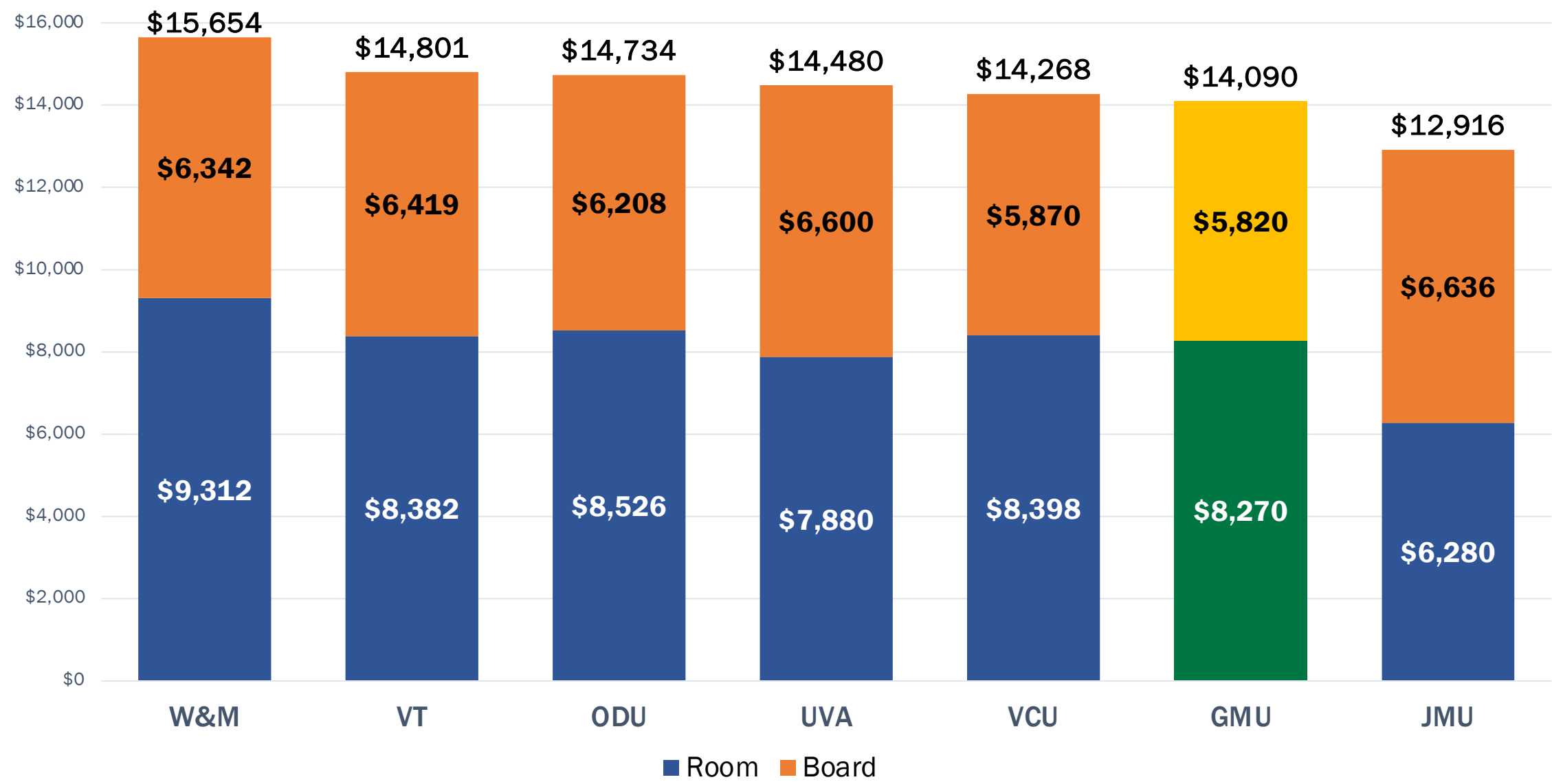
- Overarching mission to maintain an affordable cost of living on-campus
- Provide support for future operating inflation, salary increases, and capital renovation expenditures
- Determine room rates tiered to offerings, affordability, and competitive pricing

## 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 1<sup>st</sup> 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
<b>Traditional Halls (Freshmen; Meal Plan Required)</b>				
Single	\$ 11,020	\$ 11,190	\$ 170	1.54%
<b>Double</b>	<b>\$ 8,270</b>	<b>\$ 8,390</b>	<b>\$ 120</b>	<b>1.45%</b>
Triple	\$ 7,230	\$ 7,340	\$ 110	1.52%
ODS Single	\$ 8,270	\$ 8,390	\$ 120	1.45%
<b>Suites (Freshmen &amp; Upper Class; Meal Plan Required)</b>				
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%
<b>Apartments (Upper Class; Meal Plan Optional)</b>				
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%
<b>Angel Cabrera Global Center (Upper Class; Meal Plan Required)</b>				
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%
<b>Average of Fairfax Beds</b>				<b>1.50%</b>
<b>Beacon Hall - SciTech Graduate Housing ***</b>				
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%
<b>Average of Beacon Hall Beds</b>				<b>4.70%</b>

\* 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
<b>Independence Dining Plans (Includes Minimum \$100/Semester Dining Dollars)</b>				
Independence	\$ 5,820	\$ 6,050	\$ 230	4.0%
Extended	\$ 6,090	\$ 6,330	\$ 240	3.9%
Ultimate	\$ 7,000	\$ 7,280	\$ 280	4.0%
<b>Liberty Meal Plans (Includes Dining Dollars)</b>				
Liberty Weekly 9	\$ 5,820	\$ 6,050	\$ 230	4.0%
Liberty Weekly 14	\$ 5,820	\$ 6,050	\$ 230	4.0%
<b>Patriot Meal Plans (Includes Minimum \$100/Semester Dining Dollars)</b>				
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%
<b>Dining Dollars Declining Balance Plans</b>				
Dining Dollars 350	\$ 700	\$ 700	\$ -	0.0%
Dining Dollars 500	\$ 1,000	\$ 1,000	\$ -	0.0%
Dinning 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%
<b>Smithsonian Mason School of Conservation Plan (No Dining Dollars)</b>				
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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