

2005–2006 Budget Executive Summary



**George Mason University
Total Budget, 2005-2006
Executive Summary**

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BUDGET SUMMARY

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Format

The University Budget Executive Summary, 2005 – 2006, has been designed as a summary within a summary. A budget overview is found on Pages 1 - 84, while greater unit budget detail is provided on Pages 85 – 137.

**GEORGE MASON UNIVERSITY
TOTAL BUDGET, 2005-2006**

BUDGET HIGHLIGHTS, 2005 - 2006

- Total FY 2006 University Budget \$528.7M, up 10.1% over FY 2005.
- Student enrollment will increase 1.1% from 21,950 FTE to 22,200 FTE. In terms of student headcount, George Mason University projects Fall 2005, student headcount of approximately 29,300.
- The Educational & General budget will increase by \$21.2M, or an annual increase of 8.7% (includes over \$3.0M of reallocations).
 - General Fund support from the State for Educational & General (E&G) operations increases, \$9.5M, an increase of 9.5%.
 - Support from the State for Equipment Trust Fund remains the same as in FY 2005 at \$2.9M.
 - Faculty/staff salary increases have been approved for the 2005-06 fiscal year. The budget includes funding to support selected salary increases to address retention issues. The full-time faculty salary average overall will increase by 5.5%, as the University self-funds an additional 1.5% greater than the 4% approved by the State. Funding is included to support salary increases of 4% for administrative faculty effective 11/25/05. Funding is budgeted to provide a 4% increase for part-time faculty and graduate assistants second semester of the academic year. Classified staff and wages will receive a 3% increase effective 11/25/05. Additionally, classified staff with 5 or more years of service will receive a base adjustment of \$50 per year of service.
- Auxiliary Enterprises revenue in FY 2006 will increase by approximately 5.0% in both fees and self-generated revenues. The University also projects an increase of 1.7% for the Auxiliary Enterprise - Independent Operations, resulting in a combined increase of 4.2% for the total Auxiliary Enterprises program.
- The total price for an undergraduate student including tuition, fees, room and board will be \$12,360, an increase of 5.75%. Tuition & Fees will increase 7.9% for in-state undergraduate students.
- Sponsored Research activity in FY 2006 will increase 10.8% as it reaches a GMU record spending level of \$71.0 million.
- Capital Outlay spending in FY 2006 will be approximately \$52.4M, the largest amount ever for GMU.

ANNUAL CHANGE: ALL PROGRAMS

This Executive Summary FY 2006 summarizes the Educational & General (E&G) and Auxiliary Enterprise budget plans for FY 2006. Every effort has been made to provide sufficient information to not only understand the priorities of the institution, but to also be able to ascertain where new additional resources for FY 2006 have been allocated. The total University budget for FY 2006 represents a 10.0% increase over the FY 2005 budget (see table below). The largest increases occur primarily in Educational & General, Capital Outlay and Sponsored Research.

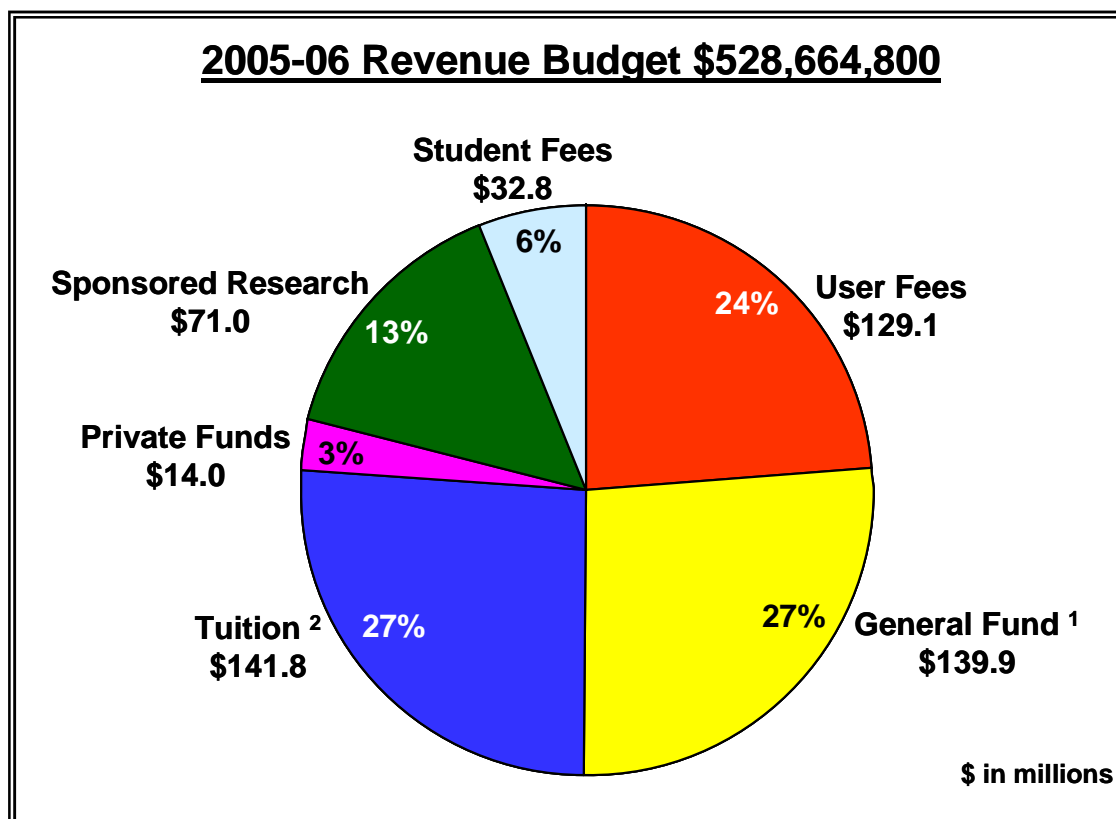
| PROGRAM | REVISED BUDGET FY 2003 | REVISED BUDGET FY 2004 | REVISED BUDGET FY 2005 | ORIGINAL BUDGET FY 2006 | FY05 TO FY06 % CHANGE |
|-----------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|--------------------------------------|
| Capital Outlay | \$ 32.2M | \$ 33.9M | \$ 38.3M | \$ 52.4M | 36.8% |
| Sponsored Research | 60.0M | 65.0M | 64.1M | 71.0M | 10.8% |
| Education & General | 213.0M | 231.7M | 257.7M | 279.9M | 8.7% |
| Student Financial Aid | 7.6M | 8.7M | 9.3M | 10.0M* | 7.5% |
| Auxiliary Enterprises | 100.1M | 107.7M | 110.7M | 115.4M | 4.2% |
| TOTAL | \$412.9M | \$446.9M | \$480.1M | \$528.7M | 10.1% |

* Additional student financial assistance of \$860,000 for FY 2006 is provided within the Educational & General (E&G) change amount for FY 2006.

TOTAL UNIVERSITY BUDGET, FY 2006 \$528.7M

REVENUE: ALL FUNDS – ALL SOURCES

The total 2005-2006 revenue budget for George Mason University (GMU) is projected to be \$528.2 million. The revenue that supports the GMU budget is derived from six major sources. Revenue (in accordance with Federal/State financial and accounting practices) is only reported to the extent of actual expenditures in the programs of Sponsored Research and Capital Outlay.



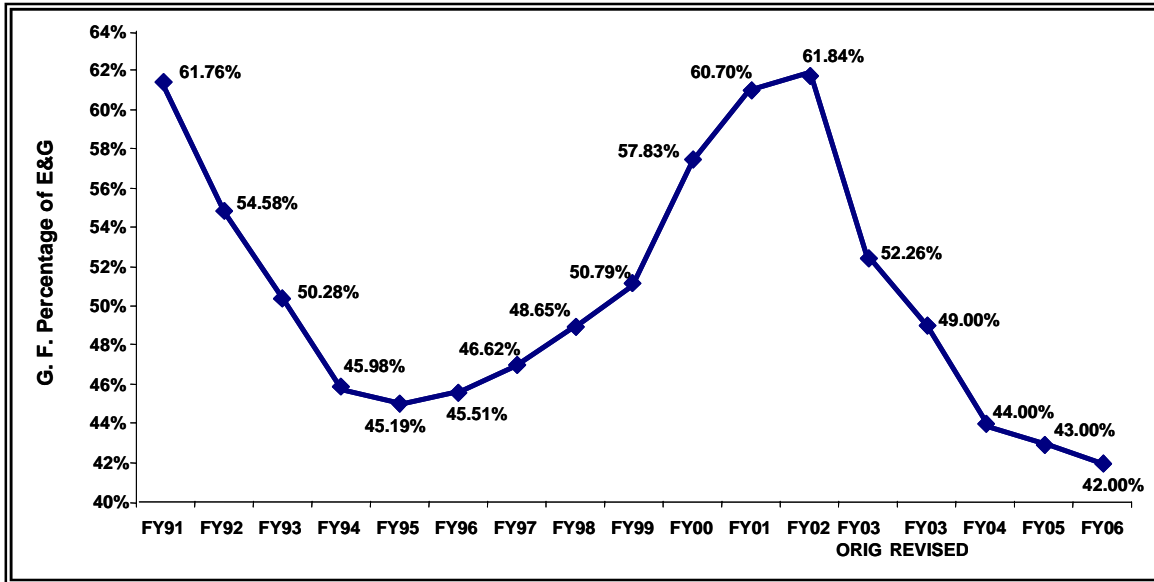
¹ Includes Educational & General (\$109.2M), Equipment Trust Fund (\$2.9M), State Financial Assistance (\$9.1M), Capital Outlay (\$16.0M) and Maintenance Reserve(\$2.7M).

² \$1,450,000 of tuition is set aside for Student Financial Aid

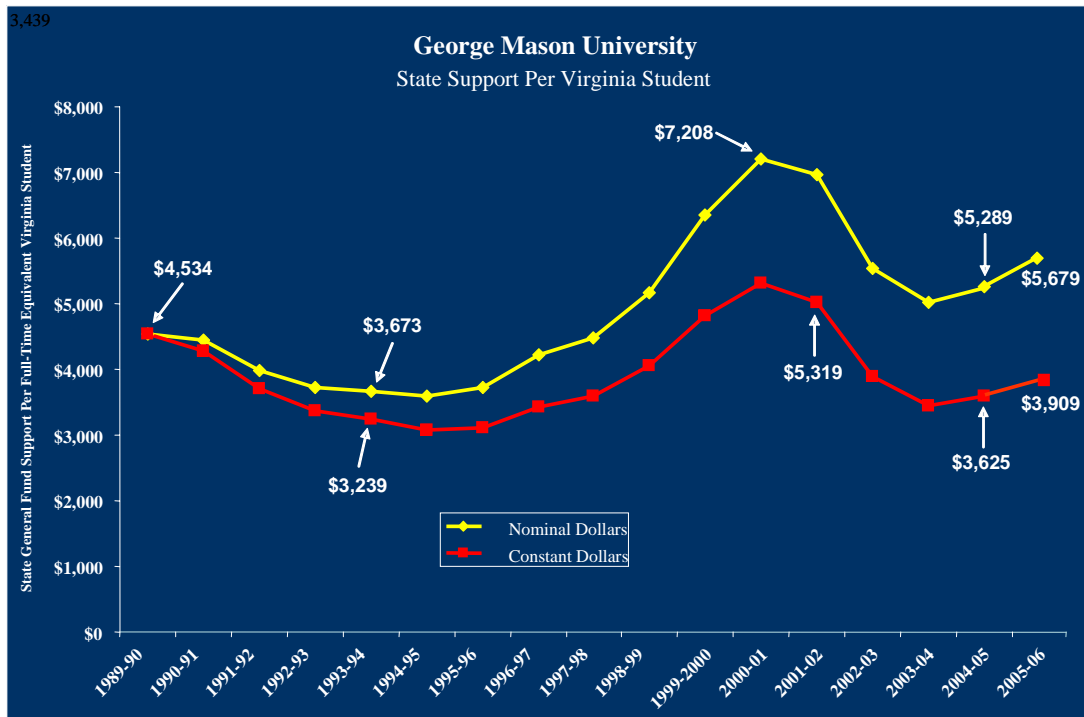
GENERAL FUND SUPPORT

In prior years with increasing student demand, the Commonwealth of Virginia has not been in a position to provide much financial support to higher education to accept this increased enrollment. For George Mason University, in addition to receiving no General Fund (GF) for enrollment growth in prior years, the University lost \$28 million of (GF) support from its base. General Fund support dropped from \$118 million in FY 2001 to \$90 million in FY 2004. The past two years have seen a rebound in General Fund support. The University received nearly a nine million dollar General Fund increase in FY 2005, increasing the General Fund support to \$98.7 million in FY 2005. In FY 2006, the General Fund support will increase to \$109.2 million in FY 2006. *The allocation of funds for FY 2006 reflects funding for enrollment growth through FY 2004, as well as in improvement in base budget funding.*

Although the General Fund (GF) provides nearly 30% of the total operating funds of the University, this can be a misleading table since this GF amount includes capital projects and student financial aid. The GF support provided to GMU to fund the core E&G budget has dropped from over 60% to only slightly above 40% (see following table).

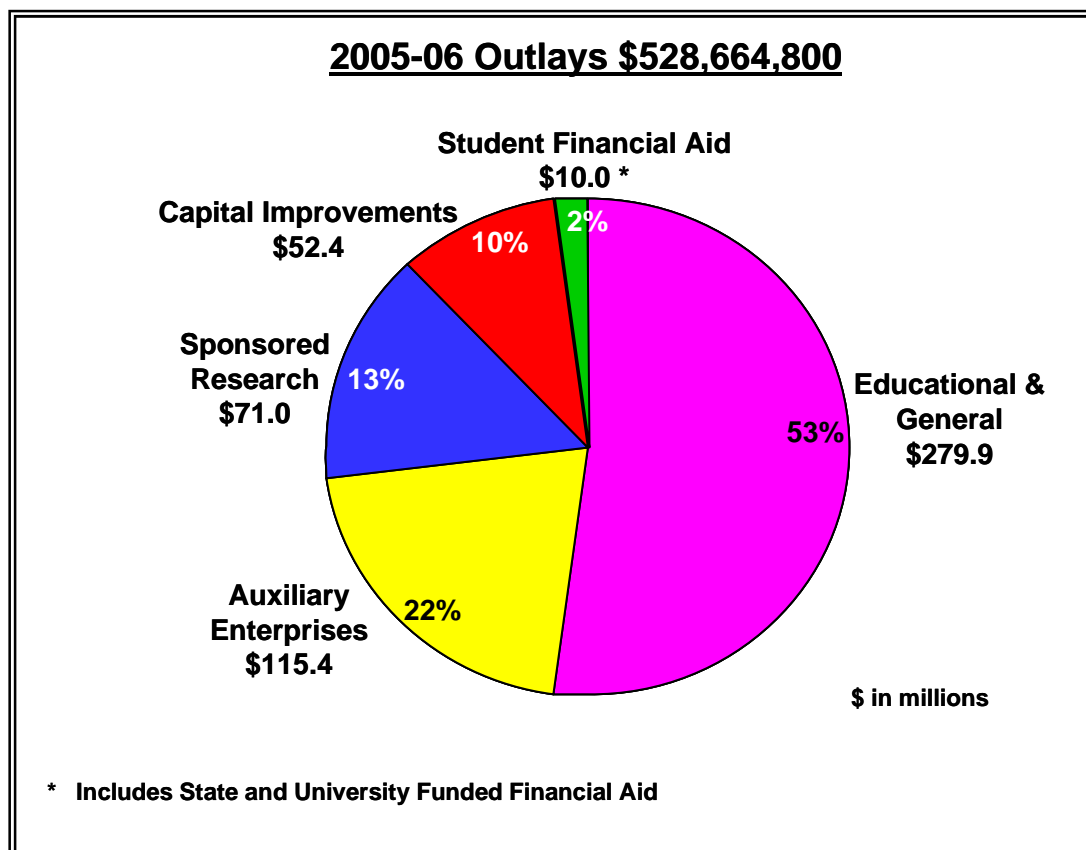


George Mason University had been receiving approximately \$7,200 of General Fund (GF) support for each Virginia student (FTE) prior to the GF budget reductions of FY 2002, FY 2003 and FY 2004; GMU received no GF support for the new 2,800 FTE students enrolled between FY 2001 – FY 2004. The General Fund support per FTE student had dropped to \$5,018 in FY 2004. After receiving funds in FY 2005 and FY 2006 for enrollment support through FY 2004, GMU now receives \$5,679 per student (see below). In the past two years, this General Fund support per FTE student has increased 13.2% to \$5,679 in FY 2006.



OUTLAYS: ALL FUNDS – ALL USES

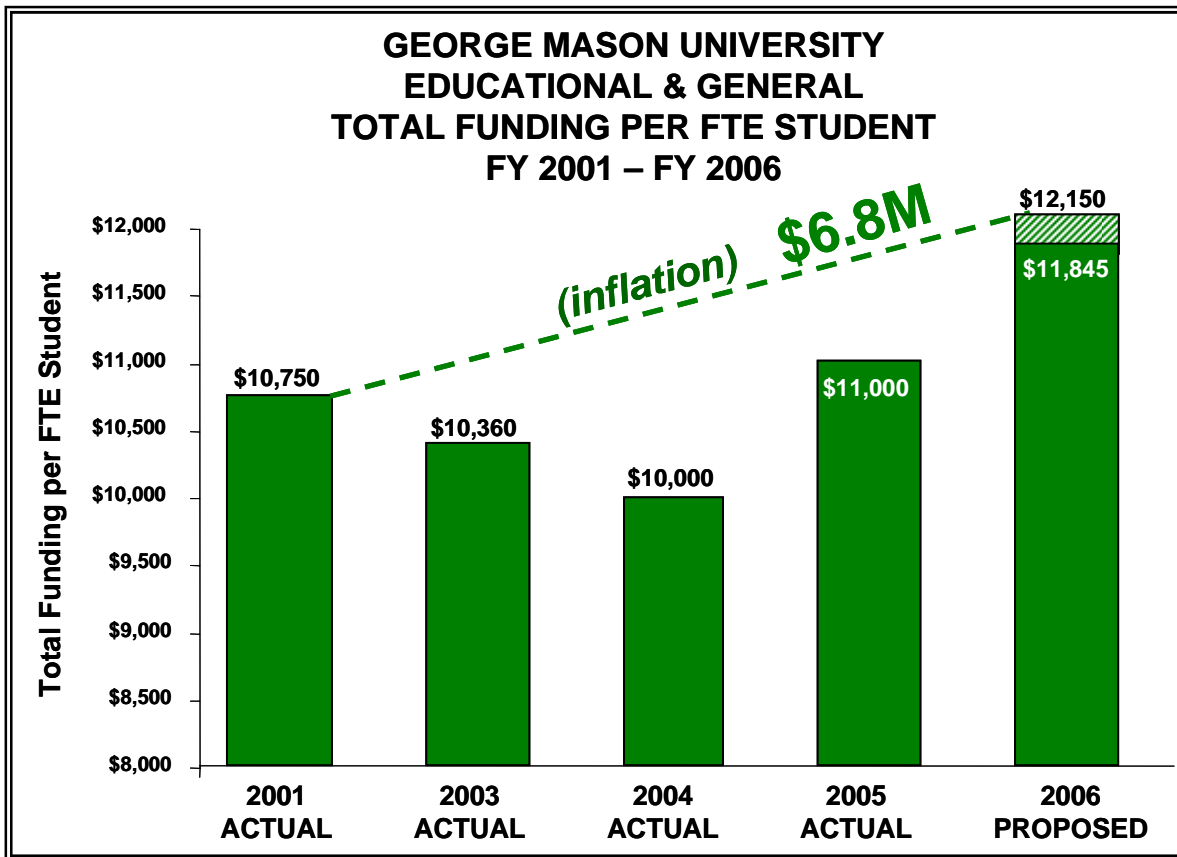
The 2005-2006 spending plan is also established at \$528,664,800 since it is anticipated that all revenues will be expended for actual operating costs or be allocated to reserves for facility depreciation. Funds are expended within five programs.



BASE BUDGET ADEQUACY

TOTAL E&G FUNDS

With the State Appropriation and the proposed tuition and fee package for FY 2006, the total E&G funds available will be approximately \$11,845 per FTE student. The University operated with \$10,750 per FTE in FY 2001. At that time the Joint Legislative Committee on Higher Education Funding determined that the base budget deficiency at George Mason University was approximately \$20M. Inflation since FY 2001 would have increased this FY 2001 level of spending per FTE student up to \$12,150 by FY 2006. This loss of purchasing power since FY 2001 on an enrollment of 22,200 FTE students is approximately \$6.8 million (see below).



Note: The Joint Legislative Committee on Higher Education Funding will recalculate the base budget deficiency for all state institutions of higher education in the Commonwealth of Virginia during the summer of 2005.

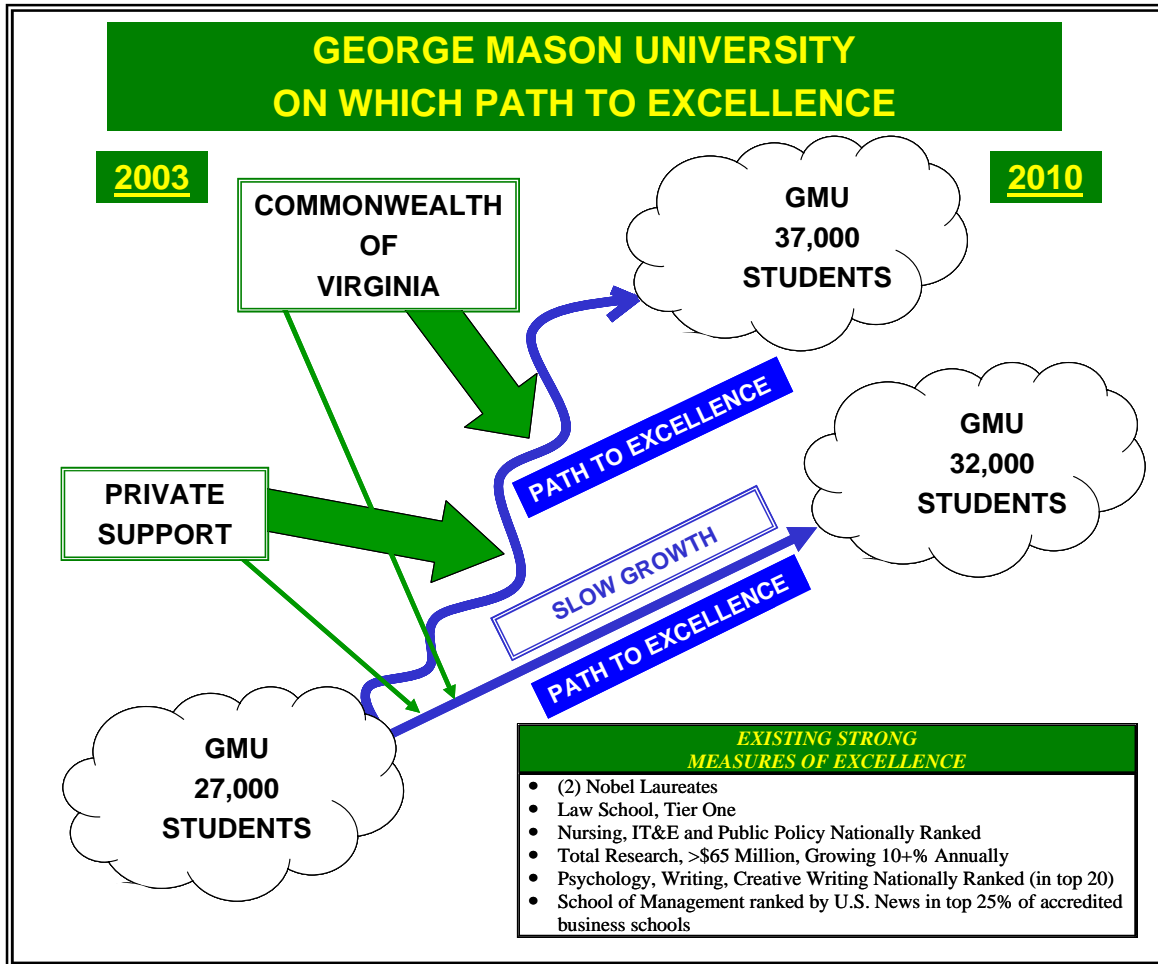
OVERALL EDUCATIONAL & GENERAL STRATEGY

The Board of Visitors continued several proposed major academic transformations of FY 2004 into FY 2005 when they had their annual planning session at Airlie in August 2004 (see below).

- **Enhancement of the student selectivity, performance and experience that accompany an increased residential population of full-time student**
- **Expansion of international activities and locations with increased opportunities for studies abroad**
- **Growth of collaborative research both between academic disciplines and with industry and government, developing productive partnerships to benefit both the state and the nation**
- **Significant expansion of research in high priority areas such as critical infrastructure protection, engineering and the life sciences**
- **Increases in biosciences and nano technology research and development**
- **Full development of health science and professional training in collaboration with regional health systems and research institutions**
- **Growth in the arts, with an emphasis upon music and visual arts accompanied by additional professional degrees in all arts programs**
- **Continued advancement in excellence in legal, economic, social science and policy studies.**

INSTITUTIONAL EXCELLENCE: WITH OR WITHOUT STUDENT ENROLLMENT GROWTH

The Board of Visitors remains committed to student enrollment growth, and has advised the President and his senior staff to continue to pursue with appropriate State officials creative solutions to providing increased access to these highly qualified Virginia high school graduates projected to be seeking post secondary education. The University remains hopeful that some type of resource commitment can be negotiated between the institution and the Commonwealth of Virginia to provide adequate state support for continued enrollment growth at George Mason University. Increased accessibility to higher education at a reasonable price to highly qualified Virginia high school graduates should remain a high priority for the Commonwealth of Virginia. George Mason University remains well positioned to be a part of the solution to this issue of increased access. However, the University is confident that it can become an institution of excellence under either a slow growth or more aggressive growth strategy (see below).



THE PROPOSED FY 2006 BUDGET IS BASED UPON THE SLOW STUDENT ENROLLMENT GROWTH MODEL (DETAILS FOLLOW)

An overarching theme of the planning session was the BOV’s guidance and direction to the Administration to manage and allocate resources in such a manner to “*preserve a quality University in a time of financial constraints.*” These priorities, as well as the overall BOV direction, guided the University in the development of the FY 2006 E&G budget.

Annual Change in E&G Budget

The budget for E&G in 2005-2006 is \$265,871,600, and this represents an increase of \$21.2M from the 2004-2005 E&G revised budget. The major revenue changes within the source of funds are a projected increase in General Fund support for overall operations of approximately \$9.5M, and a tuition revenue increase of \$14.7M. These are offset by the loss of a one-time revenue from prior year ETF reimbursements in FY 2005. The total budget includes funding to annualize salary increases from FY05, provide salary increases for partial year FY06, provide partial support for Operations and Maintenance costs for the new Research I facility on the Fairfax Campus, and support other program enhancement.

The change in tuition & fees is comprised of increased tuition revenue from increased enrollment and out-of-state students (\$2.9M), increased tuition rates (\$11.5M), and a decreased non-mandatory transfer contribution from Auxiliary Enterprises (\$1.4M).

The table below provides an overview of the \$21.2M change in E&G revenue, by revenue source and the allocation of these new resources by intended use. Restructuring and reprioritization will continue throughout the University as units determine how best to accommodate more students with fewer dollars per student.

| GEORGE MASON UNIVERSITY E&G CHANGE IN FUNDING FY05 – FY06 | | |
|--|----------------------|----------------------|
| | <u>FY05</u> | <u>FY06</u> |
| TOTAL E&G BUDGET: | \$244,670,000 | \$265,871,600 |
| SOURCE OF FUNDS | | |
| General Fund Support Base Operating, Enrl, Degree Compl, etc | | \$7,080,100 |
| General Fund Support for Salary Increases | | 3,158,900 |
| General Fund Support for Research I | | 118,100 |
| Reduction of One-time Research Support | | (885,800) |
| Increased Enrollment 250 FTE | | 1,400,000 |
| Increased Number of Out-of-State (150) | | 1,500,000 |
| Tuition Increase of \$372 FY 2006 | | 11,500,000 |
| Non-general Fund Support from Course Fees/Grad Premium Tuition | | 1,701,600 |
| Auxiliary Enterprise Contribution | | (1,350,000) |
| One-time Reimbursement for Prior Year ETF | | (3,021,300) |
| TOTAL NEW REVENUE | | \$21,201,600 |
| USE OF FUNDS | | |
| <i>Essential for Maintenance</i> | | |
| • Salary Increase Annualize 11/25/04 | | \$2,626,300 |
| • Salary Increase for FY06 effective 11/25/05 | | 4,558,000 |
| • Salary Increase Additional 1.5% for Instructional Faculty (11/25) | | 1,000,000 |
| • Salary Funds for FY06 (adjustments and retention) | | 555,000 |
| • Fringe Benefits Increase FY06 | | 1,500,000 |
| <i>Subtotal Salaries/Benefits</i> | | \$10,239,300 |
| • Research I Operating (O&M and Programming) | | 640,000 |
| • Additional Space | | 525,000 |
| • Contract Inflation (Incl Library Materials) and Utility Increases | | 935,000 |
| • Enrollment Growth (funded from tuition revenue) | | 1,400,000 |
| • Graduate Student Support | | 475,000 |
| • Library Resources to Enhance Teaching & Research | | 339,200 |
| • Support for Financial Aid | | 860,000 |
| • Support for Research | | 764,000 |
| <i>Subtotal</i> | | \$16,177,500 |
| • Spires of Academic Excellence, Critical Support Infrastructure | | 5,024,100 |
| INCREASED EXPENSES | | \$21,201,600 |

EXPLANATION OF CHANGE IN SPENDING

Overall Salary and Benefit Increases: Of the total increase for FY 2006, \$10.2M (49%) will support the cost of salary and benefit increases for faculty, staff and wages. The additional funding supports the cost of annualizing the FY 2005 salary increases, as well as the partial year increase for FY 2006 and benefit cost increases to be incurred for health benefits.

Annualize Salary Increase: Funding in the amount of \$2,626,300 is allocated to annualize the salary increases for faculty, staff, and wages on 11/25/04. Only partial year funding was allocated in FY05 and therefore additional funding is required to cover the full fiscal year cost of salary and benefit expenses related to the salary increases.

Salary Increase: Funding in the amount of \$4,558,000 is allocated to cover a 4.00% salary increase for faculty and administrative staff and a 3.00% salary increase for classified staff and wages effective 11/25/05. The funding also covers a base adjustment of \$50 per year for classified staff with five or more years of state service. The State provides half of the support for salary increases from General Fund to support the full funding required salary and benefit expenses. Additional funding of \$1,000,000 is budgeted to provide an overall faculty salary increase of 5.5% for faculty. This additional funding is supported totally from tuition revenues.

Salary Adjustments: Funding in the amount of \$555,000 is allocated to cover the cost of salary and benefits for salary increases for special adjustment and retention situations. This funding will cover categories of permanent support staff (administrative faculty and classified).

Research I New Facility: Funding is allocated to support the Operations & Maintenance and programming costs to operate the new Research I facility at the Fairfax Campus for a partial year. Of the total funding, \$388,000 is allocated to support the Operations & Maintenance costs. Within that total, \$174,000 and 8.00 FTE positions are allocated for maintenance staff, \$37,500 for housekeeping, \$140,000 for utilities, and \$36,800 to cover all other costs such as ground maintenance, waste management, fire protection and central plant. \$240,000 is set aside to support the operational and programming requirements for the facility as identified.

Additional Leased Space: The University will lease additional space within the Patriot Square facility in Fairfax. The University will also lease new space in Loudoun to accommodate academic activity to meet the demands of that area. The University has also allocated funds to support additional space on the Fairfax Campus to support expansion for the Physical Plant and Campus Police.

Contract Inflation and Utility Increases: Funding is allocated in the amount of \$935,000 to provide funds for inflationary costs for library reference materials (\$425,000), information technology contracts (\$115,000), housekeeping contracts (\$40,000), leased space contracts (\$40,000), mail services contract (\$15,000), and increased utilities expenses (\$300,000).

Enrollment Growth: Funding is allocated to academic and support units to provide instructional and service support to address the increased level of enrollment. The allocation of funds is covered by the additional tuition revenue to be generated.

Support for Research and Science: Funding is allocated to continue the support for the ICES group, new support for the Vice President for Research, the Life Sciences activity, and the School of Computational Sciences.

Spires of Excellence, Base Operating Funds:

Academic Units: Funding is provided to maintain the quality of academic programs and take advantage of critical opportunities. Funding is allocated to support basic teaching needs (\$1,166,000) within CAS; to support teaching needs in CNHS (\$350,000); to support additional faculty in IT&E for teaching and research (\$367,000); to provide support for SOM for additional faculty to address class size and accreditation issues (\$500,000); to fulfill ongoing commitments for faculty within SCS (\$256,000); to support additional faculty in the School of Law (\$125,000), to support additional faculty for teaching and research in School of Public Policy (\$170,000), to support additional faculty in College of Education & Human Development (\$80,000). Funding is also allocated to support Life Sciences faculty (\$600,000). Funding is allocated to the School of Law (\$550,000) and the School of Public Policy (\$600,000) for their share of the additional tuition revenue to be generated from premium tuition rates for their programs. (See Pages 83-97.)

Facilities/Physical Plant: Funding is allocated to provide additional project management within Facilities to support the increased level of facility construction on campus (\$364,000); and to provide staffing and support for facility maintenance and upkeep within Physical Plant (\$491,000). (See Pages 104-108.)

Library: Funding is allocated to address the needs to serve effectively a growing student/faculty population, as well as meet the demands generated by increased University research activities. Funding in the amount of \$764,000 is provided for an increase in the reference materials budget, as well as additional staff and salary supplements. (See Pages 98-99.)

Institutional Support: Funding is allocated to address staffing levels within support units to effectively respond to both student enrollment growth and several areas in need of critical infrastructure and operational efficiencies. Funding is provided to support positions and/or operational activity within Fiscal Services, Human Resources, Budget, Institutional Research & Reporting, Office of Senior Vice President, and Equity and Diversity Services. Funding is also provided to support marketing and development efforts within the University. The allocations within this category total \$897,000. (See Pages 101-104.)

Safe and Secure Environment: Funding increases will address needs related to improving safety and security on all campuses, improving cybersecurity, improved internal control support and compliance resources and responding to University growth. Funding is allocated for the Information Technology Unit to carry out critical management of the University's computing environment (\$1,012,000), to provide non-personnel funds for additional support within the Campus Police operation (\$100,000), provide additional staffing within the Internal Audit department (\$133,000) and for additional staffing within the Safety Office effective 1/1/06 (\$30,000). (See Pages 99-101.)

REALLOCATIONS, FY 2006 BUDGET

To achieve maximum resource flexibility, prior year budget allocations are reviewed for potential reallocation. Consistent with past budgets, the University has reallocated over 1% of the funding of the previous budget. *In FY2006 the University budget process has identified over three million dollars to be reallocated.*

These reallocations were possible for a variety of reasons including the fact that much of the funding may have originally been intended to be one-time & non-recurring. Additionally, some activities may be discontinued or the current level of funding has been reduced due to operating efficiencies within the unit. It should be noted that these are the institutional reallocations. In a decentralized operation field units and departments make reallocations throughout the year as they direct limited resources to their highest priorities.

Selected major reallocations:

| | |
|--|------------------|
| Information Technology (upgrades, email, forensics, etc.) | \$530,000 |
| Physical Plant (primarily non-recurring) | \$420,000 |
| Prince William Campus (start-up costs) | \$400,000 |
| Wage Employment (FY05 transition – extra pay) | \$200,000 |
| Human Resources (renovation, studies, equipment) | \$150,000 |
| College of Nursing (consult, distance learning, etc.) | \$150,000 |
| CAS Life Sciences (primarily start-up equipment) | \$125,000 |
| University Relations (consultant – marketing/image) | \$100,000 |
| Facilities (utility infrastructure) | \$100,000 |
| Krasnow Institute (integration costs) | \$ 85,000 |
| Safety & Police (vehicles, GIS, equipment) | \$ 75,000 |
| Arlington Campus (video conf equip, studies, etc.) | \$ 75,000 |
| Admissions & Registrar (recruiting, advising, etc.) | \$ 55,000 |
| Executive Management (ACE fellow, Phi Beta Kappa) | \$ 50,000 |
| CVPA (music room improvements) | \$ 50,000 |
| Library (one time procurements) | \$ 20,000 |

CHANGE BY MAJOR UNIT

The original FY05 budget approved by the Board of Visitors, as is true every year, is adjusted through the year as student enrollment has typically exceeded projections, in-state out-of-state student mix have varied from estimates, revenue generating activities have exceeded budget targets, non-recurring expenses needed to be addressed on an emergency basis and structural base budget adjustments are made to support new initiatives. In some situations, the University allocates resources to meet the “changed” budget requirements that are projected to continue into the future. Although somewhat larger than in previous years, the E&G change in budget between original and revised was approximately 3% in FY 2005. The more typical change during a fiscal year is 2%.

| EDUCATIONAL & GENERAL CHANGES TO ORIGINAL FY 2005 BUDGET | | | |
|---|-------------|-------------|----------------------|
| ORIGINAL BUDGET | | | \$236,934,800 |
| CHANGES TO ORIGINAL REVENUE | | | |
| Additional Contract Course Revenue | \$4,009,277 | | |
| Lower Regular Tuition Revenue | \$(476,038) | | |
| Net Tuition Revenue Change | | \$3,533,239 | |
| One-Time Prior Year ETF Reimbursement | | \$2,193,240 | |
| One-Time GF Support for Research | | \$885,000 | |
| Increased Revenue Study Abroad Program | | \$1,350,000 | |
| Other State Adjusted for Benefits | | \$(517,979) | |
| Other Self-Generated Revenue Increases | | \$291,700 | |
| Sub-Total Changes | | | \$7,735,200 |
| TOTAL REVISED | | | \$244,670,000 |

Some budget requirements were addressed in FY 2005, while other units had their budget requirements more fully addressed with a FY 2006 budget adjustment. The following tables show two different perspectives on annual change – FY 2006. Comparisons are shown based upon original FY05 budgets and current, revised FY 2005 budgets. Caution must be exercised before drawing conclusions from either of the annual change tables shown on the following pages.

For more information on any particular unit, the reader should refer to the E&G Budget Detail by Major Unit section of this document. For purposes of consistency the annual budget change used throughout this document is \$21.2M, the difference between a unit’s current FY 2005 budget and their proposed budget for FY 2006. The explanations provided in the detail section of the document allow the reader to see all changes from the original FY 2005 through the original FY 2006 budget.

**EDUCATIONAL & GENERAL BUDGET
REVISED FY05 → FY06**

| UNIT | FY05 REV BUDGET | FY06 ORIG BUDGET | FY06 VARIANCE TO FY05 REV |
|---|----------------------------|-----------------------------|--|
| College of Arts & Sciences | \$51,468,123 | \$52,636,800 | \$1,168,677 |
| College of Nursing & Health Science | 7,330,406 | 7,564,400 | 233,994 |
| College of Visual & Perf Arts | 6,671,544 | 6,682,400 | 10,856 |
| College of Educ & Human Develop | 14,953,832 | * 13,936,800 | * (1,017,032) |
| Inst for Conflict Analysis & Resolution | 2,148,465 | 2,370,600 | 222,135 |
| School of Info Tech & Engineering | 16,913,103 | 17,154,000 | 240,897 |
| School of Law | 11,007,364 | 11,954,800 | 947,436 |
| School of Computational Sciences | 4,918,875 | 5,016,500 | 97,625 |
| School of Management | 13,466,830 | * 12,680,600 | * (786,230) |
| School of Public Policy | 7,475,212 | 8,426,200 | 950,988 |
| Krasnow Institute | 514,146 | 417,400 | (96,746) |
| Academic Administration | 2,282,007 | 2,794,700 | 512,693 |
| Provost Instruction | 4,242,668 | 4,397,100 | 154,432 |
| Enrollment Services | 7,888,737 | 7,908,800 | 20,063 |
| Instructional Support | 543,959 | 6,787,700 | 6,243,741 |
| Merit Scholars/Financial Aid | 1,029,500 | 2,779,500 | 1,750,000 |
| Office of Continuing & Prof Education | 2,156,741 | * 1,307,700 | * (849,041) |
| University Life | 5,542,546 | 5,667,800 | 125,254 |
| Library | 12,449,178 | 13,259,200 | 810,022 |
| Summer | 3,998,521 | 4,444,400 | 445,879 |
| Subtotal | \$177,001,757 | \$188,187,400 | \$11,185,643 |
| Information Technology Unit | 18,950,767 | 20,398,700 | 1,447,933 |
| New Administrative Systems | 2,145,353 | 2,737,500 | 592,147 |
| Executive Administration | 2,149,024 | 2,364,900 | 215,876 |
| Finance & Planning | 9,395,518 | 9,556,600 | 161,082 |
| Operations | 5,379,680 | 6,307,000 | 927,320 |
| Multi-Campus Administration | 1,366,138 | 1,220,100 | (146,038) |
| Facilities | 19,593,632 | 20,620,100 | 1,026,468 |
| Property Rental | 1,701,550 | 3,702,500 | 2,000,950 |
| University Development | 1,880,190 | 2,012,400 | 132,210 |
| University Relations | 3,455,726 | 3,832,200 | 376,474 |
| Central Funds | (1,241,913) | 665,122 | 1,907,035 |
| University Reserve | 0 | 1,374,500 | 1,374,500 |
| Equipment Trust Fund | 2,892,578 | 2,892,578 | 0 |
| Subtotal | \$67,668,243 | \$77,684,200 | \$10,015,957 |
| TOTAL | \$244,670,000 | \$265,871,600 | \$21,201,600 |

* Each of these budgets will most likely increase significantly through their contract course offerings where additional expenditures are funded through self-generated revenue.

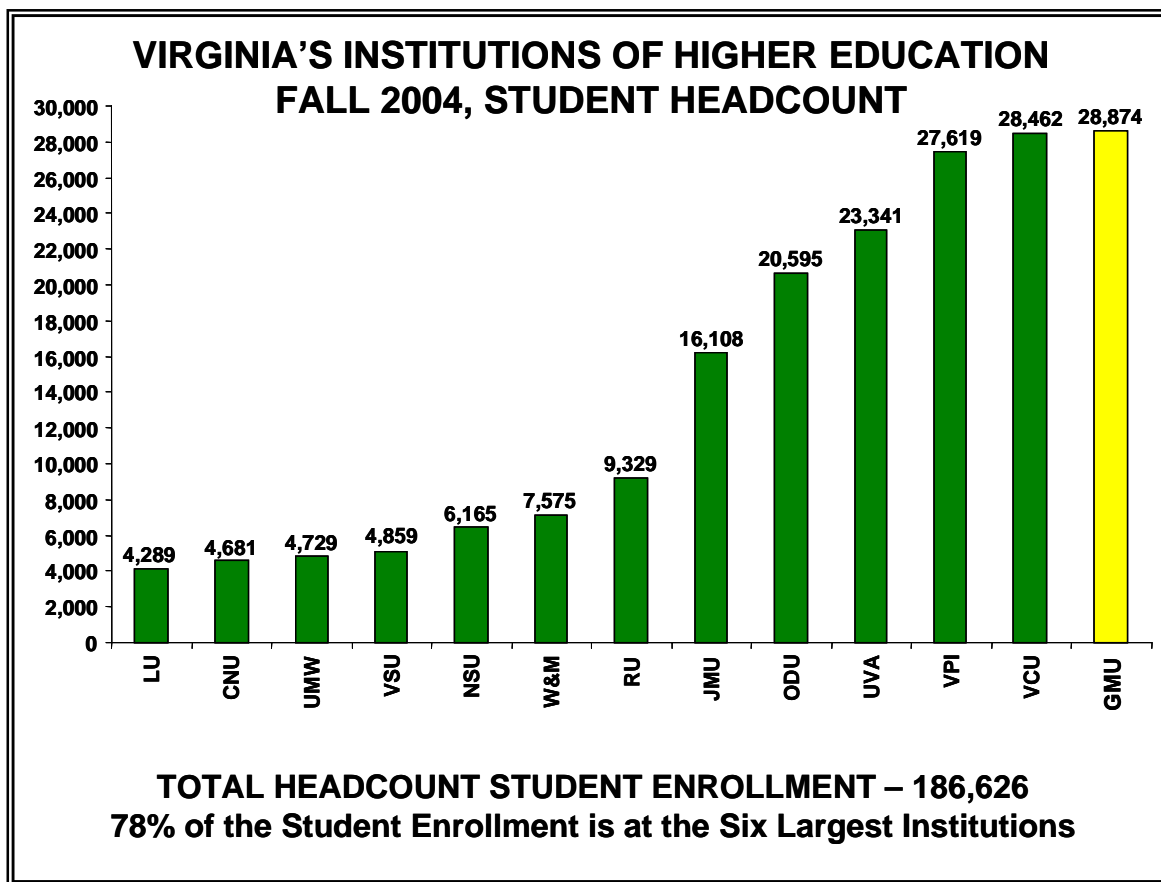
| EDUCATIONAL & GENERAL BUDGET ORIGINAL FY05 → FY06 | | | |
|--|-----------------------------|-----------------------------|---|
| UNIT | FY05 ORIG BUDGET | FY06 ORIG BUDGET | FY06 VARIANCE TO FY05 ORIG |
| College of Arts & Sciences | \$48,223,200 | \$52,636,800 | \$4,413,600 |
| College of Nursing & Health Science | 6,627,900 | 7,564,400 | 936,500 |
| College of Visual & Perf Arts | 6,045,800 | 6,682,400 | 636,600 |
| College of Educ & Human Develop | 11,442,800 | * 13,936,800 | * 2,494,000 |
| Inst for Conflict Analysis & Resolution | 2,066,800 | 2,370,600 | 303,800 |
| School of Info Tech & Engineering | 15,738,300 | 17,154,000 | 1,415,700 |
| School of Law | 10,901,800 | 11,954,800 | 1,053,000 |
| School of Computational Sciences | 4,433,400 | 5,016,500 | 583,100 |
| School of Management | 11,650,000 | * 12,680,600 | * 1,030,600 |
| School of Public Policy | 6,973,500 | 8,426,200 | 1,452,700 |
| Krasnow Institute | 423,000 | 417,400 | (5,600) |
| Academic Administration | 2,332,800 | 2,794,700 | 461,900 |
| Provost Instruction | 3,591,800 | 4,397,100 | 805,300 |
| Enrollment Services | 6,764,300 | 7,908,800 | 1,144,500 |
| Instructional Support | 6,194,300 | 6,787,700 | 593,400 |
| Merit Scholars/Financial Aid | 1,779,500 | 2,779,500 | 1,000,000 |
| Office of Continuing & Prof Education | 1,307,700 | * 1,307,700 | * 0 |
| University Life | 5,283,700 | 5,667,800 | 384,100 |
| Library | 12,260,100 | 13,259,200 | 999,100 |
| Summer | 4,345,200 | 4,444,400 | 99,200 |
| Subtotal | \$168,385,900 | \$188,187,400 | \$19,801,500 |
| Information Technology Unit | 17,566,300 | 20,398,700 | 2,832,400 |
| New Administrative Systems | 2,818,000 | 2,737,500 | (80,500) |
| Executive Administration | 2,000,600 | 2,364,900 | 364,300 |
| Finance & Planning | 8,776,300 | 9,556,600 | 780,300 |
| Operations | 6,199,100 | 6,307,000 | 107,900 |
| Multi-Campus Administration | 969,500 | 1,220,100 | 250,600 |
| Facilities | 18,421,600 | 20,620,100 | 2,198,500 |
| Property Rental | 3,272,500 | 3,702,500 | 430,000 |
| University Development | 1,950,600 | 2,012,400 | 61,800 |
| University Relations | 3,529,200 | 3,832,200 | 303,000 |
| Central Funds/Indirect AE | (861,378) | 665,122 | 1,526,500 |
| University Reserve | 1,014,000 | 1,374,500 | 360,500 |
| Equipment Trust Fund | 2,892,578 | 2,892,578 | 0 |
| Subtotal | \$68,548,900 | \$77,684,200 | \$9,135,300 |
| TOTAL | \$236,934,800 | \$265,871,600 | \$28,936,800 |

* Each of these budgets will most likely increase significantly through their contract course offerings where additional expenditures are funded through self-generated revenue.

INSTITUTIONAL PROFILE

INSTITUTIONAL SIZE: STUDENT ENROLLMENT (HEADCOUNT)

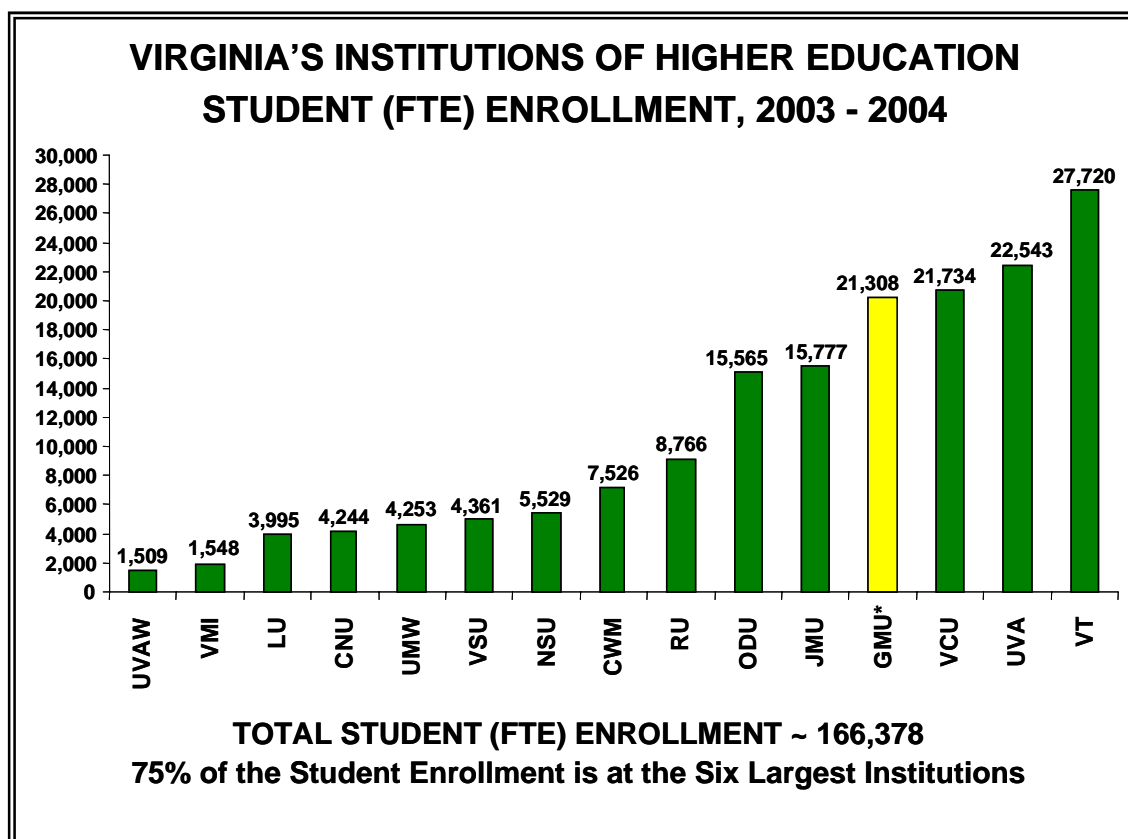
George Mason University became the largest university in the Commonwealth of Virginia in Fall 2003, with a headcount of 28,246. George Mason University continued as the largest university in Fall 2004 with a headcount of 28,874.



FY 2006 Change: George Mason University anticipates a Fall 2005 student headcount of 29,300, which represents an increase of 1.5% over the Fall 2004 student headcount.

INSTITUTIONAL SIZE: STUDENT ENROLLMENT (FTE)

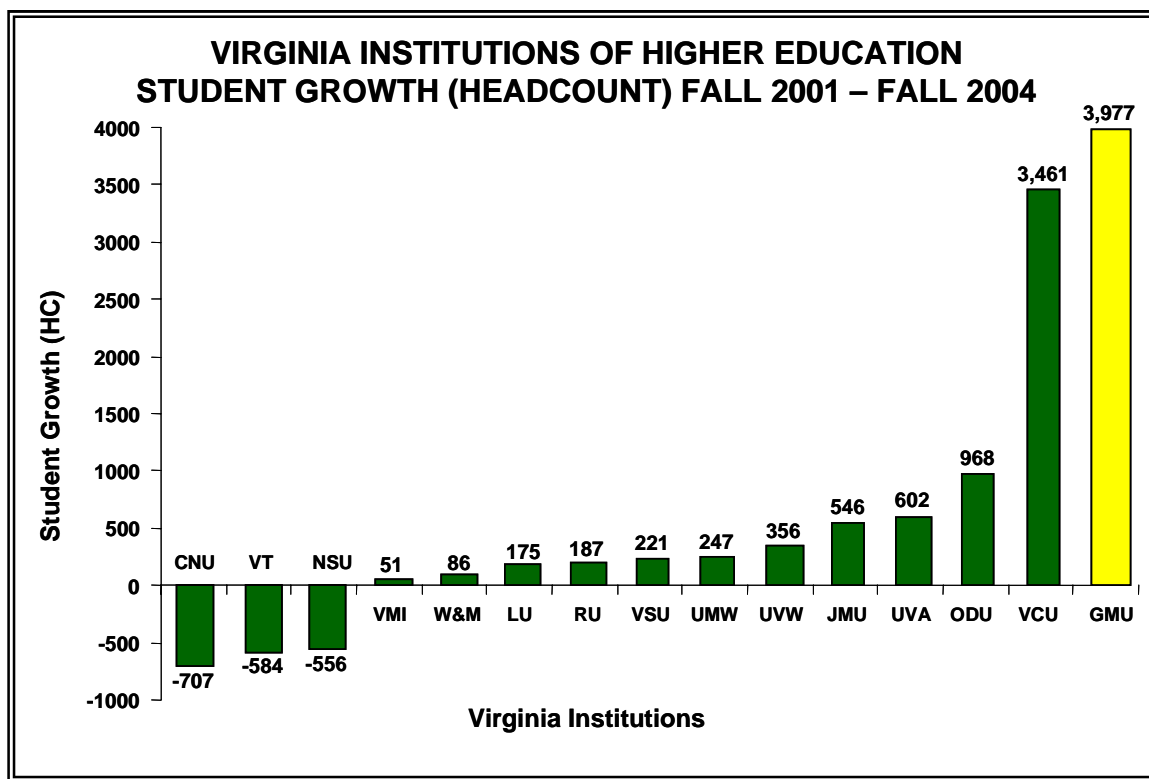
When looking at full time equivalent (FTE) enrollment, George Mason University is the fourth largest institution behind Virginia Tech, the University of Virginia, and Virginia Commonwealth University (see below). The actual annualized enrollment for FY 2004, seen here is the most current actual enrollment data available.



FY 2006 Change: George Mason University projects an annual student FTE enrollment of 22,200 FTE during 2005-2006, which represents a 1.1% increase over the 21,950 projected FTE enrollment of 2004-2005, and 9.9% over the FY03 actual enrollment.

RECENT STUDENT ENROLLMENT GROWTH

George Mason University has continued, despite the severe General Fund budget reductions, to grow (approximately 4,000 students since Fall 2001) in an effort to meet the increasing demand for higher education associated with the growing number of Virginia high school graduates. George Mason University has assumed 44% of the statewide enrollment growth accommodated in Virginia four-year institutions since Fall 2001 (see below).



NEW STUDENT SELECTIVITY AND INSTITUTIONAL ATTRACTIVENESS

Student Quality: During this same time frame, George Mason University has become much more selective in its admission policies as evidenced by the sharp increase in both the SAT and GPA of incoming students. The second table illustrates the growing demand for higher education. First time freshmen applications for Fall 2005 are up about 2.0% over the previous year.

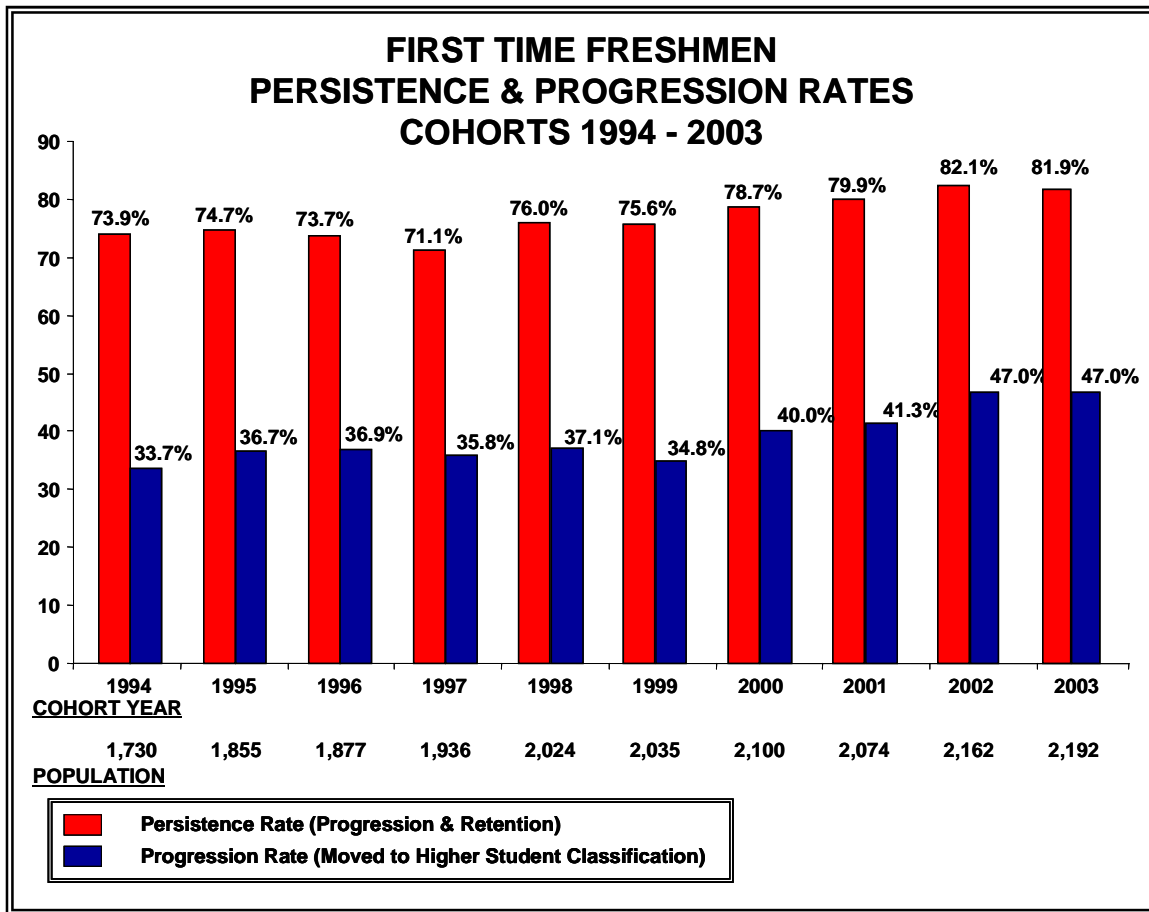
| FIRST TIME FRESHMEN QUALITY INDICATOR TRENDS 2001 – 2005 | | |
|---|-----------------------|--------------------|
| FRESHMEN APPLY | AVERAGE HS GPA | AVERAGE SAT |
| 2001 | 3.08 | 1054 |
| 2002 | 3.12 | 1062 |
| 2003 | 3.19 | 1078 |
| 2004 | 3.20 | 1086 |
| 2005 Estimate | 3.25 | 1094 |
| FRESHMEN ADMIT | AVERAGE HS GPA | AVERAGE SAT |
| 2001 | 3.28 | 1102 |
| 2002 | 3.33 | 1115 |
| 2003 | 3.43 | 1137 |
| 2004 | 3.43 | 1130 |
| 2005 Estimate | 3.43 | 1135 |
| FRESHMEN ENROLL | AVERAGE HS GPA | AVERAGE SAT |
| 2001 | 3.20 | 1076 |
| 2002 | 3.26 | 1100 |
| 2003 | 3.30 | 1110 |
| 2004 | 3.32 | 1110 |
| 2005 Estimate | 3.35 | 1110 |

| | FALL 2001 | FALL 2002 | FALL 2003 | FALL 2004 | FALL 2005* |
|---------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Freshmen Applicants | 8,107 | 8,845 | 9,763 | 10,094 | 10,250 |
| Freshmen Admits | 5,519 | 5,827 | 6,461 | 6,937 | 6,978 |
| Freshmen Enrolled | 2,147 | 2,225 | 2,251 | 2,275 | 2,275 |
| Transfer Applicants | 4,899 | 5,116 | 5,105 | 5,550 | 5,700 |
| Transfer Admits | 3,404 | 3,550 | 3,638 | 3,500 | 3,750 |
| Transfer Enrolled | 2,144 | 2,274 | 2,280 | 2,275 | 2,275 |
| Graduate Applicants | 4,486 | 6,233 | 6,394 | N/A | 6,157 |
| Graduate Admits | 2,830 | 3,985 | 4,112 | N/A | 3,752 |
| Graduate Enrolled | 1,767 | 2,553 | 2,599 | N/A | 2,263 |
| Law Applicants | 2,666 | 4,383 | 5,315 | 5,050 | 6,015 |
| Law Admits | 599 | 686 | 558 | 700 | 885 |
| Law Enrolled | 246 | 282 | 196 | 225 | 215 |

** Fall 2005 numbers are estimates, projected based on April 2005 information*

STUDENT RETENTION

Another very positive indicator of improved student quality and program excellence is the significant increase in student persistence and progression rates. This improved retention has also positively impacted student enrollment growth, since the number of students discontinuing their college education after their first year has been decreasing. These improvements exceed the target performance measures previously established and submitted to the Commonwealth of Virginia (see below).



TUITION CHANGES: FY 2001 – FY 2005

Since this paradigm shift in funding from the State to the student has resulted in sharp tuition and fee increases (including mid-year adjustments), it is often confusing when attempting to compare price increases at different institutions within the Commonwealth. The table below summarizes the tuition and fee rates at these state schools from FY 2001 to FY 2005. George Mason's actual rate and percentage increase over that time were below the average of all schools. (see below).

| VIRGINIA COLLEGES & UNIVERSITIES ANNUAL IN-STATE, UNDERGRADUATE STUDENTS TUITION & FEE INCREASES FY 2001 – FY 2005 | | | | | | | |
|---|----------------|----------------|------------------------|----------------|----------------|-------------------------------|------------------------------|
| SCHOOL | FY 2001 | FY 2002 | Adjusted FY 2003 | FY 2004 | FY 2005 | \$ INCREASE FY01 – FY05 | % INCREASE FY01 – FY05 |
| CNU | \$3,096 | \$3,152 | \$4,072 | \$4,600 | \$5,314 | \$714 | 71.6% |
| LONGWOOD | 4,003 | 4,226 | 5,305 | 5,877 | 6,441 | 564 | 61.0% |
| UMW | 3,246 | 3,336 | 4,444 | 4,688 | 5,127 | 439 | 57.9% |
| UVA | 4,160 | 4,236 | 5,378 | 5,964 | 6,600 | 636 | 58.9% |
| RADFORD | 2,950 | 3,069 | 3,844 | 4,140 | 4,762 | 622 | 61.4% |
| VA TECH | 3,640 | 3,664 | 4,736 | 5,095 | 5,838 | 743 | 60.4% |
| W&M | 4,687 | 4,780 | 5,852 | 6,430 | 7,096 | 666 | 51.4% |
| GMU | 3,768 | 3,792 | 4,800 | 5,112 | 5,448 | 336 | 44.6% |
| UVA-WISE | 3,330 | 3,470 | 4,244 | 4,496 | 4,782 | 286 | 43.6% |
| VSU | 3,228 | 3,312 | 4,054 | 4,350 | 4,544 | 194 | 40.8% |
| VCU | 3,650 | 3,675 | 4,518 | 4,869 | 5,098 | 229 | 39.7% |
| JMU | 4,000 | 4,094 | 4,628 | 5,058 | 5,476 | 418 | 36.9% |
| ODU | 3,931 | 4,023 | 4,625 | 4,928 | 5,268 | 340 | 34.0% |
| NSU | 3,069 | 3,124 | 3,296 | 3,840 | 4,295 | 455 | 39.9% |
| VMI | 6,148 | 6,294 | 7,017 | 7,584 | 8,054 | 470 | 31.0% |
| AVERAGE | \$3,794 | \$3,883 | \$4,721 | \$5,135 | \$5,610 | \$474 | 48.9% |

TUITION CHANGES: FY 2005 – FY 2006

As a part of the FY 2006 E&G budget proposal, the University will increase tuition and fees by 7.9% or \$432 per year, which is approximately the average tuition and fee increase of all the state schools in the Commonwealth of Virginia. George Mason University had the 7th highest annual tuition and fee rate in FY 2005, and GMU will remain at the 7th position in FY 2006.

| VIRGINIA COLLEGES & UNIVERSITIES IN-STATE, UNDERGRADUATE STUDENTS ANNUAL TUITION & FEES | | | | |
|--|----------------|----------------|---------------------------------|-------------------------------|
| SCHOOL | FY 2005 | FY 2006 | % CHANGE FY05 – FY06 | CHANGE FY05 – FY06 |
| VMI | \$8,054 | \$8,666 | 7.6% | \$612 |
| W&M | 7,096 | 7,778 | 9.6% | 682 |
| UVA | 6,600 | 7,133 | 8.1% | 533 |
| LONGWOOD | 6,441 | 7,020 | 9.0% | 579 |
| VA TECH | 5,838 | 6,378 | 9.3% | 540 |
| JMU | 5,476 | 5,886 | 7.5% | 410 |
| GEORGE MASON | 5,448 | 5,880 | 7.9% | 432 |
| CNU | 5,314 | 5,826 | 9.6% | 512 |
| UMW | 5,128 | 5,634 | 9.9% | 506 |
| ODU | 5,268 | 5,614 | 6.6% | 346 |
| VCU | 5,098 | 5,385 | 5.6% | 287 |
| RADFORD | 4,762 | 5,129 | 7.7% | 367 |
| UVA-WISE | 4,782 | 5,081 | 6.3% | 299 |
| VSU | 4,544 | 4,834 | 6.4% | 290 |
| NSU | 4,295 | 4,670 | 8.7% | 375 |
| AVERAGE | \$5,610 | \$6,061 | 8.0% | \$451 |

TOTAL PRICE TO STUDENT

In summary, with adoption of the proposed Educational & General and Auxiliary Enterprise operating budgets and the proposed tuition and fee rate increase, the total cost to attend George Mason University as a residential, in-state undergraduate student will increase by 5.8% (see below).

| VIRGINIA COLLEGES & UNIVERSITIES IN-STATE, UNDERGRADUATE STUDENTS TUITION & FEE/ROOM & BOARD INCREASES, FY 2005 – FY 2006 | | | | |
|--|-----------------|-----------------|------------------------------------|-----------------------------------|
| SCHOOL | FY 2005 | FY 2006 | \$ INCREASE FY05 – FY06 | % INCREASE FY05 – FY06 |
| VMI | \$13,528 | \$14,332 | \$804 | 5.9% |
| W&M | 13,162 | 14,195 | 1,033 | 7.9% |
| UVA | 12,560 | 13,522 | 962 | 7.7% |
| CNU | 12,514 | 13,506 | 992 | 7.9% |
| LONGWOOD | 11,865 | 12,606 | 741 | 6.3% |
| VCU | 12,018 | 12,427 | 409 | 3.4% |
| GEORGE MASON | 11,688 | 12,360 | 672 | 5.8% |
| JMU | 11,592 | 12,258 | 666 | 5.8% |
| UMW | 10,872 | 11,636 | 764 | 7.0% |
| ODU | 10,974 | 11,491 | 517 | 4.7% |
| VSU | 10,804 | 11,318 | 514 | 4.8% |
| RADFORD | 10,570 | 11,250 | 680 | 6.4% |
| NSU | 10,531 | 11,144 | 613 | 5.8% |
| UVA-WISE | 10,390 | 11,018 | 628 | 6.0% |
| VA TECH | 10,126 | 10,900 | 774 | 7.6% |
| AVERAGE | \$11,549 | \$12,259 | \$710 | 6.1% |

James Madison University and George Mason University charge approximately the same (total price) to residential in-state undergraduate students. The total price at George Mason and James Madison place those two schools as 7th/8th highest price among the fifteen schools, at approximately the average annual total price of all four year institutions.

EDUCATIONAL & GENERAL

PROGRAM DEFINITION

The Educational & General (E&G) program is the largest program within the University. The E&G budget represents 50% of the University's total operation, and it is comprised of seven subprograms. These subprograms directly support the University's mission of teaching, research, and public service.

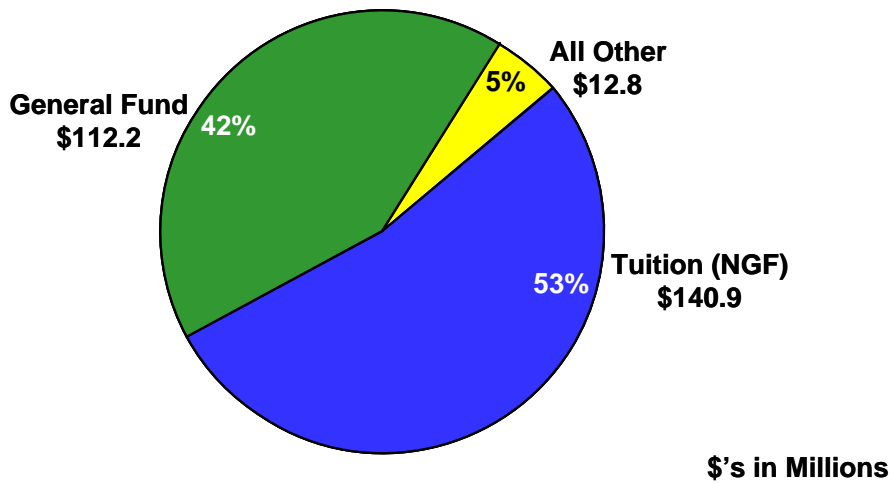
| SUBPROGRAM | MAJOR ACTIVITIES |
|-----------------------|--|
| Instruction | Instructional faculty, departmental costs |
| Academic Support | Deans and Directors, school level costs |
| Libraries | Professional librarians, library reference materials |
| Technology | University computing – academic/administrative – new systems |
| Student Services | Registrar, Admissions, Financial Aid, Placement, Career Services, etc. |
| Institutional Support | Executive Management, Purchasing, Payroll, Police, Fiscal Services, etc. |
| Physical Plant | Building maintenance, plant personnel, utilities, property rental, etc. |

PROGRAM REVENUES

Total E&G revenues (excluding private funds) for FY 2006 are projected at \$265.9M which is approximately \$21.2M more than the revised FY 2005 budget of \$244.7M. The University will support a student enrollment of 22,200 FTE students in FY 2006 as compared to an original budgeted enrollment of 21,500 FTE in FY 2005 and an actual enrollment of 21,950.

In 2005-06, the General Fund will provide nearly 42% of the support of George Mason's E&G operation. Tuition and other sources of revenue will provide the remaining 58%. Over three years the General Fund percentage has decreased from 62% to 42%. This continues the paradigm shift of having students pay an increasing percentage of the cost of higher education.

Source of Funds – Total E&G Revenue \$265,871,600



**Note: Excludes \$14M Private Funds
Includes \$2.9 ETF Fund**

General Fund Trend Analysis

In the early 1990's, the General Fund provided approximately 62% of the funding for George Mason University's E&G operation. The General Fund support then dropped for five consecutive years through 1995-96, rallied through FY 2001, and has now dropped to its lowest level ever.

Funding per FTE Student

For the FY 2006 fiscal year the University funding available is \$11,845 per FTE student. This is made up of an average cost per FTE student of \$6,500 for academic units (primarily instruction), \$1,546 for academic support units, \$3,276 for all other non-academic units, and approximately \$523 for central items to be allocated during the year. The overall funding per FTE level compares to the actual funding available in FY 2001 of \$10,750. This total funding per FTE student in FY 2006 represents an increase of 11% over the funding per FTE in FY 2005.

The University, however, remains severely underfunded since inflation alone would have increased the FY 2001 level of funding (when the State determined George Mason to be \$20M deficient in base budget funding) up to \$12,150 per FTE in FY 2006. *(The FY 2006 E&G budget difference between continuation of FY 2001 level of funding (adjusted only for inflation) and actual FY 2006 funding is approximately a loss of another \$6.8 million.)*

Strength Of Student Applications/Enrollment

Freshmen applications have grown (2%) over last year, academic credentials are higher, and the University will attain the targeted projected enrollment for 2005-06 of 29,300 (headcount), or 22,200 FTE students. The entering class will reflect higher GPA's. The projected FY 2006 enrollment of 22,200 FTE represents an increase of 250 FTE, or 1.1% over the actual student enrollment of 21,950 in 2004-05. The 2004-05 actual enrollment of 21,950 was 450 FTE higher than the original target for FY 2005.

| | ACTUAL FY 2001 | ACTUAL FY 2002 | ACTUAL FY 2003 | ACTUAL FY 2004 | TARGET FY 2005 | PROJECT FY 2005 | TARGET FY 2006 |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|
| HEADCOUNT | 23,408 | 24,897 | 26,796 | 28,246 | 28,500 | 28,874 | 29,300 |
| ENROLLMENT | 17,600 | 18,700 | 20,150 | 21,200 | 21,500 | 21,950 | 22,200 |

Change: The projected change in enrollment for FY 2006 is approximately an increase of 425 headcount students, or an FTE increase of 250 students.

Annual Change in E&G Budget, FY 2006

The budget for E&G in 2005-2006 is \$265,375,000, and this represents an increase of \$20,700,000 from the 2004-2005 E&G budget.

| GEORGE MASON UNIVERSITY E&G CHANGE IN FUNDING, FY05 – FY06 | | |
|---|-----------------------------------|----------------------|
| | <u>FY05</u> | <u>FY06</u> |
| TOTAL E&G BUDGET: | \$244,670,000 | \$265,871,600 |
| SOURCE OF FUNDS | | |
| General Fund Support Base Operating, Enrl, Degree Compl, etc | | \$7,080,100 |
| General Fund Support for Salary Increases | | 3,158,900 |
| General Fund Support for Research I | | 118,100 |
| Reduction of One-time Research Support | | (885,800) |
| Tuition: Increased Enrollment 250 FTE | | 1,400,000 |
| Tuition: Increased Number of Out-of-State (150) | | 1,500,000 |
| Tuition: Increase of \$372 FY 2006 | | 11,500,000 |
| Tuition: Non-General Fund Support from Course Fees/Grad Premium Tuition | | 1,701,600 |
| Auxiliary Enterprise Contribution | | (1,350,000) |
| General Fund: One-time Reimbursement for Prior Year ETF | | (3,021,300) |
| TOTAL NEW REVENUE | | \$21,201,600 |
| USE OF FUNDS | | |
| <i>Essential for Maintenance:</i> | | |
| • Salary Increase Annualize 11/25/04 | | 2,626,300 |
| • Salary Increase for FY06 effective 11/25/05 | | 4,558,000 |
| • Salary Increase Additional 1.5% for Instructional Faculty (11/25) | | 1,000,000 |
| • Salary Funds for FY06 (adjustments and retention) | | 555,000 |
| • Fringe Benefits Increase FY06 | | 1,500,000 |
| | <i>Subtotal Salaries/Benefits</i> | \$10,239,300 |
| • Research I Operating (O&M and Programming) | | 640,000 |
| • Additional Lease Space | | 525,000 |
| • Contract Inflation (Incl Library Materials) and Utility Increases | | 935,000 |
| • Enrollment Growth (funded from tuition revenue) | | 1,400,000 |
| • Graduate Student Support | | 475,000 |
| • Library Resources to Enhance Teaching & Research | | 339,200 |
| • Support for Financial Aid | | 860,000 |
| • Support for Research | | 764,000 |
| | <i>Subtotal</i> | \$16,177,500 |
| • Spires of Academic Excellence, Critical Support Infrastructure | | 5,024,100 |
| INCREASED EXPENSES | | \$21,201,600 |

Student Enrollment Growth

The enrollment targets for each academic unit total 22,200 FTE students, an increase of 250 FTE students over the estimated level of 21,950 for FY 2005. If the actual University-wide enrollment for FY 2006 exceeds 22,200 FTE students or if any academic unit significantly exceeds their enrollment target, the academic units exceeding their original enrollment targets will receive consideration for additional funding.

Selected academic units are experiencing enrollment growth which can only be supported with increases to their current base budgets. Funding is allocated to academic units to support enrollment growth from the 2004-05 overall enrollment of 21,950 FTE students to the 22,200 FTE course enrollment target for 2005-06. The units with the largest enrollment increases have been Arts & Sciences, Public Policy, Visual and Performing Arts, Computational Sciences, Nursing and Health Science, and Summer.

As an interesting side note, this projected enrollment for FY 2006 is 700 FTE greater than the target for FY 2005, which was the basis for resource allocations in FY 2005. Although George Mason University only experienced marginal growth from 1996 through 2001, the enrollment growth of FY 2002 - FY 2006, which has resulted in an increase of nearly 4,600 FTE students, is similar to the significant growth years of 1988-1995.

Several areas continued to show strong growth and exceeded their enrollment targets for FY05 (see below). Continued strong enrollment growth is projected in several of these areas.

| UNIT | FTE OVER TARGET | ACTUAL/TARGET PERCENT |
|--------------------------|------------------------|------------------------------|
| Education | 255 | 112% |
| Arts & Science | 89 | 101% |
| Nursing & Health Science | 68 | 110% |
| Public Policy | 32 | 107% |
| Computational Sciences | 8 | 106% |
| ICAR | 3 | 103% |

STUDENT ENROLLMENT (FTE) BY COURSE REGISTRATION

| Unit | 2002-03 ACTUAL | 2003-04 ACTUAL | 2004-05 TARGET | 2004-05 EST | % OF TOTAL | 2005-06 TARGET | % OF TOTAL | 2005-06 FACULTY | STUDENT RATIO 1: |
|--|-------------------|-------------------|-------------------|----------------|---------------|-------------------|---------------|--------------------|---------------------|
| College of Visual & Performing Arts | 925 | 989 | 1,060 | 1,037 | 4.7% | 1,060 | 4.8% | 79.95 | 13.26 |
| College of Arts & Sciences | 9,843 | 10,196 | 10,350 | 10,439 | 47.6% | 10,649 | 48.0% | 640.85 | 16.62 |
| School of Management | 1,780 | 1,810 | 1,933 | 1,879 | 8.6% | 1,933 | 8.7% | 99.25 | 19.48 |
| Institute for Conflict Analysis & Resolution | 104 | 129 | 129 | 132 | 0.6% | 139 | 0.6% | 16.50 | 8.42 |
| College of Education & Human Dev | 1,825 | 2,075 | 2,065 | 2,320 | 10.6% | 2,265 | 10.2% | 144.26 | 15.70 |
| School of Info Technology & Engineering | 2,118 | 2,156 | 2,190 | 2,130 | 9.7% | 2,136 | 9.6% | 110.87 | 19.27 |
| School of Law | 662 | 621 | 620 | 618 | 2.8% | 620 | 2.8% | 48.54 | 12.77 |
| College of Nursing & Health Science | 638 | 677 | 650 | 718 | 3.3% | 680 | 3.1% | 76.95 | 8.84 |
| School of Public Policy | 363 | 436 | 470 | 502 | 2.3% | 511 | 2.3% | 59.00 | 8.66 |
| School of Computational Sciences | 110 | 127 | 135 | 143 | 0.6% | 160 | 0.7% | 35.52 | 4.50 |
| Provost (Faculty incl Robinson Professors) | 65 | 80 | | 122 | 0.5% | 147 | 0.6% | 10.55 | 13.93 |
| Other (ELI, Leave Replacement, etc.) | | | | | | | | 14.84 | N/A |
| Sub-total Academic Units | 18,433 | 19,296 | 19,600 | 20,040 | 91.3% | 20,300 | 91.4% | 1,339.07 | 15.16 |
| Summer Term | 1,790 | 1,904 | 1,900 | 1,910 | 8.7% | 1,900 | 8.6% | 88.00 | 21.59 |
| TOTAL | 20,223 | 21,200 | 21,500 | 21,950 | 100.0% | 22,200 | 100.0% | 1,427.07 | 15.56 |

Note: Enrollment totals include contract course

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AREAS OF STUDENT ENROLLMENT GROWTH

| ACTUAL FY05 TO TARGET FY05 | | TARGET FY 06 TO ACTUAL FY05 | |
|----------------------------|------------|-----------------------------|------------|
| COLLEGE/SCHOOL | FTESGROWTH | COLLEGE/SCHOOL | FTESGROWTH |
| CEHD | 255 | CAS | 210 |
| CAS | 89 | SOM | 54 |
| NURSING | 68 | CVPA | 23 |
| SPP | 32 | SCS | 17 |
| SCS | 8 | SPP | 9 |
| ICAR | 3 | IT&E | 6 |

CHANGE IN FTE ENROLLMENT FY 2003 – FY 2006

| | |
|-------------------------|-----|
| School of Comp Science | 45% |
| Public Policy | 41% |
| Conflict Analysis & Res | 34% |
| Education | 24% |
| Visual Perf Arts | 15% |
| Nursing | 7% |
| Management | 9% |
| Arts & Sciences | 8% |

Budget Focus & Priority

The allocation of funds in FY 2006 continues to focus budget on the core activity of the E&G budget, the instruction program. The following table compares the allocation of funds by year to the major sub-programs within the Educational & General. The budget does establish a central reserve of \$1.35M.

| PERCENTAGE OF BUDGET BY MAJOR PROGRAM | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 |
| Instruction | 53.23% | 54.79% | 55.30% | 55.60% | 55.80% |
| Equipment Trust Fund | 1.78% | 1.00% | 1.00% | 1.20% | 1.10% |
| Library | 6.33% | 6.16% | 6.10% | 6.00% | 5.70% |
| Academic Support | 5.54% | 5.63% | 5.10% | 5.00% | 4.90% |
| Student Services | 5.12% | 5.50% | 5.50% | 5.40% | 5.20% |
| Technology | 9.18% | 8.58% | 8.40% | 8.60% | 8.70% |
| Institutional Support | 10.64% | 9.91% | 8.90% | 9.40% | 9.20% |
| Plant | 7.96% | 7.48% | 8.30% | 8.50% | 8.30% |
| Central | 0.24% | 0.95% | 1.40% | 0.30% | 1.10% |
| TOTAL | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

George Mason University continues to allocate a greater percentage of its E&G budget to instruction than any of the other Virginia doctoral institutions and all but one of the other twenty-three universities in its national peer group.

In the national comparison, there is a slight difference in the classification of program expenses, but GMU is far and away the institution allocating the greatest percentage of its E&G resources to instruction (see below).

| RANK | SELECTED INSTITUTIONS | ACADEMIC BUDGET AS PERCENT OF BUDGET FY03 |
|------------------|----------------------------------|--|
| 1 st | Western Michigan University | 63.5% |
| 2 nd | GEORGE MASON UNIVERSITY | 60.4% |
| 5 th | University of Kansas | 54.0% |
| 10 th | University of Tennessee | 48.1% |
| 15 th | Wayne State University | 46.4% |
| 20 th | University of Utah | 29.7% |
| | PEER GROUP AVERAGE | 51.1% |

***Note:** FY 2003 is the most recent data available for Peer Institutions.*

Number of Academic Programs

George Mason University regularly reviews its academic offerings to restructure, merge, delete and add programs as needed. The following table highlights the newest programs added at GMU.

Although the George Mason University student enrollment approximates the peer group average, GMU offers only sixty-two percent of the average number of academic programs offered by the same peer group

| ACADEMIC PROGRAM COMPARISON GEORGE MASON UNIVERSITY & PEER GROUP | | |
|---|---|--|
| INSTITUTION | TOTAL FALL 2004 ENROLLMENT | TOTAL DEGREE PROGRAMS OFFERED 2004* |
| University of South Florida | 42,357 | 208 |
| Temple University | 34,578 | 293 |
| University of Cincinnati | 34,364 | 366 |
| Wayne State University | 33,314 | 318 |
| University of Iowa | 29,745 | 297 |
| University of Utah | 28,933 | 265 |
| GEORGE MASON UNIVERSITY | 28,874 | 147 |
| Western Michigan University | 27,829 | 252 |
| University of Oklahoma, Norman | 27,807 | 230 |
| SUNY – Buffalo | 27,276 | 358 |
| Georgia State University | 27,267 | 199 |
| University of Connecticut | 27,094 | 241 |
| University of Kansas, Main Campus | 26,980 | 214 |
| University of Kentucky | 26,900 | 241 |
| University of Pittsburgh, Main Campus | 26,731 | 297 |
| University of New Mexico, Main Campus | 26,339 | 199 |
| University of Wisconsin, Milwaukee | 26,084 | 148 |
| University of South Carolina, Columbia | 25,311 | 222 |
| University of Tennessee, Knoxville | 25,247 | 215 |
| University of Louisville | 21,725 | 165 |
| Syracuse University, Main Campus | 18,286 | 347 |
| SUNY – Albany | 17,274 | 176 |
| University of Rhode Island | 14,749 | 229 |
| University of Missouri, Kansas | 14,256 | 111 |
| Loyola University of Chicago | 14,147 | 147 |
| | | |
| | | |
| AVERAGE | 26,123 | 239 |

* This total degree programs offered is the total of Baccalaureate, Master and Doctoral degrees. It does not include Professional degrees such as Law.

USE OF FUNDS

PROGRAM EXPENSES

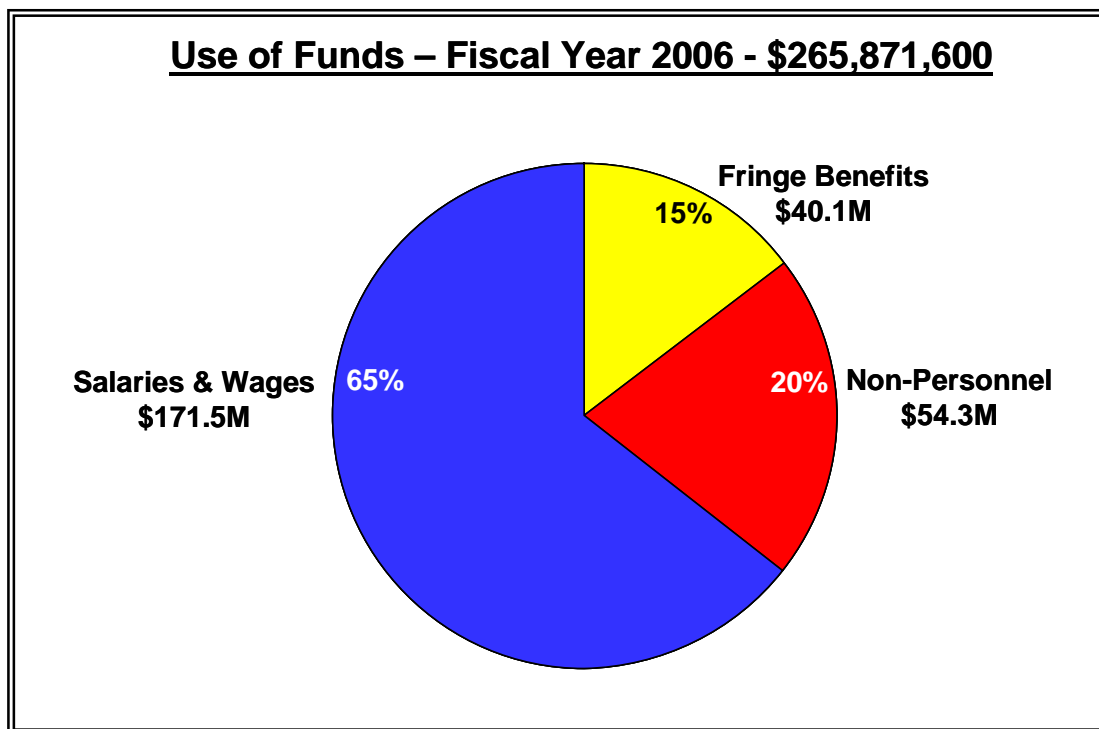
Use Overview

The FY 2006 budget provides for a \$20.7M increase in spending. The table below depicts the changes in the use of funds by major expense between FY 2005 and FY 2006.

| | FY 2005 | FY 2006 | CHANGE | % CHANGE |
|----------------------|----------------|----------------|---------------|---------------------|
| Salaries/Wages | \$156.6 | \$171.5 | \$14.9 | 9.5% |
| Fringe Benefits | 36.2 | 40.1 | 3.9 | 10.8% |
| Non-Personnel | 51.9 | 54.3 | 2.4 | 4.6% |
| TOTAL E&G | \$244.7 | \$265.9 | \$21.2 | 8.7% |

Personnel General

- For FY 2005-2006 the state approved salary increases of 4.0% for all categories of faculty, including administrative faculty. The University approved funding of 1.5% beyond the 4.0% for full-time faculty to allow the average salary for full-time faculty to increase by 5.5%. The state approved salary increases of 3.0% for classified staff, as well as a base adjustment of \$50 per year for classified staff with five or more years of service. For 2004-2005, the State provided a salary increase of 3.0%. The University provided funding of 1.5% beyond the 3.0% for full-time faculty to allow the average salary for full-time faculty to increase by 4.5%.
- The 2005-2006 budget allocates approximately 79.6% of the E&G funds for personnel costs, which include salaries, wages, and fringe benefits. This percentage dedicated to labor has been in the range of 79% to 80% during recent years.



- The major expense within personnel is the compensation for instructional faculty. Approximately 54% of the cost of personnel covers the compensation paid the teaching faculty. (Budget amounts include salary and fringe benefits.)

| PERSONNEL TYPE | 2005 - 2006 BUDGET | % OF PERSONNEL |
|--------------------------------|---------------------------|-----------------------|
| Teaching Faculty | \$114.6M | 54.2% |
| Admin Faculty | 33.7M | 15.9% |
| Classified Staff | 56.6M | 26.7% |
| Wages/Student Wages | 6.7M | 3.2% |
| TOTAL PERSONNEL EXPENSE | \$211.6M | 100.0% |

Teaching Faculty

Actual spending in FY 2005 reflected a slowed increase in the use of adjunct faculty and graduate assistants as the colleges and schools worked to provide more full-time faculty for enrollment levels. Some contract instructional activity utilizing adjunct faculty was increased. It is anticipated that actual full-time faculty FY 2006 expenditures could be less than budgeted while adjunct expenditures will likely exceed the original budget.

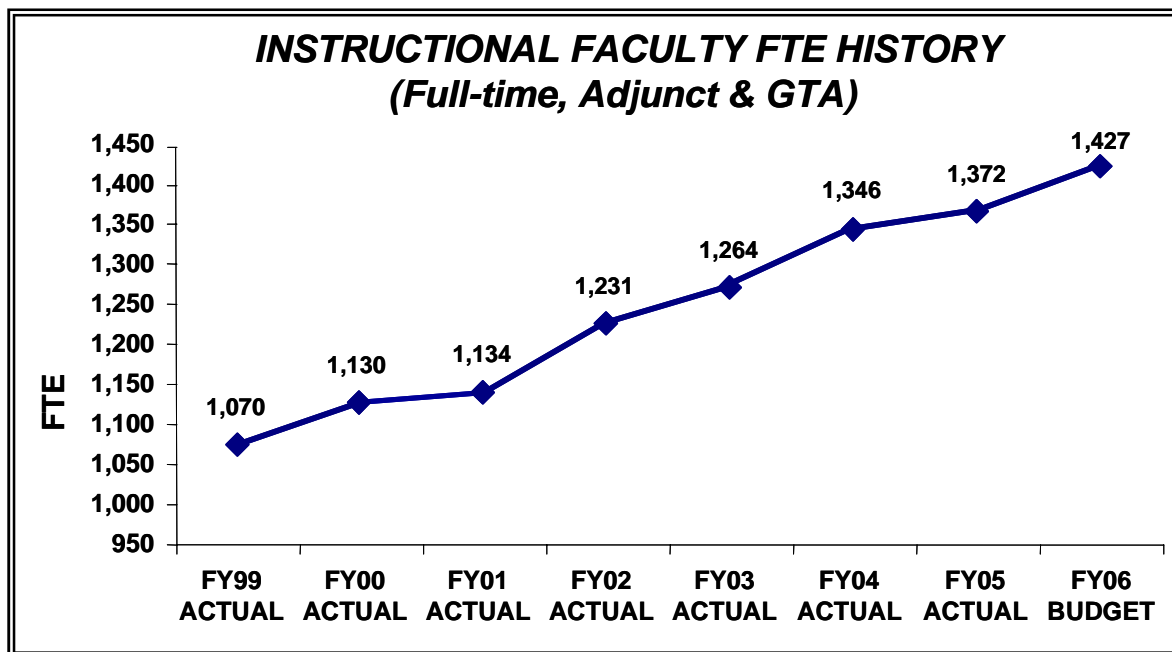
The following table (provided by SCHEV) summarizes the full-time faculty salaries for the Virginia schools as compared to their peers.

| ESTIMATED FACULTY SALARY PERCENTILE RANKINGS ¹ BASED ON THE GOVERNOR'S 2004-06 INTRODUCED BUDGET | | | | | | |
|--|---|---|--|---|---|---|
| INSTITUTION | 2002-03 APPROP. FACULTY SALARY | 2002-03 PERCENTILE RANKING | 2003-04 APPROP. FACULTY SALARY ² | 2003-04 PERCENTILE RANKING | 2004-05 ESTIMATED FACULTY SALARY | 2004-05 PERCENTILE RANKING |
| GMU | \$66,802 | 32 | \$68,305 | 30 | \$68,305 | 19 |
| ODU | 62,132 | 36 | 63,530 | 33 | 63,530 | 23 |
| UVA | 77,925 | 25 | 79,678 | 24 | 79,678 | 18 |
| VCU | 69,138 | 30 | 70,694 | 28 | 70,694 | 20 |
| VPI | 72,759 | 26 | 74,396 | 24 | 74,396 | 17 |
| CWM | 76,254 | 25 | 77,969 | 23 | 77,969 | 16 |
| DOC AVG. | | 29 | | 27 | | 19 |
| CNU | 57,947 | 50 | 59,250 | 48 | 59,250 | 40 |
| CVC | 57,779 | 41 | 59,079 | 40 | 59,079 | 31 |
| JMU | 61,113 | 41 | 62,488 | 40 | 62,488 | 32 |
| LC | 55,319 | 23 | 56,563 | 21 | 56,563 | 15 |
| MWC | 60,109 | 38 | 61,462 | 36 | 61,462 | 29 |
| NSU | 54,946 | 46 | 56,182 | 44 | 56,182 | 35 |
| RU | 54,557 | 40 | 55,784 | 36 | 55,784 | 21 |
| VMI | 59,664 | 41 | 61,006 | 39 | 61,006 | 33 |
| VSU | 53,872 | 41 | 55,084 | 39 | 55,084 | 31 |
| COMP AVG. | | 40 | | 38 | | 30 |
| 4-YR AVG. | | 36 | | 34 | | 25 |
| RBC | 48,650 | 46 | 49,744 | 44 | 49,744 | 36 |
| VCCS | 48,773 | 35 | 49,870 | 33 | 49,870 | 29 |
| 2-YR AVG. | | 40 | | 38 | | 32 |

Notes: (1) Peer salaries are assumed to increase 3% annually.

(2) Based on 2.25% appropriated salary increase in FY04. However, Virginia faculty salary increase did not become effective until November 25, 2003.

| INSTRUCTIONAL FACULTY SALARY AND FTE HISTORY | | | | | | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | FY01 ACTUAL | FY02 ACTUAL | FY03 ACTUAL | FY04 ACTUAL | FY05 BUDGET | FY06 BUDGET |
| FT Faculty | \$54,751,195 | \$57,709,842 | \$62,239,400 | \$64,611,800 | \$69,939,800 | \$77,232,200 |
| PT Faculty | 11,192,716 | 11,765,893 | 10,946,500 | \$9,639,500 | \$11,181,600 | \$13,420,200 |
| Grad Assts | 3,077,250 | 3,467,912 | 3,540,500 | \$3,196,900 | \$3,736,700 | \$4,320,000 |
| TOTAL FACULTY | \$69,021,161 | \$72,943,647 | \$76,726,400 | \$77,448,200 | \$84,858,100 | \$94,972,400 |

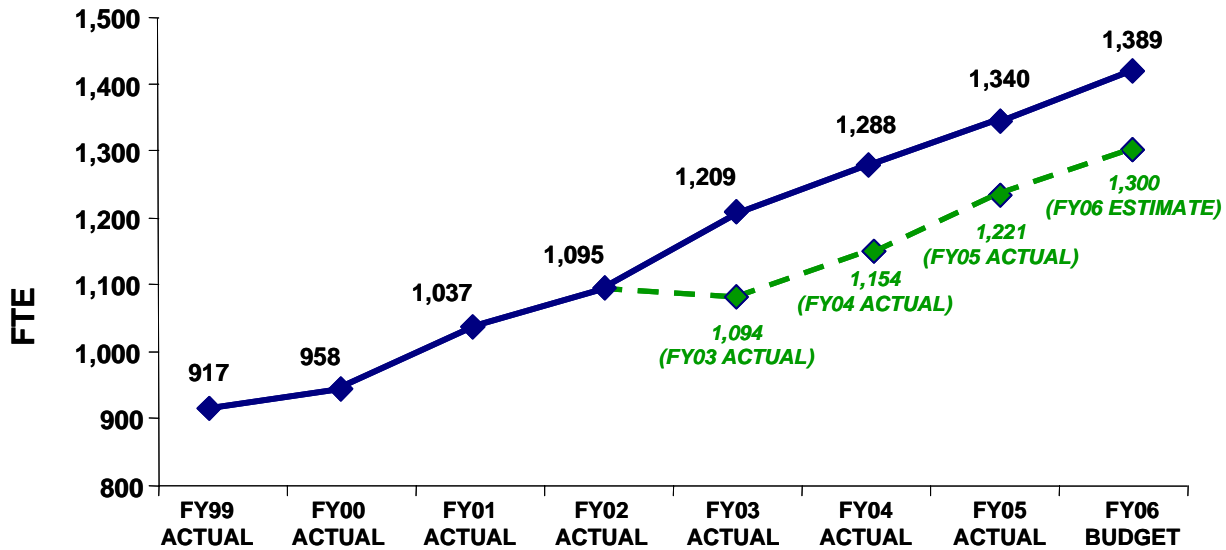


Administrative Support Staff

In FY 2006 approximately 49 FTE support positions will be added across the University to provide critical service support to meet the increased enrollment levels and increased administrative demands of the University.

| SUPPORT STAFF SALARY AND FTE HISTORY | | | | | | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | FY01 ACTUAL | FY02 ACTUAL | FY03 ACTUAL | FY04 ACTUAL | FY05 BUDGET | FY06 BUDGET |
| Admin Faculty | \$18,455,788 | \$20,131,296 | \$20,632,200 | \$22,200,700 | \$24,936,300 | \$27,080,400 |
| Classified | 28,605,541 | 30,507,321 | 31,078,400 | \$33,908,500 | \$38,351,200 | \$43,181,200 |
| TOTAL SUPPORT STAFF | \$47,061,329 | \$50,638,617 | \$51,710,600 | \$56,109,200 | \$63,287,500 | \$70,261,600 |

SUPPORT STAFF FTE HISTORY ADMINISTRATIVE FACULTY & CLASSIFIED STAFF



Note: Actual is the average filled FTE for FY 99 through FY 02.

WAGES HISTORY & BUDGET

| | FY01 ACTUAL | FY02 ACTUAL | FY03 ACTUAL | FY04 ACTUAL | FY05 ESTIMATE | FY06 BUDGET |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Wages | \$4,944,497 | \$4,939,095 | \$4,929,095 | \$5,429,303 | \$5,560,000 | \$3,467,800 |
| Student Wages | 1,991,922 | 1,874,626 | 1,869,700 | 2,239,079 | 2,000,000 | 2,000,000 |
| CWS | 501,670 | 583,333 | 674,300 | 737,765 | 740,000 | 831,600 |
| TOTAL WAGES | \$7,438,089 | \$7,397,054 | \$7,473,095 | \$8,406,147 | \$8,300,000 | \$6,299,400 |

The original FY 2006 budget for temporary staff is (as in all previous years) established at a level of funding substantially less than the prior year level of spending. It is anticipated that permanent staff, which is fully funded, will absorb vacancies and turnovers which will result in departmental reallocations of funds to cover temporary staff expenses. Actual wage spending in FY05 will most likely reflect prior year spending.

The actual use of wages and student wages had been relatively stable for FY01 through FY03, the spending has increased for the last two years. That level of wage spending has equated to between 250 - 300 FTE staff positions.

**2005-06 EDUCATIONAL & GENERAL BUDGET
FULL-TIME EQUIVALENT STAFF POSITIONS BY MAJOR UNIT**

| UNIT | TOTAL POSITIONS (FTE) FY05 | | | NEW POSITIONS (FTE) FY06 | | | TOTAL POSITIONS (FTE) FY06 | | |
|---------------------------------------|----------------------------|-----------------|-----------------|--------------------------|--------------|--------------|----------------------------|-----------------|-----------------|
| | FACULTY | STAFF | TOTAL | FACULTY | STAFF | TOTAL | FACULTY | STAFF | TOTAL |
| College of Arts & Sciences | 620.50 | 113.34 | 733.09 | 18.10 | 0.00 | 18.10 | 640.85 | 113.34 | 754.19 |
| College of Nursing & Health Science | 72.95 | 19.90 | 92.85 | 4.00 | 0.00 | 4.00 | 76.95 | 19.90 | 96.85 |
| College of Visual & Performing Arts | 76.95 | 19.03 | 96.98 | 3.00 | 0.00 | 2.00 | 79.95 | 19.03 | 98.98 |
| College of Education & Human Dev | 143.26 | 45.09 | 188.35 | 1.00 | 0.00 | 1.00 | 144.26 | 45.09 | 189.35 |
| Inst for Conflict Analysis/Resolution | 16.00 | 7.00 | 23.00 | 0.50 | 0.00 | 0.50 | 16.50 | 7.00 | 23.50 |
| Krasnow Institute | 1.74 | 1.00 | 2.74 | 0.25 | 0.00 | 0.25 | 1.99 | 1.00 | 2.99 |
| School of Computational Sciences | 33.52 | 14.00 | 47.52 | 2.00 | 0.00 | 2.00 | 35.52 | 14.00 | 49.52 |
| School of Info Tech & Engineering | 108.87 | 35.88 | 144.75 | 2.00 | 2.00 | 4.00 | 110.87 | 37.88 | 148.75 |
| School of Law | 45.54 | 45.29 | 90.83 | 3.00 | 0.00 | 3.00 | 48.54 | 45.29 | 93.83 |
| School of Management | 95.25 | 41.75 | 137.00 | 4.00 | 0.00 | 4.00 | 99.25 | 41.75 | 141.00 |
| School of Public Policy | 55.50 | 24.25 | 80.75 | 2.50 | 2.50 | 5.00 | 59.00 | 26.75 | 85.75 |
| Summer Term | 88.00 | 0.00 | 88.00 | 0.00 | 0.00 | 0.00 | 88.00 | 0.00 | 88.00 |
| Enrollment Services | 0.00 | 102.10 | 102.10 | 0.00 | 7.00 | 7.00 | 0.00 | 109.10 | 109.10 |
| Library | 0.00 | 106.25 | 106.25 | 0.00 | 3.00 | 3.00 | 0.00 | 109.25 | 109.25 |
| Professional Development | 0.00 | 16.50 | 16.50 | 0.00 | 0.00 | 0.00 | 0.00 | 16.50 | 16.50 |
| Instructional Support | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Academic Administration | 11.55 | 39.10 | 50.65 | -1.00 | 0.00 | 0.00 | 10.55 | 39.10 | 49.65 |
| University Life | 14.74 | 62.15 | 76.89 | 0.00 | 2.25 | 2.25 | 14.74 | 64.40 | 79.14 |
| Information Technology Unit | 0.00 | 175.85 | 175.85 | 0.00 | 5.00 | 5.00 | 0.00 | 180.85 | 180.85 |
| New Admin Systems | 0.00 | 7.35 | 7.35 | 0.00 | 2.00 | 2.00 | 0.00 | 9.35 | 9.35 |
| Physical Plant/Facilities | 0.00 | 195.00 | 195.00 | 0.00 | 9.50 | 9.50 | 0.00 | 204.50 | 204.50 |
| Operations | 0.00 | 72.30 | 72.30 | 0.00 | 1.00 | 1.00 | 0.00 | 73.30 | 73.30 |
| Multi-Campus Support | 0.00 | 11.50 | 11.50 | 0.00 | 1.00 | 1.00 | 0.00 | 12.50 | 12.50 |
| Finance & Planning | 0.00 | 113.90 | 113.90 | 0.00 | 8.00 | 8.00 | 0.00 | 121.90 | 121.90 |
| President/Equity/Internal Audit | 0.10 | 21.27 | 21.37 | 0.00 | 1.00 | 1.00 | 0.10 | 22.27 | 22.37 |
| University Development | 0.00 | 21.40 | 21.40 | 0.00 | 0.00 | 0.00 | 0.00 | 21.40 | 21.40 |
| University Relations | 0.00 | 31.15 | 31.15 | 0.00 | 2.00 | 2.00 | 0.00 | 33.15 | 33.15 |
| GRAND TOTAL | 1,385.47 | 1,342.35 | 2,727.82 | 41.60 | 46.25 | 87.85 | 1,427.07 | 1,388.60 | 2,815.67 |

Non-Personnel

- Approximately 21% of the E&G budget is expended on non-personnel expenditures. This is consistent with previous years. There are significant differences between subprograms.
- Different subprograms within E&G have very different personnel/non-personnel mix profiles (see below).

| E&G SUBPROGRAM BUDGET PERSONNEL/NON-PERSONNEL 2005 – 2006 | | | | | |
|--|---------------------------|----------------|----------------------|---------------|-------------------------|
| SUBPROGRAM | PERSONNEL SERVICES | | NON-PERSONNEL | | TOTAL BUDGET |
| | BUDGET | % TOTAL | BUDGET | %TOTAL | |
| Instruction | \$130,897,300 | 86.6% | \$20,193,500 | 13.4% | \$151,090,800 |
| Academic Support | 12,003,700 | 91.9% | 1,059,300 | 8.1% | 13,063,000 |
| Libraries | 7,633,800 | 50.4% | 7,499,000 | 49.6% | 15,132,800 |
| Student Services | 12,090,300 | 87.7% | 1,699,200 | 12.3% | 13,789,500 |
| Technology | 14,716,200 | 63.6% | 8,420,100 | 36.4% | 23,136,300 |
| Institutional Support | 22,596,200 | 92.2% | 1,903,200 | 7.8% | 24,499,400 |
| Plant | 9,131,400 | 41.3% | 13,003,800 | 58.7% | 22,135,200 |
| Central | 2,575,000 | 85.1% | 449,600 | 14.9% | 3,024,600 |
| TOTAL | \$211,643,900 | 79.6% | \$54,227,700 | 20.4% | \$265,871,600 |

Non-Personnel Increases

Non-personnel costs, often referred to as direct expenditures, are budgeted \$2.3M more in FY 2006 than the 2004-2005 projected spending estimate. The major changes in non-personnel budgets consist of a few specific increases: library materials to cover inflation and new programs (\$.70 million), other inflationary support (\$.50 million), furnishings and equipment to outfit a new site in Loudoun (\$.40 million), utilities increase (\$.30 million), utilities and other non-personnel support for Research I (\$.18 million). Additionally, funding is set aside for financial aid/graduate student support (\$1.4 million).

Non-Personnel Profile

Within the non-personnel budget, fifteen major categories of expense make up almost 75% of the total budget. In 2005-2006, the top E&G expense category within non-personnel is projected to still be library reference materials.

**2005-06 EDUCATIONAL & GENERAL BUDGET
BUDGET BY MAJOR CATEGORY OF EXPENSE BY UNIT**

| UNIT | SALARIES | FRINGE BENEFITS | WAGES | NON- PERSONNEL | TOTAL | |
|--|----------------------|---------------------|--------------------|---------------------|-----------------|----------------------|
| | | | | | FTE | BUDGET |
| College of Arts & Sciences | \$40,644,000 | \$9,072,900 | \$842,300 | \$2,077,600 | 754.19 | \$52,636,800 |
| College of Nursing & Health Science | 5,811,400 | 1,363,800 | 37,600 | 351,600 | 96.85 | 7,564,400 |
| College of Visual & Performing Arts | 4,803,000 | 1,111,300 | 395,800 | 372,300 | 99.98 | 6,682,400 |
| College of Education & Human Development | 10,610,800 | 2,309,700 | 312,000 | 704,300 | 189.35 | 13,936,800 |
| Inst for Conflict Analysis/Resolution | 1,842,400 | 440,200 | 34,900 | 53,100 | 23.50 | 2,370,600 |
| School of Info Tech & Engineering | 12,934,000 | 2,785,900 | 196,600 | 1,237,500 | 148.75 | 17,154,000 |
| Krasnow Institute | 335,900 | 81,500 | 0 | 0 | 2.99 | 417,400 |
| School of Law | 7,826,500 | 1,896,600 | 202,600 | 2,029,100 | 93.83 | 11,954,800 |
| School of Management | 9,461,300 | 2,223,000 | 74,600 | 921,700 | 141.00 | 12,680,600 |
| School of Computational Sciences | 3,888,900 | 907,800 | 33,200 | 186,600 | 49.52 | 5,016,500 |
| School of Public Policy | 6,474,200 | 1,503,000 | 77,200 | 371,800 | 85.75 | 8,426,200 |
| Summer Term | 4,111,700 | 314,500 | 0 | 18,200 | 88.00 | 4,444,400 |
| Enrollment Services | 4,965,800 | 1,406,100 | 543,400 | 993,500 | 109.10 | 7,908,800 |
| Professional Development | 661,300 | 194,600 | 37,400 | 414,400 | 16.50 | 1,307,700 |
| Student Financial Aid | 0 | 0 | 0 | 2,779,500 | 0.00 | 2,779,500 |
| Academic Administration | 1,791,800 | 466,200 | 101,500 | 435,200 | 24.10 | 2,794,700 |
| Library | 4,865,300 | 1,353,600 | 449,600 | 6,590,700 | 109.25 | 13,259,200 |
| Instructional Support | 3,232,200 | 706,400 | -33,900 | 2,883,000 | 0.00 | 6,787,700 |
| University Life | 3,830,000 | 990,700 | 328,000 | 519,100 | 79.14 | 5,667,800 |
| Provost Instruction | 2,020,800 | 498,400 | 125,100 | 1,752,800 | 25.55 | 4,397,100 |
| Information Technology Unit | 9,968,000 | 3,047,200 | 802,500 | 6,581,000 | 180.85 | 20,398,700 |
| New Admin Systems | 689,400 | 209,000 | 0 | 1,839,100 | 9.35 | 2,737,500 |
| Plant/Facilities | 8,218,300 | 2,489,100 | 281,100 | 9,631,600 | 204.50 | 20,620,100 |
| Property Rental | 0 | 0 | 0 | 3,702,500 | 0.00 | 3,702,500 |
| Multi-Campus Support | 756,200 | 218,200 | 91,400 | 154,300 | 12.50 | 1,220,100 |
| Finance & Planning | 6,020,600 | 1,775,300 | 426,800 | 1,333,900 | 121.90 | 9,556,600 |
| Operations | 3,228,100 | 1,014,300 | 348,000 | 1,716,600 | 73.30 | 6,307,000 |
| Executive Administration | 1,469,100 | 412,800 | 72,900 | 410,100 | 22.37 | 2,364,900 |
| University Development | 1,280,100 | 339,700 | 23,200 | 369,400 | 21.40 | 2,012,400 |
| University Relations | 1,557,700 | 490,000 | 344,600 | 1,439,900 | 33.15 | 3,832,200 |
| Central Funds/AE Indirect | 1,935,000 | 488,600 | 151,000 | (1,909,600) | 0.00 | 665,100 |
| University Reserve | 0 | 0 | 0 | 1,374,500 | 0.00 | 1,374,500 |
| Equipment Trust Fund | 0 | 0 | 0 | 2,892,600 | 0.00 | 2,892,600 |
| GRAND TOTAL | \$165,233,900 | \$40,110,400 | \$6,299,400 | \$54,227,900 | 2,815.67 | \$265,871,600 |

E&G PERFORMANCE MEASURES

George Mason University takes great pride in its regular assessment of a series of important operational indicators of institutional effectiveness.

Total E&G Funding per In-State FTE Student

The sum of General Fund Support and Tuition approximates the total funding available to teach a full time student. George Mason University continues to have the lowest level of E&G funding per FTE student among all the schools in its national peer group. These twenty-four institutions were selected several years ago by University and state officials as the schools most similar to George Mason University.

| GEORGE MASON UNIVERSITY PEER GROUP | |
|---|--|
| INSTITUTION | INSTITUTION |
| University of South Florida | University of Kentucky |
| Temple University | University of Pittsburgh, Main Campus |
| University of Cincinnati | University of New Mexico, Main Campus |
| Wayne State University | University of Wisconsin, Milwaukee |
| University of Iowa | University of South Carolina, Columbia |
| University of Utah | University of Tennessee, Knoxville |
| Western Michigan University | University of Louisville |
| University of Oklahoma, Norman | Syracuse University, Main Campus |
| SUNY – Buffalo | SUNY – Albany |
| Georgia State University | University of Rhode Island |
| University of Connecticut | University of Missouri, Kansas |
| University of Kansas, Main Campus | Loyola University of Chicago |
| GEORGE MASON UNIVERSITY | |

Although a “best practice” can be defined as the most output (FTE students) with the fewest resources (dollars, space and positions) the lingering issue is one of funding adequacy. Can the quality and effectiveness of instruction and operational oversight be maintained with this level of resource support?

Each doctoral institution within the Commonwealth of Virginia has a unique mission, so funding comparisons are not conclusive. The following table however illustrates both the institutional difference in total funding within the Commonwealth of Virginia and the relationship between tuition and General Fund support at the Virginia doctoral universities. In terms of total funding, George Mason University operates with about 78% of the resources (on average) available to the other doctoral universities. In the previous year (FY 2005) we operated at approximately the same percentage of the total resource available to the other doctoral universities.

| EDUCATIONAL & GENERAL TOTAL FUNDING PER IN-STATE FTE STUDENT, 2005 - 2006 | | | |
|--|-------------------------|-----------------------------|---------------|
| DOCTORAL INSTITUTIONS | GENERAL FUND | IN-STATE TUITION | TOTAL |
| University of Virginia | \$9,448 | \$5,647 | \$15,095 |
| Virginia Tech | 8,491 | 5,297 | 13,788 |
| William & Mary | 8,671 | 4,785 | 13,456 |
| Virginia Commonwealth | 8,358 | 4,012 | 12,370 |
| Old Dominion | 6,759 | 3,542 | 10,301 |
| Doctoral Average | 8,345 | 4,657 | 13,002 |
| GEORGE MASON | 5,679 | 4,356 | 10,035 |
| GMU % of Average | 68.1% | 93.5% | 77.2% |

General Fund Per In-State FTE Student

GMU continues to receive less General Fund support per FTE student than the average of the other doctoral institutions. In the early 1990's, George Mason University was only receiving 60% of the doctoral average – but by 2001-02 George Mason University was receiving nearly 80%. In 2005-06 George Mason University will receive approximately 68% of the doctoral average which is similar to where we were funded the previous year (see below).

| INSTITUTION | 2002 | 2006 |
|--------------------------------|--------------|--------------|
| University of Virginia | \$10,223 | \$9,448 |
| Virginia Tech | 9,380 | 8,491 |
| William & Mary | 9,943 | 8,671 |
| VA Commonwealth Univ. | 8,669 | 8,358 |
| Old Dominion | 6,923 | 6,759 |
| Doctoral Average | 9,028 | 8,345 |
| GEORGE MASON UNIVERSITY | 7,047 | 5,679 |
| GMU % of Average | 78.1% | 68.1% |

Allocation To Core Mission

George Mason University takes great pride in the high percentage of its limited resources that are allocated to its core mission. This philosophy has maximized resource effectiveness and continues to illustrate the commitment and focus of GMU's allocation of resources.

- According to the most recent peer data, GMU allocates a greater percentage of its E&G resources to instruction than all but one university within its twenty-four institution national peer group.

| RANK | SELECTED INSTITUTIONS | ACADEMIC BUDGET AS PERCENT OF BUDGET FY03 |
|------------------|--------------------------------|--|
| 1 st | Western Michigan University | 63.5% |
| 2 nd | GEORGE MASON UNIVERSITY | 60.4% |
| 5 th | University of Kansas | 54.0% |
| 10 th | University of Tennessee | 48.1% |
| 15 th | Wayne State University | 46.4% |
| 20 th | University of Utah | 29.7% |
| | PEER GROUP AVERAGE | 51.1% |

Note: FY 2003 is the most recent data available for Peer Institutions.

Student/Faculty Staff Ratios

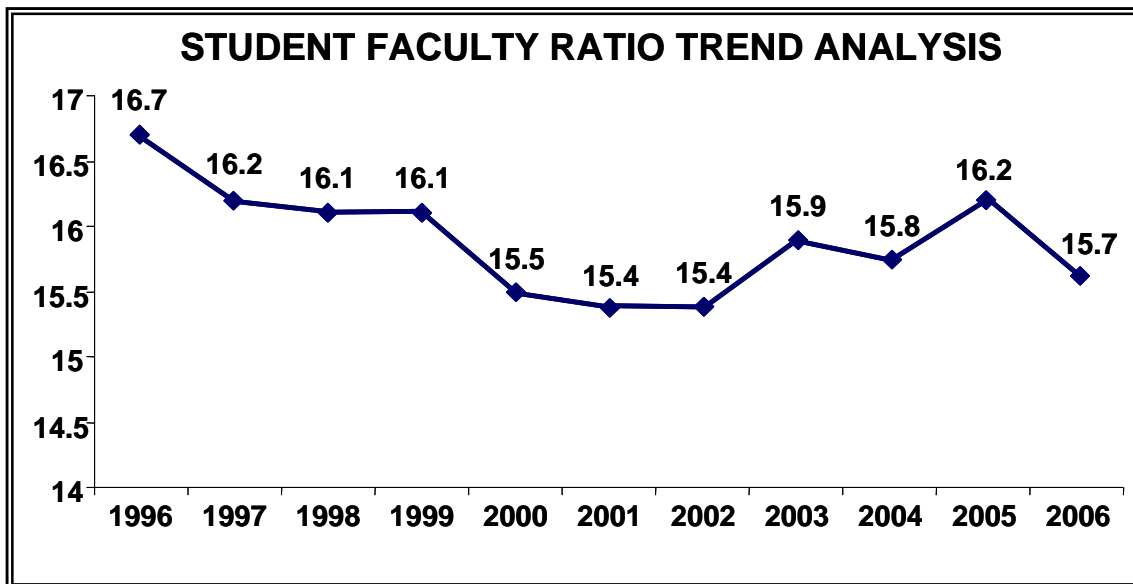
- The number of students (FTE) supported by the total number of faculty/staff positions (FTE) is a national benchmark for institutional effectiveness. The George Mason University ratio remains far leaner than the existing ratios at the other doctoral institutions in Virginia. The difference between the GMU number of total faculty/staff positions and the doctoral average is approximately 500 positions.

| DOCTORAL INSTITUTIONS | STUDENTS (FTE) PER FACULTY/ STAFF POSITIONS |
|--------------------------------|--|
| University of Virginia | 6.3 |
| VA Comm. University | 6.6 |
| William & Mary | 7.1 |
| Old Dominion | 7.4 |
| Virginia Tech | 7.4 |
| Doctoral Average | 6.9 |
| GEORGE MASON UNIVERSITY | 8.3 |

- An equally impressive ratio is the relationship of non-teaching positions to teaching positions. The 2005-06 budget for George Mason University establishes this ratio of 1,384 non-teaching to 1,410 teaching positions equals a 0.98:2 ratio. This is one of the leanest ratios in a national benchmarking survey of over 140 institutions conducted by Coopers Lybrand and the National Association of College and University Business Officers. While the average national ratio is more than two non-teaching positions per every one teaching position, GMU operates with less than one non-teaching position per every teaching position.

Student/Faculty Ratios

- Maintain Low Faculty/Student Ratio: The number of faculty provided in 2005-06 result in the University's faculty/student ratio of 1:15.9. This ratio has been difficult to maintain due to the increased student enrollment with limited state funding provided to support the growth. This has, however, been achieved due to the institution giving smaller classes and an improved faculty-student ratio a high priority in the resource allocation process.



FUTURE ENROLLMENT

Every two years Virginia public colleges and universities are required to submit to the State Council of Higher Education enrollment projections for fall headcount and annualized fte. The table presented on the following page summarizes the University's enrollment projections as submitted to SCHEV this spring for each year through Fiscal Year 2009-10. These overall enrollment projections will be used as unit enrollment targets and budgets are developed.

**GEORGE MASON UNIVERSITY
ACTUAL AND PROJECTED ENROLLMENT**

| FALL HEADCOUNT | | | | | | Projected | | | | |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| First-Time Freshmen | 2,169 | 2,146 | 2,225 | 2,251 | 2,262 | 2,275 | 2,412 | 2,487 | 2,565 | 2,665 |
| Other Freshmen | 1,485 | 1,571 | 1,596 | 1,470 | 1,402 | 1,422 | 1,446 | 1,495 | 1,536 | 1,564 |
| Sophomore | 3,074 | 3,362 | 3,436 | 3,651 | 3,719 | 3,772 | 3,832 | 4,043 | 4,172 | 4,234 |
| Juniors | 3,601 | 3,853 | 4,062 | 4,110 | 4,165 | 4,244 | 4,300 | 4,344 | 4,578 | 4,709 |
| Seniors | 4,156 | 4,380 | 4,832 | 5,097 | 5,340 | 5,416 | 5,497 | 5,555 | 5,633 | 5,873 |
| Under ES/Guests | 701 | 490 | 537 | 523 | 520 | 527 | 534 | 540 | 549 | 558 |
| Undergraduate | 15,186 | 15,802 | 16,688 | 17,102 | 17,408 | 17,657 | 18,021 | 18,464 | 19,033 | 19,603 |
| Law | 714 | 763 | 832 | 796 | 778 | 775 | 775 | 775 | 775 | 775 |
| Master | 4,771 | 5,115 | 5,908 | 6,567 | 6,406 | 6,657 | 6,807 | 6,987 | 7,219 | 7,451 |
| Doctoral | 1,273 | 1,303 | 1,342 | 1,435 | 1,612 | 1,664 | 1,716 | 1,768 | 1,820 | 1,872 |
| Grad ES/Guests | 1,464 | 1,914 | 2,026 | 2,346 | 2,670 | 2,504 | 2,503 | 2,498 | 2,512 | 2,525 |
| Graduate | 7,508 | 8,332 | 9,276 | 10,348 | 10,688 | 10,825 | 11,026 | 11,253 | 11,551 | 11,848 |
| UNIVERSITY TOTAL | 23,408 | 24,897 | 26,796 | 28,246 | 28,874 | 29,257 | 29,822 | 30,492 | 31,359 | 32,226 |

| ANNUALIZED FTE | | | | | Projected | | | | | |
|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 00-01 | 01-02 | 02-03 | 03-04 | 04-05 | 05-06 | 06-07 | 07-08 | 08-09 | 09-10 |
| First-Time Freshmen | 1073.6 | 1059.3 | 1096.7 | 1106.4 | 1111.8 | 1118.1 | 1186.1 | 1223.0 | 1261.9 | 1311.0 |
| Other Freshmen | 1880.8 | 1917.1 | 1973.5 | 1906.3 | 1969.9 | 1993.7 | 2066.6 | 2067.5 | 2116.5 | 2157.1 |
| Sophomore | 2701.0 | 2963.2 | 3060.2 | 3273.2 | 3369.9 | 3423.5 | 3467.2 | 3664.3 | 3786.3 | 3862.5 |
| Juniors | 3205.3 | 3417.3 | 3738.0 | 3830.1 | 3953.2 | 4004.3 | 4054.5 | 4148.3 | 4326.9 | 4469.7 |
| Seniors | 3714.5 | 4032.3 | 4367.2 | 4727.5 | 4877.2 | 4940.2 | 5004.7 | 5057.4 | 5171.3 | 5368.6 |
| Under ES/Guests | 379.1 | 327.8 | 338.3 | 314.3 | 323.6 | 327.8 | 331.5 | 335.3 | 340.7 | 346.1 |
| Undergraduate | 12954.3 | 13716.9 | 14573.7 | 15157.8 | 15605.5 | 15807.6 | 16110.6 | 16495.8 | 17003.6 | 17514.9 |
| Law | 589.5 | 628.5 | 687.0 | 650.6 | 645.0 | 640.0 | 640.0 | 640.0 | 640.0 | 640.0 |
| Master | 2792.0 | 2979.4 | 3464.5 | 3874.1 | 4015.6 | 4037.3 | 4121.7 | 4222.5 | 4360.9 | 4498.3 |
| Doctoral | 563.9 | 578.0 | 615.5 | 656.9 | 680.8 | 702.7 | 724.7 | 746.7 | 768.6 | 790.6 |
| Grad ES/Guests | 724.3 | 809.0 | 883.1 | 967.8 | 1003.1 | 1012.4 | 1024.9 | 1036.3 | 1052.2 | 1068.2 |
| Graduate | 4080.2 | 4366.3 | 4963.0 | 5498.8 | 5699.5 | 5752.4 | 5871.2 | 6005.5 | 6181.8 | 6357.1 |
| UNIVERSITY TOTAL | 17624.0 | 18711.7 | 20223.6 | 21307.2 | 21950.0 | 22200.0 | 22621.9 | 23141.3 | 23825.4 | 24512.0 |

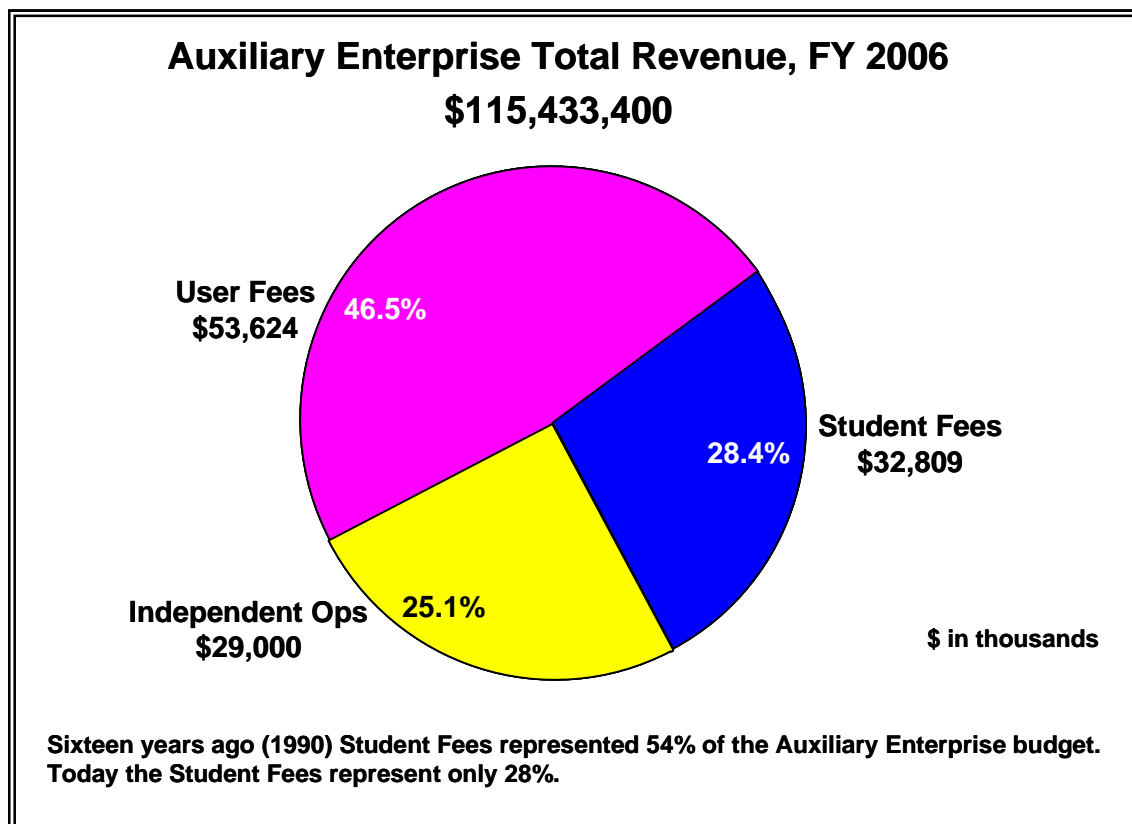
AUXILIARY ENTERPRISES

PROGRAM REVENUES

The activity of Auxiliary Enterprises is the second largest program of the University's operation. The projected Auxiliary Enterprise revenue for 2005-06 represents approximately 22% of the University's \$528.2 million total revenue budget. The Auxiliary Enterprise program includes activities that are ancillary to the University's central mission of instruction, service, and research. The Auxiliary Enterprises include operations and activities that are: a) self-supporting through revenues that they generate; b) supported by revenues that they generate and student fees; and c) activities that are funded exclusively through student fees.

The Auxiliary Enterprise revenues (inclusive of all independent operations) are budgeted at \$115,433,400 in 2005-06. This represents approximately 4.2% revenue growth over FY 2005.

Graphically, the Auxiliary Enterprise revenue looks like shown below:



For 2005-06 the revenue growth in all of the Auxiliary Enterprises is projected to be approximately \$4.7M. Of this total growth, \$2.5M is generated from self-generated revenue including user fees, \$1.7M is from increased student fee revenues, and \$0.5M is from independent operations.

- Within user fees activities, the units generating the largest increases in revenues are Student Housing (\$1.40M), Campus Access (\$.57M), Unions/Johnson Center (\$.41M), Freedom Aquatic & Fitness Center (\$.38M), Student Board (\$.37M), ICA (.21M), Center for the Arts (\$.16M), and Interest Income (\$.10M).
- The student fee revenue increases by approximately \$1.7M with additional revenue from increased enrollment of 250 FTE students (\$.50M), and from an annual student fee rate increase of \$60 (\$1.2M).

| SOURCE | 2002-03 | 2003-04 | 2004-05 | 2005-06 | AMOUNT CHANGE | % INCREASE |
|------------------------|---------------------|----------------------|----------------------|----------------------|--------------------|-------------|
| Student Fees | \$26,417,089 | \$29,622,400 | \$31,136,000 | \$32,809,000 | \$1,673,000 | 5.4% |
| User Fees | 45,312,775 | 50,043,000 | 51,087,000 | 53,624,400 | 2,537,400 | 5.0% |
| Independent Operations | 23,730,400 | 28,000,000 | 28,515,000 | 29,000,000 | 485,000 | 1.7% |
| TOTALS | \$95,460,264 | \$107,665,400 | \$110,738,000 | \$115,433,400 | \$4,695,400 | 4.2% |

The table below identifies the nine largest programs and activities included within the program of Auxiliary Enterprises, and they represent nearly 70% of the Auxiliary Enterprise revenue.

| ACTIVITY | INDEPENDENT OPERATION | USER FEE REVENUE | STUDENT FEES | TOTAL REVENUE |
|--------------------------------|-----------------------|------------------|--------------|---------------|
| Student Housing | \$ 0 | \$14,387,200 | \$ 0 | \$14,387,200 |
| Bookstore | 13,465,000 | 0 | 0 | 13,465,000 |
| Food Service | 12,500,000 | 0 | 0 | 12,500,000 |
| Intercollegiate Athletics | 0 | 2,460,800 | 7,812,500 | 10,273,300 |
| Campus Access | 0 | 6,331,600 | 112,000 | 6,443,600 |
| Center for the Arts (CVPA) | 0 | 2,244,300 | 3,741,300 | 5,985,600 |
| Freedom Aquatic Fitness Center | 0 | 5,757,000 | 70,000 | 5,827,000 |
| Unions/JC Center | 0 | 962,500 | 3,330,600 | 4,293,100 |
| Patriot Center | 3,035,000 | 73,000 | 411,000 | 3,519,000 |

Independent Operations

Auxiliary Enterprises include three independent operations (food service, bookstore, and arena management) where a third party manages each operation through their own corporate financial and accounting system. The total budget for these three programs is \$29,000,000 and includes \$3.1 million of commissions that are returned to George Mason University in exchange for the vendor's exclusive right to provide the service on campus. The University provides oversight and guidance for these operations, conducts regular audits, and receives annual commissions. *These commissions are used to support Auxiliary Enterprise operations and activities and thereby reduce the University's dependence upon student fees. These annual commissions (\$3.1M) reduce the required annual student fee by nearly \$150!*

| ACTIVITY | OPERATING BUDGET | GEORGE MASON COMMISSION |
|------------------|-----------------------------|------------------------------------|
| Bookstore | \$13,465,000 | \$1,259,000 |
| Food Service | 12,500,000 | 1,050,000 |
| Arena Management | 3,035,000 | 772,000 |
| TOTAL | \$29,000,000 | \$3,080,000 |

Commissions and Management Fees

George Mason has out-sourced these large auxiliary enterprise units for many years, the bookstore has always been a contract operation; the Patriot Center was opened by a management firm nearly twenty years ago. It is perhaps less clear, however, how the compensation to the University and the contractors is determined.

The first step in all the out-sourced partnerships is a public process that encouraged a broad participation in the procurement. The process is designed to attract the major contractors in a particular field thereby giving the University the opportunity to select the best firm for the job. The process has another outcome however; it reveals the range of compensation both offered and desired by the competing firms. In other words, the market is a powerful force in setting the initial range of compensation. As the procurement process continues contractors are eliminated or retained based on a selection of pre-determined factors such as the proposed service plan and prior experience.

The negotiation that follows blends the fee range, future growth and on-going operations to arrive at a fair, industry standard management fee for the contractor while ensuring adequate cash for maintenance, renovations and reserves.

In total these three out-sourced firms employ approximately 220 full-time and 300 part-time employees. In many institutions, where these activities are not out-sourced these would all be University employees.

Patriot Center The Patriot Center commission to GMU is composed of both a guaranteed and variable amount. The guaranteed amount is \$575,000 a year and is fixed for the life of the contract. The variable amount is calculated based upon revenue in excess of \$3,100,000 as long as cash remains to fully pay the commission. Any cash remaining after all fees and commissions are paid is retained by GMU. The variable amount changes by year depending on the success of the performances. The actual amount for FY06 could be greater than is projected at this point.

The contractor, Centre Management, is paid an annual fixed fee of \$287,500 and can receive additional management fee based upon a formula if the revenue is in excess of \$3,100,000.

In addition to the yearly commission, GMU receives tickets and other considerations from Centre Management as part of the overall contract.

| FISCAL YEAR | GEORGE MASON COMMISSION | CENTRE MGMT FEES |
|--------------------|--------------------------------|-------------------------|
| 2002 (actual) | \$624,300 | \$430,812 |
| 2003 (actual) | 690,700 | 334,800 |
| 2004 (actual) | 821,800 | 342,500 |
| 2005 (projected) | 772,000 | 315,000 |
| 2006 (projected) | 772,000 | 315,000 |

Food Service The Dining services commission paid to GMU is composed of both a fixed commission of \$1,025,000 a year plus a variable commission composed of the revenue remaining after the Sodexho management fee and incentive fee is paid.

The Sodexho fee is fixed at \$285,000 a year. The company is eligible to receive an incentive fee (up to 2% of gross revenue) if a variety of customer satisfaction and sales volume performance measures are met.

The only guaranteed part of this compensation plan is the GMU commission. All other fees are dependent upon the availability of net income to make the payment. The GMU commission is used to offset other institutional student fee requirements.

The last year of the previous Sodexho contract ended during FY04. The University reviewed submissions from vendors to provide dining services at the University for the next ten years. A decision to award Sodexho with the dining services contract was finalized during June, 2004. The new contract with Sodexho will provide an annual commission comparable or better than the amount previously being provided to GMU.

Bookstore GMU receives a variable commission (with a \$1,000,000 yearly guarantee) based on yearly sales. As gross sales exceed \$10 million annually, GMU receives a commission beyond the \$1 million guarantee. In FY 2006, the University expects to receive about \$1,259,000 from this contract in addition to other cash and merchandise considerations.

Barnes & Noble can earn a fee of up to \$700,000 per year if all performance measures are achieved.

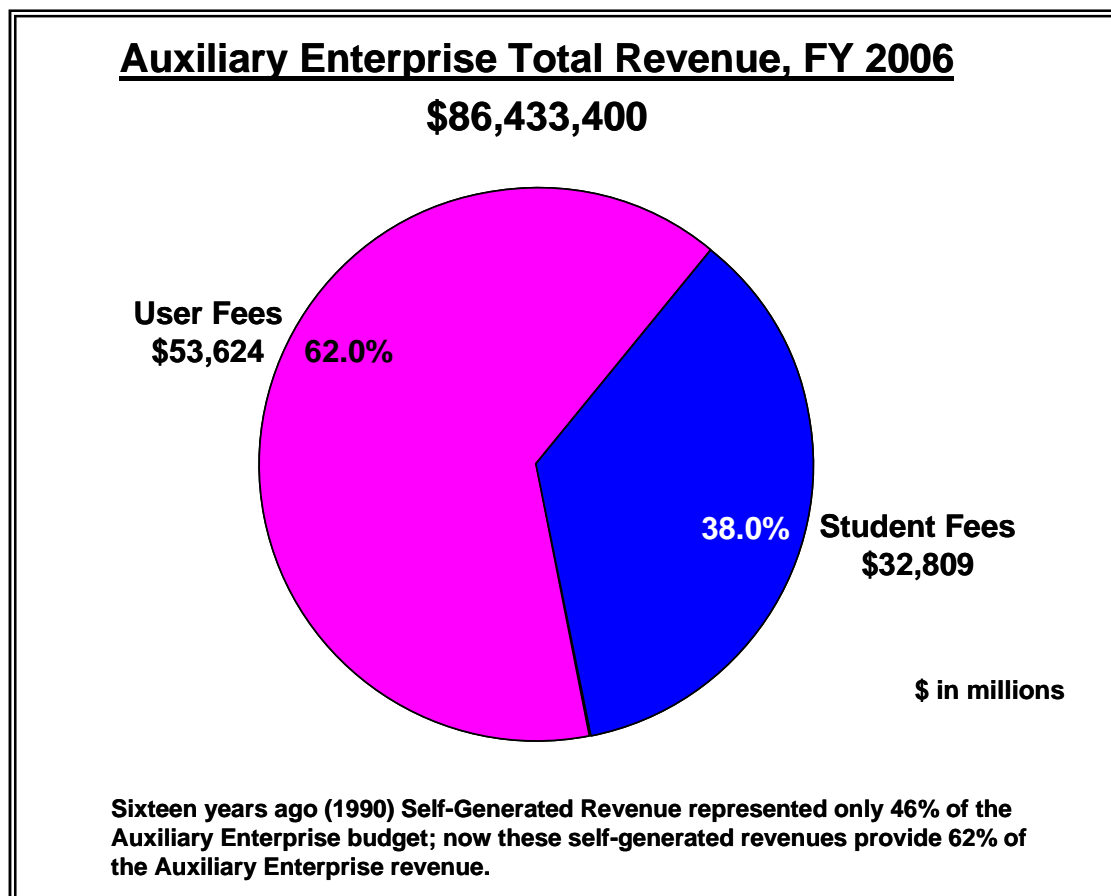
Summary *Although these independent operations are critical to University Life, they are not generally included as part of the State Auxiliary Enterprise program for reporting purposes. As noted above, these three commissions result in net income to the University that allows the University to set the annual student fee \$150 lower than it would otherwise be required.*

State Auxiliary Enterprises

As a program, Auxiliary Enterprises (exclusive of independent operations) are budgeted for revenue in FY 2006 at \$86,433,400. This revenue is achieved through self-generated user fees, as well as student fees (see below).

| SOURCE OF FUNDING 2005-2006 | | |
|--|---------------------|---------------------|
| | 2005 | 2006 |
| Student Fees | \$31,136,000 | \$32,809,000 |
| Self-Generated User Fees | 51,087,000 | 53,624,400 |
| TOTAL FUNDS | \$82,223,000 | \$86,433,400 |

George Mason University continues to generate an increasing percentage of revenue through user fees, thereby reducing the dependency upon student fees. The change in the source of funding over the past sixteen years has been considerable (see below).



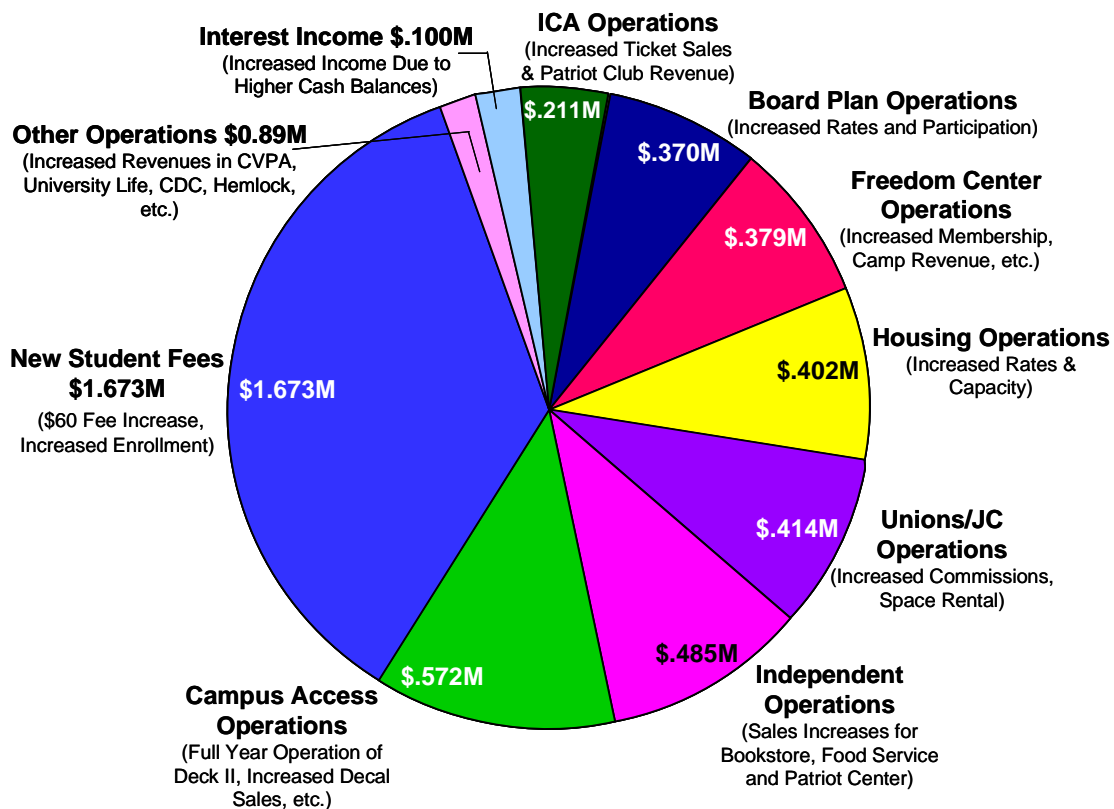
Revenue Changes

The table below illustrates, by specific auxiliary enterprise, where the \$4.7 million increase in revenue for FY 2006 is budgeted (listed in order of fiscal year total change).

| AUXILIARY ENTERPRISE FY05 REVENUE BUDGET CHANGES IN REVENUE FY06 OVER FY05 | | | | | |
|---|-----------------------------------|-----------------------------------|---------------------------------|-----------------------------|-------------------------|
| AUXILIARY | FY05 TOTAL REVENUE | FY06 TOTAL REVENUE | CHANGES IN REVENUE, FY06 | | |
| | | | STUDENT FEES | SELF-GEN REVENUE | TOTAL CHANGE |
| AE Central Pat Ctr Savings | \$ 0 | \$ 1,042,600 | \$1,042,600 | \$ 0 | \$1,042,600 |
| Indirect Cost | 1,900,000 | 2,635,000 | 735,000 | 0 | 735,000 |
| Intercollegiate Athletics | 9,676,300 | 10,273,300 | 386,200 | 210,800 | 597,000 |
| Campus Access | 5,871,800 | 6,443,600 | 0 | 571,800 | 571,800 |
| Student Housing | 13,985,000 | 14,387,200 | 0 | 402,200 | 402,200 |
| Athletic Facility Improvement | 525,000 | 925,000 | 400,000 | 0 | 400,000 |
| Freedom Aquatic & Fitness Ctr | 5,429,200 | 5,827,000 | 18,500 | 379,300 | 397,800 |
| AE Central Reserve | 658,800 | 1,044,200 | 385,400 | 0 | 385,400 |
| Student Board | 5,969,300 | 6,339,200 | 0 | 369,900 | 369,900 |
| Student Unions/Johnson Center | 5,949,500 | 6,293,100 | 232,000 | 111,600 | 343,600 |
| CVPA/Center for the Arts | 5,671,700 | 5,985,600 | 149,600 | 164,300 | 313,900 |
| University Life | 4,315,100 | 4,624,700 | 287,600 | 22,600 | 309,600 |
| Fairfax Aquatic Center | 2,146,000 | 2,408,500 | 261,100 | 1,400 | 262,500 |
| AE Central Transportation | 0 | 250,000 | 250,000 | 0 | 250,000 |
| Warehouse | 21,400 | 237,100 | 0 | 215,100 | 215,100 |
| Student Health Services | 1,976,500 | 2,160,100 | 179,100 | 4,500 | 183,600 |
| University Services Admin | 845,100 | 967,500 | 122,400 | 0 | 122,400 |
| Interest Income | 800,000 | 900,000 | 0 | 100,000 | 100,000 |
| Pool/CVPA Rev Loss Escrow | 0 | 80,000 | 80,000 | 0 | 80,000 |
| ITU | 3,080,100 | 3,145,700 | 65,600 | 0 | 65,600 |
| AE Central Equip & Utilities | 400,000 | 450,000 | 50,000 | 0 | 50,000 |
| Recreation Sports Clubs | 398,400 | 428,700 | 23,800 | 6,500 | 30,300 |
| University Scholars | 500,000 | 530,000 | 30,000 | 0 | 30,000 |
| Child Development Center | 475,000 | 496,200 | 0 | 21,200 | 21,200 |
| Salary Increases | 173,300 | 173,800 | 500 | 0 | 500 |
| Computer Store | 2,400,000 | 2,400,000 | 0 | 0 | 0 |
| Print Services | 1,800,000 | 1,800,000 | 0 | 0 | 0 |
| Recreation Sports Complex | 1,184,900 | 1,157,600 | (27,300) | 0 | (27,300) |
| "All-University Card" System | 479,100 | 438,000 | 160,000 | (201,100) | (41,100) |
| Facility Reserves | 950,000 | 900,000 | (50,000) | 0 | (50,000) |
| Hemlock Overlook | 1,350,800 | 1,205,700 | 0 | (145,100) | (145,100) |
| Telecom Infrastructure | 511,700 | 0 | (511,700) | 0 | (511,000) |
| Patriot Center | 1,676,600 | 484,000 | (1,192,600) | 0 | (1,192,600) |
| AE Contribution to E&G | 1,350,000 | 0 | (1,350,000) | 0 | (1,350,000) |
| TOTAL AUX. ENT. REVENUE BUDGET | \$82,223,000 | \$86,433,400 | \$1,673,000 | \$2,537,400 | \$4,210,400 |
| INDEPENDENT OPERATIONS | 28,515,000 | 29,000,000 | 0 | 485,000 | 485,000 |
| GRAND TOTAL | \$110,738,000 | \$115,433,400 | \$1,673,000 | \$3,022,400 | \$4,695,400 |

The specific details for all revenue changes are provided in the enterprise-specific section found on pages 113 – 137.

Auxiliary Enterprise Revenue Changes by Category (\$4.7M)



NEW STUDENT FEE REQUIREMENTS

In 2005-2006, Auxiliary Enterprises that are funded by student fees will incur increased costs, thereby requiring additional student fee support. The major reasons for an increase in the fee are to support expanded services and activities to meet the needs of additional student enrollment and the increased number of students living on campus. The following priorities were identified through the Auxiliary Enterprises Management Council, made up of representatives of University Life, University Services and Auxiliary Enterprises units. These priorities were supported through the budget process. An allocation of \$450,000 is identified each year to support cross-cutting priorities. Funding is provided in 2005-2006 within the Auxiliary Enterprises budget to support the following priorities.

1. Expand activities for students, in response to ongoing increased enrollments and to the increased residential and traditionally-aged student populations. Provide funding in a way that promotes synergy between units and leverages current practices.

Arts

- Provide support for CVPA faculty directed programs such as the GMU Players, Music programs and New Multimedia Performance Studio.

Food Service

- Expand food service hours and venues, including expansion of hours at Ike's, Damon's, and the Arlington and Prince William campuses.

Recreation

- Support for one-time purchase of equipment for Cardio Theater at the Aquatic Center.
- Support increased interaction of students with funding for All Sports Festival.
- Increase funding for recreational activities, including funds for five new club sports.
- Support increased interaction of students with indoor furniture for informal gathering places at Prince William campus.
- Continue previous year one-time funding to support promotion of sporting events.
- Second of two years support for construction of artificial field.

Student Organizations

- Increase support for student-generated and run social activities, including support for Arlington and Prince William campuses. Includes funding to cover activities such as cinema, speaker series, and weekend activities.
- Provide funding for equipment to enhance events and activities. Funds included to support needs at Fairfax, Prince William and Arlington campuses.

2. Enhance campus safety and security

Campus Police

- Increase funding for Police Cadet program which employs students to support the security function at some campus events

3. Enhance program support services

Unions/Johnson Center

- Provide funding for replacement of Johnson Center AV equipment to support events and activities.

Prince William Campus

- Provide funding to establish space on campus for outdoor events.

ALLOCATION OF INCREASED STUDENT FEE, 2005-2006

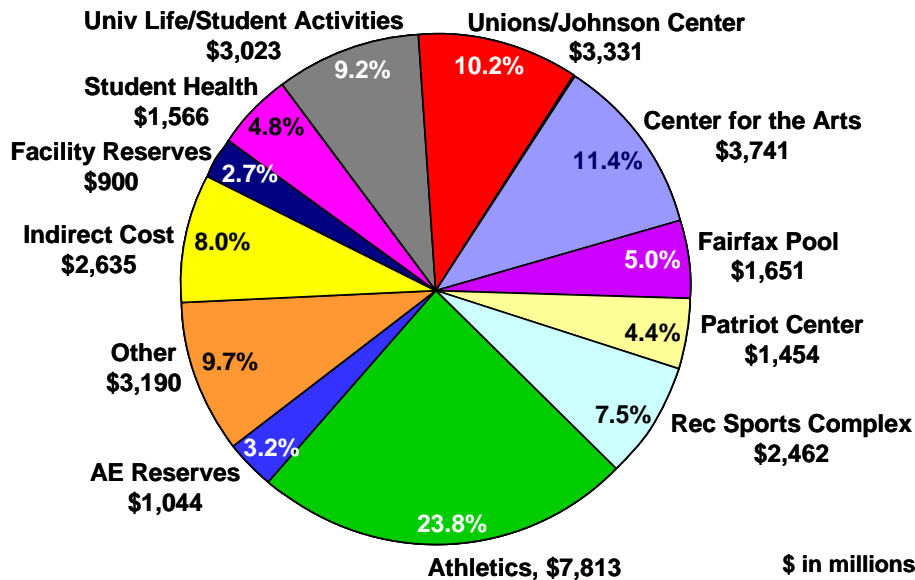
- To provide support for inflationary costs across all units. **[\$219,400]**
- To provide one-time support for Student Health Services for build out of facilities at the Prince William Campus. **[\$150,000]**
- To provide enhanced support for International Programs within University Life. **[\$60,000]**
- To provide support for debt service payments for the Fairfax Aquatic Center expansion. **[\$152,200]**
- To annualize the 3.00% salary increase given to staff on 11/25/04. **[\$320,000]**
- To allocate additional funds for student fee funded facilities to cover the increased costs of utilities. **[\$50,000]**
- To set aside funds for salary increases for staff in 2005-06. Because the Auxiliary Enterprises salary increases are not supported through state funds, fee funds must be set aside for potential salary increases if approved. **[\$173,800]**
- To address NCAA gender equity issues. This is the fifth year of a five year phase-in program. **[\$30,000]**
- To support FY06 additional academic scholarship costs. **[\$30,000]**
- To support the costs of the CAA Conference Expansion in Athletics **[\$218,000]**
- Elimination of the allocation of funding for Auxiliary Enterprise contribution to Educational & General activities. **[-\$1,350,000]**
- Elimination of allocation for debt service for Telecommunications Infrastructure due to completion of the debt service. **[-\$511,700]**
- To provide support for debt service on Robinson Field expansion and enhancements. **[\$200,000]**
- To provide support for debt service on Field House expansion and enhancements. **[\$200,000]**
- To set aside funds for potential revenue loss in Fairfax Aquatic Center and Center for the Arts due to renovations and expansion of the facilities. **[\$80,000]**
- To provide support for equipment needs for the All University One-Card System. **[\$50,000]**
- To provide one-time funding for consulting support in the College of Visual and Performing Arts related to the Prince William Performing Arts Center. **[\$50,000]**
- To provide support for an Information Technology position to provide oversight of computer servers in Auxiliary Enterprises University Services. **[\$65,000]**
- To provide support for the development of a Transportation Traffic & Parking activity to include the hiring of new personnel. **[\$250,000]**
- To provide support for increased costs for Auxiliary Enterprise Indirect Cost reimbursement to Educational and General programs **[\$735,000]**
- To accumulate reserve support for future programming and facility needs consistent with the 2010 Plan for the Auxiliary Enterprises program. **[\$500,000]**

STUDENT FEE REQUIREMENTS

\$1,673,000

Auxiliary Enterprise Fee Allocation, FY 2006

Student Fee Allocation: \$32,809,000



Note: Athletics and Recreational Activities are allocated approximately 40% of the student fee.

USE OF FUNDS

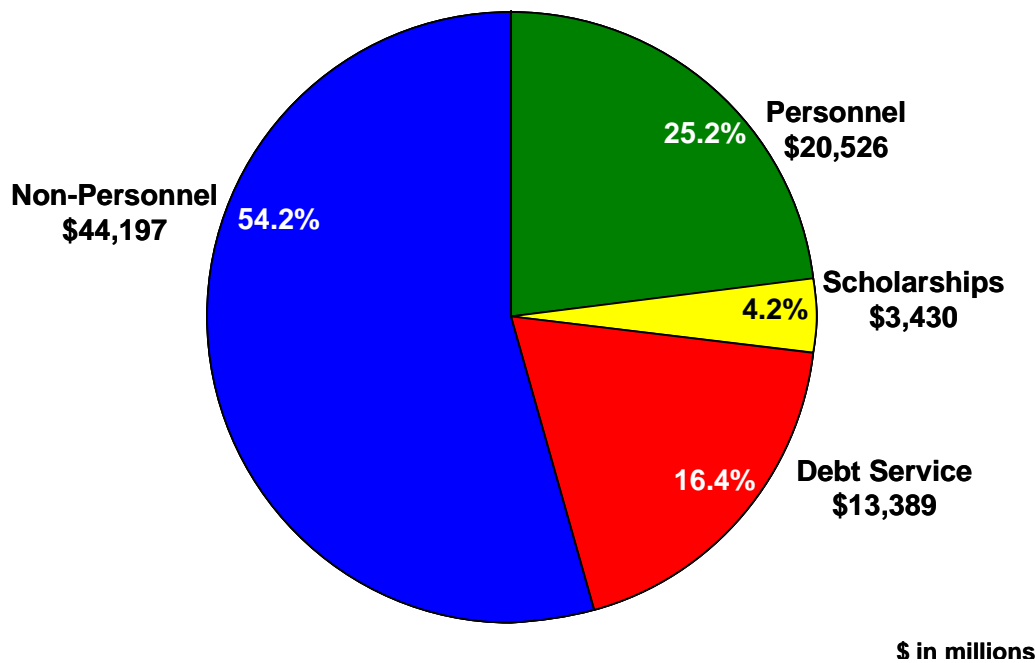
Budget by Major Category

The Auxiliary Enterprise expense budget of \$81.5M is \$4.9M lower than the revenue budget (\$86.4M) in order to set aside funds for future programming requirements and to establish adequate facility depreciation/renovation reserves.

Within the Auxiliary Enterprises expense budget of \$81.5M, personnel costs total \$20.5M (or 25% of the total) and all non-personnel costs make up the remaining 75% of the budget. Within the \$61.0M non-personnel budget, approximately \$16.8M of the expenses cover scholarships and debt service. The remaining \$44.2M cover other non-personnel costs. Some of the major items within this are board plan payments (\$6.5M), utilities (\$3.3M), repair and maintenance (\$1.9M), contracted management (\$7.1M), the telecommunications activity (\$3.2M), and the indirect charge (\$3.5M) to Auxiliary Enterprises from Educational & General.

State Auxiliary Enterprise Expense Budget by Category FY 2006

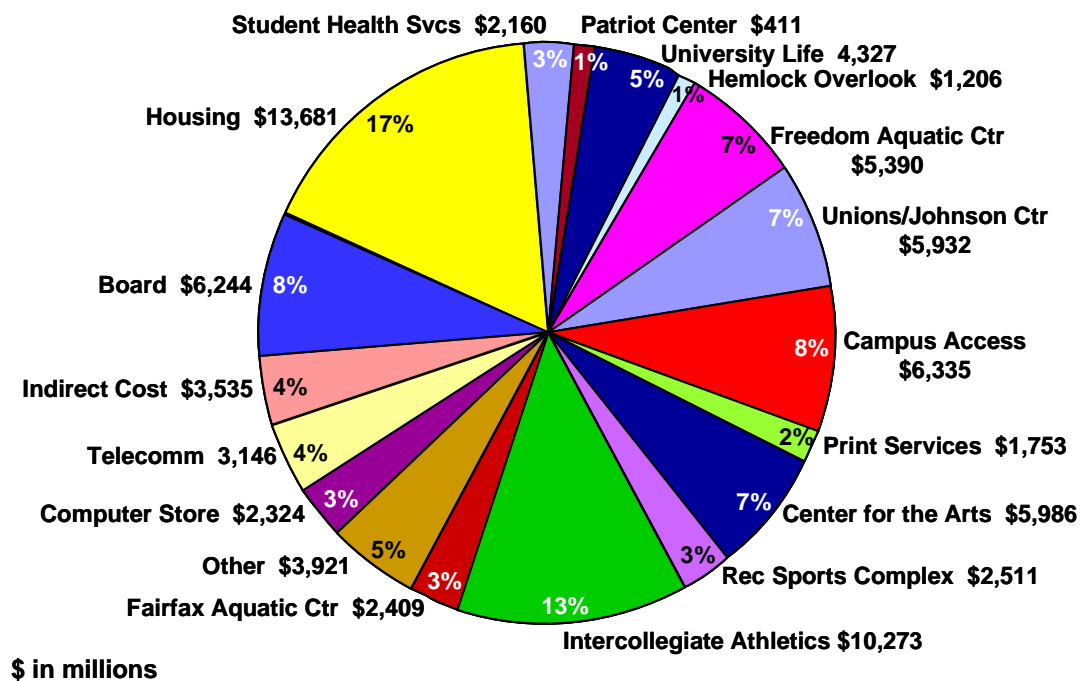
\$81,542,500



By major unit, Housing, Athletics, Campus Access, Meal Plan (Board), Center for the Arts, Student Unions (including Johnson Center), and the Prince William Freedom Center are the largest enterprises.

Auxiliary Enterprise Expense by Unit, FY 2006

\$81,542,500



Personnel

The Auxiliary Enterprises personnel budget of \$20.5M is based upon an FTE position level of 270.95 FTE plus wages hourly staff. Of the total FTE positions, 141.75 (52.3%) are for classified staff, 127.40 (44.0%) are for administrative faculty, and 1.80 (0.7%) are for instructional faculty. The total FTE of 270.95 is 13.55 FTE greater than the original budget for 2004-05. Positions will be established in various Athletic/Recreational activities, the Freedom Center, University Life and University Services.

| AUXILIARY ENTERPRISES POSITION BUDGET | | | | | |
|--|-------------------|-------------------|-----------------|-------------------|-----------------|
| | FY 2003-04 | FY 2004-05 | Variance | FY 2005-06 | Variance |
| Classified | 128.81 | 138.56 | 9.75 | 141.75 | 3.19 |
| Admin Faculty | 105.02 | 116.67 | 11.65 | 127.40 | 10.73 |
| Faculty | 2.17 | 2.17 | 0.00 | 1.80 | -0.37 |
| TOTALS | 236.00 | 257.40 | 21.40 | 270.95 | 13.55 |

The total personnel services budget within Auxiliary Enterprises is \$20.5M. This is approximately 25% of the overall Auxiliary Enterprises budget. Of this total, 72% covers salaries and benefits for permanent staff, while 28% covers salaries and benefits for wages (hourly) workers. The annual level of wage spending is equal to approximately an additional 180 FTE positions. Through the use of wages many supervisors maximize their operational effectiveness by utilizing wage staff to meet the high service demand periods throughout the year.

| AUXILIARY ENTERPRISES PERSONNEL SERVICES OVERVIEW | | | | | | |
|--|-----------------------|-------------|-----------------------|-------------|-----------------------|-------------|
| | Actual FY03-04 | | Budget FY04-05 | | Budget FY05-06 | |
| Salaries | \$9,562,957 | 53.4% | \$11,249,756 | 57.3% | \$11,664,900 | 56.8% |
| Wages | 5,326,905 | 29.7% | 4,984,631 | 25.4% | 5,294,700 | 25.8% |
| Fringe Benefits | 3,026,070 | 16.9% | 3,404,200 | 17.3% | 3,566,300 | 17.4% |
| TOTAL | \$17,915,932 | 100% | 19,638,600 | 100% | \$20,525,900 | 100% |

Units with the highest personnel costs include Intercollegiate Athletics, the Freedom Aquatic and Fitness Center, the Center for the Arts, Student Unions/Johnson Center, University Life. These units are responsible for \$14.7M or 72% of the overall Auxiliary Enterprise personnel budget. Units with the highest hourly wages costs are the Freedom Aquatic and Fitness Center, Hemlock Overlook, the Center for the Arts, the Fairfax Aquatic Center, Intercollegiate Athletics, and Print Services. Wage budgets in these areas alone total nearly \$4M.

In FY 2006 the University will add 13.55 FTE positions within the Auxiliary Enterprises program, and the distribution of the total 270.95 FTE positions within the Auxiliary Enterprises program is shown below:

| AUXILIARY ENTERPRISE FY06 BUDGETED FTE | | | | |
|---|----------------|----------------------|-------------------|------------------------|
| UNIT | FACULTY | ADMIN FACULTY | CLASSIFIED | TOTAL 05-06 FTE |
| Intercollegiate Athletics | 0.00 | 58.51 | 16.00 | 74.51 |
| Recreational Sports Complex | 0.00 | 3.00 | 5.00 | 8.00 |
| Rec Sports Clubs | 0.00 | 2.40 | 0.00 | 2.40 |
| Freedom Aquatic & Fitness Center | 0.00 | 8.63 | 13.40 | 22.03 |
| Fairfax Aquatic Center | 0.00 | 5.88 | 5.00 | 10.88 |
| TOTAL ATHL/REC FTE | 0.00 | 78.42 | 39.40 | 117.82 |
| Hemlock Overlook | 0.00 | 1.00 | 6.00 | 10.00 |
| Student Unions/Johnson Center | 0.00 | 3.00 | 27.35 | 30.35 |
| Student Health Services | 1.00 | 7.20 | 8.50 | 16.70 |
| University Life | 0.50 | 17.80 | 9.00 | 27.30 |
| CVPA/Center for the Arts | 0.30 | 11.98 | 14.75 | 27.03 |
| Print Services | 0.00 | 0.00 | 13.00 | 13.00 |
| ITU | 0.00 | 0.00 | 9.75 | 9.75 |
| Computer Store | 0.00 | 0.00 | 3.00 | 3.00 |
| Campus Access | 0.00 | 0.00 | 1.00 | 1.00 |
| Child Development Center | 0.00 | 4.00 | 1.00 | 5.00 |
| University Services Administration | 0.00 | 4.00 | 2.00 | 6.00 |
| All University Card System | 0.00 | 0.00 | 3.00 | 3.00 |
| TOTAL FY 2006 FTE | 1.80 | 127.40 | 137.75 | 266.95 |
| TOTAL FY 2005 FTE | 2.27 | 116.57 | 138.56 | 257.40 |
| ANNUAL CHANGE | -0.47 | 10.83 | -0.81 | 9.55 |

The table below highlights the areas with increased staff positions for FY06. Position changes within the Print Services reflect some conversions of wages to permanent staff positions. Position changes within other units reflect needs related to enhanced service levels for increased student enrollment.

| AUXILIARY ENTERPRISE FY06 FTE CHANGE FROM FY05 | | | | |
|---|----------------|----------------------|-------------------|------------------|
| ENTERPRISE | FACULTY | ADMIN FACULTY | CLASSIFIED | TOTAL FTE |
| Student Health Services | 0.00 | 0.00 | 0.00 | 0.00 |
| University Life | 0.00 | 4.00 | (0.46) | 3.54 |
| CVPA/Center for the Arts | 0.00 | 0.03 | (1.00) | (0.97) |
| Intercollegiate Athletics | 0.00 | 2.00 | 0.00 | 2.00 |
| Recreational Sports Complex | 0.00 | 0.50 | (1.00) | (0.50) |
| Rec Sports Clubs | 0.00 | (0.12) | 0.00 | (0.12) |
| Fairfax Aquatic Center | 0.00 | 1.12 | 0.00 | 1.12 |
| Freedom Aquatic & Fitness Ctr | 0.00 | 2.00 | (0.35) | 1.65 |
| ITU | 0.00 | 0.00 | 1.00 | 1.00 |
| Computer Store | 0.00 | 0.00 | 0.00 | 0.00 |
| Student Unions/Johnson Center | 0.00 | 0.00 | 0.00 | 0.00 |
| Print Services | 0.00 | 0.00 | 3.00 | 3.00 |
| All University Card System | 0.00 | 0.00 | 0.00 | 0.00 |
| University Services | 0.00 | 0.30 | 0.00 | 0.30 |
| Hemlock Overlook | (0.47) | 1.00 | (3.00) | (2.47) |
| Campus Access | 0.00 | 0.00 | 1.00 | 1.00 |
| Child Development Center | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FTE CHANGE | (0.47) | 10.83 | (0.81) | 9.55 |

USE OF FUNDS (Continued)**Non-Personnel**

Within the Auxiliary Enterprises activities, approximately \$44.2 is expended on non-personnel, excluding debt service and scholarships. The major expense categories in non-personnel are:

| | |
|---|---------------------|
| Meal Plan | \$6,244,200 |
| Housing Operations (Contract) | 4,519,000 |
| Indirect Cost | 3,535,000 |
| Utilities | 3,300,000 |
| Telecommunications | 3,231,000 |
| Campus Access/Parking Services (Contract) | 2,589,000 |
| Athletics (sports, events) | 2,300,000 |
| Computer Store Equipment | 2,200,000 |
| Building Maintenance, Housekeeping, Grounds | 1,906,000 |
| Center for the Arts Performances | 1,453,000 |
| Student Activities | 1,063,000 |
| Housing Renovations | 800,000 |
| Transportation | 500,000 |
| Insurance (Student Health) | 440,000 |
| SUB-TOTAL | \$34,080,200 |

These fourteen items make up 77% of the non-personnel budget (excluding debt & scholarships) within Auxiliary Enterprises.

Debt Service

During the 2005-06 fiscal year, the University will make \$13.4M in debt service payments for parking, residential, and student activity facilities. This represents 16.4% of the overall Auxiliary Enterprises expenditure plan. During 2004-05 the final payment for some parking debt service was made. In the next five years, nearly 34% of this existing Auxiliary Enterprise debt will be eliminated, thereby reducing the financial burden currently placed upon several programs funded by student fees and user fees. Of the total debt to be reduced approximately \$0.9M is student fee funded debt, while \$0.8M is in Parking Facilities and \$2.9M is in Residence Hall facilities. Although planning is underway for other facilities, renovations, programs, and activities which will add new debt service requirements between now and 2011, the importance of the elimination of over \$4.5 million of debt service payments cannot be overstated.

| DEBT SERVICE REDUCTIONS, 2006 - 2011 | | | | | |
|---|-------------------------------|--------------------------|----------------------|------------------------|--------------------------------------|
| LAST YEAR DEBT | DEBT-FINANCED FACILITY | SOURCE OF FUNDING | | STUDENT HOUSING | TOTAL DEBT SERVICE ELIMINATED |
| | | STUDENT FEE | CAMPUS ACCESS | | |
| 2005-06 | Parking Lot | | 312,800 | | 312,800 |
| 2007-08 | Parking Lot | | 480,900 | | 480,900 |
| 2005-06 | University Commons | | | 507,800 | 507,800 |
| 2008-09 | President's Park (Res III) | | | 987,900 | 987,900 |
| 2009-10 | President's Park (Res IV) | | | 948,400 | 948,400 |
| 2010-11 | Student Apts Renovations | | | 461,800 | 461,800 |
| 2008-09 | Concert Hall | 868,100 | | | 868,100 |
| | | | | | |
| | TOTALS | \$868,100 | \$793,700 | \$2,905,900 | \$4,567,700 |

Facility Renovation/Depreciation

- The State provides no General Fund support for the construction or renovation of Auxiliary Enterprise facilities. Additionally, student tuition cannot be used to support these facilities.
- Annual allocations are made each year to establish sufficient funds to address issues of facility repair, depreciation, renovation, and deferred maintenance. These funds are utilized for capital improvements as needed with the balance remaining in an escrow account identified as a facility renovation fund.
- An annual allocation of \$900,000 is budgeted for FY 2006, and the table which follows also shows the projected facility depreciation fund balance for 6/30/05 and 6/30/06.
- The requirements for repairs and renovation based upon depreciation depend upon the type facility, usage, preventive maintenance and facility age. Generally efforts are made to maintain a facility renovation fund at 8-12% of the cost of the facility.
- The actual fund balance at a particular time may reflect a higher than expected balance due to an upcoming capital improvement or a lower than expected balance due to a just-completed capital improvement (Fieldhouse).
- During the summer of 2005 the University will complete a review of the requirements for maintenance and renovation reserves for all activities within Auxiliary Enterprises. This will be used to maximize planning efforts and resources available for facility maintenance, renovation and renewal.
- The University earns interest on these facility reserve throughout the year.

| FACILITY RENOVATION FUND | | | | | | |
|---------------------------------|--------------|--------------------------------|---|--|--|----------------------|
| FACILITY | BUILT | ORIG. BLDG COST | ACTUAL BALANCE JUNE 30, 2004 | PROJECTED BALANCE JUNE 30, 2005 | PROJECTED BALANCE JUNE 30, 2006 | % OF COST |
| Patriot Center | 1985 | \$16.1M | \$2,267,481 | \$2,417,481 | \$2,567,481 | 15.9% |
| Unions/ Johnson Center | 1974/1996 | 48.9M | 2,408,860 | 2,708,860 | 2,708,860 | 5.5% |
| Fairfax Pool | 1998 | 11.1M | 507,830 | 657,830 | 807,830 | 7.2% |
| Student Housing | 1977/2004 | 77.3M | 2,262,301 | 2,961,167 | 3,667,367 | 4.7% |
| Center for the Arts | 1990 | 9.5M | 424,526 | 575,526 | 625,526 | 6.5% |
| Field House | 1982 | 6.5M | 1,529,462 | 1,251,673 | 1,351,673 | 20.7% |
| TOTALS | | \$169.4M | \$9,400,460 | \$10,572,537 | \$11,728,737 | 6.9% |

SUMMARY

The following table summarizes the overall budget by major activity for the Auxiliary Enterprises in 2005-06. The revenue is all-inclusive (self-generated revenue, student fee allocations, etc.).

| AUXILIARY ENTERPRISE BUDGET, FY06 | | | |
|--------------------------------------|-----------------------------|-----------------------------|------------------------------|
| AUXILIARY | FY06 BUDGETED REVENUE | FY06 BUDGETED EXPENSE | FY06 OPERATING BALANCE |
| Student Housing | \$14,387,200 | \$13,681,000 | \$706,200 ¹ |
| Intercollegiate Athletics | 10,273,300 | 10,273,300 | 0 |
| Student Board | 6,339,200 | 6,244,200 | 95,000 ³ |
| Campus Access | 6,443,600 | 6,334,700 | 108,900 ³ |
| Student Unions/GWJC | 6,293,100 | 5,932,100 | 361,000 ³ |
| CVPA/Center for the Arts | 5,955,600 | 5,955,600 | 0 |
| Freedom Aquatic Center | 5,827,000 | 5,390,000 | 437,000 ³ |
| University Life | 4,356,900 | 4,356,900 | 0 |
| Indirect Cost Charge | 3,535,000 | 3,535,000 | 0 |
| Information Technology Unit | 3,145,700 | 3,145,700 | 0 |
| Fairfax Aquatic Center | 2,408,500 | 2,408,500 | 0 |
| Computer Store | 2,400,000 | 2,323,600 | 76,400 |
| Student Health Services | 2,160,150 | 2,160,150 | 0 |
| Print Services | 1,800,000 | 1,753,400 | 46,600 ² |
| Patriot Center Savings | 1,042,600 | 0 | 1,042,600 ⁸ |
| Hemlock Overlook | 1,205,700 | 1,205,700 | 0 |
| Rec Sports Complex | 1,157,600 | 1,157,600 | 0 |
| Unallocated | 1,044,150 | 0 | 1,044,150 ⁵ |
| University Services/Police Cadets | 967,500 | 967,500 | 0 |
| Facility Reserves | 900,000 | 0 | 900,000 ¹ |
| Athletic Facility Improvements | 925,000 | 925,000 | 0 |
| University Scholars | 530,000 | 530,000 | 0 |
| Equipment/Utilities | 450,000 | 450,000 | 0 |
| Child Development Center | 496,200 | 496,200 | 0 |
| Patriot Center | 484,000 | 411,000 | 73,000 ¹ |
| AUCS/Photo ID | 438,000 | 438,000 | 0 |
| Rec Sports Clubs | 428,700 | 428,700 | 0 |
| New Student/Service Learning Centers | 297,800 | 297,800 | 0 |
| Transportation | 250,000 | 250,000 | 0 ⁶ |
| Warehouse – Debt | 237,100 | 237,100 | 0 |
| FY06 Salary Increases | 173,800 | 173,800 | 0 |
| Pool/CVPA Rev. Loss | 80,000 | 80,000 | 0 ⁷ |
| Sub-Total Aux Ent Budget | \$86,433,400 | \$81,542,550 | \$4,890,850 |
| Independent Operations | \$29,000,000 | \$29,000,000 | --- |
| GRAND TOTAL | \$115,433,400 | \$110,542,550 | \$4,890,850 |

¹ to be transferred to facility depreciation/renovation fund

² to be used to fund existing deficits within the operation

³ to remain with operation

⁴ to be allocated for auxiliary enterprise equipment replacement and increased utility costs

⁵ creates a central auxiliary enterprise reserve to address unanticipated, non-recurring expenses

⁶ to be used to establish a transportation department

⁷ to be used to offset any loss of revenue due to renovation projects

⁸ to be used to offset future renovation costs

TUITION AND FEES, FY 2006

ON-CAMPUS, RESIDENTIAL STUDENTS - TOTAL ANNUAL PRICE

Most on campus residential students are undergraduate students. The table below shows the actual total price for both FY 2005 and FY 2006 for both in-state and out-of-state residential undergraduate students. The total price includes tuition, fees, room and board. For in-state students, the annual price increase is \$672, while the out-of-state students will pay \$1,584 more in FY06.

| TOTAL COST COMPARISON FY 2005 & FY 2006 | | | |
|--|-----------------|-----------------|-----------------|
| IN-STATE, UNDERGRADUATE | FY 2005 | FY 2006 | INCREASE |
| Tuition (Includes Tech Fee) | \$3,984 | \$4,356 | \$372 |
| Fees | 1,464 | 1,524 | 60 |
| Room & Board | 6,240 | 6,480 | 240 |
| TOTAL | \$11,688 | \$12,360 | \$672 |
| PERCENT INCREASE, FY 2006 | | | 5.75% |

| TOTAL COST COMPARISON FY 2005 & FY 2006 | | | |
|--|-----------------|-----------------|-----------------|
| OUT-OF-STATE, UNDERGRADUATE | FY 2005 | FY 2006 | INCREASE |
| Tuition (Includes Tech Fee) | \$14,352 | \$15,636 | \$1,284 |
| Fees | 1,464 | 1,524 | 60 |
| Room & Board | 6,240 | 6,480 | 240 |
| TOTAL | \$22,056 | \$23,640 | \$1,584 |
| PERCENT INCREASE, FY 2006 | | | 7.18% |

TOTAL PRICE INCREASE (TUITION, FEES, ROOM & BOARD)

The total price increase proposed for 2005-06 at George Mason University for on-campus residential students (both in-state and out-of-state) is shown below with a comparison to other schools in the Commonwealth of Virginia. These percentages are based on the undergraduate student rates for tuition and fees.

| TOTAL PRICE INCREASE IN-STATE | |
|----------------------------------|------------------|
| INSTITUTION | FY06 INCREASE |
| Christopher Newport Univ | 7.9% |
| College of William & Mary | 7.9% |
| University of Virginia | 7.7% |
| Virginia Tech | 7.6% |
| Univ Mary Washington | 7.0% |
| Radford | 6.4% |
| Longwood Univ | 6.3% |
| Univ of Va - Wise | 6.0% |
| Virginia Military Institute | 5.9% |
| GEORGE MASON UNIV | 5.8% |
| James Madison Univesity | 5.8% |
| Norfolk State University | 5.8% |
| Virginia State University | 4.8% |
| Old Dominion University | 4.7% |
| Virginia Commonwealth | 3.4% |
| AVERAGE | 6.2% |

| TOTAL PRICE INCREASE OUT-OF-STATE | |
|--------------------------------------|------------------|
| INSTITUTION | FY06 INCREASE |
| Univ of Mary Washington | 7.8% |
| GEORGE MASON UNIV | 7.2% |
| Virginia Tech | 7.1% |
| Univ of Va – Wise | 6.5% |
| University of Virginia | 6.2% |
| College of William & Mary | 5.9% |
| Virginia Military Institute | 5.7% |
| James Madison University | 5.6% |
| Longwood Univ | 5.3% |
| Radford | 5.1% |
| Virginia State University | 4.6% |
| Old Dominion University | 4.3% |
| Christopher Newport Univ | 3.5% |
| Norfolk State University | 2.3% |
| Virginia Commonwealth Univ | 1.1% |
| AVERAGE | 5.2% |

Tuition & Fee Rates

Most George Mason students do not reside on campus, and most students (84%) have an in-state domicile status. The table below illustrates the annual increase for tuition and fees for in-state, undergraduate students throughout the Commonwealth of Virginia. Additionally, the table shows the actual annual tuition and fee charge (\$5,880) at George Mason University as compared to the average price (\$6,061) within the state. As of the time of publication, fourteen of the fifteen schools had announced their tuition and fee rates for FY 2006 (see below).

| ANNUAL TUITION & FEE INCREASE, FY 2006 UNDERGRADUATE, IN-STATE STUDENTS | | | | | |
|--|---------------------|----------------|----------------|----------------------------|---------------------|
| RANK | INSTITUTION | 2004-05 | 2005-06 | INCREASE AMOUNT | % CHANGE |
| 1 | VMI | \$8,054 | \$8,666 | 612 | 7.6% |
| 2 | William & Mary | 7,096 | 7,778 | 682 | 9.6% |
| 3 | UVA | 6,600 | 7,133 | 533 | 8.1% |
| 4 | Longwood | 6,441 | 7,020 | 579 | 9.0% |
| 5 | Virginia Tech | 5,838 | 6,378 | 540 | 9.3% |
| 6 | James Madison | 5,476 | 5,886 | 410 | 7.5% |
| 7 | GEORGE MASON | 5,448 | 5,880 | 432 | 7.9% |
| 8 | CNU | 5,314 | 5,826 | 512 | 9.6% |
| 9 | Mary Washington | 5,128 | 5,634 | 506 | 9.9% |
| 10 | Old Dominion | 5,268 | 5,614 | 346 | 6.6% |
| 11 | VCU | 5,098 | 5,385 | 287 | 5.6% |
| 12 | Radford | 4,762 | 5,129 | 367 | 7.7% |
| 13 | Univ of Va – Wise | 4,782 | 5,081 | 299 | 6.3% |
| 14 | VSU | 4,544 | 4,834 | 290 | 6.4% |
| 15 | Norfolk State | 4,295 | 4,670 | 375 | 8.7% |
| | | | | | |
| | AVERAGE | \$5,610 | \$6,061 | \$451 | 8.0% |

Regional Tuition and Fees

The following tables illustrate the in-state and out-of-state tuition and fee rates for schools in the surrounding region. As can be seen from the tables below, the in-state and out-of-state rates at George Mason University are significantly lower than most of the schools that we compete with in the mid-Atlantic region.

Another interesting change is that although the tuition and fee rates were very similar at all of the doctoral institutions in the mid-1990's, the new rates at William & Mary, University of Virginia, and Virginia Tech are substantially higher than those at George Mason, Old Dominion, and Virginia Commonwealth University.

TUITION AND FEE TRENDS

IN-STATE RATES

| INSTITUTION | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| George Washington University | \$26,170 | \$27,790 | \$29,350 | \$35,030 | \$36,370 |
| University of Pennsylvania | 25,170 | 27,988 | 29,318 | 30,716 | 32,364 |
| Georgetown University | 25,425 | 26,544 | 28,209 | 30,338 | 31,656 |
| American University | 22,116 | 23,068 | 24,839 | 26,335 | 28,019 |
| Pennsylvania State | 7,396 | 8,382 | 9,706 | 10,856 | 10,856 |
| University of Pittsburgh, Main Campus | 7,482 | 8,528 | 9,274 | 10,830 | 10,830 |
| Rutgers University | 6,654 | 7,308 | 7,927 | 9,240 | 9,240 |
| Temple University | 6,948 | 8,062 | 8,594 | 9,102 | 9,102 |
| University of Maryland | 5,341 | 5,898 | 6,756 | 7,550 | 7,821 |
| University of Delaware | 5,290 | 5,880 | 6,498 | 6,954 | 6,954 |
| GEORGE MASON UNIVERSITY | 3,792 | 4,800 | 5,112 | 5,448 | 5,880 |
| University of North Carolina | 3,277 | 3,856 | 4,072 | 4,450 | 4,606 |
| West Virginia University | 2,948 | 3,240 | 3,548 | 3,938 | 4,164 |

OUT-OF-STATE RATES

| INSTITUTION | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| George Washington University | \$26,170 | \$27,790 | \$29,350 | \$35,030 | \$36,370 |
| University of Pennsylvania | N/A | N/A | 29,318 | 30,716 | 32,364 |
| Georgetown University | 25,425 | 26,544 | 28,209 | 30,338 | 31,656 |
| American University | 22,116 | 23,068 | 24,839 | 26,335 | 28,019 |
| Pennsylvania State | 15,740 | 17,336 | 19,328 | 20,784 | 20,784 |
| University of Maryland | 13,413 | 15,100 | 17,433 | 18,850 | 20,145 |
| University of Pittsburgh, Main Campus | 15,522 | 17,610 | 18,586 | 19,086 | 19,086 |
| University of North Carolina | 12,092 | 13,284 | 15,920 | 17,549 | 18,404 |
| GEORGE MASON UNIVERSITY | 12,696 | 14,100 | 14,952 | 15,816 | 17,160 |
| Rutgers University | 13,269 | 15,140 | 15,140 | 17,042 | 17,042 |
| University of Delaware | 12,712 | 14,316 | 16,028 | 16,640 | 16,640 |
| Temple University | 14,380 | 15,410 | 15,354 | 16,268 | 16,268 |
| West Virginia University | 8,832 | 9,710 | 10,768 | 12,060 | 12,874 |

Since tuition discounting is a common practice at most private institutions, it is difficult to draw any conclusions from the “catalog published” tuition and fee rates at many of these institutions. These institutions are, however, regional schools that we compete with for incoming students.

Law School Tuition and Fee Rates

The in-state Law School rate continues to appear to be substantially lower than the rates of other regional institutions. The out-of-state rate is not as much lower, but still lower than the competition.

| REGIONAL LAW SCHOOL TUITION AND FEES | | | | | | |
|---|-----------------|---------------|--------------|---------------------|---------------|--------------|
| | IN-STATE | | | OUT-OF-STATE | | |
| | FY05 | FY06 | % INC | FY05 | FY06 | % INC |
| Georgetown University | \$33,055 | \$35,080 | 6.1% | \$33,055 | \$35,080 | 6.1% |
| George Washington University | 32,620 | 34,500 | 5.8% | 32,620 | 34,500 | 5.8% |
| American University | 31,108 | 33,134 | 6.5% | 31,108 | 33,134 | 6.5% |
| Catholic University | 30,165 | 31,505 | 4.4% | 30,165 | 31,505 | 4.4% |
| University of Virginia | 26,100 | 28,213 | 8.1% | 31,100 | 33,213 | 6.8% |
| University of Richmond | 25,510 | 27,060 | 6.1% | 25,510 | 27,060 | 6.1% |
| Howard University | 16,000 | 17,855 | 11.6% | 16,000 | 17,855 | 11.6% |
| University of Maryland - Baltimore | 16,253 | 17,701 | 8.9% | 27,532 | 28,980 | 5.3% |
| College of William & Mary | 14,160 | 15,300 | 8.1% | 24,400 | 25,500 | 4.5% |
| GEORGE MASON UNIVERSITY | 10,906 | 12,936 | 18.6% | 21,532 | 24,500 | 13.8% |

The following table summarizes the tuition and fee rates being proposed as the FY 2006 academic year rates for George Mason University.

| GEORGE MASON UNIVERSITY ACADEMIC YEAR, 2005-06 TUITION & FEE RATES ANNUAL RATE | | | | |
|---|----------------------------|-----------------------------|--------------------------|---------------------|
| | CURRENT 2004-05 | PROPOSED 2005-06 | ANNUAL CHANGE | % CHANGE |
| IN-STATE UNDERGRADUATE: | | | | |
| Tuition | \$3,984.00 | \$4,356.00 | \$372.00 | |
| Fees | 1,464.00 | 1,524.00 | 60.00 | |
| Total | \$5,448.00 | \$5,880.00 | \$432.00 | 7.9% |
| IN-STATE GRADUATE: | | | | |
| Tuition | \$4,800.00 | \$5,244.00 | \$444.00 | |
| Fees | 1,464.00 | 1,524.00 | 60.00 | |
| Total | \$6,264.00 | \$6,768.00 | \$504.00 | 8.0% |
| OUT-OF-STATE: | | | | |
| Tuition | \$14,352.00 | \$15,636.00 | \$1,284.00 | |
| Fees | 1,464.00 | 1,524.00 | 60.00 | |
| Total | \$15,816.00 | \$17,160.00 | \$1,344.00 | 8.5% |
| LAW, IN-STATE: | | | | |
| Tuition | \$9,450.00 | \$11,424.00 | \$ 1,974.00 | |
| Fees | 1,456.00 | 1,512.00 | 56.00 | |
| Total | \$10,906.00 | \$12,936.00 | \$ 2,030.00 | 18.6% |
| LAW, OUT-OF-STATE | | | | |
| Tuition | \$20,076.00 | \$22,988.00 | \$2,912.00 | |
| Fees | 1,456.00 | 1,512.00 | 56.00 | |
| Total | \$21,532.00 | \$24,500.00 | \$2,968.00 | 13.8% |

**GEORGE MASON UNIVERSITY
ACADEMIC YEAR, 2005-06
TUITION & FEE RATES
HOURLY RATE**

| | CURRENT 2004-05 | PROPOSED 2005-06 | HOURLY CHANGE | % CHANGE |
|--------------------------------|----------------------------|-----------------------------|--------------------------|---------------------|
| IN-STATE UNDERGRADUATE: | | | | |
| Tuition | \$166.00 | \$181.50 | \$15.50 | |
| Fees | 61.00 | 63.50 | 2.50 | |
| Total | \$227.00 | \$245.00 | \$18.00 | 7.9% |
| IN-STATE GRADUATE: | | | | |
| Tuition | \$200.00 | \$218.50 | \$18.50 | |
| Fees | 61.00 | 63.50 | 2.50 | |
| Total | \$261.00 | \$282.00 | \$21.00 | 8.0% |
| OUT-OF-STATE: | | | | |
| Tuition | \$598.00 | \$651.50 | \$53.50 | |
| Fees | 61.00 | 63.50 | 2.50 | |
| Total | \$659.00 | \$715.00 | \$56.00 | 8.5% |
| LAW, IN-STATE: | | | | |
| Tuition | \$337.50 | \$408.00 | \$70.50 | |
| Fees | 52.00 | 54.00 | 2.00 | |
| Total | \$389.50 | \$462.00 | \$72.50 | 18.6% |
| LAW, OUT-OF-STATE | | | | |
| Tuition | \$717.00 | \$821.00 | \$104.00 | |
| Fees | 52.00 | 54.00 | 2.00 | |
| Total | \$769.00 | \$875.00 | \$106.00 | 13.8% |

PREMIUM PRICING FOR SELECT GRADUATE PROGRAMS

Starting Fall 2004 several graduate programs implemented premium pricing tuition rates for in-state students at a level higher than the regular graduate student rates. For Fall 2005 the School of Information Technology and Engineering and School of Public Policy will increase the premium rate charged to in-state students. The School of Public Policy will also implement a premium charge for out-of-state students. The School of Law will also implement a premium pricing policy for in-state and out-of-state students. The premium rates by unit for Fall 2005 are listed below. Rates were reviewed for similar programs at institutions in this region. The increased tuition revenue will be used to support enhancements within each particular program. Of the total additional revenue, 75% will be allocated to the unit generating the revenue and 25% will be retained centrally.

College of Arts & Sciences

| | |
|--|---|
| Master's Degree in Public Administration | \$100 per credit hour above regular rates In-state students only |
|--|---|

| | |
|------------------------------|---|
| M.S. and Ph.D. in Biodefense | \$100 per credit hour above regular rates In-state students only |
|------------------------------|---|

School of Information Technology & Engineering

| | |
|---------------------------|--|
| Masters and Ph.D. Degrees | \$ 100 per credit hour above regular rates In-state students only |
|---------------------------|--|

School of Public Policy

| | |
|-----------------------|---|
| All Graduate Programs | \$150 per credit hour above regular rates For In-state students \$50 per credit hour above regular rates For Out-of-state students All students charged |
|-----------------------|---|

School of Law

| | |
|---------------------------|--|
| All Professional Programs | \$40 per credit hour above regular rates For In-state students \$40 per credit hour above regular rates For Out-of-state students All students charged |
|---------------------------|--|

School of Computational Science

| | |
|-------------------------------|--|
| Selected Certificate Programs | \$100 per credit hour above regular rates For In-state students \$100 per credit hour above regular rates For Out-of-state students All students charged |
|-------------------------------|--|

Tuition (Only) Increases

- State officials consistently provide legislative and executive guidance and direction on the issue of tuition. Direction on student fee is also occasionally given.
- Although only tuition is used to support the E&G program, students are charged a tuition and fee rate for each student credit hour. The student fee portion of the rate is used to support Auxiliary Enterprises while tuition supports E&G activities.
- The tuition increases for all other students is as shown below. These rates include the annual technology fee currently being charged all students.
- Since students pay tuition & fees together as a package price, a table that shows tuition only is of limited value. However, state officials do review tuition only increases to ensure institutional compliance with legislative and executive branch guidance.

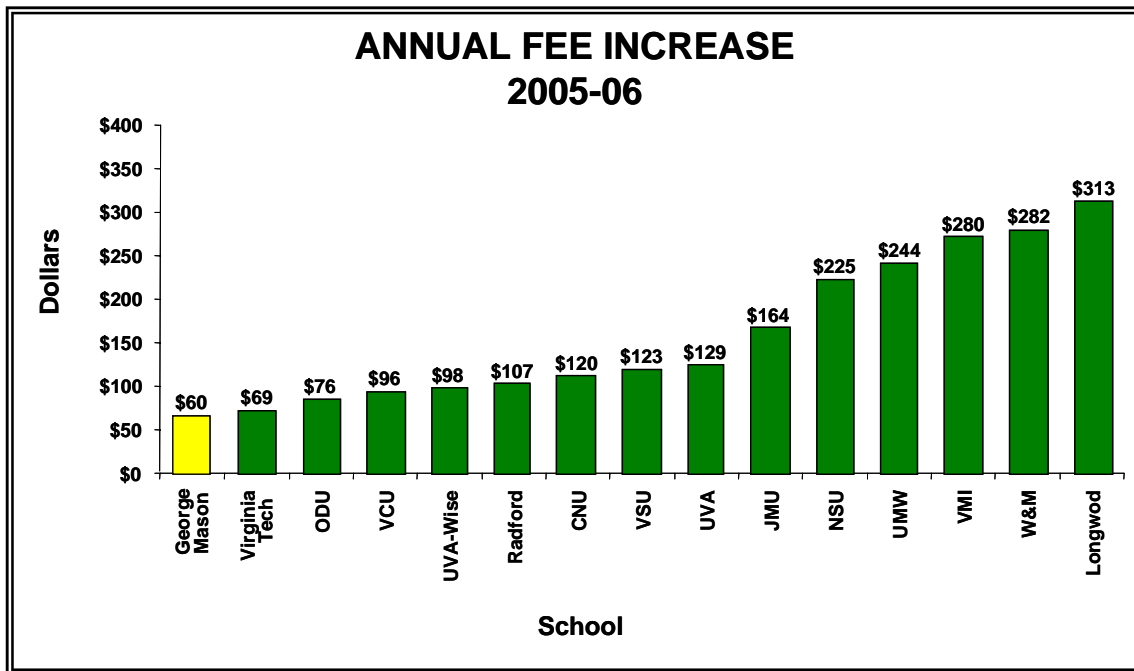
| TUITION ONLY | | | | |
|----------------------------|------------------------|------------------------|----------------------|-------------------------|
| TYPE STUDENT | TUITION 2004-05 | TUITION 2005-06 | AMOUNT CHANGE | PERCENT INCREASE |
| In-State, Undergraduate | \$3,984.00 | \$4,356.00 | \$372.00 | 9.34% |
| In-State, Graduate | 4,800.00 | 5,244.00 | 444.00 | 9.25% |
| Out-of-State Undergraduate | 14,352.00 | 15,636.00 | 1,284.00 | 8.95% |
| Out-of-State Graduate | 14,352.00 | 15,636.00 | 1,284.00 | 8.95% |
| In-State, Law | 9,450.00 | 11,424.00 | 1,974.00 | 20.89% |
| Out-of-State, Law | 20,076.00 | 22,988.00 | 2,912.00 | 14.50% |

Student Fee Increase

George Mason University proposes a \$60.00 annual increase in student fee. This raises the annual student fee for full-time students from \$1,464 to \$1,524. Part-time students see a fee increase of \$2.50 per student credit hour from \$61.00 per student credit hour to \$63.50 per student credit hour.

Student Fee Increase – State Comparison

This \$60.00 per year increase represents a 4.10% increase over the FY 2005 student fee, which is the smallest student fee increase among all the state supported colleges and universities.



Total Student Fee – State Comparison

George Mason University's student fee in FY 2006 will drop to the level of being the 12th position among fifteen state supported colleges and universities in FY 2006. **In 1985 GMU had the fifth highest student fee among the colleges and universities.**

| ANNUAL STUDENT FEE, FY 2006 | | |
|------------------------------------|-------------------------------|----------------|
| RANK | SCHOOL | AMOUNT |
| 1 | Virginia Military Institute | \$4,248 |
| 2 | Longwood | 3,390 |
| 3 | William & Mary | 2,993 |
| 4 | James Madison | 2,888 |
| 5 | Mary Washington | 2,792 |
| 6 | Virginia State | 2,517 |
| 7 | Norfolk State | 2,300 |
| 8 | Christopher Newport | 2,248 |
| 9 | Old Dominion | 2,072 |
| 10 | University of Virginia – Wise | 2,040 |
| 11 | Radford | 1,895 |
| 12 | GEORGE MASON | 1,524 |
| 13 | University of Virginia | 1,486 |
| 14 | Virginia Commonwealth | 1,373 |
| 15 | Virginia Tech | 1,081 |
| AVERAGE | | \$2,323 |

| STUDENT FEE, FY 2006 % Increase | | |
|--|-------------------------------|---------------|
| RANK | SCHOOL | % INCR |
| 1 | Norfolk State | 10.84% |
| 2 | William & Mary | 10.40% |
| 3 | Longwood | 10.17% |
| 4 | Mary Washington College | 9.58% |
| 5 | University of Virginia | 9.51% |
| 6 | Virginia Commonwealth | 7.52% |
| 7 | Virginia Military Institute | 7.06% |
| 8 | Virginia Tech | 6.82% |
| 9 | James Madison | 6.02% |
| 10 | Radford | 6.00% |
| 11 | Christopher Newport | 5.64% |
| 12 | Virginia State | 5.14% |
| 13 | University of Virginia - Wise | 5.05% |
| 14 | GEORGE MASON | 4.10% |
| 15 | Old Dominion | 3.81% |
| AVERAGE | | 7.18% |

Student Fee Increases – Eight Year Trend/Comparison

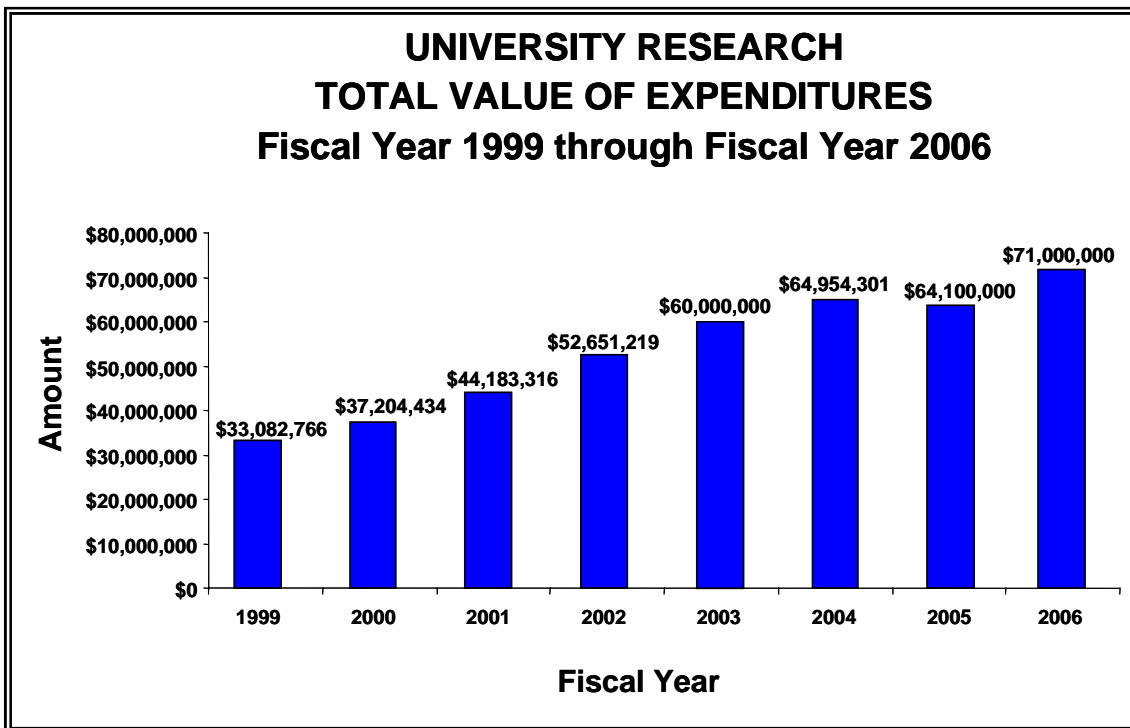
Student fee increases are typically associated with the construction of new facilities funded from revenue bond, new student activity facilities or the introduction of expanded student activities/organizations. Since George Mason University has been experiencing financially successful Auxiliary Enterprise business activities (food service, bookstore, arena management, etc.) while also retiring the debt on student fee funded facilities over the past few years, student fee increases at GMU since 1998 have been the lowest in the Commonwealth of Virginia. The average annual student fee increase since 1998 of 1.9% for George Mason University is the lowest of all the Colleges and Universities (see below).

| UNIVERSITY | AVERAGE ANNUAL STUDENT FEE INCREASE SINCE 1998 |
|--|---|
| Virginia Tech | 8.4% |
| University of Virginia | 6.7% |
| College of William & Mary | 5.0% |
| Virginia Commonwealth University | 4.9% |
| Old Dominion University | 4.8% |
| James Madison | 3.8% |
| AVERAGE FOR ALL SCHOOLS (excluding GMU) | 9.8% |
| GEORGE MASON UNIVERSITY | 1.9% |

SPONSORED RESEARCH

BACKGROUND

George Mason University's sponsored research activity remained stable in FY05. For the 2004-05 fiscal year, it is projected that the actual expenditures will total approximately \$64.1M, which is approximately the level of research expenditures in FY04. The University is projecting a 10.8% increase in research expenditures in FY06.



George Mason continues to improve in ranking of research spending when compared to other universities. For total research spending, George Mason was number 160 in FY02, as compared to number 173 in FY 2000. This represents a move up of 13 positions. For federal research spending, George Mason was number 139 in FY02, as compared with number 151 in FY00, a move up of 12 positions. Federal research is research which is funded by the federal government directly.

When compared to the other institutions within Virginia for rankings in FY02, see the following tables:

| RANKINGS OF VIRGINIA INSTITUTIONS IN 2002 | | |
|--|-----------------------|-------------------------|
| INSTITUTION | TOTAL RESEARCH | FEDERAL RESEARCH |
| VA Tech | 52 | 82 |
| UVA | 69 | 45 |
| VCU | 102 | 103 |
| CWM | 158 | 179 |
| GMU | 160 | 139 |
| ODU | 182 | 183 |
| JMU | 352 | 363 |

| TOTAL RESEARCH EXPENDITURE GROWTH 1997 - 2002 | |
|--|-----------------|
| INSTITUTION | GROWTH % |
| GMU | 103% |
| CWM | 66% |
| ODU | 57% |
| UVA | 60% |
| VA Tech | 37% |
| VCU | 39% |
| ALL UNITED STATES | 49% |
| TOP 100 SCHOOLS | 51% |

EXPENDITURES BY UNIT

Within the overall sponsored research activities, the units with the largest expenditures are the School of Computational Sciences, the College of Arts & Sciences, the School of Public Policy, the School of Information Technology & Engineering, the School of Law, and the College of Education and Human Development. These schools make up 91% of the overall spending. Approximately 70% of the total expenditures are incurred within four units, the School of Computational Sciences, the College of Arts and Sciences, the School of Information Technology & Engineering, and the School of Public Policy.

The research activity at the University generates indirect cost earnings to cover indirect and administrative costs resulting from the activity. Approximately \$10.34M will be earned from indirect in FY05. Of these total earnings, 30% is directed to the Educational & General program and the remaining 70% remains for research activity. Each unit retains 35% of the original indirect earned, and the remaining 35% provides support for other research activity. The units earning the largest amounts of indirect earnings are the School of Computational Sciences, the School of Information Technology & Engineering, the College of Arts & Sciences, and the School of Law. These four units earn approximately 80% of the total indirect earned.

| SPONSORED PROGRAMS EXPENDITURES 2001-02 THROUGH 2004-05 | | | | | |
|--|---------------------|---------------------|---------------------|------------------------------|------------------------------------|
| TOTAL EXPENDITURES BY UNIT | | | | | |
| UNIT | 2001-02 | 2002-03 | 2003-04 | Projected 2004-05 | % INCREASE FY02 TO FY05 |
| SCS | \$ 8,999,857 | \$11,568,597 | \$12,577,388 | \$12,874,974 | 43% |
| CAS | 9,449,899 | 11,191,975 | 13,187,716 | 11,547,225 | 22% |
| IT&E | 12,398,465 | 11,454,396 | 9,568,454 | 11,054,895 | -11% |
| SPP | 6,368,509 | 7,674,814 | 9,665,509 | 9,292,223 | 46% |
| LAW | 3,020,078 | 4,193,884 | 7,473,417 | 8,338,462 | 176% |
| CEHD | 6,399,788 | 5,868,029 | 4,995,187 | 5,421,724 | -15% |
| KRASNOW | 639,779 | 102,424 | 796,994 | 827,403 | 29% |
| CNHS | 1,164,410 | 1,245,143 | 798,384 | 727,093 | -38% |
| ICAR | 315,993 | 354,188 | 458,361 | 536,649 | 70% |
| SOM | 143,376 | 108,028 | 134,825 | 208,011 | 45% |
| CVPA | 81,685 | 112,040 | 147,872 | 252,047 | 209% |
| PROV/OCPE | 2,360,502 | 4,052,220 | 3,763,212 | 1,195,490 | -49% |
| ITU | 1,029,045 | 1,158,265 | 1,125,693 | 1,174,830 | 14% |
| UNIV LIFE | 272,367 | 184,092 | 204,736 | 190,970 | -30% |
| OTHER | 7,467 | 46,106 | 56,553 | 500,004 | N/A |
| TOTAL | \$52,651,220 | \$59,314,201 | \$64,954,301 | \$64,142,000 | 22% |

Source: Office of Sponsored Programs

Note – Direct funding to Krasnow Institute reflected in Krasnow total. Expenditures for projects conducted in Krasnow by faculty in other units are reported in the principal investigators' academic units.

| % OF TOTAL | | | | |
|-------------------|----------------|----------------|----------------|----------------|
| UNIT | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
| SCS | 17.1% | 19.5% | 19.4% | 20.1% |
| CAS | 17.9% | 18.9% | 20.3% | 18.0% |
| IT&E | 23.5% | 19.3% | 14.7% | 17.2% |
| SPP | 12.1% | 12.9% | 14.9% | 14.5% |
| LAW | 5.7% | 7.1% | 11.5% | 13.0% |
| CEHD | 12.2% | 9.9% | 7.7% | 8.5% |
| KRASNOW | 1.2% | 0.2% | 1.2% | 1.3% |
| CNHS | 2.2% | 2.1% | 1.2% | 1.1% |
| ICAR | 0.6% | 0.6% | 0.7% | 0.8% |
| SOM | 0.3% | 0.2% | 0.2% | 0.3% |
| CVPA | 0.2% | 0.2% | 0.5% | 0.4% |
| PROVOST | 4.5% | 6.8% | 5.8% | 1.9% |
| ITU | 2.0% | 2.0% | 1.7% | 1.8% |
| UNIV LIFE | 0.5% | 0.3% | 0.3% | 0.3% |
| OTHER | 0.0% | 0.1% | 0.1% | 0.8% |
| TOTAL | 100.0% | 100.0% | 100.0% | 100.0% |

**TOTAL INDIRECT EARNINGS
2001-02 THROUGH 2004-05**

| INDIRECT EARNED BY UNIT | | | | | |
|--------------------------------|--------------------|--------------------|---------------------|---------------------|------------------------------------|
| UNIT | 2001-02 | 2002-03 | 2003-04 | 2004-05 | % INCREASE FY02 TO FY05 |
| SCS | \$2,062,297 | \$2,457,156 | \$2,796,636 | \$2,637,408 | 28% |
| IT&E | 2,239,300 | 2,225,730 | 2,088,943 | 2,475,604 | 11% |
| CAS | 1,201,595 | 1,475,873 | 1,640,458 | 1,753,009 | 46% |
| LAW | 146,608 | 784,892 | 1,382,600 | 1,420,368 | 869% |
| SPP | 735,631 | 982,923 | 1,357,157 | 888,550 | 21% |
| CEHD | 691,034 | 543,798 | 472,737 | 474,046 | -31% |
| KRASNOW | 202,729 | 284,312 | 459,786 | 478,784 | 136% |
| CNHS | 179,040 | 177,935 | 161,309 | 101,760 | -43% |
| ICAR | 16,548 | 14,191 | 0 | 11,208 | -32% |
| SOM | 0 | 5,141 | 23,680 | 26,199 | N/A |
| CVPA | 300 | (3,081) | 0 | 0 | N/A |
| PROVOST | 8,430 | 15,917 | 2,577 | 4,983 | N/A |
| ITU | 1,024 | 2,707 | 1,525 | 0 | N/A |
| UNIV LIFE | 0 | 0 | 7,269 | 3,260 | N/A |
| OTHER | 12,080 | 4,926 | 23,298 | 60,676 | N/A |
| TOTAL | \$7,496,616 | \$8,972,420 | \$10,439,584 | \$10,335,855 | 38% |

| % OF TOTAL | | | | |
|-------------------|----------------|----------------|----------------|----------------|
| UNIT | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
| SCS | 27.5% | 27.4% | 26.8% | 25.5% |
| IT&E | 29.9% | 24.8% | 20.0% | 24.0% |
| CAS | 16.0% | 16.4% | 15.7% | 17.0% |
| LAW | 2.0% | 8.7% | 13.3% | 13.7% |
| SPP | 9.8% | 11.0% | 13.0% | 8.6% |
| CEHD | 9.2% | 6.1% | 4.5% | 4.6% |
| KRASNOW | 2.7% | 3.2% | 4.4% | 4.6% |
| CNHS | 2.4% | 2.0% | 1.5% | 1.0% |
| ICAR | 0.2% | 0.2% | 0.0% | 0.1% |
| SOM | 0.0% | 0.1% | 0.2% | 0.3% |
| CVPA | 0.0% | 0.0% | 0.0% | 0.0% |
| PROVOST | 0.1% | 0.2% | 0.0% | 0.0% |
| ITU | 0.0% | 0.0% | 0.0% | 0.0% |
| UNIV LIFE | 0.0% | 0.0% | 0.1% | 0.0% |
| OTHER | 0.2% | 0.1% | 0.2% | 0.6% |
| TOTAL | 100.0% | 100.0% | 100.0% | 100.0% |

Of the total indirect earnings available, 70% is retained to be used for research, and 30% is allocated to the Educational & General (E&G) budget to provide funding for administrative support of sponsored research.

| INDIRECT EARNINGS REVERTING TO E&G 2001-02 THROUGH 2004-05 | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|------------------------------------|
| INDIRECT EARNED BY UNIT | | | | | |
| UNIT | 2001-02 | 2002-03 | 2003-04 | 2004-05 | % INCREASE FY02 TO FY05 |
| SCS | \$618,689 | \$737,147 | \$838,991 | \$791,222 | 28% |
| IT&E | 671,790 | 667,719 | 626,683 | 742,681 | 11% |
| CAS | 360,479 | 442,762 | 492,137 | 525,903 | 46% |
| LAW | 43,982 | 235,468 | 414,780 | 426,110 | 869% |
| SPP | 220,689 | 294,877 | 407,147 | 266,565 | 21% |
| CEHD | 207,310 | 163,139 | 141,821 | 142,214 | -31% |
| KRASNOW | 60,819 | 143,363 | 137,936 | 143,635 | 136% |
| CNHS | 53,712 | 53,381 | 48,393 | 30,528 | -43% |
| ICAR | 4,964 | 4,257 | 6,496 | 3,362 | -32% |
| SOM | 0 | 1,542 | 7,104 | 7,860 | N/A |
| CVPA | 90 | (924) | 0 | 0 | N/A |
| PROVOST | 2,529 | 4,775 | 773 | 1,495 | N/A |
| ITU | 307 | 812 | 458 | 0 | N/A |
| UNIV LIFE | 0 | 0 | 2,181 | 978 | N/A |
| OTHER | 3,625 | 1,478 | 493 | 18,203 | N/A |
| TOTAL | \$2,248,986 | \$2,749,796 | \$3,125,392 | \$3,100,757 | 38% |

| % OF TOTAL | | | | |
|-------------------|----------------|----------------|----------------|----------------|
| UNIT | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
| SCS | 27.5% | 26.8% | 26.8% | 25.5% |
| IT&E | 29.9% | 24.3% | 20.1% | 24.0% |
| CAS | 16.0% | 16.1% | 15.7% | 17.0% |
| LAW | 2.0% | 8.6% | 13.3% | 13.7% |
| SPP | 9.8% | 10.7% | 13.0% | 8.6% |
| CEHD | 9.2% | 5.9% | 4.5% | 4.6% |
| KRASNOW | 2.7% | 5.2% | 4.4% | 4.6% |
| CNHS | 2.4% | 1.9% | 1.5% | 1.0% |
| ICAR | 0.2% | 0.2% | 0.0% | 0.1% |
| SOM | 0.0% | 0.1% | 0.2% | 0.3% |
| CVPA | 0.0% | 0.0% | 0.0% | 0.0% |
| PROVOST | 0.1% | 0.2% | 0.0% | 0.0% |
| ITU | 0.0% | 0.0% | 0.0% | 0.0% |
| UNIV LIFE | 0.0% | 0.0% | 0.1% | 0.0% |
| OTHER | 0.2% | 0.1% | 0.2% | 0.6% |
| TOTAL | 100.0% | 100.0% | 100.0% | 100.0% |

CAPITAL OUTLAY

BACKGROUND

George Mason University has approximately 66% of the E&G space provided the other doctoral institutions in the Commonwealth of Virginia (see table below). Approved funding for the construction of new facilities at George Mason University should improve this situation in the near future.

| DOCTORAL INSTITUTION | E&G SPACE PER FTE STUDENT |
|-----------------------------|--------------------------------------|
| University of Virginia | 249 s.f. |
| Virginia Tech | 180 s.f. |
| VA Commonwealth Univ. | 177 s.f. |
| William & Mary | 174 s.f. |
| Old Dominion | 112 s.f. |
| Doctoral Average | 178 s.f. |
| GEORGE MASON | 118 s.f. |

PLANNED ACTIVITY, 2005-2006

The University projects that capital spending in FY 2006 will exceed \$50M, which will reflect the greatest level of annual capital expenditures in the history of the University.

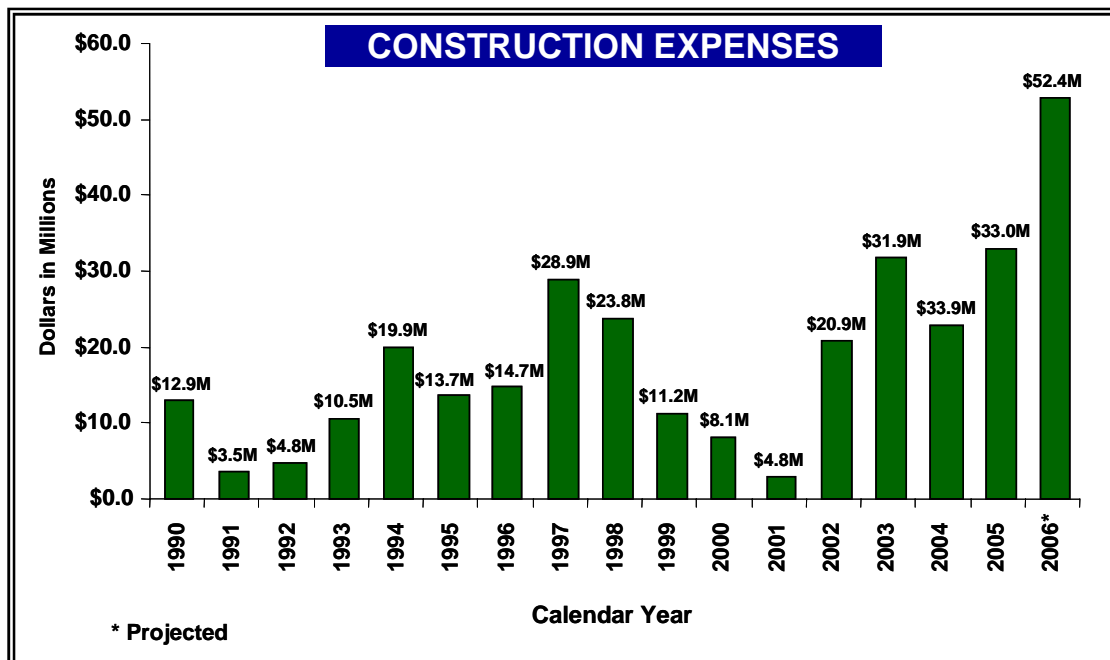
During 2004-05 the University opened a new academic facility (Bull Run Hall) on the Prince William campus and new housing space at the Fairfax campus. The academic facility provided additional classroom, lab, and office space. The University also opened Fairfax Parking Deck II (which has a 1,200 vehicle capacity, as well as Housing VI (Potomac Heights) and this housing space increased the number of on-campus residential students by 500.

The University will open a new academic facility (Research I) at the Fairfax campus in the 2005-06 academic year. This will be George Mason's first facility dedicated to research activity. Some capital construction currently underway will continue into FY 2006, while other major capital outlay projects will initiate capital spending during the 2005-2006 fiscal year. The following projects, which are currently approved, will incur costs in FY06 as noted on the following page:

| PROJECT | STATUS | PROJ SPEND | FUND SOURCE |
|-------------------------------------|------------------------------------|----------------|-------------|
| • NORTH LOOP UTILITY INFRASTRUCTURE | Construction | \$3.0M | GF |
| • RENOVATE OLD ARLINGTON BLDG | Construction | 0.9M | GF |
| • PRINCE WILLIAM IIIA | Construction/Furnishings/Equipment | 0.9M | GF |
| • HOUSING VII, FAIRFAX | Construction | \$17.8M | NGF |
| • FIELDHOUSE ADDITION | Construction | 0.9M | NGF |
| • KRASNOW INSTITUTE ADDITION | Construction | 1.6M | NGF |
| • CENTER FOR THE ARTS-COURT INFILL | Construction | 1.4M | NGF |
| • PATRIOT CENTER | Renovation | 2.0M | NGF |
| • FAIRFAX AQUATIC CENTER | Renovation | 4.8M | NGF |
| • CONFLICT ANALYSIS | Design | 0.3M | GF |
| • THOMPSON WEST POHICK | Renovation | 1.0M | GF |
| • ACADEMIC V Building | Construction | 1.7M | GF |
| • ACADEMIC V Utility Infrastructure | Construction | 1.1M | GF |
| • ARLINGTON PHASE II | Construction | 0.9M | GF |
| • EAST LOOP Utility Infrastructure | Construction | 0.5M | GF |
| • RESEARCH I | Construction | 10.4M | GF/NGF |
| • MAINTENANCE RESERVE | Construction | 1.5M | GF |
| • ADA | Construction | 0.6M | GF |
| TOTAL | | \$51.3M | |

Not included in this list of capital projects are three other capital projects (faculty/staff housing, university-based retirement center & conference center) that are currently being pursued as Public Private Educational Act (PPEA) joint initiatives. These projects require the collaboration between the University and a third party. These projects, if pursued, will be constructed on University property, and it is very possible that capital project expenditures will be made during FY 2006.

Although the University expended more on capital projects in calendar year 2005 than in any year in the history of the University, the University anticipates spending an even greater level in 2006.



UPCOMING COMPLETION DATES

The following table provides the current schedule for several projects that have already been approved by the Board of Visitors of George Mason University as well as the Commonwealth of Virginia. This project list has been limited to those capital projects with projected completion dates prior to the close of FY 2008.

| GEORGE MASON UNIVERSITY APPROVED PROJECTS \$250M OF CAPITAL PROJECTS | | | |
|---|---------------------------------|---------------------------|-------------------------|
| PROJECT | CONSTRUCT START DATE | OCCUPANCY DATE | PROJECT COST |
| Dorm Renovation (Dominion) | Summer 2005 | Summer 2005 | \$ 1,600,000 |
| Utility Infrastructure (East Loop) | Spring 2004 | Winter 2005 | 2,926,000 |
| Utility Infrastructure (Academic V) | Spring 2004 | Winter 2005 | 1,536,000 |
| Utility Infrastructure (CHCP & Academic V) | Spring 2004 | Winter 2005 | 2,965,000 |
| Aquatic Center Addition | Fall 2004 | Winter 2005 | 7,027,000 |
| Research I | Summer 2004 | Spring 2006 | 20,381,000 |
| Dorm Renovation (President's Park) | Summer 2006 | Summer 2006 | 3,308,000 |
| GMUF Arlington | Spring 2005 | Fall 2006 | 61,000,000 |
| Renovation/West Building | Spring 2005 | Winter 2006 | 13,693,000* |
| Academic V | Summer 2005 | Fall 2007 | 21,897,000 |
| Construct Swing Space | Winter 2006 | Winter 2007 | 13,693,000* |
| Arlington II | Fall 2006 | Fall 2008 | 49,519,000 |
| Renovation Thompson Hall | Winter 2007 | Winter 2008 | 13,693,000* |

** Part of a Total \$13,693,000 Project*

FUTURE CAPITAL PROJECTS

The following tables detail the capital projects submitted to the State in May 2005, as requests for funding for new facilities. These represent the highest priority facility needs for the University. The tables show three separate timeframes for which new facilities for the University are requested. During the summer the University will receive additional guidance from the State regarding any specific projects for which we will provide additional information, and could potentially be recommended for funding in the next biennium.

GEORGE MASON UNIVERSITY SIX YEAR CAPITAL PLAN

(All Estimates in \$000)

| 2006 – 2008 | | | | FUNDING | | |
|------------------------|---|----------------------------------|--------------------------|------------------|------------------------|-----------------|
| MASON PRIORITY | CAPITAL PROJECT TITLE | | TOTAL PROJECT COST | GENERAL FUND | NON GENERAL FUND | PPEA FUNDING |
| 1 | Maintenance Reserve | <i>Maintenance Reserve</i> | \$9,061 | \$8,761 | \$300 | |
| 2 | Furniture & Equipment Arlington II | <i>Furniture & Equipment</i> | \$5,000 | \$5,000 | | |
| 2 | Furniture & Equipment Thompson | <i>Furniture & Equipment</i> | \$1,000 | \$1,000 | | |
| 2 | Furniture & Equipment Academic V | <i>Furniture & Equipment</i> | \$4,500 | \$4,500 | | |
| 3 | Increased Academic V Funds | <i>Add'l Construction Funds</i> | \$3,630 | \$3,630 | | |
| 4 | Increased Thompson Hall Funds | <i>Add'l Construction Funds</i> | \$3,753 | \$3,753 | | |
| 5 | Academic VI/Research II | <i>Construction</i> | \$56,112 | \$30,681 | \$25,431 | |
| 6 | Fenwick Library Addition | <i>Construction</i> | \$76,385 | \$76,385 | | |
| 84 | 7 | Fit-Out Data Center | <i>Renovation</i> | \$8,616 | \$8,616 | |
| | 8 | Renovate Fine Arts Building | <i>Renovation</i> | \$4,933 | \$4,933 | |
| | 9 | Physical Plant Addition | <i>Construction</i> | \$7,005 | \$7,005 | |
| 10 | Prince William Performing Arts | | \$0 | \$5,000 | (\$5,000) | |
| 11 | Arlington III Planning | <i>Planning</i> | \$9,422 | \$9,422 | | |
| 12 | West Campus Connector | <i>Construction</i> | \$10,005 | \$10,005 | | |
| 13 | SUB II Renovation | <i>Renovation</i> | \$4,009 | | \$4,009 | |
| 14 | Housing VII C | <i>Construction</i> | \$74,691 | | \$74,691 | |
| 15 | PE Building Phase II | <i>Construction</i> | \$8,206 | | \$8,206 | |
| 16 | Softball Field Amenities | <i>Construction</i> | \$2,022 | | \$2,022 | |
| 17 | Field House Addition | <i>Construction</i> | \$4,815 | | \$4,815 | |
| 18 | Patriot Center Addition | <i>Construction</i> | \$5,151 | | \$5,151 | |
| 19 | Campus Entrances | <i>Construction</i> | \$2,502 | \$2,502 | | |
| 20 | PPEA Faculty/Staff Housing | <i>PPEA</i> | TBD | | | |
| 21 | PPEA University Based Retirement Center | <i>PPEA</i> | TBD | | | |
| 22 | PPEA Conference Center | <i>PPEA</i> | TBD | | | |
| | | | | | | |
| BIENNIUM TOTALS | | | \$300,818 | \$181,193 | \$119,625 | \$0 |

GEORGE MASON UNIVERSITY SIX YEAR CAPITAL PLAN

(All Estimates in \$000)

2008 – 2010

FUNDING

| MASON PRIORITY | CAPITAL PROJECT TITLE | | TOTAL PROJECT COST | GENERAL FUND | NON GENERAL FUND | PPEA FUNDING |
|------------------------|--|----------------------------|--------------------|------------------|------------------|--------------|
| 1 | Maintenance Reserve | <i>Maintenance Reserve</i> | \$11,000 | \$5,000 | \$6,000 | |
| 2 | Academic VII/Research III | <i>Construction</i> | \$34,686 | \$26,016 | \$8,672 | |
| 2a | Renovate Science & Tech I | <i>Renovation</i> | \$25,886 | \$25,886 | | |
| 3 | Renovate Fenwick | <i>Renovation</i> | \$18,800 | \$18,800 | | |
| 4 | Fairfax Admin Building | <i>Construction</i> | \$25,140 | \$25,140 | | |
| 5 | Renovate Robinson A | <i>Renovation</i> | \$21,641 | \$21,641 | | |
| 6 | Arlington IIIA | <i>Construction</i> | \$61,984 | \$39,409 | \$22,575 | |
| 85 | 7 Telecom Infrastructure | <i>Construction</i> | \$6,377 | \$6,377 | | |
| | 8 Renovate Performing Arts Building | <i>Renovation</i> | \$12,316 | | \$12,316 | |
| 9 | Public Safety Building | <i>Construction</i> | \$3,400 | \$3,400 | | |
| 10 | Prince William University Center | <i>Construction</i> | \$49,500 | \$16,500 | \$33,000 | |
| 11 | Parking Deck IV | <i>Construction</i> | \$30,507 | | \$30,507 | |
| 12 | Presidents Park II | <i>Renovation</i> | \$15,001 | | \$15,001 | |
| 13 | PE Building Fields | <i>Construction</i> | \$3,594 | | \$3,594 | |
| 14 | NE Fields | <i>Construction</i> | \$3,794 | | \$3,794 | |
| 15 | Stadium Improvements | <i>Construction</i> | \$9,121 | | \$9,121 | |
| 16 | Outdoor Pool | <i>Construction</i> | \$1,295 | | \$1,295 | |
| 17 | Prince William Freedom Center Addition | <i>Construction</i> | \$5,270 | | \$5,270 | |
| 18 | Northern Virginia Museum | <i>Construction</i> | \$11,126 | | \$11,126 | |
| 19 | University Drive Entrance | <i>Construction</i> | \$5,476 | \$5,476 | | |
| 20 | Daycare II | <i>Construction</i> | \$0 | | \$2,138 | |
| 21 | PPEA Faculty/Staff Housing II | <i>PPEA</i> | TBD | | | |
| 22 | PPEA K-8 Magnet School | <i>PPEA</i> | TBD | | | |
| | | | | | | |
| BIENNIUM TOTALS | | | \$355,914 | \$193,645 | \$164,409 | \$0 |

GEORGE MASON UNIVERSITY SIX YEAR CAPITAL PLAN

(All Estimates in \$000)

| 2010 – 2012 | | | | FUNDING | | |
|---------------------------|--|----------------------------|-----------------------------------|-------------------------|---------------------------------|-------------------------|
| MASON PRIORITY | CAPITAL PROJECT TITLE | | TOTAL PROJECT COST | GENERAL FUND | NON GENERAL FUND | PPEA FUNDING |
| 1 | Maintenance Reserve | <i>Maintenance Reserve</i> | \$7,000 | \$5,000 | \$2,000 | |
| 2 | Academic VIII/Research VI | <i>Construction</i> | \$34,616 | \$25,962 | \$8,654 | |
| 3 | Renovate King Hall | <i>Renovation</i> | \$17,353 | \$17,353 | | |
| 4 | Renovate Enterprise, College & Mason Halls | <i>Renovation</i> | \$24,800 | \$24,800 | | |
| 5 | Satellite Cooling Plan | <i>Construction</i> | \$12,108 | \$12,800 | | |
| 6 | Renovate Robinson B | <i>Renovation</i> | \$21,259 | \$21,259 | | |
| 98 | 7 Prince William IIIB/Research | <i>Construction</i> | \$30,768 | \$23,076 | \$7,692 | |
| | 8 Prince William Physical Plant Building | <i>Construction</i> | \$9,022 | \$9,022 | | |
| | 9 Housing VIII | <i>Construction</i> | \$76,886 | | \$76,886 | |
| 10 | Renovate Student House – Commons | <i>Renovation</i> | \$9,529 | | \$9,529 | |
| 11 | Renovate Student Apartments | <i>Renovation</i> | \$10,504 | | \$10,504 | |
| 12 | South Campus Dining | <i>Construction</i> | \$3,856 | | \$3,856 | |
| 13 | West Athletic Field Improvements | <i>Construction</i> | \$3,127 | | \$3,127 | |
| 14 | Field House Addition Phase II | <i>Construction</i> | \$11,207 | | \$11,207 | |
| 15 | Field House Indoor Practice Fields | <i>Construction</i> | \$9,402 | | \$9,402 | |
| 16 | Renovate Center for the Arts | <i>Renovation</i> | \$10,136 | | \$10,136 | |
| BIENNIUM TOTALS | | | \$291,573 | \$139,272 | \$152,993 | \$0 |

EDUCATIONAL & GENERAL

SUMMARY OF MAJOR UNITS

COLLEGE OF ARTS AND SCIENCES (CAS)

The mission of the College of Arts and Sciences is to provide the intellectual foundation for undergraduate education at George Mason University and to achieve international and national recognition in selected areas of graduate education and research. To achieve this vision, the college has undertaken specific initiatives to improve the quality of the liberal arts experience for all students, to increase its capacity for noteworthy research, and to create and strengthen external relationships.

The college boasts two Nobel Prizes in economics, including the 2002 recipient, Dr. Vernon Smith, and two McArthur Prize recipients. In addition to economics, other strong research areas include biosciences, biodefense, psychology, and history. Externally funded research dollars have increased significantly in the past few years (over \$13,000,000 in FY 2004), a pattern that is expected to continue into the future. At the graduate level, the college has nationally ranked programs in economics, industrial/organizational psychology, creative writing, and public administration. The success of its efforts at the undergraduate level can be demonstrated by recent national recognition for its writing and technology programs.

The college has developed significant external relationships with corporate and institutional partners including INOVA, the Naval Research Lab, the National Image Mapping Agency among others, and is conducting an aggressive fund-raising effort as part of the Capital Campaign (\$20,202,200 as of July, 2004).

The College of Arts and Sciences consists of 16 departments, 10 programs and 1 college, which offer 27 bachelor's degrees, 21 master's degrees (including an MFA, MPA, and MSW), 9 doctoral degrees, and numerous certificates.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|---------------------|--------------------|---------------|---------------------|--------------------|---------------|---------------------|--------------------|---------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 10,350 | \$48,223,200 | \$4,659 | 10,439 | \$51,543,435 | \$4,937 | 10,649 | \$52,636,800 | \$4,943 |

FY06 Highlights

New funding is allocated in FY 2006 to support additional faculty across the college, to support enrollment growth and increase the level of full-time faculty overall to reduce class size and selectively modify the full-time/part-time faculty mix in certain departments (\$1,483,000), as well as support for the Life Sciences initiatives (\$600,000) and graduate student support (\$112,000). The funding will support approximately 19.00 additional full-time positions, plus support for additional part-time faculty. The enrollment target for CAS for FY 2006 is 10,649, which

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

although 299 course FTE higher than the original FY 2005 target is only 210 course FTE higher than the currently estimated FY 2005 enrollment.

The FY06 Budget also includes \$1.9M allocated to cover the cost of the FY05 salary increases. The College charges premium tuition rates for two graduate programs. The unit portion of the revenue projected for the MPA program and Biodefense programs, already in the FY05 base budget, is estimated at \$150,000 and is used to enhance services to graduate students.

COLLEGE OF NURSING AND HEALTH SCIENCE (CNHS)

The College of Nursing and Health Science focuses on preparation of nurses, health systems management, and health science graduates to provide care, services, and leadership related to health and wellness. Faculty in the College have been recognized by the University and the State Council of Higher Education for excellence in teaching. The College's Center for Health Care Policy, Ethics, and Research has served as a vital force in national health care initiatives. The College has developed strong partnerships with regional and international agencies in several important areas:

1. Faculty from the College serve as research and educational consultants for community agencies;
2. Undergraduate, masters, and doctoral students provide service to clients through practice in Northern Virginia, Smith Island, Nicaragua, and Barbados, and many other regional, national, and international sites;
3. International students study in the College to gain specific knowledge and skills to enhance health care in their own countries.

These partnerships broaden and strengthen the College's academic programs and ensure relevance in the current health care climate. The College has consistently been ranked in the top 50 national programs by the U.S. News and World Report.

The College provides undergraduate and graduate programs. The college offers two undergraduate degrees, four masters degrees, one doctoral degree, and numerous certificate and non-degree study options. Enrollment overall continues to be strong, with growth at both the undergraduate and graduate level. CNHS master's programs are identified as tied for 48th among master's programs for nursing, according to the latest U.S. News rankings.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 650 | \$6,627,900 | \$10,197 | 718 | \$7,315,979 | \$10,189 | 680 | \$7,564,400 | \$11,124 |

FY06 Highlights

Funding is allocated in FY 2006 to support faculty position additions and enrollment growth (\$350,000). The funding will cover 3.00 faculty to support the enrollment. Funding in the amount of \$90,000 is allocated to cover additional self-generated revenues from course fees. The enrollment target for CNHS for FY 2006 is 680 FTE, which although 30 course FTE higher than the original FY 2005 target, is 38 course FTE less than the actual FY 2005 enrollment. Funding in the amount of \$270,000 is allocated to cover the cost of the FY05 salary increases.

COLLEGE OF VISUAL AND PERFORMING ARTS (CVPA)

The mission of the College of Visual and Performing Arts is to advance the study, creation, performance, and exhibition of the arts, acting on a strong belief in their transformative influence on individuals and civilizations. To fulfill this mission CVPA offers degree programs in Art and Visual Technology, Dance, Music, and Theater; and, through the Center for the Arts, brings the professional voice of the arts to the campus and community. CVPA honors the value of the great traditions in the arts while actively engaging in the creation of new works and ideas. These fusions of the academic and the professional, the campus and the community, the past and the present define the College as it moves forward from its founding in 2001 into a decade of growth and discovery.

CVPA's success finds expression in growth on many fronts. Enrollment has maintained a dramatic growth trend. Another way of looking at enrollment is by headcount of declared majors; by this measure, the four departments that make up CVPA show a steady and impressive long-term growth pattern. In 1998, for example, CVPA had just under 600 majors; in 2002, that number rose to over 1,000. The number of majors in Fall 2004 was 1,173. For 2007 CVPA projects over 2,000 majors. The Great Performances at Mason series saw a 12.5% increase in attendance and strengthened community support from the Friends of the Center for the Arts, whose numbers grew 48%. General student attendance at performances and exhibitions is strong and growing; some 22,000 students annually experience the arts at GM.

With increased size has come increased quality. Recognition has accelerated, with Mason students bringing home honors this past year in such diverse arenas as the National Association of Teachers of Singing contest, the American College Dance Festival and Theatre Festival, and the AOL Graphic Design Competition. Faculty perform, direct, exhibit, and publish in professional venues regionally, nationally, and internationally.

CVPA is proud of its collaborations across campus with SOM, IT&E, CNHS, CAS, the Provost's Office, the Center for Global Education, and the Century Club, each of which help advance our commonly-held aspirations for a more vibrant and effective University. The Great Performances at Mason series saw a 12.5% increase in attendance this season and strengthened community support from the George Mason Arts Associates, whose numbers grew 48% this year. An energetic new Board is hard at work implementing a strategic plan for the College; early results are encouraging, with leadership gifts enabling the creation of comprehensive summer arts camp experiences and a new Center for Arts and Wellness.

The college offers undergraduate degrees within four departments, as well as five masters degrees.

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|---------------------|--------------------|---------------|---------------------|--------------------|---------------|---------------------|--------------------|---------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 1,060 | \$6,045,800 | \$5,704 | 1,037 | \$6,677,061 | \$6,439 | 1,060 | \$6,682,400 | \$6,304 |

FY06 Highlights

New funding is allocated in FY 2006 to support enrollment growth (\$350,000). This funding will allow the unit to cover additional full-time and part-time faculty to meet student demand. The enrollment target for CVPA for FY 2006 is 1,060 FTE, which is the same FTE as the original FY 2005 target and 23 course FTE higher than the actual FY 2005 enrollment. Funding is also allocated in the amount of \$209,000 to cover the cost of the FY05 salary increases.

COLLEGE OF EDUCATION & HUMAN DEVELOPMENT (CEHD)

The College of Education and Human Development is composed of three sub-units: The Graduate School of Education (GSE), The School of Recreation, Health and Tourism (RHT), and Undergraduate Studies in Education (USIE). GSE's programs are primarily focused on the broad, traditional areas of education (e.g., teacher preparation, advanced studies for teachers and school leaders, PhD in Education). RHT has undergraduate and masters programs in such areas as health, recreation resources, athletic training, and tourism. USIE is a new unit that focuses on providing undergraduate routes for teacher licensure in many areas. In total, The College of Education and Human Development has twenty programs with approximately 2600 students (2200 of whom are graduate students) and 100 full-time instructional faculty members. We offer degree programs at the bachelors, masters' and doctoral levels.

Programs in Initiatives in Educational Transformation, Advanced Studies in Teaching and Learning, Early Childhood Education, and Multilingual/Multicultural Education are nationally recognized and considered to be leading models. Many others are gaining national attention for the quality of the faculty and their scholarly productivity. CEHD houses nine research and service centers, including the Helen A. Kellar Institute for Human disAbilities, the Center for the Advancement of Public Health, the Center for Education Policy, and the Mathematics Education Center.

CEHD maintains a broad range of effective professional development partnerships with Northern Virginia school systems and community agencies. The Office of Education Services is expanding CEHD's contributions to improving schools in the region, particularly focusing on helping schools attain the goals associated with No Child Left Behind. Nationally prominent scholars, in addition to publishing extensively in prestigious journals and writing highly regarded books, serve as journal editors and officers of professional organizations, as well as contributing significantly to national and regional issues in education policy. External funding has averaged over \$5M per year during the past five years.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 2,065 | \$11,442,800 | \$5,541 | 2,320 | \$14,947,606 | \$6,443 | 2,265 | \$13,936,800 | \$6,153 |

FY06 Highlights

Funding is allocated in FY 2006 to support an additional full-time faculty in the College (\$80,000). Additionally, an adjustment of \$1,600,000 is made to cover increased funding realized from additional contract course enrollment. The enrollment target for CEHD for FY 2006 is 2,265 FTE, which is 200 higher than the original FY 2005 target and approximately 55 lower than the estimated FY 2005 enrollment. Funding will be added to the CEHD budget during 2005-06 as contract course revenue associated with the enrollment target is earned. Funding is also allocated in the amount of \$408,000 to cover the cost of the FY05 salary increases.

INSTITUTE FOR CONFLICT ANALYSIS AND RESOLUTION (ICAR)

The Institute for Conflict Analysis and Resolution (ICAR), faculty and students are committed to the development of theory, research, and practice that interrupt, if not prevent cycles of violence, in the context of deep-rooted protracted conflict. ICAR is an innovative academic resource for people and institutions worldwide, providing research and training in conflict analysis and resolution across public and private sectors, nationally and globally. ICAR is a Commonwealth Center for Excellence, recognized for its leadership in the field and its world-renowned faculty. Since September 11, 2001, ICAR has been called to provide training and services to help communities in the US respond to the trauma of terrorist events; it has also continued to provide training and research aimed to reduce ethnic/religious violence in multiple regions around the world. ICAR is committed to:

- Advancing the understanding of deeply rooted conflicts between individuals, groups, organizations, and communities in the United States and all over the world through research, teaching, practice, and outreach; organizations, and communities in the United States and all over the world through research, teaching, practice, and outreach;
- Carrying on a systematic and ongoing study of the nature, origins, and types of social Conflicts;
- Developing the requisite processes and conditions for the productive resolution of Conflicts.

Major Research Interests:

- Globalization and Conflict
- Religion and Conflict
- Dynamics of Change in Conflict
- Reflective Practice

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|---------------------|--------------------|---------------|---------------------|--------------------|---------------|---------------------|--------------------|---------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 129 | \$2,066,800 | \$16,022 | 132 | \$2,133,992 | \$16,167 | 139 | \$2,370,600 | \$17,055 |

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

FY06 Highlights

New funding is allocated in FY 2006 to allocate budget earmarked by the legislature for ICAR support (\$125,000). These funds will be used for additional support staff and non-personnel expenses. Additionally funding is allocated to support additional faculty (\$20,000) and for graduate student support (\$56,000). The enrollment target for ICAR for FY 2006 is 139 FTE, which is 10 course FTE higher than the original FY 2005 target and 7 higher than the actual FY 2005 enrollment. Funding is also allocated in the amount of \$94,000 to cover the cost of the FY05 salary increases.

KRASNOW INSTITUTE

The Krasnow Institute for Advanced Study is a biomedical research institution focusing on the neurosciences. The Institute's 49 staff members conduct their basic research within a dedicated 23,000 square foot state-of-the-art laboratory facility on the Fairfax campus. Since moving into the laboratory facility in May of 1997, Krasnow scientists have brought in approximately \$11M in sponsored research funds to the University from federal agencies such as that National Institutes of Health and from private foundations such as the Sir John Templeton Foundation. Murray Gell-Mann, Nobel laureate in physics serves on the Institute's Scientific Advisory Board. Institute scientists have aggregately published hundreds of peer-reviewed publications in high impact journals such as Science, Nature and the Proceedings of the National Academy of Sciences. The Institute brings international stature in neuroscience to the University.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---|---|---|
| 2004-05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$423,000 | \$501,300 | \$417,400 |

FY06 Highlights

New funding in FY 2006 (\$33,000) supports additional faculty. Additional funding in the amount of \$22,000 is allocated to cover the cost of the cost of the FY05 salary increases. Although the Institute does not get direct credit for any course enrollment, its faculty teach various courses in the College of Arts and Sciences, School of Information Technology & Engineering, School of Computational Sciences and Graduate School of Education.

SCHOOL OF COMPUTATIONAL SCIENCES (SCS)

The mission of the SCS is to provide quality education, research and service to meet national and international needs, emphasizing the central role of computational methodologies in the biological, biomedical, physical, mathematical and data sciences. The SCS has the distinction of being one of the first interdisciplinary units nationally to focus on computational methodologies as a core expertise. The SCS continues to expand its graduate programs and R&D portfolio, as evidenced by its sustained increases in FTE and extramural sponsorship.

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

The SCS is now home to six Ph.D. degrees (Bioinformatics, Climate Dynamics, Earth Systems and Geoinformation Sciences, Computational Sciences and Informatics, Neuroscience, and the Physical Sciences collaboration with CAS) and three MS degrees (Bioinformatics, Computational Sciences and Earth Systems Science). We envision the new round of growth to be the MS programs as they become increasingly more attractive to the cadre of professionals in the private and public sector looking for reinvigoration of their academic credentials. The dynamic nature of the graduate programs is also witnessed by the breadth of new MOU's establishing linkages with China, Korea and Turkey.

The entrepreneurial spirit of the SCS faculty continues to be in a class by itself when measured by the extramural support normalized per faculty FTE from the state. Our R&D expenditures exceed \$13M for this academic year, with the federal sector (e.g., NASA, DOD, NOAA, USDA, and NSF) being the primary source of funds. It is encouraging to see a significant increase in private sector/not-for-profit funding approaching \$1M in expenditures. The SCS continues to see strong support for fundamental research (e.g., space sciences) but a much larger and expanding portfolio in applied research (e.g., homeland security, remote sensing, disaster planning) using state-of-the-art methodologies. We envision that a nanotechnology initiative will be forthcoming in the latter part of this academic year, allowing George Mason to establish a presence in this rapidly expanding education and R&D environment that has some much potential for a host of basic and applied applications.

The SCS faculty is encouraged by the proposed commitments to the sciences at GMU, and they look forward to a more engaged and deliberate interaction with its science colleagues as the new generation of the sciences and the anticipated formation of the College of Sciences begins to unfold at GMU.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|---------------------|--------------------|---------------|---------------------|--------------------|---------------|---------------------|--------------------|---------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 135 | \$4,433,400 | \$32,840 | 143 | \$4,955,843 | \$34,656 | 160 | \$5,016,500 | \$31,353 |

FY06 Highlights

New funding is allocated in FY 2006 to continue support for the commitment for faculty within the unit (\$256,000), and for graduate student support (\$23,000). The enrollment target for SCS for FY 2006 is 160 FTE, which is 25 course FTE higher than the original FY 2005 target and 17 course FTE higher than the actual FY 2005 enrollment. Funding is also allocated in the amount of \$252,000 to cover the cost of the FY05 salary increases.

As student enrollment has increased the school has created a critical mass student enrollment that has allowed its instructional cost per FTE student to drop considerably over the past five years.

SCHOOL OF INFORMATION TECHNOLOGY AND ENGINEERING (IT&E)

The School of Information Technology and Engineering (IT&E) at George Mason University was established in 1985. IT&E was the first engineering school in the United States to focus its scholarship primarily on information technology and math-based engineering as opposed to the traditional physical, material-based engineering approach. It was also the first to offer a doctoral degree in information technology. Today, the School's programs cover the spectrum of IT education, from introductory courses in IT technology to cutting edge research at the doctoral level. The school has developed strong partnerships with Northern Virginia IT companies in a number of important areas:

1. Faculty from the School are engaged as consultants with local industry.
2. Students (both graduate and undergraduate) work as interns at these companies and do so throughout the year.
3. Corporate employees are appointed as Adjunct Faculty to teach classes in the School.

These partnerships broaden and strengthen the School's academic program and ensure that classes are current and relevant. Over 50 senior-level executives serve on the School's Advisory Board. IT&E's academic programs are additionally enhanced by a strong research program that is projected to generate approximately \$11 million in expenditures in FY05.

School enrollment has shown steady increases, reaching 4,250 students in Fall 2004. The School also generates strong enrollments in general education and IT minor courses. Recently established programs in information technology and telecommunications have achieved remarkable success. Two years after inception, enrollment in the B.S. in Information Technology has reached over 700.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 2,190 | \$15,738,300 | \$7,186 | 2,130 | \$16,926,015 | \$7,946 | 2,136 | \$17,154,000 | \$8,031 |

FY06 Highlights

Additional funding in FY 2006 includes support for additional faculty positions for teaching and research (\$327,000), funding for graduate student support (\$67,000), and additional support staff (\$55,000). Funding will support 2-3 additional faculty to meet student demand. The enrollment target for IT&E for FY 2006 is 2,136 FTE, which is 54 FTE lower than the original FY 2005 target and 6 course FTE higher than the estimated FY 2005 enrollment. Funding is also allocated in the amount of \$701,000 to cover the cost of the FY05 salary increases.

The School charges premium tuition rates for its graduate programs. The unit portion of the revenue projected for these programs is estimated at \$327,000. This includes an adjustment for FY06 in the amount of \$175,000 added to the prior year amount of \$152,000. The funding is used to enhance services to graduate students.

SCHOOL OF LAW (SOL)

George Mason University School of Law is a dynamic intellectual community and the fastest rising law school in the country. Established in 1979, the law school is the youngest law school in the first tier of the US News & World Report ranking of law schools. In April 2005, the law school ranked 41st out of 177 ABA accredited law schools in the country. The Law School offers a Juris Doctor degree along with a Juris Master in Public Policy Analysis and an LL.M in Law & Economics and an LL.M in Intellectual Property. With an acceptance rate of 16%, the Law school has become one of the most selective law schools in the country. Over the past 17 years the Law & Economics Center has educated hundreds of federal judges in the analysis of law and legal institutions.

The Tech Center (National Center for Technology & Law), a forward looking research center and think tank, examines the relationship of the existing legal framework to the evolving information-based economy. A million dollar federal grant helps the Tech Center host the annual Networked Economy Summit which brings government and industry together to focus on current issues in information technology. In collaboration with the Tech Center, the faculty has created a new Technology Law Program that combines course work in the fields of technology law, intellectual property and business law.

In 2002, The U.S. Congress appropriated \$6.5 million to the School of Law to develop a new program that focuses on defending the nation's basic infrastructure against cyber terrorism. Known as the Critical Infrastructure Protection Program (CIP Project), the CIP Project seeks to integrate fully the fields of law, policy and technology for enhancing the security of cyber networks and the economic processes supporting the nation's critical infrastructures. The CIP project has allowed for collaboration on projects between the law school, the School of Public Policy and the School of Information Technology & Engineering.

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|---------------------|--------------------|---------------|---------------------|--------------------|---------------|---------------------|--------------------|---------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 620 | \$10,901,800 | \$17,584 | 618 | \$11,001,285 | \$17,801 | 620 | \$11,954,800 | \$19,282 |

FY06 Highlights

Funding is allocated in FY 2006 for additional support for faculty (\$125,000), and additional funds for ICES faculty support (\$50,000). The enrollment target for Law for FY 2006 is 620 FTE, which is the same level as the original FY 2005 target and approximately the same as the actual FY 2005 enrollment. Funding is allocated in the amount of \$318,000 to cover the cost of the FY05 salary increases.

The School will charge premium tuition rates for its programs beginning in Fall 2005. The unit portion of the revenue projected for these programs is estimated at \$550,000 and included in the FY06 base budget. These funds will be used to increase the resources available per FTE student specifically for additional faculty (2.00 FTE positions) and student scholarships.

SCHOOL OF MANAGEMENT (SOM)

The School of Management (SOM) has provided high quality business education to the region since 1972. SOM is fully engaged with the regional business community, graduating highly qualified students as employees, producing research that informs business policy and operations, and providing venues for the region's business leaders to work with our students in the classroom and to learn from each other. This flourishing relationship with the business community has also lead to increased financial support for SOM.

SOM is one of only 161 schools in the nation with both business and accounting programs fully accredited by the Association to Advance Collegiate Schools of Business (AACSB) International. SOM is currently ranked 83rd of 408 undergraduate AACSB accredited business schools by *US News and World Report*, placing SOM in the top 20% of accredited business programs.

The SOM faculty, expert on topics such as executive compensation, effects of insider trading on stock prices and e-commerce, brings both theoretical and applied expertise to the classroom. Nearly one-third of the faculty is bi-lingual. Faculty members have provided expert testimony before nearly every federal agency and have served as consultants to organizations such as NASDAQ, the FDIC and the Department of Defense. SOM is one of the most efficient teaching units in GMU, delivering the highest ratio of students to faculty and the third lowest cost per student.

Among recent initiatives, SOM launched an M.S. program in Bioscience Management, the first of its kind in Virginia and one of only 15 programs nationwide. SOM also met a regional need through the accounting certificate program, which enables individuals to qualify for the CPA examination in Virginia. SOM communicates regularly with its 15,000 alumni, most of whom live and work in the greater Washington metropolitan area, via the SOMTIMES and other media.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|------------------------------------|---------------------------------------|------------------------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 1,933 | \$11,650,000 | \$6,027 | 1,879 | \$13,320,000 | \$7,089 | 1,933 | \$12,680,600 | \$6,560 |

FY06 Highlights

Funding is allocated in FY 2006 for the School to support additional faculty (\$500,000) and for graduate student support (\$35,000). The enrollment target for SOM for FY 2006 is 1,933 FTE, which is the same FTE as the original FY 2005 target and 54 course FTE higher than the actual FY 2005 enrollment. During FY06 funding will be allocated as the unit earns additional funds from premium tuition programs. Funding is allocated in the amount of \$450,000 to cover the cost of the FY05 salary increases.

SCHOOL OF PUBLIC POLICY (SPP)

In 1990, the University established The Institute of Public Policy (TIPP) to house the new Ph.D. program in Public Policy. In 2000, the Board of Visitors changed the status of TIPP to the School of Public Policy (SPP).

The school is the home to one of the nation's largest doctoral programs in public policy. Five of its faculty hold endowed chairs, four are University Professors and four are members of the National Academy of Public Administration. For the Fall 2004 semester, applications for admissions increased by over 25% and enrollment increased over 15% from the previous year.

In addition to its academic programs listed below, SPP is one of the major research units of the University. SPP's research activities are carried out through its eight research centers. In the most recent ranking by the National Science Foundation of research expenditures by discipline, SPP ranked 3rd in expenditures from federal sources. The school supports over 50 graduate research assistants.

SPP's administrative offices, doctoral program and most of its research activity are located on the Fairfax campus. The school's professional masters programs and student services offices are headquartered on the Arlington campus.

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|---------------------------|--------------------------|---------------------|---------------------------|--------------------------|---------------------|---------------------------|--------------------------|---------------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 470 | \$6,973,500 | \$14,837 | 502 | \$7,467,236 | \$16,650 | 511 | \$8,426,200 | \$16,490 |

FY06 Highlights

New funding is allocated in FY 2006 to support additional faculty for teaching and research (\$195,000), for a new SPP Executive Program (\$220,000), and for graduate student support (\$42,000). The enrollment target for SPP for FY 2006 is 511 FTE, which is 45 course FTE greater than the original FY 2005 target and 13 course FTE higher than the actual FY 2005 enrollment. The enrollment target includes 15 course FTE for the new SPP Executive Program. Funding in the amount of \$278,000 is allocated to cover the FY05 salary increases.

The School charges premium tuition rates for its graduate programs. The unit portion of the revenue projected for these programs is estimated at \$1,157,000. This includes an adjustment for FY06 of \$600,000 added to the prior year base amount of \$557,000. The funding is used to hire additional staff, fund additional financial aid and enhance services overall for the School's students.

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

SUMMER TERM

George Mason University achieves a significant student enrollment during its summer term sessions. As shown in the table below, George Mason University's summer enrollment is the largest in the state. It is anticipated that the headcount will reach 12,750 students for the 2005 summer term. This headcount will generate approximately 2,150 FTE student enrollment, of which 250 FTE are from contract activity.

| 2004 SUMMER HEADCOUNT ENROLLMENT (ON AND OFF CAMPUS) FROM SELECTED VIRGINIA INSTITUTIONS | |
|---|--------|
| George Mason University | 12,453 |
| Old Dominion University | 10,788 |
| Virginia Commonwealth University | 9,980 |
| University of Virginia | 7,979 |
| Virginia Tech | 7,036 |
| James Madison University | 5,539 |
| William & Mary | 1,587 |

The Summer Term academic course offerings are administered within the Provost's organization. Effectiveness and efficiency of the entire Summer Term are enhanced by the cooperation and support from the offices of the registrar, bursar, admissions, deans' staff and department coordinators, and vice provost of academic affairs.

Actual student enrollment has remained stable over these three years. Unlike regular session (academic year) student enrollment, the costs associated with the summer enrollment are almost exclusively limited to the instructional costs of the teaching faculty (salaries and fringe benefits).

| 2004-05 ORIGINAL | | | 2004-05 REVISED | | | 2005-06 PROPOSED | | |
|----------------------------|-------------------------------|----------------------|----------------------------|-------------------------------|----------------------|----------------------------|-------------------------------|----------------------|
| FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES | FTES COURSE ENRLMNT | E&G BUDGET EXPENSE | COST PER FTES |
| 1,900 | \$4,345,200 | \$2,287 | 1,910 | \$3,999,084 | \$2,094 | 1,900 | \$4,444,400 | \$2,339 |

FY06 Highlights

New funding is allocated in FY 2006 for additional faculty support and to cover the salary increase of 4.5% received by full-time faculty in FY05 (\$232,000). This increase is offset by a reallocation of the budget for summer stipends to the academic units incurring those administrative costs. The enrollment target for Summer Term for FY 2006 is 1,900 FTE, which is the same as the original FY 2005 target and approximately the same as the actual FY 2005 enrollment.

PROVOST INSTRUCTION

The Provost Instruction division is comprised of those academic units, which report directly under the Provost's Office but whose function is directly supporting the instructional activity. Included in this division are the departments of Center for Global Study, the GMU Teaching Center, and the Robinson Professors. For reporting purposes the Robinson Professors are shown in this division, but they teach courses predominantly within the College of Arts & Sciences.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$3,592,000 | \$4,242,700 | \$4,397,100 |

FY06 Highlights

New funding is allocated in FY 2006 for promotion and tenure (\$124,000). These funds will be allocated to the specific academic units to cover the salary adjustments for faculty promotion and tenure decisions. Additional funding is provided to support the Project on Innovative Education (\$150,000). For FY06 a technical correction is made to reflect the activity of Lab Safety (\$206,000) within the Provost's unit.

PROVOST ADMINISTRATION

The Provost Administration division is primarily comprised of academic support offices under the Provost, providing support to all academic units. The departments in this division vary in nature and support many various facets of the University. The offices of Assessment, Faculty Senate, Office of Sponsored Programs, Study Abroad, and ROTC all fall within the series of accounts. The operational department of the Provost's staff also is included in this budget.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$2,332,800 | \$2,282,000 | \$2,794,700 |

FY06 Highlights

New funding is allocated in FY 2006 to support research infrastructure needs to be identified by the new Vice President for Research (\$200,000), and for reserve funding for the Provost (\$50,000). Additionally, self-generated funds are allocated to the unit to cover the position dedicated to Colonial Academic Alliance. The budget for Provost Administration continues a FY 2006 budget reduction of \$257,000, which is covered through the use of other sources of funds for some administrative positions and some restructuring of staff support positions.

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

OFFICE OF CONTINUING PROFESSIONAL EDUCATION (OCPE)

The Office of Continuing Professional Education (OCPE) serves as George Mason University’s initial point of contact and referral for the business and professional community and responds to all professional development and continuing education inquiries, requests, and needs. Supported program activities include the following:

- Contracted academic credit programs
- Non-credit public programs and seminars
- Professional certificate programs
- Continuing education units (CEUs)
- On-site contract training programs
- Special professional development events and programs
- Special workforce development programs
- Training center facilities

Courses are typically delivered through classroom settings, but increasingly through electronic modes such as video conferencing and the Internet.

OCPE offices are strategically located at the Fairfax Campus in Krug Hall, at the Prince William Campus, and at the Center for Innovative technology (CIT) in Herndon.

OCPE is positioned internally to provide centralized support and service to the academic community. All business and government contract credit programs, as well as all CEU award is administered through this office. In addition, technical, logistical, and administrative support is also provided upon request related to academic unit’s non-credit initiatives.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$1,307,700 | \$1,662,831 | \$1,307,700 |

FY06 Highlights

Of this total budget level, approximately \$330,000 is University support, while the remaining \$978,000 budget must be generated from self-generated revenues. Since the level of activity and revenue generated varies year to year, the budget may be adjusted as additional revenues are generated. The actual level of revenue in FY06 may rebound to the level generated in FY 2005.

ENROLLMENT SERVICES

The division of Enrollment Services includes the following departments:

- Admissions
- Registrar
- Financial Aid
- Student Academic Affairs and Advising
- Enrollment Management and Summer Term

The Enrollment Services unit directly interacts with prospective, current and past students. The unit is responsible for critical functions of the University and is customer-oriented. The Admissions office provides marketing and recruitment functions, in addition to processing well over ten thousand freshmen, transfer and extended studies applications each year. The Admissions office is usually the first point of contact for prospective students. Among the functions of the Registrar’s Office are maintaining student records, including grade reports, issuing transcripts to current and former students, providing degree audits and issuing diplomas. The Office of Student Financial Aid processes approximately \$60 million of aid annually. It also provides information to parents and students about the financial aid process. Other Enrollment Services functions include advising, enrollment management analysis, summer term administration, University scholars programming and University 100 instructional programming. Increases in student enrollment over the last few years have resulted in the need to increase the support for Enrollment Services.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$6,764,300 | \$7,880,075 | \$7,908,800 |

FY06 Highlights

New funding is allocated in FY 2006 to support support staff and wages increases in Admissions, Registrar, Financial Aid, Student Academic Affairs and Advising, Institutional Assessment, and Enrollment (\$634,000). The funding allocated for FY06 will support 7.00 additional FTE staff to enhance service support to students. Funds are reallocated from the Provost Administrative area as a position previously allocated there has been abolished. Funding is also allocated in the amount of \$180,000 to cover the FY05 salary increases.

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

LIBRARIES - ITU

The George Mason University Libraries offer support for student, faculty, and staff teaching, learning, service and outreach activities. The Libraries' resources and services are also accessible on-site to the University's surrounding communities and general public.

The Libraries is comprised of five sites on three different campuses:

- Charles Rogers Fenwick Library, Fairfax Campus
- George W. Johnson Center Library, Fairfax Campus
- Arlington Campus Library, Arlington Campus
- School of Law Library, Arlington Campus (administered separately)
- Prince William Library, Prince William Campus

Expanded academic support services of the University Libraries include:

- University Copyright Assistance Office
- University Dissertations and Theses Service
- Statistical Support Services

The Libraries' information technology assisted and enhanced services and programs include:

- Voyager, an online library management system.
- The Libraries' Web site, which provides access to a variety of networked resources and services.
- A virtual (real-time) reference service, using state-of-the-art web co-browsing software, which allows staff to provide reference service to students, faculty, and staff remotely
- A Web-based Electronic Reserves module, allowing students to access materials on course reserve remotely.
- Microform to digital format output technology, statistical software packages, and Geographic Information System (GIS) software.
- Over 200 networked computer workstations.

In order to better meet the needs of the University's growing and diverse academic and research programs, the Libraries is a member of, and active participant in, several regional and national consortia:

- The Virtual Library of Virginia (VIVA)
- Washington Research Library Consortium (WRLC)
- Association of Southeastern Research Libraries (ASERL)
- Center for Research Libraries (CRL)
- Online Computer Laboratory Center (OCLC)

The library is a nearly 24x7 operation and needs to serve effectively a growing student/faculty population as well as meet the demands generated by increased University research activities. It has become extremely challenging to staff key library programs and services with any reasonable degree of certainty because of the turnover of librarians and support staff.

About \$140,000 of the FY06 budget increment is dedicated to supporting additional staffing within the library. This will allow the library to staff the growing operation of the library at all campuses.

In order to maintain the current materials collection, the library has been allocated \$425,000 for inflation. An additional \$25,000 has been allocated to add materials to the collection, and \$175,000 to increase the reference materials budget for new programs.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$12,260,100 | \$12,442,420 | \$13,259,200 |

Note – The Law library budget is included within the School of Law budget

FY06 Highlights

Funding is allocated in FY 2006 to cover inflation for library reference materials (\$425,000), funding to support the President’s commitment to support reference materials (\$25,000), and funding for reference materials for new programs (\$175,000). To help address the critical staffing issues within the Library, funding is allocated in the amount of \$139,200 to support additional staff (3.00 fte). Funding in the amount of \$162,000 is allocated to cover the FY05 salary increases.

INFORMATION TECHNOLOGY - ITU

The Information Technology Unit (ITU) is comprised of the Division of Instructional and Technology Support Services (DoIT), the Technology Systems Division, Information Technology Administration and University Libraries. The IT Unit also includes The Capitol Connection and the Project Office, which also includes the Patriot Computer Store. The Patriot Computer Store is an Auxiliary Enterprises operation, totally self-supporting.

The mission of the ITU organization is to advance the University’s strategic goals, support learning, enable scholarly endeavors, and improve institutional management by effectively leveraging the information and technology resources of the ITU’s constituent units.

A particular strength of the ITU is its support of instruction. The SACS accreditors lauded the work of the ITU in this area; Governor Gilmore awarded the ITU a Governor’s Technology award, and Educause, a national organization of 4000 higher education institutions, gave its award for systemic progress in teaching and learning to the TAC project, a joint project of the ITU and the College of Arts & Sciences. More recently, Project DEEP, a joint endeavor of The National Survey of Student Engagement and the American Association for Higher Education, issued a report on George Mason that lauded the support for teaching and learning provided by the ITU. University libraries, a key component of the ITU, is also dedicated to providing outstanding support for student learning.

Increases in the IT budget are almost entirely dedicated to two themes: first, improving cybersecurity, and second, responding to University growth. In the cybersecurity category, \$550,000 in one-time and recurring funds is dedicated to continuing required phases of the security and network improvements, including adding specialized security and network

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

engineering staff, and \$50,000 will be used to further strengthen the email system from malware software. In the category of responding to University growth, \$422,000 is to provide IT support for improving the capacity and management of enterprise servers, \$130,000 is to improve field services reliability and response time, \$58,000 is to retrofit seven classrooms to be e-Classrooms, \$250,000 is to support requirements for the research infrastructure, including support for the National Lambda Rail connection, and \$115,000 is to cover inflation on software and hardware maintenance contracts. Additionally, support is provided for the new Loudoun site in the amount of \$377,000, of which \$290,000 is one-time funding for equipment.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$17,566,300 | \$18,963,091 | \$20,398,700 |

FY06 Highlights

Increases in the IT budget are almost entirely dedicated to two themes: first, improving cybersecurity, and second, responding to University growth. In the cybersecurity category, about \$550,000 is provided for one-time and recurring funds to continue requirements for improving the safety and security of the University computing environment. In the category of responding to University growth, \$610,000 is to provide IT support for growing areas of the University and \$115,000 is to cover inflation on software and hardware maintenance contracts. The FY06 budget for ITU includes an additional 7.00 FTE positions to support the functions as noted here. Additionally, funding is provided to support the research infrastructure needs (\$250,000), and to support the Loudoun site (\$377,000). Funding in the amount of \$359,000 is allocated to cover the FY05 salary increases.

NEW ADMINISTRATIVE SYSTEMS

As the University moves to the next stage of the conversion of the finance, human resources and student systems to new administrative systems, funding is allocated to support the training, consulting, staffing, and software and hardware purchases to transition to new systems. During the 2002-03 fiscal year the finance and human resources systems were successfully converted, and during the 2003-04 and 2004-05 fiscal years the student system (admissions, registration, financial aid) were converted, resulting in students registering for Fall 2004 classes under a new system. Funding in FY06 will allow the University to ensure that processes and systems are implemented to take full advantage of the integrated systems supporting students, faculty and staff.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$2,818,000 | \$2,148,712 | \$2,737,500 |

FY06 Highlights

New funding in the amount of \$200,000 is allocated in FY 2006 for this activity to provide additional staffing for critical conversions support needs. This funding is offset by a reallocation of some funds to operational units to cover IT staff and IT contracts.

UNIVERSITY LIFE

University Life integrates the curricular and co-curricular aspects of the institution and creates a sense of community for students, faculty, and staff. University Life includes the following Educational and General and Auxiliary Enterprise units:

University Life Offices

Academic, Career, Counseling & Educational Services

- Career Services
- Disability Resource Center
- Early Identification Program
- Counseling Center
- Orientation

Campus Life

- Student Activities
- Diversity Programs & Services
- Office of International Programs and Services
- Women’s Studies Research and Resource Center
- Student Media

Health and Wellness

- Student Health Services
- Drug Education Services
- Health Education Services
- Sexual Assault Services

English Language Institute

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$5,283,800 | \$5,535,564 | \$5,667,800 |

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

FY06 Highlights

New funding is allocated in FY 2006 to support enrollment growth as it affects the demand for counseling services, learning services, services for disabled students, and career services. Additional funding is also allocated for a summer transition program for admitted first-time freshmen from the University’s Early Identification Program and other recruitment efforts. The overall additional funding allocated for FY06 is \$181,000 to address the critical support needs. The FY06 budget includes an additional 2.25 FTE positions to support the functions as noted here. Funding in the amount of \$107,000 is allocated to cover the salary increases in FY05.

FINANCE AND OPERATIONS

The Finance and Operations unit includes the following activities:

- Fiscal Services
- Human Resources/Payroll
- Budget/Institutional Research and Reporting
- Office of Senior Vice President
- Legal Services
- Safety Operations
- Campus Police
- Distributed Campus Administration

The purposes of these offices is to ensure the overall fiscal integrity of the University and to ensure that all students, faculty, staff and visitors of the University are safe and protected while at the University.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$15,944,900 | \$16,149,730 | \$17,083,700 |

FY06 Highlights

For the FY 2006 fiscal year additional funding is allocated to enhance critical support services within Finance and Administration. Additional funding is provided to support additional staff within the offices of Human Resources (\$70,000 and 1.00 FTE positions), Fiscal Services (\$252,000 and 5.00 FTE position), Budget and Institutional Research & Reporting (\$140,000 and 2.00 FTE positions), and the Office of the Senior Vice President (\$100,000 and 1.00 FTE positions). Funding is also allocated within Human Resources/Payroll to support additional training and rewards/recognition programs.

For FY 2006 funding is provided to add one additional staff in Safety Office effective 01/01/06 to support the increased needs (\$30,000). Funding is provided for the Campus Police to provide direct expense support (\$50,000) and funding for fleet vehicle replacement (\$50,000).

Funding is provided for FY06 for additional wages and information security support at the Prince William Campus (\$60,000) and for staff, wages and operational support at the Loudoun site (\$103,000).

Funding in the amount of \$234,000 is allocated to cover the FY05 salary increases.

EXECUTIVE ADMINISTRATION

Executive Administration encompasses the President's Office, Board of Visitors expenses, Legislative Affairs, Internal Audit, Office of Equity and Diversity Services and ADA compliance. The Executive Administration division is primarily responsible for senior level leadership and administration for the University.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$2,000,600 | \$2,151,392 | \$2,364,900 |

FY06 Highlights

Additional funding is allocated in FY 2006 for additional staffing within Internal Audit (\$133,000 for 2.00 FTE positions). Funding is also allocated for support for the Office of Equity and Diversity Services (\$50,000). During FY05 one fte position was reallocated from University Development to the Office of Equity and Diversity Services.

UNIVERSITY DEVELOPMENT AND ALUMNI AFFAIRS

The University Development and Alumni Affairs unit is the fundraising center and alumni relations link for the University. The Office of University Development provides central staff support to all units of the University in their fundraising efforts and takes responsibility for the overall fundraising goals and initiatives within the University. University Development oversees the *Campaign for George Mason University* which surpassed the original goal of \$110,000 during FY 2004. The Office of Alumni Affairs is the official link between the University and its alumni, and provides support for the George Mason University Alumni Association (GMUAA). Its purpose is to engage alumni in the life of the University and to facilitate communication between alumni and their alma mater. Alumni outreach includes email and print publications, alumni events, and support for division chapters and their activities. The George Mason University Foundation funds operating support and staff resources for development research, donor relations, development communications, information systems, gift processing, and gift and endowment management.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$1,950,600 | \$1,879,624 | \$2,012,400 |

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

FY06 Highlights

For the FY 2006 funding is provided to support University Development and Alumni Relations activities (\$50,000), and University Development and Alumni & Annual Giving activities (\$30,000). Funding in the amount of \$38,000 is allocated to cover the FY05 salary increases. During FY05 one fte position was reallocated from University Development to the Office of Equity and Diversity Services.

UNIVERSITY RELATIONS

The goals of the University Relations division include building the reputation of George Mason University, its people, and its programs; winning the support of key constituency groups; and supporting critical University needs. These needs include legislative support, academic program support through publications development, fund raising, friend raising, and internal community building. The major units within University Relations are the Vice President for University Relations, Events Management, Conference Administration, Creative Services, Media Relations, Community Relations, and Information Services.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$3,529,200 | \$3,455,663 | \$3,832,200 |

FY06 Highlights

For the FY 2006 fiscal year funding is allocated for the University Relations unit to continue increased marketing activity for the University (\$63,000), as well as funding for additional events support (\$40,000) and support for web design (\$37,000). Funding in the amount of \$64,000 is allocated to cover the FY05 salary increases.

FACILITIES/PHYSICAL PLANT

Operations of Facilities Planning and Physical Plant conduct the planning, construction and maintenance needs for the campuses of George Mason University. They oversee all elements of design, construction and maintenance for all structures.

In addition, the Physical Plant is responsible for maintaining all grounds at the University, which has increased substantially in the last few years with the completion of the Johnson Center, Enterprise Hall, the Parking Garage, the Krasnow Institute and Fairfax Aquatic and Fitness Center, and Innovation Hall. These new buildings have brought along with them large areas that are heavily landscaped.

George Mason University has by far the least built square footage per student of any doctoral granting institution in the Commonwealth. Due to this shortage of space, all existing facilities are some of the most intensively used buildings in the Commonwealth. This high utilization rate has taken its toll on the buildings and Physical Plant/Facilities Planning is charged with overseeing the maintenance schedules for the buildings.

The E & G net assignable square footage (NASF) has risen steadily over the years. With the addition of the new Bull Run Hall at Prince William campus, the total is 1,424,900 square feet. George Mason University operates with approximately 65 NASF of E&G space per FTE student. This compares to the doctoral average in the Commonwealth of Virginia of approximately 90 NASF per FTE student.

Due to recent budget reductions there is a continuing decline in the overall facility condition. In the most recent report to SCHEV the GMU backlog of maintenance and repair projects exceeded 13.5% of the total facility value. In 1997 the backlog was only 7% of the total facility value. This rise in deferred maintenance is a direct result of reduced staffing, maintenance and repair funding. The Governor and legislature has begun to address this issue by increasing the allocation of the Maintenance Reserve funds to Universities for this biennium. George Mason receives a one-time increase in the Maintenance Reserve allocation of \$1.8M to address some of the highest needs with existing facilities.

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$18,421,600 | \$19,593,956 | \$20,620,100 |

FY06 Highlights

Funding is allocated in FY 2006 to cover contract price escalator clauses for custodial contracts for housekeeping (\$45,000), as well as additional housekeeping funds for weekends (\$40,000), to support filling positions for critical support areas (\$150,000), to replace vehicles and equipment (\$90,000), to provide for technology upgrades (\$100,000), funding for training (\$20,000), funding for an additional position to manage the Maintenance Reserve projects (\$45,600), and funding for additional Physical Plant/Facilities space (\$125,000) . Funding is also allocated to support staffing and direct expenditures for the new Research I facility on Fairfax Campus due to open during FY06 (\$388,000 and 8.00 FTE positions). This new funding will provide support for the maintenance, housekeeping, and utilities in this new research building.

Funding (\$390,000) is allocated to support additional staff in the Facilities area, to increase project management support through either contract or permanent staff, to purchase project management software, web development, and new position to assist in capital finance.

Funding is also allocated to support increased costs for utilities for FY06 (\$300,000).

A total of \$302,000 is allocated to cover the FY05 salary increases.

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

PROPERTY RENTAL

The University leases space in Fairfax, Arlington and Herndon to provide additional office space for faculty and staff. Lack of sufficient office space results in several departments (Fiscal Services, Human Resources, Sponsored Programs, Internal Audit, Budget/Institutional Research & Reporting, Safety, etc.) being housed off campus. The University leases approximately 120,000 square feet across seven different off-campus locations. Most of these off-campus leases cover all associated costs (building maintenance, utilities, cleaning, etc.).

| 2004-05 ORIGINAL | 2004-05 REVISED | 2005-06 PROPOSED |
|---------------------------------|---------------------------------|-------------------------------|
| 2004 - 05 E&G BUDGET EXPENSE | 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$3,272,500 | \$3,200,000 | \$3,702,500 |

FY06 Highlights

For the FY 2006 fiscal year new funding is allocated for Property Rental to cover additional leased space at a new site in Loudoun (\$210,000), for space on campus at Rivanna Lane (\$30,000), for additional space for Campus Police (\$150,000) and for escalator clauses (\$40,000) in current lease agreements.

The following pages provide a summary of the space leased by the University. Highlighted within the tables are the University Offices occupying the spaces.

Budget Highlights

| BUILDING | ANNUAL RENT \$* | \$/SF | RENTABLE AREA SF | OCCUPANTS |
|--|--------------------------------------|--------------------------------|------------------|---|
| COMMERCE I/II (UTILS./CUSTODIAL/MAINT.) | 582,838 <u>+96,815</u> 679,653 | 18.80 <u>+3.12</u> 21.92 | 30,999 | General Accounting Accounts Payable Purchasing Fixed Assets Print Services HR/Payroll CEHD |
| TRULAND | 1,012,000 | 18.25 | 55,488 | Admin. Services** Arlington Ops. CEHD School of Law ICES ICAR ITE Social Work Student Health ITU |
| TOWNHOUSE OFFICES (UTILS./CUSTODIAL/MAINT.) | 148,756 <u>21,904</u> 170,660 | 13.37 <u>1.97</u> 15.34 | 11,129 | CAS Computational Sci. SPP CVPA |
| CIT | 231,709 | 28.63 | 8,093 | OCPE Public Policy SOM |
| PATRIOT SQUARE | 530,658 | 23.87 | 39,229 | Internal Audit Budget IRR OSP Safety GMUF Office Of Lab Safety Patriot Club |
| DEMOCRACY LANE | 167,565 | 26.77 | 6,259 | Psychology Clinic/ Ctr for Cog Dev |
| 4031 UNIVERSITY DR. | 73,294 38,074 | 22.72 18.15 | 3,226 2,098 | Computational Sci. Mason Enterprise |
| LOUDOUN COUNTY | 210,000 | 28.00 | 7,500 | Academic Instr |
| SUB-TOTAL | 2,994,894 | 18.25*** | 164,021 | |

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

* Annual Rent for 2004-2005; several leases have 3% annual cost escalation and CAM charges in addition to the annual rent

** Administrative offices for Admissions, Human Resources and Student Health

*** Average \$/SF by dividing Total Annual Rental Cost by Total Rentable Area

| BUILDING | ANNUAL RENT \$* | \$/SF | RENTABLE AREA SF | OCCUPANTS |
|-----------------------------|------------------------|--------------|-------------------------|--|
| WAREHOUSE DEBT | 257,000 | | | |
| JOHNSON CENTER | 89,988 | | | Admissions Alumni Affairs Computer Labs Internet Lab Ent Engr/Pol Lab Af Am, Global Ed, New Stdt Ctr Copyright Office |
| STUDENT UNION I/II | 356,628 | | | Counseling Career Dev Intl Prog Minority Stdt Serv Advising Cash Office Information Serv Univ Life ICES/CAS Mail Room SOM **** |
| POLICE BUILDING DEBT | 27,465 | | | |
| RIVANNA LANE | 30,000 | | | ITU |
| TOTAL | 3,755,985 | | | |

**** School of Management pays Unions \$100,000 per year for Space Rental in Student Union II

CENTRAL FUNDS

The Central Fund Budget includes the Institutional Reserve, Auxiliary Enterprises Indirect Cost Recovery, as well as those funds for salary and fringe benefit increases that have not yet been allocated to the University departments/units. The Central (unallocated) budget includes an institutional reserve of \$1,374,000 which is only 0.5% of the total E&G budget. This institutional reserve is set aside primarily for non-recurring, unanticipated expenses (i.e. high utility costs, major equipment failure, etc.) that may occur during the fiscal year. The reserve may also be utilized to take advantage of an unforeseen opportunity. Expenditures from this reserve are not authorized without the approval of the University Budget & Planning Group.

| 2004-05 ORIGINAL | 2005-06 PROPOSED |
|---|---|
| 2004 - 05 E&G BUDGET EXPENSE | 2005-06 E&G BUDGET EXPENSE |
| \$8,721,900 | \$8,827,300 |

REALLOCATIONS, FY 2006 BUDGET

To achieve maximum resource flexibility, prior year budget allocations are reviewed for potential reallocation. Consistent with past budgets, the University has reallocated over 1% of the funding of the previous budget. *In FY2006 the University budget process has identified over three million dollars to be reallocated.*

These reallocations were possible for a variety of reasons including the fact that much of the funding may have originally been intended to be one-time & non-recurring. Additionally, some activities may be discontinued or the current level of funding has been reduced due to operating efficiencies within the unit. It should be noted that these are the institutional reallocations. In a decentralized operation field units and departments make reallocations throughout the year as they direct limited resources to their highest priorities.

Selected major reallocations:

| | |
|---|-----------|
| Information Technology (upgrades, email, forensics, etc.) | \$530,000 |
| Physical Plant (primarily non-recurring) | \$420,000 |
| Prince William Campus (start-up costs) | \$400,000 |
| Wage Employment (FY05 transition – extra pay) | \$200,000 |
| Human Resources (renovation, studies, equipment) | \$150,000 |
| College of Nursing (consult, distance learning, etc.) | \$150,000 |
| CAS Life Sciences (primarily start-up equipment) | \$125,000 |
| University Relations (consultant – marketing/image) | \$100,000 |
| Facilities (utility infrastructure) | \$100,000 |
| Krasnow Institute (integration costs) | \$ 85,000 |
| Safety & Police (vehicles, GIS, equipment) | \$ 75,000 |
| Arlington Campus (video conf equip, studies, etc.) | \$ 75,000 |
| Admissions & Registrar (recruiting, advising, etc.) | \$ 55,000 |
| Executive Management (ACE fellow, Phi Beta Kappa) | \$ 50,000 |
| CVPA (music room improvements) | \$ 50,000 |
| Library (one time procurements) | \$ 20,000 |

The FY06 Highlights includes budget changes since the adoption of the original budget for FY 2005 to the proposed budget for FY 2006. Therefore, highlights include both budget revisions during FY 2005 as well as the \$20.7M of budget increases for FY 2006.

**AUXILIARY ENTERPRISES
FINANCIAL/PROGRAM PROJECTIONS
2002 – 2010**

The purpose of this document is to provide a plan for operations for Auxiliary Enterprise programs for the next several years. This is intended to be a plan that is examined and updated yearly to incorporate changes in various units as a result of adjustments to base assumptions. Changes that would affect this plan include, but are not limited to enrollment adjustments, rate changes, programmatic requirements for enhancing services, and capital construction schedules.

ENROLLMENT ASSUMPTIONS: George Mason University had a Fall 2004 student headcount enrollment of nearly 28,900. The annual student FTE for FY 2005 is projected to be 21,950 FTE. George Mason University projects an annual student enrollment (FTE) increase of approximately 1.25% in each fiscal year through 2010. In terms of student FTE, the University enrollment target is 22,200 for FY 2005-06, and the University projects to grow by approximately 250 FTE students each year after that.

SALARY ASSUMPTION: For purposes of this document, it is assumed that there will be an annual salary increase of 2.5% for all units. This is subject to adjustment based on economic conditions and legislative actions. This increase is built into each unit's total budget presented in the following pages. The salary adjustment approved by the State for FY06 is 3.0%. Since 2.5% has been calculated and set aside in the budget, a small amount will be allocated from the reserve during FY06 for fee-funded areas to fully fund salary increases. Units supported from self-generated revenues will need to cover the additional cost from current revenues.

➤ Financial Feasibility

This \$86 million Auxiliary Enterprise operation (FY 2006) has established the following performance measures to assess the effectiveness of the auxiliary enterprise program:

- Performance Measures
 - The positive net income of each auxiliary enterprise
 - The debt to facility replacement value ratio
 - A decreasing percentage student fee dependency
 - The level of facility reserves ratio to building value

- Program Viability- Student satisfaction with Auxiliary Services
 - Graduating senior satisfaction survey
 - Departmental service satisfaction scores
 - Persistence/progression rates of undergraduates
 - Alumni satisfaction surveys

1. STUDENT HOUSING

George Mason University's housing program is the largest Auxiliary Enterprise Program at George Mason. University housing has been out-sourced for approximately ten years. Century Campus Housing Management is in the third year (FY 2006) of a ten-year contract. They have responsibility for day-to-day management and operations of all residential facilities and major contracts associated with the program. The primary focus of this contracted service is to provide efficient and effective administration, highly trained and responsive staff, and seamless operations, sensitive to the needs of the students/customers. Century works closely with University Services, University Life, Admissions, and other University Offices, in the areas of educational programs, community development, and student behavior.

The University is housing more on-campus (residential) students in Fall 2005, than ever before in the history of George Mason University. Due to the demand in FY04 approximately 125 students were "tripled" into rooms originally designed as doubles. The University's current Housing capacity is 4,050. During the Fall 2004, the University housed slightly over 4,000 students. Additional new on-campus housing will be added in Fall 2007 and Fall 2008, thereby providing 5,000 beds on campus for residential students. This on-campus residential student target will increase the percentage of residential students to approximately 15% of the total projected headcount enrollment. Budget projections are as follows:

| FISCAL YEAR | BUDGET | ASSUMPTIONS |
|---------------|--------------|---|
| 2002 actual | \$10,848,500 | Add temporary beds (75) and 2.5% rate increase |
| 2003 actual | \$10,925,000 | 2.5% rate increase; reallocate \$700K debt service |
| 2004 actual | \$13,886,754 | 2.5% rate increase; Housing V (496) |
| 2005 estimate | \$13,985,000 | 2.5% rate increase; Add Housing VI (504), |
| 2006 estimate | \$14,387,200 | 2.5% rate increase; reallocate \$200K debt service; |
| 2007 estimate | \$14,828,000 | 2.5% rate increase; reallocate \$525K debt service; Dominion Renovation |
| 2008 estimate | \$17,588,000 | 2.5% rate increase; Add Housing VII A, President's Park Renovation I |
| 2009 estimate | \$20,800,000 | 2.5% rate increase; Add Housing VII B, President' Park Phase II |
| 2010 estimate | \$21,320,000 | 2.5% rate increase, Student Apartment Renovation |

Major Assumptions: Housing V, VI, VII-A, and VII-B are priced to be self-sufficient. Renovations and renewals of \$750,000/year are budgeted for FY03, 04, & 05, \$800,000/year for FY06 & 07, and \$850,000 for FY08. Major capital improvements of \$3.0M were completed in FY03 with another \$6.0M planned through FY08. Occupancy actuals and projections are as follows:

| FISCAL YEAR | FALL OCCUPANCY | SPRING OCCUPANCY |
|------------------------|---------------------------|-----------------------------|
| 2002 actual | 2,959 | 2,884 |
| 2003 actual | 3,039 | 2,964 |
| 2004 actual | 3,544 | 3,428 |
| 2005 estimate | 4,012 | 3,902 |
| 2006 estimate | 4,012 | 3,902 |
| 2007 estimate | 4,012 | 3,902 |
| 2008 estimate | 4,512 | 4,412 |
| 2009 estimate | 5,012 | 4,912 |
| 2010 estimate | 5,012 | 4,912 |

Facility Reserve: Due to the retirement of two significant debt service obligations, the projected ending balance of the housing system facility reserve fund increased from \$200,000 in FY 2000 to \$1,600,000 in FY 2002. The facility reserve balance is projected to increase as shown below.

| FISCAL YEAR | BALANCE |
|------------------------|----------------|
| FY 2002 (actual) | \$1,593,000 |
| FY 2003 (actual) | \$2,441,100 |
| FY 2004 (actual) | \$2,412,386 |
| FY 2005 (estimated) | \$2,961,200 * |
| FY 2006 (estimated) | \$3,667,400 |
| FY 2007 (estimated) | \$4,500,000 |
| FY 2008 (estimated) | \$5,000,000 |
| FY 2009 (estimated) | \$5,500,000 |
| FY 2010 (estimated) | \$6,000,000 |

* Based on a conversion of operating reserve funds to facility reserve funding. The University will be conducting a survey research initiative during Summer 2005, to determine appropriate guidelines for facility reserve balances for all Auxiliary Enterprise facilities.

2. CAMPUS ACCESS

This self-supporting activity includes a variety of services that support parking and transportation requirements on all three of the University campuses. Campus Access funds, are generated primarily from decal fees, deck revenue, fines and student fees. These revenues cover parking lot and deck construction debt service, lot repairs and maintenance, as well as lighting repairs and installations, and the management fee for the parking contractor. The outsourced partner manages the decal sales programs, provides parking technicians, manages the parking deck and lots, and runs the Motorist Assistance Programs. Funded activities include: staffing of the Parking Services administrative office; the monitoring of the traffic rules and regulations and the management of parking areas during peak class periods and special events; parking deck management and operations; parking lot technicians; administration and management of the Motorist Assistance Program; the City University Energysaver (CUE) Bus system, in conjunction with the City of Fairfax and the Fairfax-

Prince William Shuttle Bus/Taxi System. The following table projects the campus access budget through FY 2010:

| FISCAL YEAR | BUDGET | ASSUMPTIONS |
|--------------------|---------------|--|
| 2002 actual | \$4,334,100 | Actual |
| 2003 actual | \$5,077,200 | \$20 rate increase; enrollment growth |
| 2004 actual | \$5,074,400 | Enrollment growth; reallocate \$660k orig deck debt service |
| 2005 estimate | \$5,871,800 | Enrollment growth; add Fairfax Deck II (no debt payment until FY06) |
| 2006 estimate | \$6,443,600 | Enrollment growth, Deck II (no rate increase) |
| 2007 estimate | \$6,548,400 | \$20 rate increase; enrollment growth; reallocate \$265k PW phase I debt service, GMUF Parking |
| 2008 estimate | \$6,695,400 | \$20 rate increase; enrollment growth |
| 2009 estimate | \$9,351,400 | Add Deck III, Arlington II and PW IIIA parking, reallocate \$484k PW and Arlington Debt |
| 2010 estimate | \$9,463,900 | Enrollment growth |

In FY 2004 increased expenditures for lot improvements were totally offset by the elimination of debt service payments of \$664,700 (Parking Deck I Fairfax) per year in 2004. In addition, 570 B lot spaces were taken out of service to accommodate the ground breaking for Deck II. In FY 2005, in addition to the opening of Deck II, 200 off-site spaces were acquired at Arlington to ease the overall tight parking situation.

The Cumulative Fund Balance for Campus Access is projected to be as follows:

| FISCAL YEAR | BALANCE |
|---------------------|----------------|
| FY 2003 (actual) | \$ 62,600 |
| FY 2004 (actual) | 961,000 |
| FY 2005 (estimated) | 1,813,000 |
| FY 2006 (estimated) | 1,922,000 |
| FY 2007 (estimated) | 2,022,000 |
| FY 2008 (estimated) | 2,122,000 |
| FY 2009 (estimated) | 1,300,000 |
| FY 2010 (estimated) | 700,000 |

The primary reason for the declining balance in FY 2009 is the projected opening of a third parking deck on the Fairfax Campus. The University is in the early planning stages for this third deck. This deck will be constructed in either Lot F or Lot A. The approximate size will be 1,600 or more spaces. This facility is still under financial feasibility review since the estimated cost is \$30M, requiring an annual debt service of \$1.9M per year. In addition there will be additional expenses for personnel, utilities, maintenance, and cleaning. Expenses are projected at \$200,000. For this document, the assumption is the deck will have operating costs of \$2.1M per year with new revenue limited to permit price increases and enrollment growth. This facility is projected to open fall 2008, but the University will only proceed if the financial and operational feasibility of this project in the context of the parking system in general can be verified.

In addition to the balances above, the University is also setting aside funds each year to pre-pay the debt service on the extension to the original Fairfax parking deck that was added in FY 2002. Sufficient funds will be accumulated by FY 2010 to pay off the remaining balance. The annual amount being allocated to this fund from operations is approximately \$184,500.

Operations of the Sandy Creek Parking Deck (Deck II) began in spring 2005. This project required approximately \$14M (which includes planning, design, and construction costs), financed through revenue bonds supported by parking revenue. Annual debt payments are approximately \$1.0M per year. The deck is designed to be a premium, reserved parking garage with 400 hourly visitor spaces. Annual revenue from the reserved passes and hourly visitors is estimated to be approximately \$850,000. The deck will be nearly self-supporting and will not require a large contribution from other campus access funding. Debt service from Deck I was retired in FY 2003. The reallocation of some of these revenues will cover a portion of the costs for the new deck. During the summer of 2004 an extension to Lot J was completed, adding 170 spaces to the existing 360 spaces.

The existing shuttle system provides transportation between the Fairfax campus and the Prince William campus on a schedule based during the academic year. This system is supplemented with taxi service when needed. The shuttle service costs approximately \$125,000 annually. This is funded through parking fees and a student fee allocation. For FY05, the University provided \$72,000 in additional transportation funding to support 1) a second Prince William shuttle bus, 2) continuation of the Fairfax parking lot shuttle, and 3) funding the weekend activities van.

The shuttle system is not self-supporting. An expanded system could link all three campuses and the metrorail system. This system could be in conjunction with the CUE Bus system or totally separate. It is anticipated that general funds, tuition, student fees, and auxiliary enterprise user fees may all contribute to this undertaking.

During the timeframe of FY 2006-2010 the debt service payments associated with several surface lots will be eliminated, thereby increasing available funding by approximately \$250,000. In FY 2006, the first portion of the Prince William parking debt is paid off, and that will result in an additional savings of \$250,000 per year beginning in FY 2007. For long range planning purposes, in FY08, the second portion of the Prince William parking debt and the existing Arlington parking debt will both be paid off resulting in savings of approximately \$480,000 per year beginning in FY 2009.

As the campus grows, an emphasis on additional traffic and transportation improvements will be necessary. These will include, but are not limited to, a transportation department, entrance improvements, roadway improvements, and potential sign and signal additions/changes. The source of funding for these types of improvements is unclear, but can include campus access funds, student fees, educational and general funding, or general fund appropriation.

Prince William Campus The University opened Academic III-A in Summer 2004. Parking will remain adequate at the Prince William Campus until Academic III-A is occupied and fully utilized. It is not anticipated that Academic III-B will open prior to FY 2008 since funding authorization is unlikely prior to FY 2006. The parking lot associated with PW III-A is planned, but will not be constructed until the demand increases. It is anticipated that construction will begin in the summer of 2009.

FY 2006 Campus Access Operations on the Prince William campus are not self-supporting and require a contribution of approximately \$400,000 from other campus access funding sources to maintain the current level of service.

Arlington Campus Campus Access operations expenses for the Arlington campus are not self-supporting and require a contribution of approximately \$70,000 to maintain current level of service.

The University plans to partner with the George Mason University Foundation (GMUF) to utilize up to approximately 550 parking spaces in the building planned on property adjacent to the GMU Arlington campus that the GMUF acquired in 2000-01. For purposes of this financial forecast, GMU anticipates an annual payment of approximately \$300,000 per year. This financial projection assumes that this Arlington off-campus facility becomes operational during FY 2007. Additional parking will be built on GMU property with Arlington II. It is anticipated that 470 spaces will be built as a part of the Arlington II project. The estimated cost of this project is \$6,650,000. This will require annual debt payments of approximately \$750,000 per year. These undertakings may require a campus access system contribution to supplement actual parking revenue.

3. INTERCOLLEGIATE ATHLETICS

The Intercollegiate Athletic program is nationally recognized for both departmental quality and depth. George Mason University is a member of the Colonial Athletic Association (CAA). The Intercollegiate Athletic program is comprised of competitive activities in 22 programs for men and women. This competition takes place on a local, regional and national level. The following programs are currently offered at George Mason University:

| | | |
|-------------------|--------------------|--------------------|
| Men's Baseball | Men's Track (2) | Men's X-Country |
| Women's Track (2) | Men's Wrestling | Men's Tennis |
| Women's X-Country | Women's Volleyball | Men's Volleyball |
| Women's Soccer | Men's Soccer | Women's Basketball |
| Men's Basketball | Men's Golf | Women's Lacrosse |
| Women's Rowing | Men's Swimming | Women's Swimming |
| Women's Softball | Women's Tennis | |

Issue: Since the Intercollegiate Athletic program depends upon external revenue to cover the costs of athletic scholarships and since generating sufficient funds has been difficult throughout the history of the program, alternative-funding strategies may need to be developed if the University adopts significant tuition and fee rate increases during this time frame. A portion of the revenue used to cover the costs of scholarships is generated through the Athletic Department's development efforts. Additionally, revenues earned from Patriot Center and the beverage and vending contracts support scholarship costs.

| ATHLETIC SCHOLARSHIP BUDGET | |
|------------------------------------|---------------------------|
| | FY 2006 BUDGET |
| Athletic Scholarship Cost | \$2,900,000 |
| Source of Funds | |
| • Athletic Department Revenue | 640,000 |
| • Patriot Center Commission | 632,000 |
| • Student Fee | 500,000 |
| • Beverage, Vending Commission | 422,500 |
| • Ticket Sales | 300,000 |
| • NCAA | 250,000 |
| • Patriot Club (Fundraising) | 155,500 |

The ICA budget for FY 2006 is \$10,273,300. Student fee support is \$7.8M per year and self-generated revenue is expected to be \$2.5M per year. In FY 2006 additional fee support to ICA was allocated due to the additional travel costs associated with the CAA conference expansion (\$217,000) and to provide the fifth of five years commitment for funding for gender equity support (\$30,000). The following budgets assume no change in the mix and/or number of sports. The average annual budget requirement for 2.5% salary increases (included below) is \$125,000. The following summarizes the actual budget and the best estimate for future year budgets:

| FISCAL YEAR | BUDGET | ASSUMPTIONS |
|--------------------|---------------|--|
| 2002 actual | \$8,400,000 | Actual |
| 2003 actual | \$8,900,000 | Scholarships Increase due to increased tuition rates |
| 2004 actual | \$9,658,000 | Scholarships & Operating Maintained |
| 2005 estimate | \$9,700,000 | S & O increase 2%, Salary increase 2.5% |
| 2006 estimate | \$10,273,300 | S & O increase 2%, Salary increase 2.5% |
| 2007 estimate | \$10,498,800 | S & O increase 2%, Salary increase 2.5% |
| 2008 estimate | \$10,729,500 | S & O increase 2%, Salary increase 2.5% |
| 2009 estimate | \$10,965,400 | S & O increase 2%, Salary increase 2.5% |
| 2010 estimate | \$11,206,600 | S & O increase 2%, Salary increase 2.5% |

The breakdown of fee support and self generated revenue support is presented below:

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|--------------------|--------------------|----------------------|---------------------|
| 2002 actual | \$6.3M | \$2.1M | \$8.4M |
| 2003 actual | 6.7M | 2.2M | \$8.9M |
| 2004 actual | 7.0M | 2.6M | \$9.6M |
| 2005 estimate | 7.4M | 2.3M | \$9.7M |
| 2006 estimate | 7.8M | 2.5M | \$10.3M |
| 2007 estimate | 8.0M | 2.5M | \$10.5M |
| 2008 estimate | 8.1M | 2.6M | \$10.7M |
| 2009 estimate | 8.3M | 2.7M | \$11.0M |
| 2010 estimate | 8.5M | 2.7M | \$11.2M |

For FY 2005, the Auxiliary Enterprises Management Council (AEMC) recommended and the University provided \$25,000 to be allocated for a pilot project between Intercollegiate Athletics and University Life to increase student attendance at athletic events. This continues in FY 2006.

4. RECREATIONAL FACILITIES

The FY 2006 budget for all of recreational facilities is approximately \$13.5M with nearly \$2.5M of the annual budget allocated to the fixed cost of debt service. The current source of funding for all of these facilities/activities is approximately 40/60 between student fees and self-generated revenue. The University contracted with Brailsford-Dunlavey and EwingCole for a recreational facility master plan, and the result of this study identifies several high priority projects to be pursued during 2002-2010. Below is the estimated budget for the recreational facilities:

| FISCAL YEAR | BUDGET | ASSUMPTIONS |
|---------------|--------------|---|
| 2002 actual | \$12,200,000 | 2% enrollment growth & \$200K for fields |
| 2003 actual | \$11,600,000 | 2% enrollment growth/FH debt retired |
| 2004 actual | \$12,747,800 | 2% enrollment growth; 2.5% salary increase |
| 2005 estimate | \$12,353,400 | 2% enrollment growth; \$325k debt for artificial field |
| 2006 estimate | \$13,479,100 | 2% enrollment growth; 2.5% salary increase - PC debt retired (\$1.0M), establish PC Debt Service Savings , Add Portion of Aquatic Ctr Debt (\$165K), Add Robinson Field debt (\$200K) and Tennis Court project (\$200K from Pat Center Savings) Patriot Center Increases (\$430K) |
| 2007 estimate | \$13,682,700 | 2% enrollment growth; 2.5% salary increase, Add remaining Fairfax Aquatic Center Renovation Debt & Ops (\$750K); Add Wrestling Volleyball Addition Debt and Ops (\$485K) Offset Pat Ctr Savings (-\$557K) |
| 2008 estimate | \$14,463,400 | 2% enrollment growth; 2.5% salary increase, Add PE Renovation and Ops (\$1.58M) |
| 2009 estimate | \$16,501,200 | 2% enrollment growth; 2.5% salary increase, add Patriot Center Renovation (\$689K) (offset Pat Ctr Renovation) |
| 2010 estimate | \$17,343,200 | 2% enrollment growth; 2.5% salary increase, Add Shirley Gate Fields (\$480K) |

With this plan, projects achieved include: additional play fields; artificial surface field, lighting, fitness center expansion, training room and locker facilities, etc.

In FY 2005 the \$1.2M yearly debt service payment for the Patriot Center was retired. This debt retirement will be kept in “escrow” to be used to offset Patriot Center Renovation in FY09. The \$9M renovation project will require cash and a yearly debt payment of \$690,000 effective in FY 2009. The balance of the original Patriot Center debt service savings will be used to fund the construction of a new tennis court in FY06. Also in FY06 an artificial turf is planned to be installed at the Robinson Field location.

In FY 2007 the University should complete a renovation of the Fairfax Aquatic Center and a Wrestling/Volleyball Addition to the Fieldhouse. By 2009 the University will incur \$1.5 in annual debt service related to a major expansion and renovation (\$15M) of the Physical

Education Building. This project will correct unsatisfactory locker room facilities; address mechanical, electrical, HVAC improvements, as well as add recreational, intramural, and club sport space improvements. ICA wrestling and volleyball will move to the Fieldhouse to make way for the renovation.

Funding sources for the Recreational Sports Facilities are presented below:

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$5.5M | \$6.7M | \$12.2M |
| 2003 actual | 4.6M | 7.0M | \$11.6M |
| 2004 actual | 4.8M | 7.2M | \$12.0M |
| 2005 estimate | 4.8M | 7.6M | \$12.4M |
| 2006 estimate | 5.7M | 7.8M | \$13.5M |
| 2007 estimate | 5.7M | 8.0M | \$13.7M |
| 2008 estimate | 6.2M | 8.3M | \$14.5M |
| 2009 estimate | 8.0M | 8.5M | \$16.5M |
| 2010 estimate | 9.1M | 9.2M | \$17.3M |

For FY 2006, the Auxiliary Enterprises Management Council (AEMC) recommends and the University proposes \$45,000 in additional recreation funding for recreational equipment at the Fairfax Aquatic Center (\$29k), three additional club sports (\$8k), and the establishment of an All Sports Intramural Festival (\$8k).

Fairfax Aquatic Center The Aquatic & Fitness Center located on the Fairfax Campus provides aquatic and fitness opportunities for the broadest spectrum of campus life with an evenly balanced program of recreation, instruction and competitive activities. The center is a state-of-the-art facility supporting a wide range of activities for fitness or competition that includes lap & recreational swimming, water games, swimming lessons, diving lessons, weight training and aerobics. The center houses a 50-meter Olympic pool, 25-yard recreational pool and 3500 square foot fitness gallery. The full-time student population is able to enjoy the facilities free of charge. The paying memberships to the facility are open to part-time students, University employees, University alumni and friends of the University.

This recreational facility, which was completed in FY99, has been such a success and so long overdue that the demand for access exceeds the capacity of the facility. It is projected that an addition (primarily fitness space and locker space) will begin in FY06. This facility will address the needs of the residential student increase associated with Housing V and Housing VI. This addition will increase debt service and operating costs in FY 2007, but will also result in increased revenue, including rental income. This project will add fitness space, locker facilities, and other recreational opportunities. The project will be funded through user fees and possibly a small student fee increase (est. less than \$10 per year)

Fieldhouse Provides facilities for instruction, recreation, and intramural sports and serves the students, faculty and staff, and the general community. The facility is designed to accommodate a variety of activities simultaneously as it is equipped with tennis courts, basketball and volleyball courts, racquetball facilities, a one-eighth (1/8) mile indoor track and a Sampson/Nautilus/Universal weight training area. Currently planned in FY08 is a 2,500 seat addition to the Fieldhouse that will be constructed to house volleyball and wrestling matches.

Freedom Center The Freedom Aquatic & Fitness Center provides a broad range of year-round recreational, educational, social and cultural programs and activities. The facility is designed to attract and serve a variety of individuals and user groups including but not limited to, the general public, youth, school and community groups, the elderly and persons with disabilities.

Freedom Center was created as a result of a unique partnership between George Mason University, Prince William County and the City of Manassas. The Freedom Advisory Board (governing) consists of a proportionate membership representing the three partners. While all members provide funding as seed money, the Center is expected to become self sufficient in the coming years.

Patriot Center The Patriot Center was completed in October 1985. Over the years the program for the facility has evolved from a home for men's basketball and commencements to a multi-functional university and community assembly space. The yearly number of events has grown from 66 the first year to 90 events with 130 performances last year. GMU students, faculty and staff receive discounts to all ticketed Patriot Center events. In addition, students receive free tickets to all men's and women's home basketball games while faculty and staff are eligible for season discounts.

Hemlock Overlook Hemlock Overlook Center for Outdoor Education is a joint project with the Northern Virginia Regional Park Authority (NVRPA) to provide an opportunity to learn in a setting rich in regional heritage and natural beauty. In addition to the leadership development courses used by hundreds of groups a year, the University has administrative and operational oversight of this Outdoor Education Facility. The main site is a complex of six dormitory and conference buildings with a total sleeping capacity for 96 guests and 20 resident staff, a main lodge and dining hall and a central shower and toilet facility all located on a 100 acre tract in the 425 acre park.

5. JOHNSON CENTER AND STUDENT UNIONS

The Johnson Center opened for operation in October 1995. Activities opened or relocated to the facility in the last several years include the Admissions Office, the student radio station (WGMU), the Center for Teaching Excellence, a retail mail shop and a variety of franchise eateries. Overall use of the center continues to be strong with individual visits to the building reaching nearly three million in 2004.

Since the opening of the Johnson Center, the Student Unions have been undergoing a series of renovations designed to refit the vacated spaces, upgrade existing space, bring the facilities up to code for ADA and life safety, and replace the original roofs. During 1997-98, a new office suite was constructed for the Student Activities Office and Cash Office in SUB I. This was followed the next year by a major project in Student Union II that created an electronic classroom suite for the School of Management, along with a service center for Parking, Mail Services and Mason Money/Photo ID. The following summer (2000), the fire alarm and restrooms in SUB II were upgraded for code compliance and the roof was replaced. During 2002, a \$2 million renovation was completed in SUB I; a new suite for Student Health was constructed along with upgrades to six other office areas. ADA upgrades and a new roof completed the project. The final project in this series was completed in Spring 2004, when the SUB I lobby renovation was completed.

Johnson Center/Unions budget will be \$6.3M in FY 2006 with approximately \$3.3M of student fee support and \$3.0M of self-generated revenue. Debt Service payments are expected to be \$2.3M. There is currently \$2.7M in facility reserves for the Johnson Center and both unions. An annual allocation to these reserves of \$250,000 is budgeted through FY 2010. The 2010 Plan includes an annual average 2.5% salary increase (included below annual cost: \$100,000). Here is the budget projection:

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$3.1M | \$2.6M | \$5.7M |
| 2003 actual | 2.3M | 3.2M | \$5.5M |
| 2004 actual | 2.4M | 2.7M | \$5.1M |
| 2005 estimate | 3.1M | 2.5M | \$5.6M |
| 2006 estimate | 3.3M | 3.0M | \$6.3M |
| 2007 estimate | 3.3M | 3.1M | \$6.4M |
| 2008 estimate | 4.3M | 3.3M | \$7.7M |
| 2009 estimate | 5.9M | 3.6M | \$9.5M |
| 2010 estimate | 5.9M | 3.7M | \$9.6M |

The current capital plan for the next 1,100 beds of Housing will require additional resident dining services. This dining services area (approximately 25,000 s.f.) will be combined with a 15,000 s.f. recreational facility will be constructed as part of the Housing VIIA project, but will have separate financing and accounting than for Housing. The project is being carried at \$10M with annual debt of \$850,000. Also, included in the plan is a student union facility on the Prince William campus. This project would be completed in FY 2008 at a cost of approximately \$15M, which would result in debt service payments of \$815,000 per year. Operational costs are expected to be approximately \$500,000 annually, and annual self-generated revenue associated with this facility is estimated to be \$250,000.

Planning is currently underway for the creation of a “One-Stop Shop” for Advising, Registrar, Financial Aid, Student Accounts and the Cash Office. The plan is to renovate the Ciao Hall space in SUB II once the Housing VII-A project, which includes expanded dining services, is completed (est. Fall 2007). Annual Debt Service on this SUB II project is expected to be near \$350,000.

For FY 2006, the University proposes \$25,000 in Johnson Center/Student Unions funding for extended hours of operations and for food services venues in Arlington, Prince William, and Ike’s Diner. In FY 2005, the University provided \$25,000 to improve event support staff, and another \$30,000 to address Unions/JC audio visual needs.

6. STUDENT HEALTH SERVICES

This activity addresses the needs of the university community for health information and diagnostic treatment, testing procedures, referrals for episodic care of illness and injury, and additional health care services. During the past year, Student Health Services saw approximately 10,000 patients, of whom approximately 2500 received shots for either immunization or allergies. Other common reasons for visits include respiratory, dermatology, reproductive systems, urology, and psycho-mental problems. Patients with more serious problems are referred to specialists, INOVA Access, or other emergency facilities. The most common reasons for referral are asthma not responding to medication,

fractures, sutures needed, chest pains, and dehydration. In addition, over 5000 immunization and/or insurance records were reviewed for compliance with federal or state regulations. Through optional group health and dental insurance plans, the University provides more than 1500 students with adequate health insurance at modest cost. Related health services offices are Health Education, Substance Abuse Programs and Services, and Sexual Assault Services. In addition, this activity, as noted above, manages the health insurance program.

In the fall and spring semesters, Student Health Services is open on the Fairfax campus M-F for a total of 50 hours a week. SHS services are available two days a week on both the Prince William and Arlington campuses. To cover Early Identification Program needs, the Prince William SHS is available throughout July. Arlington SHS is closed over the summer.

In FY 2004, responding to growth in both the overall and residential student population, the University added a .6 FTE physician, 1.0 FTE RN, pharmaceuticals licensure and dispensary, computerized patient registration and processing, and a medical evaluation service that provides students with telephone access to nurses when Student Health Services is closed.

In 2006-2010, Student Health Services will need to assess the needs of the University's growing residential student population. It is expected these needs will primarily involve access to night and weekend on-campus emergency health care and emergency transport to local medical facilities.

New funding was allocated in FY 2005 to support the provision of Student Health Services at the Prince William and Arlington campuses, including construction of the Student Health Clinic at Prince William. New funding at the Fairfax campus will maintain the Medcat software system, provide computer and front-desk support, and allow Student Health Services and the Counseling Center to contract for the in-house psychiatric evaluation of students.

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|--------------------|--------------------|----------------------|---------------------|
| 2002 actual | \$1.0M | \$540K | \$1.5M |
| 2003 actual | 0.9M | 600K | \$1.5M |
| 2004 actual | 1.0M | 600K | \$1.6M |
| 2005 estimate | 1.4M | 600K | \$2.0M |
| 2006 estimate | 1.6M | 600K | \$2.2M |
| 2007 estimate | 1.8M | 600K | \$2.4M |
| 2008 estimate | 2.0M | 600K | \$2.6M |
| 2009 estimate | 2.2M | 600K | \$2.8M |
| 2010 estimate | 2.4M | 600K | \$3.0M |

7. CENTER FOR THE ARTS

The College of Visual and Performing Arts has two operating arms: The Center for the Arts, a professional presenting and producing arts organization and the four academic departments: Art and Visual Technology, Dance, Music, and Theater.

Since October 1990, when the doors to the Concert Hall opened, the mission of the Center for the Arts (CFA) has been to make the arts an intrinsic part of the lives of every George Mason student and area resident. The Center for Arts plays a key role in the cultural vitality of the

Washington Metropolitan region, attracting more than 100,000 patrons each year to performances by local artists and ensembles; community events; student and faculty productions; the award-winning offerings of the Theater of the First Amendment; and our own multi-disciplinary series – Great Performances at Mason.

In its fifteen years of existence, CFA has received national recognition as “a paradigm of educational and community involvement” (Alan Kriegsman, Washington Post critic).

CFA intertwines professional artists throughout the academic life of Mason, reaching arts majors as well as general education students. Nearly all of the artists who appear in the Concert Hall or Theater Space interact with students in the classrooms, master classes, receptions or pre-performance discussions. Fiscal year 2000 marked the inaugural collaboration with the Fairfax Academy of Communication Arts, located at Fairfax High School. CFA presents a season annually of 35-40 professional artist performances in the Concert Hall of classical music, opera, soloists, jazz, classical and modern dance and produces three new plays (54 performances) in the Theater of the First Amendment.

CFA offers 500 free tickets to each CFA event in the Concert Hall and a similar number (25%) in Harris, Theater Space and the Cinema. Each year the Center for the Arts plays to 26,000 Mason students. Even accounting for multiple student users, CFA reaches at least 16-18,000 students per academic year. Students come from all areas of the University, from the Law School in Arlington to all schools, colleges and institutes on the Fairfax campus.

CFA has several major tenants, most notably, the Fairfax Symphony, Washington Ballet, Northern Virginia Youth Orchestra, Virginia Opera, and several military bands/orchestras. Forty thousand K-12 students attend performances at CFA per year. Over 100,000 people attend the Concert Hall and Theater Space annually.

CFA is supported by student fee money, ticket and rental income, concessions, and in the future, increased contributed income. The unit ended FY 2002 with an operating deficit of approximately \$150,000. In FY 2003, with increased ticket revenue generated, the unit ended the year with a balance of \$98,000. For FY 2004 the ticket revenue generated was approximately \$1.4M, the highest since the opening of the facility. The FY 2004 budget included a one-time adjustment of \$250,000 in student fees to support a portion of the planning costs for the Prince William Performing Arts facility.

The projected budget for the Center for the Arts through FY 2010 includes an annual salary increase (2.5%) estimated at \$60,000 (see below):

| FISCAL YEAR | STUDENT FEES | OTHER REVENUE | TOTAL BUDGET |
|---------------|--------------|---------------|--------------|
| 2002 actual | \$3.1M | \$1.9M | \$5.0M |
| 2003 actual | 3.3M | 1.7M | \$5.0M |
| 2004 actual | 3.7M | 1.8M | \$5.5M |
| 2005 estimate | 3.5M | 2.1M | \$5.6M |
| 2006 estimate | 3.7M | 2.3M | \$6.0M |
| 2007 estimate | 3.8M | 2.3M | \$6.1M |
| 2008 estimate | 3.9M | 2.3M | \$6.2M |
| 2009 estimate | 4.9M | 5.5M | \$10.4M |
| 2010 estimate | 4.2M | 5.5M | \$9.7M |

The reason for the large increase in FY09 is due to the anticipated opening of a Performing Arts Center on the University's Prince William Campus. This is a \$40 million project and will feature a tri-party agreement with city and county governments similar to that of the Freedom Center. GMU's portion of debt is expected to be \$900,000. In FY10 the student fee funding is projected to decrease due to the Fairfax Performing Arts Center debt ending.

For FY 2006, the Auxiliary Enterprises Management Council (AEMC) recommends and the University proposes that \$30,000 be set aside for additional funding of faculty directed programs. Additional new one-time funding of \$50,000 has been allocated for consulting services related to the Prince William Community Performing Arts Center.

8. UNIVERSITY LIFE

The projected FY 2006 University Life Activities auxiliary enterprise budget of \$4.6M supports a wide range of activities throughout the University and across all three campuses. These activities are organized to engage students with one another, with faculty, and with the academic enterprise. Insofar as students' intellectual and personal development is tied to broad educational engagement, these out-of-class efforts are a vital part of the institution's outreach. University Life Activities include the following:

Academic Support Programming encompasses lectures, cultural activities, and other educational programs offered throughout the year and during special weeks/months, such as Asian Pacific American Heritage Month, Black History Month, Healthy Relationships Week, Hispanic Heritage Month, Victim's Rights Week, and Women's History Month.

Funding for these programs is disbursed to University Life and academic units through the University Life Programming Committee, which provides oversight and accountability. Programs must be coordinated with course offerings, thus buttressing the curriculum by providing students with access to national and international scholars and civic figures. This funding pool was established in 1997 by merging the program funds of University Life units.

Academic support programming also includes the University's human relations and diversity training programs, which are offered primarily in classes by the Multicultural Research and Resource Center.

With increased, and increasingly diverse, student enrollment, an improving academic profile, and an increasing desire to host nationally known figures, the University will need to move toward systematic augmentation of academic support programming.

Community-Building Social Activities includes activities like Homecoming, Mason Day, Patriot's Day, First Fridays, Johnson Center Cinema, programming in Jazzman's, the Bistro, and Ike's, and social activities sponsored by student organizations. These are especially important given the lack of college venues in the campuses' immediate surrounds, and the increasing number of students living on-campus.

Faculty-Directed Programs have provided student fee funding to programs in debate and forensics (Communication Department), chorus, orchestra, and band (Music Department), University Players (Theater Department), and dance (Dance Department). These programs/classes, organized and taught by instructional faculty, are open to students

irrespective of their major. Sizeable student enrollment in faculty-directed programs testifies to the levels of student interest; competitive, national awards testify to program quality.

In existing faculty-directed programs, student interest exceeds funding abilities. To better match programs to student and faculty interest, in 2006-2010 the University will plan for a phased increase in this area. AEMC has recommended and the University proposes an additional \$20,000 for faculty directed programs in FY06.

Student Organization Funding is disbursed through two student-run organizations. The Student Bar Association (SBA) disburses \$100,000 annually in fee funding to the approximately 40 student organizations and journals in the School of Law. The Student Funding Board (SFB) distributes \$235,000 fee funding to the approximately 150 other student organizations in the University, and sets aside another \$30,000 for graduate student travel requests. In addition to the allocated fee funding, the groups also generate their own revenue.

In 2006-2010, the University will review this budget. This time frame will be an appropriate one in which to evaluate an enrollment-driven formula for student organization funding.

Student Media Programs include the Broadside, five student journals, WGMU radio, and Mason Cable Network. These activities are supported with \$190,000 in fee funding. The remaining budget is Broadside self-generated revenues.

University Life Activities Related Units include all FTE and direct expense in the Student Activities Office, Student Media, Johnson Center and University Life Programs, and a portion of the staffing and direct expenses in Diversity Programs and Services, International Programs and Services, and the Women's Studies Research and Resource Center. Collectively, these are the units most responsible for University Life's community building activities. The office of the Dean of Students is partially fee funded (fee funding supports judicial and honor code activities); the budget analyst for University Life central is fully fee funded.

In 2005-2010, responsive to the growth in overall and residential student enrollment, the University will plan for FTE increases in the offices of Student Activities and the Dean of Students. In the office of Student Activities, oversight of fraternities/sororities and the increasing demands on programming will be addressed through addition of 1.5 FTE (\$80,000 in fee funding toward 1.0 FTE Greek Life Coordinator and .5 Programming Coordinator). In the office of the Dean of Students, .5 FTE (\$44,000) will contribute to the creation of a full-time Associate Dean of Students.

For FY06, Auxiliary Enterprise Management Council (AEMC) recommends and the University proposes that an additional \$181,850 be allocated for University Life programs. This includes \$110,000 for JC/UL programming, \$15,000 to allow movies to be shown on the Arlington and Prince William Campuses, \$5,000 for an Arlington Speaker Series, \$20,000 for the Forensics Faculty Direct program for enhancements, \$25,000 for shared funding between University Life and Athletics to increase student attendance at Athletic events, and \$6,850 for Student Activities for the purchase of a golf cart, a digital camera and software and additional tables for events.

| FISCAL YEAR | STUDENT FEES | OTHER REVENUE | TOTAL BUDGET |
|--------------------|---------------------|----------------------|---------------------|
| 2002 actual | \$2.3M | \$1.1M | \$3.4M |
| 2003 actual | 2.4M | 1.1M | \$3.5M |
| 2004 actual | 2.6M | 1.3M | \$3.9M |
| 2005 estimate | 3.0M | 1.3M | \$4.3M |
| 2006 estimate | 3.3M | 1.3M | \$4.6M |
| 2007 estimate | 3.5M | 1.3M | \$4.8M |
| 2008 estimate | 3.7M | 1.4M | \$5.0M |
| 2009 estimate | 3.9M | 1.4M | \$5.3M |
| 2010 estimate | 4.1M | 1.4M | \$5.5M |

9. PRINT SERVICES

This department provides a variety of printing and photocopying services to the University. The four copy centers, 25 coin/card operated copiers and 129 administrative convenience copiers produce more than 25 million copies per year. The copy centers produced 16.4 million copies, coin/card copiers produced 1.7 million, and the administrative copiers produced 7.3 million copies. A new service provided by Print Services is printing on demand in the computer labs. Last year, 2.7 million copies were produced in the labs. The course material office processes over 950 course packets per semester, with approximately 200 titles requiring copyright permissions. Growth in enrollment and facilities at the Prince William Campus required an increase in the service level at Prince William in FY 2005 and the part-time position was upgraded to full-time.

| FISCAL YEAR | BUDGET | CUMULATIVE FUND BALANCE | COMMENTS |
|--------------------|---------------|--------------------------------|------------------------|
| 2002 actual | \$1,804,100 | \$(219,190) | Actual |
| 2003 actual | \$1,846,000 | \$(134,000) | Actual |
| 2004 actual | \$1,753,000 | \$ (22,000) | Actual |
| 2005 estimate | \$1,763,800 | \$ (12,000) | 2% Incr; 2.5% Sal Incr |
| 2006 estimate | \$1,800,000 | \$0 | 2% Incr; 2.5% Sal Incr |
| 2007 estimate | \$1,822,250 | \$0 | 2% Incr; 2.5% Sal Incr |
| 2008 estimate | \$1,868,600 | \$0 | 2% Incr; 2.5% Sal Incr |
| 2009 estimate | \$1,898,300 | \$0 | 2% Incr; 2.5% Sal Incr |
| 2010 estimate | \$1,946,600 | \$0 | 2% Incr; 2.5% Sal Incr |

10. STUDENT BOARD PLAN

In FY05 approximately 5,500 meal plans were sold (approximately 2,750 per semester) and are expected to generate \$6.2 million in revenue. These meal plans offer the student body with a variety of options, from traditional meal plans (in varying amounts from 10 to 19 meals); to more flexible plans such as the fully declining balance Freedom Plans. With the anticipated campus growth, new on campus dining options in FY06 (Damon's, Chick-fil-A, etc.) and growing popularity among our off-campus partners (Brion's, Papa John's, McDonald's, etc.), the board plan is expected to increase meal plan revenues to \$6.3 million in FY06. Board Plan revenues through FY 2010 are presented below:

| FISCAL YEAR | REVENUE | CUMULATIVE FUND BALANCE | COMMENTS |
|--------------------|----------------|--------------------------------|--------------------------|
| 2002 actual | \$5,100,000 | \$108,700 | Actual |
| 2003 actual | \$5,500,000 | \$134,300 | Actual |
| 2004 actual | \$5,975,000 | \$198,200 | 2% Price; Student Growth |
| 2005 estimate | \$6,200,000 | \$149,200 ** | 2% Price Increase |
| 2006 estimate | \$6,339,200 | \$204,200 | 2% Price Increase |
| 2007 estimate | \$6,466,200 | \$300,000 | 2% Price |
| 2008 estimate | \$7,165,200 | \$400,000 | 2% Price; Housing VII-A |
| 2009 estimate | \$7,878,200 | \$500,000 | 2% Price; Housing VII-B |
| 2010 estimate | \$8,036,200 | \$600,000 | 2% Price |

** The reduction in the cumulative fund balance in FY05 reflects a draw against those funds for replacement of the current offline computer lab printing and on-glass photocopying system with IP-addressable Mason Money readers.

Board plan expenses are at an agreed upon per meal rate with Sodexo, the campus food service operator. The University has made it a point to keep the board plan costs at a reasonable rate, and charge the student only enough to recover costs and maintain a modest reserve. Since the All University Card is the vehicle for the board program, in recent years a significant portion of this reserve (\$150,000 in FY05) has been transferred to the All University Card operation to maintain equipment. As the board plan costs continue to rise, the University has made an effort to identify other sources of funds for All University Card equipment maintenance so that meal plans will remain at a reasonable cost to students. In FY06, the Board Plan transfer to All University Cards is expected to drop over 70% to \$40,000, and there is no current board plan transfer planned after FY06. Board Plan transfers to All University Card are presented below:

| FISCAL YEAR | BALANCE |
|---------------------|----------------|
| FY 2002 (actual) | \$308,800 |
| FY 2003 (actual) | \$91,100 |
| FY 2004 (actual) | \$91,100 |
| FY 2005 (estimated) | \$150,000 |
| FY 2006 (estimated) | \$40,000 |
| FY 2007 (estimated) | \$0 |
| FY 2008 (estimated) | \$0 |
| FY 2009 (estimated) | \$0 |
| FY 2010 (estimated) | \$0 |

11. TELECOMMUNICATIONS

Faculty, Staff, Student Telecomm Support: This activity provides the services to the University for faculty, staff, and student telecommunications. The major activities include faculty and staff local and long distance telecommunications services, student local phones, student data service, student cable TV service, student long distance, the telecommunications

infrastructure project costs, and pay phone services. The operation is funded from chargebacks to student housing and to departments within the University. The room rates paid by students include the amount (\$130 per student) earmarked to cover the cost of the telecommunications for students.

This activity is estimated at \$3.1M in FY 2006. This activity supports the telecommunication and network activity of faculty, staff and students. During 2003 an infrastructure upgrade was begun to address the needs of the campus with the addition of new facilities and in particular the first of two new 500 bed residential halls. The average annual amount for 2.5% salary increases (included below) is \$11,000.

Over the next few years major upgrades will be required to support voice mail and pbx upgrades due to the age of the equipment and expansion of facilities on campus.

| FISCAL YEAR | TELE-COMMUNICATION REVENUE | COMMENTS |
|--------------------|-----------------------------------|--------------------------------|
| 2002 | \$2,800,000 | Actual |
| 2003 | \$2,500,000 | Actual |
| 2004 | \$2,800,000 | Actual |
| 2005 | \$3,080,100 | 2% inflation; 2.5% salary inc. |
| 2006 | \$3,145,700 | 2% inflation; 2.5% salary inc. |
| 2007 | \$3,145,700 | 2% inflation; 2.5% salary inc. |
| 2008 | \$3,245,700 | 2% inflation; 2.5% salary inc. |
| 2009 | \$3,245,700 | 2% inflation; 2.5% salary inc. |
| 2010 | \$3,245,700 | 2% inflation; 2.5% salary inc. |

The Patriot Computers store is a full service computer outlet located on the Fairfax campus. They offer the entire campus community computers and technology selections from Apple, Dell, Microsoft & Adobe (to name a few). The computer store is completely self-supporting, relying on computer, software and other related sales to sustain its budget. The Computer store budget for FY06 is projected to be approximately \$2.4 million. Future budgets (through FY 2010) are presented below:

| FISCAL YEAR | COMPUTER STORE REVENUE | COMMENTS |
|--------------------|-------------------------------|--------------------------------|
| 2002 | \$2.1M | Actual |
| 2003 | \$2.6M | Actual |
| 2004 | \$2.3M | Actual |
| 2005 | \$2.4M | 2% inflation; 2.5% salary inc. |
| 2006 | \$2.4M | 2% inflation; 2.5% salary inc. |
| 2007 | \$2.5M | 2% inflation; 2.5% salary inc. |
| 2008 | \$2.6M | 2% inflation; 2.5% salary inc. |
| 2009 | \$2.7M | 2% inflation; 2.5% salary inc. |
| 2010 | \$2.8M | 2% inflation; 2.5% salary inc. |

Telecommunications Infrastructure: The completion of Phase I of the Infrastructure project provided for electronically linking all areas of the campus through a major telecommunication infrastructure upgrade. An annual student fee allocation covers the debt service for this project. The final year for payment on this debt is FY05. The annual amount of this debt is \$511,700. A next phase of infrastructure development was proposed in the last capital outlay budget but not funded. It is now anticipated that the data center construction project will be submitted in the 2006 – 2008 capital budget proposal. The debt service savings will need to be re-applied to this project beginning in FY 2007. Other infrastructure upgrades will be necessary in the future as facilities are added and student enrollment increases.

12. MISCELLANEOUS

Child Development Center: The Child Development Center at George Mason University opened in September 1992 providing full and part-day childcare services to 15 children from 2-5 years of age in two classrooms. The center now serves 65 (54 FTE) children and has expanded to three classrooms. The center is located in modular buildings in the Patriots Village housing complex. The center serves faculty, staff and student families at the University. This self-sufficient operation has an annual operating budget of approximately \$495,000. The average annual amount for 2.5% salary increases (included below) is \$9,000. The University has received authorization to construct an 8,000 s.f. facility at a total project cost of \$1.8M. Current plans project completion of this project for Fall 2007. Since this new facility is projected to accommodate approximately 100 children, the 2010 Plan for the Child Development Center will be updated during the Summer 2005. This facility is expected to have annual debt service of \$225,000 and additional operating costs of \$100,000. At this time it is projected that increased student enrollment will be able to cover these increases. The activity's budget follows:

| FISCAL YEAR | REVENUE | CUMULATIVE BALANCE | COMMENTS |
|-------------|-----------|--------------------|--|
| 2002 | \$372,200 | \$22,600 | Actual |
| 2003 | \$350,000 | \$(6,000) | Actual |
| 2004 | \$445,800 | \$(22,500) | Actual |
| 2005 | \$475,000 | \$(40,300) | 2% inflation; 2.5% salary inc. |
| 2006 | \$496,200 | \$(40,300) | 2% inflation; 2.5% salary inc. |
| 2007 | \$511,350 | \$(40,300) | 2% inflation; 2.5% salary inc. |
| 2008 | \$851,850 | \$(20,000) | 2% inflation; 2.5% salary inc. (facility \$225K / Ops \$100K) |
| 2009 | \$867,700 | \$0 | 2% inflation; 2.5% salary inc. |
| 2010 | \$883,900 | \$20,000 | 2% inflation; 2.5% salary inc. |

For FY 2004 (\$18k - one time) and FY 2005 (\$5k - on-going), The University allocated a total of \$23,000 for special renovations for the CDC facilities. These renovations are intended to keep the facilities in good condition until the new building is ready.

Facility Reserves: Good business practices as well as state guidelines require Auxiliary Enterprises to develop reserves for its facilities. As major repair and renovation needs become apparent, this fund will be available to correct these problems. The size of the facility reserve is related to the Commonwealth building maintenance formulas. The facilities that are currently accumulating reserves are the Student Union buildings, Johnson Center, Fairfax Fieldhouse, Patriot Center, Fairfax Aquatic Center, Housing, and the Center for the Arts. The FY 2006 budget provides for a Student Fee allocation for facility reserve allocation of \$900,000 as well as a Housing self-generated contribution of ~\$1.0M. These various operations draw upon the facility reserve balances to fund specific major repair and renovation work. For purposes of this document, it is assumed that no funds are drawn from the accounts during the period. The facility reserve balance projections are as follows:

12. UNIVERSITY SERVICES CENTRAL

This includes a variety of operations including the activities of the Office of University Services Administration, All University Card Office/Photo ID, Indirect Cost, Interest Income, Campus Police Cadets, and University Scholars Program. The following paragraphs describe each cost center.

Office of University Services Administration: Provides central management oversight and guidance of most auxiliary enterprises including services such as Print Services, Student Unions, Johnson Center, Hemlock Overlook, and contracted services such as the Bookstore, Food Service, Mail Services, Parking Services, Patriot Center, Housing, etc. The office also collaborates with other University offices such as University Life, Academic Affairs, Operational Services, and Physical Plant on programs of common interest. Approximate total contract employees are 239 full-time, 375 part-time, and 156 student employees. The average annual amount for 2.5% salary increases for GMU employees (included below) is \$15,000.

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$431.0K | \$ 7.8K | \$438.8K |
| 2003 actual | 398.8K | 7.2K | \$406.0K |
| 2004 actual | 531.3K | 14.8K | \$546.1K |
| 2005 estimate | 754.0K | - 0 - | \$754.0K |
| 2006 estimate | 867.2K | - 0 - | \$772.2K |
| 2007 estimate | 893.1K | - 0 - | \$806.0K |
| 2008 estimate | 919.0K | - 0 - | \$832.0K |
| 2009 estimate | 944.9K | - 0 - | \$855.0K |
| 2010 estimate | 970.8K | - 0 - | \$884.0K |

All University Card Office/Photo ID: The All University Card Office (AUCS) provides management and administrative oversight for the Mason Money system and Photo ID. This operation is funded with Student Fees, revenue from passport photos and ID replacement, and a transfer of funds from the Student Board Plan.

The AUCS budget will continue to be funded from self-generated revenue of \$28,000; and student fees of \$370,000. Beginning in 2006 the University will work to ease the need for board plan transfers by giving additional equipment funding. The board plan transfer is anticipated to decrease from \$150,000 in FY05 to \$40,000 in FY06.

The projected AUCS budget through FY 2008 is as shown below:

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$191.3K | \$327.6K | \$518.9K |
| 2003 actual | 191.3K | 108.2K | \$299.5K |
| 2004 actual | 195.1K | 97.5K | \$292.6K |
| 2005 estimate | 206.5K | 28.0K | \$234.5K |
| 2006 estimate | 370.0K | 68.0K | \$438.0K |
| 2007 estimate | 376.5K | 68.0K | \$444.5K |
| 2008 estimate | 393.1K | 68.0K | \$461.1K |
| 2009 estimate | 410.0K | 68.0K | \$478.0K |
| 2010 estimate | 427.3K | 68.0K | \$495.3K |

Indirect Cost: This is the payment made to Educational & General programs for the support services provided to Auxiliary Enterprises and is formula-driven, based on Commonwealth guidelines. This is an expense to the Auxiliary Enterprises, and currently the source of funds for paying this indirect cost assessment is the Auxiliary Enterprise interest income as well as a student fee allocation. The current ratio is approximately 25% interest income and 75% student fees. Projected indirect cost estimate through FY 2008 is shown below.

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$1.6M | \$0.7M | \$2.3M |
| 2003 actual | 2.5M ** | 0.8M | \$3.3M |
| 2004 actual | 1.9M | 0.4M | \$2.3M |
| 2005 estimate | 2.6M ** | 0.8M | \$3.4M |
| 2006 estimate | 2.6M | 0.9M | \$3.5M |
| 2007 estimate | 2.7M | 0.9M | \$3.6M |
| 2008 estimate | 2.9M | 0.9M | \$3.8M |
| 2009 estimate | 3.0M | 0.9M | \$3.9M |
| 2010 estimate | 3.1M | 0.9M | \$4.0M |

**** Allocation increase was approved to Indirect Cost to eliminate an accumulated deficit.**

Interest Income: Auxiliary Enterprise interest income is the interest earned on the locally generated funds that are held by the Commonwealth over the course of the year. Interest income for the 4th quarter of FY02 and FY03 was retained by the Commonwealth. Initially, the earnings for the 4th quarter of FY04 were also retained by the Commonwealth. Those 4th quarter funds for FY04 have since been allocated to the agencies as earned and are reflected in FY05 revenues. In all subsequent years it is projected that George Mason University will retain interest income for all twelve months of each fiscal year. The University uses the interest income to partially pay the indirect cost charge assessed for E&G support. The interest income estimates are as follows:

| FISCAL YEAR | INTEREST INCOME |
|---------------|-----------------|
| 2002 actual | \$700,223 |
| 2003 actual | \$807,403 |
| 2004 actual | \$420,000 |
| 2005 estimate | \$800,000 |
| 2006 estimate | \$900,000 |
| 2007 estimate | \$1,000,000 |
| 2008 estimate | \$1,100,000 |
| 2009 estimate | \$1,200,000 |
| 2010 estimate | \$1,300,000 |

Campus Police Cadet Corps: This program is managed by the University Police Department and includes the funding for a pedestrian escort service. This service is staffed with George Mason University students who escort anyone who wishes to be accompanied to their car, buses, classrooms and residences. In addition they oversee the various Call boxes on campus, buildings, and parking lots and bring to the attention of the Police any suspicious

matter. This operation is responsible for making presentations to student groups and organizations on Campus Safety. Their modus operandi is on foot, by bicycle or by car. The average annual amount for 2.5% salary increases (included below) is \$2,000. The annual operating projections are as follows:

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$ 53.2K | \$4.6K | \$57.8K |
| 2003 actual | 53.2K | - 0 - | \$53.2K |
| 2004 actual | 53.2K | - 0 - | \$53.2K |
| 2005 estimate | 80.3K | - 0 - | \$80.3K |
| 2006 estimate | 95.3K | - 0 - | \$95.3K |
| 2007 estimate | 100.4K | - 0 - | \$100.4K |
| 2008 estimate | 105.6K | - 0 - | \$105.6K |
| 2009 estimate | 110.9K | - 0 - | \$110.9K |
| 2010 estimate | 116.3K | - 0 - | \$116.3K |

For FY 2006 the Auxiliary Enterprises Management Council (AEMC) recommended and the University provided an allocation of \$12,600 to support student support within the Police operation to provide student cadets at some University events.

University Scholars: The University is committed to attracting and admitting outstanding students and supporting them through merit scholarships. Several years ago the University embarked on a University scholar program with the anticipation of funding the scholarships from endowment funds generated from a capital campaign. The University has been unsuccessful in raising sufficient funds to have a direct source of funds to cover these scholarships. Over the last few years the program has been funded from various sources of revenues such as self-generated revenues from the beverage contract, miscellaneous commission, and student fee support. This program is administered by the Admissions Office and Provost's Office. The program has been restructured and reduced to a scholarship level of \$5,000 per student and 26 - 28 students admitted per year, or an average of 104 - 112 at any point in time. This program has not been expanded in recent years and is not projected to expand unless external funds can be generated to cover these scholarships. The annual operating budget is \$610,000. Of this total budget, \$530,000 is supported from Auxiliary Enterprises and \$80,000 is supported from Educational & General operations.

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$235.0K | \$163.8K | \$398.8K |
| 2003 actual | 235.0K | 174.6K | \$409.6K |
| 2004 actual | 265.0K | 162.0K | \$427.0K |
| 2005 estimate | 295.0K | 205.0K | \$500.0K |
| 2006 estimate | 325.0K | 205.0K | \$530.0K |
| 2007 estimate | 355.0K | 205.0K | \$560.0K |
| 2008 estimate | 385.0K | 205.0K | \$590.0K |
| 2009 estimate | 415.0K | 205.0K | \$620.0K |
| 2010 estimate | 445.0K | 205.0K | \$650.0K |

Miscellaneous Summary:

The total projected budget for these miscellaneous and central Auxiliary Enterprise activities in FY 2006 is approximately \$7.0M. The expense budgets are as shown below:

| MISCELLANEOUS | |
|---|--------------------|
| | FY 2006 |
| Child Development Center | \$ 496,200 |
| University Services Administration | 867,200 |
| Warehouse Rental/Debt Service | 237,100 |
| All University Card System | 438,000 |
| Indirect Cost (Student Fee Portion) | 2,635,000 |
| Indirect Cost (Interest Income Portion) | 900,000 |
| Campus Police Cadets | 95,300 |
| University Scholars | 530,000 |
| SUBTOTAL | \$6,198,800 |
| | |
| Annual Facility Reserve | 900,000 |
| | |
| TOTAL MISCELLANEOUS | \$7,098,800 |

These budgets are supported with \$5.2M of student fees and \$1.9M of other revenue. The revenue budgets for these activities are summarized in the following table:

| FISCAL YEAR | STUDENT FEE | OTHER REVENUE | TOTAL BUDGET |
|---------------|-------------|---------------|--------------|
| 2002 actual | \$3.2M | \$3.1M | \$6.3M |
| 2003 actual | 4.3M | 2.6M | \$6.9M |
| 2004 actual | 6.2M ** | 1.8M | \$8.0M |
| 2005 estimate | 5.5M ** | 1.8M | \$7.3M |
| 2006 estimate | 5.2M | 1.9M | \$7.1M |
| 2007 estimate | 5.4M | 1.9M | \$7.3M |
| 2008 estimate | 5.6M | 1.9M | \$7.4M |
| 2009 estimate | 5.8M | 2.0M | \$7.8M |
| 2010 estimate | 6.0M | 2.0M | \$8.0M |

** In FY 2004, Auxiliary Enterprise Central Reserves made a contribution to the Educational & General budget reduction effort in the amount of \$2.35M. In FY 2005, Auxiliary Enterprise Central Reserves made a contribution to the Educational & General budget reduction effort in the amount of \$1.35M. This contribution does not continue beyond FY 2005.

George Mason University
Auxiliary Enterprises Projected Annual Budget through FY 2010

| Unit | 2005 | | | 2006 | | | 2007 | | | 2008 | | | 2009 * | | | 2010 | | |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|--------------------|
| | Fees | SGR | Total | Fees | SGR | Total | Fees | SGR | Total | Fees | SGR | Total | Fees | SGR | Total | Fees | SGR | Total |
| Housing | - | 13,985,000 | 13,985,000 | - | 14,387,200 | 14,387,200 | - | 14,828,200 | 14,828,200 | - | 17,588,200 | 17,588,200 | - | 20,800,200 | 20,800,200 | - | 21,320,200 | 21,320,200 |
| Campus Access | 112,000 | 5,759,800 | 5,871,800 | 112,000 | 6,331,600 | 6,443,600 | 112,000 | 6,436,391 | 6,548,391 | 112,000 | 6,583,391 | 6,695,391 | 112,000 | 9,239,391 | 9,351,391 | 112,000 | 9,351,891 | 9,463,891 |
| Unions/JC | 3,098,600 | 2,548,500 | 5,647,100 | 3,330,600 | 2,962,500 | 6,293,100 | 3,416,250 | 3,008,850 | 6,425,100 | 4,354,950 | 3,316,250 | 7,671,200 | 5,859,700 | 3,614,700 | 9,474,400 | 5,951,550 | 3,664,250 | 9,615,800 |
| Print Service | - | 1,800,000 | 1,800,000 | - | 1,800,000 | 1,800,000 | - | 1,822,500 | 1,822,500 | - | 1,868,600 | 1,868,600 | - | 1,898,300 | 1,898,300 | - | 1,946,600 | 1,946,600 |
| Student Board | - | 5,969,300 | 5,969,300 | - | 6,339,200 | 6,339,200 | - | 6,466,200 | 6,466,200 | - | 7,165,200 | 7,165,200 | - | 7,878,200 | 7,878,200 | - | 8,036,200 | 8,036,200 |
| CDC | 5,000 | 470,000 | 475,000 | 5,000 | 491,200 | 496,200 | 5,000 | 506,350 | 511,350 | 5,000 | 846,850 | 851,850 | 5,000 | 862,700 | 867,700 | 5,000 | 878,900 | 883,900 |
| University Services | 1,146,900 | 290,521 | 1,437,421 | 1,332,488 | 305,100 | 1,637,588 | 1,369,988 | 327,100 | 1,697,088 | 1,417,688 | 327,300 | 1,744,988 | 1,465,813 | 354,900 | 1,820,713 | 1,514,413 | 356,650 | 1,871,063 |
| Athletics | 7,334,600 | 2,250,000 | 9,584,600 | 7,812,480 | 2,460,820 | 10,273,300 | 7,984,230 | 2,514,570 | 10,498,800 | 8,160,080 | 2,569,420 | 10,729,500 | 8,340,030 | 2,625,370 | 10,965,400 | 8,524,180 | 2,682,420 | 11,206,600 |
| Rec Sports Facilities | 4,783,142 | 7,570,279 | 12,353,421 | 4,624,070 | 7,812,430 | 12,436,500 | 4,945,020 | 7,988,680 | 12,933,700 | 5,458,670 | 8,315,730 | 13,774,400 | 8,005,370 | 8,495,830 | 16,501,200 | 8,159,470 | 9,183,730 | 17,343,200 |
| Patriot Center Savings | - | - | - | 1,042,600 | - | 1,042,600 | 689,000 | - | 689,000 | 689,000 | - | 689,000 | - | - | - | - | - | - |
| Student Health | 1,367,100 | 589,900 | 1,957,000 | 1,565,700 | 594,400 | 2,160,100 | 1,765,700 | 594,400 | 2,360,100 | 1,965,700 | 594,400 | 2,560,100 | 2,165,700 | 594,400 | 2,760,100 | 2,365,700 | 594,400 | 2,960,100 |
| University Life | 3,006,200 | 1,288,600 | 4,294,800 | 3,344,123 | 1,310,550 | 4,654,673 | 3,497,323 | 1,342,157 | 4,839,480 | 3,682,523 | 1,374,457 | 5,056,980 | 3,869,773 | 1,407,507 | 5,277,280 | 4,059,173 | 1,441,307 | 5,500,480 |
| CVPA | 3,554,900 | 2,080,000 | 5,634,900 | 3,711,300 | 2,244,300 | 5,955,600 | 3,836,800 | 2,284,600 | 6,121,400 | 3,934,600 | 2,325,800 | 6,260,400 | 4,934,750 | 5,461,950 | 10,396,700 | 4,169,350 | 5,505,050 | 9,674,400 |
| Telecom | - | 3,080,100 | 3,080,100 | 65,600 | 3,080,100 | 3,145,700 | 65,600 | 3,080,100 | 3,145,700 | 65,600 | 3,180,100 | 3,245,700 | 65,600 | 3,180,100 | 3,245,700 | 65,600 | 3,180,100 | 3,245,700 |
| Telecom Infrastruct. | 511,700 | - | 511,700 | - | - | - | 600,000 | - | 600,000 | 600,000 | - | 600,000 | 600,000 | - | 600,000 | 600,000 | - | 600,000 |
| Computer Store | - | 2,400,000 | 2,400,000 | - | 2,400,000 | 2,400,000 | - | 2,500,000 | 2,500,000 | - | 2,600,000 | 2,600,000 | - | 2,700,000 | 2,700,000 | - | 2,800,000 | 2,800,000 |
| Facility Reserves | 950,000 | - | 950,000 | 900,000 | - | 900,000 | 900,000 | - | 900,000 | 900,000 | - | 900,000 | 900,000 | - | 900,000 | 900,000 | - | 900,000 |
| Indirect Cost | 1,900,000 | 800,000 | 2,700,000 | 2,635,000 | 900,000 | 3,535,000 | 2,741,100 | 900,000 | 3,641,100 | 2,850,300 | 900,000 | 3,750,300 | 2,962,800 | 900,000 | 3,862,800 | 3,078,700 | 900,000 | 3,978,700 |
| University Scholars | 295,000 | 205,000 | 500,000 | 325,000 | 205,000 | 530,000 | 355,000 | 205,000 | 560,000 | 385,000 | 205,000 | 590,000 | 415,000 | 205,000 | 620,000 | 445,000 | 205,000 | 650,000 |
| Salary Increases | 173,300 | - | 173,300 | 178,800 | - | 178,800 | 184,200 | - | 184,200 | 189,700 | - | 189,700 | 195,400 | - | 195,400 | 201,300 | - | 201,300 |
| Utilities & Equipment | 400,000 | - | 400,000 | 450,000 | - | 450,000 | 600,000 | - | 600,000 | 750,000 | - | 750,000 | 900,000 | - | 900,000 | 1,050,000 | - | 1,050,000 |
| AE Central Initiatives | - | - | - | - | - | - | 750,000 | - | 750,000 | 1,000,000 | - | 1,000,000 | 1,250,000 | - | 1,250,000 | 1,500,000 | - | 1,500,000 |
| AE Contrib. To E&G | 1,350,000 | - | 1,350,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | 250,000 | - | 250,000 | 300,000 | - | 300,000 | 350,000 | - | 350,000 | 400,000 | - | 400,000 | 450,000 | - | 450,000 |
| Fairfax Surge Space | - | - | - | - | - | - | - | - | - | - | 926,100 | 926,100 | - | 926,100 | 926,100 | - | 926,100 | 926,100 |
| TOTALS | 29,988,442 | 51,087,000 | 81,075,442 | 31,684,761 | 53,624,400 | 85,309,161 | 34,117,211 | 54,805,098 | 88,922,309 | 36,870,811 | 60,686,798 | 97,557,609 | 42,446,936 | 71,144,648 | 113,591,584 | 43,151,436 | 72,972,798 | 116,124,234 |

| | | | | | | | | | | | |
|------------------------------|-------------------|--|-------------------|--|-------------------|--|-------------------|--|--------------------|--|--------------------|
| Fee Revenue | 31,136,000 | | 32,809,000 | | 34,512,000 | | 36,247,000 | | 38,013,000 | | 39,810,000 |
| Unalloc. Central Res. | 1,147,558 | | 1,124,239 | | 394,789 | | (623,811) | | (4,433,936) | | (3,341,436) |
| Cum. Ending Bal | 3,687,086 | | 4,811,325 | | 5,206,114 | | 4,582,303 | | 148,367 | | (3,193,069) |
| Fee Inc. Amount | \$ 48 | | \$ 60 | | \$ 60 | | \$ 60 | | \$ 60 | | \$ 60 |

* The University is currently considering three (3) capital projects that are being reviewed for financial feasibility. If these three projects (Performing Arts Center on the Prince William (PW) Campus, a Student Union on the PW Campus, and the renovation of the Fairfax PE Building) proceed as currently planned their collective debt service obligations and operating expenses would commence in FY 09. Since only limited facility-specific, self-generated revenue is currently being projected, these three projects would cause a substantial current year deficit in FY 09, which would continue in succeeding years. A decision to proceed with these projects will require a closer review of self-generated revenue opportunities, as well as the need to re-assess planned student fee increases.