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Research Council

November 11, 2015

A G E N D A

- Financial Framework and New Financial Model
- First Phase of Budget Model / Educational & General Fund
- Mason's Ten Year Strategic Plan
- Research Initiatives:
Accomplishments to date and initiatives in the works
- Next Steps

Why a New Model



The current model worked when State support was at higher levels



Since State support is limited, creating incentives for new revenue sources is a priority

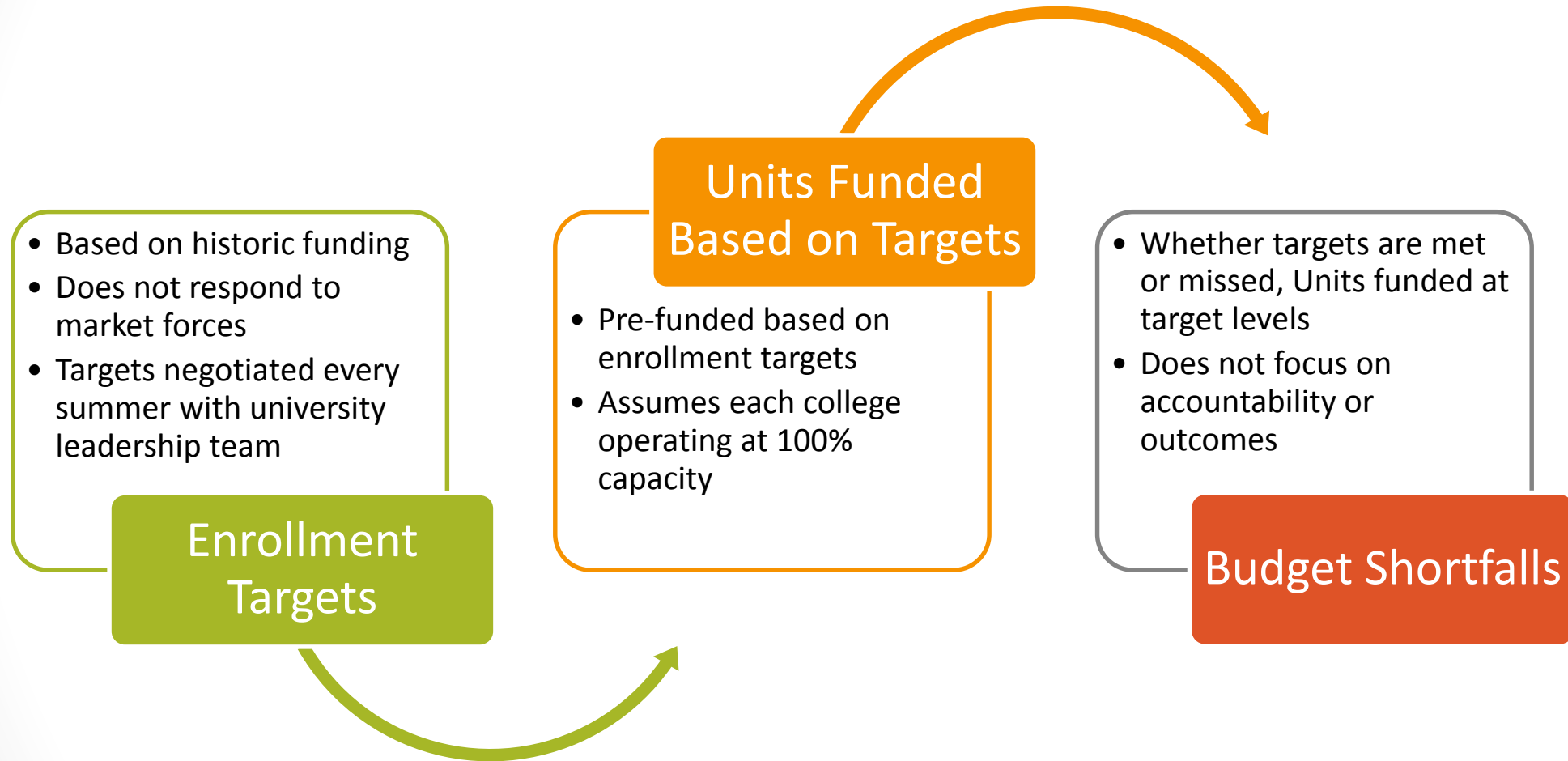


Changing landscape: new student and marketplace demands



Need for consistent cost control, accountability and transparency

Current Model: Marginal Cost



Resource Allocation Challenges

- “Trying to be everything to everyone.”

CLEAR FUNDING PRIORITIES



- Maintain “can do” culture with financial accountability

TRANSPARENT FUNDING DECISIONS

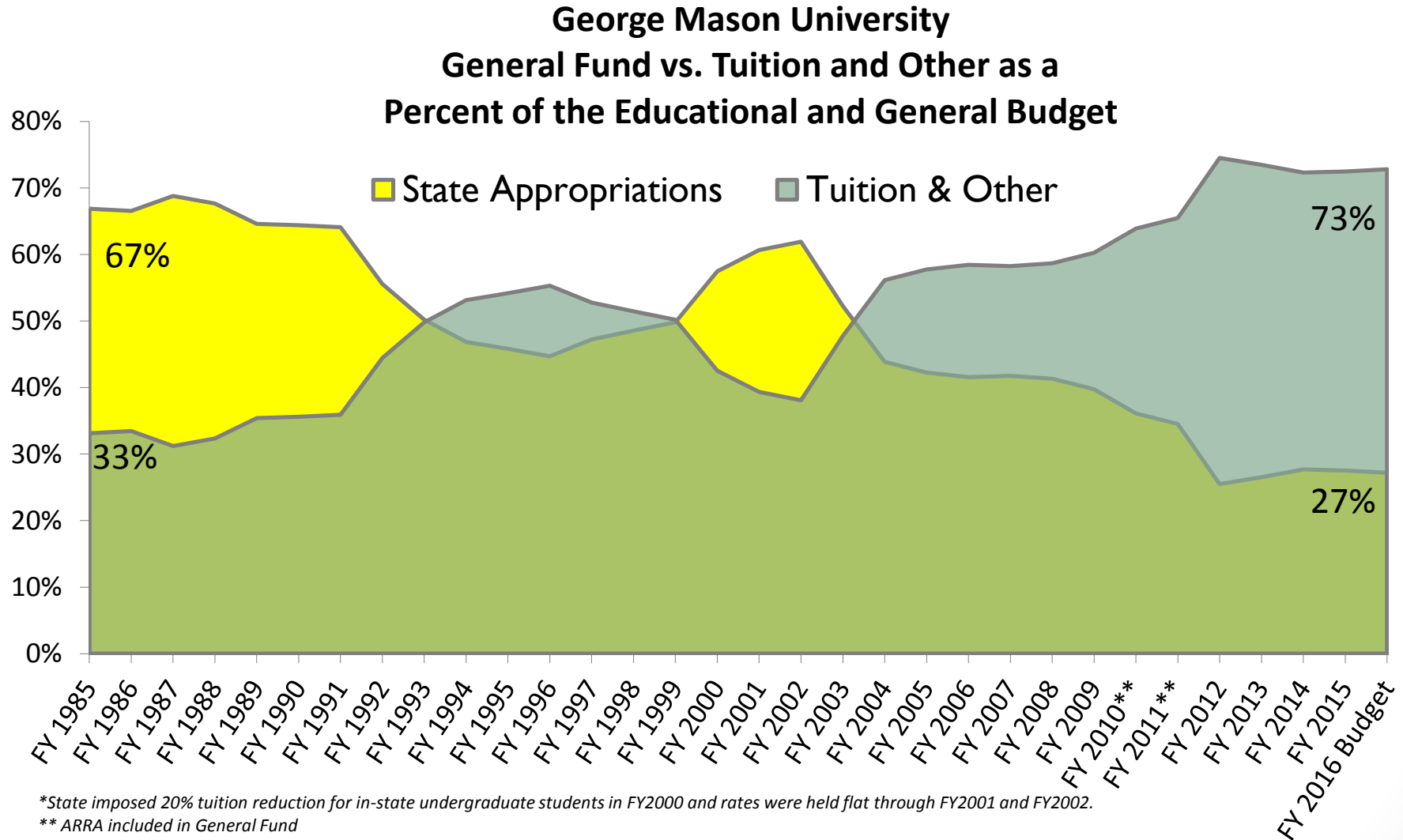
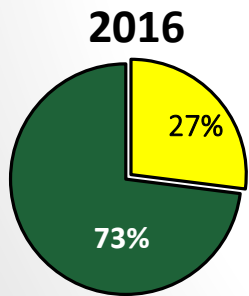
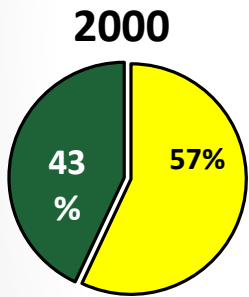
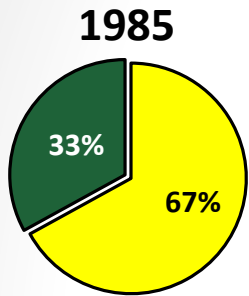


- Lack of management tools to make informed decisions

DATA/SYSTEM INTEGRATION



Diminishing Commonwealth Support



Determine Enrollment Revenue Goals

In-State Undergrad (# x \$) = **A**

Out-of-State Undergrad (# x \$) = **B**

In-State Grad (# x \$) = **C**

Out-of-State Grad (# x \$) = **D**

In-State Law (# x \$) = **E**

Out-of-State Law (# x \$) = **F**

Adjustments (# x \$) = **G**

A + B + C + D + E + F + G = Tuition Revenue

Undergrad - Key (Freshman, Transfers, **Retention**)

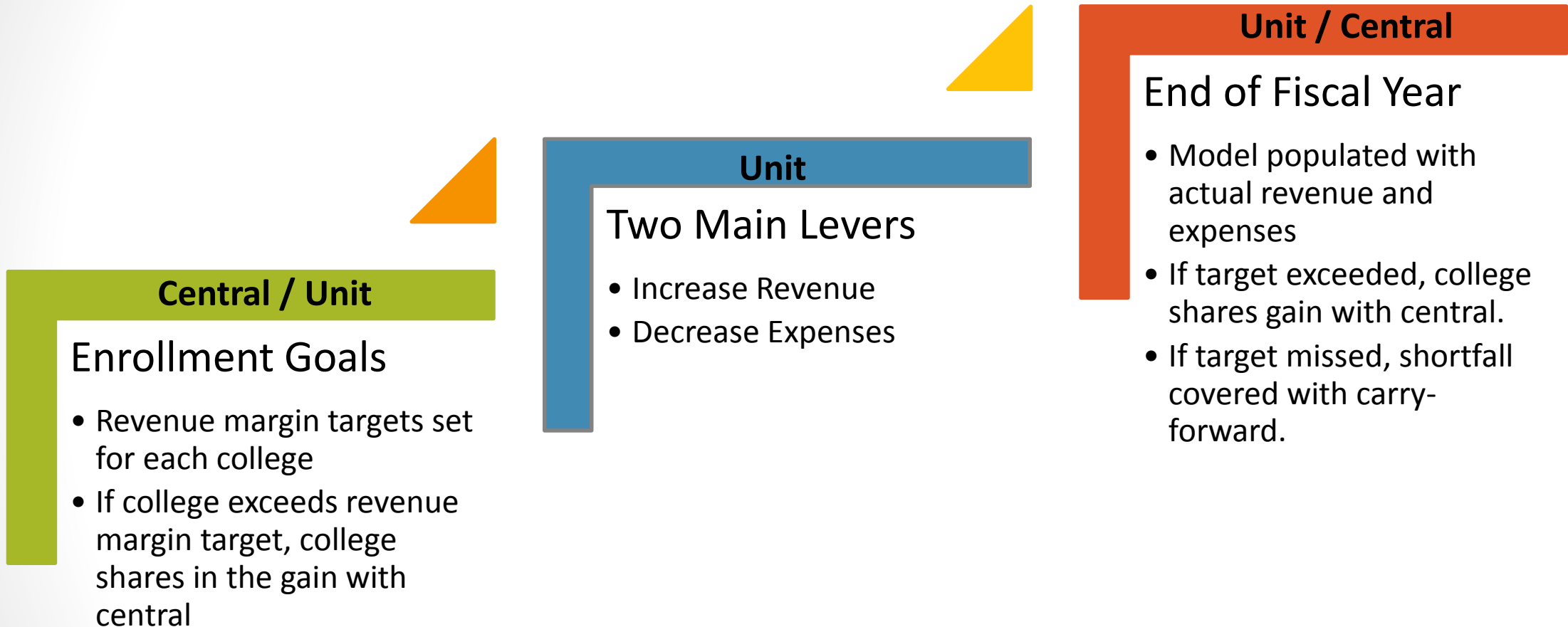
Grad – Key (New, **Retention**)

****A miss in any of the variables has large budget implications****

Near-Term Financial Priorities

- Optimize graduate enrollment (FTEs, retention, discounting, and in/out-of-state mix)
- Optimize undergraduate enrollment (FTEs, retention, discounting, transfers, and in/out-of-state mix)
- Create a new strategy for online education

NEW: Mason Incentive Model



FY 2016 Revenue Budget \$977.6M

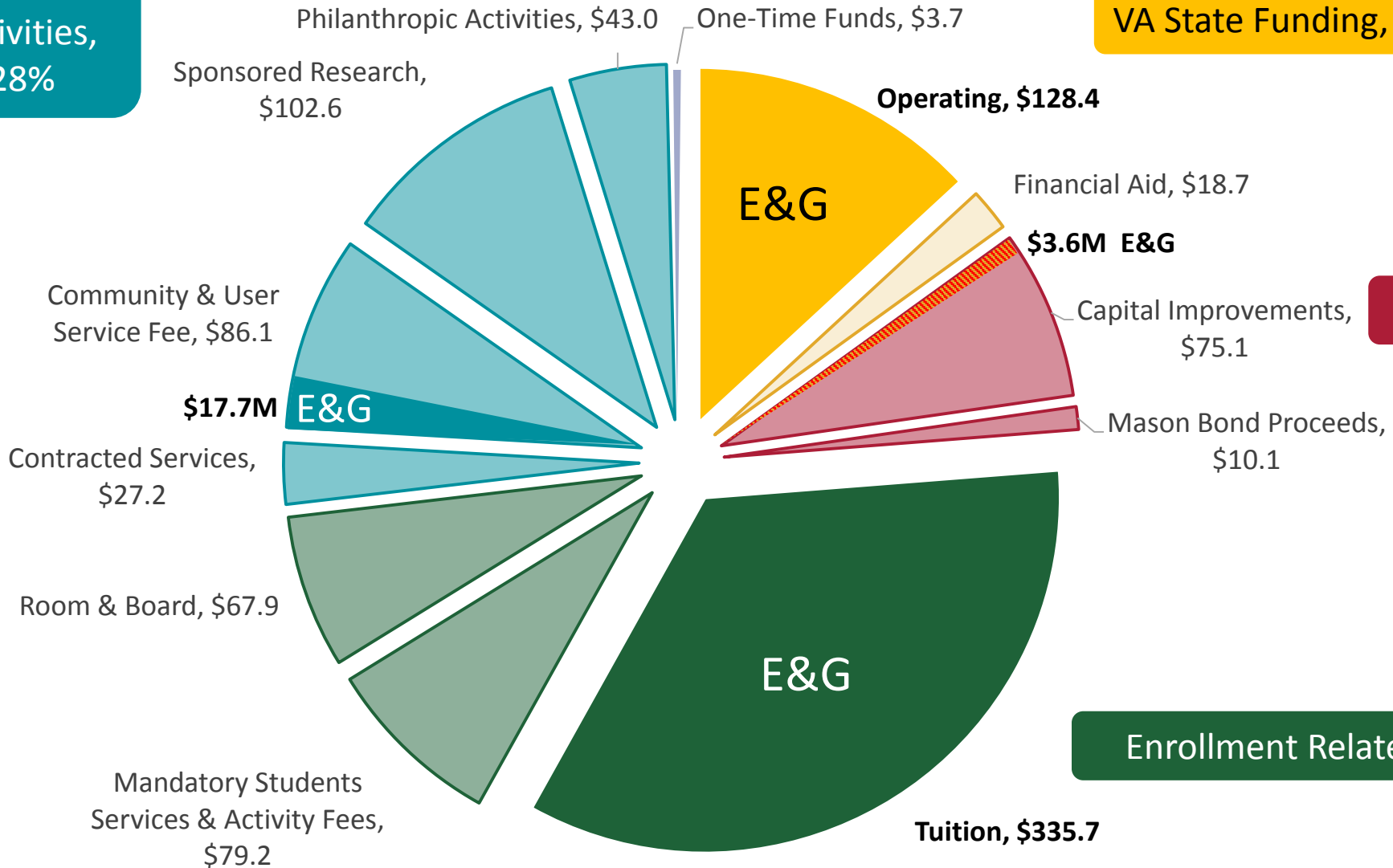
Focus on
E&G Funds \$485.4M

All Other
Activities,
28%

VA State Funding, 23%

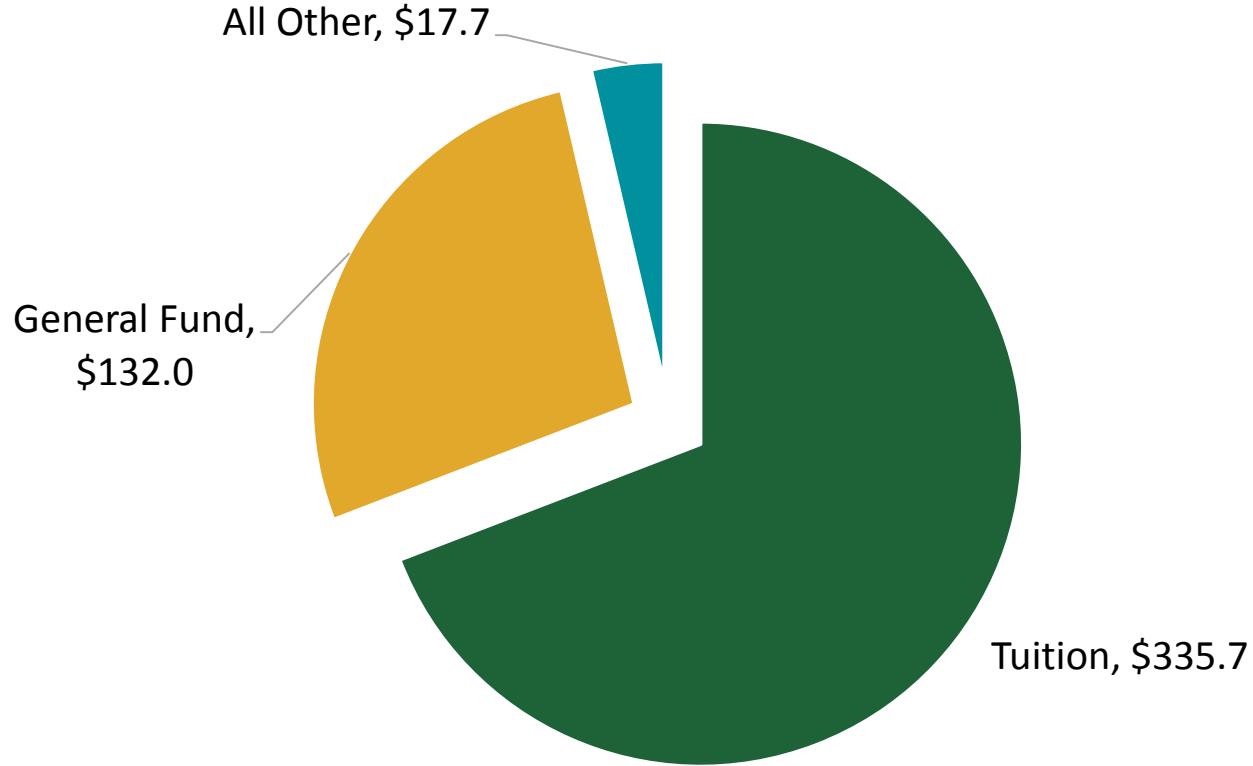
Capital

Enrollment Related Fees, 49%



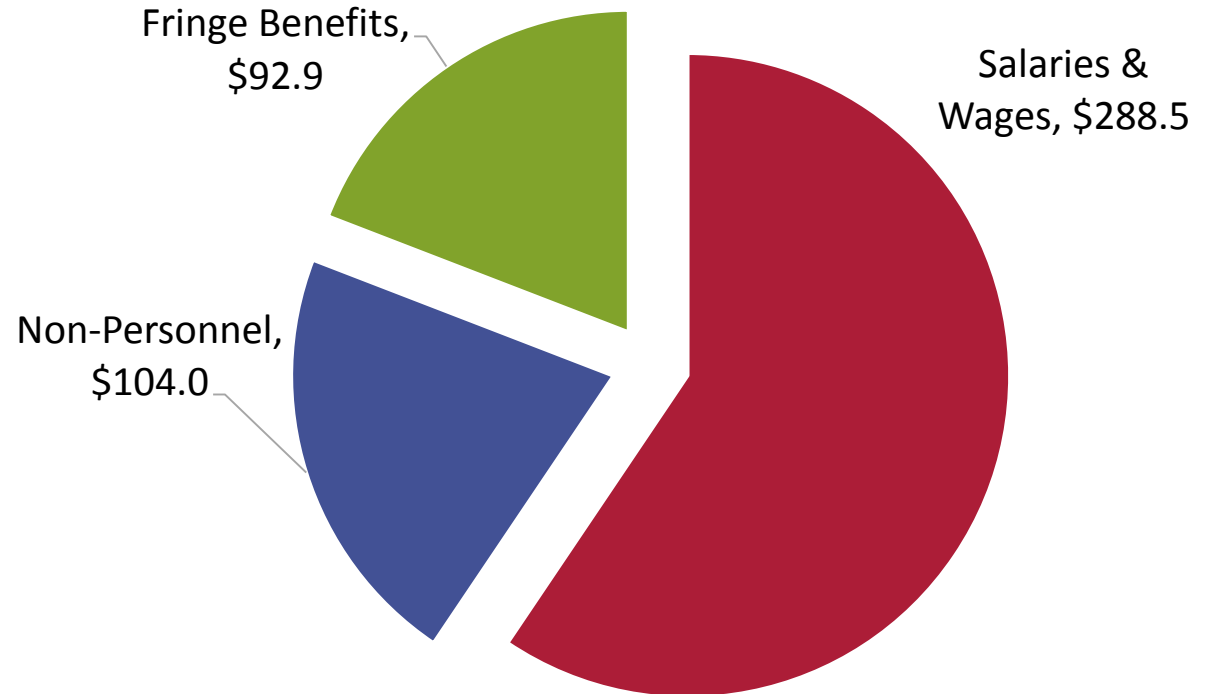
FY 2016 Educational & General Budget \$485.4M

Source of Funds



■ Tuition ■ General Fund ■ All Other

Use of Funds

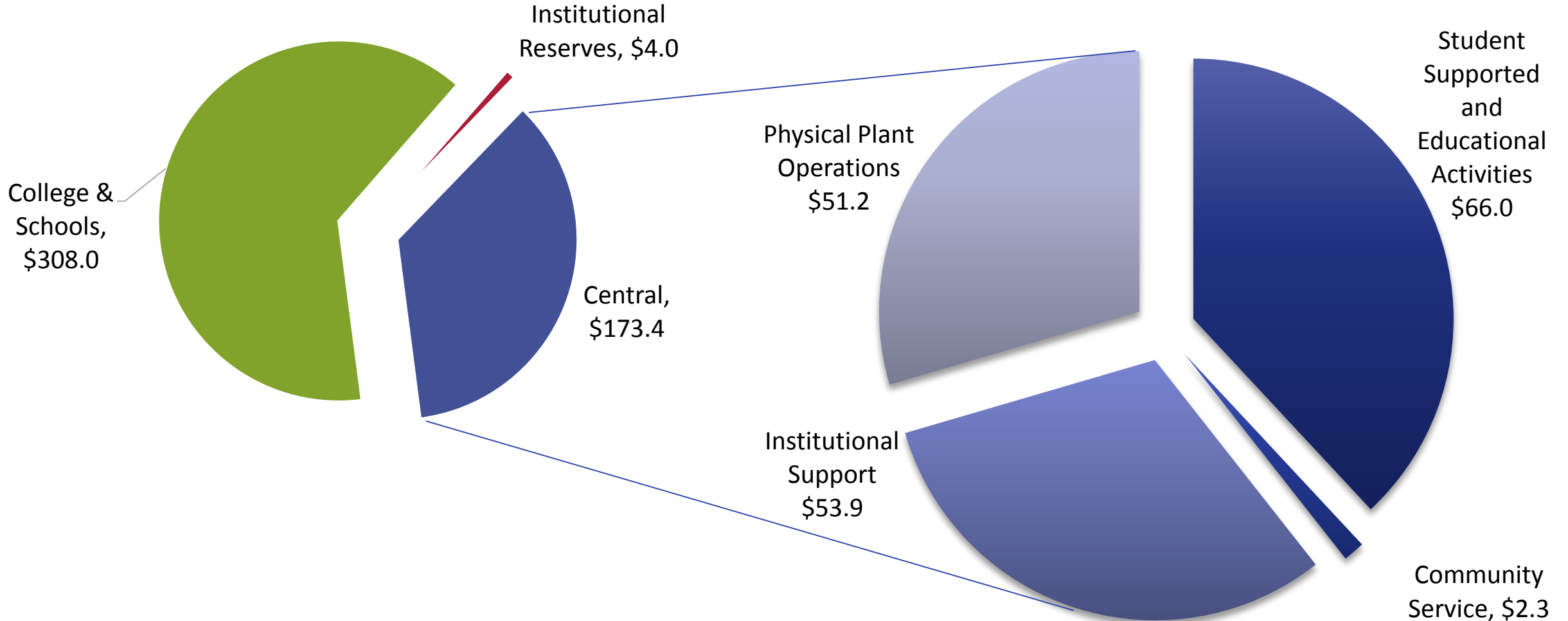


■ Salaries & Wages ■ Non-Personnel ■ Fringe Benefits

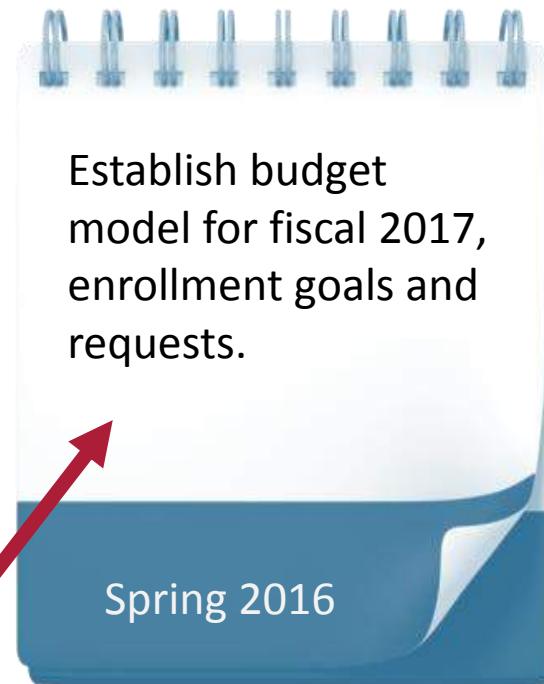
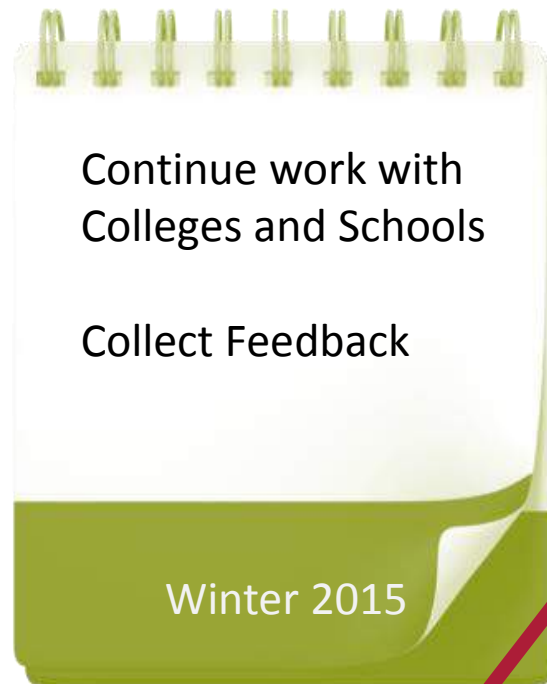
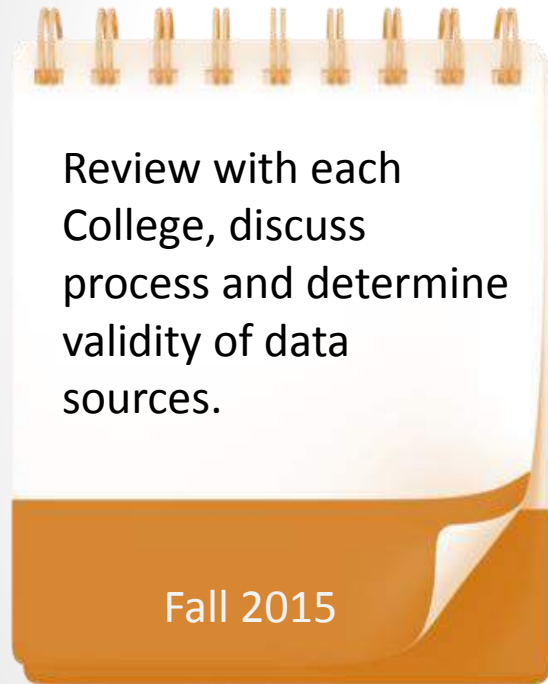
FY 2016 Educational & General Budget \$485.4M

College & Schools / Non-College

■ Central ■ College & Schools ■ Institutional Reserves



Budget Model Timeline



Create a university working group to analyze indirect cost model.

Research

Short-Term Initiatives and Accomplishments



- FY 2016 Budget (included 1.0M in research investment)
- Inaugural multi-disciplinary research symposium focused on Health
- Administration \$0.5M to fund interdisciplinary research “seed” grants
- Completed construction of a \$47M and \$75K square foot Biomedical Research Institute

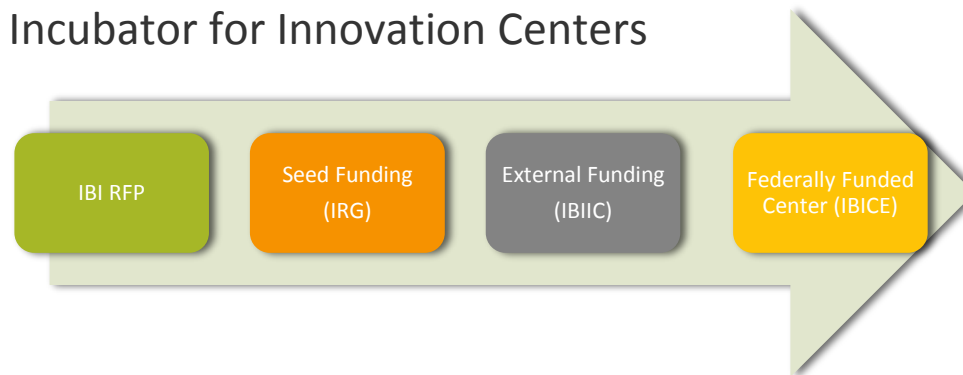
FY 2016 in the works

- Working to form a comprehensive research partnership with Inova Health System
- Officially requested initial state funding at \$3.5M, and then at \$4M per year to launch the Institute for Biomedical Innovation (IBI)
- Establish a university-wide indirect cost recovery group to analyze the financial model.
- Second multi-disciplinary research symposium focused on security





- To maximize the impact on human health through market innovation
- To mobilize universities, hospitals, and business/innovation leaders in Northern Virginia to work collaboratively for research, entrepreneurship, and job creation; and
- To support the Commonwealth's initiatives for strategic job growth and regional collaboration
- Incubator for Innovation Centers





QUESTIONS?