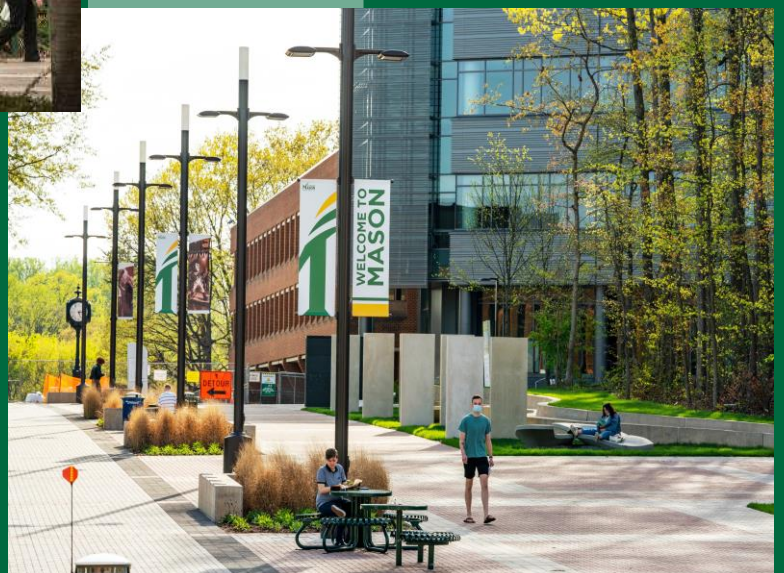




2022-2023 BUDGET EXECUTIVE SUMMARY



Office of Strategic Budgeting and Planning

George Mason University

FY 2023 Budget

Executive Summary

Table of Contents

OVERVIEW.....	3
Budget Highlights	4
AMENDED BUDGET – All Funds	9
Amended Budget – All Funds P&L	10
Revenue Budget Details – All Funds	11
Expense Budget Details – All Funds	12
EDUCATION AND GENERAL (E&G)	13
E&G Budget by Unit	14
E&G Budget by Program	15
GMU Foundation	16
AUXILIARY ENTERPRISES (AE)	17
AE Source of Funds	18
AE Budget by Unit	19
FINANCIAL AID	20
SPONSORED RESEARCH.....	23
CAPITAL PLAN AND DEBT SERVICE	28
Capital Plan – FY23 Projects	29
Debt Service Schedule	34
APPENDIX.....	35
Tuition & Fees Rates	36
Mandatory Student Fees	38

OVERVIEW

Budget Highlights

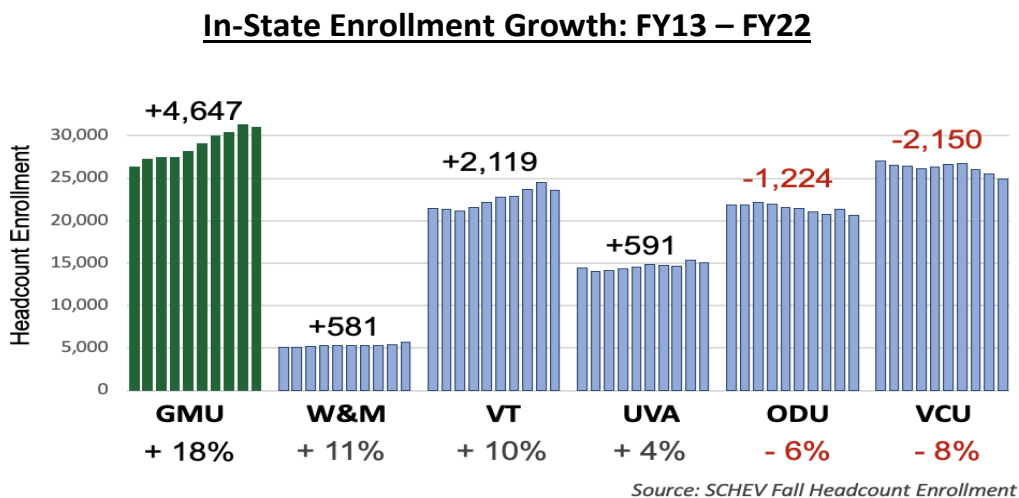
Overview

Mason had remarkable achievements during its fifty years. We are the largest Virginia public university with the highest enrollment and the most diverse student body. We have also exhibited excellent stewardship of Commonwealth resources. Mason faces unique challenges among Commonwealth higher education universities. Historically, we have received significantly lower appropriations than most of our peers, while operating in the most competitive market and driving the majority of enrollment growth in Virginia. Mason operates with the lowest State support per in-state resident student and our in-state undergraduate tuition rate is fifth lowest of the six Virginia doctoral institutions. We have demonstrated our efficiency and done more with less. As a result, Mason’s current operating environment is lean and efficient; however, it is not sustainable without additional investment to address our significant funding shortfalls for competitive compensation, inflation and contract escalation expenditures.

In partnership with the State, we are working towards building a sustainable funding model that balances our commitment to student access and affordability, academic and research excellence and expanding economic development for the State and region. It is indeed “Mason’s time” and we need to have the resources to be able to thrive and innovate.

Mason Drives Virginia Enrollment Growth

Mason is among the fastest-growing public research universities in the country and the leading driver of Commonwealth in-state enrollment growth. Over the last ten years, Mason’s growth exceeded all of our peers, at a time when some experienced declines due to our commitment to accessibility and affordability. This provides opportunities for Commonwealth residents and lower income households, while generating workers to fuel our economy.

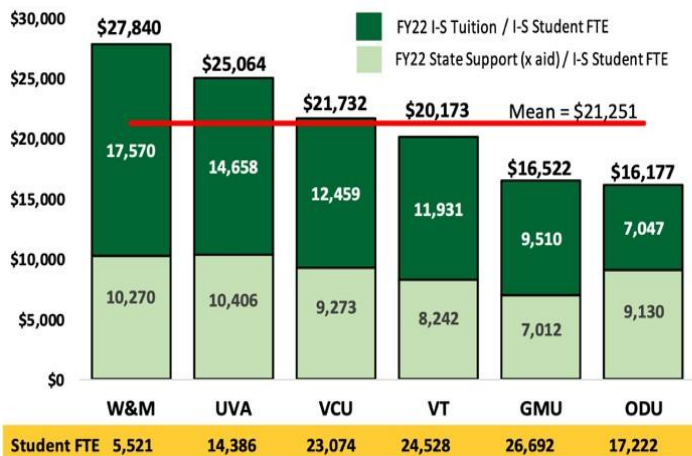


Budget Highlights (continued)

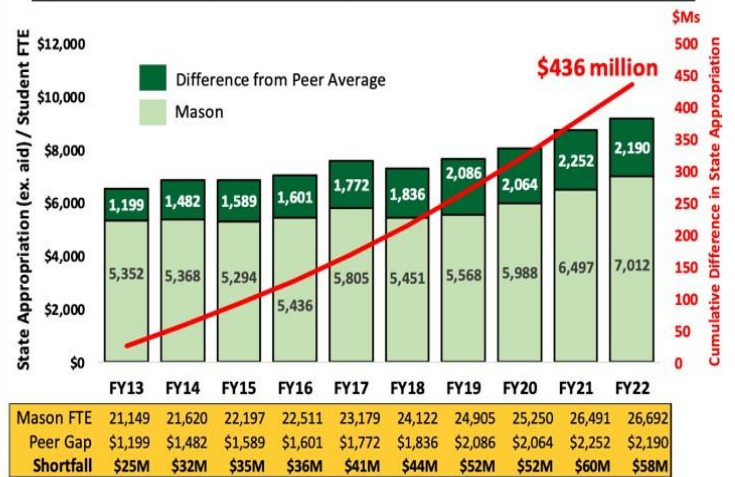
Funding Disparities Continue

Mason's funding disparity is longstanding, and every year of underinvestment puts us further behind. Even with the significant increase in State appropriations over the last three years, the shortfall was still \$58 million in FY22. Based on the average allocation of Commonwealth doctoral peers, Mason is \$436 million behind over the last decade as reflected below.

FY22 Funding Disparities



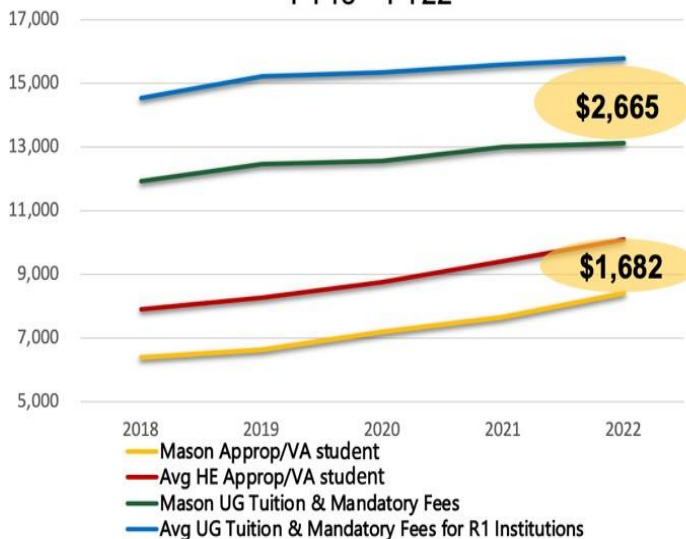
Cumulative Funding Disparities: FY13 – FY22



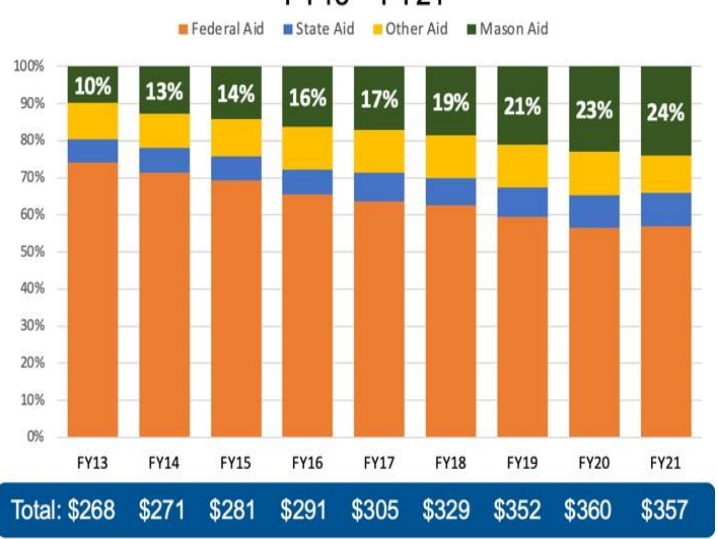
Mason's Commitment to Financial Aid and Affordability

Despite receiving lower appropriations than our peers, Mason has kept tuition and fees low.

Allocation & Tuition Gaps FY18 – FY22



Financial Aid Funding Source by Percentage FY13 – FY21



SCHEV: State Appropriations Include Financial Aid Virginia Student FTE- Undergrad & Grad

Source: SCHEV Financial Aid By Source

\$'s in millions

Budget Highlights (continued)

Tuition Increase

In May, a 3% proposed tuition increase was presented to the Board of Visitors (BOV). Although this increase struck a vital balance between keeping costs low and preserving core educational services, it was determined that a BOV special tuition committee would be established to review other possible options.

In June, after the BOV approved the FY23 tuition rate increase, the Youngkin Administration asked all universities to consider holding tuition flat for Virginia undergraduate students. On September 29, 2022, the GMU BOV voted to issue in-state UG tuition credits as an offset to the 3% tuition rate increase approved in May. This decision came after considerable deliberation by the BOV's special tuition committee, as well as discussions with the Youngkin Administration.

The tuition credits amounting to \$285 for full-time students, will be prorated for all part-time in-state undergraduates. The total impact on Mason's FY23 budget will be approximately \$6M.

Even with a 3% tuition increase, we are facing difficult choices among competing priorities since our needs and aspirations exceed our existing budget capacity; we have very limited funding for many strategic priorities and core business needs that require investment.

Mandatory Student Fees

There is no increase in the mandatory student fee of \$3,609 for full-time students in FY23. The mandatory student fee is paid by all students to support and enrich student educational, institutional and extracurricular activities such as a more technology-rich student experience (i.e. advising, career services, mental health/wellness, etc.), new student experiential opportunities, increased student activities and programs, and more efficient and improved operations.

Room & Board

FY23 Room and board increased by 3.9% (\$490) in FY23, from \$12,630 in FY22 to \$13,120 in FY23. Room and board at Mason costs less than that of many other regional universities.

Budget Highlights (continued)

FY23 Operating Budget

The FY23 Amended Operating Budget of \$1.4B reflects investments in our most critical priorities:

- Investment in faculty and staff through competitive compensation
- Investment in students through increased financial aid
- Focus on efficiency through conservative allocations for core budget needs

Our FY23 budget is a financial plan for our core institutional values, representing a framework to create a financially stronger institution and long-term institutional sustainability.

Revenues & Expenses

The FY23 Amended All-Funds Budget is \$1.4B and reflects an 8.6% (\$110M) revenue and expense increase over FY22 actuals. The most significant drivers of this increase are:

Revenues

- Net Tuition & Fees - \$20M
- Auxiliary Enterprises- \$12M
- Capital Grants- \$57M

Expenses

- Compensation- \$48M
- Capital Outlay-\$84M

Note: Expenses were offset by reductions in Scholarships & Fellowships and AE-Infrastructure funding

The FY23 operating budget anticipates revenue growth from tuition and fees as well as increased State appropriations. Mason receives significant funding from the Commonwealth for a variety of projects and programs. State appropriations support not only day-to-day operations but also faculty and staff compensation, student financial aid, capital projects and other critical functions. Revenues from Auxiliary Enterprises have begun to rebound after decreasing sharply during the pandemic.

Increases in compensation reflect both the State-authorized 5% salary increase as well as the first phase of the University's longer-term plan to mitigate faculty and staff market gaps as we seek to recruit and retain top talent, which is contingent on the Commonwealth addressing Mason's funding disparity. Travel is returning to pre-pandemic levels as members of Mason's global community have seen travel restrictions ease. Capital spending is projected to increase as the university seeks to complete a variety of major capital projects to provide students with state-of-the-art resources.

Budget Highlights (continued)

Planning for the Future: The Path Forward

We are in a very different economic environment since the FY23 budget development, which occurred last Fall. Today, we anticipate resources constrained by slower enrollment growth, pressures to keep tuition increases low or at zero, and the highest inflation in forty years impacting our operating costs.

We need to position ourselves financially so that we have institutional resources to weather potential enrollment shortfalls, economic downturns, and/or reductions in State support. We also need to have a funding mechanism for innovation, university priorities and investment in more efficient infrastructure and services. Mason has developed plans to implement strategic priorities to move the institution forward into our next half century. We are focused on supporting the Governor's Agenda for Higher Education:

- *Promoting a Vibrant Campus Life*
- *Maintaining Affordability & Reducing the Cost of Higher Education*
- *Preparing Students for the Increasing Demands of the Knowledge Economy*
- *Building the College and Career Ready Pipeline in Partnership with K-12 School Divisions & Other Key Stakeholders through Lab or Innovation Schools*

Mason continues to make the best use of our limited resources, investing in our people, systems and students.

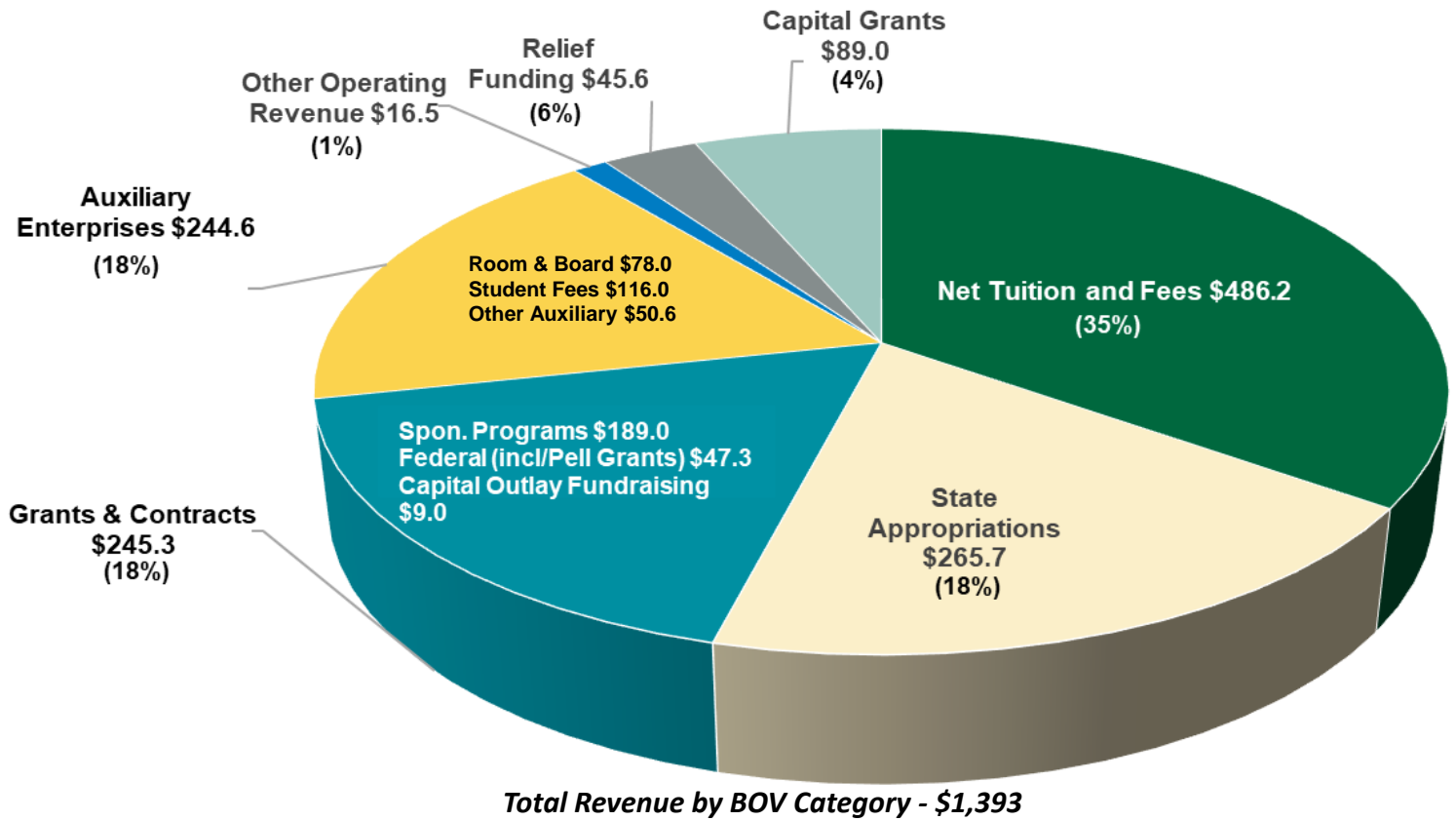
AMENDED BUDGET – ALL FUNDS

FY 2023 Amended Budget- All Funds P&L

(in millions)

<i>Cash basis</i>	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Actual	FY23 Budget (Amended)
Revenues					
Net Tuition and Fees	442	459	458	466	486
State Appropriations	190	185	234	251	266
Grants & Contracts	210	211	236	247	245
Auxiliary Enterprises	227	181	236	233	245
Other Operating Revenue	25	18	15	13	16
Non-Operating Revenue:					
Relief Funding	13	49	72	40	46
Capital Grants	46	72	50	32	89
Total Revenues	\$1,152	\$1,175	\$1,300	\$1,283	\$1,393
Expenses					
Salaries and Wages	462	478	540	526	565
Fringe Benefits	129	135	152	149	158
Contractual Services	171	147	206	191	194
Travel and Training	20	5	8	13	21
Supplies	21	23	24	26	26
Equipment	21	18	20	26	31
Capital Outlay	80	73	100	46	130
Debt Service	50	36	14	14	25
Scholarships & Fellowships	119	140	168	168	157
Occupancy	48	38	46	46	48
AE-Infrastructure Funding	31	83	21	78	38
Total Expenses	\$1,152	\$1,175	\$1,300	\$1,283	\$1,393

FY 2023 Revenue Budget – All Funds (in millions)

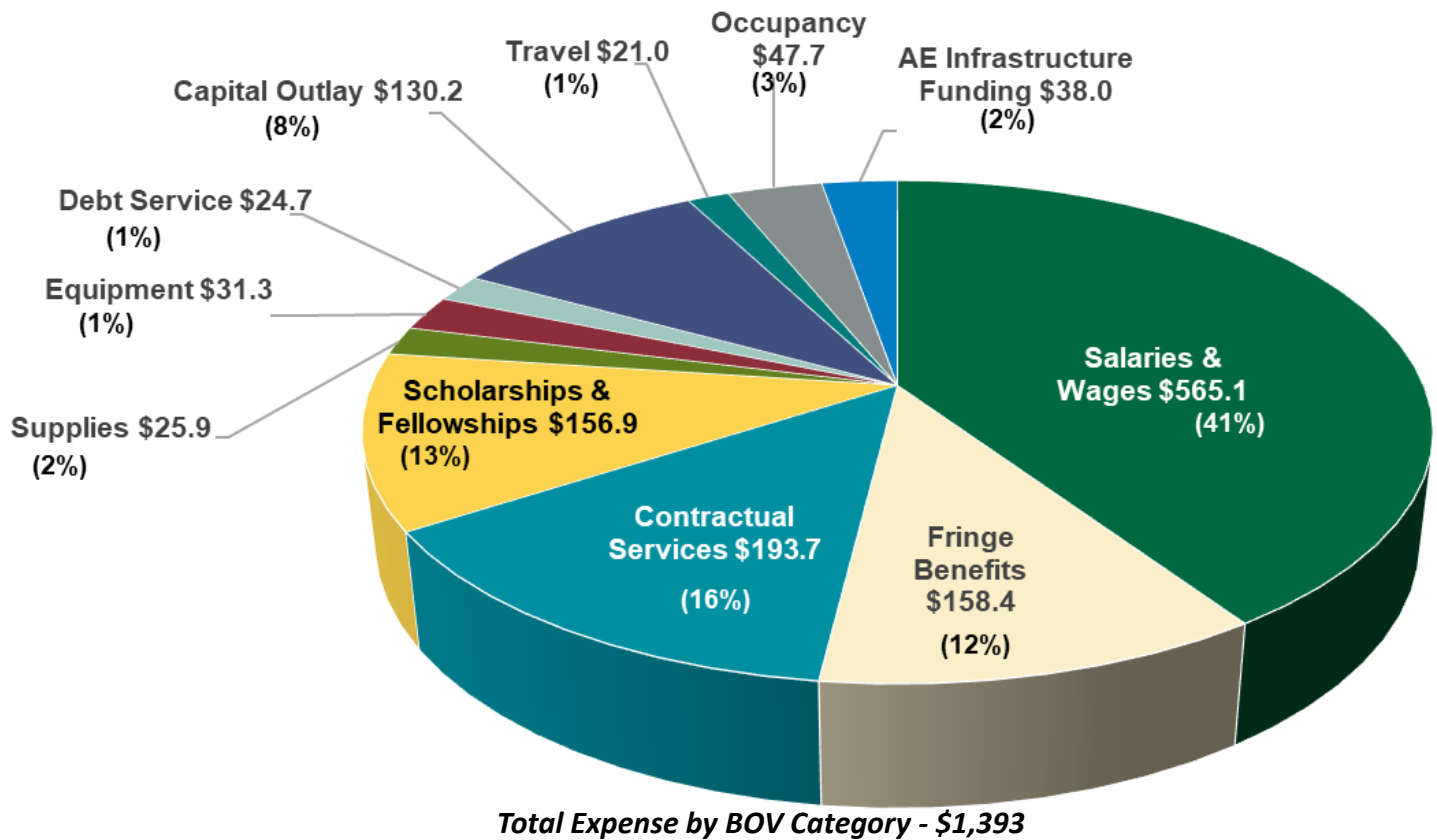


Total Revenue by Fund Category

E&G	Auxiliary Enterprises ⁽¹⁾	Indirect	Financial Aid	Pooled	Local Unrestricted	Sponsored Research	Unrestricted Carryforward	Capital Outlay	Total
\$731	\$247	\$20	\$104	\$2	\$0	\$188	\$4	\$98	\$1,393

⁽¹⁾ Approximately \$2.4m of Auxiliary Enterprises' revenue (interest) is reflected in the BOV category "other operating revenue"

FY 2023 Expense Budget – All Funds (in millions)



Total Expense by Fund Category

E&G	Auxiliary Enterprises	Indirect	Financial Aid	Pooled	Local Unrestricted	Sponsored Research	Unrestricted Carryforward	Capital Outlay	Total
\$731	\$247	\$20	\$104	\$2	\$0	\$188	\$4	\$98	\$1,393

EDUCATION & GENERAL (E&G)

FY 2023 E&G Budget by Unit⁽¹⁾⁽²⁾

The FY 2023 revenue and expense budgets with FTE data are grouped by Mason's Senior Leadership's structure.

Unit (000s)	Total Revenue	Total Expenses	Total FTEs
College Humanities & Social Sciences	4,245	84,121	576
College of Engineering & Computing	13,620	76,202	420
College of Science	7,304	59,769	394
School of Business	12,312	48,208	246
College of Educ & Human Development	11,362	38,601	217
College of Public Health (formerly College of Health & Human Services)	9,058	32,537	199
College of Visual & Perf Arts	1,993	24,305	179
Schar School of Policy & Government	2,045	20,635	131
Antonin Scalia Law School	2,932	18,328	103
Carter School	855	5,811	31
Honors College	30	3,508	21
Provost-Academic Total ⁽³⁾	65,756	412,024	2,517
Other:			
Library	5	22,918	128
Academic Affairs	330	20,942	86
Division of Enrollment Mgmt (incl/Instit Student Sppt)	23,156	50,706	141
University Life	530	12,805	113
Academic Administration	750	10,856	31
Office Rsrch Innov and Econ Impact	-	10,549	120
OIEP	-	3,143	21
Faculty Affairs and Development	4	2,765	17
Provost and Executive VP	-	891	3
Total Other	24,774	135,575	660
Cross-Functional Programs:			
Techtalent Investment Program	-	5,798	-
Student Experience	-	2,835	16
Global Education Office	2,578	2,578	14
Instructional Support (ETF)	2,000	2,000	-
Continuing Professional Education	1,500	1,843	9
Advance	-	1,799	23
INTO Mason	1,630	1,513	24
SMSC	335	1,504	13
Eminent Scholars	1,000	1,091	-
4-VA Program	-	295	-
Online Virginia Network	-	3	1
Total Cross Functional Programs	9,042	21,258	100
Multidisciplinary Research	-	3,261	20
Provost-Non-Academic Total	33,817	160,095	780
Provost Total	99,572	572,119	3,297

⁽¹⁾ The E&G budget is based on Cardinal State Reporting and is represented in multiple fund groups in Mason's new CoA structure.

⁽²⁾ The Budget and FTE data are as of 10.31.22. The budgets do not include one-time carryforward allocations and FTES include filled and vacant positions.

⁽³⁾ Academic tuition is centralized and reflected in the "central reserves" unit.

FY 2023 E&G Budget by Unit ⁽¹⁾⁽²⁾ - continued

The FY 2023 revenue and expense budgets with FTE data are grouped by Mason's Senior Leadership's structure.

Unit (000s)	Total Revenue	Total Expenses	Total FTEs
Information Technology Services	-	48,770	251
Facilities	-	47,638	300
Fiscal Services	-	11,481	82
Operations and Business Services	-	9,468	77
HumanResource/Payroll/FacStaff Life	-	7,789	63
Safety, Emergency, & Ent Risk Mgmt	-	7,128	77
Senior Vice President	5	2,195	6
Budget & Planning	-	2,271	14
Arlington/Loudoun Campuses	150	1,153	9
Capital Strategy and Planning	-	1,173	6
SciTech Campus Executive Office	-	823	7
Capital Connection	-	198	3
SVP	155	140,086	895
Advancement and Alumni Relations	-	10,741	71
Communications and Marketing	110	9,806	65
Diversity Equity and Inclusion	-	3,291	23
Office of Audit Risk and Compliance	-	2,184	12
Executive Administration	-	2,157	9
Gov't & Community Relations	-	1,933	9
University Counsel	-	1,644	8
Office of University Ombudsperson	-	261	2
President	110	32,017	199
Strategic Initiatives/AE Infrastructure Funding	-	27,754	-
Central Reserves ⁽⁴⁾	630,743	(41,396)	-
SVP-Central	630,743	(13,642)	-
Total	730,580	730,580	4,391

⁽¹⁾ The E&G budget is based on Cardinal State Reporting and is represented in multiple fund groups in Mason's new CoA structure.

⁽²⁾ The Budget and FTE data are as of 10.31.22. The budgets do not include one-time carryforward allocations and FTES include filled and vacant positions.

⁽⁴⁾ Central Reserves primarily include: Revenue (Acad Tuition Revenue, State Appropriations and Other); Expense (Budget Alignment/Funding Source offsets and Property Rentals)

George Mason Foundation, Inc.

The George Mason Foundation, Inc. continues to provide financial support to several university programs. As reflected in the table below, grant expenses represent the largest amount of financial contributions, which is primarily attributed to the Mercatus Center.

George Mason University Foundation Inc. Program Benefits to George Mason University				
Category (000s)	FY2020	FY2021	FY2022	Estimated FY2023
Grant Expenses	\$43,100	\$34,000	\$38,000	\$33,000
Faculty/Staff Salaries	8,100	8,300	9,000	10,000
Other Expenses	25,900	10,300	8,500	9,000
Conferences and Business Activities	2,100	1,100	2,500	5,000
Direct Expenditures	3,500	5,100	5,000	4,000
Professional Services	2,000	3,300	3,000	3,500
Travel	1,900	1,900	2,500	3,500
Scholarships Graduate	7,100	4,000	3,500	3,000
Scholarships Undergraduate	2,200	2,400	3,000	3,000
Faculty/Staff Benefits	2,100	1,800	2,000	2,500
Honorariums	800	1,200	1,500	1,500
Facilities Rental	600	600	600	1,100
Eminent Scholars	800	900	900	-
Total	\$100,200	\$74,900	\$80,000	\$79,100

AUXILIARY ENTERPRISES

FY 2023 Auxiliary Enterprises

Source of Funds

The table below reflects Auxiliary Enterprises funding sources from mandatory student fees and self-generated revenue sources (e.g. housing, dining parking, etc.).

Source (000s)	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Amended	Variance FY 2022- FY 2023
Student Fees	\$ 109,018	\$ 114,863	\$ 113,498	\$ 116,000	\$ 2,502
Self-Generated*	124,771	80,820	120,285	130,737	10,452
TOTAL	\$ 233,789	\$ 195,683	\$ 233,783	\$ 246,737	\$ 12,954

*ITS Telecommunications recovery activities are reported as an expense offset.

FY 2023 Auxiliary Enterprises Budget by Unit

The table below reflects the FY 2023 revenue and expense budgets with FTE data grouped by the AE units.

Unit (000s)	FY 2023 Revenue	FY 2023 Expense	FY 2023 FTE
University Life			
Housing & Residence Life	\$ 51,557	\$ 51,557	142.4
University Life Admin & Services	18,203	18,203	99.2
Student Health Services	9,980	9,980	42.0
Recreational Department	5,240	5,240	23.0
Total University Life	84,980	84,980	306.6
Business Services			
Dining	26,415	26,415	-
Campus Access & Transportation	17,167	17,167	5.0
Student Centers	9,898	9,898	30.8
Other Business Services *	8,395	8,395	50.0
EagleBank Arena	3,090	3,090	-
Independent Retail Ops	1,183	1,183	-
AE Police	284	284	2.0
Total Business Services	66,432	66,432	87.7
Other			
Auxiliary Central	27,556	27,556	-
Intercollegiate Athletics	27,241	27,241	102.0
Indirect Cost	17,650	17,650	-
Arts Centers	13,929	13,929	62.0
ITS Telecommunications**	560	560	9.0
Freedom Aquatic & Fitness Center	3,870	3,870	18.2
Field House	1,629	1,629	3.0
Facility Reserves	1,500	1,500	-
Central Debt	1,187	1,187	-
Regional Campuses	203	203	1.0
Total Other	95,325	95,325	195
Grand Total	\$ 246,737	\$ 246,737	589.6

*Other Business Services includes Mason Card, Business Services Admin, CDC, Print Services, and UBC.

**ITS Telecommunications budget for recovery activities are reflected as an expense offset.

FINANCIAL AID
(INSTITUTIONAL, STATE, FEDERAL & OTHER)

Student Financial Support

Mason's commitment to access and affordability continues by providing undergraduate and graduate students with financial assistance to promote graduation success. The FY23 Student Financial Support from the Commonwealth and Institutional Aid has grown by a total of 21%. Of this amount, the Commonwealth provided an additional \$4.7m (11%) and Mason's Institutional Aid increased by \$18.9m (26%). The latter increase includes the following additional allocations: Undergraduate tuition credit (\$6m), Mason Promise (\$2.5m) and Stay Mason (\$1m).

SOURCE OF FUNDS (000s)	FY22 BUDGET	FY23 BUDGET	VARIANCE	% CHANGE
Commonwealth Allocation	37,745	42,419	4,674	11%
Institutional Allocation	72,600	91,457	18,857	26%
Total	\$110,345	\$133,876	\$23,531	21%

Student Financial Support (continued)

FY 2023 BUDGET			
SOURCE OF FUNDS (000s)	UNDERGRADUATE	GRADUATE	TOTAL
Federal Aid			
Pell	46,240	-	46,240
SEOG	660	-	660
Federal Non-Need Based Grants	30	88	119
Federal Need Based Loans	38,050	-	38,050
Federal Non-Need Based Loans	53,865	64,917	118,782
Federal Work Study	1,046	79	1,125
TOTAL- Federal Aid	139,892	65,084	204,976
State of Virginia			
Commonwealth Allocation	39,142	3,277	42,419
American Rescue Plan Act	14,500	-	14,500
GEERF	2,487	-	2,487
TOTAL - State of Virginia	56,130	3,277	59,407
Institutional Aid - Central			
Grants, Discounts & Waivers (incl/Mason Promise)	26,577	26,996	53,573
Merit Scholarships	29,148	6,402	35,550
Stay Mason	1,268	1,067	2,335
Sub-total Institutional Aid (Central)	56,993	34,464	91,457
Institutional Aid - Unit Funded			
Academic Aid	968	2,617	3,585
Athletics	6,944	687	7,631
Sub-total Institutional Aid (Unit-funded)	7,912	3,304	11,216
TOTAL - Institutional Aid	64,905	37,768	102,673
George Mason University Foundation			
Foundation Scholarships	3,000	3,000	6,000
TOTAL - GMU Foundation	3,000	3,000	6,000
Other State Assistance			
State Grants/SSIG/DC Aid	1,556	-	1,556
TOTAL - Other State Assistance	1,556	-	1,556
Private/External Assistance			
Private Loans	26,055	4,236	30,292
Private Scholarships/Grants	3,880	452	4,332
TOTAL - Private/External Assistance	29,935	\$4,689	\$34,624
GRAND TOTAL	\$295,418	\$113,818	\$409,236
# of Students	18,856	6,407	25,263

SPONSORED RESEARCH

Sponsored Research

Mason met an institutional goal and entered the upper echelon of U.S. research universities as a Carnegie Research 1 (R1) University in 2016 which was then reaffirmed in 2018. This remarkable achievement for an institution less than 50 years old was made possible by the world-class contributions of our faculty, staff, and students in fields such as economics, history, psychology, criminology, and computing, among others. Only 131 Institutions of Higher Education in the United States hold this designation.

Mason researchers and scholars continue to produce knowledge and insights that address pressing world problems and reveal promising new futures. Moreover, these discoveries energize industry partnerships, commercialization programs, and educational programs that prepare our workforce, create economic opportunities, and provide a better quality of life for all. By strengthening our capacity to conduct world-class research and scholarship, Mason serves as an engine for innovation and growth in our region, the commonwealth, and the nation.

We continue to make strategic investments that ensure our long-term performance— recruiting and retaining eminent tenure-line faculty at all levels of seniority and generating more high-quality scholarly outputs and outcomes reported by our faculty in leading publications, journals, international conferences, and other venues.

Sponsored Research (continued)

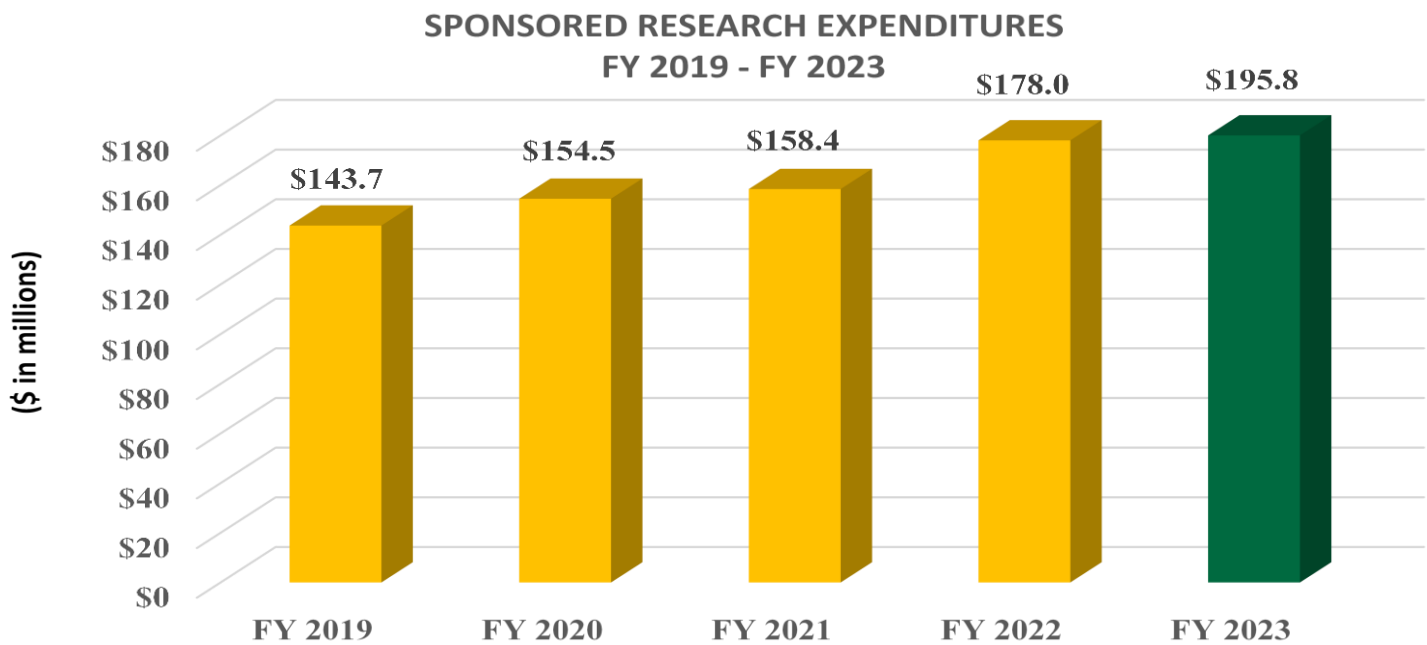
The following table illustrates the number and value of proposals submitted by George Mason University for the period FY 2018 - FY 2022. In FY 2022, within federal sources, the National Science Foundation received the largest number of proposals of 231, and the Department of Health and Human Services received the highest value of proposals of \$179.4 million.

PROPOSALS SUBMITTED BY SPONSOR TYPE					
NUMBER OF PROPOSALS					
SOURCES	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Federal	604	568	644	622	593
Federal funds passed through state	36	48	43	40	50
Federal funds passed through industry	95	77	60	79	54
Federal funds passed through Assoc/non-profit	39	43	36	45	42
Federal funds passed through local govt	4	12	5	2	0
Federal funds passed through universities	114	111	135	189	150
Other Sources*	327	387	452	404	442
TOTAL PROPOSALS	1,219	1,246	1,375	1,381	1,331
VALUE OF PROPOSALS (in millions)					
SOURCES	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Federal	\$448.7	\$712.8	\$422.3	\$477.5	\$516.1
Federal funds passed through state	5.3	22.3	16.5	22.2	36.9
Federal funds passed through industry	31.6	41.7	20.3	15.4	14.7
Federal funds passed through Assoc/non-profit	12.1	8.2	8.7	46.3	13.1
Federal funds passed through local govt	1.3	0.4	0.8	0.5	0.0
Federal funds passed through universities	26.2	34.6	30.6	68.9	50.0
Other Sources*	40.6	64.2	69.4	77.3	111.3
TOTAL VALUE OF PROPOSALS	\$565.8	\$884.2	\$568.6	\$708.1	\$742.2

Sponsored Research (continued)

In FY 2022, expenditures were at \$178.0 million, an increase from FY 2021. In FY 2023, federal, private, and state sponsored research activities are projected to be approximately \$195.8 million. Given the challenges in federal spending on sponsored research coupled with the COVID-19 pandemic, Mason has still prevailed in maintaining an overall stable award and funding level as can be seen in the next graph.

The units with the highest sponsored research expenditures are the College of Engineering and Computing, the College of Science, and the College of Humanities and Social Sciences. These three units comprise 68 percent of total sponsored research spending.

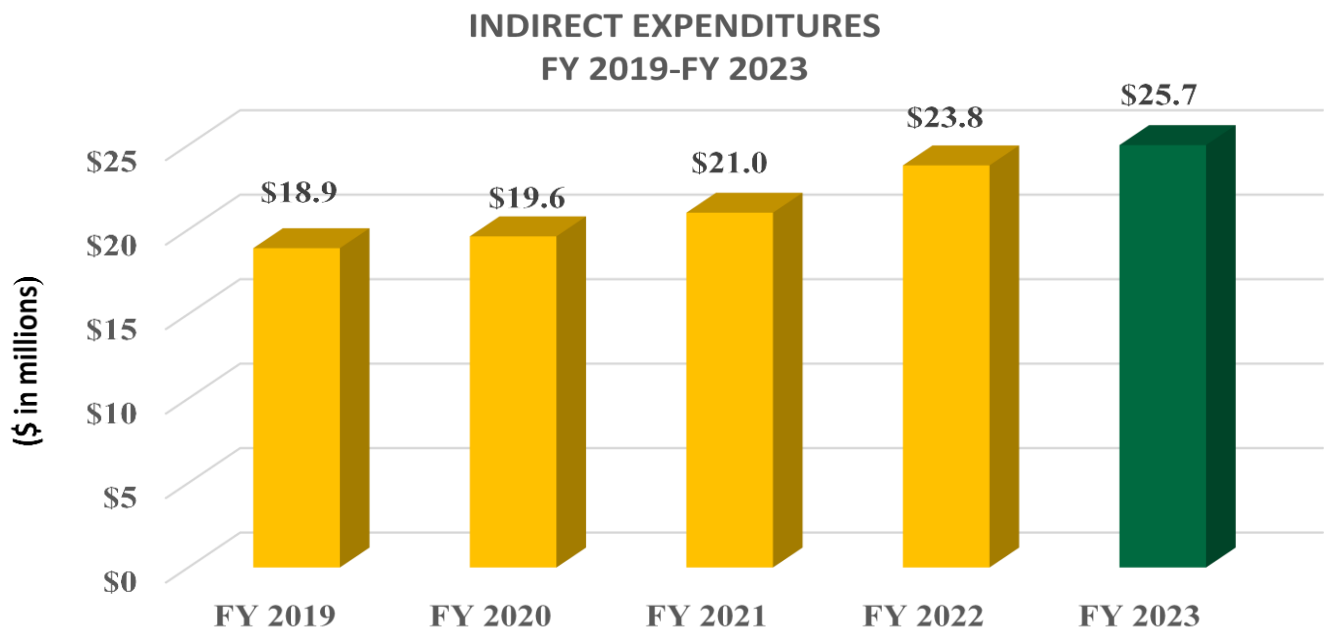


* FY19 - FY22 are actual expenditures.

Sponsored Research (continued)

Research activity at the university generates indirect cost earnings to cover facilities and administrative costs resulting from the research activity. The effective indirect recovery percentage in FY 2022 was approximately 13.4%. Approximately \$23.8 million was earned from indirect cost reimbursements in FY 2022. Based on the overall sponsored research projections, \$25.7 million is anticipated to be recovered in FY 2023 from facilities and administrative costs.

Each unit retains at least 35 percent of the original indirect cost recovery which supports operations related to other research activity and support for the E&G facilities and administrative functions. A capped amount of \$3.4 million will transfer to E&G, and all excess will stay with central academic administration to support research facilities and research initiatives. The units recovering the largest amounts of indirect costs are the College of Science, the College of Engineering and Computing, and the School of Public Health (formerly, College of Health and Human Services). These three units account for approximately 80 percent of the total indirect costs recovered.



**FY19 - FY22 are actual expenditures.*

CAPITAL PLAN & DEBT SERVICE

Capital Plan

George Mason has submitted the following five capital project requests to the Commonwealth for FY23. The Commonwealth has deferred funding allocations for all capital projects in FY23. These project plans and timelines are all pending Commonwealth approval.

FUSE AT MASON SQUARE – SUPPLEMENTAL FUNDING

This request is a supplement to the original project already approved to address scope value engineered during design to address the rapidly increasing inflation and escalation. During the schematic design phase of work for this project it became necessary to value engineer (VE) several scope items to bring the project into projected budget. This VE work completed in late Fall 2021. Should this request not be approved, the scope will need to be completed through a future capital request with increased costs for work done out of sequence, inflation, and additional mobilizations. The following is a breakdown of these items in order of priority:

1. Bridge connection to Vernon Smith Hall – this much needed connection provides access to existing space in Vernon Smith Hall which is where the university currently has innovation start up space (\$2M).
2. Fit-out of 7th Floor academic/research space – approximately in addition to a combination of office open and closed collaboration spaces the lab type fit out to include simulation labs 17,000 SF (\$2.5M).
3. Fit-out of 6th Floor academic/research space, in addition to a combination of office open and closed collaboration spaces the lab type fit out to include Virtual Reality Lab, Interactive Visualization Lab, and Multi-Media/Digital Arts Lab – approximately 20,000 SF (\$3.5M).
4. Fit-out of 1st Floor multi-purpose room to include flexible partitions to accommodate a variety of academic and research programming to support the innovation ecosystem being created in this facility – 4600 SF (\$1.4M).
5. Fit-out of 8th Floor academic/research space – combination of office and open collaboration spaces of approximately 5,000 SF (\$1M).
6. Energy Conservation – as a part of Mason’s climate commitment it is important to derive energy from renewable sources – this project has infrastructure designed in to accept solar panels on vertical exterior face of the south elevation as well as roof top. We would like to include funds in this project to provide the solar panels upon occupancy (\$1M).

Capital Plan (continued)

STUDENT INNOVATION FACTORY BUILDING

The Student Innovation Factory Building will be an approximately 60K GSF industrial-style pre-engineered or equivalent building to house student project space as required by CEC and COS for capstone coursework and student competition project work (e.g. sustainability projects, concrete canoe, bridge, robotics, solar car, Baja car), and other large format student design and innovation projects. Building size determination was based on comparable projects at other Research 1 institutions. The Student Innovation Factory Building will be a single story, high-bay, flexible, open warehouse space, suitable for developing and testing of land-, air- and water-based student projects. The building program will include open shop/project space, with limited enclosed tool/project storage, as well as code-based building support spaces. Site selection on Fairfax campus for this building was driven by proximity to the campus central plant in support of student project work relating to sustainability and energy efficiency, and also to leverage resources and support available by the adjacent Facilities shops.

INTERDISCIPLINARY SCIENCE & ENGINEERING BUILDING

The Interdisciplinary Science & Engineering Building 1 is an approximately 140K GSF interdisciplinary science and engineering building on the Fairfax campus. This building would provide replacement space for the future demolition of David King and Planetary Science Halls, and be the second phase of development needed to address a critical specialized instructional laboratory deficiency identified as part of Mason's recent 20-year Master Planning study. The building program includes predominantly specialized instructional wet and dry laboratory spaces, along with classrooms, collaboration and academic support spaces. The primary occupants of this new interdisciplinary building would be the College of Engineering and Computing, the College of Science, the College of Education & Human Development and the College of Visual and Performing Arts.

SCHOOL OF BUSINESS BUILDING

The School of Business Building is an approximately 150K GSF School of Business (SBUS) building on the Fairfax campus. This building would provide new space for current use and proposed future growth for the School of Business. The building program includes dedicated space to support approximately 6,500 full-time equivalent (FTE) students including approximately 2,000 FTE business majors, approximately 2,000 non-business students and 4% annual planned growth. The building program would include dedicated teaching, collaboration and student engagement space for SBUS, plus replacement space as a result of demolition of Lecture Hall to accommodate the new building site. Replacement space would include one approximately 3,000 ASF and two approximately 1,000 ASF university shared classrooms, along with support space for those classrooms. In 2018, SBUS developed an initial space program for the building to support philanthropic funding efforts, which includes the following elements:

- Teaching spaces: Technology-rich classrooms, trading rooms, lecture halls, active learning spaces.

Capital Plan (continued)

- Student service spaces: Career services, student success, maker space, student organizations
- Engagement

AGGREGATED CRITICAL DEFERRED MAINTENANCE PHASE 1

This is the first phase of a three-phase effort to clear the critical deferred maintenance shortfall from the projected annual allocation of maintenance reserve. The use of these funds would be spread across the majority of E&G buildings on all campuses. This project would address the following types of projects:

- Replacement of aging roofs, windows, exterior doors, and repairs to exterior wall systems
- Replacement of interior doors, flooring, and ceilings; repairs to existing fire walls; and refresh of interior painting.
- Replacement of main electrical equipment, fire alarm systems, fire pumps, and generators; and repairs to existing plumbing and fire suppression systems.
- Replacement of heating, cooling, and ventilation equipment, controls, and distribution systems at the end or beyond their useful life.
- Replacement of elevators and lifts at the end or beyond their useful life.
- Sidewalk and ADA repairs

The work to replace the systems identified above would expend a significant fraction if not all of the annual maintenance reserve allocation, leaving little funding availability for other planned maintenance reserve projects. The University will also take the opportunity to look for energy efficiency with the replacement of systems. These efficiencies will be assessed in the electrical equipment, HVAC equipment, and building envelope. Without the investment into these buildings, the buildings will continue to deteriorate to the point where replacement will be necessary. Our goal is to preserve and make efficient use of our existing assets, only building new facilities when growth necessitates new space.

Capital Plan (continued)

FY23 Capital Project Budget Modifications

Three previously approved capital projects were approved for budget modifications at the December 1st BOV meeting:

1) Activities Building

A major modification was approved to increase the scope and budget of the Activities Building approved in May 2019 to provide much needed space for the Green Machine, Recreation, Well-being and other University Life uses. This scope expansion will bridge the gap until permanent facilities envisioned in the 2021 Master Plan for these uses can be built including the EagleBank Arena Addition and the Recreation Center Addition.

To do this, we propose to reinstate the concept of a similarly sized Activities Building that the BOV approved for these uses in 2019.

University life, Recreation and well-being engagement is increasing with our enrollment and in response to stressful environments.

The Green Machine presently has no dedicated space on campus to support their growing program, which currently includes 9 ensembles with over 250 credit-based students and faces scheduling competition with athletics and student center uses. Recreation and well-being face similar scheduling and space use challenges.

The project will be increased to a 25K GSF building located adjacent to the current West PE Modular building. The useful life is anticipated to be 15 years, which can be extended with diligent maintenance.

The project budget will be increased from \$3.75M to \$11M NGF, with an anticipated 1.5 years completion schedule to provide a conservative estimate for escalation.

2) Johnson Center HVAC Replacement

Johnson Center HVAC Replacement was started in 2018.

- Original scope did not include smoke control and was expanded in early 2020 to a total budget of \$5.34M
- The project was paused after the onset of the pandemic to prioritize resources for the response to the pandemic.
- Since that time there have been material supply issues, equipment shortages, and unprecedented escalation.
- The latest estimates show the project to have a total project cost of \$6.52M, for an increase of \$1.18M in overall project costs

Capital Plan (continued)

3) Aquatic Fitness Center Capital Renewal

The project was approved by BOV for inclusion in the capital plan submission to the legislature at a total project value of \$10M and approved by the legislation in July 2021.

- 2022 estimates show the total project cost of \$16.5M -- \$6.5M total increase
 - \$3M - Additional scope (30%)
 - \$3.5M - Escalation/increase (35%)

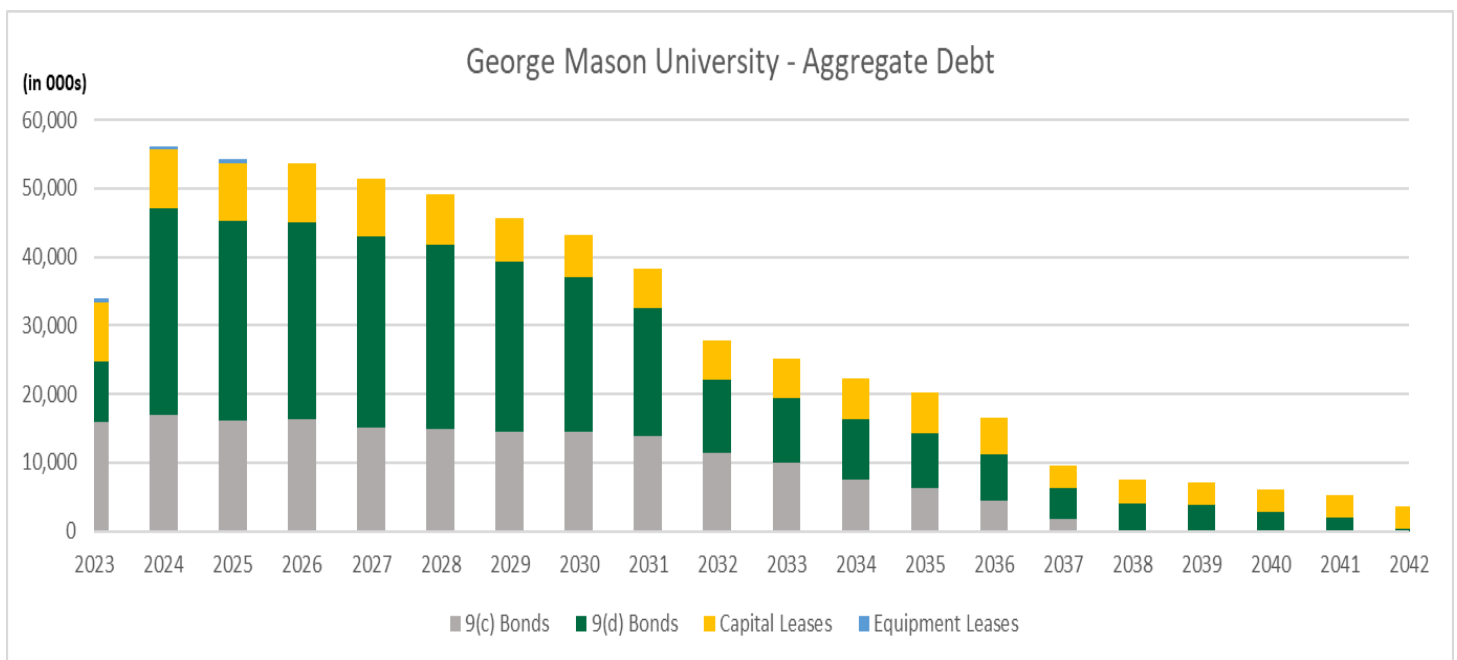
The original budget, developed pre-pandemic, could not foresee the material and equipment shortages that the construction industry is experiencing today as well as the current high economic inflation that has escalated pricing substantially.

- **Added scope from the initial concept - \$3M additional cost**
 - \$1M - Repair to the sanitary system was unknown at the initial concept.
 - \$0.5M - The Kalwall (fabric type wall at the ends on the pool) was not FCAP report but it is ideal to replace it at the same time as the roof and skylight.
 - \$1.5M - Painting of the interior was added to the project.
- **Cost Increases - \$3.5M increase**
 - \$1.8M - Roof replacement, roofing costs have increased dramatically in the last two years due to material availability shortages (in particular roof insulation).
 - \$1.7M - Mechanical equipment costs have increased greatly the past two years.

Debt Service

The FY 2023 budget reflects the revised debt service based on the University's participation in Virginia College Building Authority's 9(d) debt restructuring programs in February 2021. The debt restructuring resulted in principal payment relief for FY22 and FY23 with principal deferral to later years.

- In August 2019, GMU received Aa3 issuer rating with a stable outlook from Moody's and Tier 3 designation from the Commonwealth.
- The lower debt service payment will result in budget savings that will be reinvested to enhance, support operational initiatives and to plan for the higher debt service payments in future years.



Source: Public Financial Management

APPENDIX

FY 2023 Academic Year Tuition & Fee Rates – Annual (Board Approved)

	Tuition ⁽¹⁾	MSF	Tuition and Fee
Undergraduate			
In State	\$9,795	\$3,609	\$13,404
Out of State	\$33,959	\$3,609	\$37,568
Graduate			
In State	\$13,426	\$3,609	\$17,035
Out of State	\$35,377	\$3,609	\$38,986
Law			
In State	\$23,836	\$2,733	\$26,569
Out of State	\$39,684	\$2,733	\$42,417

⁽¹⁾Tuition rate reflects a 3% increase on FY22 tuition; no change to MSF

FY 2023 Academic Year Tuition & Fee Rates – Hourly (Board Approved)

	Tuition ⁽¹⁾	MSF	Tuition and Fee
Undergraduate			
In State	\$408.15	\$150.25	\$558.40
Out of State	\$1,415.00	\$150.25	\$1,565.25
Graduate			
In State	\$559.45	\$150.25	\$709.70
Out of State	\$1,474.00	\$150.50	\$1,624.50
Law			
In State	\$851.65	\$97.50	\$949.15
Out of State	\$1,417.00	\$97.50	\$1,514.50

⁽¹⁾Tuition rate reflects a 3% increase on FY22 tuition; no change to MSF

FY 2023 Mandatory Student Fees by Use

(Breakdown of MSF Rate- \$3,609)

