

Board of Visitors Information Session

**Sunday, April 2, 2017
11:30 – 1:30 p.m.**

Virginia Tech Campus

11:30 – 12:15 p.m.

**Working Lunch for the Full Board – Branding Discussion
The Inn, 1872 Salon**

- Ms. Tracy Vosburgh, Senior Associate Vice President for University Relations

12:30 – 1:30 p.m.

**2017-18 Tuition and Fee Recommendations
Torgersen Hall Boardroom (Room 2100)**

- Dr. Timothy D. Sands, President
- Mr. M. Dwight Shelton, Jr., Vice President for Finance and Chief Financial Officer

Virginia Tech Board of Visitors

April 2, 2017

.....

Strategy

.....

Strategy Filter

The Virginia Tech brand must be...

UNIQUE?



Can anyone else in your peer set own it?

CREDIBLE?



Will people believe it?

RELEVANT?



Will people care?

SUSTAINABLE?



Will it last?

COMPELLING?



Will it engage people emotionally?

To articulate the Virginia Tech brand strategy, we must define:

AUDIENCES

MESSAGING

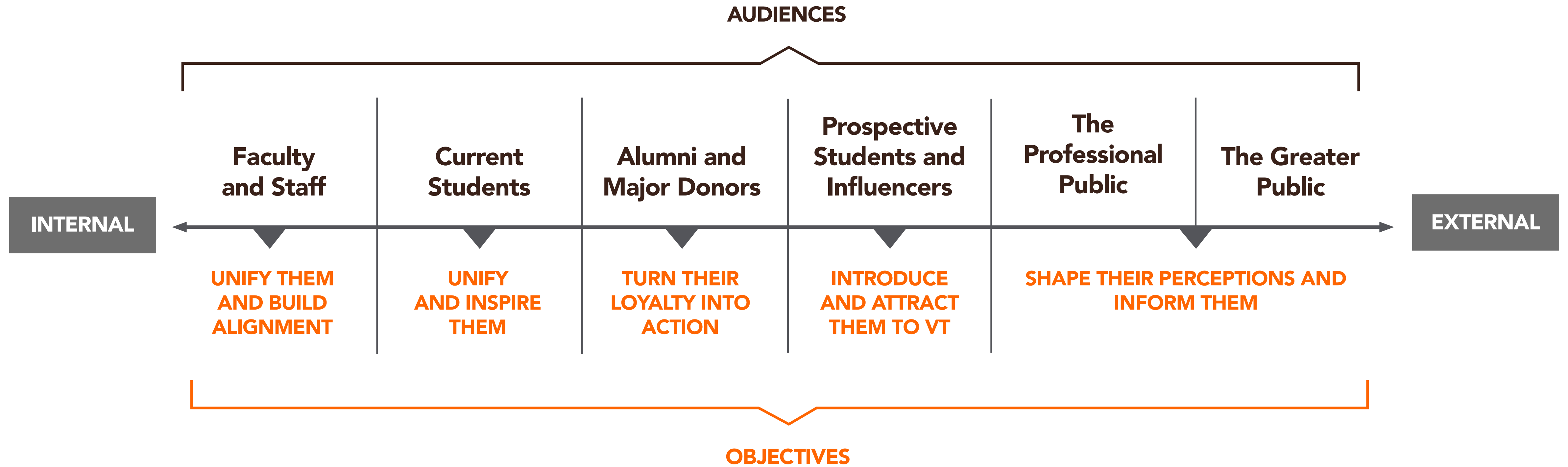
PERSONALITY

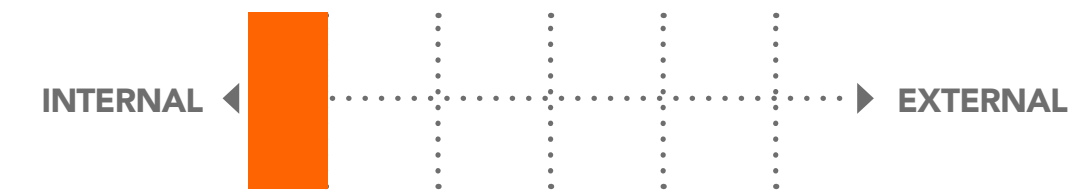
*Who Virginia Tech
must reach*

*What Virginia Tech
says (its story)*

*How Virginia Tech
says it (its voice)*

Audiences





Faculty and Staff

OBJECTIVE: UNIFY AND BUILD ALIGNMENT

WHO THEY ARE:

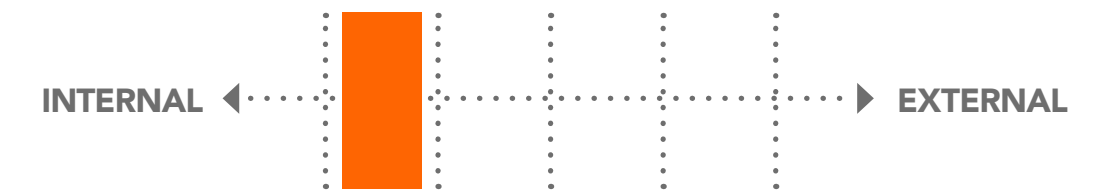
- Full-time and part-time faculty and staff
- Adjunct faculty
- Leadership

CURRENT MINDSET:

- They're incredibly passionate about Virginia Tech and proud of their association with the university
- There are faculty and staff that have been here for decades, and others that are new; those that have been here for a long time are protective of the culture and legacy of the university
- Some feel "Invent the future" is still effective, while others have recognized the need for an updated way to talk about the university that more accurately reflects the offer and experience
- There's a huge opportunity to elevate faculty and staff in non-STEM academic areas, while continuing to tell strong stories rooted in technology
- They'd like to see the university become more diverse

ACTIONS WE WANT THEM TO TAKE:

- Take ownership of the brand and serve as ambassadors to carry it forward
- See themselves, no matter their academic area, as part of the evolved brand
- Discover a sense of fresh excitement for the future of Virginia Tech
- Understand how Virginia Tech's new initiatives fit together as part of a larger strategy and brand



Current Students

OBJECTIVE: UNIFY AND INSPIRE

WHO THEY ARE:

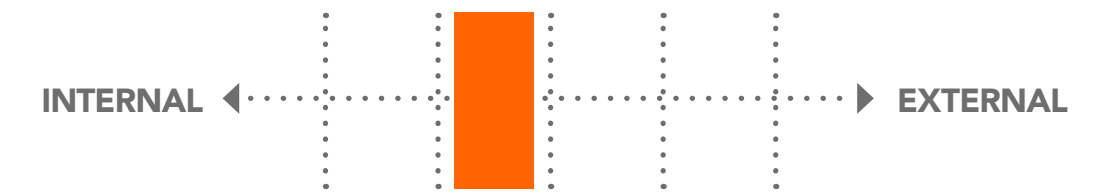
- Undergraduate students
- Graduate students
- International students

CURRENT MINDSET:

- They love Virginia Tech and are proud to be part of the community
- They are service-minded and those that really understand Virginia Tech's commitment to service value that aspect of the university
- Many feel that the "engineering school" perception is real, and would like to see Virginia Tech recognized for academic excellence in other areas
- They want to use their area of study to make a difference in their communities and in the world
- Many are passionate Hokie fans and love the well-rounded college experience that Virginia Tech offers
- They'd like to see the university become more diverse

ACTIONS WE WANT THEM TO TAKE:

- Serve as Virginia Tech ambassadors, now and in the future
- Think about how they will give back to the university financially when they become alumni, and even start giving back now as students
- Feel engaged and connected in the campus community
- Appreciate those who are making their education possible (faculty, donors, etc.)



Alumni and Major Donors

OBJECTIVE:
TURN LOYALTY INTO ACTION

WHO THEY ARE:

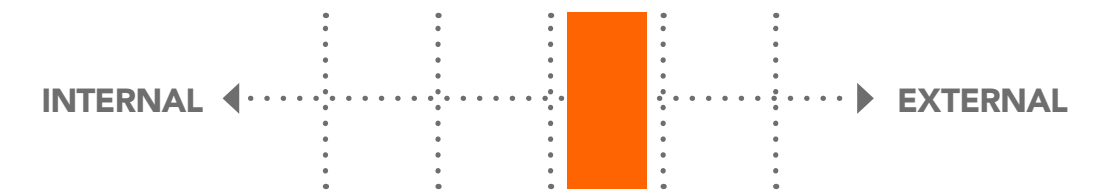
- Graduates of the university
- Engaged donors

CURRENT MINDSET:

- Those that had a positive experience (most alumni) at Virginia Tech are incredibly proud to be Hokies and have unwavering loyalty, though they may not give financially because the importance of giving was never stressed
- Those that did not have a positive experience (a smaller percentage) are not engaged with the university, but may be re-engaging due to the university's recent efforts to reconnect with these Hokies
- Donors are highly engaged with the university and believe its efforts really matter in the world
- All can be critical of changes and decisions that they feel are contradictory to what they believe the university stands for

ACTIONS WE WANT THEM TO TAKE:

- Proactively seek new ways to get involved
- Understand the importance of giving to the university and the direct outcomes of their gifts
- Demonstrate their commitment to the university by providing opportunities for future Hokies through donations
- Respond to "asks" and campaigns
- Engage with events, publications, and visits
- Hire or provide internships for Hokies



Prospective Students and Influencers

OBJECTIVE: INTRODUCE AND ATTRACT

WHO THEY ARE:

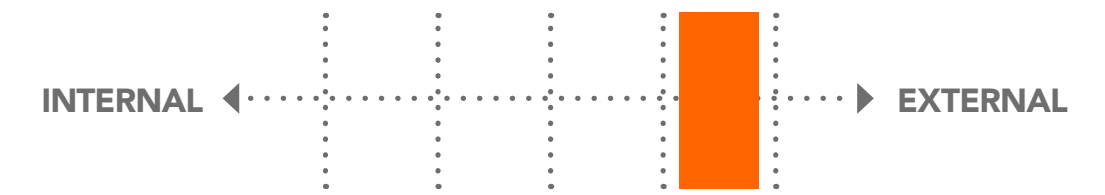
- Prospective students from Virginia and all over the country
- Prospective international students
- Parents and families of prospective students
- High school counselors, coaches, and other critical influencers

CURRENT MINDSET:

- Many qualified students do not currently apply because they assume they will not be admitted
- Many perceive Virginia Tech as “an engineering school” and lack awareness of their other academic programs
- They’re attracted to Virginia Tech’s reputation and the tight-knit community
- Undergraduates are looking for a holistic college experience
- Graduate students are looking for recognized faculty and programs in their chosen field
- They care about outcomes, and want to know what a degree from Virginia Tech will do for their careers and futures

ACTIONS WE WANT THEM TO TAKE:

- Seek out more information
- Recommend Virginia Tech to best-fit students
- Attend information sessions, tour campus
- Engage with communications from Virginia Tech and talk with current students to learn more
- Apply to Virginia Tech
- Enroll at Virginia Tech
- Hire or provide internships for Hokies



Professional Public

**OBJECTIVE:
SHAPE PERCEPTIONS
AND INFORM**

WHO THEY ARE:

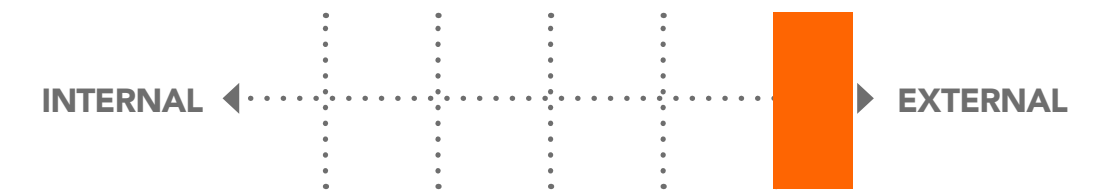
- Businesses and employers
- Higher education peers (including faculty)
- Media
- State legislators

CURRENT MINDSET:

- They regard Virginia Tech students and graduates very highly
- Virginia Tech is viewed as an innovator, but not more prestigious than UVA
- They're interested in the university's economic impact as they look to strengthen the region's health and educational focus
- The media is largely dominated by football, but stories like VT's involvement in the Flint, MI water crisis have gotten national attention

ACTIONS WE WANT THEM TO TAKE:

- Increase coverage of academic pursuits, rather than just athletic
- Partner with Virginia Tech to fund impactful projects and programs
- Visit campus and attend events and media tours
- Bring the university to the table to help with local and regional issues
- Employ Virginia Tech graduates and recognize their skills
- Hold Virginia Tech's academic and research offers in the highest regard



Mass Public

**OBJECTIVE:
SHAPE PERCEPTIONS
AND INFORM**

WHO THEY ARE:

- Hokie fans
- Virginians
- The general public

CURRENT MINDSET:

- They most commonly associate Virginia Tech with its athletic accomplishments
- Many are unaware of Virginia Tech's impact in the state, nation, and world
- Many associate the university with a strong engineering program, but are unaware of the full breadth of academic offers
- Aware of the university through coverage of the April 16th tragedy

ACTIONS WE WANT THEM TO TAKE:

- Increase awareness of the university—beyond football, engineering, and April 16
- Appreciate Virginia Tech's holistic academic offer and contributions to society
- Think of Virginia Tech as an option when considering colleges and universities to attend (for themselves, friends, and family)

Messaging

Attributes
(the WHAT)

CORE ATTRIBUTE

Benefits
(the WHY)

CORE BENEFIT

**VALUE
PROPOSITION**

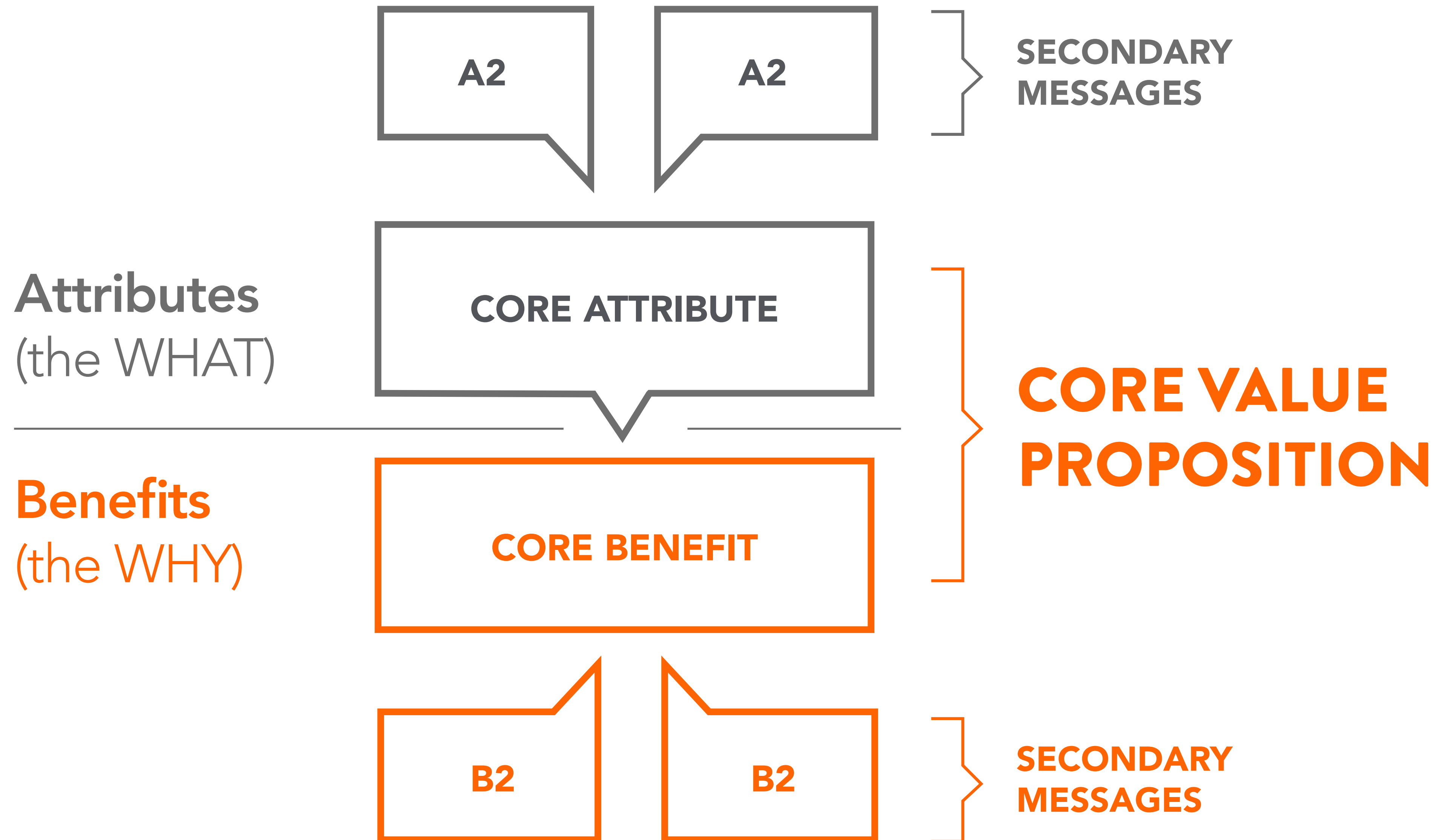
Value Proposition

Virginia Tech...

Reimagines the roles of **education and technology**
in every aspect of life

To serve as a force for **positive change**
in a world without boundaries

Messaging



Messaging

UT PROSIM

Research that is...

adaptable
tangible
future-focused

through

A culture that is...

inclusive
immersive
spirited

through

Learning that is...

transdisciplinary
experiential
collaborative

through

Attributes
(the WHAT)

Virginia Tech...

reimagines the roles of **education and technology** in every aspect of life

Benefits
(the WHY)

to serve as a force for **positive change** in a world without boundaries

Value Proposition

by

discovering **real and lasting solutions** to big, complex problems in society

by

developing people who have the **breadth, depth, and experience** to make an impact

by

fueling **innovation and creativity**

High Tech

High Touch

Messaging

UT PROSIM

Research

- Creation, transmission, and dissemination of knowledge in core areas of strength
- Working at the center of developing issues around the world through our location in the National Capital Region
- Large-scale partnerships with industries, government, and communities of common interest

Culture

- A community committed to increasing diversity and inclusion
- A thriving campus life with an open and honest culture
- Competitive athletics in the Atlantic Coast Conference
- The Corps of Cadets, one of Virginia Tech's proudest traditions and most diverse organizations
- A leadership culture built on humility

Learning

- An environment that fosters collaboration, experimentation, and continual innovation
- Applied learning opportunities woven into the curriculum
- An emphasis on technology that strengthens all academic areas

Attributes
(the WHAT)

Virginia Tech...

reimagines the roles of **education and technology** in every aspect of life

Benefits
(the WHY)

to serve as a force for **positive change** in a world without boundaries

Value Proposition

- A pipeline for economic development
- Important innovations that disrupt the status quo
- Generative solutions to local issues that have substantial global impact

- Lifelong relationships with faculty, staff, and alumni
- An appreciation for diverse people, experiences, and cultures
- A desire to give back to the university

- The knowledge and skills to shape professions, industries, and communities
- The experience to apply their skills immediately
- The confidence to persevere despite adversity

High Tech

High Touch

Personality

The personality sets the tone for how the brand communicates. These traits drive the voice and image for all brand communications.

Personality

Today, Virginia Tech's brand personality is
authentically...

Earnest

We have a sincere work ethic and a genuine passion to serve in profound and meaningful ways.

Tenacious

Hokies get it done. We've got the perseverance and resolve to push past any obstacle.

Proud

We truly love being Hokies, and eagerly share that spirit and devotion with the world.

But **aspirationally**, it will push to feel more...

Inclusive

We deliberately ensure that everyone in our diverse community feels welcome and valued.

Courageous

We want to do things differently—breaking new ground and blazing new trails to improve the world. We're not afraid to disrupt the status quo to advance society.

Nimble

In a rapidly changing and dynamic world, we have the flexibility to embrace new ideas and change our approach.

Thank you





2017-18 Tuition and Fee Recommendation

Board of Visitors
April 2, 2017

M. Dwight Shelton, Jr. VP for Finance and Chief Financial Officer

Overview

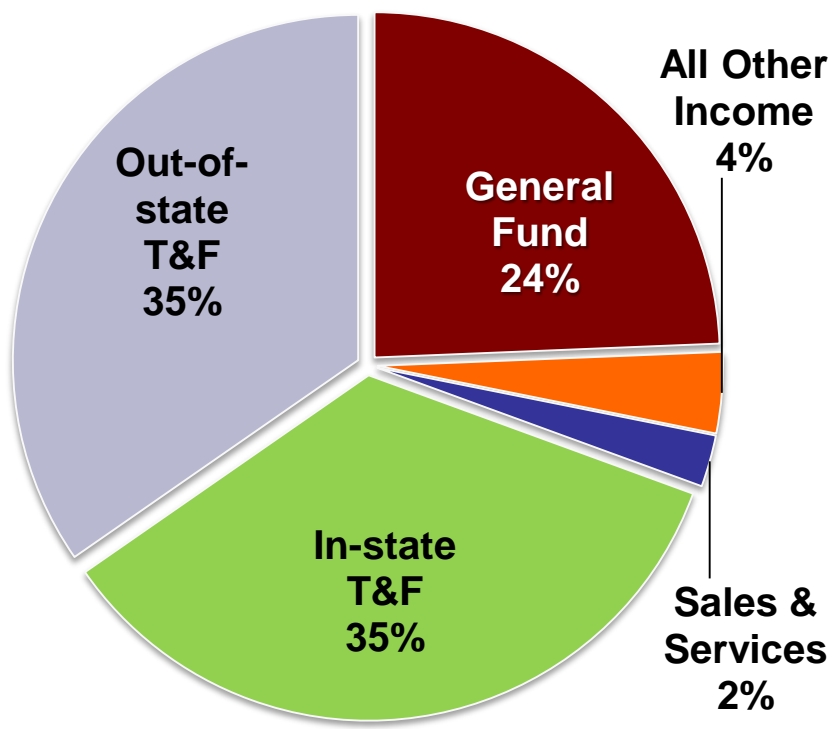
- University Budget Update
- 2017-18 Budget Planning
- Competitive Market Benchmarking
- Tuition and Fee Development Considerations
- 2017-18 Tuition and Fee Recommendations
- Questions

University Budget Update

University Division Revenue Sources

Educational & General Program

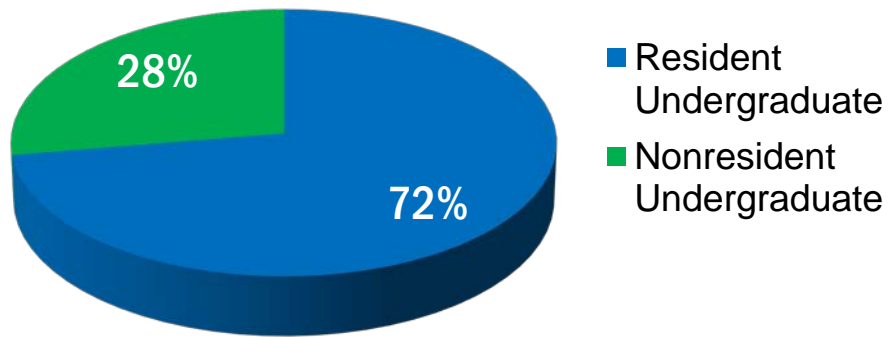
2016-17



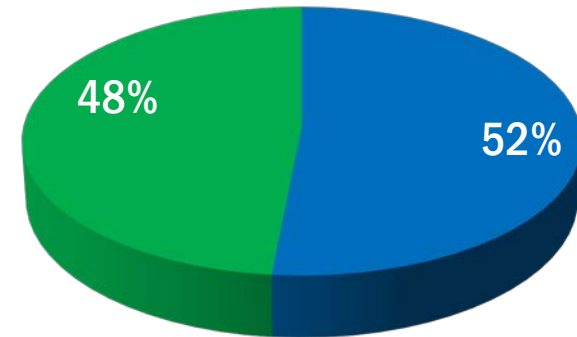
Components	\$ Millions	%
In-state T&F	\$237.7	35%
Out-of-state T&F	236.8	35%
General Fund	166.5	24%
All Other Income	25.9	4%
Sales & Services	16.6	2%
Total	\$683.5	100%

Nonresident Undergraduates

Fall 2016 Enrollment



2016-17 Net Tuition Revenue

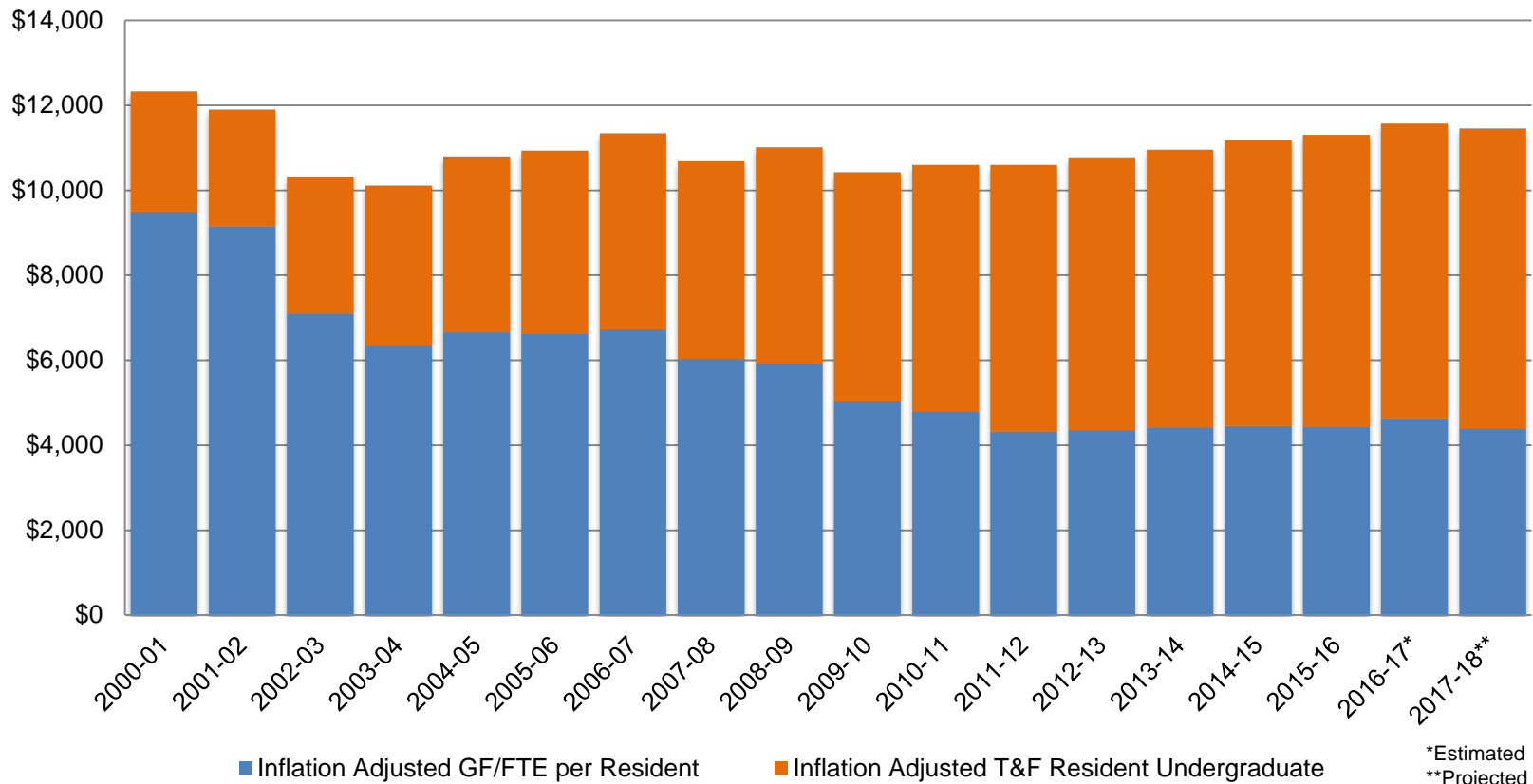


- Though only **28%** of undergraduate enrollment, nonresidents provide **48%** of net undergraduate tuition revenue.

Resources Per Student

- Tuition and General Fund per student combine to generate fewer resources per student than in 2000-01.

General Fund and Tuition & Fees per Resident FTE
Inflation Adjusted to 2000-01



2017-18 Budget Planning

Factors Considered in Budget and Tuition & Fee Planning

- **Level of state General Fund Support**
- **2017-18 Known Cost Drivers**
 - Compensation, health insurance, student financial aid
 - Other Costs (fixed costs, utilities, health & safety)
- **University Budget Priorities**
 - Enhanced Student Financial Aid to help Low- to Middle-Income families
 - Enrollment Growth
 - Strategic Initiatives
- **Market Considerations**
 - Benchmarking & Studies
- **State Guidance**
 - Appropriation Act language
 - Six-Year Plan feedback

State Support

Incremental E&G Instructional Budget Support for the University Division As of February 25, 2017 2017-18

	General Fund \$ in millions
2016 General Assembly Access & Affordability Phase-In	\$ 2.4
2017 General Assembly Budget Reduction	(8.6)
<i>Subtotal E&G General Fund Change</i>	<i>(6.2)</i>
<i>Funded Centrally – 2% Faculty Salary Increase</i>	1.9
<i>Funded Centrally - 3% Staff Salary Increase</i>	1.1*
<i>Funded Centrally - State share of Health Insurance Increase</i>	1.6*
<i>Net Change in Total GF for 2017-18 E&G Instructional Budget</i>	<i>\$ (1.6)</i>



VirginiaTech **Statewide General Fund Reduction**
Invent the Future

Chronology

- Executive Budget assigned 5% General Fund reductions to each institution
- General Assembly indicated that this was inequitable: “*across-the-board general fund reductions do not take into account revenue generating ability of institutions*”
- General Assembly calculated the “*NGF Offset*” needed to offset reductions for each institution. 1.9% was computed for VT.
 - 1.9% across-the-board tuition increase generates ~\$8.0 million
 - General Assembly asked “Should reduction actions reflect NGF revenue ability?”
- Final General Assembly budget lowered the original reduction for all institutions (including Agency 229) except for VT, UVA, and W&M. *Final reductions were explained in light of total E&G resources (GF & NGF).*

Statewide Comparison

2017-18 General Fund Reduction

Institution	Original Executive Budget	Revised General Assembly Budget	Change
Virginia Tech	\$ (8,588,385)	\$ (8,588,385)	\$ -
VA Commonwealth University	(9,603,574)	(8,018,515)	1,585,059
University of Virginia	(7,036,035)	(7,036,035)	-
George Mason University	(6,937,504)	(5,819,760)	1,117,744
James Madison University	(4,152,407)	(3,253,127)	899,280
Old Dominion University	(6,243,124)	(3,196,139)	3,046,985
College of William & Mary	(2,183,886)	(2,183,886)	-
Radford University	(2,525,221)	(1,334,488)	1,190,733
University of Mary Washington	(1,378,890)	(806,997)	571,893
Christopher Newport University	(1,423,060)	(757,606)	665,454
Longwood University	(1,380,536)	(719,868)	660,668
Virginia Military Institute	(709,189)	(543,346)	165,843
UVA's College at Wise	(776,390)	(57,218)	719,172
Norfolk State University	-	-	-
Virginia State University	-	-	-

2017-18 General Fund Reduction Statewide Comparison

<u>Institution</u>	<u>Reduction per In-State Student</u>
University of Virginia	\$ (508)
Virginia Military Institute	(468)
College of William & Mary	(421)
Virginia Tech	(397)
Virginia Commonwealth University	(341)
George Mason University	(259)
James Madison University	(215)
University of Mary Washington	(211)
Old Dominion University	(176)
Christopher Newport University	(158)
Longwood University	(157)
Radford University	(151)
UVA's College at Wise	(37)
Norfolk State University	-
Virginia State University	-

2017-18 Known Cost Drivers

Major Known Components of the Budget include:

Mandatory Local/State/Federal Cost Assignments

- Compensation increases for faculty and staff
- Health care: increase of 8.7%
- Local/State/Federal Requirements

Major Known Components of the Budget include:

Unavoidable Costs

- Fixed costs
 - Lease escalation, insurance
- Operation & Maintenance of Facilities
- Student Financial Aid

Major Known Components of the Budget include:

Institutional Priorities

- Enrollment Growth and Quality Support
 - Partnership Incentive Based Budget (PIBB)
- Destination Area Investments (Colleges)
- Distinction Pool
- Student Financial Aid

2017-18 E&G Cost Drivers

(\$s in millions)

Compensation

	Fund Split		
	Total	State	University
Statewide 2% Faculty Merit Increase	\$ 6.4	\$ 1.9	\$ 4.5
Statewide 3% Staff Salary Increase	2.7	1.1	1.6
1% Distinction/Promotion & Tenure	3.5	-	3.5
Total	\$ 12.6	\$ 3.0	\$ 9.6

2017-18 E&G Cost Drivers

(\$s in millions)

Mandatory and/or Unavoidable Costs

	Total	Fund Split	
		State	University
Employee Health Insurance Increase	\$ 4.0	\$ 1.6	\$ 2.4
Graduate Assistant Health Insurance Increase	0.6	-	0.6
Health & Safety	0.3	-	0.3
Fixed Costs	1.3	-	1.3
Operation & Maintenance of Facilities	0.1	-	0.1
Financial Aid – Prior Commitments	1.3	-	1.3
Total	\$ 7.6	\$ 1.6	\$ 6.0

2017-18 E&G Cost Drivers

(\$s in millions)

Institutional Priorities

Fund Split

	Total	State	University
Enrollment Growth Support	\$ 7.7	\$ 3.7	\$ 4.0
Destination Area Investments (New Faculty)	4.4	-	4.4
Student Financial Aid Enhancements	2.4	-	2.4
Library	0.6	-	0.6
Critical Needs	1.3	-	1.3
Prior Commitments	0.6	-	0.6
Total	\$ 17.0	\$ 3.7	\$ 13.3

2017-18 E&G Cost Drivers

(\$s in millions)

Total Cost Drivers

	Total	Fund Split	
		State	University
Compensation	\$ 12.6	\$ 3.0	\$ 9.6
Unavoidable and/or Mandatory Costs	7.6	1.6	6.0
Institutional Priorities	17.0	3.7	13.3
Total	\$ 37.2	\$8.3	\$ 28.9

Resourcing the Institution

(\$s in Millions)

	<u>2017-18</u>
Previously Identified Known Costs	\$ 37.2
<u>Resource Plan</u>	
Incremental Operating General Fund Support	3.7
State Support for Fringe Rate and Compensation Increases	4.6
General Fund Budget Reduction	(8.6)
Reallocation of Existing Resources	5.9
Auxiliary Direct Assistance	1.0
Alternative Revenue Strategies (Library Fee)	0.6
Enrollment Growth	14.6
Tuition Rate Increase	15.4
Subtotal	<u>37.2</u>
Remaining Surplus/(Deficit)	<u>\$0</u>

Competitive Market Benchmarking

Market Considerations- Tuition and Mandatory Fees

Benchmarking

	2016-17		
	VT	Average	VT Rank
In-state Undergraduate			
Public SCHEV Peers	\$12,852	\$11,965	10 out of 24
Virginia Institutions	\$12,852	\$12,357	6 out of 15
UVA	\$12,852	\$15,714	
CWM	\$12,852	\$21,234	
Out-of-state Undergraduate			
Public SCHEV Peers	\$29,975	\$31,733	14 out of 24
Virginia Institutions	\$29,975	\$29,515	6 out of 15
Regional Competitive Peers (a)	\$29,975	\$29,806	

(a) Regional competitive peers: Pennsylvania State, Rutgers University, University of Maryland, Ohio State, University of Pittsburgh, and North Carolina State.

(b) Behind W&M, VMI, UVA, VCU, and CNU

Market Considerations-

Total Cost

Benchmarking

	2016-17		
	VT	Average	VT Rank
In-state Undergraduate			
Public SCHEV Peers	\$21,276	\$23,389	17 out of 24
Virginia Institutions	\$21,276	\$22,458	9 out of 15
Out-of-state Undergraduate			
Public SCHEV Peers	\$38,399	\$43,157	20 out of 24
Virginia Institutions	\$38,399	\$39,617	6 out of 15
In-state Graduate			
Public SCHEV Peers	\$14,532	\$14,304	9 out of 24
Virginia Institutions	\$14,532	\$12,238	2 out of 12
Out-of-state Graduate			
Public SCHEV Peers	\$27,764	\$28,623	14 out of 24
Virginia Institutions	\$27,764	\$25,501	6 out of 12



Nonresident Undergraduate Market Update

■ Net Price

- Total cost of attendance less average institutional financial aid package.
- Key component of the economic decision faced by a student/family.

	<u>Cost of Attendance</u>	<u>Net Price</u>	<u>Difference</u>
Virginia Tech	\$ 44,710	\$ 40,710	\$ 4,000
SCHEV Peer Average	<u>49,058</u>	<u>37,492</u>	<u>11,566</u>
Advantage/(Disadvantage)	\$ 4,348	\$ (3,218)	\$ (7,566)

	<u>Cost of Attendance</u>	<u>Net Price</u>	<u>Difference</u>
Virginia Tech	\$ 44,710	\$ 40,710	\$ 4,000
Regional Competitive Peers	<u>46,062</u>	<u>36,204</u>	<u>9,858</u>
Advantage/(Disadvantage)	\$ 1,352	\$ (4,506)	\$ (5,858)

Tuition and Fee Development Considerations

■ 2016 General Assembly

- Language provided in the 2016 Appropriation Act stated that incremental General Fund support was intended to minimize the need to increase in-state undergraduate tuition and fees.

■ Undergraduate student cost share

- Residents currently charged 61% of the cost of education
- Nonresidents currently charged 153% of the cost of education
 - Compliance with 100% state requirement

■ Consider six-year plan

- 2015 Six-Year plan utilized a placeholder of 3.9% across-the-board increase for Fall 2017.
- Revised 2016 Six-Year plan utilized a placeholder of 2.9% across-the-board increase with *expectation of significant new GF support.*

Additional Resource Strategies

- Incremental State support for 2017-18
 - While \$2.3 million of incremental General Fund support was provided by the 2016 General Assembly, the recent \$8.6 million budget reduction outstrips the new state resource.
- Enrollment growth
 - Continued growth is planned
 - Applications once again reached record highs (8% over prior year record)
- Differential Tuition & Fee Rates
 - Implement/Update discipline differentials where appropriate
- Reallocation of existing resources

Undergraduate Financial Aid

Funds For the Future

- Shelters returning students from tuition increases based upon income.
- Ensures that students with need are not priced out due to tuition increases.
- In 2016-17, income levels were expanded to increase protection, providing 100% coverage to families with incomes up to \$74,999.
- For 2017-18, the university will continue to shelter returning students from tuition increases through this financial aid program.

Family Income (AGI)	Tuition & Fee Increase Protection	Example Impact of FFF Protection for Undergraduate Student	
		Tuition & E&G Fee Increase	Net Impact
\$0 - \$74,999	100%	3.8%	0%
\$75,000 - 87,499	50%	3.8%	1.9%
\$87,500 - 99,999	25%	3.8%	2.9%

Undergraduate Financial Aid

Additional enhancements include:

- **Presidential Scholarship Initiative**
 - Provides full scholarship to incoming freshmen for four-years
 - For 2017-18, the annual cohort of 85 is continued

- **VT Grant – Reduction of Undergraduate Unmet Need**
 - Refocused program being developed to provide additional aid to Virginia resident families in the 1st-3rd income quintiles, reducing Net Price for Virginia families with low to middle-income.

- **Targeted Enrollment Growth Support**

- **Increased institutional support for matching programs for new endowments.**

- **In total, the university plans to enhance undergraduate student financial aid by at least \$3.7 million.**

Tuition and Fee Recommendation

Key Elements of Recommendation

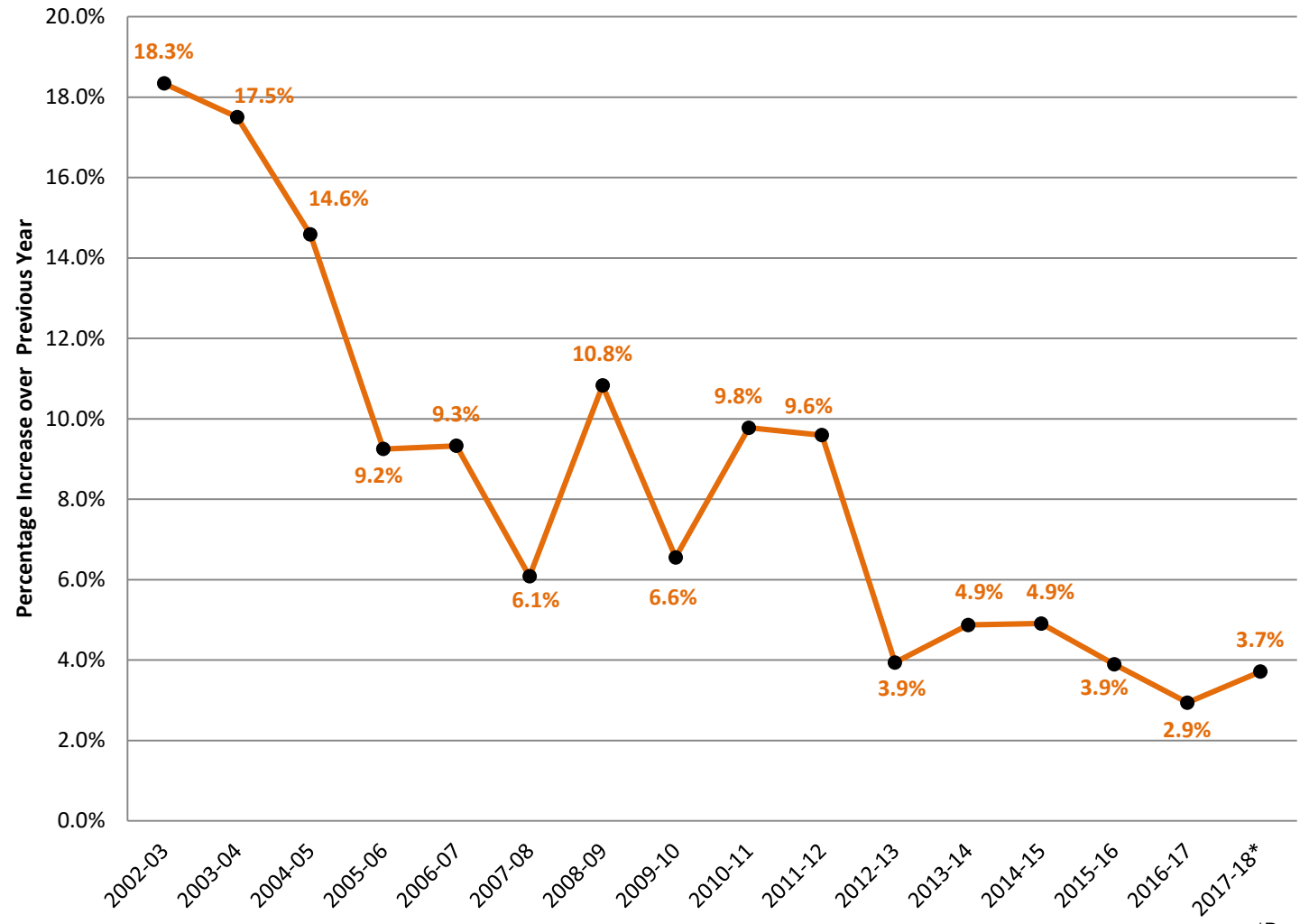
- Proposed rates balance the resource needs of the university with price sensitivity and an assessment of market-based rates
- Tuition increases are driven largely by compensation, state budget reductions, fringe benefit rate changes, and unavoidable costs
- Allows the university to make modest progress in support of university and Commonwealth goals
- Continues to support access for low and middle-income Virginia resident undergraduates in accordance with the university's commitment under the Higher Education Restructuring Act.
- Includes updated differential rates and modified pricing strategies to increase revenues outside of general tuition increase

Tuition Scenario Chronology

- The 2015 Six-Year plan envisioned a 3.9% across-the-board tuition increase as a placeholder for Fall 2017.
- In 2016, the General Assembly provided incremental General Funds with the understanding that institutions seek to minimize tuition increases for in-state undergraduate students.
- The 2016 Six-Year plan revision lowered the Fall 2017 tuition increase placeholder to 2.9% in recognition of this support.
- The 2017 General Assembly has assessed a General Fund budget reduction of \$8.6 million on the university for 2017-18.
 - Traditionally, the university has worked to mitigate no more than one-half of state budget reductions (50%) through tuition increases.
 - This results in a supplemental increase in the rates of all student groups. No supplemental increase exceeded 0.9% to cover 39% of the reduction.

Virginia Undergraduate Tuition and Fee Increase History

2017-18 Recommendation continues the trend of slowing increases.



Average Cost of Education

	2016-17		Proposed 2017-18	
	Amount	% of Average	Amount ⁽¹⁾	% of Average
Average Cost of Education	\$17,918		\$18,418	
<u>Undergraduates</u>				
Residents	10,941	61%	11,362	62%
Nonresidents	27,460	153%	28,443	154%
<u>Graduates</u>				
Residents	12,621	70%	13,105	71%
Nonresidents	25,249	141%	26,239	142%
<u>Residency</u>				
Residents		62%		63%
Nonresidents		149%		150%

(1) Average Cost of Education for 2017-18 is estimated. For Tuition and E&G fees the nonresident facility and equipment fee is not comparable to the Average Cost of Education.

Components of Total Cost

- Tuition
- E&G Fees
- Comprehensive Fee
- Room & Board

**TUITION &
E&G FEES**

**TUITION &
MANDATORY FEES**

TOTAL COST

Undergraduate Proposal

- These charges reflect the tuition and mandatory fee assessment to all undergraduate students.

	<u>2016-17</u> <u>Charge</u>	<u>Proposed</u> <u>2017-18</u>	<u>Increase</u>	
			\$	%
Resident Undergraduate				
<i>Tuition & Mandatory Fees</i>	\$ 12,852	\$ 13,329	\$ 477	3.7%
Nonresident Undergraduate				
<i>Tuition & Mandatory Fees</i>	\$ 29,975	\$ 31,014	\$ 1,039	3.5%

Resident Undergraduates

	2016-17	Proposed	Increase	
	Charge	2017-18	\$	%
Tuition	\$10,787	\$11,192	\$405	3.8%
E&G Fees	154	170	16	10.4%
<i>Tuition & E&G Fees</i>	10,941	11,362	421	3.8%
Comprehensive Fee	1,911	1,967	56	2.9%
<i>Tuition & Mandatory Fees</i>	12,852	13,329	477	3.7%
<i>Room and Board</i>	8,424	8,690	266	3.2%
<i>Total Cost</i>	\$21,276	\$22,019	\$743	3.5%

Nonresident Undergraduates

	2016-17	Proposed	Increase	
	Charge	2017-18	\$	%
Tuition	\$27,306	\$28,273	\$967	3.5%
E&G Fees	758	774	16	2.1%
<i>Tuition & E&G Fees</i>	28,064	29,047	983	3.5%
Comprehensive Fee	1,911	1,967	56	2.9%
<i>Tuition & Mandatory Fees</i>	29,975	31,014	1,039	3.5%
<i>Room and Board</i>	8,424	8,690	266	3.2%
<i>Total Cost</i>	\$38,399	\$39,704	\$1,305	3.4%

Resident Graduates

	2016-17	Proposed	Increase	
	Charge	2017-18	\$	%
Tuition	\$12,467	\$12,935	\$468	3.8%
E&G Fees	154	170	16	10.4%
<i>Tuition & E&G Fees</i>	12,621	13,105	484	3.8%
Comprehensive Fee	1,911	1,967	56	2.9%
<i>Total</i>	\$14,532	\$15,072	\$540	3.7%

Nonresident Graduates

	2016-17	Proposed	Increase	
	Charge	2017-18	\$	%
Tuition	\$25,095	\$26,069	\$974	3.9%
E&G Fees	758	774	16	2.1%
<i>Tuition & E&G Fees</i>	25,853	26,843	990	3.8%
Comprehensive Fee	1,911	1,967	56	2.9%
<i>Total</i>	\$27,764	\$28,810	\$1,046	3.8%

Veterinary Medicine

Total Cost

	<u>2016-17 Charge</u>	<u>Proposed 2017-18</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
Virginia/Maryland Students	\$23,617	\$24,197	\$580	2.5%
Nonresident Students	\$50,753	\$51,996	\$1,243	2.4%

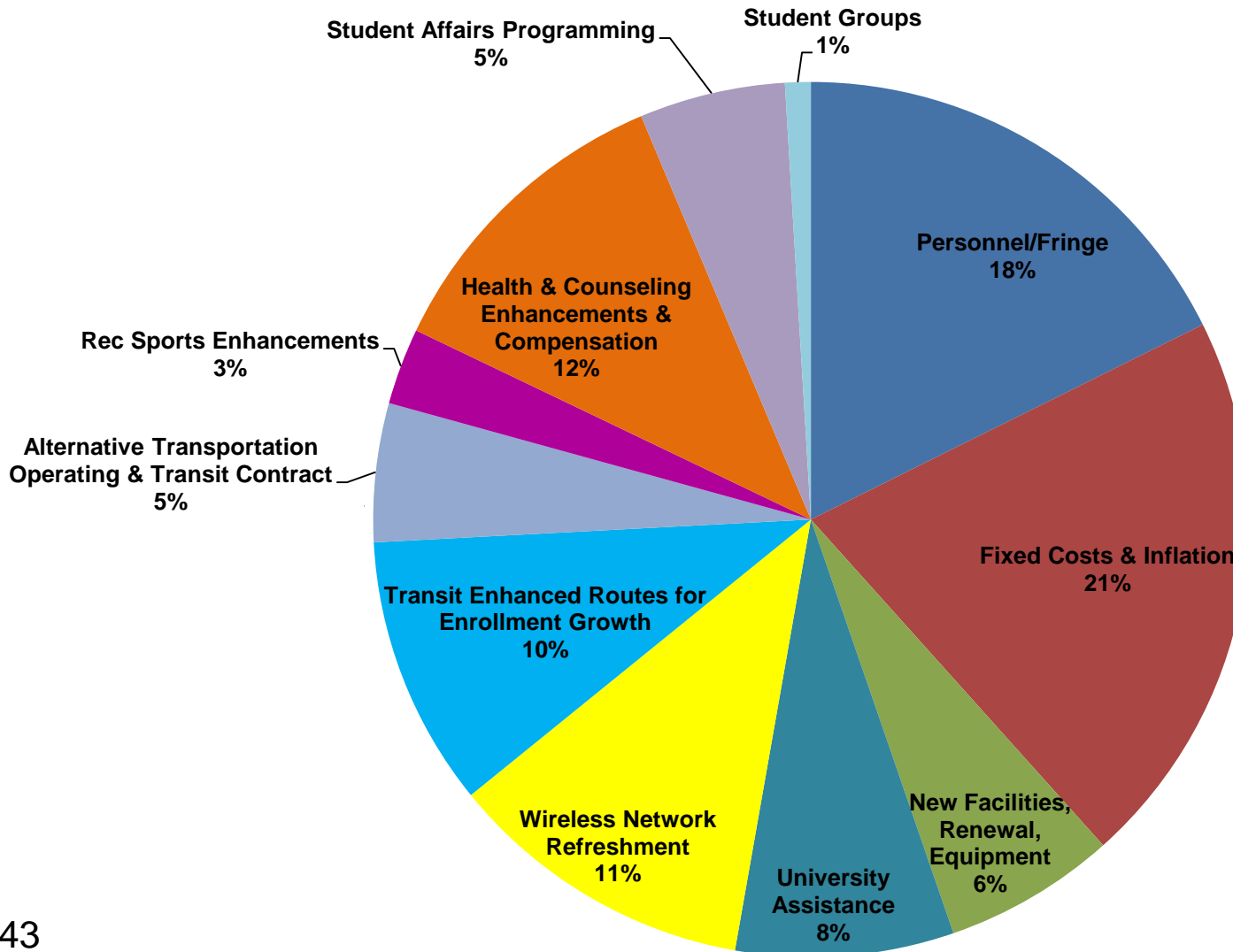
Comprehensive Fee

Components for 2017-18

	2016-17	Proposed	Increase	
	Charge	2017-18	\$	%
<u>Comprehensive Fee</u>				
Student Activity Fee	\$ 322	\$ 326	\$ 4	1.2%
Health Service Fee	410	425	15	3.7%
Athletic Fee	293	308	15	5.1%
Transportation Services Fee	127	137	10	7.9%
Recreational Sports Fee	321	322	1	0.3%
Student Services Fee	257	268	11	4.3%
Student Cultural Activities Fee	181	181	0	0.0%
Total Comprehensive Fee	\$ 1,911	\$ 1,967	\$ 56	2.9%

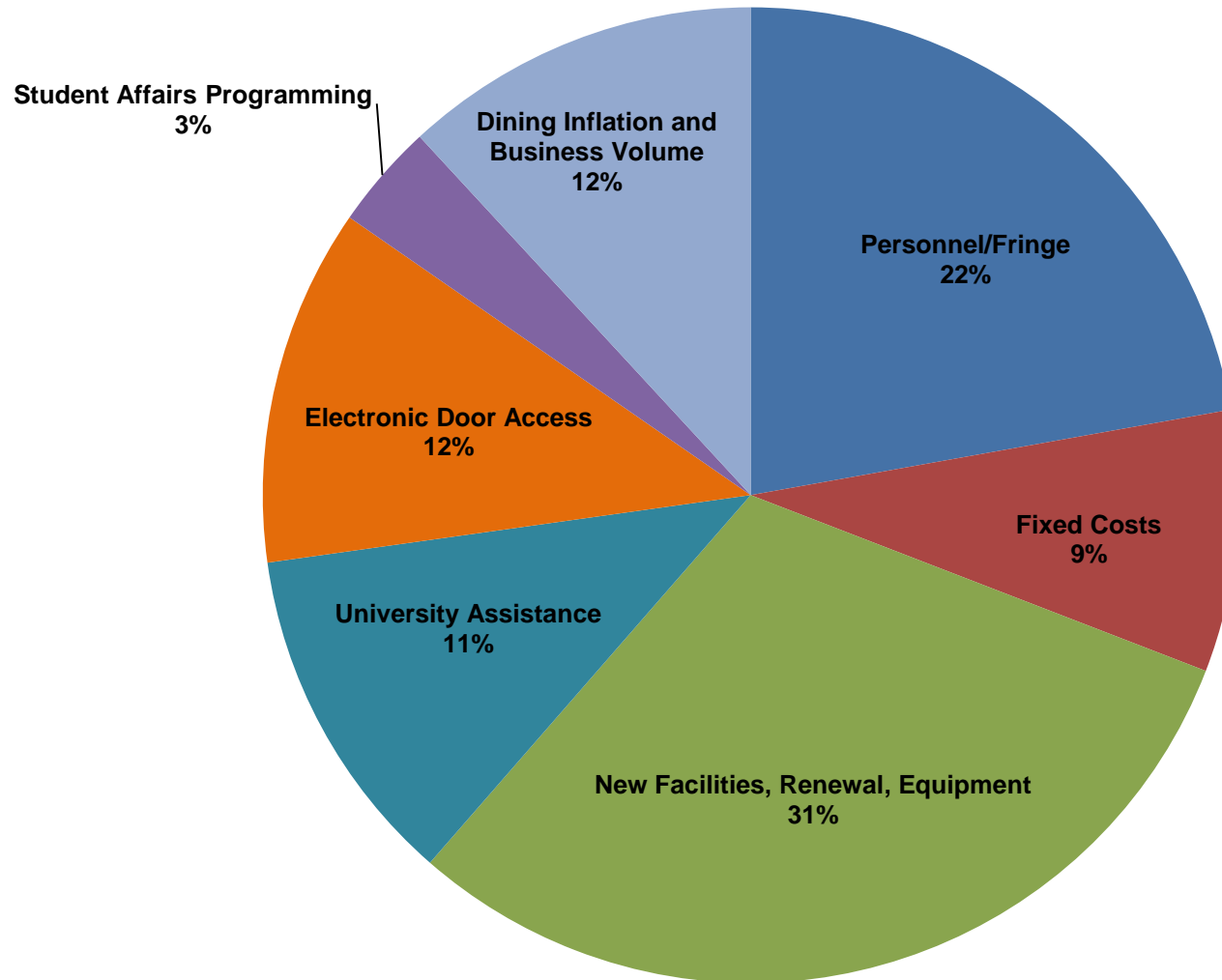
Comprehensive Fee

Proposed increase of 2.9%



Room & Board

Proposed increase of 3.2%



- Student Engagement & Campus Life: Student Budget Board Increase, Passport Facility, Events & Programming Support Personnel
- Recreational Sports: Ropes Challenge Course, Venture Out and Equipment Storage Facility
- Health Services: Cook Counseling Center Counselors, Health Professional Recruitment & Retention Salary Support
- Wireless: Robust Wireless System Equipment Refreshment
- Transit: Enhanced High Volume Routes, University Break Service, Additional Bike Racks
- Dining Services: Inflation of Food Costs, Facility Maintenance Support and Personnel, Hokie Grill Franchise Refreshment, Capital Project Planning
- Residential Halls: Electronic Door Access, O'Shaughnessy Renovation, Facility Upgrades, Sustainability Coordinator, Capital Project Planning

Differential Tuition Charges *Updates*

Differential Tuition charges are assess in specific disciplines, providing resources to address unique costs and enhance quality of instruction.

- **Engineering Fee Update:**
 - Transition current undergraduate fee from \$43.25 per credit hour to major-based fee of \$775 per academic year.
 - Intended to be a resource neutral transition

- **Master of Business Administration:**
 - From \$162.50 per credit to \$175.00 per credit (7.7% increase)

- **Master of Science in Business Administration (MSBA):**
 - **Business Analytics (MSBA-BA)** Increase fee from \$162.50 per credit to \$175 per Credit (7.7% increase)

New Differential Tuition Charges

- **Master of Science in Business Administration (MSBA):**
 - Hospitality and Tourism Management (MSBA-HTM): \$175 per Credit
- **Building Construction Supplemental Fee**
 - Undergraduate: \$775 major-based fee per academic year

Other Specialized Fees

- Designed for program-specific costs or to address service delivery costs to students.
 - **Library Fee:** Increase by \$16 to \$96 annually
 - **Technology Service Fee:** No increase. \$74 annually

Projected Market Impact of Proposed 2017-18 Recommendations

- Based upon recent market trends and the university's estimate of 2017-18 increases, the proposed tuition and fee adjustments will maintain the university's current market position.

	2016-17	Proposed 2017-18
In-state Undergraduate		
Public SCHEV Peers	10 out of 24	10 out of 24
Virginia Institutions	6 out of 15	6 out of 15
Out-of-state Undergraduate		
Public SCHEV Peers	14 out of 24	15 out of 24
Virginia Institutions	6 out of 15	6 out of 15

Questions?

Scenario B

	<u>2016-17</u> <u>Charge</u>	<u>Proposed</u> <u>2017-18</u>	<u>Increase</u>	
			\$	%
Resident Undergraduate				
<i>Tuition & Mandatory Fees</i>	\$ 12,852	\$ 13,317	\$ 465	3.6%
Nonresident Undergraduate				
<i>Tuition & Mandatory Fees</i>	\$ 29,975	\$ 31,043	\$ 1,068	3.6%

- Generates (\$20K) less revenue than Scenario A. Revenue from resident undergraduate (\$290K), Nonresident undergraduate \$270K more.

Scenario C

	<u>2016-17</u> <u>Charge</u>	<u>Proposed</u> <u>2017-18</u>	<u>Increase</u>	
			\$	%
Resident Undergraduate				
<i>Tuition & Mandatory Fees</i>	\$ 12,852	\$ 13,230	\$ 378	2.9%
Nonresident Undergraduate				
<i>Tuition & Mandatory Fees</i>	\$ 29,975	\$ 31,014	\$ 1,039	3.5%

Scenario C

Resident Undergraduate

	2016-17	Proposed	Increase	
	Charge	2017-18	\$	%
Tuition	\$10,787	\$11,093	\$306	2.8%
E&G Fees	154	170	16	10.4%
<i>Tuition & E&G Fees</i>	10,941	11,263	322	2.9%
Comprehensive Fee	1,911	1,967	56	2.9%
<i>Tuition & Mandatory Fees</i>	12,852	13,230	378	2.9%
<i>Room and Board</i>	8,424	8,690	266	3.2%
<i>Total Cost</i>	\$21,276	\$21,920	\$644	3.0%

Revenue Change Scenario C

Revenue change

Scenario A

\$ 15.4 million

Scenario C

13.5 million

Change

(\$ 1.9 million)

Impact Scenario C

- Requires planning for:
 - Larger budget reductions on campus
 - Smaller Faculty Distinction program
 - Reduced support for PIBB and/or Destination Areas (New Faculty)
 - Reduced Student Financial Aid.

Comparison of Scenarios

Instate Undergraduate	Current Rate	Scenario A		Scenario B				Scenario C			
		Increase		Increase		Change from A		Increase		Change from A	
		\$	%	\$	%	\$	%	\$	%	\$	%
Tuition & Mandatory Fees	\$12,852	477	3.7%	465	3.6%	(12)	-0.1%	378	2.9%	(99)	-0.8%
Total Cost	21,276	743	3.5%	731	3.4%	(12)	-0.1%	644	3.0%	(99)	-0.5%
Out-of-state Undergraduate											
Tuition & Mandatory Fees	29,975	1,039	3.5%	1,068	3.6%	29	0.1%	1,039	3.5%	-	0.0%
Total Cost	38,399	1,305	3.4%	1,334	3.5%	29	0.1%	1,305	3.4%	-	0.0%