

# TUITION & FEE PUBLIC HEARING

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EXECUTIVE VICE PRESIDENT AND  
CHIEF OPERATING OFFICER

March 5, 2025





# *VIRGINIA TECH STRATEGIC PRIORITIES*

## Virginia Tech Advantage

Embodies our land-grant mission by bridging financial gaps for students, ensuring steady degree progress, and fostering holistic student success

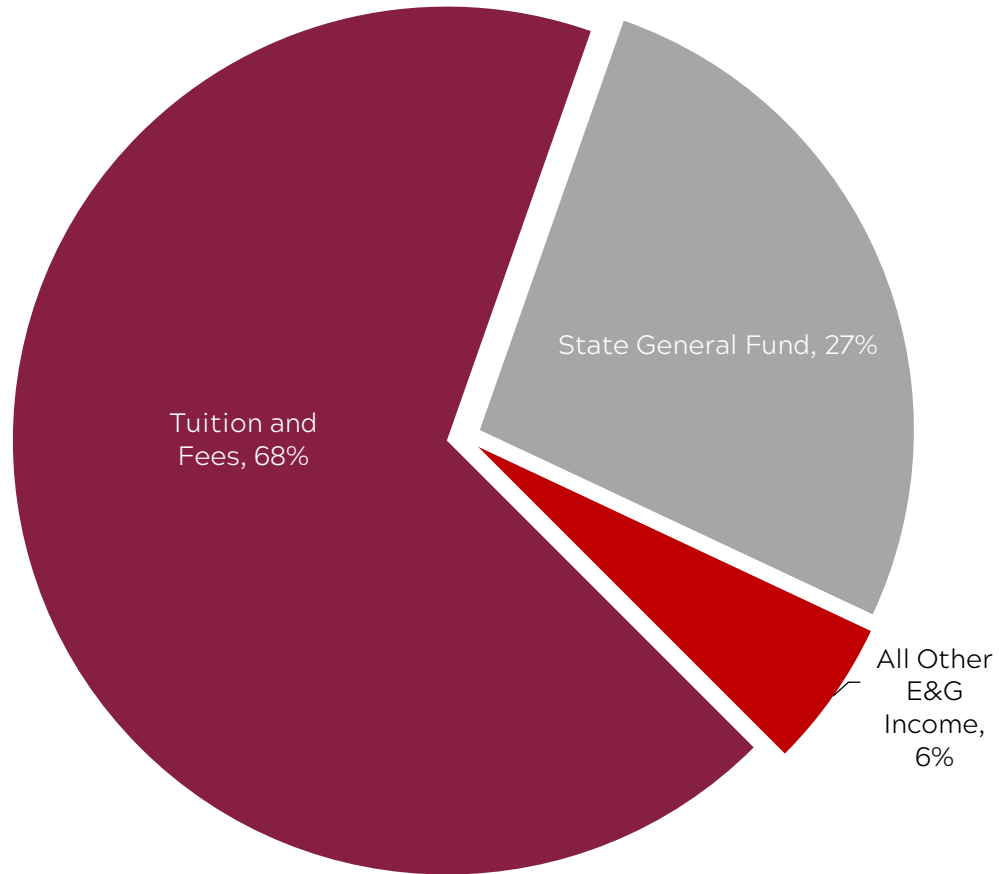
## Global Distinction

A commitment to institutional excellence across research, teaching, and engagement that makes Virginia Tech a destination for the best faculty, students, and partners from Virginia, the nation, and the world

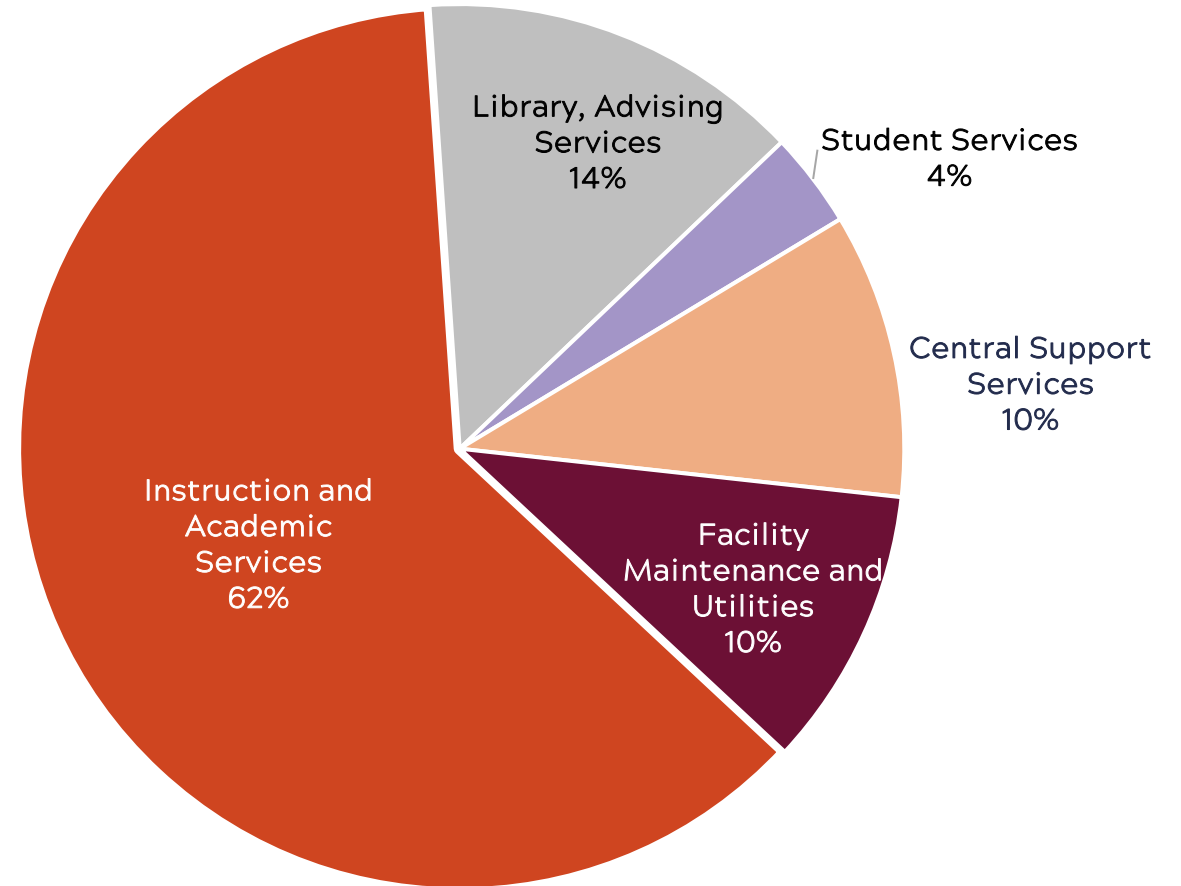
# Tuition Drives Our Ability to Deliver Educational Programs

## *Educational & General Program*

Revenue (sources)

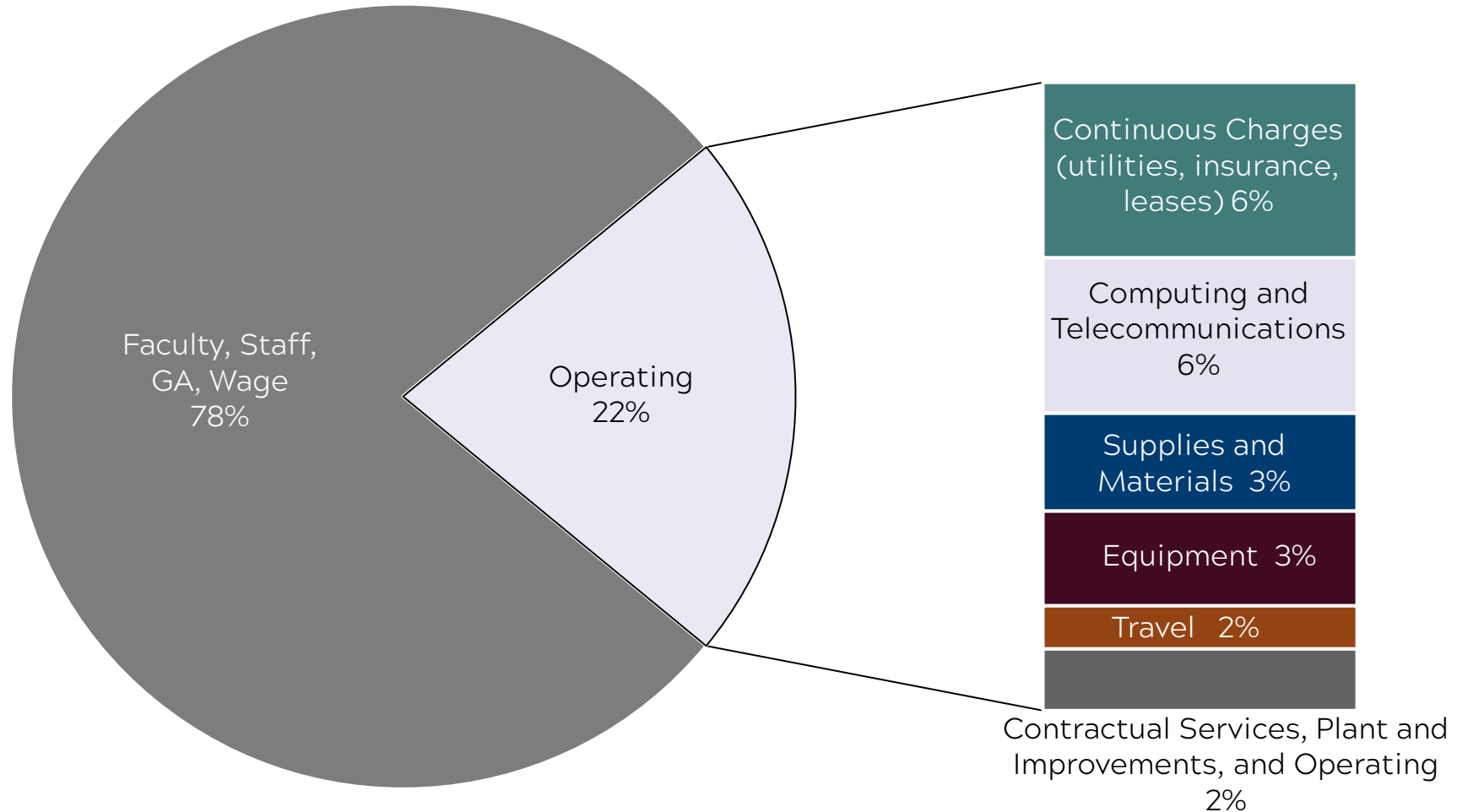


Expenditure by Function (uses)



# Higher Education is People-intensive

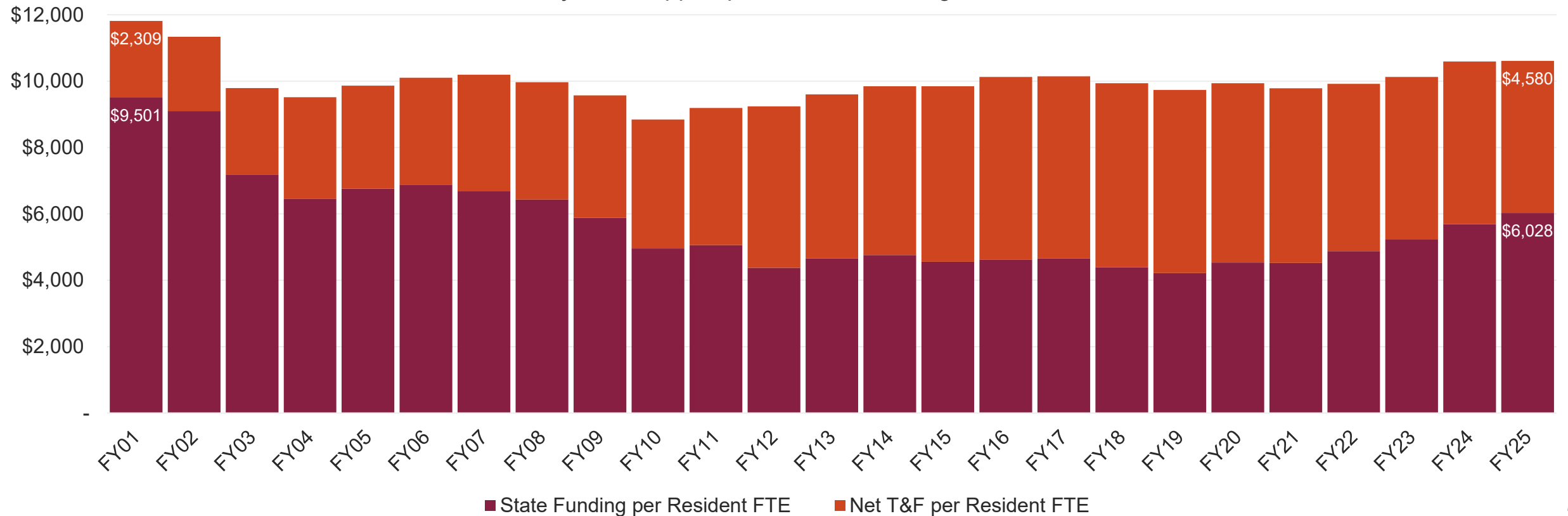
*Personnel account for 78% of E&G costs*



# State Funding is a Critical Partner

- The Commonwealth subsidizes the cost of Virginia resident undergraduate education
- State support has evolved over time, shifting the burden to students/families
- Despite recent state investments, adjusted for inflation, the university receives \$3,473 less state support per resident student than in 2000

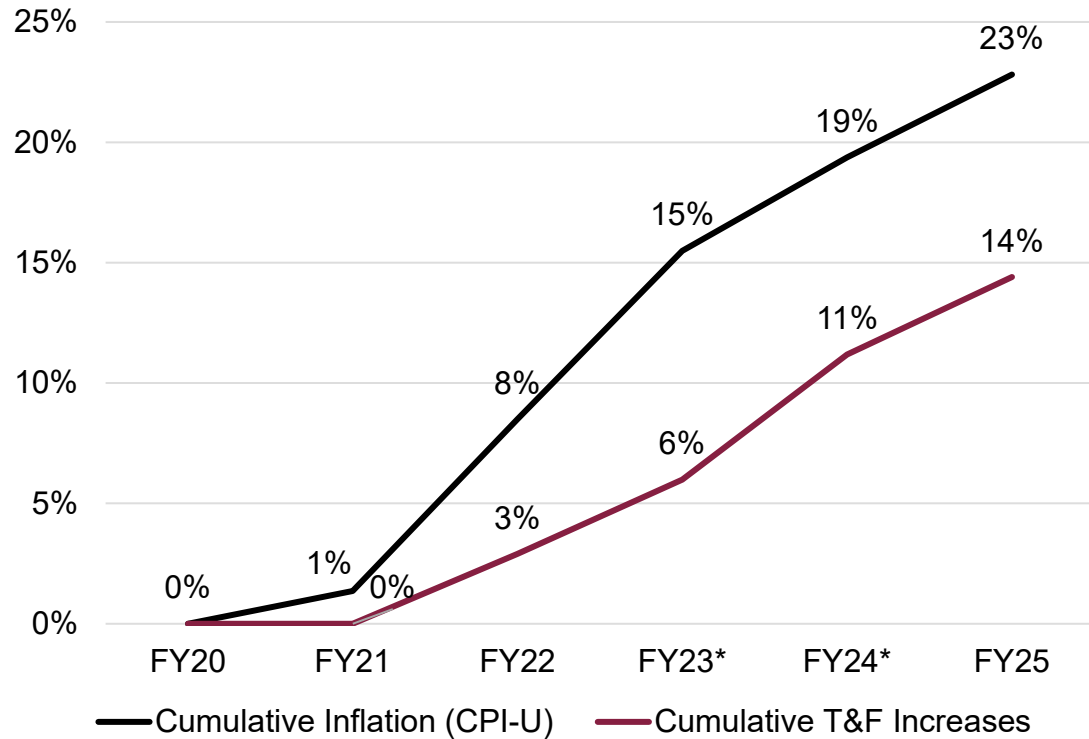
Inflation Adjusted Support per Resident Undergraduate Student



# Since FY20 Cumulative Tuition Increases Have Been Below Inflation

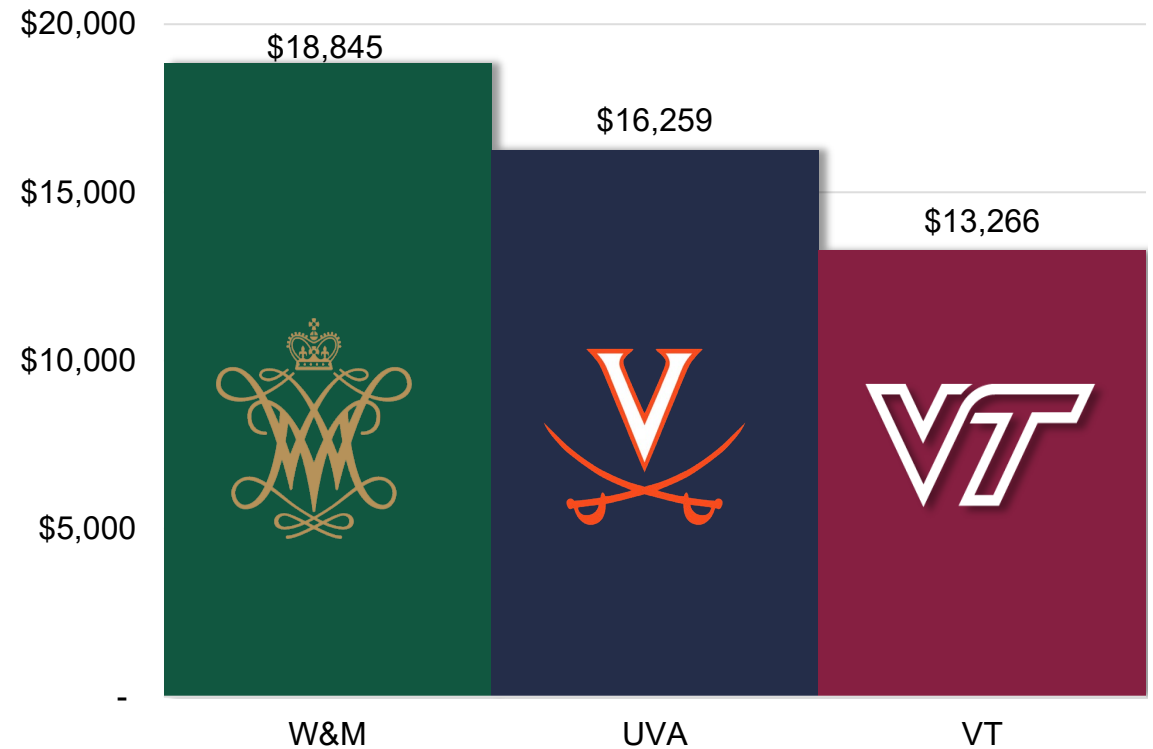
- Over the past five years:
  - Consumer Price Index (inflation) has increased **23%**
  - In-State undergraduate tuition has increased just **14%**

Virginia Tech In-State Tuition vs. Inflation  
FY20-FY25



\* FY23 and FY24 In-state increase offset by one-time tuition mitigation scholarships.

Virginia Public Four-Year Institutions  
FY25 In-State Undergraduate Tuition & E&G Fees



Excludes program fees.

# Virginia Tech Advantage Expands Commitment to Affordability

## Virginia Tech Advantage

- At scale, Virginia Tech Advantage will add \$51.5 million annually in need-based gift aid.
- The 10-year fundraising goal of \$500 million goal
  - *\$400 million in endowed scholarships*
  - *\$50 million in current-use scholarships*
  - *\$25 million in endowed funds and another \$25 million in current-use funds to meet:*
    - *basic needs such as food insecurity and emergency funds*
    - *support internships and enhance career preparation*
    - *offer transformational learning experiences including study abroad and undergraduate research*
- Private funds will leverage institutional and governmental support

## Undergraduate Scholarships and Aid

- Virginia Tech provided \$196 million in FY24, of which \$91 million was need-based aid

## Funds for the Future

- Offsets tuition and fee increases for continuing undergraduates whose family income is \$115,000 or less, ensuring they do not experience a net price increase over four years

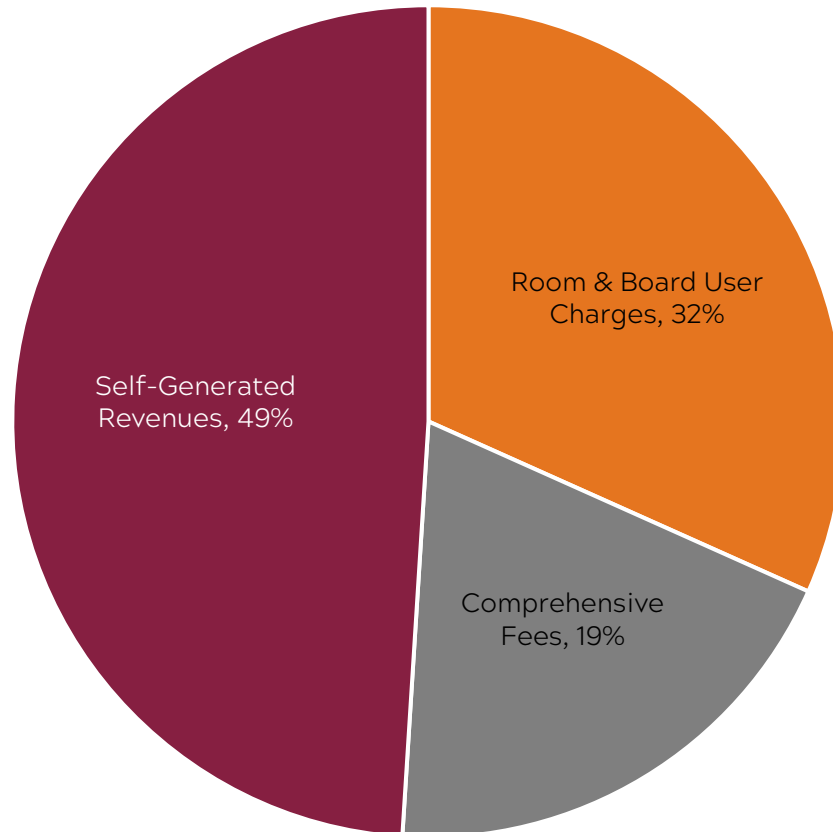
# Factors in Setting Tuition

- Compensation (State requires the university to cover 62% of the cost of state-mandated compensation programs for E&G programs)
  - 78% of E&G expenses are personnel
    - Faculty, staff, graduate assistants, and wage employees
    - Competition for talent is increasing, raising labor costs
- State mandated costs including health care, retirement, property insurance, and codified waivers
- Level of recurring base funding from the state
- Unavoidable inflationary costs including utilities, insurance, leases, facility maintenance, and subscriptions
- Maintenance of academic quality
- Internal strategic reinvestments and efficiency gains

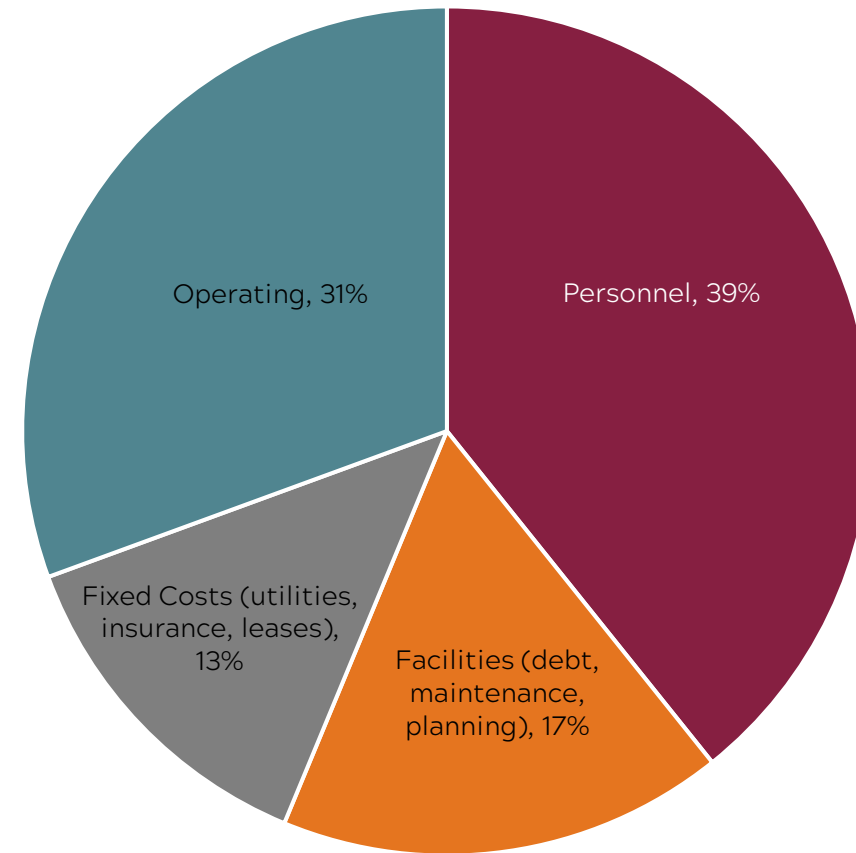


# Comprehensive Fee is an Important Source of Auxiliary Enterprise Funding

Revenue (sources)



Expenditures (uses)



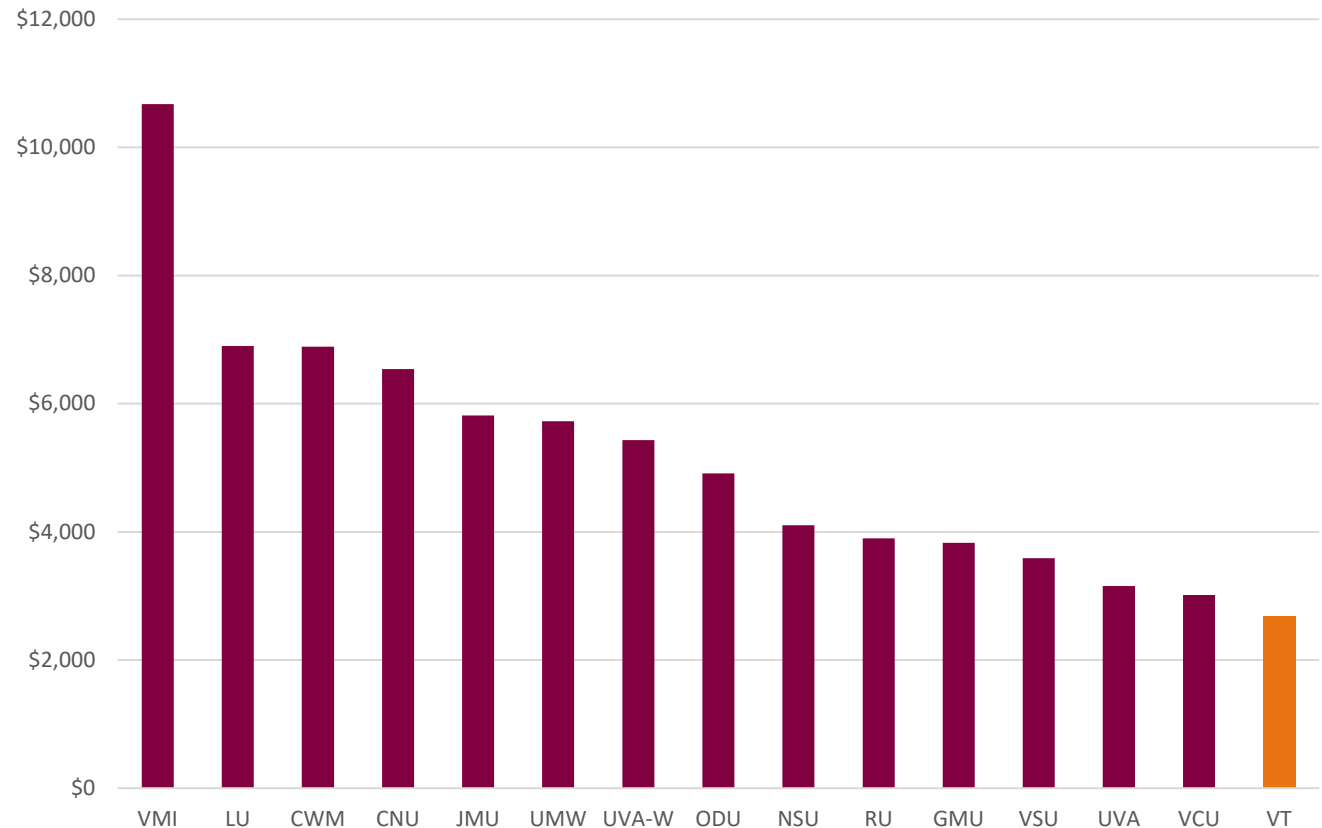
# Auxiliary Programs Provide Key Support Services

The Comprehensive Fee supports:

- **Student Health**
  - Student health & counseling services
- **Student Activities**
  - Student activities, centers, & organizations
- **Student Services**
  - Transportation programs
  - Wireless service
- **Athletics**
  - Intercollegiate athletics
- **Recreational Sports**
  - Recreational programs, sports clubs, & facilities

Factors influencing fee development include state compensation and benefits, inflationary costs, health and counseling, transit operations, and facility maintenance.

VT has the lowest Comprehensive Fee of Virginia's public four-year institutions.



# Ranges for 2025-26 Tuition and Fee Increases

|                                   | 2025-26   |
|-----------------------------------|-----------|
| Virginia Undergraduate Tuition    | 0% - 2.9% |
| Nonresident Undergraduate Tuition | 0% - 2.9% |
| Virginia Graduate Tuition         | 0% - 2.9% |
| Nonresident Graduate Tuition      | 0% - 2.9% |
| Comprehensive Fee                 | \$0 - 186 |

# Student Success is Key to Return on Investment

## Strong Undergraduate Graduation Rate

- 4-year: 70%
- 6-year: 86%

## 3.9 years average time-to-degree

- Shorter time lowers student cost
- Seven of eight colleges below 4 years



\$70,000 - Median starting salary of 2023 graduates

# VIRGINIA TECH: VALUE AND QUALITY

Top 20

Best Colleges in U.S. - *Wall Street Journal/Pulse*

Top 25

Best Public Schools - *U.S. News & World Report*

Top 150

Best Value Schools - *U.S. News & World Report*

Top 300

World University Ranking - *Times Higher Education*



- Written comments will continue to be accepted through March 17
- All comments will be made available to the Board of Visitors prior to consideration of undergraduate and graduate tuition and fees

# PUBLIC COMMENT