

Six-Year Plans (2011) 2012-14 through 2016-18

Due: July 1, 2011

Institution:

Institution UNITID:

Individual responsible for plan

Name:

Email address:

Telephone number:

**Six-Year Plans (2011)
College of William and Mary**

ACADEMIC AND FINANCIAL PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the "Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011." The information provided should be macro-level information with sufficient detail for the reader to understand your general approach.

Priority Ranking	Within Tuition Increase	ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR SIX-YEAR PERIOD (2012-2018)								
		Biennium 2012-2014 (7/1/12-6/30/14)				Biennium 2014-2016 (7/1/14-6/30/16)		Biennium 2016-2018 (7/1/16-6/30/18)		
		Strategies	TJ21 Objectives	Cost: Incremental, Savings, Reallocation				Strategies	Strategies	
				2012-2013		2013-2014				
Amount	Within Increase			Amount	Within Increase					
2	Yes	Pending the results of the Higher Education Advisory Committee's review of financial aid, the College will continue its Gateway Program which fully meets the financial need of low-income (family income below \$40,000) students without the use of loans. The College also estimates that it will allocate funds equivalent to 25% of its incremental tuition revenue for undergraduate and graduate financial aid.	A	Incremental:	\$1,840,000	\$1,840,000	\$3,680,000	\$3,680,000	Implementation strategy depends on the results of the Higher Education Advisory Committee's review of financial aid and determination of what constitutes low- and middle-income. Independent of HEAC review, the College will evaluate the appropriate thresholds for its Gateway initiative.	Implementation strategy depends on the results of the Higher Education Advisory Committee's review of financial aid and determination of what constitutes low- and middle-income.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
6	Yes	Improve use of Instructional Technology. Expand the availability of on-campus and DC-based general education and other high interest/high demand courses using a hybrid on-site/on-line model. Expand summer offerings of faculty-led undergraduate research experiences. These courses do not involve new start-up costs, laboratories, or significant new infrastructure and thus, result in cost efficiencies.	B	Incremental:	\$82,000	\$82,000	\$85,300	\$85,300	Evaluate student demand for expanded summer offerings.	Continue expansion of DC-based and Williamsburg summer offerings based on demand.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$80,000	\$0	\$80,000	\$0		
	No	Expand course-sharing and research collaborations at the undergraduate and graduate level. For example, our Introduction to Materials Characterization course is taught synchronously to 39 students on multiple campuses including Virginia Tech, UVA, NSU, and VSU. We will continue to investigate the potential to expand shared offerings in our particular areas of specialization. Promote research collaborations including the recently announced Virginia Nanotechnology Center (W&M, UVA, ODU) with support from the Virginia Microelectronics Consortium, the Semiconductor Research Consortium, and the National Institute of Standards and Technology.	C	Incremental:	\$0	\$0	\$0	\$0		
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
17	No	Expand student research opportunities in the curriculum as part of the College Southern Association of Colleges and Schools accreditation QEP (Quality Enhancement Program) process. This is an important part of the College's strategic plan, which stresses the role of engaged learning in providing our students with the tools to compete in and change the world. At William and Mary student research and intense learning is fundamental to what we do.	D	Incremental:	\$250,000	\$0	\$250,000	\$0	Evaluate QEP and research-based learning in response to SACS 5-year review.	Continue to monitor this important component of our educational model.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$125,000	\$0	\$250,000	\$0		
18	No	Expand global studies initiative by transitioning from Mellon Foundation grant initiative, adding strengths in the areas of Latin American, Asian, Middle Eastern, Africana, European and Russian and Post-Soviet studies.	D	Incremental:	\$150,000	\$0	\$400,000	\$0	Implement curriculum review recommendations in the area of global studies and internationalization.	Evaluate programmatic results of new investment in global/international studies. Adjust programs as necessary.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$100,000	\$0	\$300,000	\$0		

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				2012-2013		2013-2014				
Amount	Within Increase			Amount	Within Increase					
9	No	Implement the Business Innovation Project using a combination of software and consulting; digitize current and historical documents in implementing business efficiencies. The project records and communicates gains that have already been made, shares ideas across campus, develops and implements plans for even more efficient business processes and new revenue initiatives in each major organization, and initiates projects at the university level to complement and enhance unit level plans.	D, E9	Incremental:	\$0	\$0	\$0	\$0	Continue digitization of historical records to support online access for College faculty and staff. Continue Business Innovation Project to ensure efficient and effective use of College resources.	On-going business innovation and digitization of records.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$250,000	\$0	\$500,000	\$0		
10	No	Establish a data warehouse to provide accurate and timely information to management and the Commonwealth.	D, E9	Incremental:	\$0	\$0	\$0	\$0	Expand use of and access to data warehouse materials. Expand management reporting opportunities.	Monitor use of data warehouse information as input to management decisions.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$590,000	\$0		
3	Yes	The College has committed to increasing in-state undergraduate enrollment by 150 students over the next four years with the first cohort arriving in Fall, 2011. The enrollment projections submitted as part of the Six Year Plan reflect this increase. The College anticipates adding additional faculty to support these students and ensure their success.	E1	Incremental:	\$356,000	\$356,000	\$752,400	\$752,400	Meet College enrollment targets for in-state undergraduates. Evaluate the potential for additional enrollment growth while still maintaining the "public ivy" nature of the College and its programs.	Based on the enrollment evaluation conducted in FY 2015, adjust enrollment projections and admissions if necessary.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
	No	Maintain the College's high level of retention and degree completion by sustaining high levels of interaction between students and faculty, continuing to promote engaged learning across the curriculum. Student's typically choose not to "graduate early" from the College but take advantage of their time here to strengthen their in-class and research experience as better preparation for their careers. The benefits of this are seen in the high percentage of PhD's earned by William and Mary students in STEM and other areas.	E3, E5	Incremental:	\$0	\$0	\$0	\$0		
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
	No	Maintain and consider expansion of co-enrollment agreements to allow students enrolled at particular campuses to take courses at William and Mary while pursuing their associates degree. Continue the guaranteed admissions agreement with the Virginia Community Colleges for students who meet designated criteria. This program has allowed the College to increase the number of transfer students by nearly 50% over the past five years.	E4	Incremental:	\$0	\$0	\$0	\$0		
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
		Fully implement the new minor in marine science while more aggressively recruiting high school students in the STEM areas. Currently over 25% of the College's undergraduate		Incremental:	\$75,000	\$75,000	\$75,000	\$75,000	Expand opportunities for students in marine science. Explore further collaborations between VIMS and other units within the College in these areas.	Explore further collaborations between VIMS and other units within the College in STEM-related disciplines.

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4	Yes	students major in a STEM discipline with neuroscience growing the most rapidly. It is anticipated that with this trend, and increased College enrollment, the number of majors in STEM areas will increase by a total of 60-80 students.	E6	Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$25,000	\$0		
15	No	Building on existing program strengths of the College and the Virginia Institute of Marine Science, establish a Center for Energy and the Environment (CEE) in support of research and economic development. Program areas include alternative fuel and energy sources and remediation and restoration of Virginia waterways including the Chesapeake Bay. The CEE will provide expanded opportunities for STEM training of undergraduates, adding to the Commonwealth's workforce pool. Included in this request is funding support for high speed computing, computational modeling and simulation, and incremental support for the College's existing Center for Geospatial Analysis.	E6, E8	Incremental:	\$400,000	\$0	\$800,000	\$0	Monitor success of recruiting best students in these areas, their completion rates, and natoon norms of support.	Monitor success of recruiting best students in these areas, their completion rates, and natoon norms of support.
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
16	No	Establish a College-based Research Opportunity Fund to support periodic investment for STEM-focused proposals in large scale federal programs engaging multiple investigators. The Opportunity Fund will allow the College to leverage federal matching funds in STEM-related disciplines and support the retooling of mid-career and late career faculty into these areas.	E6, E8	Incremental:	\$500,000	\$0	\$500,000	\$0		
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
5	Yes	Continue to expand support for graduate financial aid, particularly in STEM disciplines, in order to maintain the quality, and increase the number, of graduate students supporting research and undergraduate instruction in these areas.	E6, E8	Incremental:	\$500,000	\$500,000	\$1,000,000	\$1,000,000		
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
	No	Expand capabilities created by phase 1 and 2 of our Integrated Science Center, construction of phase 3, and leveraging capabilities of recently completed VIMS seawater research laboratory and physics laboratories. Our strategy emphasizes STEM applications in energy and the environment (see CEE strategy), neuroscience, applied science, physics, and computer science as well as data base applications, such as our AidData project.	E8	Incremental:	\$0	\$0	\$0	\$0		
				Savings:	\$0	\$0	\$0	\$0		
				Reallocation:	\$0	\$0	\$0	\$0		
		Promote entrepreneurship and research with the private sector. The College's Technology and Business Center will continue to partner with other universities and research organizations in the		Incremental:	\$0	\$0	\$0	\$0		

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	No	region to promote collaboration in sensors and robotics, modeling and simulation and bioscience. The TBC will continue to manage the James City County business and technology incubator and partner with the Mason School of Business Entrepreneurship Center to connect faculty and students with business. The VIMS-Industry Partnership Committee will continue to actively explore the development and application of new technologies related to the Bay, including new sensors, observation platforms, modeling and simulation, and data integration. The Applied Research Center in Newport News will promote collaborations with high-technology companies in fields such as materials science, bioscience, sensing and imaging, and modeling and simulation.	E11	Savings:	\$0	\$0	\$0	\$0		
	No	The College's strategy is to continue to provide an outstanding education while expanding our global relevance, increasing our interdisciplinary approach to research and education, and strengthening our research capabilities. Simply put, this is an extraordinary form of education, offered by no other university in the Commonwealth and few others in the country. In developing our six year plan, we build on these strengths, preserving an educational experience rare in public higher education, while contributing to the education and economic development needs of the Commonwealth. The Six Year Plan builds on the College's strategic plan while outlines our goals of continuing to be a leading liberal arts university, expanding our interdisciplinary study, global relevance, and faculty-student research. Our students come wanting to change the world and leave with the tools to do it. This is the bold claim of our vision statement. We will fulfill this promise and our students and the Commonwealth will thrive if we continue to offer a "public ivy" education.	E13	Incremental:	\$0	\$0	\$0	\$0		
	No			Savings:	\$0	\$0	\$0	\$0		
	No			Reallocation:	\$0	\$0	\$0	\$0		
	No			Incremental:	\$0	\$0	\$0	\$0		
	No			Savings:	\$0	\$0	\$0	\$0		
	No			Reallocation:	\$0	\$0	\$0	\$0		
	No			Incremental:	\$0	\$0	\$0	\$0		
	No			Savings:	\$0	\$0	\$0	\$0		
	No			Reallocation:	\$0	\$0	\$0	\$0		
	No			Total 2012-2014 Costs	Amount	Within Increase	Amount	Within Increase		
	No			Incremental (Included in Financial Plan line 17)	\$4,153,000	\$2,853,000	\$7,542,700	\$5,592,700		

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		Savings		\$0	\$0	\$0	\$0																																																																																																																																																																														
		Reallocation		\$555,000	\$0	\$1,745,000	\$0																																																																																																																																																																														
<p>Six-Year Financial Plan for Educational and General Programs, Incremental Operating Budget Need 2012-2014 Biennium (Assuming No Additional General Fund)</p> <table border="1"> <thead> <tr> <th colspan="2"></th> <th colspan="2">2012-2013</th> <th colspan="2">2013-2014</th> </tr> <tr> <th colspan="2">Items</th> <th>Amount</th> <th>Within Increase</th> <th>Amount</th> <th>Within Increase</th> </tr> </thead> <tbody> <tr> <td colspan="2">Total Incremental Cost from Academic Plan within tuition increase³</td> <td>\$4,153,000</td> <td>\$2,853,000</td> <td>\$7,542,700</td> <td>\$5,592,700</td> </tr> <tr> <td>1</td> <td>Yes</td> <td>Increase Faculty Salaries²</td> <td>\$2,940,000</td> <td>\$2,940,000</td> <td>\$6,041,000</td> <td>\$6,041,000</td> </tr> <tr> <td></td> <td></td> <td>Faculty Salary Increase Rate⁴</td> <td>5.00%</td> <td>5.00%</td> <td>5.00%</td> <td>5.00%</td> </tr> <tr> <td>1</td> <td>Yes</td> <td>Increase Staff Salaries⁷</td> <td>\$1,927,000</td> <td>\$1,927,000</td> 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⁴	5.00%	5.00%	5.00%	5.00%	1	Yes	Increase Staff Salaries ⁷	\$1,927,000	\$1,927,000	\$3,931,000	\$3,931,000			Staff Salary Increase Rate ⁴	4.00%	4.00%	4.00%	4.00%			Increase Number of Full-Time Faculty ³ (\$)	\$0	\$0	\$0	\$0			Increase Number of Full-Time Faculty ³ (FTE)	4.00	0.00	8.00	0.00			Increase Number of Part-Time Faculty ³ (\$)	\$0	\$0	\$0	\$0			Increase Number of Part-Time Faculty ³ (FTE)	0.00	0.00	0.00	0.00			Increase Number of Support Staff (\$)	\$0	\$0	\$0	\$0			Increase Number of Support Staff (FTE)	0.00	0.00	0.00	0.00	12	Yes	Library Enhancement	\$304,000	\$182,400	\$632,000	\$379,200			Technology Enhancement (\$)	\$0	\$0	\$0	\$0			Technology Enhancement (FTE)	1.00	0.00	2.00	0.00			O&M for New Facilities	\$0	\$0	\$0	\$0	14	yes	Utility Cost Increase at 5%/year	\$235,000	\$141,000	\$480,000	\$288,000			Add'l In-State Student Financial Aid From Tuition Revenue	\$0	\$0	\$0	\$0			Others (Specify, insert lines below)					13	yes	Improve Buildings and Grounds 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12	Yes	Library Enhancement	\$304,000	\$182,400	\$632,000	\$379,200																																																																																																																																																																															
		Technology Enhancement (\$)	\$0	\$0	\$0	\$0																																																																																																																																																																															
		Technology Enhancement (FTE)	1.00	0.00	2.00	0.00																																																																																																																																																																															
		O&M for New Facilities	\$0	\$0	\$0	\$0																																																																																																																																																																															
14	yes	Utility Cost Increase at 5%/year	\$235,000	\$141,000	\$480,000	\$288,000																																																																																																																																																																															
		Add'l In-State Student Financial Aid From Tuition Revenue	\$0	\$0	\$0	\$0																																																																																																																																																																															
		Others (Specify, insert lines below)																																																																																																																																																																																			
13	yes	Improve Buildings and Grounds maintenance	\$300,000	\$180,000	\$600,000	\$360,000																																																																																																																																																																															
7	Yes	Improve Campus Security (\$)	\$100,000	\$100,000	\$209,000	\$209,000																																																																																																																																																																															
		Improve Campus Security (FTE)	2.00	0.00	4.00	0.00																																																																																																																																																																															
11	Yes	Nonpersonal Services	\$407,000	\$244,200	\$624,000	\$374,400																																																																																																																																																																															
8	no	Institutionalize Campus Sustainability effort (\$)	\$62,000	\$0	\$64,800	\$0																																																																																																																																																																															

Six-Year Plans (2011)
College of William and Mary

ACADEMIC AND FINANCIAL PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the "Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011." The information provided should be macro-level information with sufficient detail for the reader to understand your general approach.

Priority Ranking	Within Tuition Increase	ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR SIX-YEAR PERIOD (2012-2018)							
		Biennium 2012-2014 (7/1/12-6/30/14)				Biennium 2014-2016 (7/1/14-6/30/16)		Biennium 2016-2018 (7/1/16-6/30/18)	
		Strategies	TJ21 Objectives	Cost: Incremental, Savings, Reallocation				Strategies	Strategies
				2012-2013		2013-2014			
Amount	Within Increase			Amount	Within Increase				
		Institutionalize Campus Sustainability effort (FTE)		1.00	0.00	1.00	0.00		
		Total Additional Funding Need		\$10,428,000	\$8,567,600	\$20,124,500	\$17,175,300		

Notes:

- (1) Enter staff FTE change over the FY2012 level in appropriate columns.
- (2) If planned, enter the cost of any institution-wide increase.
- (3) Please ensure that these items shall not be double counted if they are already included in the incremental cost of the academic plan.**
- (4) Enter planned annual faculty salary increase rate in Cell B22 and D22. Any salary increase entered here will be counted when calculating the gap to reach the 60th percentile in the future.

Six-Year Plans (2011)

College of William and Mary

FINANCIAL AID PLAN

Instructions: Complete the table for the Actual 2010-11 and Estimate 2011-12 distribution of financial aid by category. The planned distributions for 2012-13 and 2013-14 will be automatically calculated based on the estimated 2011-12 distribution. Adjust the 2012-13 and 2013-14 distributions, as necessary, by entering values instead of using the formulas.

2010-11 (Actual)			
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$25,554,963		\$4,214,826
Out-of-State Undergraduate	\$49,466,119		\$4,566,543
In-State Graduate	\$7,039,477		\$669,526
Out-of-State Graduate	\$4,600,405		\$1,881,821
In-State 1st Professional	\$4,661,505		\$128,752
Out-of-State 1st Professional	\$9,302,569		\$32,216
Total	\$100,625,038	\$0	\$11,493,684
In-State Sub-Total	\$37,255,945	\$0	\$5,013,104

2011-12 (Estimated)			
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$27,022,695		\$5,022,497
Out-of-State Undergraduate	\$51,681,417		\$4,974,871
In-State Graduate	\$7,552,043		\$794,526
Out-of-State Graduate	\$4,730,425		\$2,256,821
In-State 1st Professional	\$5,121,390		\$128,752
Out-of-State 1st Professional	\$9,449,092		\$32,216
Total	\$105,557,062	\$0	\$13,209,683
In-State Sub-Total	\$39,696,128	\$0	\$5,945,775

2012-13 (Planned)			
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$30,060,521		\$5,942,497
Out-of-State Undergraduate	\$53,410,752		\$5,894,871
In-State Graduate	\$7,929,645		\$919,526
Out-of-State Graduate	\$4,966,946		\$2,631,821
In-State 1st Professional	\$5,495,251		\$128,752

Out-of-State 1st Professional	\$9,921,547		\$32,216
Total	\$111,784,662	\$0	\$15,549,683
In-State Sub-Total	\$43,485,417	\$0	\$6,990,775
Additional In-State	\$3,789,289	\$0	\$1,045,000
Additional In-State from Fin Plan		\$0	

2013-14 (Planned)			
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$32,878,589		\$6,862,497
Out-of-State Undergraduate	\$55,323,817		\$6,814,871
In-State Graduate	\$8,326,128		\$1,044,526
Out-of-State Graduate	\$5,215,294		\$3,006,821
In-State 1st Professional	\$5,890,910		\$128,752
Out-of-State 1st Professional	\$10,417,624		\$32,216
Total	\$118,052,362	\$0	\$17,889,683
In-State Sub-Total	\$47,095,627	\$0	\$8,035,775
Additional In-State	\$3,610,210	\$0	\$1,045,000
Additional In-State from Fin Plan		\$0	

Note: The column "Tuition Revenue for Financial Aid" is not filled in since the College pools all tuition revenue and does not earmark a particular tuition source to support financial aid. However, it should be noted that in FY 2014 in-state undergraduate students will receive just over 50% of tuition revenue allocated for undergraduate student financial aid while contributing approximately 37% of undergraduate tuition.

Six-Year Plans (2011)

Scenario 1

NOTE: While the Board of visitors approved the expenditures proposed in the Six -Year Plan, they took no action to establish tuition rates pending information regarding the availability of incremental state funding. As a result, in-state undergraduate tuition rates remain at the FY 2012 level pending Board action.

College of William and Mary

Six-Year Financial Plan for Tuition and Fee Increases and Nongeneral Fund Revenue Estimates

Items	2011-2012		2012-2013			2013-2014			2014-2015	2015-2016	2016-2017	2017-2018
	Student Charge	Total Revenue	Student Charge	Rate Increase	Total Revenue	Student Charge	Rate Increase	Total Revenue				
E&G Programs												
In-State Undergraduate	\$8,365	\$27,022,695	\$8,365	0.0%	\$30,060,521	\$8,365	0.0%	\$32,878,589				
Out-Of-State Undergraduate	\$31,195	\$51,681,417	\$32,755	5.0%	\$53,410,752	\$34,392	5.0%	\$55,323,817				
In-State Graduate	\$6,497	\$7,552,043	\$6,822	5.0%	\$7,929,645	\$7,163	5.0%	\$8,326,128				
Out-Of-State Graduate	\$20,367	\$4,730,425	\$21,385	5.0%	\$4,966,946	\$22,455	5.0%	\$5,215,294				
In-State Law	\$21,603	\$5,121,390	\$23,183	7.3%	\$5,495,251	\$24,842	7.2%	\$5,890,910				
Out-Of-State Law	\$31,603	\$9,449,092	\$33,183	5.0%	\$9,921,547	\$34,842	5.0%	\$10,417,624				
In-State Medicine				%			%					
Out-Of-State Medicine				%			%					
In-State Dentistry				%			%					
Out-Of-State Dentistry				%			%					
In-State PharmD				%			%					
Out-Of-State PharmD				%			%					
In-State Veterinary Medicine				%			%					
Out-Of-State Veterinary Medicine				%			%					
Other NGF		\$5,620,642			\$5,620,642			\$5,620,642				
Total E&G Revenue		\$111,177,704			\$117,405,304			\$123,673,004	\$129,856,654	\$136,349,486	\$143,166,961	\$150,325,309
Auxiliary Program												
Undergraduate	\$4,767		\$4,958	4.0%		\$5,156	4.0%					
Graduate	\$4,465		\$4,644	4.0%		\$4,830	4.0%					
Law	\$4,597		\$4,780	4.0%		\$4,972	4.0%					
Medicine				%			%					
Dentistry				%			%					
PharmD				%			%					
Veterinary Medicine				%			%					
Total Auxiliary Revenue		\$64,100,000			\$66,664,000			\$69,330,560	\$72,103,782	\$74,987,933	\$77,987,450	\$81,106,949
Total Tuition and Fees												
In-State Undergraduate	\$13,132		\$13,323	1.5%		\$13,521	1.5%					
Out-Of-State Undergraduate	\$35,962		\$37,713	4.9%		\$39,548	4.9%					
In-State Graduate	\$10,962		\$11,466	4.6%		\$11,993	4.6%					
Out-Of-State Graduate	\$24,832		\$26,029	4.8%		\$27,285	4.8%					
In-State Law	\$26,200		\$27,963	6.7%		\$29,814	6.6%					
Out-Of-State Law	\$36,200		\$37,963	4.9%		\$39,814	4.9%					
In-State Medicine	\$0		\$0	%		\$0	%					
Out-Of-State Medicine	\$0		\$0	%		\$0	%					
In-State Dentistry	\$0		\$0	%		\$0	%					
Out-Of-State Dentistry	\$0		\$0	%		\$0	%					
In-State PharmD	\$0		\$0	%		\$0	%					
Out-Of-State PharmD	\$0		\$0	%		\$0	%					
In-State Veterinary Medicine	\$0		\$0	%		\$0	%					
Out-Of-State Veterinary Medicine	\$0		\$0	%		\$0	%					
Student Financial Aid (Program 108)		\$13,209,683			\$15,549,683			\$17,889,683	\$20,229,683	\$22,569,683	\$24,909,683	\$27,249,683
Sponsored Programs (Program 110)		\$28,850,000			\$29,427,000			\$30,016,000	\$30,616,320	\$31,228,646	\$31,853,219	\$32,490,284
Unique Military Activities												
Workforce Development												
Other (Specify)												

Six-Year Plans (2011)
College of William and Mary

Foregone Tuition Revenue As A Result of Tuition Waivers

Educational and General Programs

(Please provide information and add programs to the list as appropriate)

Program	2012-13					2013-14				
	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total
Academic Common Market	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Out-of-State Graduates	\$0	\$0	\$0	\$6,051,600	\$6,051,600	\$0	\$0	\$0	\$6,354,100	\$6,354,100
Employee, war, police, seniors				\$430,500	\$430,500				\$452,020	\$452,020
					\$0					\$0
Total	\$0	\$0	\$0	\$6,482,100	\$6,482,100	\$0	\$0	\$0	\$6,806,120	\$6,806,120

Note: The amounts provided include tuition waivers for graduate and professional students. Unfunded scholarships are not included.

**SIX-YEAR PLAN
COLLEGE OF WILLIAM & MARY
October 11, 2011**

I.

Pursuant to the Higher Education Opportunity Act of 2011 (TJ21), the College of William & Mary (W&M or the College) submits its six-year plan to the State Council of Higher Education for Virginia (SCHEV).

We submitted an earlier version of this plan on July 1st; discussed it with representatives of the Governor's Office, General Assembly, and SCHEV in late July; reviewed and made modifications based on the feedback on that preliminary submission; and, finally, in discussion with our Board of Visitors last month, submit this plan with their approval.

We understand that some of what we propose would break new ground and thus requires a great deal of examination, discussion and give-and-take. We have welcomed the process, because the stakes are very high for William & Mary and Virginia's system of public higher education as a whole.

II.

The main challenge this plan addresses is how to meet the cost of sustaining William & Mary as a small liberal arts university of national and international renown that stresses both teaching and research. The College features outstanding undergraduate programs grounded in the liberal arts, complemented by excellent graduate programs in the arts and sciences, business, education, law and marine science.

William & Mary now holds an unusual place in the Commonwealth's highly diverse system of public higher education, indeed in American higher education generally. During the century since W&M became part of Virginia's system of public higher education in 1906, the state has played a major role in building the College into what it is today – an internationally recognized educational asset of the Commonwealth that is truly one of a kind. Indicatively, in its December 2010 report, Governor McDonnell's Higher Education Commission referred to “*the Commonwealth's commitment . . . to having a distinctive ‘public ivy’ at William & Mary.*” Our six-year plan seeks to sustain the College as a public ivy of great value to Virginia.

Founded in 1693, William & Mary is second in age only to Harvard in the United States and has become one of the preeminent liberal arts universities in the world. The College offers in a public context the sort of educational experience typically found at an Ivy League university, but at much less cost for our in-state students. Almost 75% of our undergraduates live on a compact, historic campus, amid a robust sense of community. To a degree unknown among other public research universities, W&M has limited the growth of its student body and maintained a low student/faculty ratio, small classes, and close involvement of its tenured faculty with undergraduates as well as with graduate and professional students. The College relies relatively little on teaching assistants and adjuncts. Courses are available. Student research is heavily emphasized, and it occurs in close collaboration with professors. Sometimes it occurs during the entire four years of an undergraduate's time on campus, though more often during his or her upper-class years. Over 40% of our undergraduates study abroad at some point during their time at W&M. The intensely engaged learning that takes place at the College is for all our students, not just for a small subset in honors programs.

Admission standards are stringent. Our incoming undergraduates typically have the 1st or 2nd highest SAT scores of any cohort in the nation among public universities. Students who come to William & Mary remain and graduate (more than 90%). The signal success of our undergraduates in professional and PhD programs reflects the rigor and richness of their W&M education. Among public universities in the United States, the College ranks 2nd in overall PhD production per bachelor's degree, and, within the STEM disciplines, it ranks 3rd for PhDs per graduating senior.

Because the College takes a liberal arts approach to education, our students engage a broad range of disciplines in the humanities, social sciences, laboratory sciences and mathematics. They hone their ability to think critically and systematically. They learn to take a problem and stick with it until they have made headway solving it. They confront ideas and perspectives different from their own and grow in their capacity to engage diversity sympathetically (a capacity key to success in a world divided by race, culture, politics and religion but increasingly united economically). W&M graduates emerge prepared not for a single job but for any job, with the intellectual dexterity to change careers over the course of their working lives if the need or desire arises. They also emerge good citizens and strong leaders. W&M alumni strongly pull their oars in the Commonwealth's and the nation's economic, civic and cultural lives, as they have for centuries. From academic institutions to the military, from the business world to the world of non-

profits, the College has a long history of preparing our students for productive careers and lives.

Providing education of the sort just described is labor intensive, requiring a very able faculty and staff. A W&M education entails many more full-time professors than is the norm in public higher education, and it takes professors deeply committed to both teaching and scholarship. While W&M benefits increasingly from technological advances in teaching and research, at heart its approach to learning hinges on the transforming power of a residential community of teachers and students closely engaged. This sort of education does not come cheap, and it is seriously underfunded these days at the College.

To help meet the expense of the sort of intensely engaged learning offered at William & Mary, the university has become extremely efficient and works constantly to become more so. According to *U.S. News and World Report* data, while the College ranks 33rd (tied) among the nation's universities in educational quality, it ranks 97th in its level of financial resources. No other university has such a large gap between its quality and the financial foundation on which it rests. The College routinely fares very well in surveys of "value" among the nation's universities, being ranked fourth in *Kiplinger's* latest list of public schools. Data on the "return on investment" of colleges analyzed by *PayScale* put W&M tied for fourth in the nation on this measure.

In sum, enabling William & Mary to find the resources essential to sustain its approach to higher education has significant value for the Commonwealth. The College has an important mission in Virginia's multi-faceted system of higher education, and it contributes significantly to the economic health of the Commonwealth and to the powerful reputation Virginia higher education enjoys in the United States.

We turn next to William & Mary's financial needs during the next six years. Our plan is rooted in the goals set out in the TJ21 Act and in William & Mary's own Strategic Plan. Beginning in the summer of 2008, the College embarked on comprehensive strategic planning. The result has been a "living" roadmap, updated annually and approved by the Board of Visitors, which defines where the College needs to go and how best to get there. The plan identifies gaps that must be closed if W&M is to retain its capacity to be a public ivy. Many needs that require little or no new funding have been implemented already. Other identified gaps in salaries, STEM-related research, library support, graduate stipends, information technology and campus operations cannot go forward without such

funding. While our six-year plan does not seek to implement all remaining aspects of W&M's strategic thinking, it does speak to some of the most important.

III.

The particulars of William & Mary's six-year plan are presented in the now-consolidated Academic Plan and Finance-Operating Plans and in the format prescribed by the state. Here are several of the plan's major elements:

1. **Access:** The College will add 150 in-state and 50 out-of-state undergraduates over the next four years, while maintaining its long-standing mix in the undergraduate body of 65% in-state and 35% out-of-state students. In 2011/12 the tuition and fees for an out-of-state student will be \$22,830 greater than those for an in-state student. Out-of-state students critically undergird the College's operating budget.
2. **Affordability:** It is essential that William & Mary remain affordable to its students, whatever their financial circumstances. To this end, between 2008 and 2012, we increased our undergraduate and graduate financial aid by \$9.1 million or 117%. In these financially stressful times, the burden on college-going students from middle-income families has become particularly acute, and it must be addressed. The definition of "low and middle income" for financial aid purposes remains to be determined by the Higher Education Advisory Committee. In the meantime, we have assumed that at least 25% of incremental undergraduate tuition (\$1.8 million per year) will be required to meet the need.
3. **Faculty and staff compensation:** W&M's plan assumes that over a five-year period the College will meet the state's goal of taking faculty salaries to the 60th percentile of our SCHEV-approved peer group. Using SCHEV's calculation of "appropriated faculty salaries," William & Mary's faculty salaries have now fallen to the 23rd percentile of our SCHEV-identified peers.¹ To remedy this untenable situation by reaching the 60% percentile over five years, W&M's plan assumes an annual 5% pool for faculty merit salary increases. The plan also assumes a 4% staff pool over the same period, producing an incremental cost of faculty and staff salaries of

¹ This SCHEV calculation does not reflect the full extent of the salary gap. Using an apples-to-apples comparison of the faculty compensation paid by the schools in W&M's peer group as reported annually by each school via the federal IPEDS (Institutional Post-Secondary Education Data System), W&M faculty salaries have actually fallen to the 7th percentile.

approximately \$4.9 million in FY 2013 and an additional \$5.1 million in FY 2014.

4. As noted above, our plan is rooted in the goals set out in the TJ21 Act and in William & Mary’s Strategic Plan. While both plans look out across multiple biennia, the state’s template focuses on the 2012-14 biennium and emphasizes links between our plans and the TJ21 priorities. In addition to undergraduate financial aid and faculty/staff compensation, the table below includes other key elements in our six-year plan and their costs:

	<u>FY 2013</u>	<u>FY 2014</u>
➤ Undergraduate financial aid	\$1,840,000	\$3,680,000
➤ Faculty and staff salaries	\$4,867,000	\$9,972,000
➤ Faculty to support enrollment growth	\$ 356,000	\$ 752,400
➤ Graduate stipends, library support, student research, international/ interdisciplinary curricular changes	\$1,429,000	\$2,832,000
➤ STEM related research	\$ 975,000	\$1,400,000
➤ Information Technology	\$ 412,000	\$1,255,300
➤ Base operating funds	\$ 407,000	\$ 624,000
➤ Campus maintenance, utilities, security	\$ 697,000	\$1,353,500

5. In addition to the TJ21 measures just noted, our six-year plan includes other ways we can pursue TJ21 goals without additional funding, for instance, by offering more summer courses on the main campus and through W&M’s Washington, D.C. Office, expanding interdisciplinary collaboration (particularly in STEM disciplines at the graduate level), maintaining high levels of student retention and graduation across the university, and strengthening co-enrollment programs with Virginia Community Colleges.

In summary, on the expenditure side, the revised plan reflects a slight reduction in overall expenditures, reallocates additional College resources to higher priority areas, and recognizes that some elements of the plan can be implemented only if incremental state funds are available.

IV.

The investments noted above will help the Commonwealth meet the TJ21 goals, help William & Mary implement key aspects of its Strategic Plan, and enable the College to sustain its mission as a public ivy. Without these investments, the College will face erosion in the sort of education that has made it an important educational asset for Virginia and one of the preeminent liberal arts universities in the world.

The question now becomes how to pay for this six-year plan. In FY 2012, state funds will provide roughly 12% of our operating budget. The rest, 88%, will come from students and their families via tuition and fees, from donors via annual giving and endowment gifts, from foundation grants, from research funding to support specific projects, and from various other non-state sources.

Going forward, William & Mary believes its financial foundation must rest on four pillars, the first three being the university's responsibility and the fourth the state's: (1) greater efficiency and innovation on campus; (2) greater philanthropic support; (3) greater earned income; and, (4) some continuing state support.

As to pillar (1) of the financial foundation, W&M understands that expenditures per student for an undergraduate education cannot keep rising as they've risen during the last generation. We also know that a willingness on the part of donors and elected officials to help the College will hinge in no small measure on our capacity to become even more efficient than we already are, to take full productive advantage of our facilities and evolving technology, and to embrace promising innovation. The challenge, in short, is to sustain W&M's high educational quality while limiting our costs per student. W&M has conducted an exhaustive review to identify areas in which savings or new revenues have been achieved and to initiate projects in all spheres of the university to develop even more innovation, efficiency and revenue sources. The present state of those efforts is sketched at www.wm.edu/innovation.

As to pillar (2), William & Mary has already reached significant levels of philanthropy when measured against other state colleges and universities in the country, but not when measured against the handful of private universities providing the sort of education offered at the College. Over the generations, they have done a much better job of raising philanthropic money than we. William & Mary must build a much larger endowment than now exists. We must develop

more powerful streams of annual giving and bricks-and-mortar giving than the university now enjoys. It's up to W&M alumni and friends to help sustain the College's mission in these ways, among many others. Our development efforts are intense these days.

As to pillar (3), colleges and universities provide services in return for payment. The more people believe that these services have value for them, the greater the school's strength in the market place. In this sense, the provision of an undergraduate education is like the provision of any other service. There is one difference. Colleges and universities, to the extent they can, provide financial aid (scholarships, loans, campus jobs) to ensure that they remain affordable for students and families with limited, or no, financial resources. But while providing adequate financial aid, it is essential that William & Mary take advantage of its strength in the market by charging more for the services it provides.

As to pillar (4), the College deeply appreciates the support of many sorts, including for capital projects, maintenance reserve, and the equipment trust fund, that the Commonwealth has been able to provide amid huge competing demands for state revenues. We do not believe it is realistic, however, to count on Virginia's taxpayers being able to support higher education as adequately in the future as in years past. This is true for states across the country. U.S. financial circumstances have changed for the worse. We confront a vast overhang of public debt and unfunded commitments at the federal level and rapidly growing claims on state and local resources as well. The TJ21 Act reflects a laudable and worthy determination to give higher education renewed priority in the Commonwealth. Yet even under the most optimistic revenue projections it is unlikely that adequate funding of public higher education in Virginia can be accomplished without also leveraging non-state resources by those colleges and universities with the capacity to do so. William & Mary lost \$17.1 million of its operating support from Virginia taxpayers after the Great Recession hit in 2008. This year, about \$900,000 of those state funds have been restored, roughly 5% of the \$17.1 million. This confronts the College with a severe, continuing financial challenge.

Against this background, what does W&M propose for pillar (3) of its financial foundation, that is, earned income? Reflecting the changes in the reduced expenditures (described above), the revised plan anticipates the College raising an additional \$8.6 million annually in tuition revenue in both FY 2013 and FY 2014 (reflecting state guidance, the six-year plan only provides detail for the first two years of the planning period). At its September meeting, the Board of Visitors approved the proposed expenditures and priorities supported by this revenue. The

revised plan continues to propose maintaining out-of-state tuition at market levels, taking into account the substantial discounts from sticker price offered by peer institutions, discounts that we are not now able to match. Our assessment is that we will be able to grow out-of-state tuition by *at most* 5% per year (\$1,560) for an out-of-state undergraduate. The revised plan applies this same percentage increase to all graduate and professional programs as well. The Board of Visitors expressed some concern regarding the impact on out-of-state student quality should the College implement the 5% annual increase.

The plan anticipates that the balance of the required tuition revenue be raised from increases in in-state undergraduate tuition. The Board was provided with two options for increasing in-state undergraduate tuition. The first option supports the first two years of the six-year plan by revenue generated through the 5% increases noted above with the remaining revenue coming from tuition increases applied to all in-state undergraduate students. Option 2, a “comparative advantage” approach effective for FY 2014, generates the same income as Option 1, limits tuition increases for students already enrolled at the College who may have less ability to deal with significant tuition increases, and calls for a one-time adjustment in in-state undergraduate tuition applicable only to those students not yet enrolled at William and Mary. After discussion, the Board took no action on tuition for FY 2013 and beyond, stating that they should not set tuition in advance of knowing what resources may be made available from the Commonwealth.

It is well to emphasize that both of the scenarios considered by the Board of Visitors assume limited investment by the Commonwealth, an expanded reallocation of current resources and reduced dependence on tuition compared to the initial draft submitted to the Commonwealth. The revised plan recognizes the Governor’s and General Assembly’s commitment in the TJ21 Act to reinvestment in public higher education in Virginia, including a set of incentives encouraging colleges and universities to undertake certain initiatives in return for new state support. Final decisions on in-state tuition will, of course, be made in the context of state reinvestment.

V.

Traditionally, the Commonwealth has had a “fair share to each” approach to funding the various institutions that comprise its diverse system of higher education. There is serious question, however, whether this will prove to be an adequate way to grow significantly the number of college graduates and work

force in Virginia. Significant growth in graduates and jobs depends to a large extent on the capacity of our community colleges to keep expanding their student bodies and improving their retention and graduation rates. Community colleges do not enjoy many philanthropic opportunities, and they lack a robust capacity to earn income by raising tuition. To keep serving as the front line in our higher education system and the prime generator of tens of thousands of additional graduates trained for immediate job opportunities in the Commonwealth, community colleges must have far greater state support than they now receive. To a lesser extent, the same is true for some of our four-year institutions.

The solution, one within reach, is a “comparative advantage” approach to funding public higher education in Virginia, in which the schools most able to fend for themselves via philanthropy and tuition rely more on these sources, while schools less able to tap donors and tuition rely more on state funds. Virginia could once again lead the way for the nation by showing that allowing schools to leverage their comparative advantages is an effective way to support higher education. To achieve 100,000 more in-state degrees over the next 15 years and to rapidly expand the work force for the Commonwealth, we need both the reinvestment in higher education that TJ21 envisages and the resources that schools can glean by pursuing their comparative advantages. Encouraging schools to capitalize on their particular strengths can work wonders for higher education in Virginia.

William & Mary is willing to become a “demonstration institution” (or “beta site”) to show the benefits to public higher education in Virginia that can flow from this “comparative advantage” approach. Being such an institution would entail a willingness on the College’s part to receive less incremental state support than would otherwise be the case, thereby freeing up these dollars to help fund the community colleges and other parts of the system. In return, W&M’s Board of Visitors would use its authority to set tuition and fees to draw on the private sector, on the market, to increasingly support the College. In 2005 “restructuring” legislation, the Commonwealth recognized the need to provide its higher education institutions with expanded flexibility in a variety of administrative and financial areas in return for their meeting certain performance measures. What W&M proposes is a natural extension of that important initiative, which many of those involved in TJ21 were instrumental in adopting.

It is important to stress that this “comparative advantage” approach would be implemented at William & Mary so as to preserve affordability for low and middle-income students and their families through financial aid, while students and

families with the financial means to pay tuition at a rate closer to, although still considerably less than, the market value of a William & Mary education would be called upon to do so. This would limit the state subsidy now provided to these students by Virginia taxpayers and so free up scarce state resources to support achievement of TJ21's goals elsewhere in Virginia's system of higher education.

William & Mary welcomes the opportunity to work with the Commonwealth's leaders to explore how a "comparative advantage" funding model, however implemented, could work in the 21st century. In our judgment, it could be good for the staying power of Virginia's system of higher education, and it would provide a means of sustaining the marvelous education for which William & Mary has become well known in the Commonwealth and beyond.



CHARTERED 1693

THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA

OFFICE OF FINANCE

POST OFFICE BOX 8795

WILLIAMSBURG, VIRGINIA 23187-8795

757/221-2740, FAX 757/221-2749

MEMORANDUM

DATE: October 11, 2011

TO: James M. Alessio

FROM: Samuel E. Jones

SUBJECT: Revised Six-Year Plan

On July 1, 2011 the College submitted to the Commonwealth an initial draft of a Six-Year Plan developed in response to the recently passed Higher Education Opportunity Act of 2011 (TJ21). After discussing this initial draft with a state-wide review committee on July 28 and receiving written comments from the review committee on September 8, the College presented a revised plan to its Board of Visitors on September 22-23, 2011. Highlights of the revised plan follow.

Background

The College of William and Mary holds an unusual place in the Commonwealth's system of higher education. During the century since the College became part of Virginia's public higher education system, the state has played a major role in building the College into what it is today—an internationally recognized educational asset of the Commonwealth. Governor McDonnell's Higher Education Commission (the foundation for TJ21) recognized this fact, referencing "*the Commonwealth's commitment...to having a distinctive 'public ivy' at William and Mary*".

The College's Six-Year Plan is rooted in this commitment, the goals set out in William and Mary's own Strategic Plan, and the objectives of the TJ21 legislation. Beginning in 2008, the College embarked on comprehensive strategic planning. The result has been a "living" roadmap, updated annually and endorsed by the Board of Visitors, defining where the College needs to go and how best to get there. The revised Six-Year Plan brings together our public ivy nature, reflected in our strategic plan, with the goals of TJ21.

As you review the revised plan, you will see that there are few changes in its substance. While our needs and priorities remain largely the same, the Six-year Plan now anticipates slightly lower expenditures, a greater reallocation of resources, and recognizes that some aspects of the plan can only be implemented as state support becomes available. The net result of these changes is less dependence on tuition revenue to support incremental investment.

Comments on the Draft Plan from the Review Committee

The review committee provided both general comments applicable to all institutions of higher education as well as institution-specific comments. General comments of note included the following:

- Plans should be adjusted to reflect tuition increases that each institution would reasonably charge. Earlier instructions had required institutions to assume that all new funding would come from tuition.
- Each institution is now asked to identify priorities within its Six-Year Plan.
- The review committee expressed concern with placing the full burden of salary increases on student tuition.
- Given the complexity of financial aid, a separate spreadsheet on this topic has been added to the Six-Year Plan template.

Comments specific to the College included the following:

- A separate Six-Year Plan should be submitted for the Virginia Institute of Marine Science.
- The College should submit “one and only one” proposal for tuition and fee increases. You will recall that the initial draft offered three different funding options with differing impacts on tuition for in-state undergraduate students.
- The College should provide information on the number of students enrolled in the Commonwealth’s prepaid tuition plan and any feedback from the Virginia College Savings Plan regarding proposed tuition increases.

We have considered both general and institution-specific comments from the review committee in developing the revised Six-Year Plan. Our responses are included in the following comments and in the six-year plan template. Note that the Virginia Institute of Marine Science is submitting a separate plan as requested.

Enrollment Growth

Consistent with the enrollment commitment made to the Commonwealth last spring, the College will add at least 150 additional in-state undergraduates over the next four years while maintaining its long-standing commitment to not exceeding 65% in-state/35% out-of-state mix in the undergraduate student body. We also project some growth in the number of in-state transfers from the Virginia Community College System as students take advantage of the various articulation agreements.

Proposed Expenditures

Appendix 1 provides a summary of proposed incremental expenditures by priority and fund source. Given the lack of salary increases over the past several years and growing gaps from our benchmark institutions, support for faculty (5%) and staff (4%) salaries is the College’s highest priority. Undergraduate student financial aid is our second highest priority followed by support for increased enrollment, the marine science minor, and graduate financial aid.

The plan now assumes state support of \$1.8 million (16.4% of incremental costs) in the first year with College revenue totaling \$8.6 million (78%) and \$617,000 (5.6%) supported through the reallocation of resources. For the second year, the plan assumes additional state support of \$1.1 million (10%), College revenue of \$8.6

million (79.1%), and \$1.2 million in reallocations (11%). Note that if the state is unable to provide incremental support, the College will reduce expenditures accordingly.

TJ21 Objectives

Appendix 2 provides detail regarding how the College's Six-Year Plan responds to the various objectives included in the Higher Education Opportunity Act of 2011 (TJ21).

As noted above, the College's Six-Year Plan is informed by two factors: 1) W&M's unique characteristics within the Commonwealth's system of higher education, reflected in the College's on-going strategic plan; and 2) objectives included TJ21 legislation. The College's particular educational qualities, offering a "public ivy" education, endorsed in the Governor's Higher Education Commission Report, and focused on engaged learning, offers an invaluable source of developing the state's (and country's) future leaders in every walk of life, from business to law, politics to finance, education to medicine. In formulating the College's Six-Year Plan we build on that foundation of excellence while remaining cognizant of the state-wide objectives included in the TJ21 legislation.

Business Process Innovation and Productivity Enhancements

As noted above, by 2014 we assume that more than 10% of incremental costs will be covered through the reallocation of existing resources or revenue generated from other than student tuition. Not all savings or additional revenue are allocated to support the priorities outlined in the Six-Year Plan as we allow units to retain a portion of any savings to meet departmental or school needs as an incentive for on-going innovation and efficiency actions.

Financing Options

As noted above, the revised plan anticipates the College raising an additional \$8.6 million annually in tuition revenue in both FY 2013 and FY 2014 (reflecting state guidance the Six-Year Plan only provides detail for the first two years of the planning period). At its September meeting, the Board of Visitors approved the proposed expenditures and priorities supported by this revenue. The revised plan continues to propose maintaining out-of-state tuition at market levels, taking into account the substantial discounts from sticker price offered by peer institutions, discounts that we are not now able to match. Our assessment is that we will be able to grow out-of-state tuition by *at most* 5% per year (\$1,560) for an out-of-state undergraduate. The revised plan applies this same percentage increase to all graduate and professional programs as well. The Board of Visitors expressed concern regarding the impact on out-of-state student quality should the College implement a 5% annual tuition increase.

The plan anticipates that the balance of the required tuition revenue be raised from increases in in-state undergraduate tuition. The Board was provided with two options for increasing in-state undergraduate tuition. The first option fully supports the first two years of the Six-Year Plan by revenue generated through the 5% increases noted above with the remaining revenue coming from tuition increases applied to all in-state undergraduate students. Option 2, a "comparative advantage" approach effective for FY 2014, generates the same income as Option 1, limits tuition increases for students already enrolled at the College who may have less ability to deal with significant tuition increases, and calls for a one-time adjustment in in-state undergraduate tuition applicable only to those students not yet enrolled at William and Mary. After discussion, the Board took

no action on tuition for FY 2013 and 2014, stating that they should not set tuition in advance of knowing what resources may be made available from the Commonwealth.

Financial Aid

The College remains committed to assuring affordable access to all students. The Six-Year Plan assumes an annual investment of \$1.84 million for need-based student financial aid. This funding, supplemented with both private and auxiliary funds, allows the College to maintain its current financial aid programs, including the Gateway program for low-income families and our commitment to fully meeting the need of Virginia students through a combination of grants, loans and work. We, along with the State's Higher Education Advisory Committee, continue to investigate opportunities to help middle-class families who do not qualify for need-based aid but still are challenged financially when it comes to funding college.

The review committee requested specific information on the number of College students participating in the Commonwealth's prepaid tuition program. For FY 2012, 611 students are enrolled in this program. Virtually all of the participating students are in-state undergraduates. Each year there are a few graduate students (4 in FY 2012) and out-of-state undergraduates (3 in FY 2012) who participate in the program and receive benefits up to the in-state undergraduate rate. Relative to this program, the College participated in a conference call with Virginia College Savings Plan staff regarding program participation and their assumptions for future tuition and fee increases. The VCSP staff provided no comment specific to the College's initial draft of the Six-Year Plan.

A copy of the Board of Visitors resolution approving the College's Six-Year Plan and that of the Virginia Institute of Marine Science is attached for your information. Please contact us with any questions.

Appendix 1

College of William and Mary

SIX YEAR PLAN

Incremental Expense by Priority and Source

College of William and Mary

SIX YEAR PLAN

Incremental Expense by Priority and Source

<u>Priority</u>	<u>Year 1</u>			<u>Year 2</u>		
	<u>State Supported</u>	<u>College Supported</u>	<u>Reallocation</u>	<u>State Supported</u>	<u>College Supported</u>	<u>Reallocation</u>
1a. Faculty Salaries	-0-	\$ 2,940,000	-0-	-0-	\$ 6,041,000	-0-
1b. Staff Salaries	-0-	1,927,000	-0-	-0-	3,931,000	-0-
2. Undergraduate Financial Aid	-0-	1,840,000	-0-	-0-	3,680,000	-0-
3. Enrollment	-0-	356,000	-0-	-0-	752,400	-0-
4. Marine Science Minor	-0-	75,000	-0-	-0-	75,000	25,000
5. Graduate Financial Aid	-0-	500,000	-0-	-0-	1,000,000	-0-
6. Instructional Technology	-0-	82,000	80,000	-0-	85,300	80,000
7. Campus Security	-0-	100,000	-0-	-0-	209,000	-0-
8. Sustainability	-0-	-0-	62,000	-0-	-0-	64,500
9. Business Process Improvement	-0-	-0-	250,000	-0-	-0-	500,000
10. Data Warehouse	-0-	-0-	-0-	-0-	-0-	590,000
11. Operating Funds	162,800	244,200	-0-	249,600	374,400	-0-
12. Library	121,600	182,400	-0-	252,800	379,200	-0-
13. B & G Maintenance	120,000	180,000	-0-	240,000	360,000	-0-
14. Utilities	94,000	141,000	-0-	192,000	288,000	-0-
15. Center for Energy & Environment	400,000	-0-	-0-	800,000	-0-	-0-
16. Research Opportunity Fund	500,000	-0-	-0-	500,000	-0-	-0-
17. Undergraduate Research	250,000	-0-	125,000	250,000	-0-	250,000
18. International Programs	150,000	-0-	100,000	400,000	-0-	300,000
	<u>\$ 1,798,400</u>	<u>\$ 8,567,600</u>	<u>\$ 617,000</u>	<u>\$ 2,884,400</u>	<u>\$ 17,175,300</u>	<u>\$ 1,809,500</u>
			Change from Year 1	\$1,086,000	\$8,607,700	\$1,192,500

Appendix 2

Six Year Plan and TJ 21 Goals

In regards to the TJ21 objectives, W&M's six-year plan accomplishes the following:

STEM, Research and Economic Development

- ❖ **Increased the number of STEM majors.** Through enrollment growth, continued focus on student research experiences and construction of our Integrated Science 3 building. About 21.5 percent of undergraduate majors were in STEM disciplines in fall 2010. At W&M, about 1/4 of faculty and 1/4 of undergraduate majors are in the sciences and mathematics, compared to about 1/10 or 1/8 for these as a national average. We are a science-intensive school. A higher percentage of William & Mary graduates go on to earn PhD's in the sciences and engineering (roughly 6 %) than any other small public university in our category. W&M is in the top 3 public universities in percentage of graduates earning PhD's in the sciences and engineering. W&M ranks higher in this percentage than any other Virginia college or university, including VA Tech and UVA. W&M ranks well even in total numbers produced, despite our small size. The 698 doctorates from 1997 to 2006 ranked 47th in the country. In total numbers of alumni who earned PhD's in the sciences and engineering, W&M actually exceeds total numbers from those who earned undergraduate degrees at Johns Hopkins, Notre Dame, and Columbia, for example.
- ❖ **Marine science minor.** Fully implement this minor offered through A&S and VIMS.
- ❖ **Center for Energy and the Environment.** Proposed center to capitalize on the College's strengths across campus, including VIMS, in these areas vital to the local, state and national economy and environment.
- ❖ **Expanded Research.** W&M will create a Research Opportunity Fund to leverage STEM-focused opportunities in large-scale federal programs. The College will promote research collaborations including the recently announced Virginia Nanotechnology Center (W&M, UVA, ODU) with support from the Virginia Microelectronics Consortium, the Semiconductor Research Consortium, and the National Institute of Standards and Technology. Expand capabilities created by phase 1 and 2 of our Integrated Science Center, construction of phase 3, and leveraging capabilities of recently completed VIMS seawater research laboratory and physics laboratories. Our strategy emphasizes STEM applications in energy and the environment, neuroscience, applied science, physics, and computer science as well as data base applications, such as our AidData project.
- ❖ **Business Development.** The College will sustain and expand promotion of entrepreneurship and research with the private sector, particularly in STEM areas, through the highly successful Technology and Business Center in conjunction with the new Entrepreneurship Center in the School of Business. W&M will continue the

successful VIMS-Industry Partnership that promotes research collaborations with industry, including recent collaborations on the conversion of algae to energy.

Enrollment and Access

- ❖ **Increased enrollment.** The College will increase its undergraduate student body by at least 150 Virginia students over the next four years and maintain a commitment to an in-state to out-of-state student ratio of no more than 65% in-state/35% out-of-state.
- ❖ **Increased degrees.** With a current graduation rate of over 90%, the increase in degrees awarded will be approximately the same as additional students enrolled.
- ❖ **Continued access to transfer students.** In the past six years, transfer enrollments from VCCS and RBC have increased over 100%; these levels will be maintained. Maintain and consider expansion in co-enrollment agreements.
- ❖ **Sustained Affordability.** The College will continue its commitment of meeting 100% of demonstrated unmet financial need for all in-state students. W&M will continue its Gateway Program which fully meets the financial need of low-income (family income below \$40,000) students without the use of loans. As the College receives additional guidance from Richmond, we will explore options to address the needs of middle-income students.

Efficiency

- ❖ **Year-round use of facilities.** We have launched a comprehensive review of our summer use of facilities and will be expanding summer academic programs, especially through our D.C. office. We will expand summer offerings of faculty-led undergraduate research, particularly in STEM areas.
- ❖ **Innovation and greater efficiency.** Sustain the College's Business Innovation Project launched in 2010. The project records and communicates gains that have already been made, shares ideas across campus, develops and implements plans for even more efficient business processes and new revenue initiatives in each major organization, and initiates projects at the university level to complement and enhance unit level plans.
- ❖ **Data management.** Establish a data warehouse to provide accurate and timely information to management and the Commonwealth.
- ❖ **Course-sharing.** Expand course-sharing and research collaborations at the undergraduate and graduate level. For example, our Introduction to Materials Characterization course is taught synchronously to 39 students on multiple campuses including Virginia Tech, UVA, NSU, and VSU. We will continue to investigate the potential to expand shared offerings in our particular areas of specialization.

COLLEGE OF WILLIAM AND MARY

SIX-YEAR PLAN

WHEREAS, the College of William & Mary has a long tradition of providing an excellent liberal arts education to the citizens of the Commonwealth and the nation; and

WHEREAS, the Governor's Commission on Higher Education has indicated "the Commonwealth's commitment . . . to having a distinctive 'public ivy' at William & Mary;" and the Virginia Higher Education Opportunity Act of 2011 includes in the calculation of the cost of education "adjustments to the funding based on . . . specific institutional missions or conditions;" and

WHEREAS the College's Six-Year Plan is rooted in this commitment, the goals set out in its own Strategic Plan, and the objectives of the Higher Education Opportunity Act (TJ21); and

WHEREAS, it is important to the vitality of the Commonwealth and the diversity of its higher education system for the College to continue to provide a distinctive kind of public education while ensuring that this education remains accessible and affordable to the citizens of the Commonwealth; and

WHEREAS, the College has determined those expenditures necessary to support and enhance its instructional, research, student service, and administrative operations, prioritized those expenditures, and recommended funding through a combination of Commonwealth, College, and reallocated revenue; and

WHEREAS, the College has reduced expenditures over the past three years by \$9.1 million, committed an additional \$1.8 million in cost savings to support the Six-Year Plan, and continues to evaluate opportunities to improve the effectiveness and efficiency of its academic and administrative programs and activities, aware that fulfilling the goals in the Plan will require a combination of such efforts, tuition revenue, state support and greater philanthropy;

THEREFORE, BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary, aware that the State's funding support for the 2012-14 biennium has not been determined, and that the Board is not prepared to establish tuition rates for the 2012-14 biennium, approves expenditures proposed in the College's Six-Year Plan as outlined in the memorandum to the Board, Subject: Revised Six Year Plan, dated September 16, 2011. These expenditures include \$8,567,600 in FY 2013 and an additional \$8,607,000 in FY 2014 to be supported by the College; and that the Six-Year Plan be prepared and submitted according to the requirements of the Higher Education Opportunity Act of 2011.

Board of Visitors

Resolution 30

September 23, 2011

Page 1 of 2

BE IT FURTHER RESOLVED, That in response to the Commonwealth's request that the Virginia Institute of Marine Science prepare a separate Six-Year Plan, the Board of Visitors of the College of William and Mary approves the Institute's Six-Year Plan within the parameters outlined to the Board during the September 22, 2011 meeting of the Committee on Financial Affairs of the Board of Visitors.