

Affordability / Tuition & Fees

Brig. Gen. Dallas Clark '99

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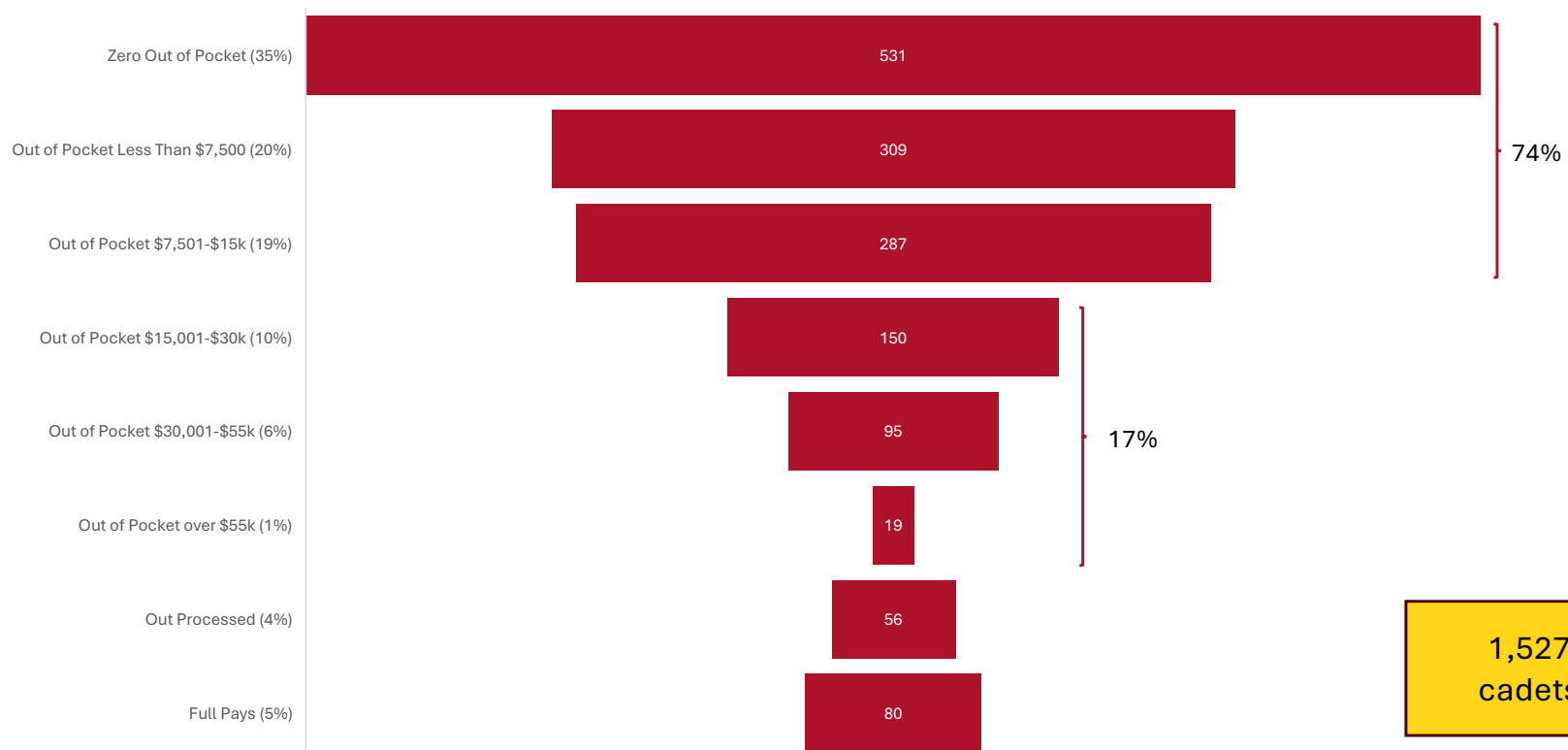
Purpose



- Provide financial aid information and data demonstrating VMI's commitment to affordability for in-state and out-of-state cadets.
- Provide information on the proposed FY26 Operating Budget revenues from the State, Alumni Agencies, and discuss tuition and fees options.



Annual Out-of-Pocket Cost



Out of Pocket includes all aid types, including loans



Annual Out-of-Pocket Cost by Residency

	InState	OutState	Total	% of Corps
Zero Out of Pocket	328	203	531	34.8%
Out of Pocket Under \$5,000	153	74	227	14.9%
Out of Pocket \$5,001-\$7,500	62	20	82	5.4%
Out of Pocket \$7,501-\$10,000	63	21	84	5.5%
Out of Pocket \$10,001-\$15,000	142	61	203	13.3%
Out of Pocket \$15,001- \$20,000	30	17	47	3.1%
Out of Pocket \$20,001-\$25,000	33	14	47	3.1%
Out of Pocket \$25,001-\$30,000	48	8	56	3.7%
Out of Pocket \$30,001-\$35,000	41	15	56	3.7%
Out of Pocket \$35,001-\$40,000	0	5	5	.33%
Out of Pocket \$40,001-\$45,000	0	11	11	.72%
Out of Pocket \$45,001-\$50,000	0	18	18	1.2%
Out of Pocket \$50,001-\$55,000	0	5	5	.33%
Out of Pocket Over \$55,000	0	19	19	1.2%
Full Pays			80	5.2%

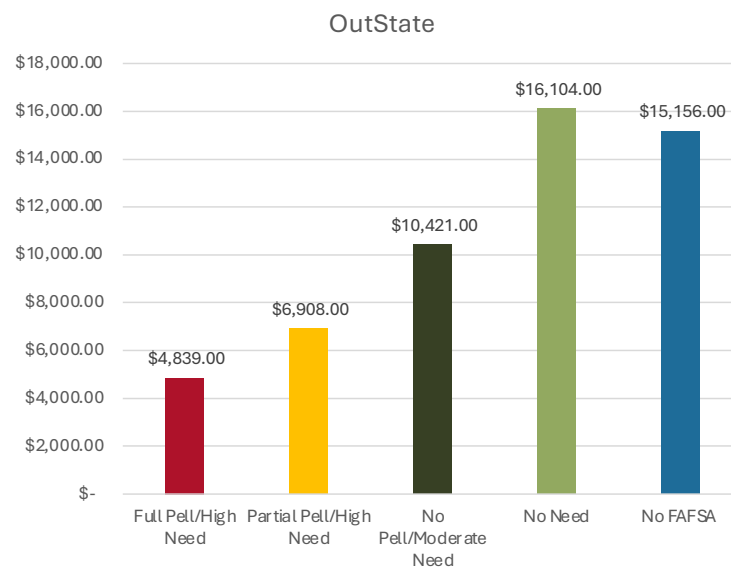
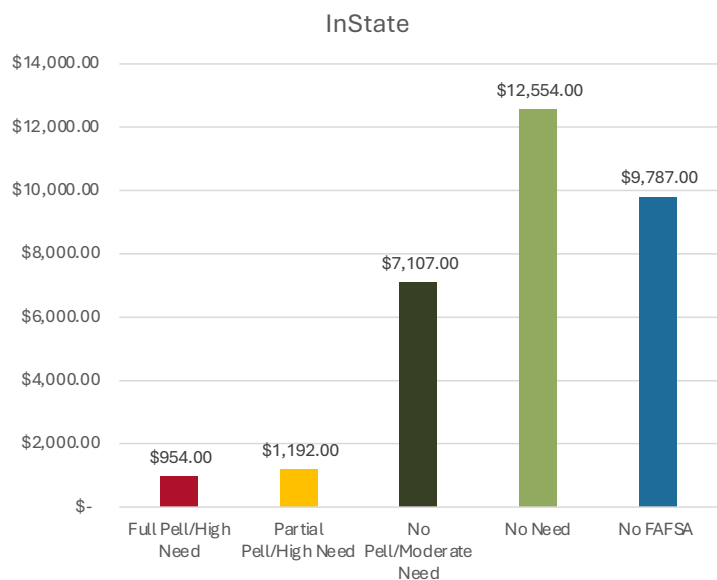
74%

17%

**Amount out of pocket includes all aid types including loans*



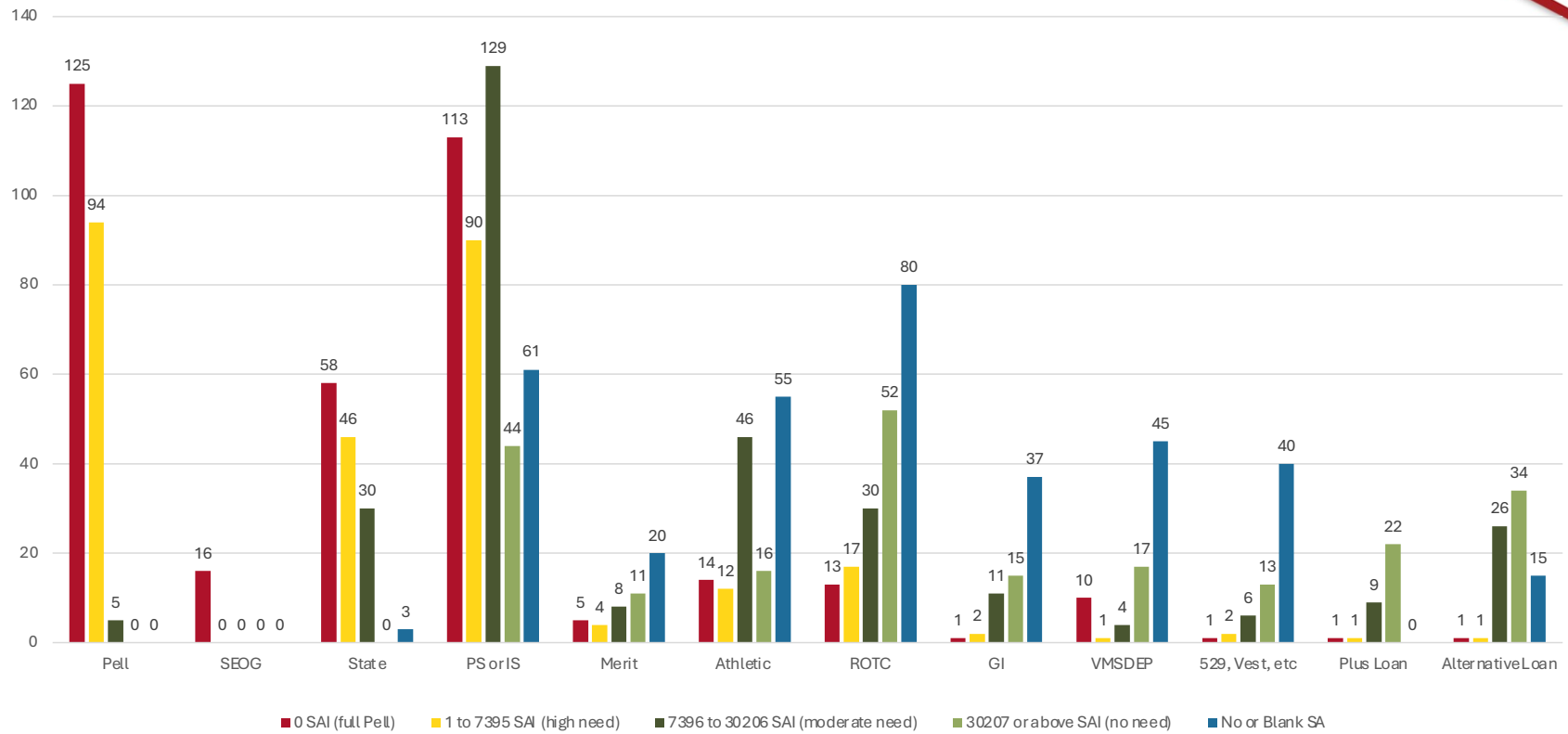
Annual Average Amount Out of Pocket After Aid by SAI



*Average amount out of pocket includes all loan types

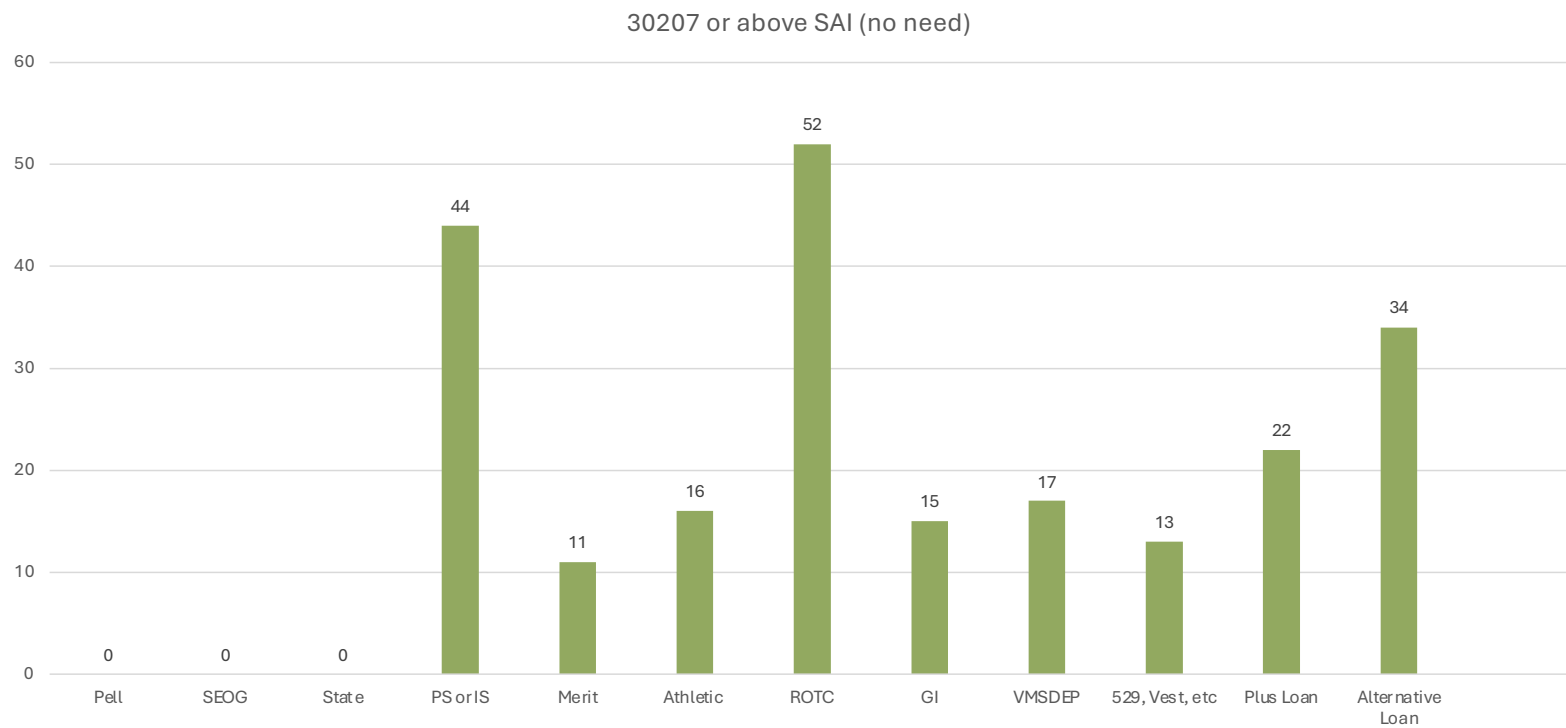


In-State Aid Bucket by SAI



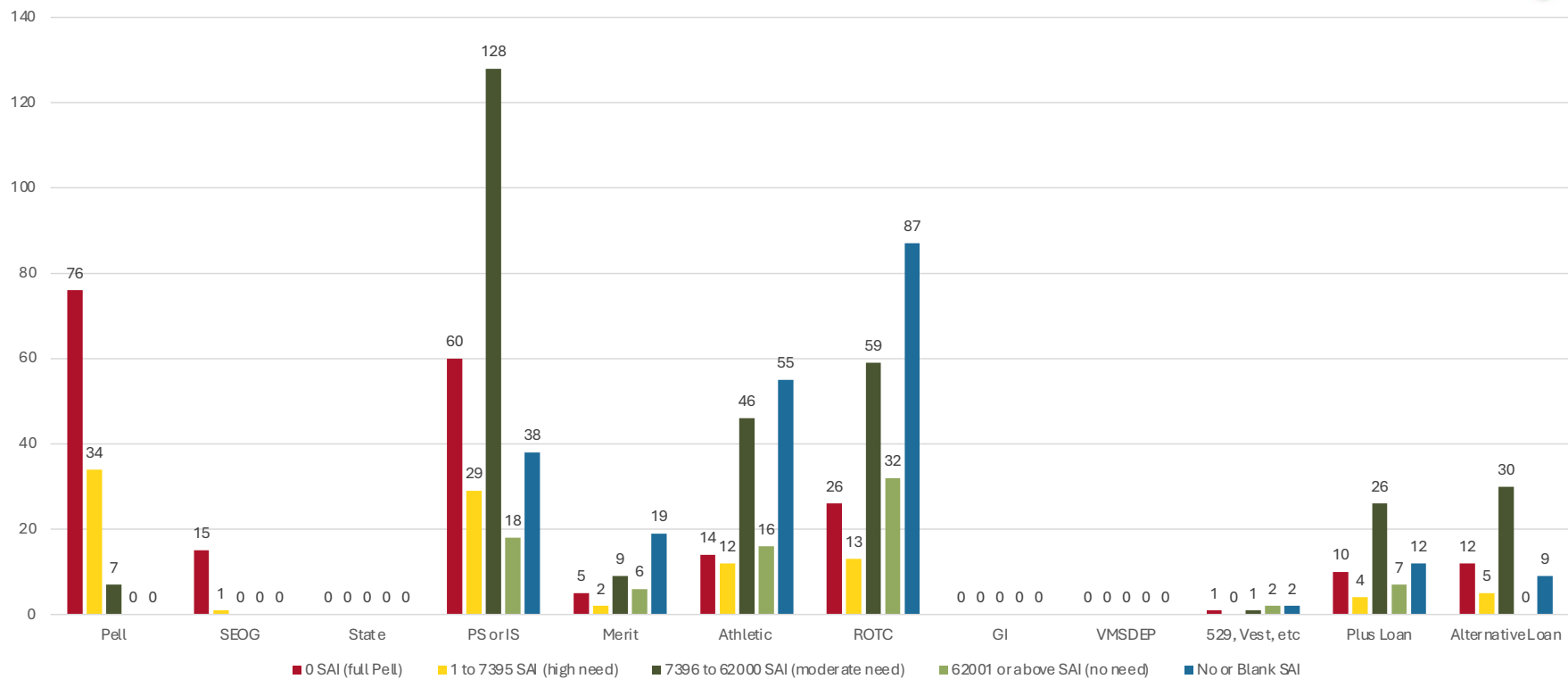


In-State Aid Bucket by SAI



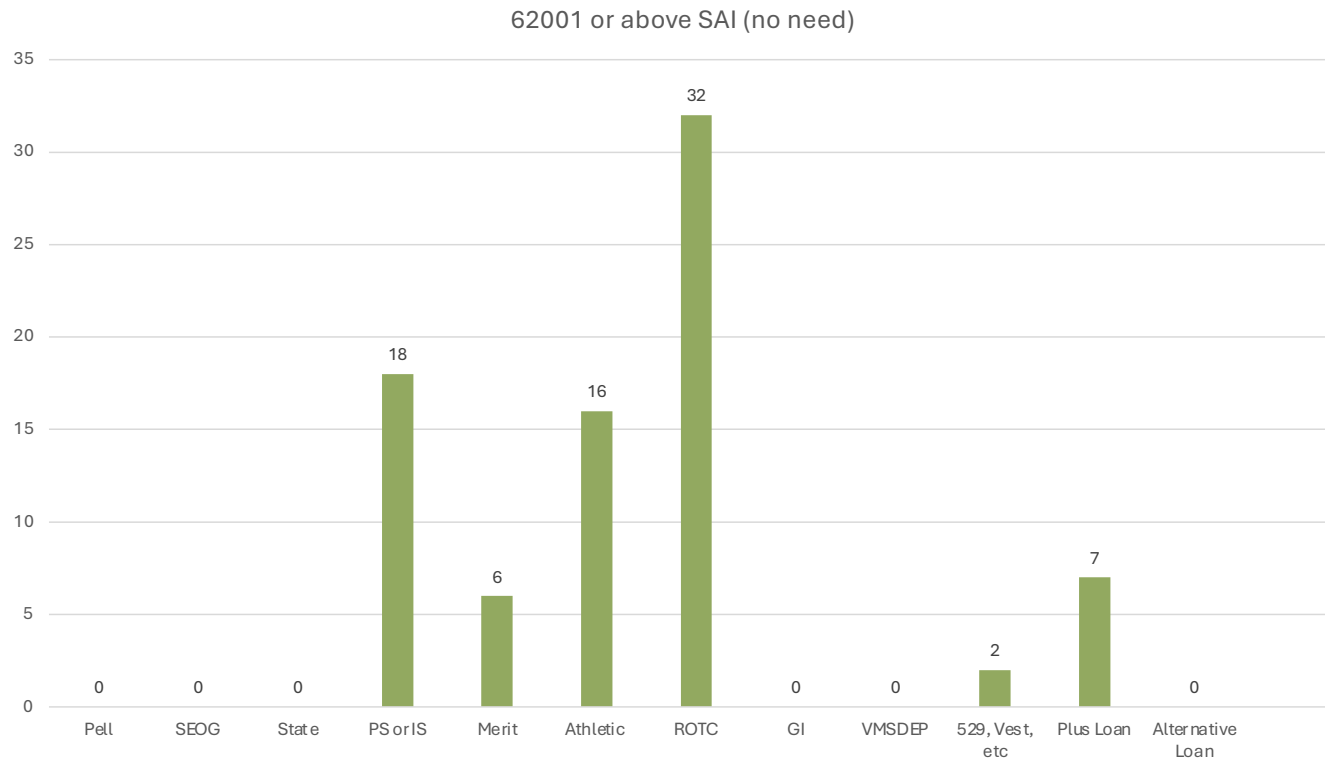


Out-of-State Aid Bucket by SAI





Out-of-State Aid Bucket by SAI





Aid Types with limited Impact (All Residency Types)

- There is limited impact of tuition/fee increases for the following categories:
 - ROTC
 - GI Bill
 - VMSDEP
 - Full Scholarship Athletes
 - Non-Full Scholarship Athletes
 - Pell Eligible
- In addition, the following categories also receive stipends (not included in previous amounts):
 - ROTC
 - GI Bill
 - VMSDEP

VMI Operating Budget: Revenue Sources



State Funds



Private Funds



Tuition/Fees



FY26 Revenue: State and Private Funding



VMI ALUMNI AGENCIES
ALUMNI ASSOCIATION • FOUNDATION • KEYDET CLUB

STATE GENERAL FUNDS

Operating Funds \$31.9M
• \$ 5.8M (Maintenance Reserve)
• \$ 886K (Equipment Trust Funds)

Financial Aid \$ 1.5M

Total Estimated State Funding

FY26 \$33.4M

PRIVATE FUNDING

Restricted \$23.1M

Unrestricted \$ 3.3M

Athletic \$ 6.2M

Total Estimated Private Funding

FY26 \$32.6M



FY26 Revenue Driver: Corps Enrollment

Class of 2026+3

- 515 New Cadets
 - 319 VA Cadets (62%)
 - 196 NVA Cadets (38%)



Old Corps

- 1,083 Cadets
 - 709 VA Cadets (65.5%)
 - 374 NVA Cadets (34.5%)



Census Date

- 1,563 (Increase of 36 compared to FY 2025)
- 1,478 Average Academic Year Enrollment





FY26 Revenue: Tuition and Fees Options

Option #1

TUITION 0%
FEES 3%

Virginia

Tuition & Fees \$33,016

Tuition Increase \$0

Fee Increase \$660

Net Increase 1.02%

Non-Virginia

Tuition & Fees \$64,608

Tuition Increase \$0

Fee Increase \$660

Net Increase 1.01%

Option #2

TUITION 2.5%
FEES 3%

Virginia

Tuition & Fees \$33,276

Tuition Increase \$260

Fee Increase \$660

Net Increase 2.8%

Non-Virginia

Tuition & Fees \$65,658

Tuition Increase \$1,050

Fee Increase \$ 660

Net Increase 2.7%



FY26 Revenue: Tuition and Fees Options

Option #1			Option #2	
TUITION 0%			TUITION 2.5%	
FEES 3%			FEES 3%	
Tuition	\$33.5M		Tuition	\$34.3M
Fees	\$35.3M		Fees	\$35.3M
Total T & F Revenue	\$68.8M	<i>Difference in Revenue</i>	Total T & F Revenue	\$69.6M
		\$800,000		



FY26 Revenue: Total Funding

0% TUITION 3% FEES			2.5% TUITION 3% FEES	
Total State Funding	\$33.4M		Total State Funding	\$33.4M
Total Private Funding	\$32.6M		Total Private Funding	\$32.6M
Total Tuition & Fees	\$68.8M		Total Tuition & Fees	\$69.6M
Total Other	\$ 6.7M		Total Other	\$ 6.7M
Less: Fin Aid	(\$18.9M)		Less: Fin Aid	(\$18.9M)
Total Operating Revenues	\$122.6M	<i>Difference in Revenue</i>	Total Operating Revenues	\$123.4M
		<i>\$800,000</i>		



FY26 Expenses: Cost Increases

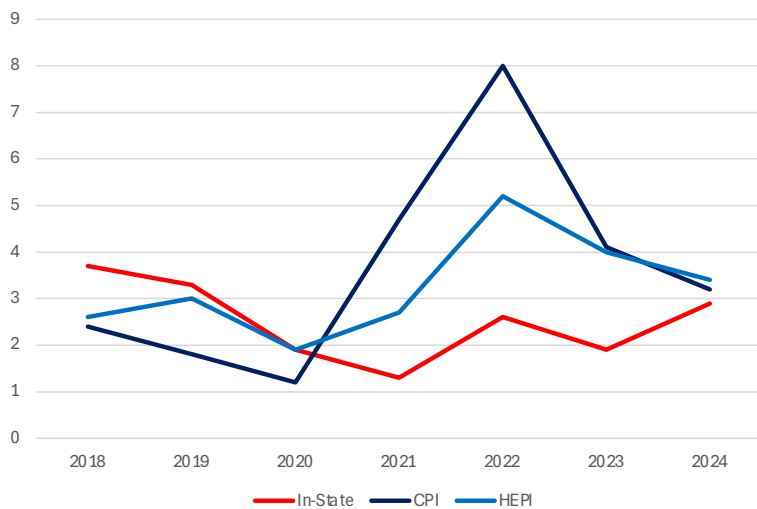
- Salaries for full-time employees and adjunct faculty are projected to increase by 3% in FY 2026.
- VMI share of the health insurance cost will increase 6.0% in FY 2026.
- Employee share of health insurance cost will also increase 6.0% in FY 2026.
- Utilities, Contractual Spending (ex. IT, transportation)
- Implementation of *Forging 21st Century Leaders*

Estimated Increased Cost: \$4.3M

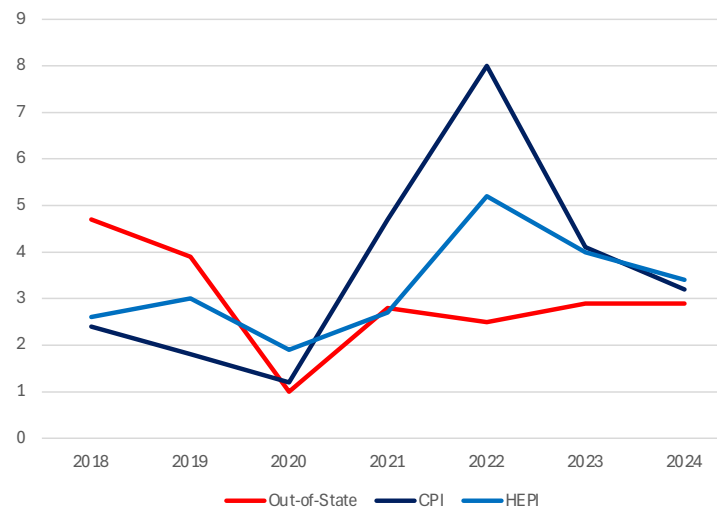


Tuition and Fees Increases vs. CPI and HEPI

In-State Tuition and Fees vs. CPI & HEPI



Out-Of-State Tuition and Fees vs. CPI & HEPI



CPI- Consumer Price Index

HEPI- Higher Education Price Index

FY26 Expenses



EDUCATION & GENERAL		AUXILIARY		UNIQUE MILITARY ACTIVITIES	
Funds set aside for core academic programs and support services.		Funds that support services provided to cadets, faculty, and staff for a fee. Auxiliary enterprises are self-supporting units that provide goods and services.		Funds that support the unique military activities at VMI, Virginia Tech, and Mary Baldwin. Funded partially by the State and partially from Cadet UMA Fee.	
<i>Examples: Instruction, student services, libraries, administration, facility maintenance</i>		<i>Examples: Athletics, Dining Services, Parking, Bookstore, Activities</i>		<i>Examples: ROTC Programs, Military Store, Laundry, Tailor Shop, certain functions of the Commandants Office</i>	
Total E&G	\$78.2M	Total Auxiliary	\$34.9M	Total UMA	\$10.3M
		Total Program Expenses		\$123.4M	

Legislative Update: Budget Requests



VMI Budget Amendments

OPERATIONAL ENHANCEMENTS
\$785K
Ongoing/Base Funding

- 7 FTEs to support the Aquatic Center
- 1 FTE to support the implementation of Forging 21st Century Leaders
- 1 FTE to support Post operations and logistics

UNIQUE MILITARY ACTIVITIES
\$750K
One-Time Funding

- Replace Laundry Equipment
- Improve Band Instruments
- Improve Post Hospital

ACADEMIC ENHANCEMENTS
\$256K
Ongoing/Base Funding

- Summer Undergraduate Entrepreneurship Program
- Global Education Support Staff
- Faculty position to teach a civics Course: "American Constitutional History"

Higher Ed System Priorities

VMSDEP
\$1.4M
Higher Education System Request Ongoing/Base Funding

Overall system request of \$87M

- Provisions to fund VMSDEP included in Governor Youngkin's introduced budget

HIGHER EDUCATION
\$1.35M
Higher Education System Request Ongoing/Base Funding

Overall system request of \$129M

- \$865K Salary Increases
- \$146K Property Insurance
- \$340K Health Insurance

VMI Capital Priority

CAPITAL
\$80.9M

Center for Leadership & Ethics Phase II \$80.9 Million

General Funds: \$59.9M

VMI/Private Funds: \$21M



FY26 Revenue and Expenses Summary



Two Revenue Options

- Option 1: 0% Tuition and 3% Fees \$122.6M
- Option 2: 2.5% Tuition and 3% Fees \$123.4M

Expenditures

- E&G \$ 78.2M
- Aux \$ 34.9M
- UMA \$ 10.3M

Total Expenditures \$123.4M

Total Option 1

\$800K Difference in Revenues

Total Option 2

Break Even



FY26 Revenue and Expenses Summary

0% Tuition Increase

- Additional state funding for VMSDEP & Higher Education System request may result in additional revenue to offset new cost increases.
- With no new state funding to offset expenses the use of saved E&G surplus funds from previous budgets (fund balance) will be employed or reduction to operations.

2.5% Tuition Increase

- Revenue generated from this option covers operating costs and balances the operating budget.



FY26 Operating Budget

Next Steps / Timeline

7-9 Feb 2025	Preliminary Budget Assumptions and Options Receive Board Direction on Tuition & Fees
22 Feb	End of Legislative Session
Mar	Governor Acts on Budget: Approve, Amend, Veto
Apr	Legislature: Adopt, Amend, Veto
1-3 May	BOV Meeting: Adopt FY26 Operating Budget
1 July	State Budget & VMI FY26 Budget Implemented



Summary: Affordability and Tuition and Fees

- VMI's commitment to affordability results in more than 86% of the Corps of Cadets receiving some sort of financial aid.
- The availability of financial aid funding from all sources (Federal, State, VMI, private) results in financial aid packaging to match each cadets financial situation.
- Fiscal discipline has allowed VMI to weather COVID and the recent enrollment decline while avoiding the use of the fund balance to sustain E&G operations.
- In FY 2026, VMI can hold tuition flat if the State provides additional funding or the E&G fund balance is budgeted to assist with increased required costs.