Superintendent's Agenda Items

Board of Visitors
September 12, 2023

Maj. Gen. Cedric Wins '85
U.S. Army (retired)
Superintendent

Summary Activities

Summer Session I:
136

Summer Session II:
178

Summer Transition Program:
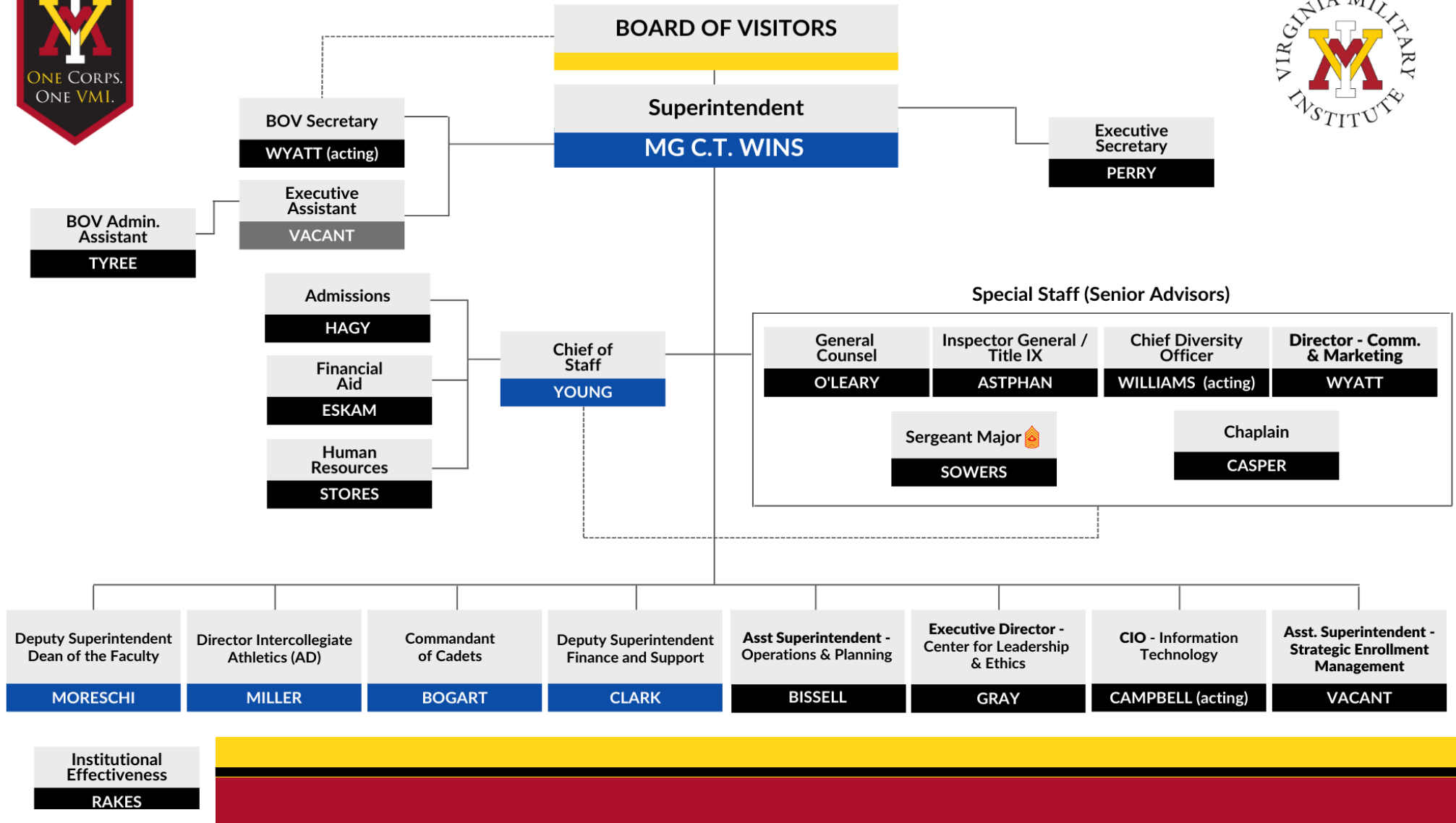**168**

Academics

- SURI: 30 cadets. Every academic department represented.

- Boren Scholarship: Antonio Ahanj '24

- Bulls ROTC Fellowship: Anna Yemelianova '25

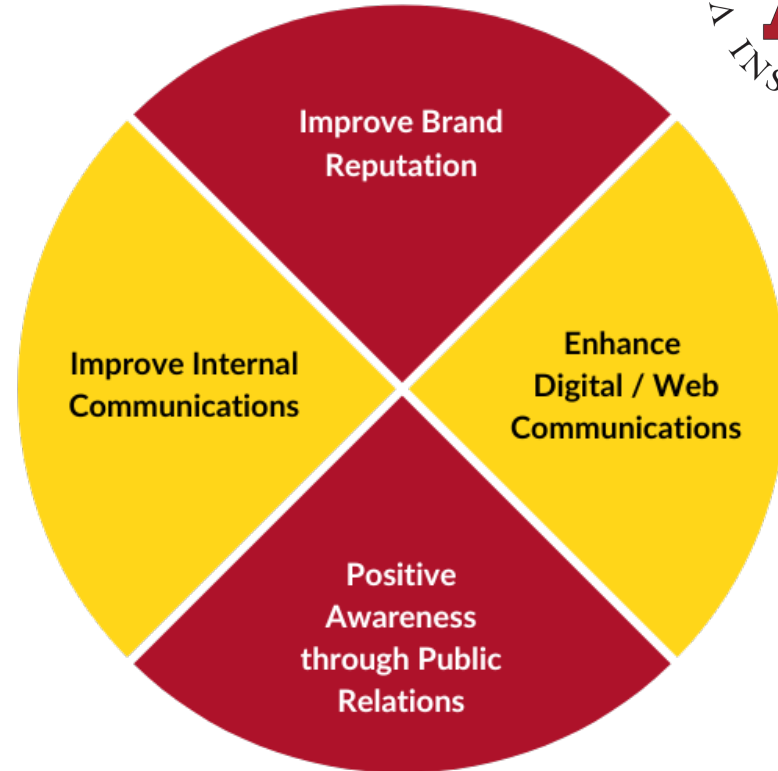- AI Conference Presentation: Nicholas Schaefer '23

C.O.W. program celebrates 31 years

Matriculation Week 2023

BOARD OF VISITORS

Superintendent
MG C.T. WINS

BOV Secretary
WYATT (acting)

Executive Assistant
VACANT

BOV Admin. Assistant
TYREE

Executive Secretary
PERRY

Admissions
HAGY

Financial Aid
ESKAM

Human Resources
STORES

Chief of Staff
YOUNG

Special Staff (Senior Advisors)

General Counsel	Inspector General / Title IX	Chief Diversity Officer	Director - Comm. & Marketing
O'LEARY	ASTPHAN	WILLIAMS (acting)	WYATT

Sergeant Major
SOWERS

Chaplain
CASPER

Deputy Superintendent Dean of the Faculty	Director Intercollegiate Athletics (AD)	Commandant of Cadets	Deputy Superintendent Finance and Support	Asst Superintendent - Operations & Planning	Executive Director - Center for Leadership & Ethics	CIO - Information Technology	Asst. Superintendent - Strategic Enrollment Management
MORESCHI	MILLER	BOGART	CLARK	BISSELL	GRAY	CAMPBELL (acting)	VACANT

Institutional Effectiveness
RAKES

Strategic Plan / Strategic Communications

Left wheel (Strategic Plan):
- Prepare Exceptional Leaders
- Enhance Academic Excellence
- Foster Esprit de Corps
- Recruit Top Cadets & Boost Success
- Deliver 21st Century Infrastructure

Right wheel (Strategic Communications):
- Improve Brand Reputation
- Enhance Digital / Web Communications
- Positive Awareness through Public Relations
- Improve Internal Communications

Updated Policies and Procedures

Transgender Policies & Procedures

- Review of current policies and procedures has included representatives from across post.

- Revisions proposed to GO 13 and 16 to include gender identity.

- Procedures address health and wellness, identification, housing, restrooms, uniform, etc.

- Policies must consider rights of not just transgender or transitioning cadets but all cadets.

Cadet Conduct Areas of Emphasis

Good Order & Discipline Issues

- Illegal drugs (including marijuana).

- Sex in barracks / on post.

- Alcohol use on post.

- Contact time: Varied groups, club sports, and NCAA doing common activities together.

Expectations

- Build VMI spirit and pride.

- Code of a Cadet.

- Off-post conduct should be within established rules.

- By the book: Cadet leadership and cadets adhere to regulations and professional development guides.

Admission, Financial Aid, and Enrollment Marketing Update

VMI Board of Visitors

September 2023

Class of 2027

Admission Data

- 13,427 inquiries

- 1221 applications
- 989 appointments
- 490 +1 matriculants
- Acceptance rate: 81%
- Yield rate: 50%

- Avg HSGPA: 3.61
- Avg FTF Academic GPA: 3.26
- Avg Transfer GPA: 3.12
- Class Rank
  - Top quarter: 39%
  - Second quarter: 37%
  - Third quarter: 18%
  - Fourth quarter: 7%
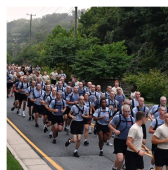
Demographic Data

- In-state: 57%
- OOS: 43%

- Male: 85%
- Female: 15%

- White: 72%
- Racial minority: 27%
- Not reported: 1%

- Non-Hispanic: 86%
- Hispanic: 12%
- Not reported: 2%

MT Attributes

- 36% NCAA athletes
- 43% attended Open House
- 29% attended STP
- 24% alumni relatives
- 51% liberal arts/ 49% STEM
- 25% National Honor Society
- 26% JROTC
- 79% played HS sports
- 47% music/band/chorus
- 45% held leadership position

- 38 states (plus D.C.) and 7 countries

Class of 2027 Profile, Admissions and IR

Class of 2027 Recruiting Cycle

Highlights

- Synchronizing admissions, financial aid, and enrollment marketing.
- Use of QR codes to eliminate data quality issues.
- Tiger Teams to tackle admission challenges.
- Shift to regional recruiting.
- Attendance at approx. 225 local, VA, or national recruiting events.
- Implement text messaging.
- Addition of Common App.
- Integrate new admissions CRM and new primary admissions application.
- Guaranteed Admission Agreements with military high schools.
- Response/popularity of Call to Duty scholarship.
- Promotion of staff to new roles: LTC Mary Noe (Deputy Director of Recruitment), LTC Chase Perry (Deputy Director of Admission), and Mrs. Amy Hayslett (Admissions Technology Specialist).
- Shift to new sophomore/junior search vendor and change in strategy; increase in starting inquiries for class of 2028.

Lessons Learned

- Low ROI for soph/junior search; switched vendors.
- VMI Local Info Session (NCR) event participation low; change strategy for 2023-2024.
- Still a healthy appetite for the VMI experience; stiff competition remains.

What's Next?

- Expand Common App to transfer applicants (Fall 2025).
- Addition of senior search and senior admit/yield.
- Full utilization of CRM (scheduling, robust communication flows, forms/surveys)
- Online Post Tour (led by C&M).
- STP scholarships to boost participation (Goal: increase rat participation from 29% to 40% over 4 years).

Class of 2027 Cancellation Data

CBD (Before Deposit)- captured 39%

- Attending another college- some ROTC, some not
- Attending one of the academies or another SMC
- Enlisting
- Desired major not at VMI (undeclared, health sciences, nursing, criminology)
- Want different college experience
- Cost/scholarship $$$ at other schools (VA and OOS)
- Athletic cancellations

CAD (After Deposit)- captured 79%

- Attending another college (major, sports, closer to home)
- Attending one of the academies, prep school, or another SMC
- Scholarship $$$ at another school.
- Personal reasons/defer to 2028
- Athletic cancellations
- Enlisting

CR (After Reservation)- captured 100%

- Enlisting
- Attending one of the academies, prep schools, or another SMC

*Tracked Dec 2022 through Aug 2023

Traditionals Cumulative GPA spread by Rat Class for Matriculated

Rat Class

Cumulative Gpa (bin)																
Rat Class	1.25	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00	4.25	4.50	4.75	5.00	5.50	5.75	6.25
2027	1	3	8	17	33	55	76	84	63	72	35	16	3	1			1
2026		1	2	5	5	37	63	90	68	63	19	4				1	
2025		1	5	14	24	49	81	87	81	69	32	11	3	1	1		
2024			3	9	25	60	90	92	76	80	32	7	2	1			

Traditionals with Cumulative GPA for Matriculated

	Rat Class		
2027	2026	2025	2024
468	358	459	477

Traditionals Academic GPA spread by Rat Class for Matriculated

Rat Class

Academic Gpa (bin)

Rat Class	Average
2027	3.26
2026	3.36
2025	3.25
2024	3.23

2027 values (top to bottom): 35, 64, 75, 73, 76, 63, 44, 15, 9, 5, 2

2026 values: 24, 41, 86, 58, 66, 37, 21, 5, 1

2025 values: 25, 58, 77, 78, 89, 56, 46, 20, 4, 1

2024 values: 18, 58, 73, 87, 93, 60, 43, 25, 8, 1

	2027	2026	2025	2024

Academic Gpa (bin)

Rat Class	1.50	1.75	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.75	4.00
2027	2	5	9	15	44	63	76	73	75	64	35
2026			1	5	21	37	66	58	86	41	24
2025		1	4	20	46	56	89	77	77	58	25
2024		1	8	25	43	60	93	87	73	58	18

Count of Matriculated with Academic GPA

2027	2026	2025	2024
474	339	454	466

ONE CORPS.
ONE VMI.

Class of 2028 (as of 11 SEP 2023)

ADMISSIONS #S

SEPTEMBER 11, 2023 at 1:30 PM

COMBINED APPS	TOTALS	EARLY	REGULAR
TOTAL SENIOR INQUIRES	14,135		
(both) STARTED/PROSPECTS	349	88	261
(CRM) COMPLETED	88	49	39
(both) SUBMITTED	130	46	84
TOTAL APPS IN PROGRESS	**567**	**183**	**384**
(common app) SUSPECTS *Unsure if they are FL2024 or FL2025, but they have added VMI to their list of schools to apply .*	579		
TOTAL (with Common App Suspects)	**1146**		

Class of 2027 (29 Sep 2022)
- Inquiries: 11,235
- Started apps: 296
- Completed/submitted apps: 130
  - 61/130 were early decision

Class of 2026 (14 Sep 2021)
- Inquiries: 13,799
- Started apps: 440
- Completed/submitted apps: 163
  - 76/163 were early decision

Class of 2025 (1 Sep 2020)
- Inquiries: 8,691
- Started apps: 410
- Completed/submitted apps: 64
  - 30/64 were early decision

Class of 2028 Recruiting Timeline

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

National College Fairs/Events (Admissions, ROTC, Alumni, etc)

Athletics Recruiting Visits (minus dead periods)

HS Visits (Admissions, Alumni, etc)

HS Visits (Admissions, ROTC, Alumni, etc)

VMI Local Info Sessions (VMIAA)

Drip Campaigns (Apply/Yield)

Open House

JLAB - D.C.

Drip Campaigns (Apply/Yield)

Cadet Furlough Recruiting

Open House

Spring VACRAO HS Recruiting Fairs (new)

Cadet Furlough Recruiting

Parents Council Campaign (Yield)

Fall VACRAO HS Recruiting Fairs

Cadet Call Campaign (Apply/Yield)

VCAW

FAFSA submitted; not applied

Parents Council Campaign

Cadet Call Campaign (Apply/Yield)

Faculty Applicant Communication (Yield)

FAFSA submitted; not applied

Alumni Chapter Call Campaign (Yield)

Faculty Applicant Communication (Yield)

Primary Goals: 1) 225+ recruiting events 2) 100+ CFR events 3) Add 2,500 inquires to admissions funnel

RAT Class Projection 2027-2031

Inquiries

Class of 2027	Class of 2028	Class of 2029	Class of 2030	Class of 2031
13427	16635	18298	19212	19692

— # of Inquiries

Five (5) Year Projection

	Class of 2027	Class of 2028	Class of 2029	Class of 2030	Class of 2031
Complete Apps	1221	1500	1600	1675	1725
Appointments	988	1100	1150	1175	1225
Matriculants	490	495	515	525	550

■ Complete Apps   ■ Appointments   ■ Matriculants
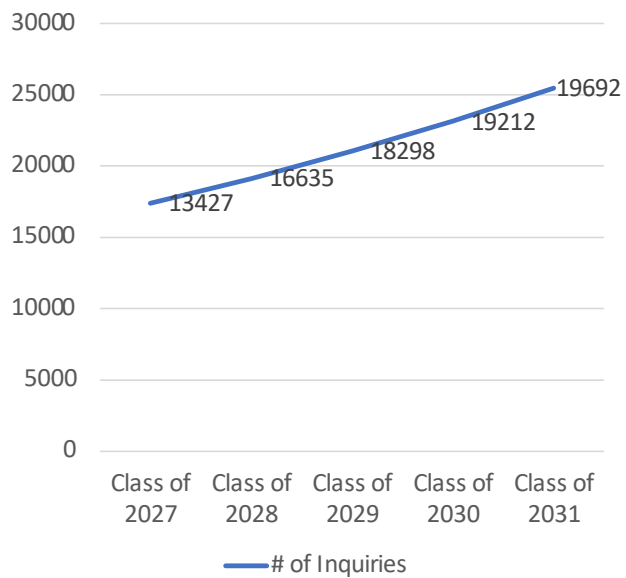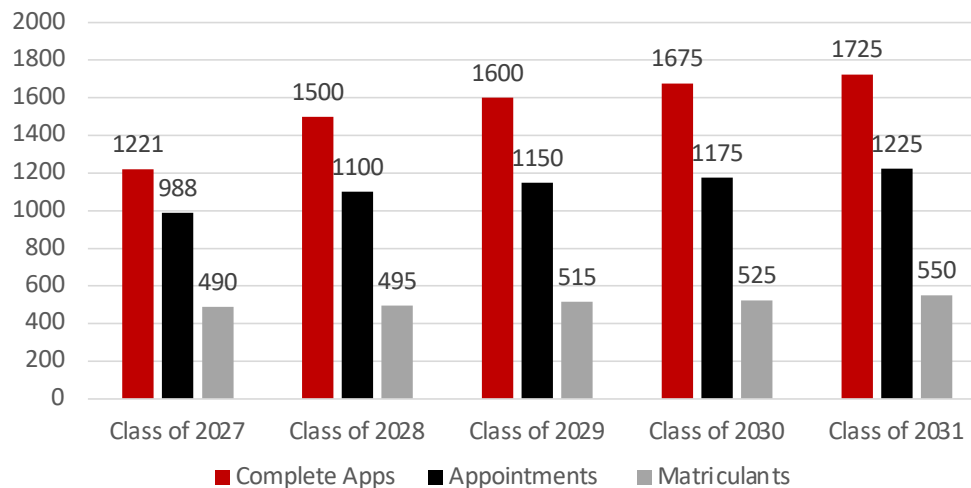
Financial Aid Updates

FAFSA Simplification Changes- Effective 2024/2025

- Decrease in number of overall questions
- FAFSA will not open for students/families to complete until December 2023 (usually opens Oct. 1)
- The EFC (estimated family contribution) is now the SAI (student aid index)
- The SAI can go as low as -1500 (these are the neediest students)
- Various changes to how income, assets, etc. are used to calculate the SAI
- Family size now correlates to what is reported as tax return
- Number of family in college no longer a factor in the need analysis

Impact to Families

- Delay in FAFSA opening date impacts our ability to award as early as we have, less time for families to plan
- Uses Federal Tax Information; each 'contributor' on the FAFSA must have their own FSA ID and agree to consent
- Those with more than one person in college will be impacted
- Those with incomes between $60,000 to $100,00 likely to be impacted
- The major assumption is that small pockets may be negatively impacted but overall, more students see more eligibility

Key Takeaways

- All schools are in the same situation; this impacts every school, every family, etc.
- FAFSA will be simplified but the backend becomes a bit more complicated
- Challenges with those who may now lose their need-based federal aid eligibility
- VMI FAO has been tracking, training, and working on how to address issues as they arise

Call to Duty Update

From 16 December 2022 through 30 June 2023:

	Pageviews	Avg. Session Duration	Users	Avg. Time on Page	Pages/Session
All	3,862	01:34	2,653	03:03	1.98
Direct Traffic	3,618	01:44	2,445	03:04	2.10
Via Social Media Link	244	00:16	214	02:34	1.06

- Application Link Clicks: 756
- Applications Submitted: 306 (includes duplicate submissions)
- Submitted as a percentage of Pageview (includes people who accessed from QR on postcards): 7.92%
- Submitted as percentage of Link Clicks: 40.5%
- Clicks on email link to contact Financial Aid re: scholarship: 64

The Call to Duty campaign was launched after the tail end of the actual Admissions recruiting period of the Admissions 23/24 recruitment cycle. The assumption is that with a full-year of advertising, recruitment, etc. that these numbers would increase for future years.

Call to Duty Update

- 262 unduplicated applications
- 125 eligible (all paperwork received, appointed by Admissions, etc.)
- 33 had been awarded but did not Matriculate, award was cancelled
- 3 left during Matriculation Week, award was cancelled
- 3 funded with other Foundation funds
- 5 could have had CTD but were a full-ride with Merit or Athletic awards
- 81 awarded from Call to Duty fund

- Total spent: $818,285

Those Awarded by Other Foundation Funds

3 in All:
- Army = 2
- Air Force = 1
- All Males
- All Out-of-State
- All 4-yr scholarship recipients
- Total: $29,366

**Those Eligible but Had Merit/Athletic/Outside Funds
(not awarded CTD in any way)**

4 in All:
- Army = 2
- Navy = 2
- Males = 3
- Females = 1
- 4-yr scholarship recipients = 3
- 3-yr scholarship recipients = 1
- Out-of-State = 3
- In-State = 1

Call to Duty Update
Numbers as of 29 August 2023

Awards By Branch

81

Branch	Count
Space Force	1
Air Force	4
Navy	9
Marine	15
Army	52

Awards by Scholarship Length

- 3-yr: 42, 52%
- 4-yr: 39, 48%

Awards by Residency Status

- In-State: 28, 35%
- Out-of-State: 53, 65%

Awards by Gender

- Female: 11, 14%
- Male: 70, 86%
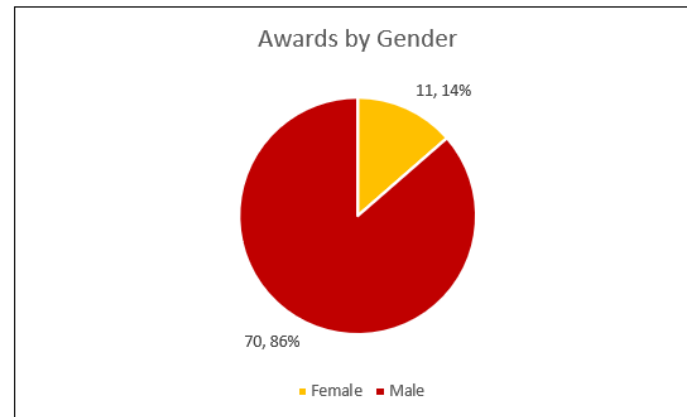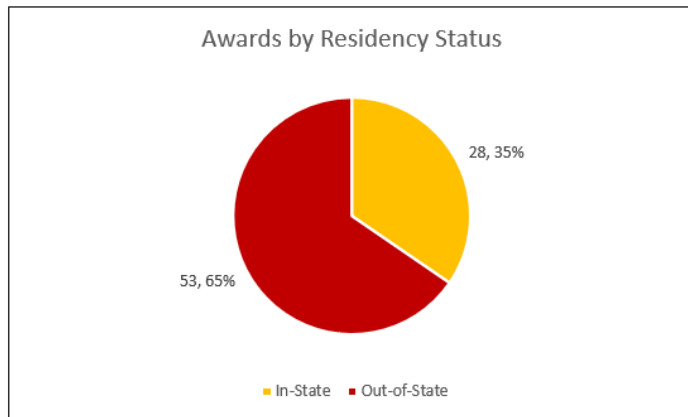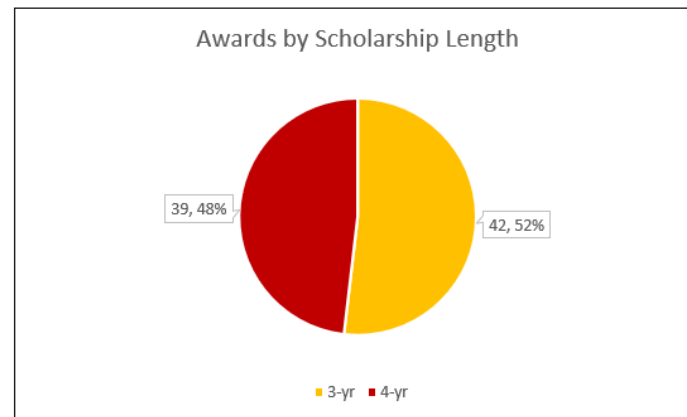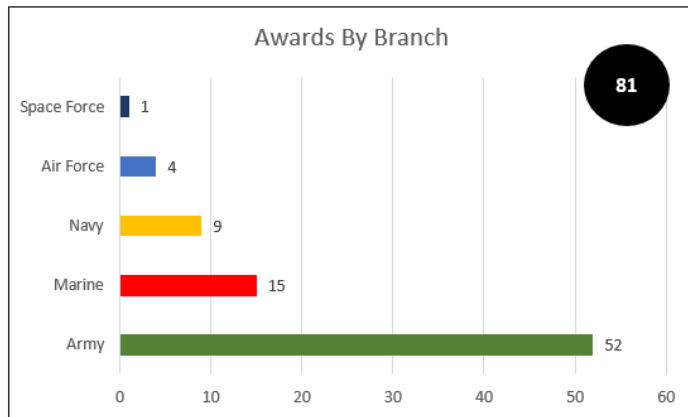
Attrition Projections based on High School GPA

Board of Visitors
September 12, 2023

Brig. Gen. Robert Moreschi
Dean of the Faculty

Matriculants' Likely Retention Rate
Based on High School GPA

Projected Retention
Executive Summary

Using Fall 2023 Admissions data at Census Date, we calculated likely attrition for first-time, full-time (FTF) matriculants (n=447). We excluded transfers (n=20), FTF cadets with unknown HSGPA (n=1), and FTF cadets with HSGPA below 2.0 (n=1), total FTF n=445.

We made projections using 12-year (FL11-FL22), 5-year(FL18-FL22), and 3-year (FL20-FL22) retention rate averages by HSGPA tier.

We estimate between 69-82 FTF cadets will not be retained.

To illustrate this projection, if we lost 75 FTF cadets out of 447 (accounting for melt between matriculation and Census Date, approx. two weeks after matriculation, 469-22 = 447), the first-year retention rate would be 83%. That is, 372 out of 447 FTF cadets would return for their 3rd Class year.

Matriculants' Likely Retention
By High School GPA: 12-year Average

12-YR Average Retention Rate of FTF Matriculants

	12-Year Average	2023 FTF Matriculants	Retained on Census Date	Projected Retention#	Projected Attrition#
1) >= 4.00	90.5%	128	126	114	12
2) 3.50 - 3.99	88.6%	147	140	124	16
3) 3.00 - 3.49	81.7%	131	124	101	23
4) 2.50 - 2.99	69.2%	50	46	32	14
5) 2.00 - 2.49	53.1%	11	9	5	4
Sum		467	445	376	**69**

Data source: Admissions File and Census Date Course Enrollment File.
First-time, full-time (FTF) only. Excludes transfers (n=21) and students with no HSGPA (n=1) or HSGPA <2.0 (n=1).
Census Date averages based on FTF cadets who matriculated and returned their 3rd Class year (FL11-FL22, 85% overall).

Matriculants' Likely Retention
By High School GPA: 5-year Average

5-YR Average Retention Rate of FTF Matriculants

	5-Year Average	2023 FTF Matriculants	Retained on Census Date	Projected Retention#	Projected Attrition#
1) >= 4.00	91.4%	128	126	115	11
2) 3.50 - 3.99	86.6%	147	140	121	19
3) 3.00 - 3.49	76.1%	131	124	94	30
4) 2.50 - 2.99	60.5%	50	46	28	18
5) 2.00 - 2.49	42.9%	11	9	4	5
Sum		467	445	363	82

Data source: Admissions File and Census Date Course Enrollment File.
First-time, full-time (FTF) only. Excludes transfers (n=21) and students with no HSGPA (n=1) or HSGPA <2.0 (n=1).
Census Date averages based on FTF cadets who matriculated and returned their 3rd Class year (FL18-FL22, 83% overall).

Matriculants' Likely Retention
By High School GPA: 3-year Average

3-YR Average Retention Rate of FTF Matriculants

	3-Year Average	2023 FTF Matriculants	Retained on Census Date	Projected Retention#	Projected Attrition#
1) >= 4.00	93.1%	128	126	117	9
2) 3.50 - 3.99	88.1%	147	140	123	17
3) 3.00 - 3.49	77.1%	131	124	96	28
4) 2.50 - 2.99	64.9%	50	46	30	16
5) 2.00 - 2.49	41.7%	11	9	4	5
Sum		467	445	370	75

Data source: Admissions File and Census Date Course Enrollment File.
First-time, full-time (FTF) only. Excludes transfers (n=21) and students with no HSGPA (n=1) or HSGPA <2.0 (n=1).
Census Date averages based on FTF cadets who matriculated and returned their 3rd Class year (FL20-FL22, 84% overall).

Matriculants' Comparative High School GPAs

3-YR Average Retention Rate of FTF Matriculants

	3-Year Average	2023 FTF Matriculants	Retained on Census Date	Projected Retention#	Projected Attrition#
1) >= 4.00	93.1%	128	126	117	9
2) 3.50 - 3.99	88.1%	147	140	123	17
3) 3.00 - 3.49	77.1%	131	124	96	28
4) 2.50 - 2.99	64.9%	50	46	30	16
5) 2.00 - 2.49	41.7%	11	9	4	5
Sum		467	445	370	75

Data source: Admissions File
First-time, full-time (FTF) only. Excludes transfers and students with no HSGPA or HSGPA <2.0.

Matriculants' Likely Academic Probation Rate
by High School GPA

Projected Academic Probation Rate

GPA Tier	4-Year AcPro Average	2023 FTF Matriculants	Projected AcPro#
1) 3.50 +	4.37%	266	12
2) 3.00 - 3.49	21.09%	124	26
3) 2.50 - 2.99	25.00%	46	12
4) 2.00 - 2.49	41.67%	9	4
Sum		445	53

Notes:
Academic Probation defined as a cadet who failed to meet minimum Good Student Standing after the first semester.
Data source: IR Admissions File, IR Census Date Course Enrollment File, and Registrar.

4-YR averages calculated assuming completion after 1st semester, includes all matriculants, including transfers and Rat re-admits (sum of AcPro#/ sum of enrolled#).

2023 matriculants are first-time, full-time (FTF) at Census Date. Excludes transfers (n=20) and students with no HSGPA (n=1), or HSGPA < 2.0 (n=1).
For quick reference, # on AcPro from previous years:
2023=40
2024=46
2025=61
2026=52

Academic Support Activities

Board of Visitors
September 12, 2023

Brig. Gen. Robert Moreschi
Dean of the Faculty

Academic Support Activities

Goal: Improve cadet academic outcomes (retention/graduation) without sacrificing academic integrity/rigor

Summer Transition Program 2023
- 167 completed, includes 43 football recruits
- Tutoring/labs, Monday through Friday, 1230-1530
- Faculty refer any student who did not pass first major assignment to the Miller Academic Center (MAC)
- The MAC conducted diagnostic assessments (reading comprehension, math) to identify at-risk students

Matriculation Week
- Meet academic advisors/department faculty afternoon of Friday, 25 August
- Saturday, 26 August – academic orientation
    - Transition from high school to college
    - Rat academic standards
    - Goal setting
    - Academic planner/calendar
    - Post View training
    - Advice from class of '26 Rats
    - Open Math Lab/Writing Center

Academic Support Activities

Academic Saturday, 2 September
- Miller Academic Center services
- Group study sessions
- Peer academic coaches
- Academic standards/Academic Probation
- Time management
- How to understand/use course syllabi
- How to track critical due dates/deadlines
- Role of S2 staff
- My Majors assessment
- Guest speaker from Writing Center and Career Services
- 395 Rats completed skills assessment

Upcoming
- Academic Advising Workshops, hosted by MAC staff
- Rat advising breakfast, dean's time 18 September
- Academic Saturday, 23 September, Work for Grade and plagiarism

Budget Update

Board of Visitors
September 12, 2023

Brig. Gen. Dallas Clark '99
Deputy Superintendent
Finance & Support

FY 23 Close Out – FY 24-29 Projections

		2023	2024	2025	2026	2027	2028	2029
Opening Day Corps Enrollment		1,524	1,585	1,559	1,609	1,732	1,750	1,766
New Cadets		374	491	495	515	515	515	515
	(1)							
Revenues:								
Tuition & Fees/Other Income (net of fin. aid)		51,609,311	52,958,000	53,449,000	57,757,000	64,663,000	67,489,000	71,212,000
Athletics Generated Income		2,086,803	2,192,000	2,149,000	2,028,000	2,233,000	2,200,000	2,280,000
VMI Alumni Agencies - Athletics	(2)	1,496,000	665,000	678,000	691,000	704,000	718,000	732,000
VMI Alumni Agencies	(2)	21,742,181	29,216,000	29,815,000	30,427,000	31,052,000	31,690,000	32,342,000
State General Funds		27,952,892	28,160,000	28,355,000	28,922,000	29,468,000	30,091,000	30,692,000
Total Revenues		104,887,187	113,191,000	114,446,000	119,825,000	128,120,000	132,188,000	137,258,000
Expenditures:								
Personal Services	(3)	61,198,604	70,615,000	72,528,000	74,953,000	77,535,000	80,137,000	82,988,000
Utilities and Insurance		3,671,205	3,990,000	4,110,000	4,233,000	4,360,000	4,491,000	4,626,000
Operating - Food Service		7,125,985	7,500,000	7,763,000	8,034,000	8,838,000	9,279,000	9,604,000
Operating - Uniform Purchases		1,384,860	1,300,000	1,313,000	1,326,000	1,339,000	1,353,000	1,435,000
Departmental Operating Accounts	(4)	18,368,993	21,055,000	21,440,000	21,883,000	22,251,000	22,645,000	23,071,000
UMA Share of AUX Costs		2,391,415	3,894,000	3,952,000	4,012,000	4,072,000	4,133,000	4,195,000
Debt Service	(5)	2,810,211	2,481,000	2,469,000	1,579,000	1,577,000	1,577,000	1,577,000
Contingencies	(6)	3,836,194	2,600,000	2,600,000	2,850,000	2,850,000	2,850,000	2,834,000
Student Financial Aid		2,013,644	2,300,000	2,400,000	2,500,000	2,700,000	2,900,000	3,000,000
Small Non-Cap Maintenance Projects	(6)	1,204,076	500,000	500,000	750,000	750,000	1,000,000	1,000,000
Total Expenditures		104,005,187	116,235,000	119,075,000	122,120,000	126,272,000	130,365,000	134,330,000
Annual Operating Results - Total	(7)	882,000	(3,044,000)	(4,629,000)	(2,295,000)	1,848,000	1,823,000	2,928,000
Beginning Fund Balance		26,285,000	27,167,000	24,123,000	19,494,000	17,199,000	19,047,000	20,870,000
Ending Fund Balance		27,167,000	24,123,000	19,494,000	17,199,000	19,047,000	20,870,000	23,798,000
Annual Operating Results - Athletics		(1,093,000)	(1,328,000)	(1,580,000)	(1,751,000)	(1,192,000)	(1,324,000)	(1,315,000)
Annual Operating Results - Other		1,975,000	(1,716,000)	(3,049,000)	(544,000)	3,040,000	3,147,000	4,243,000
Annual Operating Results - Total		882,000	(3,044,000)	(4,629,000)	(2,295,000)	1,848,000	1,823,000	2,928,000
Year-End Fund Balance - AUX		26,122,000	24,406,000	21,357,000	20,813,000	23,853,000	27,000,000	31,243,000
Year-End Fund Balance - Athletics		1,045,000	(283,000)	(1,863,000)	(3,614,000)	(4,806,000)	(6,130,000)	(7,445,000)
Year-End Fund Balance - Total		27,167,000	24,123,000	19,494,000	17,199,000	19,047,000	20,870,000	23,798,000

- Increase in T/F Revenue of $1.36M and Private Support Revenues of $3.0M.
- Deferred Spending
- Savings of $5.9M

Revenues

	(1)	2023	2024
Opening Day Corps Enrollment		1,524	1,585
New Cadets		374	491
Revenues:			
Tuition & Fees/Other Income (net of fin. aid)		51,609,311	52,958,000
Athletics Generated Income		2,086,803	2,192,000
VMI Alumni Agencies - Athletics	(2)	1,496,000	665,000
VMI Alumni Agencies	(2)	21,742,181	29,216,000
State General Funds		27,952,892	28,160,000
Total Revenues		104,887,187	113,191,000

1. FY 2023 revenues reflects actual results. FY 2024 activity reflects budgeted amounts based on known assumptions (Corps enrollment projections, tuition and fee levels, VA/NVA mix, contractual revenue sources).

2. The significant increase in FY 2024 budgeted support from the Alumni Agencies reflects an actual increase of approximately $3.0 million in support. The remaining increase reflects FY 2023 restricted funds that were not expended. Many of the unexpended funds are restricted or are cash accounts that departments have flexibility to spend as needs arise and are not required to be expended annually.
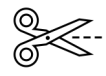
Expenditures

	(1)	2023	2024
Opening Day Corps Enrollment		1,524	1,585
New Cadets		374	491
Expenditures:			
Personal Services	(3)	61,198,604	70,615,000
Utilities and Insurance		3,671,205	3,990,000
Operating - Food Service		7,125,985	7,500,000
Operating - Uniform Purchases		1,384,860	1,300,000

3. FY 2023 Personal Services expenditures reflect significant vacancy savings (~$3.0 million). Departments were diligent in managing both planned and unplanned vacancies as a directed cost savings measure while still ensuring departmental missions were fully accomplished.

The FY 2024 Personal Services total includes an increase resulting from 19 new full-time positions (primarily funded through One Corps One VMI), classified employee compensation adjustments (funded through One Corps One VMI), and the anticipated 7% State mandated salary increase.

FY24 budgeted amounts do not reflect actual cost savings measures currently in effect.

Expenditures

	(1)	2023	2024
Opening Day Corps Enrollment		1,524	1,585
New Cadets		374	491
Departmental Operating Accounts	(4)	18,368,993	21,055,000
UMA Share of AUX Costs		2,391,415	3,894,000
Debt Service	(5)	2,810,211	2,481,000
Contingencies	(6)	3,836,194	2,600,000
Student Financial Aid		2,013,644	2,300,000
Small Non-Cap Maintenance Projects	(6)	1,204,076	500,000

4. FY 2023 Departmental Operating Accounts expenditures were $2.6 million lower than budgeted and reflect institute wide cost savings efforts. The FY 2023 budget was comparable to the budgeted amount for FY 2024.

FY 2024 budgets remain relatively flat but maintain departmental operational effectiveness and do not reflect anticipated ongoing savings and future budget reduction savings. Cost savings efforts will continue with additional savings strategies implemented as necessary.

5. The reduction in budgeted Debt Service payments reflects the final payments in FY 2023 for the Memorial Hall and Cocke Hall debt issuances.

6. Expenditures from Contingencies and Small Non-Cap Maintenance Projects varies from year to year depending on necessary repairs and the timing of payments processed for non-capital construction projects.

Expenditures

New Cadets		374 2023	491 2024
	(1)		
Revenues:			
Tuition & Fees/Other Income (net of fin. aid)		51,609,311	52,977,000
Athletics Generated Income		2,086,803	2,062,000
VMI Alumni Agencies	(2)	23,238,181	29,881,000
State General Funds		27,952,892	28,160,000
Total Revenues		104,887,187	113,080,000
Expenditures:			
Personal Services	(3)	61,198,604	70,686,000
Utilities and Insurance		3,671,205	3,990,000
Operating - Food Service		7,125,985	7,500,000
Operating - Uniform Purchases		1,384,860	1,300,000
Departmental Operating Accounts	(4)	18,368,993	20,953,000
UMA Share of AUX Costs		2,391,415	3,894,000
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Contingencies	(6)	3,836,194	2,600,000
Student Financial Aid		2,013,644	2,300,000
Small Non-Cap Maintenance Projects	(6)	1,204,076	500,000
Total Expenditures		104,005,187	116,204,000
Revenues over (under) Expenditures	(7)	882,000	(3,124,000)
Beginning Fund Balance		26,285,000	27,167,000
Ending Fund Balance		27,167,000	24,043,000
AUX Fund Balance		26,122,000	25,062,000
Athletic Fund Balance		1,045,000	(1,019,000)
TOTAL Fund Balance		27,167,000	24,043,000

7. Projected Revenues over (under) Expenditures in years 2024 – 2029 reflect conservative estimates of revenues/expenditures and should represent worst case scenarios.

With increased revenues and implemented savings strategies in FY23 resulted in being $882K under budget a savings that is transferred to the Ending Fund Balance.

Fund Balance Outlook FY24 – FY27

		2023	2024	2025	2026	2027
Opening Day Corps Enrollment		1,524	1,585	1,559	1,609	1,732
New Cadets		374	491	495	515	515
	(1)					
Revenues:						
Tuition & Fees/Other Income (net of fin. aid)		51,609,311	52,958,000	53,449,000	57,757,000	64,663,000
Athletics Generated Income		2,086,803	2,192,000	2,149,000	2,028,000	2,233,000
VMI Alumni Agencies - Athletics	(2)	1,496,000	665,000	678,000	691,000	704,000
VMI Alumni Agencies	(2)	21,742,181	29,216,000	29,815,000	30,427,000	31,052,000
State General Funds		27,952,892	28,160,000	28,355,000	28,922,000	29,468,000
Total Revenues		104,887,187	113,191,000	114,446,000	119,825,000	128,120,000
Expenditures:						
Personal Services	(3)	61,198,604	70,615,000	72,528,000	74,953,000	77,535,000
Utilities and Insurance		3,671,205	3,990,000	4,110,000	4,233,000	4,360,000
Operating - Food Service		7,125,985	7,500,000	7,763,000	8,034,000	8,838,000
Operating - Uniform Purchases		1,384,860	1,300,000	1,313,000	1,326,000	1,339,000
Departmental Operating Accounts	(4)	18,368,993	21,055,000	21,440,000	21,883,000	22,251,000
UMA Share of AUX Costs		2,391,415	3,894,000	3,952,000	4,012,000	4,072,000
Debt Service	(5)	2,810,211	2,481,000	2,469,000	1,579,000	1,577,000
Contingencies	(6)	3,836,194	2,600,000	2,600,000	2,850,000	2,850,000
Student Financial Aid		2,013,644	2,300,000	2,400,000	2,500,000	2,700,000
Small Non-Cap Maintenance Projects	(6)	1,204,076	500,000	500,000	750,000	750,000
Total Expenditures		104,005,187	116,235,000	119,075,000	122,120,000	126,272,000
Annual Operating Results - Total	(7)	882,000	(3,044,000)	(4,629,000)	(2,295,000)	1,848,000
Beginning Fund Balance		26,285,000	27,167,000	24,123,000	19,494,000	17,199,000
Ending Fund Balance		27,167,000	24,123,000	19,494,000	17,199,000	19,047,000
Annual Operating Results - Athletics		(1,093,000)	(1,328,000)	(1,580,000)	(1,751,000)	(1,192,000)
Annual Operating Results - Other		1,975,000	(1,716,000)	(3,049,000)	(544,000)	3,040,000
Annual Operating Results - Total		882,000	(3,044,000)	(4,629,000)	(2,295,000)	1,848,000

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	2023	2024	2025	2026	2027
Year-End Fund Balance - AUX	26,122,000	24,406,000	21,357,000	20,813,000	23,853,000
Year-End Fund Balance - Athletics	1,045,000	(283,000)	(1,863,000)	(3,614,000)	(4,806,000)
Year-End Fund Balance - Total	27.167.000	24.123.000	19.494.000	17.199.000	19.047.000

Higher than budgeted enrollment, increased private support, and cost savings have combined to reduce the impact to the Fund Balance.

Fund Balance planned uses support longer term investment priorities of the Institute (e.g., projected capital improvements to auxiliary and athletic facilities, minimum cash operating levels, non-capital projects)

Outlook Comparisons

Outlook in Apr 2023

Revenues:

- Budgeted Enrollment of 450 ($50.2M)
- State General Funds of $27.5M
- Total Revenues = $110M

Expenses:

- FY23 Actual Personal Services Budget reduced by ~$3.0M. Many reductions and vacancy savings will carry forward into FY24.
- Departmental Operating Accounts were budgeted at $20.9 and resulted in $2.9M in savings.

Fund Balance:

- Projected Ending Fund Balance of $16.5M with a low of $6.9M in FY26. Balanced budget in FY27.

Outlook in Sep 2023

Revenues:

- Actual Enrollment of 491 ($52.9M)
- State General Funds of $28.1M
- Total Revenues = $113M

Expenses:

- FY24 Personal Services Budget carries all positions – savings are projected to continue with financial savings measures in place.
- Departmental Operating Account budgets are expected to realize ongoing savings associated with financial savings measures.

Fund Balance:

- Projected Fund Balance of $24.0M with a low of $17.1M in FY26. Balanced budget in FY27.

FY23 Budget Guidance: Results

- ☑ Active budget conservatism and building of modest fund balances results in available funds to offset FY23 revenue shortfalls.

- ☑ Senior executives will target 5% budget reductions ($5.8M projected) to reduce reliance on fund balances and provide carryforward balances ($5.9M actual) for FY24.

- ☑ Expenditure controls are in place to review all purchases over $2,000 by senior executives.

- ☑ FY24-FY26 will likely experience operating budget reductions to mitigate imbalance in expenses with forecasted revenues.

- ☑ Unavoidable expenses, inflation impacts, tuition & fee increases, and enrollment projections will require active monitoring and/or management.

Board of Visitors' Statutory Duties & Responsibilities

Board of Visitors
September 12, 2023

Patrick O. O'Leary '90
VMI General Counsel
Sr. Asst. Attorney General

VMI Statutory Authority
Va. Code Sec. 23.1-2500 through 23.1-2511
(Enabling Legislation)

- Board composition and operation.

- Power to receive gifts, grants, and bequests.

- Appointment and removal of faculty.

- Prescribe the course of cadet instruction.

VMI Statutory Authority
Va. Code Sec. 23.1-2500 through 23.1-2511
(Enabling Legislation)

- Board composition and operation.

- Power to receive gifts, grants, and bequests.

- Appointment and removal of faculty.

- Prescribe the course of cadet instruction.

- Approve military scholarships.

- Confer degrees.

**Statutory Authority: General Power of All Boards of Visitors
Va. Code Sec. 23.1-1301**

- Enact regulations and policies, including policies regarding cadet conduct.

- Manage university funds and approve budgets.

- Appoint the chief executive (VMI superintendent).

- Fix tuition rates and mandatory fees.

- Grant easements.

- Etc.

Board of Visitors Responsibilities
Va. Code Sec. 23.1-1301, 23.1-1303, 23.1-1304, 23.1-1306

- Adopt and post bylaws that address transparency and FOIA.

- Conduct annual evaluation of the superintendent (changes to contract only by majority vote).

- Provide annual executive summary of work to governor and General Assembly.

- Participate in mandatory SCHEV training for new board members within two years and training every two years after.

Board of Visitors Responsibilities
Va. Code Sec. 23.1-1301, 23.1-1303, 23.1-1306

Duties of the Executive Committee:

- Can act on behalf of the board between meetings when necessary.

- Organizes the working processes of the board.

- Recommends board best practices.

- Develops and recommends a statement of governance.

- Periodically reviews the the board's bylaws and recommends amendments.

Board of Visitors Responsibilities
Va. Code Sec. 23.1-1301, 23.1-1303, 23.1-1306

Duties of the Executive Committee (continued):

- Provides advice to the board on committee structure, appointments, and meetings.

- Develops an orientation and continuing education process for board members.

- Creates, monitors, oversees, and reviews compliance with a code of ethics for board members.

- Develops a set of qualifications and competencies for membership on the board for approval by the board and recommendation to the governor.

Board of Visitors Bylaws

In addition to restating statutory duties:

- Delegates execution of documents to the superintendent or his designee.

- Members are expected to attend all meetings and participate in the activities of the board.

- Rules for meetings, officers, and committees.

Virginia Freedom of Information Act

There are two main categories relating to FOIA, 1.) Board meeting requirements, and 2.) Document requests.

1. FOIA's <u>meeting requirements</u> are triggered any time <u>three or more</u> board members gather (in person, by telephone, over e-mail, on social media, etc.) <u>and discuss VMI business.</u>

2. FOIA requests for public records – include all documents used in VMI business that are in a board member's possession regardless of whether the records were part of meeting material or notes. This includes text or email messages about VMI business to another board member or to VMI staff from your personal phone or email account.

Virginia Freedom of Information Act
Meeting Requirements

- All meetings must be open to the public.

- No discussion of VMI business among three or more members outside of noticed meetings. This includes emails among three or more members. Please do not "Reply All" when receiving an email from VMI.

- Notice of a meeting typically must be posted at least three workdays in advance of the meeting.

Virginia Freedom of Information Act
Electronic Meetings

- The Board of Visitors may conduct two all-virtual meetings per year (usually reserved for committee meetings).

- Individual board members may participate in a meeting by phone or other electronic means from a remote location if:
  - A quorum is physically assembled in one location; AND
  - Proper notice to the public, and appropriate means through which to listen to and/or watch the meeting;
  - Personal matter (two times per year) or medical condition (unlimited per year).

Virginia Freedom of Information Act
Closed Meeting Exceptions
(Va. Code 2.2-3711)

More than 40 exceptions, including:

- Personnel matters – pertaining to specific employees.
- Scholastic records – discussion of specific cadets.
- Legal advice – consultation with legal counsel on specific legal matters.
- Gifts and bequests.
- Special awards and honorary degrees.

Virginia Freedom of Information Act
Closed Meeting Procedures

- A detailed motion to go into closed session that identifies, 1.) the statutory cite for the exemption; 2.) the general topic (e.g. personnel); 3.) the specific subject to be discussed (e.g. the evaluation of the superintendent).

- Only those matters identified in the motion to enter closed session may be discussed.

- The board must reconvene in open session and vote to certify that only those matters identified in the motion to close the meeting were discussed.

Virginia Freedom of Information Act
Closed Meeting Procedures

- Action (votes) as a result of discussions in closed session must be taken once the board has reconvened in an open meeting.

- The board can take a non-binding vote, or straw poll, to get a sense for how a public vote might result. However, members are not bound to vote in the open meeting as they indicated they would in the closed session straw poll.

Virginia Conflict of Interest Act
Personal Interests

If a board member has a personal interest in a matter that is the subject of action by the board, or if he/she may realize a reasonably foreseeable <u>direct or indirect benefit or detriment</u> as the result of action the the matter…

The board member <u>must</u> disqualify himself/herself from the board action.

Virginia Conflict of Interest Act
Personal Interests (continued)

A "personal interest" is a financial benefit or liability accruing to a board member or a member of their immediate family, including <u>but not limited to</u> a salary of more than $5,000 annually, an ownership interest in a business or property that exceeds 3% of the asset value of the business, personal liability incurred or assumed on behalf of a business if the liability exceeds 3% of the asset value of the business, etc.

Virginia Conflict of Interest Act

- COIA sets forth the minimum standards of conduct.

- Members of the VMI Board of Visitors must avoid even the appearance of impropriety as required by the VMI Code of Ethics.

Virginia Conflict of Interest Act
Disclosure Form Filing

- Upon taking office, board members are required to file a disclosure form of personal interests with the Secretary of the Commonwealth.

- Annual updates are required on or before February 1.

Questions?