



2017



WILLIAM & MARY FINANCIAL REPORT

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BUILDING A STRONG FINANCIAL FOUNDATION



At the outset of my presidency a decade ago, it was clear to me that William & Mary had to build a new financial foundation for its operating budgets. Our confident reliance since 1906 on state operating support was over, never likely to return. I began beating the drum. As one rector observed with tired ears, I've stayed on message relentlessly. There remain few on campus or in the W&M family who cling to the belief that

our operating budgets can rely heavily on taxpayer dollars in the years to come. (Capital budgets are different. State support has played a crucial role in the physical transformation of the campus during the last decade.)

A new financial foundation for operations hinged as well on effective delivery of a second message — that all members of the W&M family must do their part, with no one standing on the sidelines.

Those of us on campus — faculty and staff — have had to become more productive. We have cut some costs, slowed the rate of increase of others, moved funds from less important to more important uses and developed new means of earning revenue.

This has not been a question of working harder; William & Mary people work very hard. It has been a matter of wiser allocation of resources, developing more efficient systems and finding new ways to make a buck, especially through online education (while remaining true to the superb caliber of education we have always provided our students).

A new financial foundation has also been a matter of in-state students and their families shouldering more of what it costs to educate them. Our out-of-state students and their families have been doing this for many years. As tuition and fees have increased, we have also moved as quickly as feasible to increase our financial aid for those middle- and low-income students who lack the means to pay the costs of the exceptional education W&M provides. We are meeting the need of in-state students quite well, but we still lack sufficient resources to do the same for out-of-state students.

Building the new financial foundation has also been a matter of alumni, parents and friends answering the call with greatly enhanced philanthropic support. To this end, one of our most telling efforts has been our *For the Bold* campaign. By December 2017, less than two years into the public phase of *For the Bold*, William & Mary had raised more than \$738 million toward the \$1 billion goal. Bucking the national trend, W&M has also continued to increase alumni participation annually. This year we set a new record, with 29.9 percent of undergraduate alumni giving to alma mater. That makes us No. 1 among nationally ranked public universities for undergraduate

alumni participation, and No. 17 among all leading universities, public and private. We have much to celebrate on this score!

And we have much to celebrate about dollars raised. Fiscal year 2017 was the second-largest fundraising year ever for William & Mary, with gifts totaling almost \$135 million. It is also the fifth consecutive year that we've broken the \$100 million mark. We have been fortunate over the last year to announce gifts that are funding the new Shenkman Jewish Center, a greatly expanded Alumni House, scholarships for undergraduate, graduate and professional students and a wide swath of research programs on and off campus, among other efforts. To see more highlights of how *For the Bold* is making an impact, see page 7.

People are at the heart of *For the Bold*. Scholarships support is our top priority, as we seek to ensure that students of great promise can afford to attend William & Mary, while also enabling the university to compete effectively with peer institutions for very able students from families with limited means.

William & Mary's aggregate endowment from all sources was \$580 million in June 2008. In June 2017, it was estimated at \$899 million, with an additional \$313 million also committed (largely in estates), but not yet received.

While our endowment is stronger than at any other time in William & Mary's long history, we seriously lag behind other leading universities. Looking at data from fiscal year 2016 (the most recent year available), all other such universities, from Georgetown to UCLA, had endowments well above \$1 billion (most are north of \$3 billion). The University of Virginia's endowment was roughly \$6 billion. Most leading universities have much larger student bodies than W&M, so they are not an accurate comparison. Princeton and Dartmouth, however, have slightly smaller student bodies than W&M.



► “If William & Mary
is to make steady
progress in the
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our efforts to grow
our endowments for
scholarships.”



Princeton's endowment in 2016 was about \$22 billion and Dartmouth's almost \$4.5 billion. These numbers underscore the importance of endowments in providing a critical foundation for stability and prestige.

No matter the comparison group, William & Mary is grossly under-endowed. We do remarkably more with strikingly less. The shoestring is very tightly pulled. It is past time that we become able to do more with more.

W&M has become a significant research, graduate and professional university as well as a great teaching college for undergraduates, with heavy emphasis on professors knowing students by name, engaging them in and out of the class and involving them in serious research. W&M's model of marvelous teaching, learning and research costs a lot to sustain and even more to move forward in response to evolving opportunities. Maintaining our low student-to-faculty ratio is expensive; providing faculty with time and resources for research is expensive; involving undergraduates in serious research is expensive; sustaining first-rate graduate and professional programs is expensive.

So, too, is providing sufficient financial aid to families of modest financial means. Since the W&M Promise was adopted in April 2013, the average net price for Virginia families with need making less than \$75,000 annually has dropped by more than 20 percent at William & Mary. Among Virginia's public universities, W&M offers the lowest net price for those students.

We are also the only public university in Virginia to replace all loans with grants for in-state students with annual family incomes under \$40,000. We are now meeting the entire financial need for Virginia students.

These efforts are making a difference. William & Mary was recently recognized

by the New York Times as being among the nation's colleges and universities most committed to access and affordability and the leading public university in Virginia. And this fall, we saw a 20 percent increase in entering Pell-eligible freshman and transfer students, mostly from Virginia. Our number of out-of-state Pell-eligible students remains low because we lack the means to provide adequate out-of-state aid. If William & Mary is to make steady progress in the socioeconomic diversity of campus, we must succeed in our efforts to grow our endowments for scholarships. These scholarships are needed as well for middle-income families from outside Virginia. The cost of attending William & Mary invariably exceeds their families' capacity to pay without more aid than we are now able to provide.

Overall, 2016-17 was an excellent year for William & Mary financially, with marvelous support from all parts of the W&M family – alumni, parents, faculty, staff and students.

We are making significant progress in building a new financial foundation for William & Mary's operating budgets. We are moving forward on crucial parallel paths: campus productivity, realistic levels of in-state and out-of-state tuition coupled with need-based financial aid, and a powerful mix of philanthropic support from our alumni, parents and friends. While an enormous amount remains to be done, we are rolling with a clear sense of where we're headed and how to get there.

W. Taylor Reveley, III
President

SHARING THE LIGHT: 2017 HIGHLIGHTS



It has been a remarkable fundraising year for William & Mary. The university continues its strong trek forward with two and a half years remaining until *For the Bold* concludes. As momentum builds to reach all three campaign goals — strengthened alumni engagement, 40 percent alumni participation and \$1 billion — we always keep at top of mind our overarching mission of advancing academic and athletics excellence and creating an environment in which opportunities and enriching experiences are available for all of our exceptional people.

Today, and in the months and years ahead, we will keep asking ourselves

whether our people are better off than they were before the campaign first began. We are making great progress and strengthening our foundation thanks to the support of tens of thousands of alumni, parents, students, faculty, staff and friends. From scholarships and faculty support, innovative research, study abroad, affinity- and alumnae-based opportunities to career and professional networking events, the campaign is a big reason the William & Mary community is feeling great impact.

Here are only a few of the highlights that we have celebrated over the last year.

- Hunter J. Smith '51 gives \$15 million for Alumni House expansion and renovation
- Hulton Willis Association's 25th Anniversary Weekend; The late Carroll F.S. Hardy honored through outpouring of scholarships support
- W&M celebrates 50th anniversary of MBA program; More than \$10 million raised for scholarships and other initiatives
- Jewusiak family gives \$2 million to support sports medicine division at William & Mary
- William & Mary celebrates *For the Bold* in California
- One Tribe One Day returns with 12,658 donors
- Acuff commitment to benefit VIMS and Alumni House
- William & Mary celebrates *For the Bold* in Washington, D.C.
- Bob Trice '68 and Susan Trice '68 give seven-figure gift for international learning and research
- William & Mary alumna makes \$2 million gift supporting scholarships and alumnae programming
- Shenkman Jewish Center to be constructed for William & Mary students
- Class of 1967 celebrates 50 years; Raises a collective \$18 million for Alumni House and scholarships
- William & Mary Law School receives \$5.2 million gift to support scholarships and other priorities
- William & Mary celebrates *For the Bold* in Atlanta
- Mellon Foundation grant to support inclusiveness in undergraduate research
- Hewlett Foundation gives \$1.5 million grant to support AidData
- Jim Hixon J.D. '79, M.L.T. '80 and Kate Hixon '08 give nearly \$1.8 million to fund international scholarships

▶ To read the article for each headline above, please visit impact.wm.edu/2017_headlines

W&M'S FINANCIAL PERFORMANCE



For the first time, William & Mary has prepared a comprehensive report that provides a consolidated view of the financial statements of the university and its related foundations. While this requires a merging of William & Mary's unaudited statements with the audited statements of the various foundations, it provides the most timely possible assessment of revenue, expense, assets and liabilities due to the state's audit schedule for the university. William & Mary's statements remain subject to audit by the state auditor of public accounts, but we do not anticipate any significant changes to the consolidated statements as presented.

FY 2017 OVERVIEW

Fiscal Year (FY) 2017 once again required William & Mary to absorb a reduction in state support, an effort that continues into FY18. Despite state actions, the university's strong economic health continues to reflect W&M's ability to recruit students and our ability to raise revenue through tuition and fees, grants and contracts and philanthropy. It also reflects our willingness to reallocate funds to support the university's highest priorities.

William & Mary continues to recruit, admit and retain top-caliber students even as we compete against the most selective public and private institutions in the country. Freshman

applications to the university continue to be strong, with 14,921 students seeking admission for the 2017-18 academic year. With an incoming class size of 1,534 students, W&M has almost 9.7 applicants for every student enrolled. Given our robust applicant pool, the credentials of admitted students remain strong, reflecting William & Mary's highly selective nature. These statistics, coupled with the university's academic reputation, suggest a strong continuing student demand for the future.

Similarly, William & Mary's Virginia Institute of Marine Science (VIMS) continues to see significant success in its academic, research and advisory programs, particularly in high-profile areas such as coastal flooding, sea-level rise and water quality.

As noted previously, university programs are supported from a variety of sources, including state funds, tuition and fees, auxiliary enterprise revenues (auxiliary enterprise activities being those programs that receive no state support such as residence life, food service, athletics, etc.), federal grants and contracts and private funds. This diversity of funding is critical to William & Mary's overall financial health.

The Commonwealth of Virginia provides partial operating support for the university's academic programs as well as need-based aid for Virginia undergraduates. State support for operations is a function of general economic conditions and the priority assigned to higher education by the governor and General Assembly as they consider competing demands for commonwealth resources.

For FY17, state funding initially reflected increased support from the commonwealth. However, after ending FY16 with a revenue shortfall, the governor announced budget reductions for all public colleges and universities, as well as most state agencies. At that time, the state eliminated support for FY17 faculty and staff salary increases and imposed one-time reductions for W&M in FY17 and

FY18, along with a permanent \$2.2 million reduction in FY18. Despite those reductions, growth from other revenue sources in FY17 remained strong, allowing the university to largely mitigate the impact of the state reductions, including the loss of state support for salary increases.

Over the last year, the university maintained the William & Mary Promise, an innovative operating model that enhances the quality of a W&M education while improving predictability and affordability for in-state undergraduate students. Key pieces of the model include improved predictability through a guaranteed four-year tuition for in-state undergraduate students, financial aid for qualifying low- and middle-income Virginia families, more enrollment slots for Virginia students and additional resources to recruit and retain the superb faculty crucial to continued academic excellence, among other efforts.

Internally, FY17 budgets were developed within the context of the university's strategic planning process and the Six-Year Plan, as approved by the Board of Visitors. To the extent resources were available, expenditures in support of the university's academic program reflected the priorities outlined in these plans. Incremental funds generated through the Promise in combination with private and reallocated funds allowed the university to:

- Maintain all elements of the Promise.
- Enhance the quality of academic programs, including the competitiveness of faculty salaries.
- Allocate funds to support new facilities.
- Address our strategic plan, Six-Year Plan and commonwealth priorities, including expanded aid for middle-income Virginia families.
- Balance revenue need with student affordability.
- Continue to enhance efforts to raise private funds and seek other revenue sources.

Beyond allocations for faculty and staff salaries, increased fringe benefit costs, the cost of new facilities, and academic and business improvements, FY17 allocations also supported several initiatives identified by the campus community as essential. These include:

- Recognizing the ongoing work of the Task Force on Race and Race Relations, the administration recommended an immediate allocation of \$600,000 to support initiatives in this area, including \$500,000 to recruit faculty whose experiences and backgrounds will increase student engagement and advance diversity and inclusiveness. The administration recommended, and the Board of Visitors approved, additional base funding for this initiative in FY18. These funds are managed through the provost's office.
- Through a combination of funds, including private funds and debt, the FY17 budget expands support for various club and extracurricular activities. This investment includes additional staffing, a pool of funds to assist students with need in covering the cost of participation in extracurricular activities, and field improvements to improve scheduling and allow a more efficient use of space regardless of weather conditions.
- Funds to recognize the impact of undergraduate enrollment increases across the disciplines, including the Raymond A. Mason School of Business.

In support of these investments, William & Mary continued to identify opportunities for academic and business innovation, allowing the university to reallocate resources to higher priority activities.

CONSOLIDATED ENDOWMENT AND INVESTMENT PERFORMANCE

FY17 was an eventful year in the capital markets, with market performance and consumer sentiment being impacted by a presidential election that buoyed the market on prospects of tax reform, deregulation and improved trade economics. At the same time, strong gains in the equity markets were not dampened by international events (North Korea, Brexit, etc.) or news from Washington, D.C.

Within this environment, on June 30, 2017, the consolidated value of endowments held by all of the various entities supporting William & Mary and its programs totaled almost \$899 million, including \$24.6 million in revocable endowments held by third parties. This resulted in a year-over-year increase of \$71 million, or 8.6%, over FY16. The FY17 value is net of fees, new gifts, investment return and spending withdrawals, and reflects a rebound in endowment value that began in FY10 and continued through FY17.

At this point, approximately 81 percent of the endowment consists of securities and fund types that can be managed through constructed portfolios of various asset classes. The remaining 19 percent of the endowment consists of physical real estate, direct investments and types of external trusts where W&M is a named irrevocable beneficiary. Seventy-two percent of the endowment is actively managed through the William & Mary Investment Trust (WAMIT).

As noted above, growth in FY17 reflects investment returns net of fees, new gifts and receivables, market changes in externally managed accounts, change in property holdings and spending withdrawals. The Board of Visitors' endowment recognized a 13 percent one-year investment return as of June 30, 2017, with WAMIT recognizing

a 12.1 percent return. Together, these remain the largest of the investment portfolios and both remain highly diversified across asset classes.

WAMIT was created in 2004 as a means by which all of the university's affiliated foundations that raise money for endowment could invest under the same investment platform and get the same performance achieved through active management of a highly diversified portfolio. The goal of WAMIT is to maximize long-term real return consistent with appropriate risk tolerances and the recognized need to preserve intergenerational equity.

WAMIT is now showing positive annualized performance against its benchmark over one-, three-, five- and ten-year periods. This consistent performance is critical to the long-term growth of endowments supporting the university, its schools and departments.

Looking back, endowment growth over President Reveley's tenure to date has been significant. On June 30, 2008, preceding the "Great Recession," the consolidated endowment totaled \$580 million; nine years later on June 30, 2017, it totaled \$898.7 — an increase of almost 55 percent. The \$318.7 million increase over this period was attributable to approximately \$208.8 million in new gifts added to the endowment, approximately \$19.4 million in distributed income reinvested as quasi-endowment and approximately \$90.5 million as net appreciation (investment gains less authorized spending withdrawals).

PHILANTHROPY

Investment success is mirrored when we look at private fundraising. William & Mary continues to exceed expectations in its engagement and philanthropy efforts as the university seeks to increase schol-

WAMIT'S PORTFOLIO ALLOCATION AND ASSET CLASS RETURNS

(as of June 30, 2017)

	WAMIT Policy Allocation	WAMIT Allocation 6/30/17	WAMIT Annual Return
Total Equity	65.0%	66.5%	17.0%
Global Public Equity	50.0%	49.5%	19.3%
Domestic Equity		23.8%	18.9%
Foreign Equity:			
Developed Countries		16.9%	22.1%
Emerging Markets		8.8%	14.0%
Private Equity	15.0%	17.0%	10.7%
Diversifying Strategies	15.0%	16.3%	6.5%
Real Assets	10.0%	9.5%	5.7%
Fixed Income	10.0%	4.2%	2.0%
Cash	0.0%	3.3%	0.4%
Distributed Securities	0.0%	0.2%	—

WAMIT'S ANNUALIZED PERFORMANCE

(as of June 30, 2017)

INVESTMENT RESULTS

	1 YEAR	3 YEARS	5 YEARS	10 YEARS
WAMIT* (net of fees)	12.1%	4.6%	7.7%	4.4%
Blended Policy				
Benchmark ⁽¹⁾	10.7%	2.5%	6.4%	3.3%
Value Added	+1.4%	+2.1%	+1.3%	+1.1%

⁽¹⁾Effective 1/1/17: Weighted 50% to MSCI All Country World Index, 15% to Russell 2000 Index, 10% to Barclays U.S. Aggregate Bond Index, 15% to HFR Fund-of-Funds Composite Index, 5% to MSCI U.S. REIT Index and 5% to S&P North America Natural Resources Index. Benchmark composition prior to 1/1/17 consisted of different indexes and weights, which are reflected in the benchmark returns.

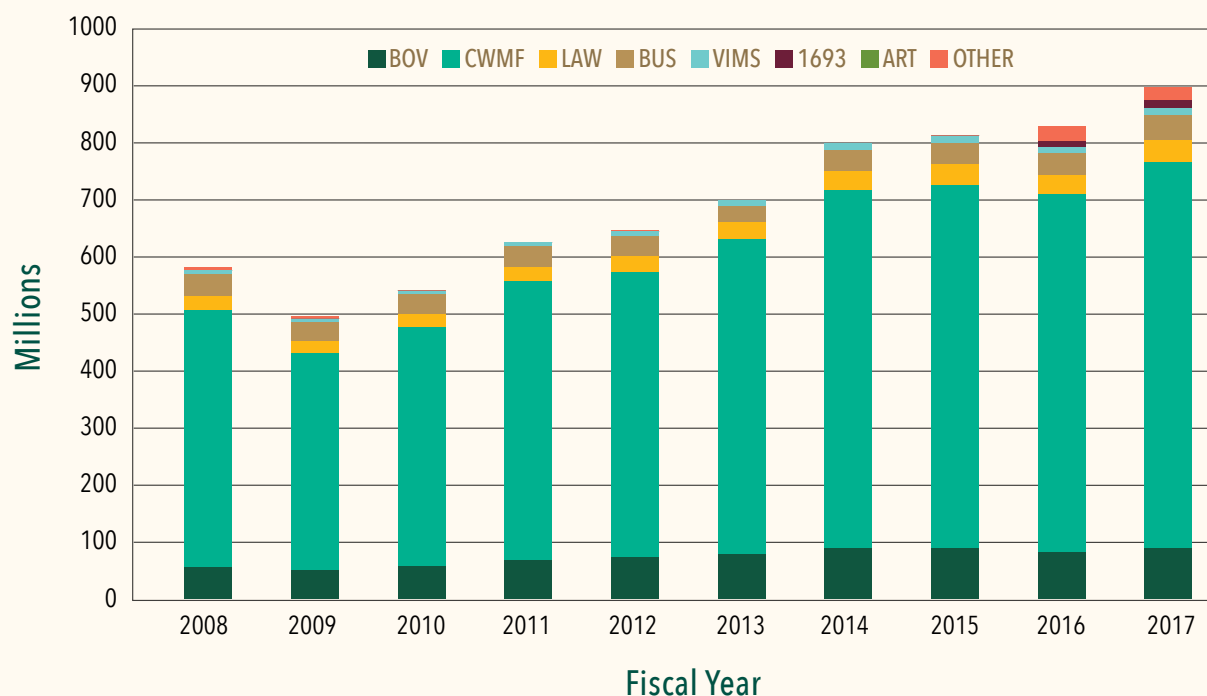
WAMIT INVESTMENT PERFORMANCE (NET of FEES)

As of June 30, 2017

Investment Pools	1 Year	3 Years	5 Years	10 Years	Market Value at 6/30/17	Allocations Policy	Actual
WAMIT Portfolio	12.10%	4.56%	7.73%	4.39%	\$627,476,334	100.0%	100.0%
Long-Term Policy Benchmark ^(a)	10.67%	2.53%	6.42%	3.26%			
Value Added	1.43%	2.03%	1.31%	1.13%			
Global Public Equity	19.30%	5.91%	10.95%	4.78%	\$310,819,749	50.0%	49.5%
MSCI All Country World Index (Gross)	19.42%	5.39%	11.14%	4.27%			
Value Added	-0.12%	0.52%	-0.19%	0.51%			
Private Equity	10.66%	13.89%	15.07%	7.07%	\$106,754,186	15.0%	17.0%
Russell 2000/Russell 3000	14.22%	7.77%	13.74%	6.86%			
Value Added	-3.56%	6.12%	1.33%	0.21%			
Diversifying Strategies:							
Special Situations	9.75%	2.82%	7.58%	4.46%	\$45,699,573	15.0%	7.3%
HFR Distressed Securities	14.95%	0.75%	5.72%	3.43%			
Value Added	-5.20%	2.07%	1.86%	1.03%			
Absolute Return	4.41%	-0.32%	2.23%	-0.06%	\$56,275,823		9.0%
HFR Fund of Hedge Funds Composite	6.41%	1.52%	3.85%	0.86%			
Value Added	-2.00%	-1.84%	-1.62%	-0.92%			
Fixed Income	1.98%	3.19%	3.28%	8.13%	\$26,325,130	10.0%	4.2%
Barclays U.S. Aggregate Bond Index	-0.31%	2.48%	2.21%	4.48%			
Value Added	2.29%	0.71%	1.07%	3.65%			
Real Assets	5.66%	-0.53%	0.84%	2.04%	\$59,274,234	10.0%	9.4%
50% MSCI US REIT/50% S&P NA Nat. Resources	-5.60%	-14.53%	-9.08%	-6.40%			
Value Added	11.26%	14.00%	9.92%	8.44%			
Cash	0.40%	0.17%	0.11%	0.52%	\$20,852,159	0.0%	3.3%
Distributed Securities					\$1,475,480		0.2%

(a) Effective 1/1/17: Weighted 50% to MSCI All Country World Index, 15% to Russell 2000 Index, 10% to Barclays U.S. Aggregate Bond Index, 15% to HFR Fund of Funds Composite Index, 5% to MSCI U.S. REIT Index, and 5% to S&P North America Natural Resources Index; from 7/1/11 to 1/1/17: Weighted 56% to MSCI All Country World Index, 24% to Barclays U.S. Aggregate Bond Index, 2% to Barclays U.S. Credit Index, 8% to Barclays U.S. High Yield Composite Index, and 10% to Bloomberg Commodity Total Return Index prior to 7/1/11: Weighted 60% to Russell 3000 Index, 20% to MSCI World-ex U.S. Index, and 20% to Barclays U.S. Aggregate Bond Index.

ENDOWMENT GROWTH DURING PRESIDENT REVELEY'S TENURE



Fiscal years 2016 and 2017 include \$24.0 million and \$24.6 million respectively in revocable endowments held by third parties.

arships support, advance teaching and athletics excellence and build on its tradition of educating leaders. As President Reveley previously mentioned, William & Mary has raised more than \$738 million since the start of the *For the Bold* campaign, and doubled down on its engagement and participation goals, which are all interconnected and creating great impact across the board.

FACILITIES INVESTMENT

In addition to operating dollars, investments in our facilities and infrastructure remain strong. FY17 saw significant improvements to our academic facilities with the completion of the third phase of the Integrated Science Center and the renovation of Tyler Hall. With support from the commonwealth, we are actively planning a series of construction and renovation projects that will provide state-of-the-art educational and performance facilities for our music, theater and dance programs — creating a new Arts Quarter for the campus — and ultimately construction of a fourth phase of the Integrated Science Center. This facility will house kinesiology, mathematics

and computer science as well as provide space for the new engineering and design initiative.

Thanks to philanthropy secured in FY17, over the coming year we plan to break ground on the expansion and renovation of the Alumni House, which will increase in size by approximately 35,000 square feet, and will be one of the largest gathering spaces on campus. We will also begin construction on the new Shenkman Jewish Center and continue planning for The Martha Wren Briggs Center for the Visual Arts.

On the auxiliary side, construction of the McLeod Tyler Wellness Center is underway as is the renovation of Landrum Hall. Fall 2017 saw the opening of Richmond Hall (formerly the Days Inn on Richmond Road) as an additional residence hall. Purchased and renovated by the William & Mary Real Estate Foundation, these additional beds allowed the university to take Landrum Hall offline for a full academic year, allowing for a complete renovation. At VIMS, projects are currently underway to construct a new research vessel as well as research and support facilities at both the York River and Eastern Shore campuses. This investment will

FOR THE BOLD: BY THE NUMBERS

Since the beginning of the campaign on July 1, 2011, private support has made the following possible:

350 scholarships have been created.

17 athletics positions have been fully or partially funded with private support, including **9** new endowments for coaches.

24 funds for professorships have been established.

60 new pieces of science equipment for innovative research have been purchased.

12-to-1 student/faculty ratio has been maintained, despite funding pressures.

significantly enhance VIMS' research and administrative capacities.

FUTURE OUTLOOK

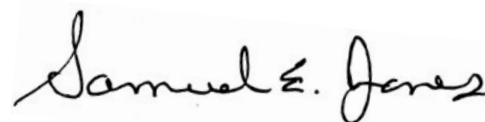
Our future outlook is likely to reflect the positive results and direction of FY17 as well as some of the challenges. Competition for admission to William & Mary will remain intense, allowing the university to meet its enrollment targets while admitting the highest quality students.

State support will remain unsteady as higher education competes for limited state funds in an uncertain economic environment. Virginia's economy, and its tax revenue, remain dependent to a large extent on federal government and military spending. So long as Washington, D.C., remains unsettled, consistent and stable funding from the commonwealth will be challenged. Over the long term, a more diverse Virginia economy will bear fruit, but the exact pathway and timing are unclear. As a result, we will continue to exercise caution in making commitments that assume state support.

Tuition and fee revenue will continue to increase but at a decreasing rate as tuition increases associated with the William & Mary Promise level off. These revenues, when combined with increased philanthropy and reallocated funds, will allow the university to move forward strategically.

William & Mary continued its trek across the nation, celebrating its *For the Bold* campaign in a number of regions with alumni, parents and friends. Ongoing investment in University Advancement is producing a great return on value as the campaign is allowing W&M to reach historic levels in fundraising – which is vital as philanthropy continues to exceed state funding as part of our total operating budget. Funding generated through annual giving, including giving to the Fund for William & Mary, and endowment growth will provide long-term support for students, faculty and programs and will ensure the margin of excellence that distinguishes William & Mary.

Finally, strategic investment in academic and auxiliary facilities provide the physical foundation for academic success and student growth. Development of the Arts Quarter, including a renovated Phi Beta Kappa Hall, a new music building and The Martha Wren Briggs Center for the Visual Arts, which will be home to an expanded Muscarelle Museum of Art, will address an area long neglected.



Samuel E. Jones '75, M.B.A. '80
Senior Vice President for Finance
and Administration

HOW IS W&M'S OPERATING REVENUE SPENT?

Operating expenses, which are shown on pg. 15, are divided among the following categories:

Instruction: Instructional faculty, departmental operating costs

Research & Public Service: Targeted, state supported research, community service activities

Academic Support: Library materials, access and services, information technology, academic administration

Student Services: Registrar, admissions, financial aid administration, career services, student organizations, etc.

Institutional Support: Executive management, fiscal services, human resources, police, purchasing, fund raising, etc.

Operation & Maintenance: Buildings/grounds maintenance and repair, plant personnel, utilities

Student Aid: Grants awarded to students to offset their cost of attendance

Auxiliary Enterprises: Dormitories, food services, parking and transportation, recreation centers, student health services

W&M

FY17 OPERATING REVENUE AND EXPENSES

WILLIAM & MARY

OPERATING REVENUE \$419.4 million (Unaudited)

Student Tuition & Fees

\$178.3 million – 42.5%

State Funds

\$48.6 million – 11.6%

Private Gifts, Investment Income & Other Revenue

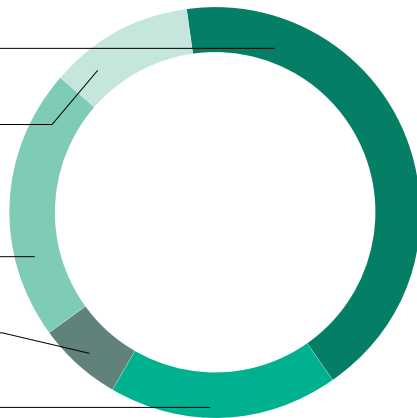
\$76.2 million – 18.1%

Grants & Contracts

\$26.7 million – 6.4%

Auxiliary Enterprises

\$89.6 million – 21.4%



OPERATING EXPENSES \$423.6 million (Unaudited)*

Instruction

\$128.5 million – 30.3%

Research & Public Service

\$26.9 million – 6.3%

Academic Support

\$36.2 million – 8.5%

Student Services

\$15 million – 3.6%

Institutional Support

\$56.7 million – 13.4%

Operation & Maintenance

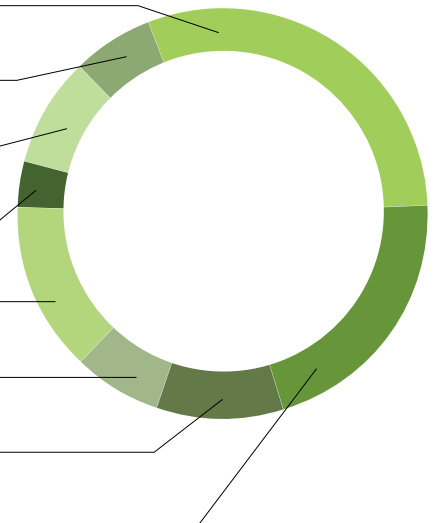
\$29.6 million – 7.0%

Student Aid

\$41.8 million – 9.9%

Auxiliary Enterprises**

\$88.9 million – 21.0%



* Excludes depreciation

** Includes activities and areas that do not receive any state support

VIMS

FY17 OPERATING REVENUE AND EXPENSES

VIRGINIA INSTITUTE OF MARINE SCIENCE

OPERATING REVENUE \$44.1 million (Unaudited)

Grants & Contracts

\$19.5 million – 44.2%

Private Gifts, Investment Income & Other Revenue

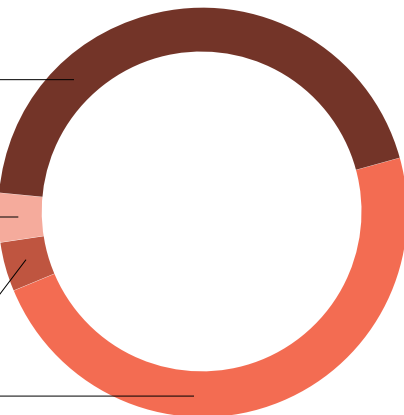
\$1.7 million – 3.9%

Student Tuition & Fees

\$1.8 million – 4.0%

State Funds

\$21.1 million – 47.9%



OPERATING EXPENSES \$43.9 million (Unaudited)*

Research & Public Service

\$29.3 million – 66.6%

Student Aid

\$0.3 million – 0.6%

Instruction

\$1.4 million – 3.1%

Operation & Maintenance

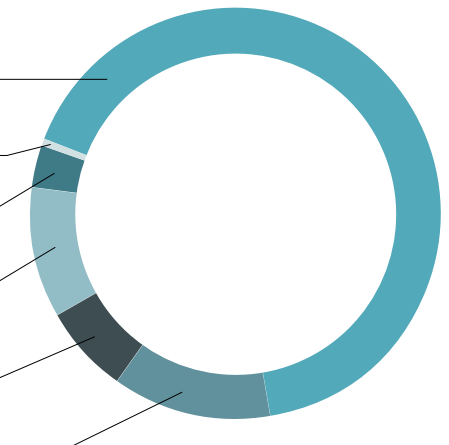
\$4.5 million – 10.4%

Institutional Support

\$3.0 million – 7.0%

Academic Services

\$5.4 million – 12.3%



* Excludes depreciation and non-operating expenses

PRIVATE GIFTS

WILLIAM & MARY AND RELATED FOUNDATIONS
FY17

In FY17, William & Mary raised nearly \$135 million. Pledges and commitments, including bequests and deferred gifts, are not indicated in the number below. This is the university's second largest fundraising year ever.

GIFTS BY AREA

The following chart shows gifts made to all areas of William & Mary and its related foundations between July 1, 2016, and June 30, 2017.

Area	Type of Gift				All Gift Types
	Expendable Gifts	Endowment Gifts	Facilities Support	Gifts-In-Kind Other	
SCHOOLS					
Faculty of Arts & Sciences	\$ 5,676,094	\$ 3,745,460	\$ 12,657	\$ 50,864	\$ 9,485,075
Raymond A. Mason School of Business	\$ 4,721,838	\$ 1,597,840	\$ 348,600	\$ 0	\$ 6,668,278
School of Education	\$ 788,655	\$ 988,745	\$ 0	\$ 333	\$ 1,777,733
William & Mary Law School	\$ 8,272,461	\$ 1,700,338	\$ 421,648	\$ 135,302	\$ 10,529,749
Virginia Institute of Marine Science	\$ 989,976	\$ 1,014,907	\$ 3	\$ 42,684	\$ 2,047,570
PROGRAMS AND UNIVERSITY-WIDE SUPPORT					
Fund for William & Mary	\$ 5,958,366	\$ 0	\$ 0	\$ 0	\$ 5,958,366
Other university-wide funding (including faculty support, student aid and other areas)	\$ 4,922,091	\$ 2,521,693	\$ 912,294	\$ 988,272	\$ 9,344,351
Alumni Association and Order of the White Jacket	\$ 539,180	\$ 218,157	\$ 1,176,136	\$ 114,048	\$ 2,047,520
Tribe Athletics	\$ 4,649,424	\$ 2,999,827	\$ 3,038,948	\$ 273,280	\$ 10,961,479
Earl Gregg Swem Library	\$ 412,609	\$ 297,209	\$ 0	\$ 193,235	\$ 903,053
Muscarelle Museum of Art	\$ 394,873	\$ 16,942	\$ 1,170,315	\$ 916,206	\$ 2,498,336
Omohundro Institute of Early American History and Culture	\$ 612,780	\$ 4,655	\$ 0	\$ 50,000	\$ 667,435
GIFTS TO ALL AREAS	\$37,938,347	\$15,105,773	\$ 7,080,601	\$2,764,223	\$62,888,944

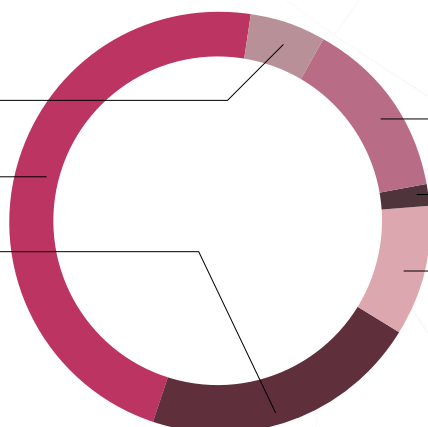
GIFTS BY SOURCE

Parents
\$3.8 million – 6,899 donors

Alumni
\$29.6 million – 24,043 donors

Friends
\$13.3 million – 10,922 donors

Students
\$.03 million – 1,565 donors



Foundations
\$8.7 million – 152 donors

Other Organizations
\$0.9 million – 148 donors

Corporations
\$6.3 million – 475 donors

Faculty/Staff
\$0.2 million – 623 donors

This graph shows the sources of the \$62.9 million raised for William & Mary and its related foundations between July 1, 2016, and June 30, 2017.

GIFTS BY PURPOSE

Academic Divisions
\$8.2 million – 13%

Other Restricted Purpose
\$6.4 million – 10%

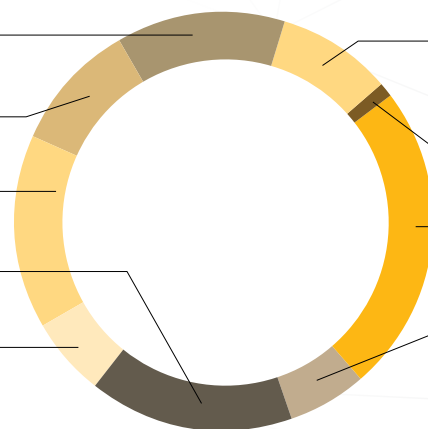
Unrestricted
\$10.2 million – 16%

Property Buildings & Equipment
\$9.3 million – 15%

Research
\$3.8 million – 6%

Public Service & Extension
\$0.1 million – 0%

Endowment: Unrestricted
\$0.2 million – 0%



Student Financial Aid
\$5.4 million – 9%

Faculty & Staff Compensation
\$0.5 million – 1%

Endowment: Restricted
\$14.9 million – 24%

Current Operations: Athletics
\$3.7 million – 6%

Library
\$0.2 million – 0%

M&O for Physical Plan
\$0.001 million – 0%

This graph shows designations for the \$62.9 million in private gifts to the university and its related foundations in FY17.

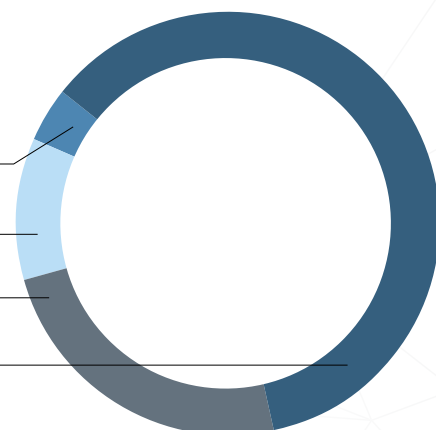
FY17 GIFTS BY TYPE W&M AND RELATED FOUNDATIONS

Gifts-in-Kind/Other
\$2.8 million – 4%

Facilities Support
\$7.1 million – 11%

Endowment Gifts
\$15.1 million – 24%

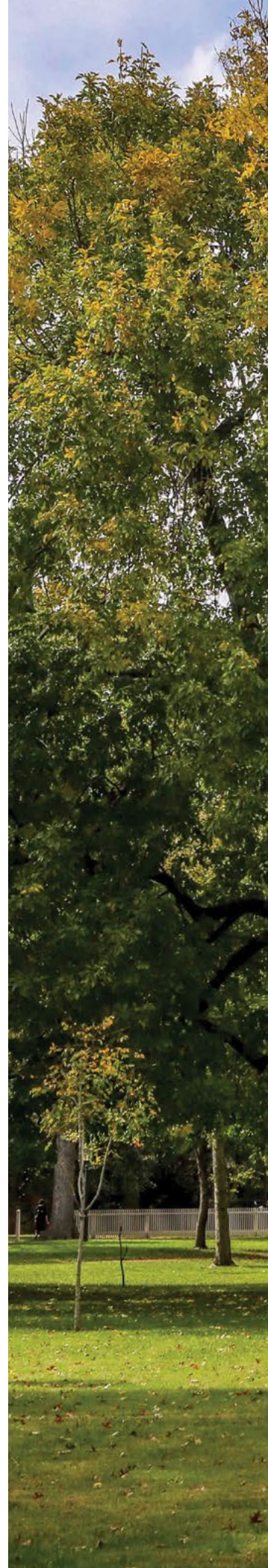
Expendable Gifts
\$37.9 million – 61%





“Building the new financial foundation has been a matter of alumni, parents and friends answering the call with greatly enhanced philanthropic support. To this end, one of our most telling efforts has been our *For the Bold* campaign.”

— W. Taylor Reveley, III
President







WILLIAM & MARY

CHARTERED 1693

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