



2026-2027 OPERATING BUDGET

Budget Contents

	Page
Executive Summary	1
General Information	19
Significant Budget Assumptions	25
Local Funds	38

Executive Summary

Executive Summary

FY 2027 Operating Budget

1. The Budget is comprised of three main sources of operating funds that total \$126,239,000:
 - a) State General Funds of \$35,431,000. E&G operational funds increased by \$798,000, UMA decreased by \$325,000 for one-time operational funding not part of the base for FY 2027, and state aid for financial aid increased by \$65,000.
 - b) Cadet tuition, fee, and sales, and other revenue is projected to be \$52,389,000. The Class of 2030 is projected at 480 cadets. Tuition rates for both in-state and out-of-state cadets increased by 3.0% and fees increased by 2.9%.
 - c) Private fund support primarily from the VMI Alumni Agencies of \$38,419,000. Unrestricted fund support of \$4,397,000 (11.4%) and \$34,022,000 in restricted funds (88.6%).
2. The Budget supports cadet financial assistance from all sources (Private, State, Federal and VMI) of \$25,621,000, an increase of \$1,285,000 or 5.3%. Tuition revenue used for financial aid is budgeted to be \$3,600,000, up \$100,000 from FY 2026. The State financial aid increased \$65,000. Federal financial aid is expected to remain flat. Private support for scholarships increased by \$1,120,000.
3. The Budget for all programs is \$151,860,000, a 3.9% increase of \$5,724,000 over the prior year.
4. The Educational and General Program (E&G) Budget totals \$76,557,000, an increase of \$983,000 from FY 2026. The 3.0% salary increase is a major factor along with the 13.0% expected increase in medical insurance costs.
5. The Budget assumes 480 new cadets (64.0% Virginians and 36.0% Non-Virginians) and a total Corps of 1,594 (65.5% Virginians and

34.5% Non-Virginians). The average enrollment for FY 2027 (fall and spring) is budgeted to be 1,516.

6. Tuition and fees for in-state cadets total \$33,974 and represent an increase of \$958 or 2.9% over FY 2026. Tuition and fees for out-of-state cadets total \$66,514 and represent an increase of \$1,906 or 3.0%.
7. The budget includes a 3.0% salary increase beginning the first pay period of the fiscal year for all full-time employees. In addition, the employer share of the employee medical insurance benefit cost increased 13%.

Total personnel costs are budgeted for \$82,101,000 or 65.0% of the total Budget (excluding cadet financial aid) and includes 664 full-time positions. This is an increase of \$2,385,000 or 2.9% over FY 2026.

8. The Budget projects a year-end Fund Balance of \$8,349,000 on 30 June 2027.

REVENUE

	2026	2027	Increase (Decrease)	%	Note
STATE FUNDS					
Educational and General					
General Funds	27,078,000	27,876,000	798,000	2.9%	1a
Cadet Tuition and Other Income	29,024,000	29,979,000	955,000	3.3%	1b
Transfer from/(to) Reserves	775,000	-	(775,000)	-100.0%	1b
Total Educational & General	56,877,000	57,855,000	978,000	1.7%	
Unique Military Activities					
General Funds	6,185,000	5,860,000	(325,000)	-5.3%	1a
Cadet Fees and Other Income	4,123,000	4,328,000	205,000	5.0%	1b
Transfer from/(to) Reserves	-	-	-		1b
Total Unique Military	10,308,000	10,188,000	(120,000)	-1.2%	
Auxiliary Enterprises					
Cadet Fees and Other Income	24,691,000	25,744,000	1,053,000	4.3%	1b
Transfer from/(to) Reserves	241,000	1,075,000	834,000	346.1%	1b, 8
Total Auxiliary	24,932,000	26,819,000	1,887,000	7.6%	
Cadet Financial Assistance					
General Funds	1,630,000	1,695,000	65,000	4.0%	1a
Cadet Tuition and Fees	3,500,000	3,600,000	100,000	2.9%	1b
Total Cadet Financial Assistance	5,130,000	5,295,000	165,000	3.2%	
Total State Funds	97,247,000	100,157,000	2,910,000	3.0%	

	2026	2027	Increase (Decrease)	%	Note
LOCAL FUNDS					
Restricted Funds					
VMI Foundation/Agencies Bd	24,213,000	25,183,000	970,000	4.0%	1c
VMI Keydet Club	7,151,000	8,119,000	968,000	13.5%	1c
VMI Endowment	694,000	720,000	26,000	3.7%	1c
Federal Funds/NCAA Income	2,677,000	2,546,000	(131,000)	-4.9%	1b
Total Restricted	34,735,000	36,568,000	1,833,000	5.3%	
Unrestricted Funds					
VMI Foundation/Agencies Bd	3,250,000	3,250,000	-	0.0%	1c
VMI Keydet Club	498,000	1,057,000	559,000	112.2%	1c
VMI Endowment Income	86,000	90,000	4,000	4.7%	1c
Cadet Athletic Fees	6,355,000	6,380,000	25,000	0.4%	1b
Athletic Revenue/Support	1,857,000	2,450,000	593,000	31.9%	1b
Athletic Reserve	-	-	-	0.0%	1b
Auxiliary Subsidy to Athletics	750,000	500,000	(250,000)	-33.3%	1b
Museum Revenue	706,000	796,000	90,000	12.7%	1b
Conference Income	215,000	207,000	(8,000)	-3.7%	1b
Concessions Income	437,000	405,000	(32,000)	-7.3%	1b
Total Unrestricted	14,154,000	15,135,000	981,000	6.9%	
Total Local Funds	48,889,000	51,703,000	2,814,000	5.8%	
TOTAL ALL FUNDS	146,136,000	151,860,000	5,724,000	3.9%	3
Less: Cadet Financial Assistance	(24,336,000)	(25,621,000)	(1,285,000)	5.3%	1b, 2
TOTAL REVENUE	121,800,000	126,239,000	4,439,000	3.6%	

EXPENDITURES

	2026	2027	Increase (Decrease)	%	Note
STATE FUNDS					
Educational & General					
Instruction	26,322,000	27,164,000	842,000	3.2%	
Public Service	142,000	147,000	5,000	3.5%	
Academic Support	8,307,000	8,447,000	140,000	1.7%	
Cadet Services	5,624,000	5,667,000	43,000	0.8%	
Institutional Support	6,835,000	6,585,000	(250,000)	-3.7%	
Physical Plant	9,647,000	9,845,000	198,000	2.1%	
Total Educational & General	56,877,000	57,855,000	978,000	1.7%	4
Unique Military Activities	10,308,000	10,188,000	(120,000)	-1.2%	
Auxiliary Enterprises					
Operations	21,353,000	23,326,000	1,973,000	9.2%	
Debt Service	1,579,000	1,577,000	(2,000)	-0.1%	
Maintenance projects	2,000,000	1,916,000	(84,000)	-4.2%	
Total Auxiliary Enterprises	24,932,000	26,819,000	1,887,000	7.6%	
Cadet Financial Assistance	5,130,000	5,295,000	165,000	3.2%	
Total State Funds	97,247,000	100,157,000	2,910,000	3.0%	

	2026	2027	Increase (Decrease)	%	Note
LOCAL FUNDS					
Educational & General					
Instruction	9,475,000	9,285,000	(190,000)	-2.0%	
Research	57,000	62,000	5,000	8.8%	
Public Service	1,710,000	1,822,000	112,000	6.5%	
Academic Support	2,719,000	2,915,000	196,000	7.2%	
Cadet Services	1,549,000	1,698,000	149,000	9.6%	
Institutional Support	2,881,000	2,607,000	(274,000)	-9.5%	
Physical Plant	306,000	313,000	7,000	2.3%	
Total Educational & General	18,697,000	18,702,000	5,000	0.0%	4
Cadet Financial Assistance	19,206,000	20,326,000	1,120,000	5.8%	
Auxiliary Enterprises					
Intercollegiate Athletics	10,986,000	12,675,000	1,689,000	15.4%	
Debt Service	-	-	-		
Total Auxiliary Enterprises	10,986,000	12,675,000	1,689,000	15.4%	
Total Local Funds	48,889,000	51,703,000	2,814,000	5.8%	
TOTAL ALL FUNDS	146,136,000	151,860,000	5,724,000	3.9%	3
Less: Cadet Financial Assistance	(24,336,000)	(25,621,000)	(1,285,000)	5.3%	2
TOTAL EXPENDITURES	121,800,000	126,239,000	4,439,000	3.6%	

SOURCES OF REVENUE

	2026	% of Total	2027	% of Total	Inc (Dec)	% Inc (Dec)	Note
State General Funds	34,893,000	28.6	35,431,000	28.1	538,000	1.5%	1a
Cadet Tuition/Fees and Sales	43,357,000	35.6	44,410,000	35.2	1,053,000	2.4%	1b
VMI and Alumni Agencies Support							
<i>VMI Alumni Agencies</i>							
VMI Foundation	26,160,000	21.5	26,992,000	21.4	832,000	3.2%	
VMI Alumni Agencies Board	1,303,000	1.1	1,441,000	1.1	138,000	10.6%	
Total Foundation/ Agencies Bd	27,463,000	22.5	28,433,000	22.5	970,000	3.5%	
VMI Keydet Club	7,649,000	6.3	9,176,000	7.3	1,527,000	20.0%	
Total Alumni Agencies	35,112,000	28.8	37,609,000	29.8	2,497,000	7.1%	
<i>VMI Endowment</i>							
VMI General Endowment	489,000	0.4	501,000	0.4	12,000	2.5%	
VMI Collins Endowment	189,000	0.2	194,000	0.2	5,000	2.6%	
Outside Trusts (scholarships)	102,000	0.1	115,000	0.1	13,000	12.7%	
Total VMI Endowment	780,000	0.6	810,000	0.6	30,000	3.8%	
Total VMI and Alumni Agencies	35,892,000	29.5	38,419,000	30.4	2,527,000	7.0%	1c

SOURCES OF REVENUE

	2026	%	2027	%	Inc (Dec)	%	
		of Total		of Total		Inc (Dec)	
Other Revenue							
Athletic Revenue	1,857,000	1.5	2,450,000	1.9	593,000	31.9%	
Concessions Income	437,000	0.4	405,000	0.3	(32,000)	-7.3%	
Museum Revenue	706,000	0.6	796,000	0.6	90,000	12.7%	
Program/Conference Income	215,000	0.2	207,000	0.2	(8,000)	-3.7%	
Federal Funds/Other Income	2,677,000	2.2	2,546,000	2.0	(131,000)	-4.9%	
Total Other Revenue	5,892,000	4.8	6,404,000	5.1	512,000	8.7%	1b
Transfers (to)/from Reserves							
Auxiliary Subsidy to Athletics	750,000	0.6	500,000	0.4	(250,000)	-33.3%	
Athletic Reserve	-	-	-	0.0	-		
E&G Reserve	775,000	0.6	-	0.0	(775,000)	-100.0%	
UMA Reserve	-	-	-	0.0	-		
Auxiliary Reserves	241,000	0.2	1,075,000	0.9	834,000	346.1%	
Total Transfers	1,766,000	1.4	1,575,000	1.3	(191,000)	-15.7%	1b
TOTAL	121,800,000	100.0	126,239,000	100.0	4,439,000	3.6%	

State Funds Cadet Tuition, Fees and Other Income

	Budget 2026	Budget 2027	Inc (Dec)	%
<i>E&G Program</i>				
<i>Tuition--Regular Session</i>				
Gross tuition--current year	31,777,000	33,280,000	1,503,000	4.7%
Less: refunds	(313,000)	(330,000)	(17,000)	5.4%
Net potential	31,464,000	32,950,000	1,486,000	4.7%
Less: uncollected	(757,000)	(908,000)	(151,000)	19.9%
Net tuition	30,707,000	32,042,000	1,335,000	4.3%
<i>Tuition--Collection of Prior Years</i>	75,000	75,000	-	0.0%
<i>Tuition--Summer Session</i>				
First Term	379,000	247,000	(132,000)	-34.8%
Second Term	456,000	346,000	(110,000)	-24.1%
STP	389,000	361,000	(28,000)	-7.2%
Foreign Study	245,000	230,000	(15,000)	-6.1%
Total Summer	1,469,000	1,184,000	(285,000)	-19.4%
Total tuition	32,251,000	33,301,000	1,050,000	3.3%
<i>Student Fees</i>				
Forfeited deposits	5,000	5,000	-	0.0%
Late fees	62,000	62,000	-	0.0%
Total fees	67,000	67,000	-	0.0%
<i>Other Income</i>				
Interest on notes--Cadets	15,000	15,000	-	0.0%
Transcripts	15,000	15,000	-	0.0%
Energy Demand	35,000	35,000	-	0.0%
Miscellaneous	116,000	121,000	5,000	4.3%
Total other	181,000	186,000	5,000	2.8%
<i>Indirect Costs & Admin Fees</i>				
Indirect Costs--grants/contracts	15,000	15,000	-	0.0%
Total indirects	15,000	15,000	-	0.0%

State Funds Cadet Tuition, Fees and Other Income

	Budget 2026	Budget 2027	Inc (Dec)	%
<i>Prior Year Expenses Reimbursed</i>	10,000	10,000	-	0.0%
Subtotal	32,524,000	33,579,000	1,055,000	3.2%
<i>Transfer to Cadet Financial Aid</i>	(3,500,000)	(3,600,000)	(100,000)	2.9%
Total E&G Program	29,024,000	29,979,000	955,000	3.3%
 <i>Auxiliary Program</i>				
<i>Cadet Fees--Regular Session</i>				
Gross fees--current year	30,303,000	31,552,000	1,249,000	4.1%
Less: refunds	(238,000)	(249,000)	(11,000)	4.6%
Net potential	30,065,000	31,303,000	1,238,000	4.1%
Less: uncollected	(601,000)	(719,000)	(118,000)	
Net collections	29,464,000	30,584,000	1,120,000	3.8%
Transfer fees to Athletics Program	(6,355,000)	(6,198,000)	157,000	-2.5%
Net cadet fees	23,109,000	24,386,000	1,277,000	5.5%
 <i>Food Service</i>				
Cadet fees--summer session	239,000	232,000	(7,000)	-2.9%
Commission revenue-Parkhurst	13,000	19,000	6,000	46.2%
Total food service	252,000	251,000	(1,000)	-0.4%
 <i>Barracks</i>				
Cadet fees--summer session	214,000	200,000	(14,000)	-6.5%
Rents--summer camps/others	47,000	30,000	(17,000)	-36.2%
Total Barracks	261,000	230,000	(31,000)	-11.9%
 <i>Military Store/Other Sales</i>	13,000	10,000	(3,000)	-23.1%
 <i>Medical/Other--Cadet fees (summer)</i>	52,000	50,000	(2,000)	-3.8%
 <i>Parking Fees and Fines</i>	31,000	77,000	46,000	148.4%
Total cadet fees/sales	23,718,000	25,004,000	1,286,000	5.4%

State Funds
Cadet Tuition, Fees and Other Income

	Budget 2026	Budget 2027	Inc (Dec)	%
<i>Other Income</i>				
Rents--Post Housing	370,000	370,000	-	0.0%
Rents-Cameron Hall	3,000	3,000	-	0.0%
Interest earned on Reserves	574,000	342,000	(232,000)	-40.4%
Miscellaneous	26,000	25,000	(1,000)	-3.8%
Total Other	973,000	740,000	(233,000)	-23.9%
 Subtotal	 24,691,000	 25,744,000	 1,053,000	 4.3%
Add: Transfer in from Reserves	241,000	1,075,000	834,000	346.1%
 Total AUX Program	 24,932,000	 26,819,000	 1,887,000	 7.6%

Unique Military Activities

<i>Cadet Fees</i>				
Gross fees--current year	4,284,000	4,474,000	190,000	4.4%
Less: refunds	(38,000)	(39,000)	(1,000)	2.6%
Net potential	4,246,000	4,435,000	189,000	4.5%
Less: uncollected	(201,000)	(241,000)	(40,000)	19.9%
Net cadet fees	4,045,000	4,194,000	149,000	3.7%
 <i>Sales and Other Income</i>				
Military Store Sales	78,000	134,000	56,000	71.8%
 Total UMA	 4,123,000	 4,328,000	 205,000	 5.0%

State Funds Cadet Tuition, Fees, and Other Income Notes

E&G Program

Tuition Revenue—Regular Session

The FY 2027 budget is based on 480 cadets in the incoming rat class and an average enrollment of 1,516, which is 42 more than the actual average enrollment for FY 2026. Tuition rates for both in-state and out-of-state increased 3.0% in FY 2027. After reducing revenue for expected refunds and uncollectible amounts due to tuition waivers, the net tuition revenue for the regular session is budgeted to be \$1,335,000 more than the previous fiscal year.

Uncollected Tuition and Fees

Uncollected tuition and fees are based on VMI's past collection experience. VMI cadets are not permitted to return unless they have paid outstanding debts from the previous semester. VMI has written off as uncollectible an average of \$30,482 a year for the last 10 years.

Write-Off of Uncollectible Accounts

VMI Board policy authorizes the Superintendent to write-off uncollectible accounts up to \$2,500 and requires Board approval for accounts over \$2,500. VMI works delinquent accounts and makes considerable effort to collect them prior to sending any of these accounts to the Office of the Attorney General for assistance in collection. Accounts that are deemed uncollectible are marked for write-off. However, VMI will continue to hold official transcripts until full payment is received from these former cadets. The Board approves the write -off of any uncollectible accounts during the fiscal year.

There are \$1,831 in account balances under the \$2,500 limit that the Superintendent will need to approve for write off during FY 2027.

Tuition Revenue—Summer Session

Summer session tuition revenue is expected to decrease \$285,000, -19.4%.

Transfer to Cadet Financial Aid

Tuition revenue used to fund cadet financial aid is budgeted at \$3,600,000, a \$100,000 increase from FY 2026. Efforts to attract more out of state cadets will require additional funding in Financial Aid. Currently VMI's financial aid policy is to provide grants and loans to out of state cadets at a rate of 60% of demonstrated need (as determined by federal guidelines). VMI's policy for in-state cadets of providing grants and loans equal to 100%

of demonstrated need remains the same. See the Cadet Financial Assistance budget in Local Funds for more information.

Auxiliary Program

Cadet Fee Revenue--Regular Session

Regular session cadet auxiliary fees increased by \$564, from \$19,890 to \$20,454. These fees cover room, board, athletic, medical, cadet activities/facilities, debt service, laundry/dry cleaning, and haircuts.

Athletic fee revenue is transferred to the Intercollegiate Athletics Program which operates as a Local auxiliary activity.

Rents on Housing

Rent revenue is budgeted to be flat for FY 2027.

No rent increase is budgeted; however, it is VMI policy to charge the current fair market rental rate for new occupants. The Board's approval of the FY 2027 Budget authorizes the Superintendent to approve a rent increase at any time during the fiscal year as deemed appropriate.

Approval for Officials Required to Live on Post

In accordance with General Order 40, Housing Policy Regulation, dated 28 April 2025, the VMI Superintendent is required to reside on Post at 412 VMI Parade Avenue. The requirement for certain faculty and staff to reside on Post is at the discretion of the Superintendent.

Interest on Reserves

Interest income is paid by the State on VMI's Auxiliary cash balance (fund balance) which is required to be maintained with the State Treasury. The FY 2027 budget projects the interest earned on the fund balance to be \$342,000.

Transfer from Reserves

The transfer from the Auxiliary Fund Balance (or reserves) totals \$1,075,000 and is the amount of the projected operating deficit in the Auxiliary program for FY 2027.

VMI's Fund Balance is projected to be \$9,924,000 on 30 June 2026 and \$8,349,000 on 30 June 2027. Based on experience for working capital needs, VMI's minimum target fund balance is \$11,000,000.

Unique Military Activities Program

Cadet Fee Revenue

Cadet uniform and UMA activity fees are budgeted to increase by \$82. The cadet UMA fee totals \$2,840 for FY 2027 and mostly funds cadet uniforms and maintenance.

Sales and Other Income

Military Store sales consist of cadet purchases of additional uniform items beyond the standard uniform issue provided to all cadets.

Cadet Financial Assistance

Sources/Programs	2026	2027	Inc (Dec)	%	Notes
<i>State Funds</i>					
<i>General Funds</i>					
Student Financial Aid	1,630,000	1,695,000	65,000	4.0%	1
Total General Funds	1,630,000	1,695,000	65,000	4.0%	
<i>Cadet Tuition and Fees</i>					
E&G Program	3,500,000	3,600,000	100,000	2.9%	2
Total State Funds	5,130,000	5,295,000	165,000	3.2%	
<i>Local Funds</i>					
<i>Restricted</i>					
VMI Foundation					
Merit and Other Scholarships	9,068,000	9,730,000	662,000	7.3%	
Athletic Scholarships	51,000	53,000	2,000	3.9%	
Total VMI Foundation	9,119,000	9,783,000	664,000	7.3%	3
VMI Alumni Agencies Board					
Athletic scholarships	421,000	472,000	51,000	12.1%	3
VMI Keydet Club--Scholarships	6,922,000	7,061,000	139,000	2.0%	3
VMI BOV Endowment	368,000	384,000	16,000	4.3%	
Outside Trusts	85,000	85,000	-	0.0%	
Total Restricted	16,915,000	17,785,000	870,000	5.1%	
<i>Federal Grants/Aid</i>					
SEOG	91,000	91,000	-	0.0%	
PELL	2,200,000	2,200,000	-	0.0%	
Total Federal Aid	2,291,000	2,291,000	-	0.0%	4
<i>Unrestricted</i>					
ROTC Room/Board Grants	-	250,000	250,000	100.0%	5
Total Unrestricted	-	250,000	250,000	100.0%	
Total Local Funds	19,206,000	20,326,000	1,120,000	5.8%	
Total All	24,336,000	25,621,000	1,285,000	5.3%	5

Cadet Financial Assistance Notes

1. State general funds appropriated for cadet financial assistance total \$1,695,000 for FY2027, an increase of \$65,000 from FY 2026.
2. VMI cadet financial aid funded from tuition revenue is budgeted for \$3,600,000, an increase of \$100,000 from FY 2026. These funds are primarily awarded to out-of-state cadets with demonstrated financial need as these cadets are not eligible for State financial aid funds.

Non-Virginia tuition, room/board and fees are almost twice the amount of in-state tuition, room/board, and fees. Non-Virginia cadets are projected to comprise approximately 34.5% of the Corps in FY 2027 and about 56.8% are projected to qualify for need-based financial aid. Approximately 44.0% of in-state cadets qualify for need-based aid which results in an overall average of about 48.6% of the total Corps qualifying for need-based aid.

Sufficient financial aid is needed to help ensure the realization of the budget assumptions regarding total enrollment and the mix of in-state and out-of-state cadets. The VMI cadet financial aid budget is determined in consultation with the Director of Financial Aid and is based on estimates of the funding needed to supplement State, Federal, and private restricted sources of aid. Using a combination of grants and loans, VMI's goal is to meet 100% of the required need of in-state cadets and about 60% of the required need of out-of-state cadets.

Note: For FY 2026, 37.9% of VMI's graduates had loans. This consisted of 36.0% of in-state graduates with an average federal loan balance of \$17,142 and 25.0% of out-of-state graduates with an average federal loan balance of \$18,932. Lending institutions include the Department of Education and private lenders. The national average federal student loan debt is \$39,547. Including private loan debt, the total average loan balance may be as high as \$43,333. The average public university student borrows \$31,960 to attain a bachelor's degree (source: <https://educationdata.org/student-loan-debt-statistics> report by Melanie Hanson titled "Student Loan Debt Statistics" last updated 02 February 2026).

3. Cadet financial assistance from the VMI Foundation (VMIF), the VMI Alumni Agencies Board (VMIAAB), and the VMI Keydet Club (KC) increased \$854,000 to \$17,316,000. Merit and need-based scholarships increased \$662,000 and Athletic scholarships by \$192,000 for an overall increase of 5.2%.
4. Federal aid funding for Pell grants is budgeted at \$2,200,000. This is unchanged from FY 2026. The maximum award amount will remain at \$7,395 for the 2026-2027 academic year. Pell grants are awarded to financially needy cadets. The actual award amount for eligible cadets is determined by the U.S. Department of Education; VMI does not determine who is

eligible for these grants. The total Pell amount can vary from year to year depending on the level of need of the cadets applying for the grants.

5. VMI's cadet financial assistance budget totals \$25,621,000. Considering the projected number of ROTC scholarship cadets and other sources of outside funds to include loans that are not included in VMI's financial aid budget, this budget is considered adequate for VMI to meet approximately 100% of the need of in-state cadets and about 60% of the need of out-of-state cadets with the general policy of requiring needy cadets to assume some loan amount.

The financial aid budget represents 38.6% of VMI's total projected tuition and fee revenues of \$66,431,000 for FY 2027 which is an increase of 3.5% from FY 2026. The 38.6% "tuition discount" consists mostly of restricted funds that are required to be used for financial assistance (financial aid budget consists of 85.0% restricted funds and 15.0% unrestricted funds). The average discount rate for public institutions is not readily available but is estimated to be less than VMI's percentage.

VMI's tuition discount rate is probably higher than most other public institutions due to its relatively larger private endowment which includes a significant portion of restricted scholarships. The number of cadets with demonstrated financial need and the extent of their need continues to require that VMI use significant amounts of tuition revenues to meet the demand for financial aid. As "restricted" scholarship endowments increase the amount of tuition revenues allocated to cadet financial assistance can decrease.

General Information

GENERAL INFORMATION

Total Operating Budget

The FY 2027 Operating Budget totals \$151,860,000 and includes \$25,621,000 in cadet financial assistance. Cadet financial assistance appears twice in the budget - once in the programs from which the funds are derived (mostly local restricted funds) and again in the programs where the funds are reflected as tuition and fees (mostly State funds). The net operating budget without cadet financial assistance totals \$126,239,000.

This operating budget generally excludes major capital projects, those greater than \$1,000,000, and State Maintenance Reserve projects, those costing between \$25,000 and \$1,000,000. Such capital projects are funded and budgeted separately.

State Funds

State Funds consist of *general* funds and *non-general* funds that are deposited and expended from the State Treasury. General funds derive primarily from State income and sales taxes and are appropriated to VMI by the General Assembly. Non-general funds derive primarily from cadet tuition and fees, and revenue from auxiliary enterprises. VMI generally determines the level of its non-general funds. The General Assembly must appropriate non-general funds before they can be spent. It is the intent of the General Assembly that each institution's combined general and non-general fund appropriation within its educational and general program closely approximates the anticipated budget each fiscal year. State policy also stipulates that appropriated non-general funds are spent first and State general funds last. Accordingly, unspent State appropriations at fiscal year-end are deemed to be general funds. Expenditures of State Funds are subject to State policies and procedures.

Local Funds

Local Funds comprise all other non-state funds that are deposited and expended from VMI's local bank account. Most of the revenue in this category derives from the VMI Alumni Agencies, VMI endowments, Intercollegiate Athletics, Museum Operations, the Center for Leadership and Ethics, and federal student financial aid grants. VMI also classifies cadet athletic fees in Local Funds because they are spent by Intercollegiate Athletics which is accounted for as a local auxiliary enterprise. State procurement regulations also apply to the expenditure of all local funds. Restricted local funds are subject to donor restrictions as to use. Unrestricted funds carry no restrictions by the donor.

With the adoption of this budget, the Board of Visitors directs that the expenditure of all budgeted funds shall be in accordance with the policies and procedures as outlined in the VMI Accounting Policies and Procedures Manual approved by the Board of Visitors.

State Budget Process and Calendar

The State adopts a biennial budget in every even-numbered session of the General Assembly. The Governor's budget staff in the Department of Planning and Budget (DPB) develops the budget with input from State institutions and agencies, the State Council of Higher Education (SCHEV), and the Secretary of Education. DPB issues budget development instructions to all State institutions and agencies in the fall of every odd-numbered year inviting them to submit their budget requests and initiatives.

The Governor presents the proposed budget to the legislative money committees (House Appropriations and Senate Finance and Appropriations Committees) in December. The money committees will usually develop their own amendments to the Governor's budget and a joint committee of both houses will then compromise on a single set of amendments for approval by the entire General Assembly in March. The Governor may veto items in the General Assembly budget if the General Assembly does not override the veto by a two-thirds vote of the members. The result will be the Appropriations Act (State Budget) that will specify appropriations of State general funds and non-general funds to State institutions and agencies for the next two years.

The Governor and General Assembly will usually pass some amendments to the State Budget in the odd-numbered sessions of the General Assembly, but such amendments are usually limited to emergencies and other critical items.

The State Appropriations Act authorizes the Governor to reduce State general fund appropriations to State agencies and institutions of higher education up to 15% when State general fund revenues are estimated by the Governor to be insufficient to pay in full all general fund appropriations authorized by the General Assembly. In making this determination, the Governor shall consider actual general fund revenue collections for the current fiscal year and the results of a formal written re-estimate of general fund revenues for the current and next biennium. The re-estimate of general fund revenues shall be communicated to the Chairmen of the Senate Finance, House Appropriations, and House Finance Committees before the Governor can take action to reduce general fund appropriations.

Six-Year Plan

Since 2005 the State has required that the Board of Visitors of each public institution develop and adopt biennially a six-year plan for its institution. Each Board shall submit the plan to the State Council of Higher Education for Virginia (SCHEV) no later than 1 July of each odd-numbered year. Updates to the Plan must be submitted to SCHEV no later than 1 July of even-numbered years. Each plan must address the institution's academic, financial, and enrollment plans (to include the proportion of in-state and out-of-

state students) for the six-year period. It shall be structured in accordance with specific goals and objectives outlined in the Act and in the form and manner prescribed by the State Council of Higher Education which is charged with reviewing and assessing each plan.

VMI is required to submit a new six-year financial plan by 3 July 2027.

VMI Budget Process and Calendar

VMI adopts an annual operating budget at the April/May meeting of the Board of Visitors. The Deputy Superintendent of Finance and Support develops the proposed budget with input from all VMI's senior executive officers, the Superintendent, and the Audit, Finance and Planning Committee (AFP) of the Board of Visitors. VMI's Strategic Plan (Forging 21st Century Leaders) is the principal source of guidance and direction in the formulation of the proposal. The Institute Strategic Plan is updated annually by the Institute Planning Committee (comprised of the senior executive officers) in coordination with the budget cycle. The Institute Senior Executive Officers are the Budget Committee that helps develop the proposed budget that goes to the Superintendent for his approval and then to the AFP Committee for its consideration and recommendation to the full Board of Visitors in April/May.

External input is obtained from the State Appropriations Act regarding State funds and from the VMI Alumni Agencies regarding local funds. The Deputy Superintendent - Finance and Support (F&S) presents VMI's draft local unrestricted funds budget to the VMI Foundation Finance Committee usually in April for its review and information.

Programs

The State's *Commonwealth Planning and Budgeting System* is the basis of VMI's operating programs. This encompasses the following programs:

Educational and General Program (E&G)

- *Instruction* — the general academic instruction and community education programs -- includes all academic departments, Reserve Officer Training Corps (ROTC), and community education programs.
- *Public Service* — the provision of services beneficial to individuals and groups outside VMI -- includes the VMI Museum, the Virginia Museum of the Civil War at New Market, and the Jackson House in Lexington, VA.
- *Academic Support* — the support services to the instruction and public service sub-programs -- includes the library, academic administration, computing services, and student assessment.
- *Cadet Services* — the support services to cadets -- includes admissions, cadet records, financial aid administration, cadet counseling and cultural development.

- *Institutional Support* — the operational and administrative support for the day-to-day functioning of VMI -- includes executive management, fiscal operations, general administrative services, logistical services, and public relations and development.
- *Physical Plant* — the operation and maintenance of the physical plant -- includes administration and supervision, custodial services, building repairs and maintenance, utilities, and insurance.

Unique Military Activities (UMA)

This program supports VMI's military activities. It includes military administration, cadet uniform issuance and maintenance (Laundry/Pressing, Tailor Shop, and Military Store), the Regimental Band, Rat Challenge, cadet counseling, facilities maintenance, and most of the VMI Infirmary operations.

Auxiliary Enterprises (AUX)

This program provides the goods, services, and facilities needed to support cadets outside the classroom and to support faculty and staff. It includes Barracks, the Mess Hall, the Barber Shop, social and recreational facilities, cadet clubs and organizations, Corps trips, intercollegiate athletics, and employee housing.

Cadet Financial Assistance (CFA)

This includes all financial aid programs for cadets including scholarships, grants, and loans.

State Funding

The State generally uses an incremental budgeting policy in which an institution's base budget for each program is carried forward biennially with adjustments as necessary for State-initiated salary increases, fringe benefit cost increases, and application of "base adequacy funding guidelines" in the case of the E&G Program. Current State base adequacy funding guidelines (as adjusted for the impact of VMI's Unique Military Activities Program as approved by the State Council of Higher Education effective FY 2013) indicate that VMI is considered to be fully funded. Since adoption of the Higher Education Opportunity Act (HEOA) in 2011, some State funding has also been appropriated to institutions based on performance and initiatives in achieving the goals of the Act. The Act addresses several important goals to include producing more graduates, especially in the fields of science, technology, engineering, and math (STEM).

Educational and General Program

The Appropriations Act provides that in establishing the appropriate State share of funding for in-state students in the E&G Program the General Assembly "shall seek to cover at

least 67 percent of educational costs associated with providing full funding of the base adequacy guidelines, raising average salaries for teaching and research faculty to the 60th percentile of peer institutions, and other priorities set forth in the act.” The Appropriations Act requires out-of-state students to pay at least 100% of the cost of their education. Accordingly, this policy provides that VMI should receive State general fund support of its E&G Program that is equal to approximately 67% times the percentage of its in-state students.

Equipment Trust Fund monies and Maintenance Reserve Program funds are normally appropriated based on a prescribed methodology by DPB or SCHEV. These funds are not included in VMI’s operating budget.

Unique Military Activities

State general fund support for the UMA Program is budgeted to total about \$5,860,000 in FY 2027. This is \$325,000 less than FY 2026 due to the removal of the additional \$325,000 in special one-time operational funding for UMA. State general fund support of the UMA program historically has fallen short based on the recommendations of the State Council of Higher Education (SCHEV) in 1987. SCHEV recommended that the State provide full general fund support for all UMA costs except uniforms for which cadets were expected to pay 40% of the cost. Over time, cadet fees have been required to fund not only uniforms, but also other UMA costs. VMI will continue to analyze UMA Program funding and submit budget requests to the State requesting additional State general fund support as appropriate and consistent with SCHEV’s recommendations.

Auxiliary Enterprises

The State requires auxiliary enterprises to be self-supporting; therefore, the State provides no general fund support for these programs. Cadet fees, user charges, and other revenues must fully fund Auxiliary operations. The Appropriations Act also requires that the Auxiliary Program pay its share of VMI’s indirect costs that consist of E&G Institutional Support and Physical Plant program costs. The amount of indirect costs that the Auxiliary Program must pay is based on a biennial cost study conducted by VMI, certified to the State Controller, and subject to audit by the Auditor of Public Accounts.

Cadet Financial Assistance

The State provides general funds for financial aid to support in-state students who demonstrate need including VMI’s State Cadetship Program. The level of support is based on State funding formulas that factor in unmet student need. VMI will receive an additional \$65,000 in State financial aid for FY 2027.

Significant Budget Assumptions

Significant Budget Assumptions

Tuition and Fees Notes

Tuition

The FY 2027 budget includes a 3.0% tuition increase for both in-state and out-of-state cadets. Fees are budgeted to increase 2.9%. The net overall increase in costs for in-state cadets is \$958 or 2.9% and \$1,906 or 3.0% for out-of-state cadets. In addition, the budget is based on many considerations to include the following:

- a) General Assembly authorization for the Board of Visitors of State institutions to set tuition at levels they deem to be appropriate based on, but not limited to, competitive market rates, if a) the total tuition revenue generated is within the non-general fund appropriation for educational and general programs in the Appropriations Act and b) the tuition of nonresident students covers at least 100 percent of the average cost of education.
- b) An estimated net increase in State General Funds for the E&G program of \$798,000 or 2.9%.
- c) The 3.0% salary increase, as proposed by the General Assembly, for all Faculty, Administrative & Professional, and Classified Staff is budgeted to begin with the first payroll in July. The budget includes a 13.0% increase in medical insurance costs.
- d) With the proposed pay increase of 3.0%, medical insurance cost increase of 13%, and overall consumer price increases for goods and services, limited additional funding will be available for personnel and non-personnel budget requests from the senior executive officers. FY 2027 assumes the same departmental budget levels as FY 2026 with few exceptions.
- e) Unavoidable cost increases for utilities, insurances, facility preventive maintenance contracts, and other costs.
- f) A budget of tuition revenue for cadet financial assistance of \$3,600,000 to help ensure that VMI meets its enrollment targets, especially of out-of-state cadets; this funding reflects rising tuition and fees and greater demonstrated need of all cadets, especially out-of-state cadets.
- g) VMI's history of tuition and fee increases and the tuition and fees of VMI's competitor institutions and other Virginia public institutions.
- h) Compliance with the State Council of Higher Education's (SCHEV) rigorous Institutional Performance Standards.

Room and Board

The Barracks room fee increase of \$104 or 3.0% to \$3,592 provides for increases in facility operations and maintenance costs. This includes State-initiated or mandated salary and fringe benefit cost increases as described in the Tuition Note.

The board fee increased \$244 per cadet or 3.0% to \$8,406. With rising food and labor costs, it is anticipated that the meal rates charged by the third-party food contractor will increase. The board fee also funds increasing costs for facilities, equipment maintenance, and debt service.

Auxiliary Fees

VMI's comprehensive auxiliary fees covering athletics, medical services, and cadet facilities/activities will increase a net total of \$192 or 2.6% to \$7,590. It consists of a \$126 increase in the cadet athletic fee, a \$20 increase in the medical fee, and a \$46 increase in the cadet facilities/activities fee. The net fee increases primarily funds State-initiated or mandated salary and fringe benefit cost increases as described in the Tuition Note, debt service costs on bonds issued for facilities improvements, and operation and maintenance of newly renovated and new facilities coming on-line. It also funds Athletic Program cost increases.

The Appropriations Act limits auxiliary fee increases to 3.0% excluding the requirements for wage, salary, and fringe benefit increases authorized by the General Assembly. The restriction does not apply to medical services or to fees (such as debt service) directly related to General Assembly approved capital projects. VMI's proposed auxiliary fee increase for FY 2027 complies with the Act.

Quartermaster Charges

VMI's comprehensive quartermaster charges covering laundry/pressing, haircuts, cadet uniforms, and Unique Military Activities will increase \$106 or 2.9% to \$3,706.

Other Notes

National Guard Tuition Discount

This budget continues to provide up to \$100,000 in Virginia National Guard (VNG) tuition discounts to qualified Non-Virginia cadets. The normal annual discount per cadet is \$6,000 and awards are based on merit. This allows for a total of 16 full awards each semester.

Deposits and Other Charges

A deposit of \$300 applies to all new cadets and returning cadets who are not continuously enrolled.

VMI will return this deposit, less any deductions for damages, loss of property, or unpaid obligations, without interest, upon the graduation of the cadet or the termination of the cadetship. Foreign students (enrolled at VMI on an exchange or other temporary basis) are not required to pay the deposit.

The State requires institutions to impose late fees. VMI will continue to assess a late fee of \$100 or 10.0% of the unpaid balance, whichever is less, on tuition and fees not paid by the due date. Tuition and fees will be due 1 August 2026 for the Fall Semester and 15 December 2026 for the Spring Semester. In addition, a \$100 late registration fee will be assessed to all cadets who fail to pre-register by the appropriate due date.

This budget includes a vehicle registration/parking fee of \$40 applicable to all cadets/students for the regular session and the summer session. The fee covers both terms of each session. Parking fees for the Parade Ground and other locations during special events (including football games) may be authorized by the Superintendent.

All cadets from foreign countries are assessed a fee for health insurance coverage. The fee is expected to be approximately \$1,300 for the academic year.

Payment Policy

This budget authorizes the administration to dismiss cadets who fail to pay the required tuition and fees or any other financial obligations to VMI. It also grants the authority to hold grades, credits, and diplomas until all financial obligations are satisfied. **This budget authorizes the administration to prohibit any cadets from registering for a semester who have not satisfied all financial obligations for past semesters.**

Other Costs

Other costs payable by cadets are textbooks, supplies, and non-issue clothing items. Cadets may pay for such items with cash, check, or debit/credit cards at the time of

purchase. Parents/cadets are required to pay an administrative fee when using a debit or credit card to make tuition and fee payments. The fee will generally approximate the rate that VMI would be charged by the bank for acceptance of such payments.

Refund Policy

This budget authorizes the following refund policy:

Tuition and fees for the regular session are refundable only upon official notice of withdrawal to the Commandant. Full refunds, less \$1,000, are made for withdrawals prior to the first day of classes. On or after the first day of classes, refunds are prorated through the fifth week. No refunds are made after the fifth week of classes. Cadets receiving Title IV financial aid will receive a refund in accordance with applicable federal law. Exceptions to the refund policy are made only in extraordinary circumstances (Cadets called to active duty in the National Guard or the reserves will automatically receive a full tuition refund for the semester if they cannot complete the requirements for credit in their courses; their room and board fees will be prorated). The Board authorizes the administration to establish an appropriate appeals process. No refunds shall be made until all issued military uniforms and equipment required to be returned to the VMI Military Store and to the Commandant have been returned in good condition. Cadets will be charged for issued military uniforms and equipment that are not returned as required.

Courses Taken by Employees

With the consent of the course instructor and approval of his/her own department head and the Dean of the Faculty, this budget permits any full-time VMI employee to audit or take for credit, any course offered at VMI in either the regular or summer session at no charge.

Facilities Use

As a public service, VMI makes certain of its facilities available for approved uses by groups outside of VMI, both public and private. Facilities include Cameron Hall, Jackson Memorial Hall, Marshall Hall, Preston Library, Cormack Hall, Cocke Hall, the Barracks, VMI Health Center, King Hall, McKethan Park, the Baffled Firing Range, Military and Leadership Field Training Grounds, Indoor Training Facility, classrooms, and athletic facilities (stadiums and fields). State policy requires that contracts for the use of state facilities include fees and charges to fully recover both direct and indirect costs related to such use.

This budget authorizes and directs the Deputy Superintendent for Finance and Support to establish appropriate terms for the use of any VMI facilities by outside groups; the terms shall include rental fees and any other fees and charges to cover both direct and indirect costs consistent with the State policy.

Tuition and Fees--Regular Session

	2026	2027	Inc (Dec)	%
<i>Tuition</i>				
Virginia Cadet	10,368	10,680	312	3.0%
NonVirginia Cadet	41,960	43,220	1,260	3.0%
<i>Room</i>				
	3,488	3,592	104	3.0%
<i>Board</i>				
	8,162	8,406	244	3.0%
<i>Auxiliary Fees</i>				
Athletic	4,186	4,312	126	3.0%
Medical	610	630	20	3.3%
Cadet Facilities/Activities	2,602	2,648	46	1.8%
Total	7,398	7,590	192	2.6%
<i>Quartermaster Charges</i>				
Laundry/Pressing	498	512	14	2.8%
Haircuts	344	354	10	2.9%
Uniforms/UMA Activities	2,758	2,840	82	3.0%
Total	3,600	3,706	106	2.9%
Total Virginia Cadet	33,016	33,974	958	2.9%
Total NonVirginia Cadet	64,608	66,514	1,906	3.0%

Tuition and Fees--Summer Session

	Summer		Inc(Dec)	%
	2025	2026		
Tuition (Per Credit Hour)				
<i>Virginia</i>				
Regular	374	384	10	2.7%
Student Transition (STP)	410	422	12	2.9%
<i>Non-Virginia</i>				
Regular	1150	1184	34	3.0%
Student Transition (STP)	1250	1288	38	3.0%
Room (Per Week)	155	160	5	3.2%
Board (Per Week)				
5-Meal Plan	70	72	2	2.9%
10-Meal Plan	132	136	4	3.0%
15-Meal Plan	170	174	4	2.4%
19-Meal Plan	212	218	6	2.8%
Auxiliary Fee (Per Term)				
Regular	82	82	-	0.0%
Summer Transition	144	144	-	0.0%
Other Charges/Fees				
Late Registration Fee (Per Term)	70	70	-	0.0%
Security Deposit (Per Session)	100	100	-	0.0%
Parking Permit (Per Session)	40	40	-	0.0%

Notes:

1. Tuition increases, where applicable, help to fund increasing costs for programs and facilities operations and maintenance.
2. Tuition for Student Transition Program students is greater than regular session students because additional faculty instruction and supervision is provided.
3. Room rate increase, where applicable, funds increasing costs for facilities operations and maintenance.
4. The board rate increase, where applicable, reflects the increasing cost of food and labor.
5. The Auxiliary fee covers medical services and use of recreational facilities during the summer.

Special Note: The Board authorizes the Superintendent to establish tuition and fees that may deviate from the normal summer session tuition and fees for special programs as considered appropriate in his judgment. Special programs include student research programs that are often supported by private endowments and grants that help pay a portion of student costs.

Base-line Facility Use Fees

Additional fees may be assessed based on the requirements of the event.

	Fee Per Day		Inc (Dec)	%
	Fiscal Year			
	2026	2027		
<i>Fee per Camp/School/Other</i>				
Aquatic Center	4,000	4,000	-	0.0%
Baseball Field (day)	265	265	-	0.0%
Baseball Field (night)	345	345	-	0.0%
Cameron Hall Arena	1,000	1,000	-	0.0%
Cameron Hall Basketball Court	500	500	-	0.0%
Cameron Hall Racquetball Courts	210	210	-	0.0%
Cocke Hall Basketball Arena	500	500	-	0.0%
Cocke Hall Swimming Pool	300	300	-	0.0%
Cocke Hall (Wellness Studio)	110	110	-	0.0%
Cormack Wrestling Arena	500	500	-	0.0%
Cormack Fitness/Weight Room	500	500	-	0.0%
Football Practice Field (day)	265	265	-	0.0%
Football Practice Field (night)	345	345	-	0.0%
Foster Stadium Track/Upper Field	535	535	-	0.0%
Foster Stadium Upper Throwing Field	110	110	-	0.0%
Indoor Training Facility	5,000	5,000	-	0.0%
Indoor Training Facility Climbing Wall	110	110	-	0.0%
Indoor Training Facility Endurance Obstacle Course	110	110	-	0.0%
Indoor Training Facility Fitness/Weight Room	110	110	-	0.0%
Indoor Training Facility High Ropes Course	115	115	-	0.0%
Indoor Training Facility Jump Area	110	110	-	0.0%
Indoor Training Facility Mobile Initiatives Course	110	110	-	0.0%
Indoor Training Facility Sprint Track	110	110	-	0.0%
Indoor Training Facility Throwing Areas	110	110	-	0.0%
Kilbourne Hall Indoor Range	500	500	-	0.0%
King Hall Boxing Room	110	110	-	0.0%
McKethan Park Pavilion (one pavilion)	110	110	-	6.7%
McKethan Park Training Area (w/one pavilion)	400	400	-	0.0%
McKethan Park Skeet Range	195	195	-	0.0%
North Post Field #1 and #3	170	170	-	0.0%
North Post Field #2 (day)	265	265	-	0.0%
North Post Field #2 (night)	345	345	-	0.0%
North Post Leadership Reaction Course	145	145	-	0.0%
North Post High Ropes Course	115	115	-	0.0%
North Post Outdoor Range	500	500	-	0.0%
North Post Red/White/Blue Loops	110	110	-	0.0%
Patchin Field (Soccer/Lacrosse)	200	200	-	0.0%

Base-line Facility Use Fees

Additional fees may be assessed based on the requirements of the event.

	Fee Per Day		Inc (Dec)	%
	Fiscal Year			
	2026	2027		
Classroom (ranges from \$110 to \$160)	110-160	110-160	-	0.0%
Academic Lecture Halls	170	170	-	0.0%
Memorial Hall Chapel/Rooms	850	850	-	0.0%
VMI Museum	125	125	-	0.0%
New Market Battlefield	125	125	-	0.0%
Jackson House	110	110	-	0.0%

Fee per Camper/Participant

Barracks	21	21	-	0.0%
Post Facilities	1.25	1.25	-	0.0%

Notes:

1. State policy requires VMI to charge private groups a fee for the use of VMI facilities. (Athletic coaches, faculty and staff members, and other organizations, as private contractors, conduct a variety of summer camps/schools at VMI).
2. Employees receive a 50% discount for non-commercial use by employee and immediate family members.
3. Fee increases provide for facilities operating and maintenance cost increases (primarily facility operations and maintenance costs and repairs).
4. Fees may vary based on the number of attendees.
5. Additional fees may be assessed for certain facilities as appropriate for supervision and other services.

Special Note: The Board authorizes the Superintendent or his designee to adjust any of the fees above on an exception basis as considered appropriate in his judgment due to special circumstances to include partial day use of facilities or other pertinent factors.

Enrollment

	2026				2027			
	Budget	%	Actual	%	Budget	%	Budget Inc(Dec)	%
Fall Semester								
New Cadets								
Virginia	340	68.0	315	66.7	307	64.0	(33)	-9.7%
NonVirginia	160	32.0	157	33.3	173	36.0	13	8.1%
Total	500	100.0	472	100.0	480	100.0	(20)	-4.0%
Old Cadets								
Virginia	695	65.3	689	65.6	737	66.2	42	6.0%
NonVirginia	370	34.7	362	34.4	377	33.8	7	1.9%
Total	1,065	100.0	1,051	100.0	1,114	100.0	49	4.6%
Total Fall								
Virginia	1,035	66.1	1,004	66.0	1,044	65.5	9	0.9%
NonVirginia	530	33.9	518	34.0	550	34.5	20	3.8%
Total	1,565	100.0	1,522	100.0	1,594	100.0	29	1.9%
<i>Cadets on Foreign Study</i>	2		-		2		-	
Total Potential	1,567		1,522		1,596		29	1.9%
Spring Semester								
Virginia	935	64.9	931	66.0	972	66.1	37	4.0%
NonVirginia	505	35.1	480	34.0	499	33.9	(6)	-1.2%
Total	1,440	100.0	1,411	100.0	1,471	100.0	31	2.2%
<i>Cadets on Foreign Study</i>	10		-		33		23	230.0%
Total Potential	1,450		1,411		1,504		54	3.7%
Average enrollment for the Year (Fall census and Spring)								
	1,503		1,454		1,516		13	0.9%

Significant Budget Assumptions Enrollment Notes

Fall Semester

New Cadets

The budget is based on a new cadet class of 480 with 64.0% in-state cadets.

Old Cadets

An Old Corps (returning cadets) of 1,114 is budgeted for fall 2026; 49 more than budgeted for FY 2026 and 64 more than enrolled in fall 2025. The percentage of in-state old cadets is projected to be 66.2% compared to 65.6% enrolled in FY 2026.

Total Cadets

The budget is based on a total projected “opening” day enrollment of 1,594 cadets with 65.5% in-state cadets. Opening day refers to matriculation day for new cadets and registration day for old cadets. The old cadets usually return and register about 9 to 10 days after new cadet matriculation; usually about 20-25 new cadets will have withdrawn by then resulting in a total projected Barracks enrollment of about 1,569 cadets at that date. By “census” date, which is the State’s official headcount date and occurs about a week after classes begin, VMI is projected to have an enrollment of about 1,561; this compares to 1,496 last census date.

Spring Semester

The spring semester enrollment is budgeted to total 1,471 or 92.3% of the fall opening day enrollment and reflects VMI’s actual average rate for the last three years.

Average Enrollment

VMI’s projected “average” annual enrollment for FY 2027 is 1,516 and consists of 1,561 cadets at the fall census date and 1,471 in the spring semester.

Foreign Study

This budget includes 35 cadets total on foreign study during the year (fall and spring semester); it does not include cadets on foreign “exchange” programs. Cadets on foreign study do not pay VMI any tuition and fees; however, cadets on foreign exchange programs are generally required to pay VMI its normal tuition and fees.

Total Employment Summary

	2026		2027		Inc (Dec)		
	FTE	Dollars	FTE	Dollars	FTE	Dollars	%
<i>State Funds</i>							
Educational and General Program	429	52,641,000	429	54,044,000	-	1,403,000	2.7%
Auxiliary Enterprises Program	102	8,568,000	101	8,717,000	(1.0)	149,000	1.7%
Unique Military Program	35	3,861,000	35	4,017,000	-	156,000	4.0%
Total State Funds	566	65,070,000	565	66,778,000	(1.0)	1,708,000	2.6%
<i>Local Funds</i>							
Intercollegiate Athletics	58	6,190,000	57	6,382,000	(1.0)	192,000	3.1%
Museum Programs	8	839,000	8	866,000	-	27,000	3.2%
Local Restricted	28	5,813,000	28	5,932,000	-	119,000	2.0%
Local Unrestricted	1	1,394,000	1	1,710,000	-	316,000	22.7%
Total Local Funds	95	14,236,000	94	14,890,000	(1.0)	654,000	4.6%
Total State and Local	661	79,306,000	659	81,668,000	(2.0)	2,362,000	3.0%
<i>Capital Programs</i>							
Maintenance Reserve/Projects	5	410,000	5	433,000	-	23,000	5.6%
Total All	666	79,716,000	664	82,101,000	(2.0)	2,385,000	2.9%

Note: FTE represents the number of "full-time employees". The dollars indicated represent salaries and fringes for full-time and part-time employees.

Total Employment
Details of New Employees and Other Changes
FY 2027

Department	Position	Type Change	# FTE
<i>E&G Program</i>			
		Total E &G	0.0
<i>Auxiliary</i>			
Barbershop	Full-time barber	elimination of position that has been vacant for 5+ years	(1.0)
		Total Auxiliary	(1.0)
<i>Unique Military Activities (UMA)</i>			
		Total UMA	0.0
<i>Local Funds</i>			
Athletics	Admin Professional	Football coach	1.0
Athletics	Admin Professional	Track coach	(1.0)
Athletics	Admin Professional	Asst AD, Business Operations	(1.0)
		Total Local	(1.0)
		Net Increase - All Programs	(2.0)

Local Funds

Local Funds

VMI and Alumni Agencies Income and Support

	2026	2027	Inc (Dec)	%	Notes
<i>VMI Alumni Agencies</i>					
<i>Unrestricted Funds</i>					
VMI Foundation, Inc.					
Endowment Income/Annual Funds	2,700,000	2,700,000	-	0.0%	
Keydet Club	498,000	1,057,000	559,000		
VMI Alumni Agencies Board					
Endowment Income/Donations	550,000	550,000	-	0.0%	
Total Unrestricted	3,748,000	4,307,000	559,000	14.9%	1
<i>Restricted Funds</i>					
VMI Foundation, Inc.					
Endowment Income/Donations	23,310,000	24,201,000	891,000	3.8%	
VMI Alumni Agencies Board					
Endowment Income/Donations	903,000	982,000	79,000	8.7%	
Total VMI Foundation/Agencies Bd	24,213,000	25,183,000	970,000	4.0%	
VMI Keydet Club					
Endowment Income/Donations	7,151,000	8,119,000	968,000	13.5%	
Total Restricted Funds	31,364,000	33,302,000	1,938,000	6.2%	2
Total VMI Alumni Agencies	35,112,000	37,609,000	2,497,000	7.1%	
<i>VMI</i>					
<i>Unrestricted Funds</i>					
VMI General Endowment	86,000	90,000	4,000	4.7%	
Total Unrestricted	86,000	90,000	4,000	4.7%	
<i>Restricted Funds</i>					
VMI General Endowment	415,000	433,000	18,000	4.3%	
VMI Collins Endowment--Operations	194,000	202,000	8,000	4.1%	
Outside Trusts and Other	85,000	85,000	-	0.0%	
Total Restricted Funds	694,000	720,000	26,000	3.7%	
Total VMI Endowment	780,000	810,000	30,000	3.8%	3
Total VMI and Alumni Agencies	35,892,000	38,419,000	2,527,000	7.0%	

Local Funds

VMI and Alumni Agencies Income and Support Notes

1. VMI Foundation (VMIF), Keydet Club, and VMI Alumni Agencies Board (VMIAAB) unrestricted spendable income for FY 2027 totals \$4,307,000. In addition, the VMIF and VMIAAB are funding debt service on the \$45 million in bonds issued on VMI's behalf in 2006 to fund various capital projects. This debt service currently totals approximately \$2.1 million annually and is part of the overall Alumni Agencies support to VMI.

Spendable endowment income is based on a 12-quarter rolling average endowment market value and a spending rate of 4.25%. Spendable income is combined with cash donations from the Annual Fund and used to fund Alumni Agencies operating expenses and provide unrestricted income to VMI.

2. VMIF, VMIAAB, and Keydet Club (KC) restricted income is budgeted for \$33,302,000 which is \$1,938,000 more than last fiscal year. Included in this balance is \$5,996,000 of funds that are not endowed, they are discretionary cash donations. These funds are budgeted so the authority to spend is in place. However, these funds are managed to cover several years going forward and are not all spent in the current year.
3. VMI endowment income is derived primarily from VMI's General Endowment and Collins Endowment. These funds had a 30 September 2025 market value of \$13,719,302 and \$5,307,309 respectively. The General Endowment consists of scholarship funds, and the Collins Endowment is restricted to support of the Virginia Museum of the Civil War at New Market. Spendable endowment income was based on a 4.25% spending rate applied to the average endowment market value for the past 12 quarters as of 30 September 2025 (\$12,308,685 General and \$4,761,726 Collins). VMI's endowments are pooled and invested with endowment funds of the VMI Alumni Agencies.

Local Funds Restricted Funds Budget

Source/Activity	VMI Foundation	Alumni Agencies Board	Keydet Club	VMI Endowment	Federal Grants/Other	2027 Total	2026 Total	Inc (Dec)	Notes
Revenue									
Income/Donations	24,201,109	982,489	8,119,072	720,000		34,022,670	32,057,587	1,965,083	1
Federal Funds					2,291,000	2,291,000	2,291,000	-	2
Outside Grants					255,000	255,000	386,000	(131,000)	3
Total Revenue	24,201,109	982,489	8,119,072	720,000	2,546,000	36,568,670	34,734,587	1,834,083	4

Expenditures

Instruction

Professorial Chair Funds

Biology	40,179					40,179	31,844	8,335	
Chemistry	44,783					44,783	42,901	1,882	
Economics	577,032					577,032	550,176	26,856	
Engineering	352,244					352,244	335,593	16,651	
English, Rhetoric & HS	63,700					63,700	61,153	2,547	
History	390,428					390,428	372,074	18,354	
International Studies	79,377					79,377	74,506	4,871	
Physics	34,403					34,403	32,990	1,413	
Peay Chairs	1,824,228					1,824,228	1,706,267	117,961	
Gottwald Leadership	198,313					198,313	184,947	13,366	
Herndon Funds	800,000					800,000	1,515,000	(715,000)	
Dean's Funds	642,603					642,603	536,922	105,681	
Total Prof Chairs	5,047,289					5,047,289	5,444,373	(397,084)	
Departmental Funds									
Biology	116,989					116,989	103,339	13,650	
Civil Engineering	147,777					147,777	129,439	18,338	

Local Funds Restricted Funds Budget

Source/Activity	VMI Foundation	Alumni Agencies Board	Keydet Club	VMI Endowment	Federal Grants/Other	2027 Total	2026 Total	Inc (Dec)	Notes
Chemistry	40,471					40,471	37,422	3,049	
Computer Science	5,347					5,347	5,206	141	
Economics	154,822					154,822	135,271	19,551	
Electrical Engineering	33,687			4,000		37,687	32,512	5,175	
English, Rhetoric & HS	118,545					118,545	112,865	5,680	
History	288,590					288,590	274,056	14,534	
International Studies	54,179					54,179	52,423	1,756	
Mathematics	129,575					129,575	113,156	16,419	
Mechanical Engineering	18,802					18,802	16,804	1,998	
Modern Languages	2,777					2,777	2,630	147	
Physical Education	13,314					13,314	11,971	1,343	
Physics	70,164					70,164	76,880	(6,716)	
Psychology	94,363					94,363	87,698	6,665	
Total Dept Funds	1,289,402			4,000		1,293,402	1,191,672	101,730	
Faculty Development	348,902					348,902	338,246	10,656	
Jackson-Hope	1,075,174					1,075,174	1,039,730	35,444	
Visiting Scholars	118,258					118,258	110,789	7,469	
Curriculum Development	126,661					126,661	120,078	6,583	
Other Instruction	506,923					506,923	496,310	10,613	
Total Instruction	8,512,609	-	-	4,000	-	8,516,609	8,741,198	(224,589)	
Research									
Biology	17,454					17,454	18,189	(735)	
Chemistry	23,626				-	23,626	20,033	3,593	
Undergraduate Res	21,126				-	21,126	18,561	2,565	
Total Research	62,206				-	62,206	56,783	5,423	

Local Funds Restricted Funds Budget

Source/Activity	VMI Foundation	Alumni Agencies Board	Keydet Club	VMI Endowment	Federal Grants/Other	2027 Total	2026 Total	Inc (Dec)	Notes
<i>Public Service</i>									
Museum Programs									
VMI Museum	176,513					176,513	168,080	8,433	
Jackson House	161,342					161,342	141,024	20,318	
VA Mus of Civil War	132,812			202,000		334,812	329,286	5,526	
Total Museums	470,667			202,000		672,667	638,390	34,277	
Lectures and Symposiums	-					-	-	-	
Other Public Service	57,221					57,221	53,000	4,221	
Total Public Service	527,888	-	-	202,000	-	729,888	691,390	38,498	
<i>Academic Support</i>									
Preston Library	687,467					687,467	651,815	35,652	
Information Technology	82,135					82,135	78,101	4,034	
Office of Global Education	10,000					10,000	-		
Departmental Funds									
Biology	14,844					14,844	14,120	724	
Civil Eng	8,065					8,065	7,261		
History	1,429					1,429	1,332	97	
International Studies	15,335					15,335	14,383	952	
Music	-					-	-	-	
Total Dept Funds	39,673					39,673	37,096	2,577	
Leadership Program	1,292,745					1,292,745	1,221,378	71,367	
Dean's Office									
Fellowships	24,545					24,545	23,311	1,234	
Faculty Awards	79,813					79,813	75,816	3,997	
Faculty Development	470,634					470,634	394,403	76,231	
Outside Grants						-	-	-	
Total Dean's Funds	574,992				-	574,992	493,530	81,462	

Local Funds Restricted Funds Budget

Source/Activity	VMI Foundation	Alumni Agencies Board	Keydet Club	VMI Endowment	Federal Grants/Other	2027 Total	2026 Total	Inc (Dec)	Notes
Total Academic Support	2,687,012	-	-	-	-	2,687,012	2,481,920	205,092	
<i>Student Services</i>									
Departmental Funds									
Intercollegiate Athletics		5,214				5,214	4,812	402	
Band	33,144					33,144	31,059	2,085	
Cadet Programs	490,004					490,004	488,464	1,540	
Chaplain's Office	473,608					473,608	461,096	12,512	
Commandant	45,621					45,621	42,663	2,958	
Cadet Counseling	17,603					17,603	5,024	12,579	
Music	208,473					208,473	101,464	107,009	
Total Dept Fund	1,268,453	5,214		-		1,273,667	1,134,582	139,085	
Graduate Fellowships	94,909					94,909	89,491	5,418	
Cadet Awards	185,472			45,000		230,472	220,919	9,553	
Other Student Services	11,000					11,000	11,000	-	
Total Student Services	1,559,834	5,214	-	45,000	-	1,610,048	1,455,992	154,056	
<i>Institutional Support</i>									
Comm & Marketing	351,977					351,977	351,977	-	
CDO	19,675					19,675	17,781	1,894	
Superintendent's Office	497,455					497,455	441,005	56,450	
Total Inst Support	869,107	-	-	-	-	869,107	810,763	58,344	
<i>Physical Plant</i>	196,449	117,128				313,577	306,396	7,181	
Total E & G	14,415,105	122,342	-	251,000	-	14,788,447	14,544,442	244,005	

Local Funds Restricted Funds Budget

Source/Activity	VMI Foundation	Alumni Agencies Board	Keydet Club	VMI Endowment	Federal Grants/Other	2027 Total	2026 Total	Inc (Dec)	Notes
<i>Auxiliary Enterprises</i>									
Intercollegiate Athletics	11,146	387,816	83,306		255,000	737,268	992,054	(254,786)	
Total Auxiliary	11,146	387,816	83,306	-	255,000	737,268	992,054	(254,786)	
<i>Cadet Financial Assistance</i>									
Athletic Scholarships	52,845	21,856	7,060,766		-	7,135,467	7,393,270	(257,803)	
NCAA Revenue Sharing			975,000			975,000	-	975,000	
Cadet Scholarships	9,722,013	450,475	-	469,000		10,641,488	9,513,821	1,127,667	
Federal Grants and Loans					2,291,000	2,291,000	2,291,000	-	
Total Cadet Financial	9,774,858	472,331	8,035,766	469,000	2,291,000	21,042,955	19,198,091	1,844,864	
Total Restricted	24,201,109	982,489	8,119,072	720,000	2,546,000	36,568,670	34,734,587	1,834,083	

Restricted Local Budget Notes

1. The Restricted Funds Budget primarily reflects spendable income from endowment funds and cash donations. See Notes to VMI and Alumni Agencies Income and Support Budget Schedule.
2. Federal Funds consist primarily of Pell grants for cadets with financial need.
3. Outside Grants are funds from the NCAA restricted to the Athletic budget.
4. Total Restricted income of \$36,568,000 for FY 2027 is \$1,834,000 more than FY 2026. The budget increases or decreases among departmental and program budgets generally reflect changes in the level of cash donations from year to year. Budgets often include a combination of cash donations and endowment income. Budget increases may also reflect new endowment gifts.

Local Unrestricted Budget

	FY 2027 Allocation					FY 2026 Budget	Inc (Dec)	%	Notes	
	FY 2027 Budget	VMI Funds	Keydet Club	VMI Foundation	VMI Agencies Bd					Total
Revenue										
VMI Endowment	90,000	90,000				90,000	86,000	4,000	4.7%	1
VMI Foundation	2,700,000			2,700,000		2,700,000	2,700,000	-	0.0%	2
VMI Alumni Agencies Board	550,000				550,000	550,000	550,000	-	0.0%	2
Keydet Club	927,000	-	927,000			927,000	498,000	429,000	86.1%	2
Athletic Revenue	3,079,000	3,079,000				3,079,000	1,857,000	1,222,000	65.8%	3
Cadet Fees--Athletics	6,380,000	6,380,000				6,380,000	6,355,000	25,000	0.4%	3
Museum Systems	796,000	796,000				796,000	706,000	90,000	12.7%	4
Conference Revenue--CLE	207,000	207,000				207,000	215,000	(8,000)	-3.7%	5
Concessions Commissions	405,000	405,000				405,000	437,000	(32,000)	-7.3%	6
Total Revenue	15,134,000	10,957,000	927,000	2,700,000	550,000	15,134,000	13,404,000	1,730,000	12.9%	
E&G Expenditures										
<i>Instruction</i>										
Faculty Salary Supplements	768,000			768,000	-	768,000	735,000	33,000	4.5%	7
<i>Public Service</i>										
Daniel's Award	-	-				-	-	-		
Museum Systems	1,092,000	796,000		296,000	-	1,092,000	1,019,000	73,000	7.2%	4
Total Public Service	1,092,000	796,000	-	296,000	-	1,092,000	1,019,000	73,000	7.2%	
<i>Academic Support</i>										
Dean's Funds										
Dean's Official Fund	14,000			14,000		14,000	14,000	-	0.0%	
Preston Library	15,000			15,000		15,000	15,000	-	0.0%	2
Center for Leadership/Ethics	207,000	207,000				207,000	215,000	(8,000)	-3.7%	5
Total Academic Support	236,000	207,000	-	29,000	-	236,000	244,000	(8,000)	-3.3%	
<i>Student Services</i>										
Commandant's Official Fund	13,000			13,000		13,000	13,000	-	0.0%	
Chaplain's Office Support	75,000			75,000	-	75,000	80,000	(5,000)	-6.3%	8
Total Student Services	88,000	-	-	88,000	-	88,000	93,000	(5,000)	-5.4%	

Local Unrestricted Budget

	FY 2027 Allocation					FY 2026 Budget	Inc (Dec)	%	Notes	
	FY 2027 Budget	VMI Funds	Keydet Club	VMI Foundation	VMI Agencies Bd					Total
<i>Institutional Support</i>										
Staff Salary Supplements	699,000	-		699,000		699,000	663,000	36,000	5.4%	7
Mortgage Subsidies	30,000			30,000		30,000	34,000	(4,000)	-11.8%	9
Superintendent's Funds						-				
Quarter's--Rent	118,000			118,000	-	118,000	98,000	20,000	20.4%	
Allotment	30,000			30,000		30,000	30,000	-	0.0%	
Travel	10,000			10,000		10,000	10,000	-	0.0%	
Employee Picnic	10,000			10,000		10,000	20,000	(10,000)	-50.0%	
Protocol Office--Gifts	13,000	-		13,000		13,000	13,000	-	0.0%	
Local Bank Fees/Charges	2,000	-		2,000		2,000	2,000	-	0.0%	
Board of Visitors' Meetings	9,000	-		9,000		9,000	9,000	-	0.0%	
VA Hi-Ed Bus Council Dues	9,000	-		9,000		9,000	9,000	-	0.0%	
Contingencies	688,000	269,000		219,000	200,000	688,000	622,000	66,000	10.6%	10
Total Institutional Support	1,618,000	269,000	-	1,149,000	200,000	1,618,000	1,510,000	108,000	7.2%	
<i>Cadet Financial Aid</i>										
Call to Duty Scholarships	250,000			250,000	-	250,000	500,000	(250,000)	-50.0%	11
Total Scholarships/Grants	250,000	-	-	250,000	-	250,000	500,000	(250,000)	0.0%	
<i>Auxiliary Enterprises</i>										
<i>Athletics</i>										
Operations	10,962,000	9,685,000	927,000		350,000	10,962,000	9,183,000	1,779,000	19.4%	3, 12
Total Expenditures	15,014,000	10,957,000	927,000	2,580,000	550,000	15,014,000	13,284,000	1,730,000	13.0%	
Excess (Deficiency)	120,000	-	-	120,000	-	120,000	120,000	-	0.0%	
<i>Add: Beginning Fund Bal</i>	-	-		-	-	-	-	-	0.0%	
<i>Less: VMIF Direct Pays</i>	(120,000)			(120,000)		(120,000)	(120,000)	-	0.0%	2, 13
Ending fund balance	-	-	-	-	-	-	-	-		

Local Unrestricted Funds Notes

1. VMI Endowment income of \$90,000 consists primarily of spendable income on the unrestricted portion of VMI's General Endowment; the income is based on 4.25% of the average endowment market value for the past 12 quarters.
2. VMI Foundation (VMIF) and VMI Alumni Agencies Board (VMIAAB) spendable income totals \$3,250,000. It consists of \$2,700,000 unrestricted income from VMIF and \$550,000 from VMIAAB.

VMIF and VMIAAB provides additional financial support of approx. \$2.1 million annually on debt related to the \$45 million of bonds issued on VMI's behalf in 2006 to fund various capital projects.

The Keydet Club Athletics Special funding for FY 2027 is \$1,057,000 and funds a number of sports-specific initiatives.

3. Athletic Revenues consists of cadet fees, gate receipts (football and basketball), guarantees (football, basketball, and baseball), NCAA and Southern Conference sponsorship revenues, track invitational entry fees, sales and other income.
4. Museum Systems revenues and expenditures consist of the VMI Museum at VMI, the Virginia Museum of the Civil War (VMCW) at New Market, VA, and the Jackson House in Lexington, VA. The Museum System is projected to need \$296,000 of Local Unrestricted funding to fill in the gap of operational cost over admission generated revenues for FY 2027.
5. The Center for Leadership and Ethics (CLE) conducts three conferences each year with income from donations, attendance fees, exhibitor fees, and corporate sponsorships. The CLE generally seeks to cover conference expenses with conference revenues, private donations from the VMIF have been necessary to support conferences.
6. VMI earns commissions on sales in the bookstore, PX, outside catering, and vending operations.
7. Local Unrestricted funds provide 4% of the cost of faculty salaries, 3.23% of the cost of certain administrative professional staff salaries, and a portion of the Superintendent's compensation package. The balance of these salaries is funded from State or other private funds.
8. Chaplain's Office support covers the difference in the amount of private restricted donations and other funds available to cover the salaries of the Chaplain, the Associate Chaplain, and the administrative assistant.

9. VMI provides a subsidy up to \$1,500 per year for full-time teaching and administrative faculty who purchase a home as their primary residence. The amount budgeted is based on the number of participants and their mortgage balances (currently about 34 employees). VMI discontinued this program for new employees effective 1 January 2010 as a cost saving measure.
10. Contingency funds are budgeted to cover unanticipated costs which are not appropriate for State funding.
11. Call-to Duty scholarships may require additional funds beyond the \$1,600,000 provided directly by the Alumni Agencies. An estimated \$250,000 is budgeted as a placeholder to supplement the Call-to-Duty scholarships with funds from the Alumni Agencies Unrestricted allocation if needed.
12. A portion of the VMI Alumni Agencies Board income is budgeted to support the Athletic program. For FY 2027, 64% of Development Board unrestricted income is being budgeted for athletics.
13. The VMI Foundation is expected to spend approximately \$120,000 of VMI's unrestricted income for outside consultants on VMI's behalf (primarily government relations consultants).

Intercollegiate Athletics Operating Revenues, Support and Expenditures

	2026 Budget	2027 Budget	Inc (Dec)	%	Notes
<i>Revenue and Support</i>					
<i>Revenue</i>					
Cadet Fees	6,355,000	6,380,000	25,000	0.4%	1
Guarantees--Football	350,000	775,000	425,000	121.4%	2
Guarantees--Basketball	350,000	350,000	-	0.0%	3
Guarantees - Baseball	1,500	1,500	-	0.0%	
Guarantees - Wrestling	10,000	-	(10,000)	-100.0%	
Guarantees - Women's Soccer	4,000	-	(4,000)	-100.0%	
Guarantees - Men's Soccer	3,000	-	(3,000)	-100.0%	
Gate Receipts--Football	220,500	292,000	71,500	32.4%	4
Gate Receipts--Basketball	51,000	56,000	5,000	9.8%	
Gate Receipts--Baseball	6,000	6,000	-	0.0%	
Entry Fees - Track Invitationals	90,000	100,000	10,000	11.1%	5
NCAA Academic Assistance	65,000	65,000	-	0.0%	6
NCAA /Conference Revenue	285,000	154,000	(131,000)	-46.0%	6
Licensing and Corp Sponsorships	240,000	370,000	130,000	54.2%	7
Other Income	532,000	640,000	108,000	20.3%	8
Total Revenue	8,563,000	9,189,500	626,500	7.3%	
<i>Support</i>					
VMI Alumni Agencies Board					
Unrestricted Endowment	250,000	350,000	100,000	40.0%	9
Restricted Endowment	377,000	388,000	11,000	2.9%	
Superintendent's Disc Funds	60,000	-	(60,000)	-100.0%	10
Keydet Club Funds					
Unrestricted Funds	-	182,000	182,000	100.0%	11
Sport Specific Funds	727,000	1,803,500	1,076,500	148.1%	11
NCAA Distribution	36,000	36,000	-	0.0%	12
VMI Commission Income	223,000	226,000	3,000	1.3%	13
Auxiliary Fund Balance	750,000	500,000	(250,000)	-33.3%	14
Total Support	2,423,000	3,485,500	1,062,500	43.9%	
Total Revenue and Support	10,986,000	12,675,000	1,689,000	15.4%	

Intercollegiate Athletics Operating Revenues, Support and Expenditures

	2026 Budget	2027 Budget	Inc (Dec)	%	Notes
<i>Expenditures</i>					
Football	2,025,000	2,379,000	354,000	17.5%	15
Basketball	1,286,000	1,316,000	30,000	2.3%	15
Track--Men	271,000	254,000	(17,000)	-6.3%	15
Track--Women	271,000	254,000	(17,000)	-6.3%	15
Wrestling	313,000	312,000	(1,000)	-0.3%	15
Baseball	616,000	670,000	54,000	8.8%	15
Soccer - Men	238,000	300,000	62,000	26.1%	15
Soccer - Women	244,000	252,000	8,000	3.3%	15
Lacrosse	417,000	438,000	21,000	5.0%	15
Swimming	264,000	287,000	23,000	8.7%	15
Water Polo - Women	210,000	214,000	4,000	1.9%	15
Rifle	82,000	74,000	(8,000)	-9.8%	15
Training & Medical	557,000	559,000	2,000	0.4%	15
Nutrition	49,000	49,000	-	0.0%	15
Strength & Conditioning	249,000	270,000	21,000	8.4%	15
Sports Information/Promotions	585,000	534,000	(51,000)	-8.7%	15
NCAA Tutoring	72,000	72,000	-	0.0%	15
Administration	1,280,000	1,278,000	(2,000)	-0.2%	15
NCAA Revenue Sharing	-	975,000	975,000	100.0%	16
Indirect Costs	1,907,000	2,138,000	231,000	12.1%	17
Contingencies	50,000	50,000	-		
Total Expenditures	10,986,000	12,675,000	1,689,000	15.4%	
<i>Excess(Deficiency) Revenue</i>	-	-			
Add: Beginning Fund Balance		-			
Ending Fund Balance	-	-		0.0%	

Local Funds

Intercollegiate Athletics Notes

Revenues

1. The Cadet Fees budget increase reflects a \$126 or 3.0% increase in the cadet athletic fee from \$4,186 to \$4,312.
2. Football Guarantees are \$775,000 for FY 2027, up \$425,000 from FY 2026. This is for games with Virginia Tech (\$500,000) and Idaho State (\$275,000).
3. Basketball Guarantees generally consist of three games ranging from \$85,000 to \$95,000 each. FY 2027 is budgeted to be \$350,000.
4. The Football Gate Receipts budget totals \$292,000, an estimate of five home games at \$47,400 per game and \$55,000 for the Citadel game.
5. The Athletic Department will host several indoor track events in FY 2027. The invitational events attract numerous teams with each visiting team charged an entry fee to cover costs of hosting the event. The FY 2027 revenue from track events is budgeted to be \$100,000.
6. The NCAA and Conference provide funding to support academic enhancement, student assistance, and operations. FY 2027 NCAA revenue is expected to decrease \$131,000 over the previous fiscal year as the \$250,000 annual reduction for the NIL (Name, Image and Likeness) lawsuit settlement began in FY 2026 and will continue for a total of 10 years.
7. The Licensing and Corporate Sponsorships Income budget includes royalties from outside vendor sales of VMI logo merchandise, sponsorship revenues, and advertising fees (advertisements on scoreboards and in the football, baseball, and Cameron Hall stadiums/arenas). The advertising revenue is projected to increase \$130,000 over the prior year.
8. The Other Income of \$640,000 is the gap between projected revenue and expenses after deducting the Auxiliary subsidy of \$500,000 (see note 14).
9. A portion of VMI Alumni Agencies Board (VMIAAB) unrestricted support will be utilized to subsidize Athletic operations in FY 2027.
10. The Superintendent support of \$60,000 is discontinued in FY 2027. These funds were from the discretionary cash account held at the Alumni Agencies.

11. The Keydet Club is budgeted to provide \$9,176,000 in donations and endowment income to the Athletic Program in FY 2027, with \$7,190,000 in athletic scholarships. The remaining support, \$1,986,000, includes special projects and compete to win campaign funds.
12. In FY 2018, the NCAA provided a one-time distribution of \$360,000 to be used over a ten-year period for athlete health/welfare in accordance with an approved spending plan. FY 2027 is the final year of this support.
13. Commission revenue of \$12,500 will be given to the Athletic Department for athletic strength training support in FY 2027. Commission revenue will continue to support 3.23% of Administrative & Professional Staff salaries, \$213,500.
14. A \$500,000 transfer from the Auxiliary Fund Balance (Reserve) is budgeted for FY 2027 to cover a portion of the operating deficit projected for the fiscal year. Additional athletic revenues and/or expenditure reductions in FY 2027 and beyond will be required to limit the use of Reserve funds to no more than \$500,000.

Expenditures

15. The Budgets for all departments with personal services include some specific pay increases instead of the 3% across the board state budget increase. The 13.0% increase in medical insurance costs has been factored into the budgeted payroll costs by department.
16. This is a new cost for FY 2027.
17. Indirect Cost is calculated as a percentage of total Athletic Direct Costs. The recovery rate in FY 2027 is 22.36%, Total Indirect Cost rate is calculated for each budget biennium, and the current rate will expire in FY 2028.

VMI Museum Operations Revenues and Expenses

	FY 2027 Budget				FY 2026 Budget Total	Inc (Dec)	%	Notes
	VMIM	VMCW	JH	Total				
<i>Revenue and Support</i>								
Admissions	45,000	220,000	60,000	325,000	295,000	30,000	10.2%	1
Sales	250,000	125,000	75,000	450,000	390,000	60,000	15.4%	1
Contributions and Grants	12,000	3,000	3,000	18,000	18,000	-	0.0%	2
Endowment Income	44,000	202,000	-	246,000	235,000	11,000	4.7%	3
Other Income	-	3,000	-	3,000	3,000	-	0.0%	
Total Revenue and Support	351,000	553,000	138,000	1,042,000	941,000	101,000	10.7%	
<i>Operating Expenses</i>								
Personal Services	223,000	434,000	203,000	860,000	839,000	21,000	2.5%	4
Merchandise for Resale	125,000	62,000	38,000	225,000	195,500	29,500	15.1%	
Other Operating	56,000	85,000	112,000	253,000	219,500	33,500	15.3%	5
Total Expenses	404,000	581,000	353,000	1,338,000	1,254,000	84,000	6.7%	
<i>Excess (Deficiency) Revenue</i>	(53,000)	(28,000)	(215,000)	(296,000)	(313,000)	17,000	-5.4%	
Add: Fund Balance, begin	-	-	-	-	-	-		
<i>Fund Balance, ending</i>	(53,000)	(28,000)	(215,000)	(296,000)	(313,000)	17,000	-5.4%	

Museum Systems Notes

1. Admissions revenues are anticipated to be \$30,000 higher than the previous fiscal year based on actual results from the last two years. The sales revenues are expected to increase by \$60,000 with changes in the store gift shop offerings and product lines.
2. Contributions and grants consists mostly of visitor donations and gifts to the Museums and are budgeted at \$18,000, unchanged from FY 2026.

Note: VMI's State Educational and General Program and Auxiliary Enterprises Program also provide support of \$145,000 and \$191,000, respectively, in FY 2027 for Museum programs that benefit cadets, faculty, and visitors. This support consists primarily of funding for personal service costs of Museum employees.

3. Endowment income is primarily the spendable income on the VMI Collins Endowment that is restricted to support of the Virginia Museum of the Civil War (VMCW) located at New Market, VA. The annual endowment earnings are calculated on a 12-quarter rolling average balance on September 30.
4. The Museum personal services budget reflects the 3.0% salary increase and the 13.0% increase in medical insurance costs.
5. Other operating expenses include supplies, utilities, facility maintenance, advertising, and contractual services.

Local Funds
Center for Leadership and Ethics

	2026 Budget	2027 Budget	Inc Dec	%	Notes
<i>Revenue and Support</i>					
Cash Donations	81,000	-	(81,000)	-100.0%	1
Endowment Income	1,242,000	1,310,000	68,000	5.5%	2
Conference Income	215,000	207,000	(8,000)	-3.7%	3
Rental Income	-	28,000	28,000	100.0%	
Total Revenue and Support	1,538,000	1,545,000	7,000	0.5%	
<i>Expenses</i>					
Personal Services	1,164,000	1,202,000	38,000	3.3%	4
Conference Expenses	228,000	285,000	57,000	25.0%	3
Program/Other Expenses	334,000	327,000	(7,000)	-2.1%	5
Total Expenses	1,726,000	1,814,000	88,000	5.1%	
<i>Excess (Deficiency) Revenue</i>	(188,000)	(269,000)	(81,000)	43.1%	
Beginning Fund Balance	339,000	391,000	52,000		
Ending Fund Balance	151,000	122,000	(29,000)		

Center for Leadership and Ethics Notes

1. Cash donations consist mostly of gifts already received and held by the VMI Foundation. The donations are restricted or available for use by the Center for Leadership and Ethics (CLE). Most gifts are from a few donors and are not guaranteed to continue from year to year.
2. Endowment income derives from endowment gifts for the CLE for certain positions or operations and programs in general.
3. The CLE holds approximately four to five major conferences annually including Environment Virginia and conferences on leadership, public policy, and topics of national importance. Conference income consists of registration fees, exhibitor fees, private donations, and other support. Conferences may require private donations to help cover all expenses. Conference expenses will vary annually based on the number of conferences held and the expected attendance.
4. The Personal Services budget increase is due to a 3.0% proposed state pay increase for all full-time staff and the 13.0% medical insurance premium rate increase.
5. Program and Other expenses include several cadet programs addressing leadership and ethics, the faculty/cadet leadership development program, and other military history events. Other expenses consist primarily of general and administrative costs of operating the CLE. All facilities and grounds maintenance to include utilities, insurance, preventive maintenance, repairs, and other costs are funded by VMI in its Educational and General (E&G) Program. The facilities and grounds expenses total over \$200,000 annually and are not included in the CLE budget.