



GEORGE MASON
UNIVERSITY®

General Faculty Meeting March 2026

Gregory Washington, PhD
President

Bottom Line Up Front

Enrollment

Experiencing small overall enrollment decline due to declines in foreign graduate students

Undergraduate enrollment up 1.4%, grad enrollment down 6.7%, law school down 3.8%

Foreign graduate enrollments negatively impacted by \$7.1M

Direct admission (DA) has excelled. We predict that 30% of undergrad freshmen will be DA students.

Rankings

Overall rankings picture remains strong but mixed with some programs advancing and some declining

Funding support

Significant support for George Mason remains in either the House or Senate budgets.

Permanent funding support will be difficult given state budget constraints

Research and education

Expenditures slowing in tough environment

Launched Grand Challenge Initiative

Launched AI initiative

Establishing data center initiative

Regional impact

Strong partnerships in VA, MD, and DC. Need to leverage those partnerships to subsidize campus growth.

Integrating new BOV members, Provost search underway

Built a solid base, but challenges from outcomes related to four existential shocks are real and will impact how we manage ourselves going forward.

Our Plan for Success FY26 – Redefining Excellence

Enhance Student Experience

- Expand Mason Virginia Promise
- **Double the Early Identification Program**
- **Expand direct admission**
- Expand Mason Korea
- Athletic/Entertainment experience – Basketball Performance Center – Phase 2

Grand Challenge and AI Focus

- **Launch Phase 1 of Grand Challenge Initiative**
- Expand Mason Enterprise
- Establish Research Resilience Program
- **Launch Phase 2 of AI initiative**

Manage Costs, Including Cost of Degree

- **Reduce cost of degree**
- 3-year degree
- **Implement new budget model**
- Expand scholarships
- **Access Academy (Lab School)**

Partner or Perish

- **Comprehensive campaign**
- **Complete Phase 1 SciTech housing**
- **Launch West Campus Plan**
- Mason Career Academy
- Faculty and staff TimelyCare
- Complete leadership team searches
- **Grow new state government partnerships**
- **Resolve federal government investigations**

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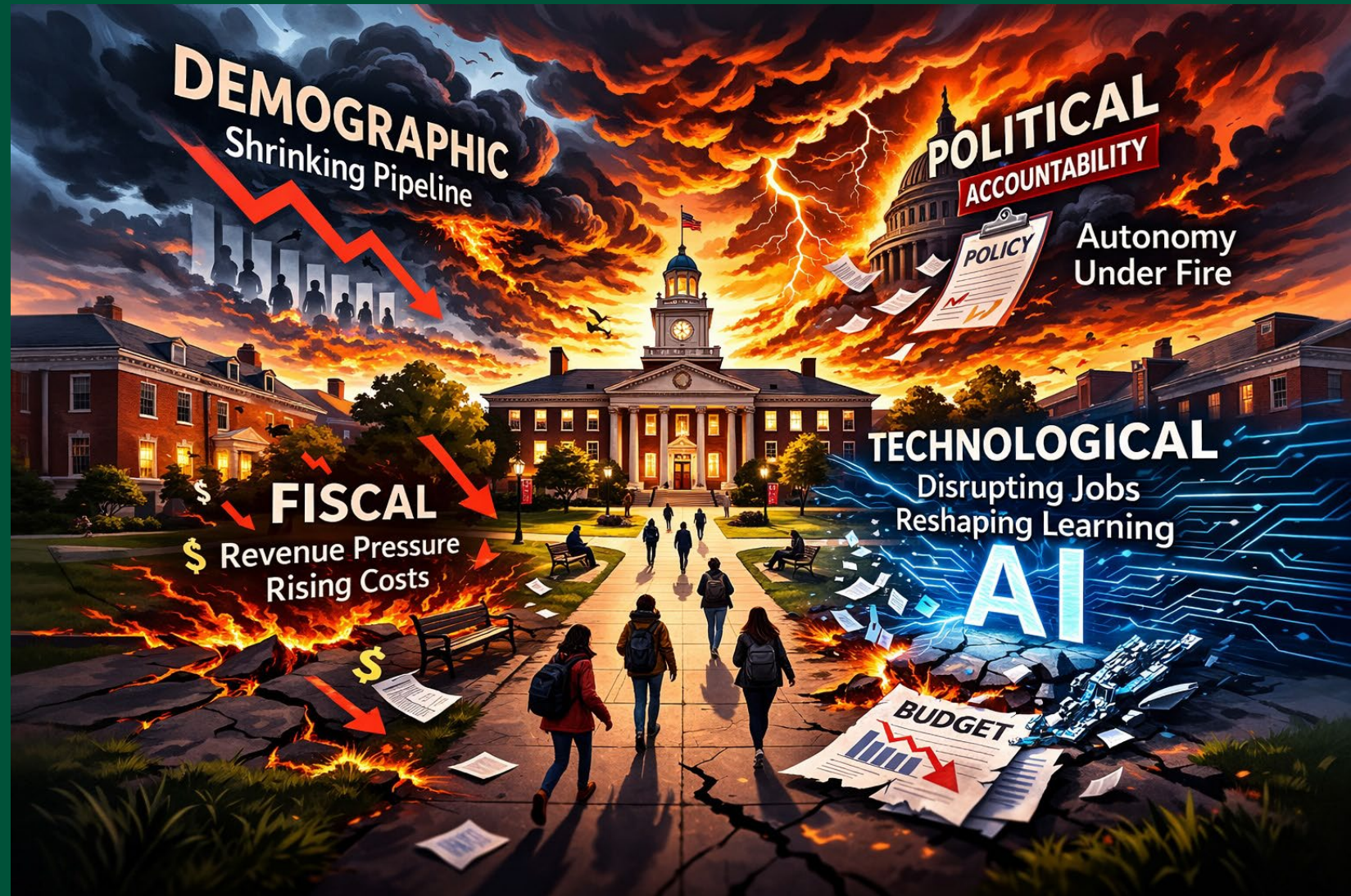
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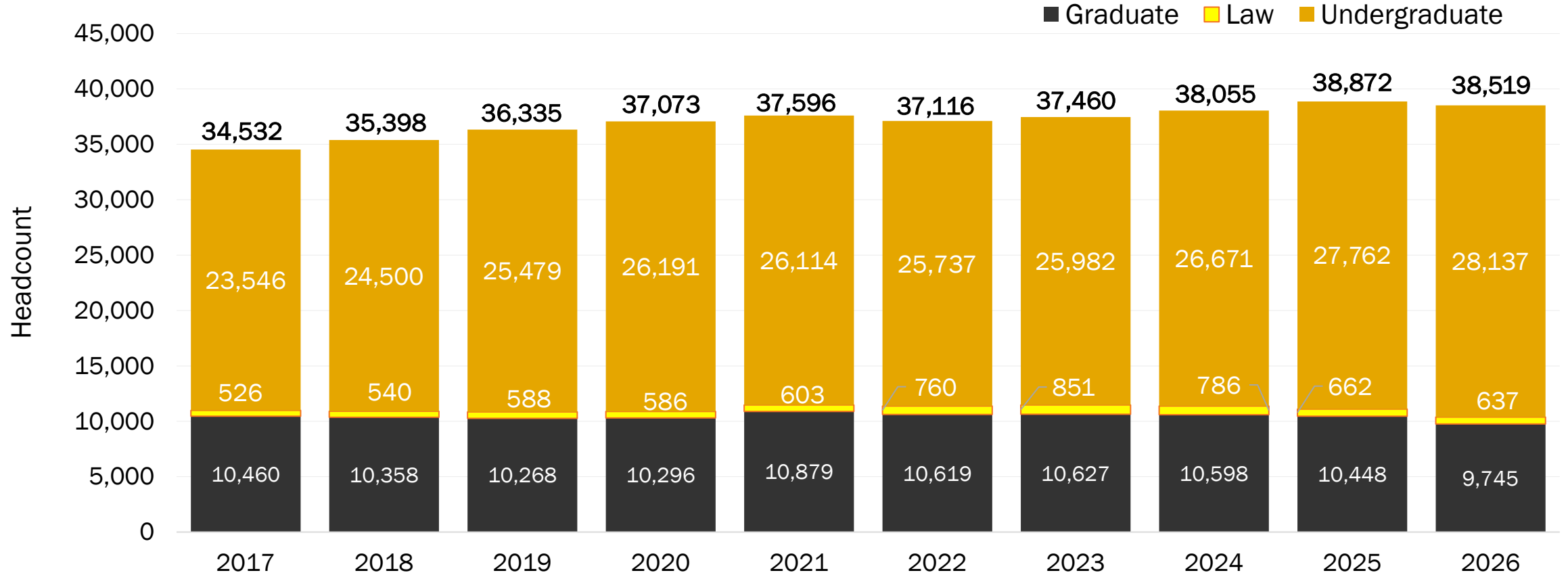
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Simultaneous Shocks

- Higher education is enduring four simultaneous shocks:
 - Demographic
 - Fiscal
 - Political
 - Technological
- Over the past year we have been developing and implementing solutions on all fronts.



Overall Spring Enrollment*



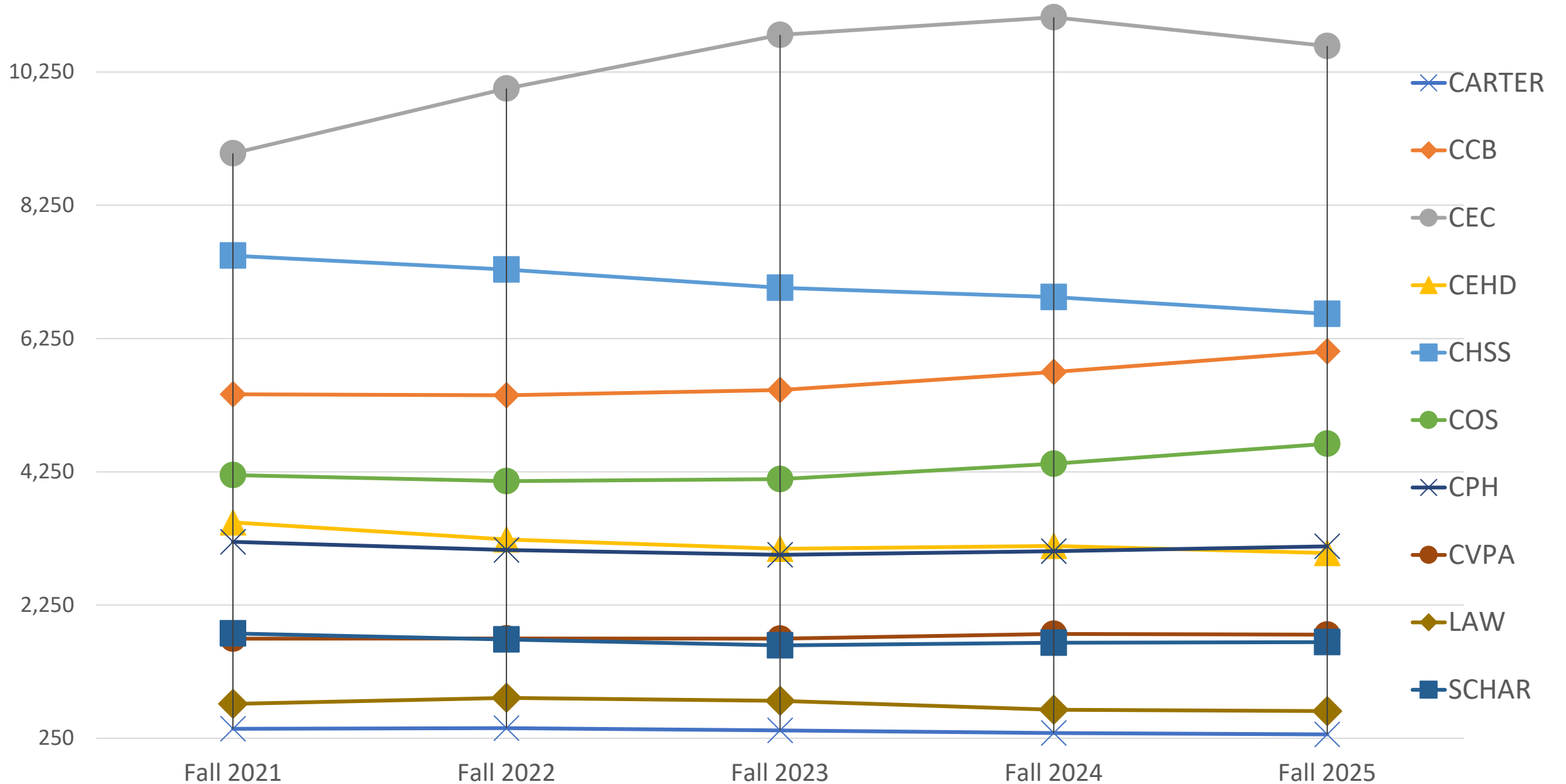
Undergraduate enrollment up 1.4%

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*As of 02/06/26

Overall Fall Enrollment



10 currently active programs with the largest INCREASE in enrollment by headcount



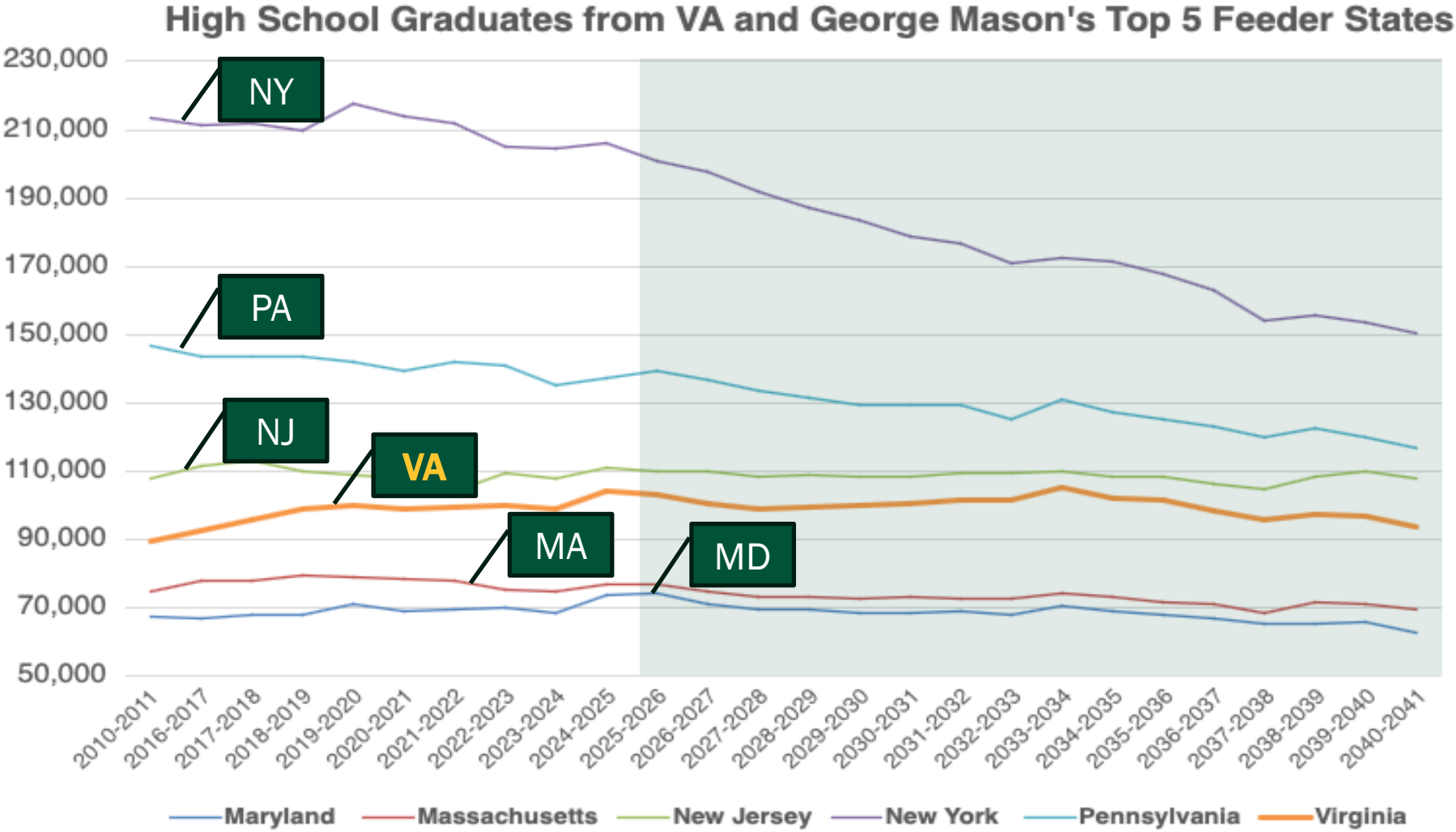
			Fall 2020	Fall 2025	Change
BS	Bachelor's	Business	2,724	5,076	*2,352
BAS	Bachelor's	Applied Science	165	751	586
BS	Bachelor's	Computer Science	1,806	2,184	378
BS	Bachelor's	Information Technology	1,764	2,077	313
MS	Master's	Computer Science	193	477	284
BS	Bachelor's	Computational and Data Sciences	158	413	255
BFA	Bachelor's	Art and Visual Technology	196	414	218
BS	Bachelor's	Forensic Science	295	485	190
BSN	Bachelor's	Nursing	339	508	169
BS	Bachelor's	Cyber Security Engineering	533	696	163

10 currently active programs had the largest DECREASE in enrollment by headcount



			Fall 2020	Fall 2025	Change
MED	Master's	Curriculum and Instruction	724	303	-421
BA	Bachelor's	Integrative Studies	591	253	-338
MED	Master's	Special Education	641	405	-236
BA	Bachelor's	Communication	531	306	-225
BA	Bachelor's	Global Affairs	620	447	-173
MED	Master's	Leadership and Human Development	260	93	-167
BS	Bachelor's	Criminology, Law and Society	918	752	-166
MS	Master's	Data Analytics Engineering	541	416	-125
BA	Bachelor's	Government and Intl Politics	777	658	-119
MHA	Master's	Health Systems Management	248	137	-111

Demographic Shock – HS Grads In Decline

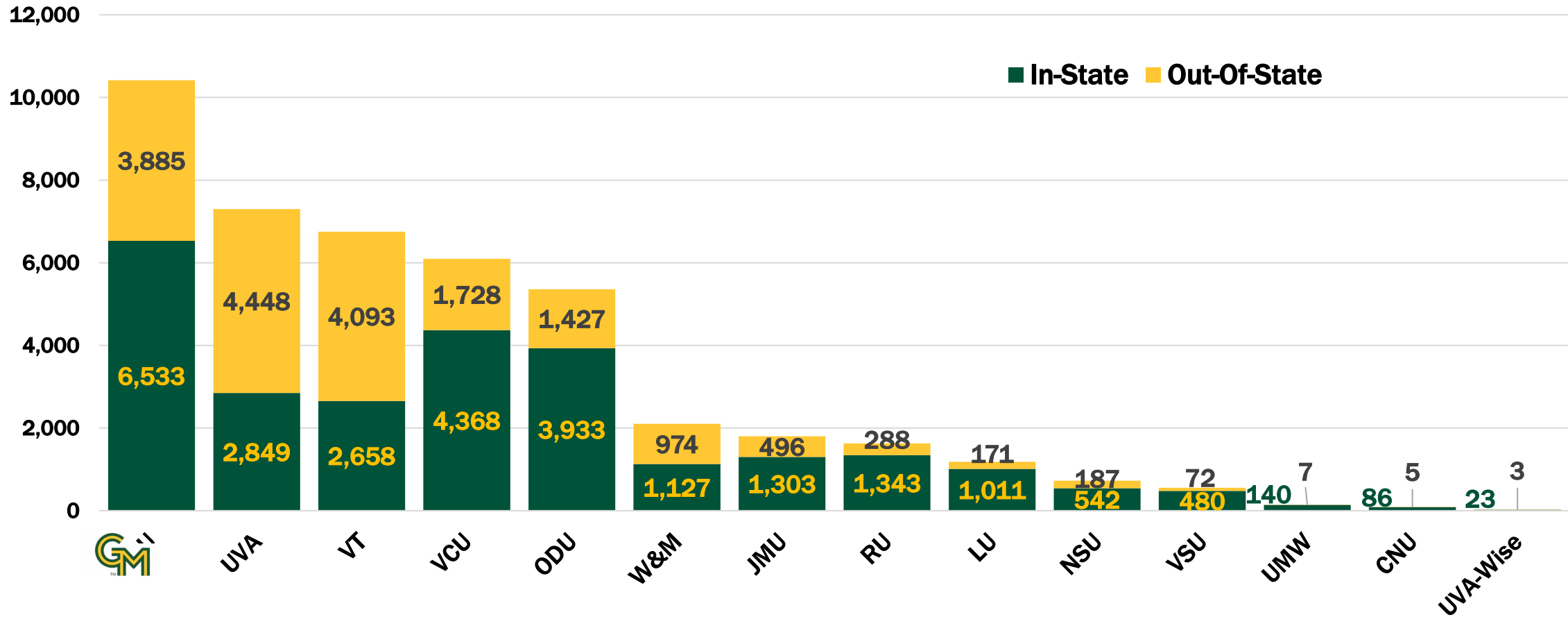


Source: Western Interstate Commission on Higher Education






Demographic: George Mason's Grad Student Footprint

Fall 2025 Share of Virginia Grad Student Enrollment, by institution and residency status



Source: SCHEV

Demographic: Fallout from 2025 International Student Enrollment Decline

	Students	Total Job Losses	Economic Impact
	-15%¹	60,000	- \$60 billion
	-15%¹	1,200	- \$127 million
	-15%²	0	- \$12 million

Demographic Shock – What Have We Done?

- Universities are facing significant challenges relative to the enrollment cliff, the changing racial and gender demographics, and the loss of **foreign graduate students** due to changes in government policy.
- The traditional college-age population is shrinking, academic readiness is uneven, the value proposition is failing and price sensitivity is rising—shifting institutions from a growth model to a zero-sum competition for enrollment share.

Initiative	Progress
Continue direct admission (SCHEV is moving forward with a statewide initiative)	Expanded direct admission
Diversify international programs, leverage Mason Korea and local embassies	Expanded Mason Korea
Investigate earned admission	Initiated
Expand ADVANCE (SCHEV is moving forward with a statewide initiative)	Expanded ADVANCE to eight community colleges

Demographic Shock - Longer Term Considerations

- Foreign graduate enrollment will continue to decline by up to 2,500 over 4 years.
- The reclassification of graduate programs will lead to reduced numbers of Grad PLUS and Parent PLUS loans, thereby further eroding enrollment.
- Future undergraduate enrollment growth will continue to be a struggle as society questions higher ed's value proposition.
- Racial, ethnic demographics will change due to a more racially and ethnically diverse HS population in region.
- Research support will be flat to declining.
- Rethink everything!
 - Each academic unit **MUST** establish a **Reimagining Education to the Doctorate (RED) Task Force**.
 - Rethink the standalone MS. Is it necessary?
 - BS2D programs (7-year max)
 - BS2M programs (4.5 to 5-year max)
 - Stackable degrees (BS to MS)
 - Everybody leaves with a credential
 - **Do we need to rethink research requirements for tenure and promotion?**
 - **University Loan Programs?**
 - Consider creative ways to reduce the BS degree
 - 3-year BS programs
 - High school dual enrollment at the undergraduate level

Fiscal Shock and Headwinds

- Higher education's high fixed-cost model is colliding with synchronized compression: **tuition pressure, reductions in graduate students, research cuts, federal and state funding volatility, rising labor costs, and deferred maintenance all tightening at once.** The **cross-subsidy model** that once buffered institutions is eroding, forcing hard trade-offs between mission and margin.
- George Mason University has been an underfunded institution for the last 25 years, so the headwind of meeting its mission with fewer resources has been persistent.
- The effect of the executive orders and recent policy changes (termination of research grants, reductions in foreign graduate student visas and changes in **student loan programs**) at the federal level is having **an additional and immediate fiscal impact** on our academic and administrative programs.
- Unfunded mandates (VMSDEP, salary increases) and no tuition increase have exacerbated the challenges.

Fiscal Shock: Tuition and Fees Haven't Covered Regional Inflation; Operating Costs Virginia's Highest

	FY26 Tuition & Mandatory Fees	2016 In Constant Dollars	Difference between Actual T&F and 10-year inflation amount	Local Cost of Living vs. VA Ave
Old Dominion University	\$13,320	\$13,462	(\$142)	-12%
James Madison University	\$14,300	\$11,423	\$2,877	-33%
George Mason University	\$14,316	\$14,405	(\$89)	+17%
Virginia Tech	\$16,526	\$15,974	\$552	-28%
Virginia Commonwealth University	\$17,240	\$16,290	\$950	-9%
University of Virginia	\$20,038	\$20,032	\$6	-4%
College of William & Mary	\$26,456	\$26,854	(\$398)	-12%

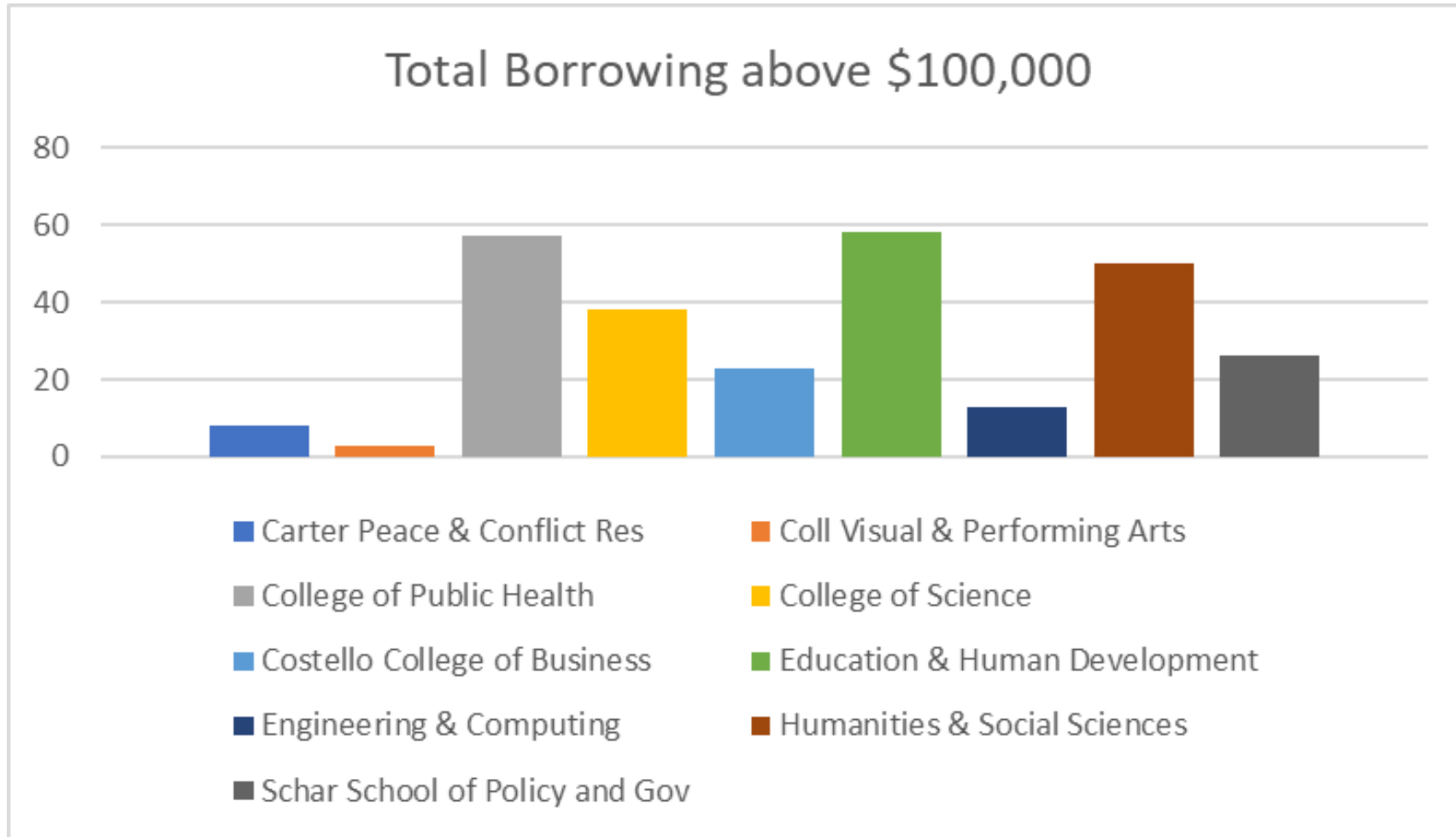
Graduate PLUS Loans by George Mason College and School

College	24-25 Aid Year		25-26 Aid Year (-summer)	
	Student Count	Aid Year Disbursed	Student Count	Aid Year Disbursed
Antonin Scalia Law School	165	\$4,975,103.00	136	\$4,351,823.00
Carter Peace and Conflict Res	11	\$256,581.00	8	\$190,977.00
Coll Visual and Performing Arts	6	\$98,603.00	5	\$103,144.00
College of Public Health	80	\$2,191,871.00	79	\$1,820,358.00
College of Science	55	\$1,653,473.00	62	\$1,853,992.00
Costello College of Business	53	\$1,223,956.00	44	\$1,050,694.00
Educ. and Human Development	81	\$1,782,747.00	71	\$1,551,570.00
Engineering and Computing	17	\$359,389.00	33	\$821,276.00
Humanities and Soc. Sciences	69	\$1,794,909.00	69	\$1,987,882.00
Schar School of Policy and Gov	46	\$1,166,383.00	44	\$1,178,601.00
Grand Total	583	\$ 15,503,015.00	551	\$14,910,317.00

Beginning July 1, 2026, the federal Graduate PLUS loan program is **eliminated**.

Students who borrowed a Grad PLUS loan before July 1, 2026 may keep using the program for up to 3 additional years or until program completion.

Graduate Students and Borrowing Limits (all types)



Students in all programs, except the Antonin Scalia Law School, will be subject to a \$100,000 lifetime loan limit. 276 current George Mason students who have received loans this year have borrowed more than this new limit.

Law school, as a "professional program," will be eligible for \$200,000 in lifetime borrowing. 18 current law school students have borrowed more than this new limit.

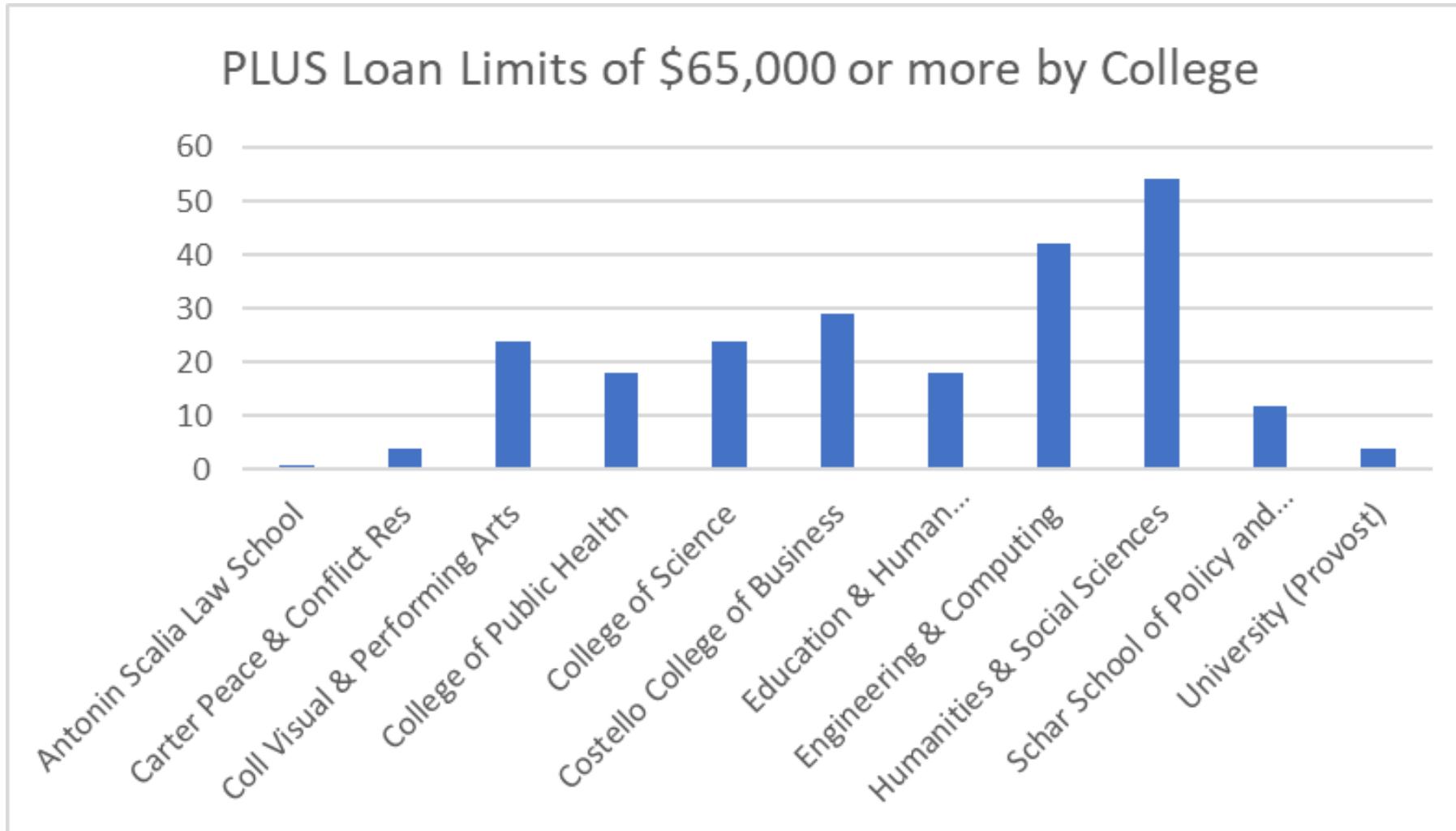
Parent PLUS Loans by George Mason College and School

College	24-25 Aid Year		25-26 Aid Year (-summer)	
	Student Count	Aid Year Disbursed	Student Count	Aid Year Disbursed
Antonin Scalia Law School	1	\$19,741.00		
Carter Peace and Conflict Res	7	\$243,785.00	6	\$206,202.00
Coll Visual and Performing Arts	124	\$2,385,399.00	102	\$2,009,063.00
College of Public Health	86	\$1,556,577.00	80	\$1,579,164.00
College of Science	157	\$3,256,082.00	172	\$3,534,921.00
Costello College of Business	147	\$3,011,356.00	146	\$2,709,311.00
Educ. and Human Development	75	\$1,680,950.00	59	\$1,291,471.00
Engineering and Computing	261	\$4,598,939.00	270	\$4,815,783.00
Humanities and Social Sciences	296	\$5,866,990.00	243	\$4,848,748.00
Schar School of Policy and Gov	77	\$1,598,234.00	47	\$919,039.00
University (Provost)	30	\$577,211.00	21	\$394,103.00
Grand Total	1,261	\$24,795,264.00	1,146	\$22,307,805.00

Parent PLUS Loans will be capped at a \$65,000 lifetime limit.

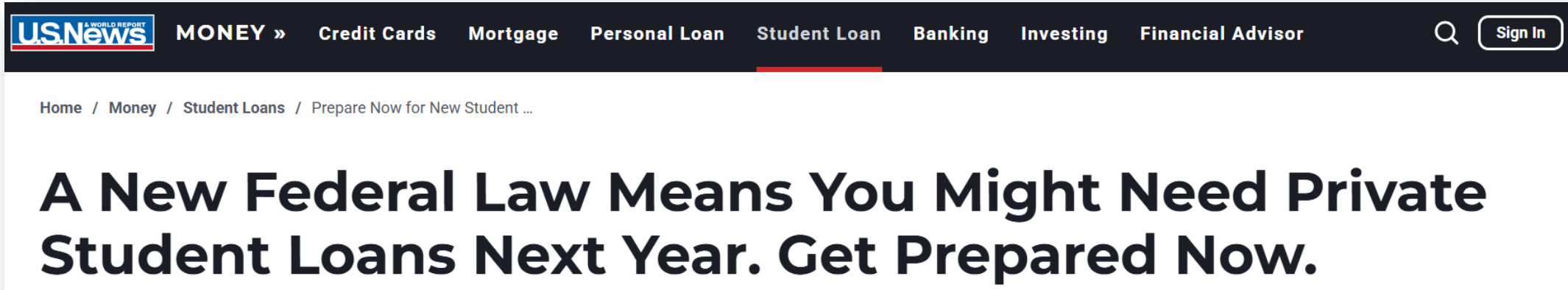
Families who **already borrowed Parent PLUS loans before July 1, 2026** may temporarily continue under the **old rules** while the student finishes their program (generally up to **3 more academic years**).

Parent PLUS Loans by George Mason College and School



230 George Mason students have already borrowed more than the new lifetime borrowing limits for Parent PLUS loans.

Federal Changes Will Change Borrowing Behavior



The screenshot shows the top navigation bar of a US News website. The navigation menu includes: MONEY » Credit Cards Mortgage Personal Loan Student Loan Banking Investing Financial Advisor. There is a search icon and a 'Sign In' button on the right. Below the navigation bar is a breadcrumb trail: Home / Money / Student Loans / Prepare Now for New Student ... The main headline reads: 'A New Federal Law Means You Might Need Private Student Loans Next Year. Get Prepared Now.'

Loan Type	Interest Rate
Undergraduate Federal Direct Loans	6.39%
Graduate Federal Direct Loans	7.94%
Parent PLUS Loans	8.94%
Private Student Loans	Can approach 20%, depending on credit, and lack federal protections

Growing Fiscal Uncertainty

Fiscal Shocks

- Tuition increase pressure
 - Reductions in graduate students
 - Direct and indirect research cuts
 - Federal and state funding volatility
 - Rising labor costs
 - Deferred maintenance
-all tightening at once

Fiscal Solutions

- **Budget model implementation**
- Increase total per-unit credit hours
- Pursue additional revenue streams from investing reserves
- Increased state support
- Review hiring practices – only hire in areas of greatest need
- Establish campus-wide committees to study continued expense reduction strategies
 - Reduce/minimize discretionary spending
- Review existing contracts and seek cost reduction terms
- Delay or eliminate projects with less institutional impact
- Ensure funding strategies align with institutional priorities
- Broadbased and targeted reductions in budget

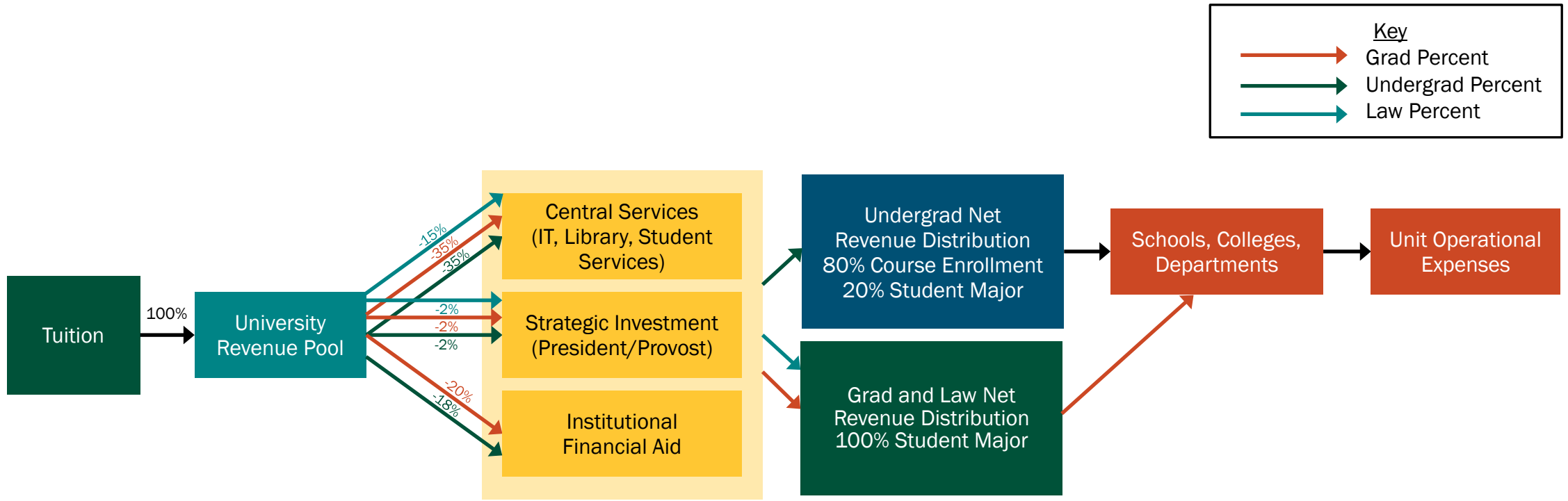
How the University Budget Model Works

- A framework for distributing university revenue across schools, colleges, and central operations
- Aligns resources with teaching activity, enrollment, and strategy
- Improves transparency and accountability
- **Important: The model does NOT create new money—it allocates existing revenue.**

Where Does the Money Come From?

- Primary revenue sources:
 - Tuition and student fees
 - State appropriations
 - Research indirect cost recovery
- These funds are pooled centrally and distributed through the budget model.

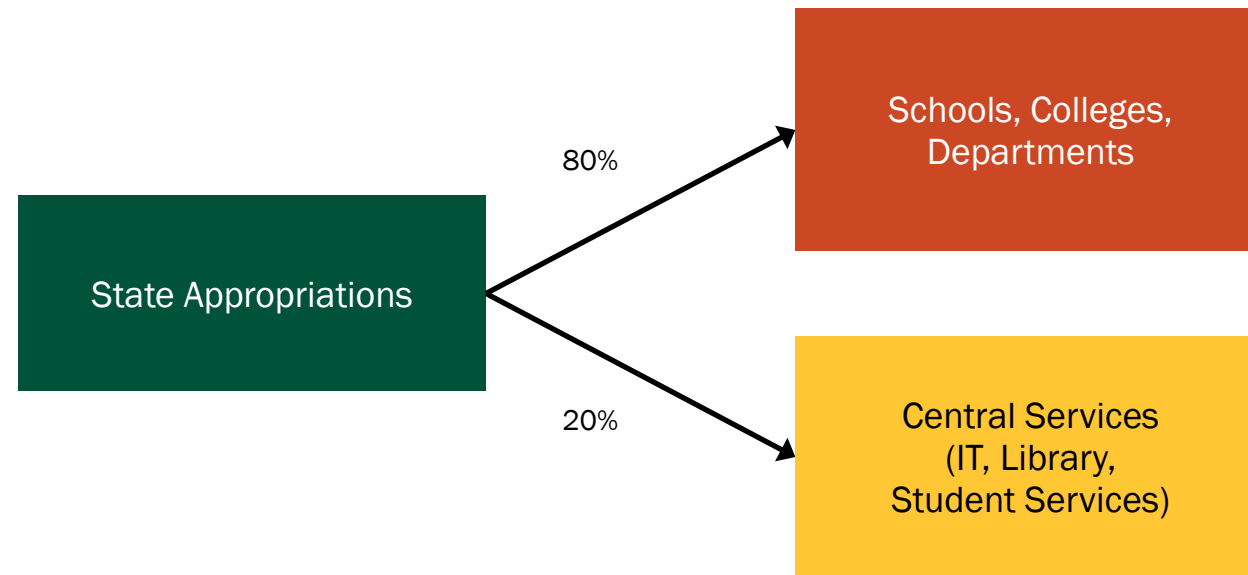
University Budget Model – Resource Flow: Tuition



Contractually defined academic programs (e.g., Risepoint, SMSC) may may have alternate allocation methodologies.

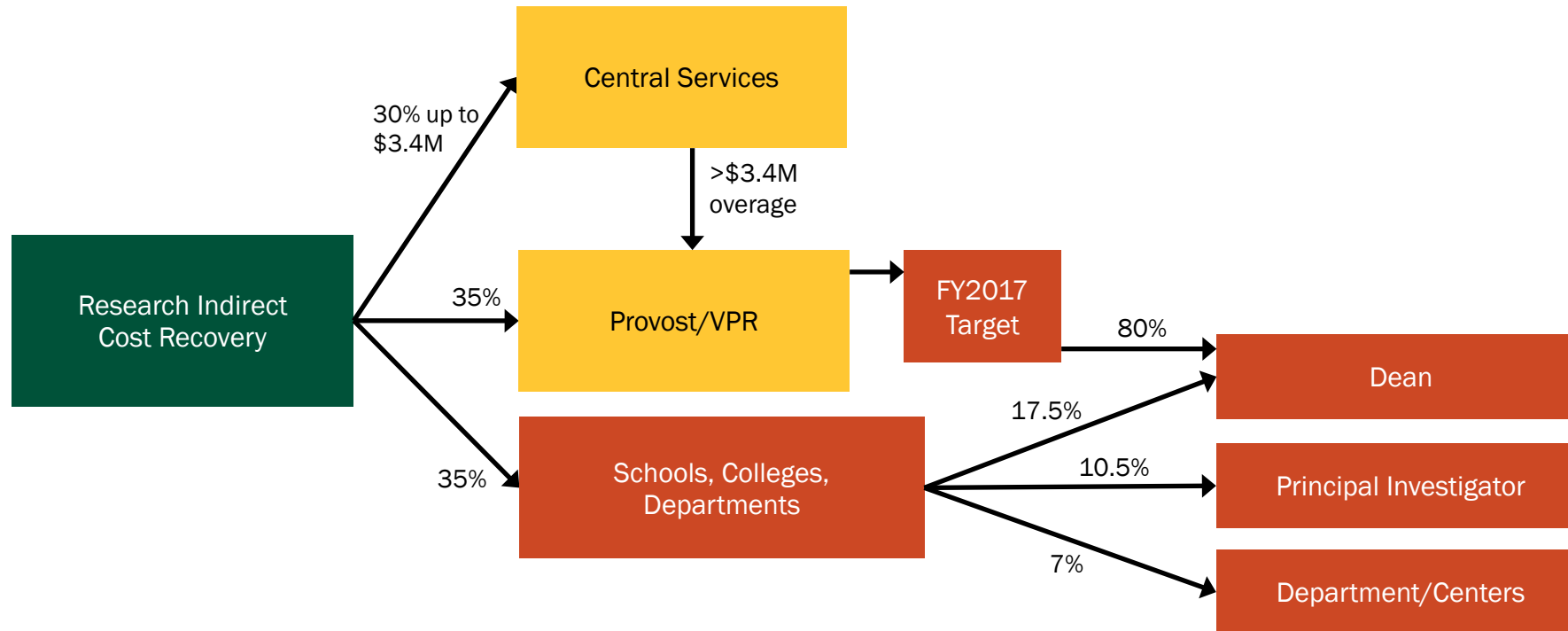
Updated as of 03.25.26

University Budget Model – Resource Flow: Unrestricted Appropriations



Updated as of 03.25.26

University Budget Model – Resource Flow: Current Indirect Distribution



Updated as of 03.25.26

Cost Allocation and Stabilization

Additional mechanisms ensure financial balance:

- Cost of Space – units charged per square foot for facilities use
- Strategic investment pools – funds reserved for institutional priorities
- Stabilization framework – surplus units support short-term stabilization for units in deficit
- Goal: transparency, incentives for growth, and long-term institutional sustainability

Allocation Methodology: Cost of Space

- **Purpose:** Allocate space-related costs to units based on the square footage they occupy
- **Components of the rate:** Includes utilities, debt service, and lease costs. FY 2026 per-square-foot rates are:
 - E&G: \$16.20
 - AE: \$19.51
 - Parking: \$3.39
- **Rate Methodology:** Rates are updated annually using a two-year average of actual costs.
- **Space data updates:** Square footage assignments are reviewed semi-annually to incorporate changes in space use.

Allocation Methodology: Cost of Space (cont'd)

- The Cost of Space modeling as implemented in Year 1 is not perfect, and we are committed to refining.
- This first-year Cost of Space serves as a baseline and provides a line of sight into space data and how it can be further segmented to reflect actual cost of using space:
 - Cost of Space for the first half of the fiscal year has been booked to units
- The Cost of Space Working Group has been reconstituted to identify refinements to Cost of Space in Year 2 and beyond:
 - Co-chairs: Megan Laures and Stu Evans
 - Sub-committees:
 - Financial Calculations and Accounting
 - Space Policies and Procedures

Political Shocks and Headwinds

- Institutional autonomy is no longer presumed; it is increasingly conditional. Public subsidy, research funding, and regulatory flexibility are being tied to measurable economic return, ideological alignment, and visible accountability—**rewriting higher education's social contract.**
- George Mason University has been one of the most scrutinized institutions in the country.
- Changes in state leadership have significantly reduced the scrutiny at the state level and significant changes in board governance have set the university on a better path to defending itself.
- That being said, at least five open investigations remain and another federal inquiry was launched in February.

Managing Investigations and Their Aftermath

- **The four C's of success**

- **Core values - Are our North Star** – Stay true to our core values.

- **Clarity** - Clearly articulate the importance of our work, what we will and will not do, and the damage that will occur if that work is interrupted or canceled

- Communication

- Process

- Positioning

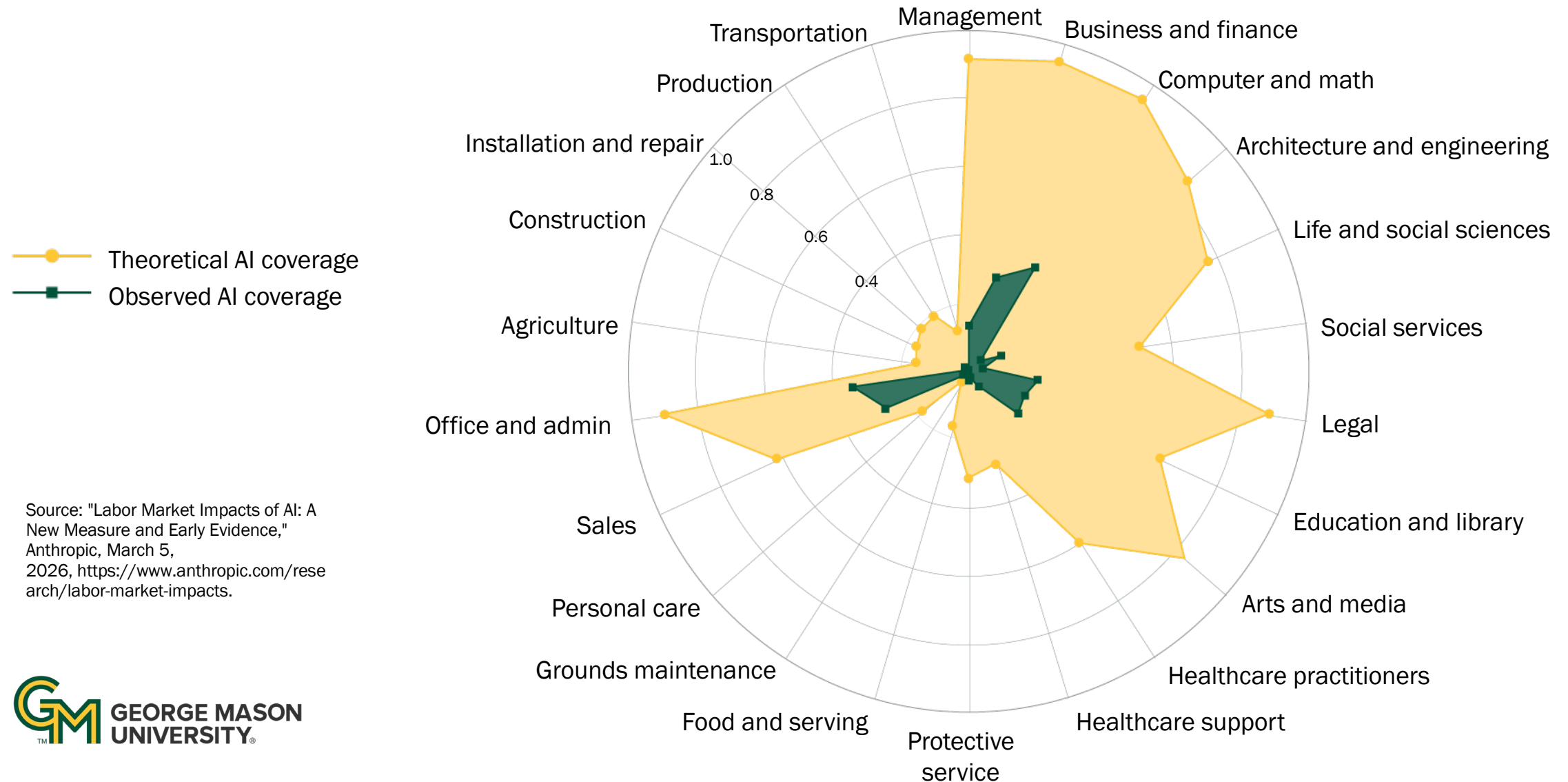
- **Coalition** - Find common ground with corporations, NGOs and other universities

- **Courage**

Technology Shocks and Headwinds

- Higher education faces a convergence of technology challenges that are strategic, operational, and existential. There is a real belief that higher ed is **not focused on the areas most important to the country.**
- Artificial intelligence is **reshaping** teaching, research, and administration **faster than governance structures can adapt**, raising issues of academic integrity, workforce redesign, and policy ambiguity.
- At the leadership level, these challenges collapse into four strategic tensions:
 - Innovation vs. Integrity
 - Efficiency vs. Employment
 - Openness vs. Security
 - Access vs. Advantage
- Institutions that handle these tensions deliberately will lead. Those that drift will react — **and reaction is expensive.**

AI: Theoretical Capability and Observed Usage by Occupational Category



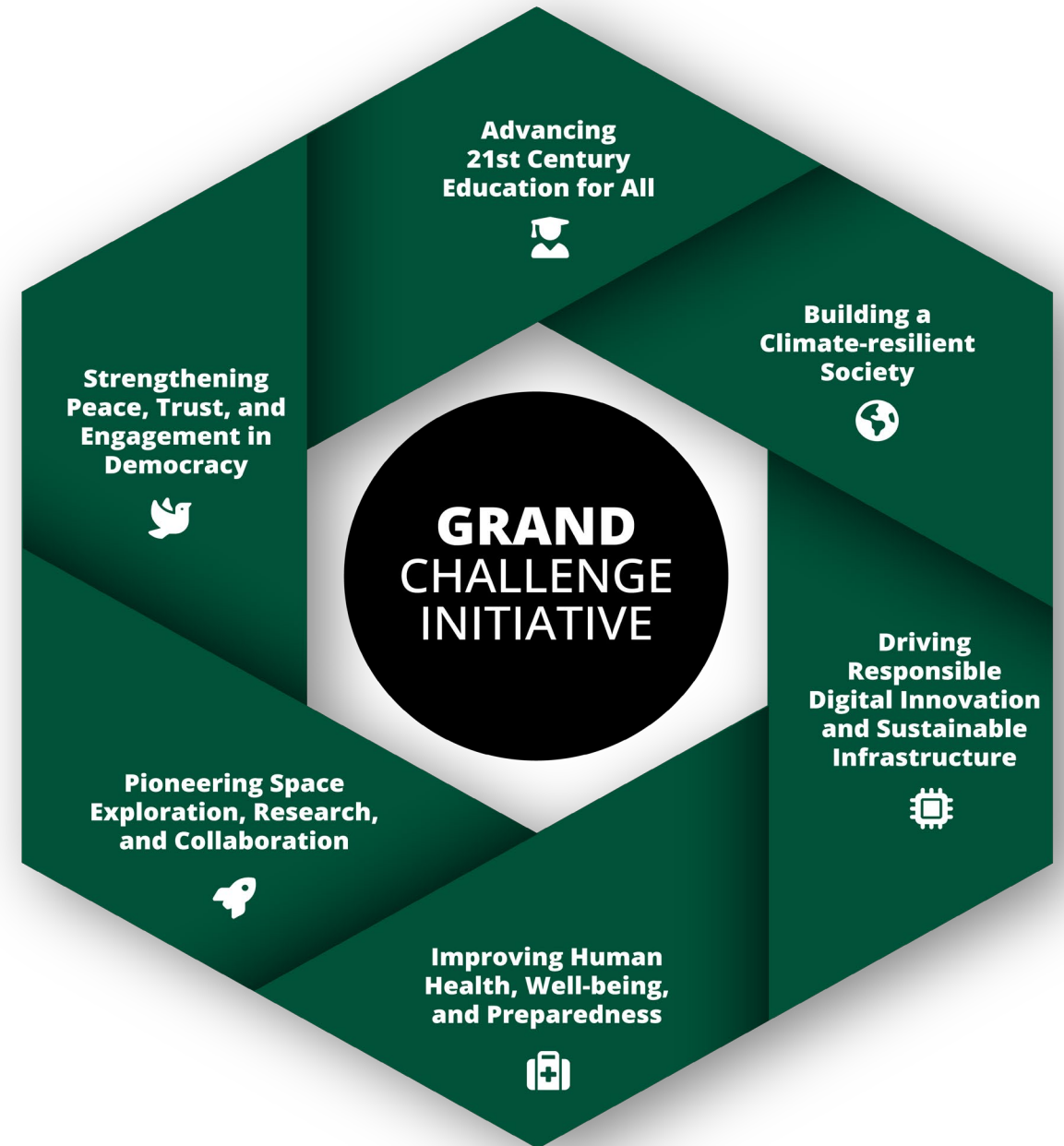
Source: "Labor Market Impacts of AI: A New Measure and Early Evidence," Anthropic, March 5, 2026, <https://www.anthropic.com/research/labor-market-impacts>.

Managing Technology Shocks and Headwinds

- Execute the Grand Challenge Initiative to develop and strengthen expertise in areas of national and global need
- Conduct a full enterprise systems audit (ERP, CRM, LMS, HR, Advancement, research admin) to establish an Enterprise Architecture Strategy (navigate from the patchwork model)
- Scale AI
 - Investigate how AI can automate with an eye towards efficiency: (admissions processing, advising triage, HR workflows, IT workflows, donor and alumni identification)
 - Expand effort to support AI expansion relative to discovery in engineering, health, and computational fields
 - Establish two new initiatives to support faculty and staff development of AI tools for teaching, grading, and advising
 - Develop a new set of metrics and KPIs to help guide and evaluate AI implementation

Grand Challenge Initiative

- Received 41 collaborative proposals (16 large, 25 small)
- Included representation from all schools, colleges, Mason Korea, and central units
- Currently out with external reviewers
- Awards made by April 30
- ORIEI wraparound support beginning Summer 2026



AI Implementation – University Wide

Analyze data efficiently and make predictions from unstructured data across the university

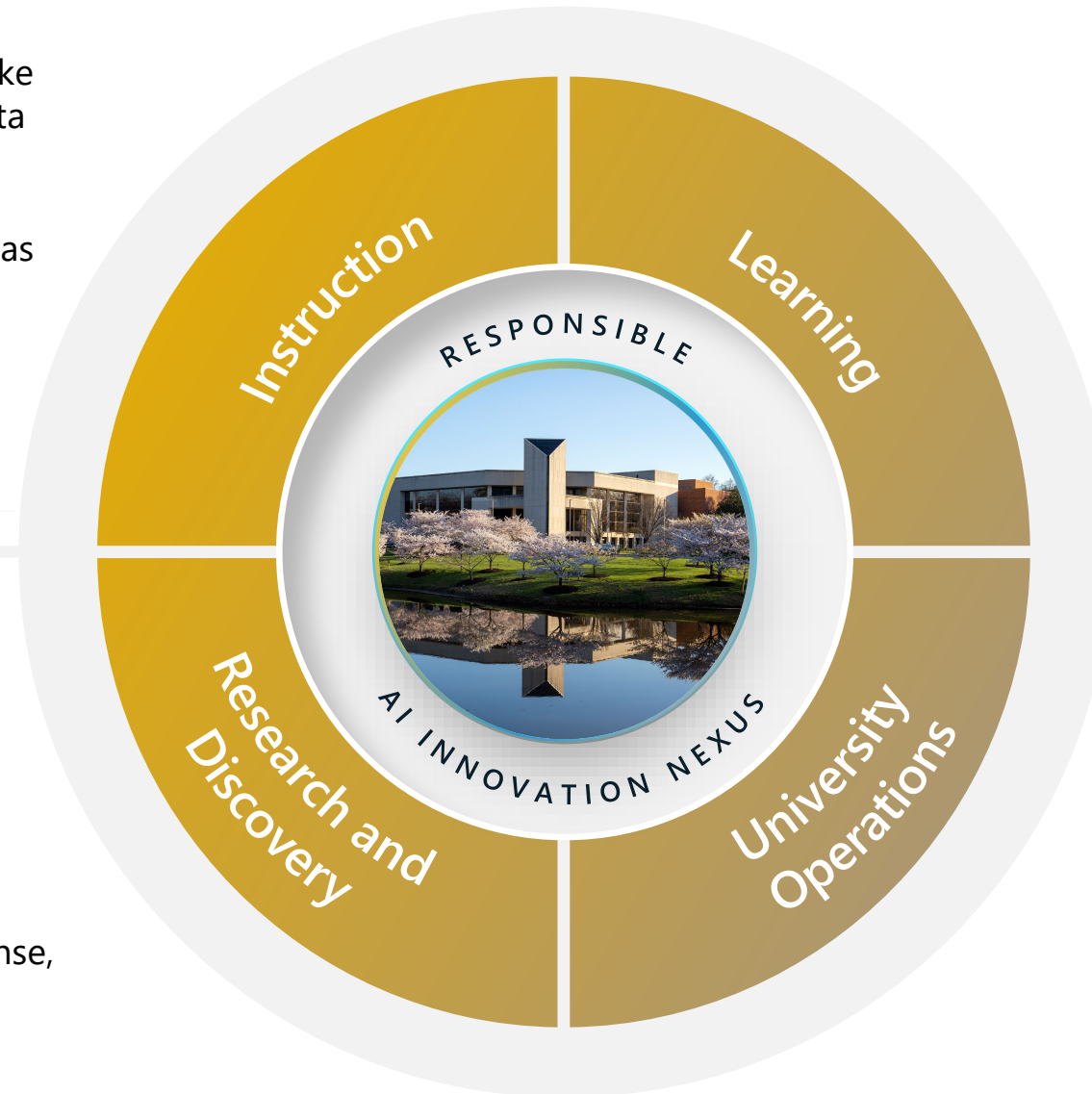
Automate repetitive tasks such as managing IT helpdesk tickets, course scheduling, and more

Unlock productivity and save staff time spent writing, searching, editing, and analyzing

Spark innovation with Azure OpenAI services across campus

Protect your data with the most comprehensive compliance and security controls in the industry

Defend at machine speed with quality detection, speed of response, and a strong security posture



Personalize learning with tailored content and targeted coaching. 3 AI Agents: CourseMate, DocuMate, PatriotPal

Engage learners with interactive experiences and real-time feedback

Enhance support services with recommended resources and personalized information

Build AI literacy among staff, educators, and students. With 3 AI Agents: SyllaBright, NourishNet, PatriotChat

Equip students with the skills they'll need to thrive in the future of work

Develop innovative curriculum that meets the demands of industry

Thank You!

감사합니다

¡Muchas Gracias!

Merci Bien!

感謝!



Ευχαριστώ!

СПАСИБО!

Grazie!

谢谢!

Vielen Dank!

Obrigado!

დიდი მადლობა!

Asante Sana!

Tak!