

THE CAMPAIGN FOR GRADUATE EDUCATION

Version 3.1
March 15, 2023

THE CASE FOR A CAMPAIGN

Nothing contributes more to the overall stature and reputation of the University of Virginia than the College and Graduate School of Arts & Sciences. The Graduate School of Arts & Sciences, in particular, is at the *heart* of UVA's competitive endeavors to achieve the highest-level national ranking. Our 1,000 students who are pursuing a PhD are key to deepening our strength in research. A relentless pursuit of excellence in graduate education is the central pathway to success.

An analysis of the top 25 institutions, ranked for the reputational value of the undergraduate experience, shows that those institutions have one thing in common—**they are all elite research universities**. The reasons for this are clear: high-performing research universities attract the greatest talent and resources. Together, talent and resources lead to the best outcomes in education, discovery, creativity, and benefits to the community.

High-performing research universities are distinctive quality engines: they attract and accumulate *non-monetary* resources in the form of talented staff, faculty, and students, and they leverage that talent to attract *monetary* resources in the forms of grants, contracts, and tuitions. They then use those monetary resources to draw *even more talent* and thus expand their resource base further.

In many respects, universities are engaged in a perpetual war for top talent who bring the greatest potential for this kind of value-generation. This is especially true for those who compete in the rarefied space of the top 1% of institutions, as UVA does. The capacity to compete for the best is dependent upon significant financial resources and for this reason, we have resolved to campaign.



COLLEGE *and* GRADUATE SCHOOL
of ARTS & SCIENCES

HONOR
the FUTURE
THE CAMPAIGN FOR THE UNIVERSITY OF VIRGINIA

THE BUSINESS MODEL

To fully understand why financial resources for Grad Ed are so important to attract top talent, it is important to understand the business model of graduate education, how it differs from the undergraduate business model, and how it *fuels the entire enterprise*.

The undergraduate education business model is tuition dependent: students and their families pay tuitions, which in *all* cases cover only a fraction of the real cost of education. The difference is bridged by state funding, federal financial aid, auxiliary revenues, and philanthropy. Even very well-resourced institutions are highly tuition-dependent for undergraduate education.

The business model for graduate education is not tuition dependent. Virtually no doctoral students pay tuition for their education. Additionally, most doctoral students receive significant subsidies for housing, insurance, and modest living expenses. These “financial packages” are important determinants in each student’s decision whether to choose UVA to pursue their PhD or go elsewhere where the offer is sweeter. In recent years, we have lost far too many of our most promising applicants because our offers were not sufficiently competitive.

Dedicating substantial resources to graduate education, thereby advancing discovery, is part of how we realize our service to the greater good.

Further, this investment is a clear requirement to power a virtuous circle of **talent recruitment**:

- **Great graduate students** are most attracted to universities with great faculty.
- **Great faculty** *demand* to work with great graduate students and are most attracted to universities where such students are present.
- **Great teaching** by great faculty essentially depends on great graduate students who deliver undergraduate lectures, tutor and mentor undergraduate students, and prepare undergraduate students for more advanced study.

Without the best graduate students, the high-performing value engine cannot perform at its best. The future of the College and Graduate School of Arts & Sciences (and UVA as a whole) essentially rests on the outcomes of graduate education. And competition for the best is fierce. Our competitors are not standing still—the strategic plans and campaign goals of our peers and aspirants reveal that they are all seeking targeted expansion of graduate education with an eye toward simultaneously elevating quality. In short—**we can’t wait.**

BY THE NUMBERS

The annual budget for the Graduate School of Arts & Sciences is approximately \$50 million. Nearly all of this supports about 1,000 graduate students enrolled across 21 departments in Arts & Sciences.

A recent analysis of Arts & Sciences’ graduate programs revealed that the level of living support provided to our PhD students was ***not*** competitive relative to peer institutions.

UVA COMPETITOR’S STIPENDS 2023

MINIMUM 9-MONTH* INSTITUTIONAL FUNDING

University of Colorado Boulder	\$ 42,165
Duke University	\$ 38,000
University of Pennsylvania	\$ 38,000
Princeton University	\$ 34,200
Columbia University	\$ 33,324
University of California-San Diego	\$ 33,008
University of Chicago Division of Social Sciences	\$ 33,000
Harvard University	\$ 31,941
Brown University	\$ 31,809
Cornell University	\$ 30,088
Yale University	\$ 28,725
Northwestern University	\$ 27,720
Stanford University	\$ 27,122
University of Michigan	\$ 24,054
The Ohio State University	\$ 22,815
UNIVERSITY OF VIRGINIA	\$ 22,500
Pennsylvania State University	\$ 22,005
University of North Carolina - Chapel Hill	\$ 20,000
University of Illinois at Urbana	\$ 20,000
University of Maryland - College Park	\$ 18,750
University of Texas Austin	\$ 18,306
University of Pittsburgh	\$ 18,000

Students who apply to UVA also apply to these institutions, leaving us at a competitive disadvantage.

(See Exhibit C for win/loss results)

**Data for all universities normalized to 9 months for valid comparison to UVA.*

Note: Actual stipends vary by departments.

The relative weakness of our stipends impacted student recruitment, student productivity, degree completion, and student satisfaction. UVA was not merely under-performing; it was fundamentally **not competitive**—even for our most prestigious programs.

**It was clear that immediate action was necessary,
but each option carried significant risk:**

OPTION ONE: Make graduate support more competitive by reducing the number of students supported.

RISK: This move would benefit specific individuals, but over the longer term could reduce the power of the university's quality engine.

OPTION TWO: Make graduate support more competitive by cutting undergraduate education funding (i.e. by increasing class sizes, growing the revenue base with higher enrollments, etc.)

RISK: This is a move that some competitors have undertaken, and others contemplate. It would likely damage one of the most cherished features of the University – the undergraduate experience.

OPTION THREE: Build the resource base to strengthen our competitive position.

RISK: While it is imperative to build resources, this is a strategy less likely to succeed on its own because it essentially means outrunning our aggressive competition from a position where we are already behind.

Therefore, and emboldened by feedback from College Foundation Board leaders, the Dean made aggressive moves to pursue strategic options 1 and 3 simultaneously to make a significant play for competitive advantage. This meant admitting fewer students while *intensively* striving to build the resource base.

(See Exhibit A - Changes in Program Sizes by Department)

In December 2022, a critical period for student recruitment, we announced an unprecedented 20% increase in the minimal level of support for graduate students in Arts & Sciences with even more support for select programs that require more time to complete the degree.

(See Exhibit B - Chemistry, An Example of Increased Stipend)



COLLEGE and GRADUATE SCHOOL
of ARTS & SCIENCES

HONOR
the FUTURE
THE CAMPAIGN FOR THE UNIVERSITY OF VIRGINIA

While this was an essential step in the right direction, our new minimum is **still** below the support offered by many of our peers and aspirant competitors.

The University understands the urgency of this challenge and the ways in which the institution's reputation is at stake in the outcome. As a result:

University leadership has committed significant resources to co-invest alongside donors who fund new endowments for graduate education.

This commitment is an endorsement of the Dean's decision to enact an immediate contraction while simultaneously committing to pursue strategically-focused expansion as the resource base builds.

THE CAMPAIGN: NAMED ENDOWMENT FUNDS

Our new campaign prioritizes named endowment funds, each of which contributes to strengthening our graduate programs in ways that support distinctive competitive advantages.

1. Endowed Graduate Fellowships

150 named graduate fellowships (eligible for university co-investment) will allow us to realize a desired level of growth in twelve priority departments and allow for academic innovation through the launch of a new PhD program in Media Studies.
(See Exhibit A - Changes in Program Sizes by Department)

2. Endowed Graduate Excellence Funds

General endowments (eligible for University co-investment) will enable us to achieve growth in our base fellowship packages across the Graduate School, further improving our competitiveness for top students.

CONCLUSION

Rarely have we seen a moment like this. A transformational opportunity has emerged as the number one priority of the dean. This priority, coupled with endorsement from University leadership and labeled a strategic necessity, is backed by millions in incentives for donors to double the amount of philanthropic support for the Graduate School of Arts & Sciences. There is no investment that can lead to more success in attracting the strongest applicants, in winning more federal research grants, in recruiting (and keeping) our best faculty, and in enhancing the undergraduate academic experience. There is no lever the Arts & Sciences can pull that has greater impact on the University becoming the nation's number one public university once again.

Since its founding, the College Foundation, its trustees, and countless donors have taken on ambitious challenges to continuously elevate UVA. Starting with the campaign to build the South Lawn complex, followed by the Faculty Forward Campaign, the Democracy Institute, and most recently the innovative first-year Engagements Curriculum, the Foundation accomplishes big things. It is now time to commit ourselves to the next transformative campaign. We must double our philanthropic support for the Graduate School of Arts & Sciences by building a \$150 million endowment. Leadership, purpose, and resources—of these, only resources are lacking. How will you help?

APPENDICES

Exhibits

- A Changes in Program Size by Division
- B Chemistry, An Example of Increased Stipend
- C Win/Loss/Yields with Competing Universities

EXHIBIT A

CHANGES IN PROGRAM SIZE BY DIVISION

(# of Graduate Students)

DIVISION/PROGRAM	2022	2023 ADJUSTMENTS	*2030 ASPIRATION
Total	1038	950	1100
Arts & Humanities	290	246	269
Social Sciences	223	177	246
Sciences	525	527	**585

**Aspirational figures are provided for illustration purposes only.*

***Growth in the Sciences is augmented by external grants.*

CHEMISTRY, AN EXAMPLE OF INCREASED STIPEND

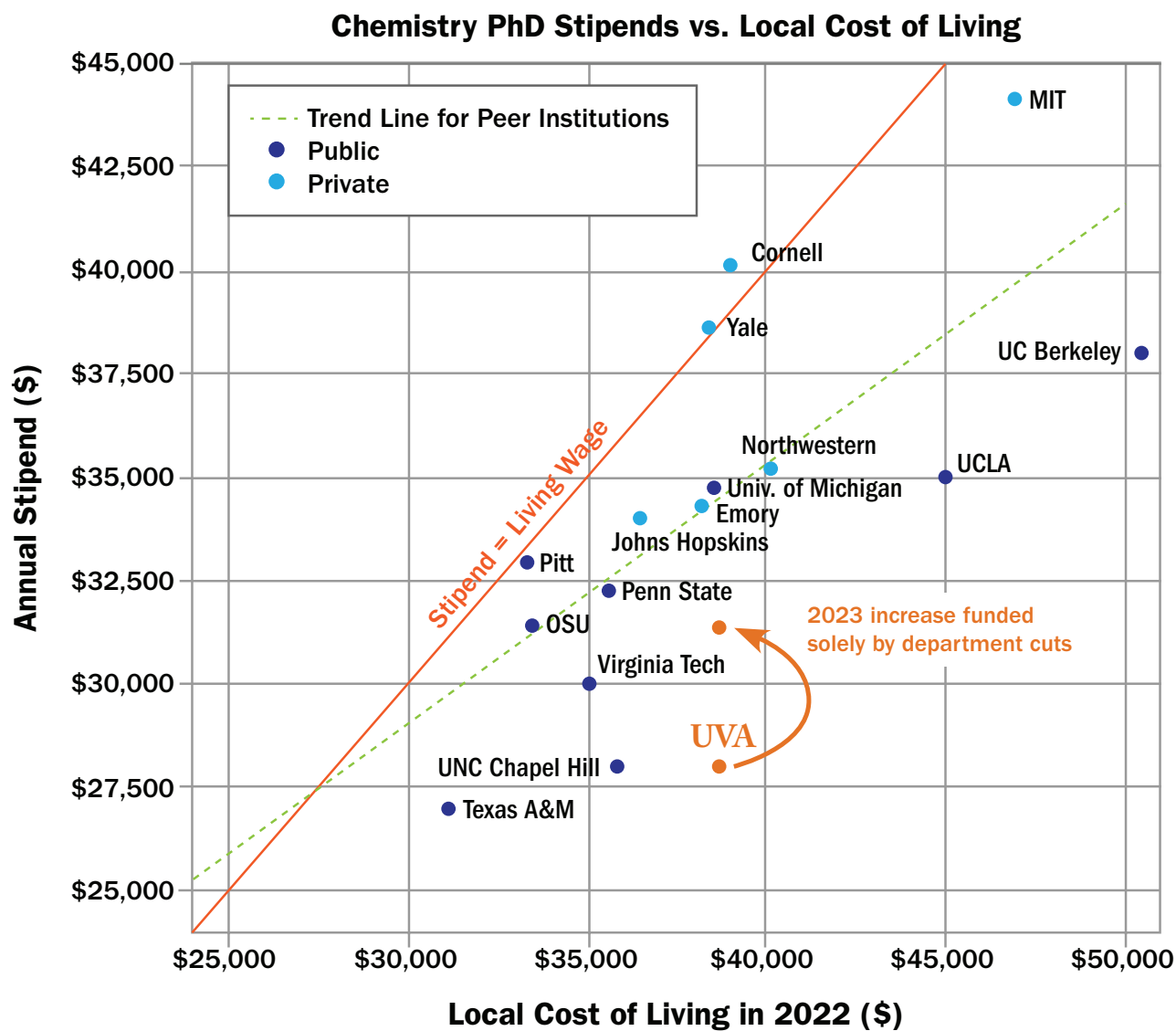


EXHIBIT C

When students apply to UVA and another institution, how often do we win?

COMPETING UNIVERSITY	WIN %
Northwestern University	0%
Princeton University	0%
Yale University	0%
University of California Berkeley	8%
Cornell University	9%
Columbia University	9%
Harvard University	11%
Stanford University	13%
Duke University	13%
University of Wisconsin-Madison	24%
University of Pennsylvania	25%
Johns Hopkins University	25%
University of North Carolina Chapel Hill	26%
University of Texas at Austin	27%
Washington University at St. Louis	30%
University of California San Diego	30%
New York University	30%
Rice University	33%
University Of Chicago	36%
University of California Los Angeles	38%
University of Michigan Ann Arbor	38%
University of Illinois at Urbana-Champaign	39%
University of California Santa Barbara	44%
University of Maryland	45%
University Of Notre Dame	47%
Vanderbilt University	50%
University of Minnesota	50%
Ohio State University	54%
Pennsylvania State University	55%
North Carolina State University	55%
Indiana University Bloomington	57%
University of Pittsburgh	75%
Virginia Polytechnic Inst St U	77%

Note: Percentages are based on a relatively small sample of recent experience, but are representative of overall competitiveness.