Longwood University
Operating Budget and Plan

FY 2026-27

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2026-27 Plan Highlights

This section provides an overview of the University's Fiscal Year 2027 operating budget. Detailed budget information is provided in the supporting tables. Highlights of the proposed plan are presented below.

Continued Strong State Funding

This year, the General Assembly has met in a combination of regular and special sessions that began January 14, 2026, and has continued in ongoing negotiations. As of the date this operating plan was prepared in May 2026, there has not been an approved or signed budget for FY 2027. Assumptions in this plan are based on the second year of the biennium budget that was adopted in June 2025.

Minimal Tuition Increase Coupled with Spending Guardrails

For FY 2027, tuition is proposed to increase 3.68%, along with associated fee increases. These changes cover inflationary costs and costs associated with base salary and benefit increases.

The projected institutional budget for FY 2027 is $167,723,512 which excludes $10,073,929 in state appropriation for student financial assistance and $4,395,130 from local sources. Longwood University is increasingly utilizing local funds to support initiatives across all areas of the institution.

The Educational and General Programs budget, which includes both general and non-general funding sources, is composed primarily of expenditures and revenues in the Instructional programs. The total planned expenditure for FY 2027 is $94,479,891.

In FY 2027, Longwood will contribute $77,500 to fund faculty promotions.

Auxiliary Services

The second major component of the University's total budget is Auxiliary Services, which includes activities such as student housing, dining services, parking and athletics. The proposed Auxiliary Services budget is $73,243,621 for FY2027, comprehensive fees are proposed to increase 4.53%. These additional charges cover inflationary costs, debt service changes and costs associated with base salary and benefit increases.

Assessment Committee Priorities

The Assessment Committee of the University Planning Council identified one item which was endorsed by the Finance Committee to recommend funding for the FY2027 academic year. The selected item was for $4,581 to the Office of Student Conduct & Integrity to purchase iPads and accessories to assist in digitizing three key workflows and reduce manual processing time.

2026-27 General Assembly

The state appropriation amount included in this operating plan assumes Longwood's current total Educational and General (E&G) appropriation. This operating plan assumes The Department of Planning and Budget will provide a central adjustment of $876,156 in FY 2027. This adjustment is due to the classified salary increase of 2%, benefit, health insurance increases, and other miscellaneous adjustments that will occur in FY 2027.

Financial Aid

General fund support for student financial assistance in FY 2027 has increased by $351,000 for a total of $10,073,929.

Southside Virginia Regional Technology Consortium

Funding is expected to be level at $108,905 for the SVRTC in FY 2027.

Sponsored Programs

Longwood University's sponsored programs are estimated at $5,828,393 for FY 2027, remaining at the same level from the previous fiscal year.

Higher Education Equipment Trust Fund

Funding for the FY 2027 Equipment Trust Fund (ETF) program of $743,433 in general fund will be appropriated to Longwood. This is unchanged from the previous year.

Out-of-State Capital Fee

Out-of-state students are required to pay 100% of the average cost of their education. Additionally, non-resident students will pay $23 per credit hour as a mandatory capital fee. The amount of capital fees that will be paid by the University to support state capital project debt service on bonds issued under the 21st Century Program remains unchanged at $106,149.

Capital Funding

Longwood's Maintenance Reserve funding for FY 2027 is $1,380,012.

2026-27 Educational and General Program Priorities

The University's 2026-2027 Educational and General budget is based on priorities that support the strategic plan. After carefully examining the revenue projection for FY 2027, and evaluating requests from institutional areas, funds were allocated for strategic initiatives. The recommended expenditure includes funds for the following:

- Enrollment Management
- Quality Enhancement Plan
- Faculty Promotions
- Telecommunication Provider Transition

2026-27 Auxiliary Services Program Priorities

The University's 2026-2027 Auxiliary Services budget is based on the program priorities listed below. Auxiliary activities are required to be self-supporting and must maintain sufficient fund balances for operations, equipment replacement and maintenance reserves. The Board of Visitors approved housing and dining rate increases on December 5, 2025. Comprehensive fees are proposed and will be approved at the Board of Visitors meeting in June.

Auxiliary Indirect Cost Rate

The Auxiliary Services operations are charged an indirect cost recovery rate for services provided by educational and general operations (such as payroll processing, purchasing, billing services, and facilities administration). The auxiliary cost study is submitted to SCHEV prior to the beginning of each biennium. The indirect cost rate for the 2026-2028 biennium is 16.84%. This is a 4.57% increase from the prior biennium.

Housing & Dining

Combined, Housing and Dining are self-supporting operations and contribute to any needs in comprehensive fee budgets.

Comprehensive Fee Budgets

The comprehensive fee is used to support many auxiliary programs and services including intercollegiate athletics, recreation and intramural programs, the student union, student health and wellness services, debt service, and repair and maintenance on non-general fund supported facilities. Specific examples for FY 2027 include:

- Auxiliary Facility and Grounds Maintenance Reserve Planning
- Cox Residence Hall Back Online

Longwood University
FY 2026-27 Financial Overview

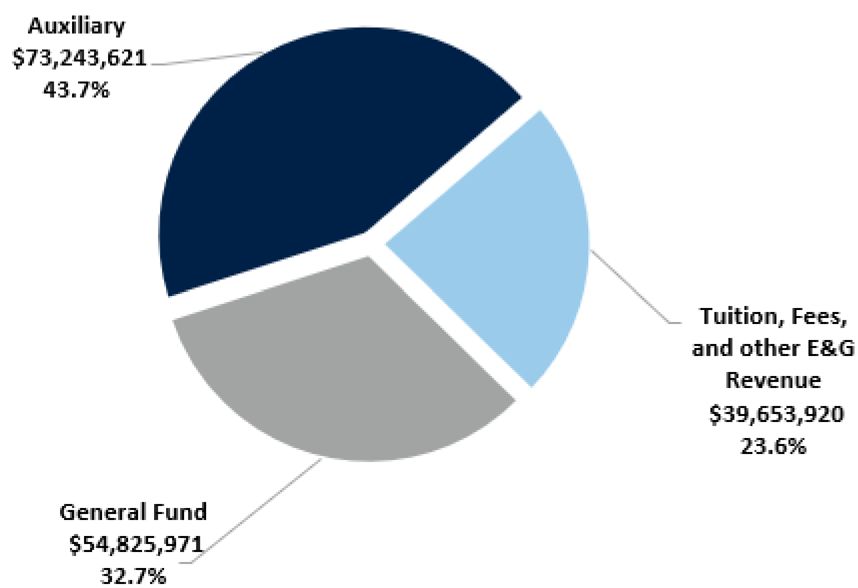
Educational and General	FY2026 Actual	FY2027 Budget
Revenues		
Tuition, Fee, and other E&G Revenues	37,223,670	39,553,920
State Appropriation – General Fund	53,332,034	54,825,971
Federal Workstudy	50,000	100,000
Total Revenues	90,605,704	94,479,891
Expenditures		
Instruction	44,458,202	45,994,959
Public Service	595,362	574,012
Academic Support	8,619,122	8,956,814
Student Services	5,196,538	5,636,149
Institutional Support	20,799,084	22,007,452
Facilities Operations	9,568,913	10,214,866
Scholarships	2,995,639	2,995,639
Salary Savings	(1,627,156)	(1,900,000)
Total Expenditures	90,605,704	94,479,891
Auxiliary Services		
Revenues		
Housing	26,236,865	29,904,223
Dining	9,969,569	10,115,957
Comprehensive Fee	21,722,856	22,656,939
Miscellaneous Revenue	4,154,397	4,071,647
Component & Philanthropic	6,872,879	6,390,555
Federal Workstudy	154,300	104,300
Total Revenues	69,110,866	73,243,621
Expenditures		
Housing	25,144,547	29,929,888
Dining	9,956,147	10,235,957
Athletics	10,467,848	11,436,751
Other Services	12,603,670	13,758,563
Scholarships	6,421,952	4,659,918
Debt Service	4,816,702	3,522,544
Salary Savings	(300,000)	(300,000)
Total Expenditures	69,110,866	73,423,621
Institutional Total Expenditures	159,716,570	167,723,512

*Appropriation excludes Higher Education Student Financial Assistance of $9,722,929 in FY 2026 and $10,073,929 in FY 2027.

*Dashboard excludes $4,395,130 in projected local operating revenue/expenses.

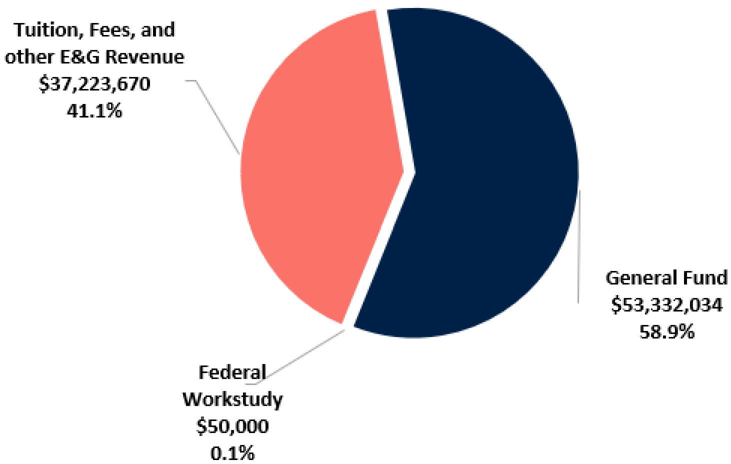
*FY26 Actual based on Quarter #4 forecast

2026-27 Total Revenue by Category

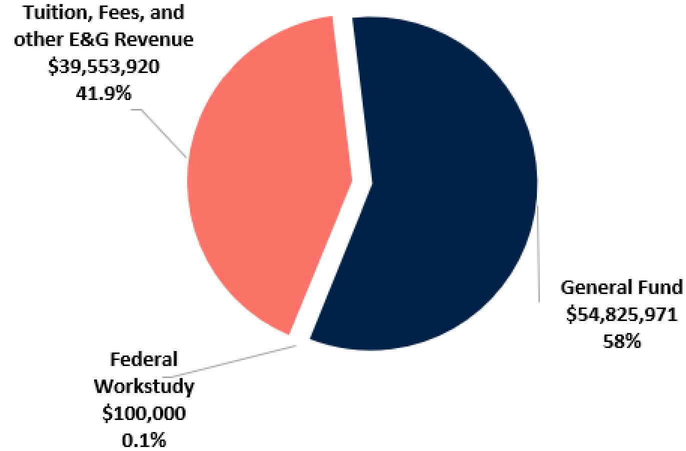


2026-2027 Revenue: $167,723,512

2026-27 Educational and General Revenues by Previous Year Comparison

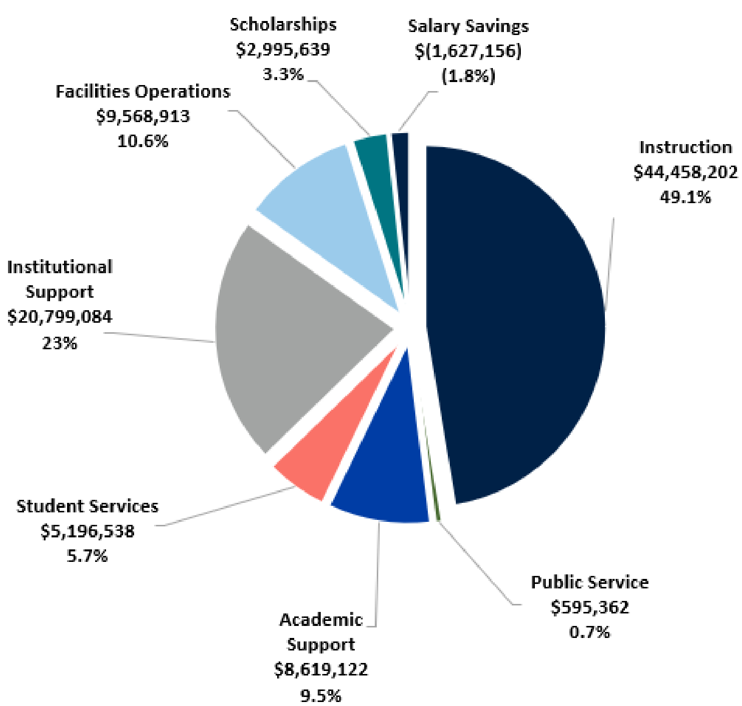


2025-2026 E&G Revenue: $90,605,704

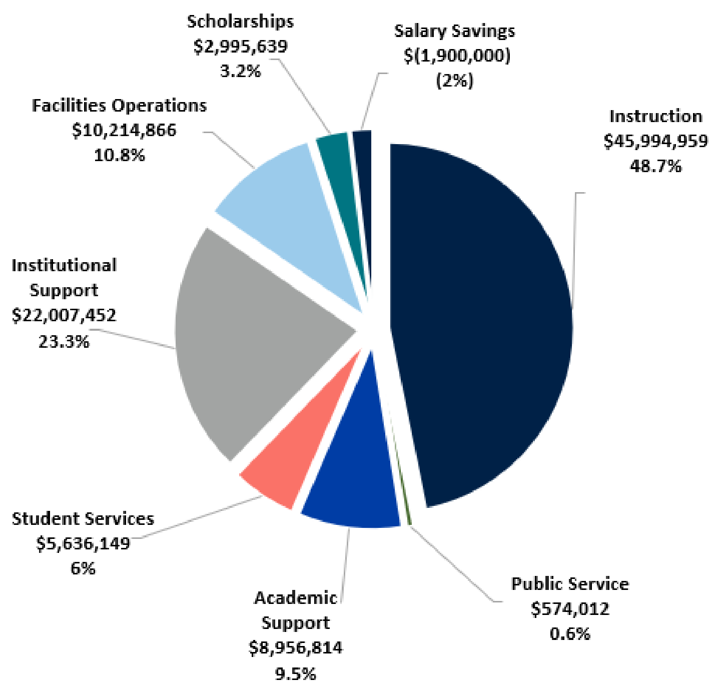


2026-2027 E&G Revenue: $94,479,891

2026-27 Educational and General Expenditures by Previous Year Comparison

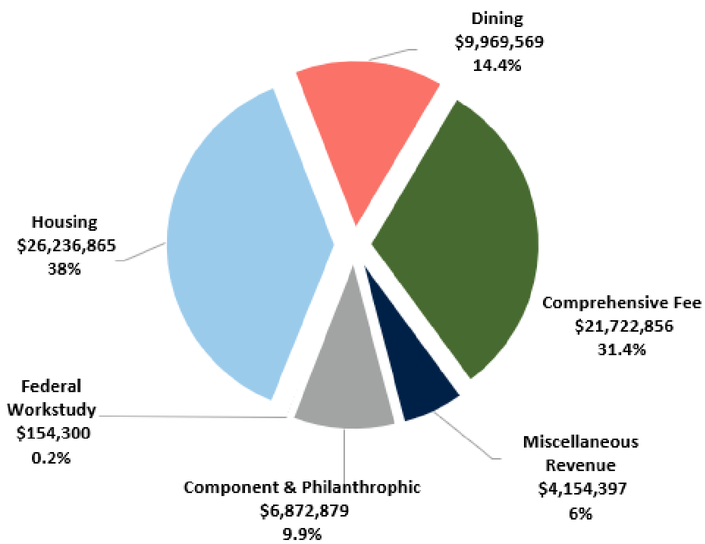


2025-2026 E&G Expenditures: $90,605,704

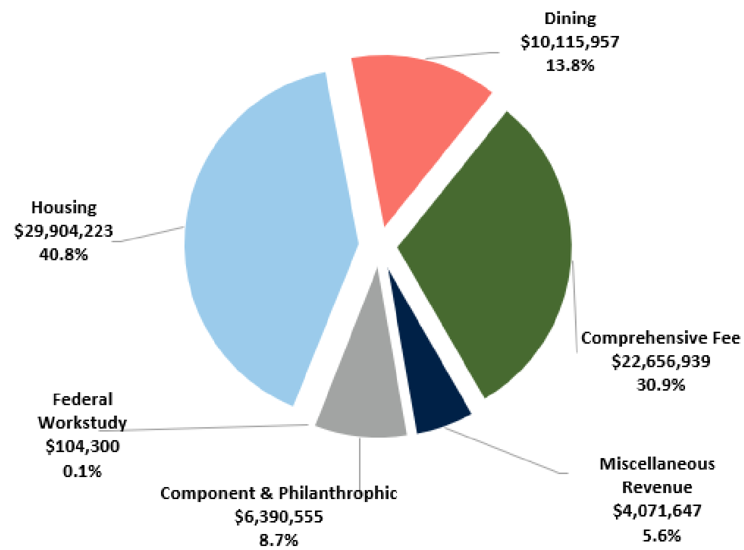


2026-2027 E&G Expenditures: $94,479,891

2026-27 Auxiliary Services
Revenues by Previous Year Comparison

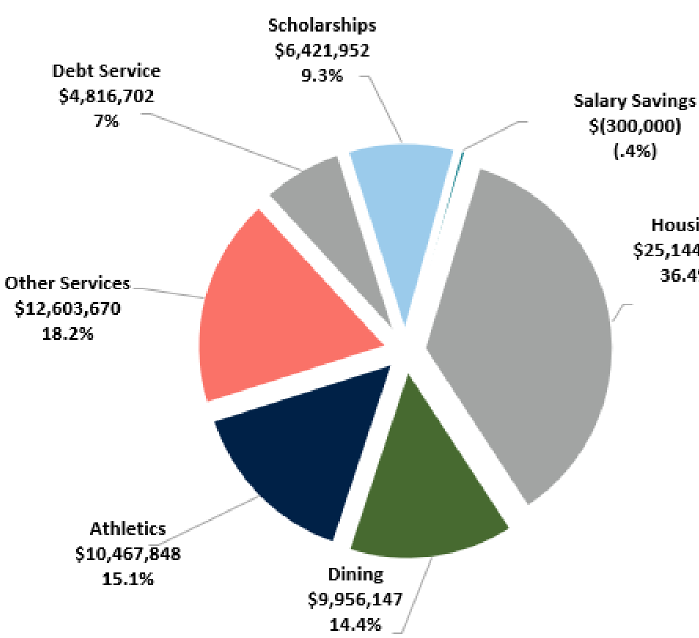


2025-2026 Auxiliary Revenue: $69,110,866

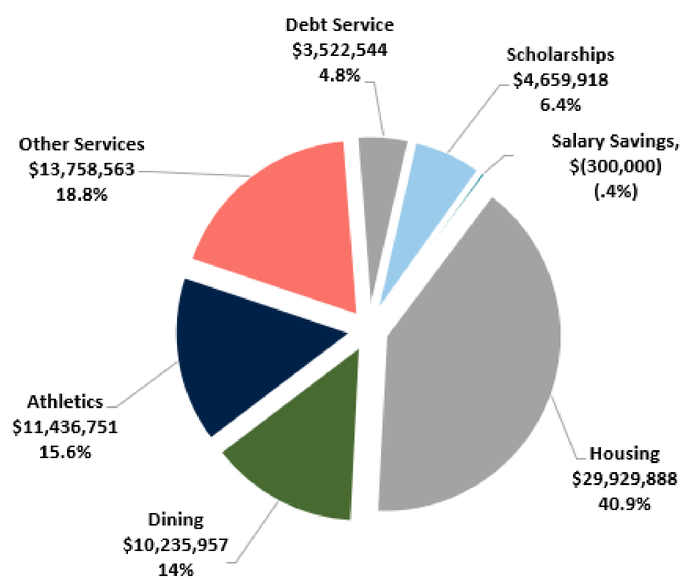


2026-2027 Auxiliary Revenue: $73,243,621

2026-27 Auxiliary Services
Expenditures by Previous Year Comparison



2025-2026 Auxiliary Expenditures $69,110,866



2026-2027 Auxiliary Expenditures $73,243,621

Budget Allocation Ratio

This ratio reflects the amount of expenditures, by function, as a percentage of total educational and general expenditures and mandatory transfers. Major shifts in the various percentages may reflect a change in funding priorities.

Formula: Expenditure Budget (by function)/Total Educational and General Education Budget

	Fiscal Year	
	2026 Actual	2027 Budget
Instruction and Academic Support	58.10%	57.10%
Public and Student Services	6.12%	6.25%
Institutional Support	22.26%	23.19%
Facilities Operations	10.22%	10.21%
Student Aid	3.30%	3.17%

Longwood remains in a strong position

The allocation ratios for Longwood University show slight shifts from the last fiscal year. The following contributed to changes in expenditure budgets:

- All areas remain relatively unchanged from the previous fiscal years, any increases are due to legislative mandated salary and benefit increases, of which was a 13% increase to health insurance premiums.

Local Operating Budget

Longwood University is increasingly utilizing local funds to support initiatives across all areas of the institution.

	FY2026 Actual	FY2027 Budget
Academic Affairs	813,450	1,606,111
Advancement	524,911	565,019
Athletics	1,059,365	1,200,000
Other Local	867,962	1,024,000
Total Operating	3,265,688	4,395,130

*FY2026 Actual is as of month ending April 30, 2026.

Debt Burden Ratio

The debt burden ratio examines the University's dependence upon borrowed funds as a means of financing its mission. It compares the level of debt service with the institution's budgeted expenditures.

A level trend or a decreasing ratio over time indicates that debt service has sufficient coverage without impinging further on other functional areas. The standard for higher education is up to 7 percent, meaning current principal and interest expense should not exceed 7 percent of the total budget.

The actual percentage will vary based upon the financial strength of the institution. Institutions with greater flexibility in allocating funds will be able to take on additional debt. Longwood participates in the state bond program which is based on fixed rates. Debt does not increase without budgeting an increase in funds available to pay the financial obligations.

In March 2007, the Board of Visitors approved an institutional debt ratio of up to 9 percent to facilitate the completion of non-general fund projects approved by the General Assembly.

Formula: Annual debt service payment/Total projected expenditure budget

	FY2026
Longwood Debt Burden Ratio	2.1%

Glossary

Academic Support: Includes activities conducted to provide support services to the institution's three primary programs: instruction, research and public service. Examples include the library, deans, academic technology, and academic service center and disability resources.

Appropriation: An expenditure authorization with specific limitations as to amount, purpose, and time; formal advance approval of an expenditure from designated resources available or estimated to be available.

Auxiliary Services: Activities within the University that exist to furnish goods or services directly or indirectly to students, faculty and staff. These activities charge fees directly related to, but not necessarily equal to, the cost of the service. Auxiliary services must be self-supporting.

Banner: Longwood’s administrative information system that integrates Finance, Student and Human Resources modules within a single enterprise system.

Direct Sales (Auxiliary): Sales of auxiliary services, to include facility rental, bookstore income, parking decals/fines and recreation center memberships.

Educational & General (E&G): Term used to describe all operations related to the institution’s educational objectives.

Full-Time Equivalent (FTE): A means for expressing part-time students or faculty as a full-time unit. The formula is generally based on credit hours. Example: An institution may define full-time as being twelve credit hours, so a student (or faculty member) taking (or teaching) three credit hours would then equal .25 FTE.

General Funds: Revenue received from the State from the collection of taxes, fees and other charges.

Grants and Contracts (Sponsored Programs): Sponsored program funds are generated through a grant or contractual agreement. Funds may be provided by state, federal, local or private entities. Sponsored program funds must be expended for the purposes outlined in the respective grant/agreement.

Indirect Costs: Fee charged to grants or contracts to pay for the use of university facilities, i.e., overhead.

Institutional Support: Activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding physical plant operations. Examples include the President, Vice-Presidents, institutional research and assessment, administrative technology, public relations, financial operations, internal audit, human resources, and safety and security.

Instruction: Includes all activities that are part of the institution's instructional program, primarily all academic departmental operations.

Mandatory Transfers: Transfers arising out of (1) binding legal agreements related to the financing of the educational plant, such as amount for debt retirement, interest and required provisions for renewals and replacements of plant, not financed from other sources, and (2) grant agreements with agencies of the federal government, donors, and other organizations to match gifts and grants to loan funds and other funds.

Miscellaneous E&G Revenues: Includes non-general fund revenues derived from the sale of goods or services that are incidental to the conduct of instruction, research or public service. Examples include revenues from facility rentals, payment plan fees, administrative fees and indirect costs.

Non-general Funds: Tuition, fees, and all other funds not received from the State. This includes grants and contracts income.

Non-mandatory Transfers: These transfers serve a variety of objectives such as moving monies generated in auxiliary enterprise fund groups to an E&G fund group or to a capital outlay fund group for use in providing project funding.

Operation and Maintenance of Plant: This category includes the operation and maintenance of the physical plant. It includes all operations established to provide services and maintenance related to campus grounds and facilities. It also includes utilities, insurance, facilities management, custodial services, sustainability and power plant operations.

Public Service: Includes all funds expended for those non-instructional services established and maintained to provide services to the general community or special sectors within the community. Community service is concerned with making available to the public various resources and unique capabilities that exist within the institution. The Longwood Small Business Development Center is included in this category.

Restructuring: Legislation that allows institutions of higher education varying levels of decentralization in the areas of procurement, personnel and capital outlay while establishing commitments and performance measures for the institutions.

Student Fees (Auxiliary): Student dining, housing and comprehensive fees.

Student Services: Those activities whose primary purpose is to contribute to students' emotional and physical well-being and to their intellectual, cultural and social development outside the context of the formal instruction program. Examples include academic and career advising, admissions, registration, financial aid and student success.

Tuition and Fees: Non-general funds that include all tuition and fees assessed against students for current operating purposes. Fees include application fees, registration fees, course fees and on-line fees.