

AUBURN UNIVERSITY Budget and Funding Update

Presented to the General Faculty
Meeting
October 13, 2009

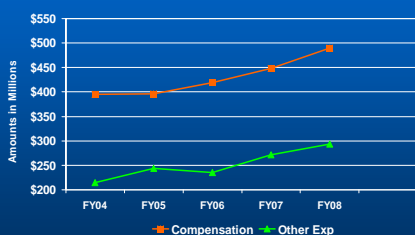


Agenda

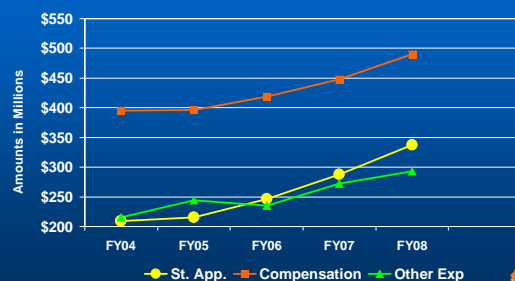
- Review of AU state appropriation funding
- Stimulus funding and outlook



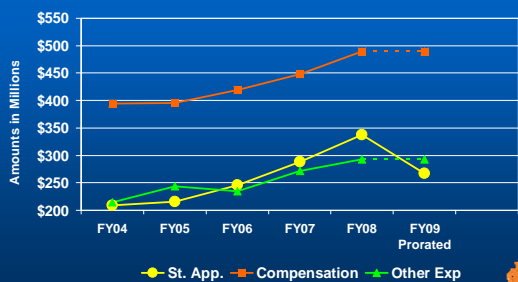
Auburn University Total Expenses All Divisions



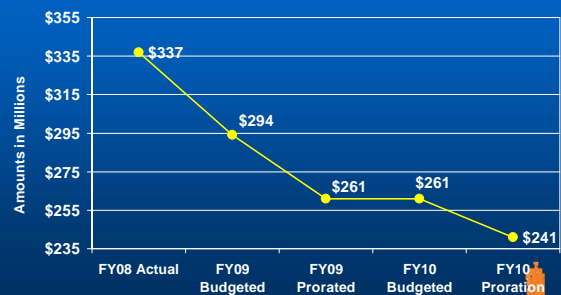
Auburn University Total Expenses to State Appropriations – All Divisions



Auburn University Total Expenses to State Appropriations – All Divisions



Auburn University State Appropriations– All Divisions



State Appropriations after Proration

	FY08	FY09	FY10	FY10
	Actual	Actual	Budget	Prorated
AU	\$220.0M	\$170.7M	\$168.7M	\$156.1M
AUM	30.9M	24.8M	25.2M	\$ 23.3M
AAES	41.2M	31.8M	32.4M	\$ 30.0M
ACES	44.6M	34.1M	34.4M	\$ 31.8M
	\$336.7M	\$261.4M	\$260.7M	\$ 241.2M

12% perm decrease and
11% proration in FY09

7.5% proration



State Appropriations Update –All Divisions

- Began FY09 with 12% budgeted reduction in state appropriations - \$43M
- Additional reductions occurred during FY09
 - 11% total proration in FY09
 - 9% initially, 2% announced in August
 - Resulted in AU receiving \$32.3M less than budgeted
- Total reductions in FY09 - \$75.3M
- 7.5% proration announced for FY10 - \$19.5M
- Total loss of state appropriations to date - \$171M



FY10 Proration

- Main Campus
 - Proration reserve, tuition reserve and fringe savings will cover 2/3 of \$13M reduction
 - Additional 1.5% across the board one-time budget give-back will cover 1/3



STIMULUS FUNDING



Stimulus

Two sources: State Fiscal Stabilization Funds (SFSF) and Competitive Federal Awards.

SFSF funding allocated to Auburn University in legislative appropriation for the fiscal year 2010 :

Auburn Campus	\$16.9M
AUM	2.1M
AAES	3.3M
ACES	3.6M
Total Auburn SFSF	\$25.9M

Expect total of \$51.8M will be received over the 2 year period

Website: www.auburn.edu/ARRA/



FY10 SFSF Allocations-Main Campus

Funding GTA, part-time and temporary faculty positions	\$9.2M
Nursing position funding	100K
Graduate Opportunity Program	150K
Honors Program personnel	750K
Library subscription contract	<u>1.2M</u>
Total to academic programs	\$11.4M



FY10 SFSF Allocations –Main Campus (cont.)

Install/Upgrade wireless on campus	\$ 1.0M
Increase capacity of Blackboard learning	200K
Upgrade classrooms - multi-media capabilities	755K
Safety equipment purchases: Cameras, etc.	780K
Enrollment recruiters	118K
Transit expansion	400K
Renovation projects	<u>2.2M</u>
Total other allocations	\$ 5.5M



FY10 SFSF Allocations-AUM, AAES, ACES

AUM

Job retention/creation	\$1.4M
Facility repair/renovation	\$707K

AAES

Faculty/research position retention	\$3.3M
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ACES

Extension education/support position retention	\$3.6M
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• OUTLOOK



Going Forward

- In FY10 Stimulus will offset one-time budget reductions already identified in academic units (no offset for academic support units)
- Additional proration is possible
- If consistent with FY09, amount of proration will be reflected as a permanent cut in FY11 beginning appropriation total



Challenges

- Bringing continuing revenues in line with continuing expenses
- Continued increases in benefit costs – TR, PEEHIP, Health Insurance
- Continued increases in building costs
 - operations and maintenance of new and existing buildings
 - renewal and replacement of buildings
 - Debt service
- Need to address salary improvements for faculty and other employees

