

# **AUBURN UNIVERSITY FY13 Budget**

**Presented to the Board of Trustees  
September 21, 2012**



## **Agenda**

- **Review of Proposed Budget Guidelines**
- **Review of Actual Funding Sources/Allocations**
- **Review of State Appropriation Funding**
- **FY13 Proposed Final Budget**



- **Review of Proposed Guidelines**

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## **Budget Strategy**

- Continued focus on strategic plan
- Emphasis on maintaining salary competitiveness
- Enhance quality and reputation and maintain progress of past years
- Reduce costs of operations where possible
- Inclusive budget process
  - 26 member Budget Advisory Committee with broad representation
  - Various meetings/discussions with Deans

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## Proposed Cost Commitments

- Merit salary increases
  - 2% pool permanent
  - 2% pool one-time
  - Merit promotions
- Fringe benefit rate increases
- Increase in debt payments
- Provost/academic needs

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## Proposed Funding Plan Significant Funding Sources

- Continuing sources
  - Decrease in FY 13 State Appropriations
  - Continuing tuition increase
  - Budget reallocations
- One-time
  - Use of reserves for one-time salary supplement

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- Review of Actual Funding Sources/Allocations**

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## Summary of Base Allocations

<u>Allocations</u>	<u>Combined</u>	<u>Main Campus</u>
Debt Service	\$ 1.2M	\$ 1.2M
Promotions	1.0M	.7M
Utility/facilities costs	.2M	
Provost/Academic Affairs	1.7M	.5M
Salary Inc (Perm & One-Time)	13.4M	9.5M
Other priorities	.6M	
Fringe benefit rate increase	<u>2.8M</u>	<u>1.8M</u>
Total	\$ 20.9M	\$13.7M

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## Summary of Revenue/Reallocation Sources

<u>Source</u>	<u>Combined</u>	<u>Main Campus</u>
State appropriations	\$ (9.8M)	\$ (6.4M)
Budget reallocation	13.0M	5.9M
Tuition increase	<u>17.7M</u>	<u>14.2M</u>
Total	\$20.9M	\$13.7M

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- Review of State Appropriations

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## State Appropriations by Division

(amounts in millions)

	FY12	FY13	
	Budget	Budget	(Dec)
AU	\$161.3	\$155.5	\$ (5.8)
AUM	22.9	\$ 21.9	\$ (1.0)
AAES	31.2	\$ 30.0	\$ (1.2)
ACES	32.5	\$ 31.2	\$ (1.3)
	\$247.9	\$238.6	\$ (9.3)

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## State Appropriations by Division

(amounts in millions)

	FY08	FY13	Decrease since
	Actual	Budget	FY08
AU	\$220.0	\$155.5	\$ 64.5
AUM	30.9	\$ 21.9	\$ 9.0
AAES	41.2	\$ 30.0	\$ 11.2
ACES	44.6	\$ 31.2	\$ 13.4
	\$336.7	\$238.6	\$ 98.1

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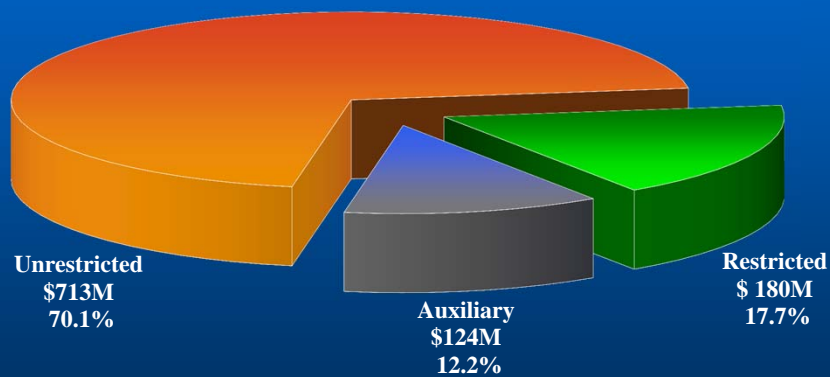


- FY13 Proposed Final Budget**

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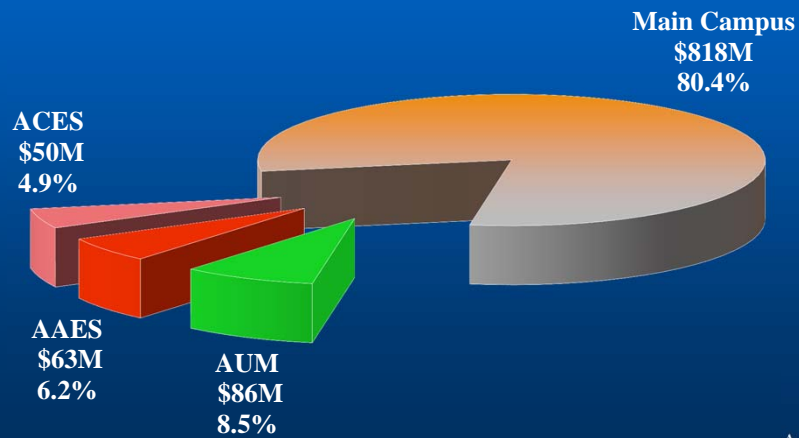
## Auburn University Proposed FY13 Total Budget - \$1.017B



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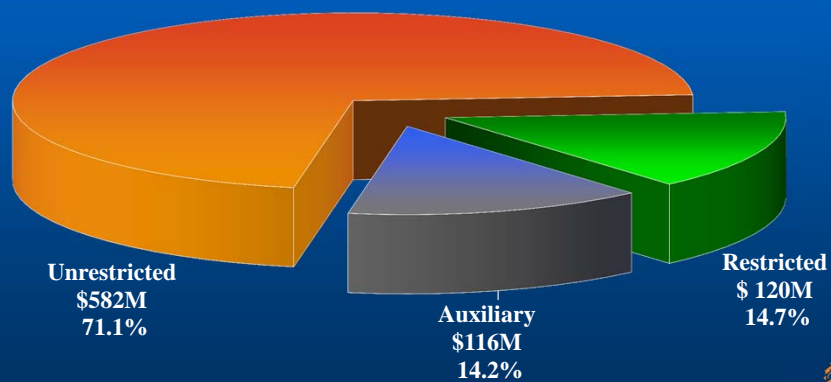
## Total FY13 Proposed Budget by Division \$ 1.017B



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## Auburn University-Main Campus Proposed FY13 Total Budget - \$818M



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## Summary

- The FY13 budget has been prepared with the major focus on personnel costs which include: fringe benefits, permanent salary increase, one-time supplements, and merit promotions.
- Going forward, the challenge will continue to be fluctuating continuing revenues with little annual growth in state appropriations due to the Rolling Reserve Act.

