

TO: Deans, Department Heads and Chairs

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SUBJECT: Tuition in Externally Funded Contracts and Grants

It has been the practice of Auburn University since 2013 to charge tuition expenses to externally funded grants and contracts that provide graduate assistant stipend support, whenever allowable by the funding source.

Under current Auburn University practice, a tuition expense of 40% of a graduate assistant's stipend amount is recommended in lieu of actual full tuition. Colleges are allowed some flexibility, with a minimum rate of 10%.

The current best practice for tuition expenses in externally funded proposals followed by most peer and aspirant institutions is to charge a fixed amount (independent of assistantship stipend) generally related to the graduate tuition rates for the institution. Auburn University will convert to an approach in accordance with this best practice effective October 1, 2025 (FY 2026). This transition will occur in a two-step process.

Step 1: All new proposals submitted on or after October 1, 2024 (during FY 2025) are encouraged to budget tuition at the full 40% of the graduate assistant's stipend. The dean of each college may grant exceptions to the 40% rate, but may not authorize tuition to be budgeted at lower than a minimum rate of 20% of the stipend, if allowed by the sponsor.

Step 2: All new proposals submitted on or after October 1, 2025 will include a <u>fixed amount of tuition charges</u> for each graduate assistantship (independent of assistantship stipend) as allowable by the funding agency. This tuition will be assessed using a monthly tuition expense

charged to the sources of funds for the graduate assistantship apportioned according to the FTE assigned to each source. The monthly tuition expense will be adjusted annually in accordance with other tuition increases.

For example, if a student is supported by a graduate assistantship funded by three accounts in a given month, with one account assigned 0.05 FTE, a second account assigned 0.15 FTE, and a third assigned 0.30: the first account will be charged 10% of the monthly tuition expense, the second account charged 30%, and the third account charged 60%.

The monthly tuition expense will be set at the cost of 9 credit hours of on-campus graduate tuition at the resident rate, charged for Fall and Spring semesters only.

For example, at the tuition and fee rates for AY 2024-25, the monthly tuition expense would be \$1,188 (\$5,346 per semester).

The dean of each college may approve an exception to this practice by granting reductions of the monthly tuition expense as deemed appropriate for the specific circumstances of a given award. Exceptions that reduce the monthly tuition expense by 75% or more should provide advance notice to the provost and the Senior Vice President for Research and Economic Development (SVPRED).

Existing and/or renewed grants and contracts approved under previous guidelines, practices, or policies may continue in accordance with the original terms at the college dean's discretion.

After three years, this practice will be reviewed by the provost and SVPRED in consultation with the deans and adjusted as deemed appropriate.