

AUBURN UNIVERSITY

FY09 Budget Development and Proposed Tuition Rates

As Presented to the Board of Trustees
June 27, 2008

AUBURN UNIVERSITY-All Divisions

Proposed Budget Development Plan

Projected reductions/add'l costs

Reduction in state appropriations	\$40.8M
Mandatory costs/strategic obj	<u>\$18.6M</u>
Required to address budget needs	<u>\$59.4M</u>

Actions to address budget needs

Tuition & Fees increase of 12%	\$22.6M
Budget actions	<u>\$36.8M</u>
Available to address budget needs	<u>\$59.4M</u>



Tuition Recommendations

For the Academic Year
2008-2009

Twenty-First Century Commission Recommendation

- **Finances**
 - 5(a) A student tuition policy should be effected that incorporates the following ... An orderly plan that would move tuition rates at Auburn as quickly as feasible to levels that **reach** or **exceed** the regional average for peer institutions.



Auburn University Main Campus Tuition Recommendation (Attachment 1)

- **Current rate – Resident** **\$2,917**
Nonresident **\$8,167**
- **Proposed – Resident** **\$3,250**
Nonresident **\$9,130**

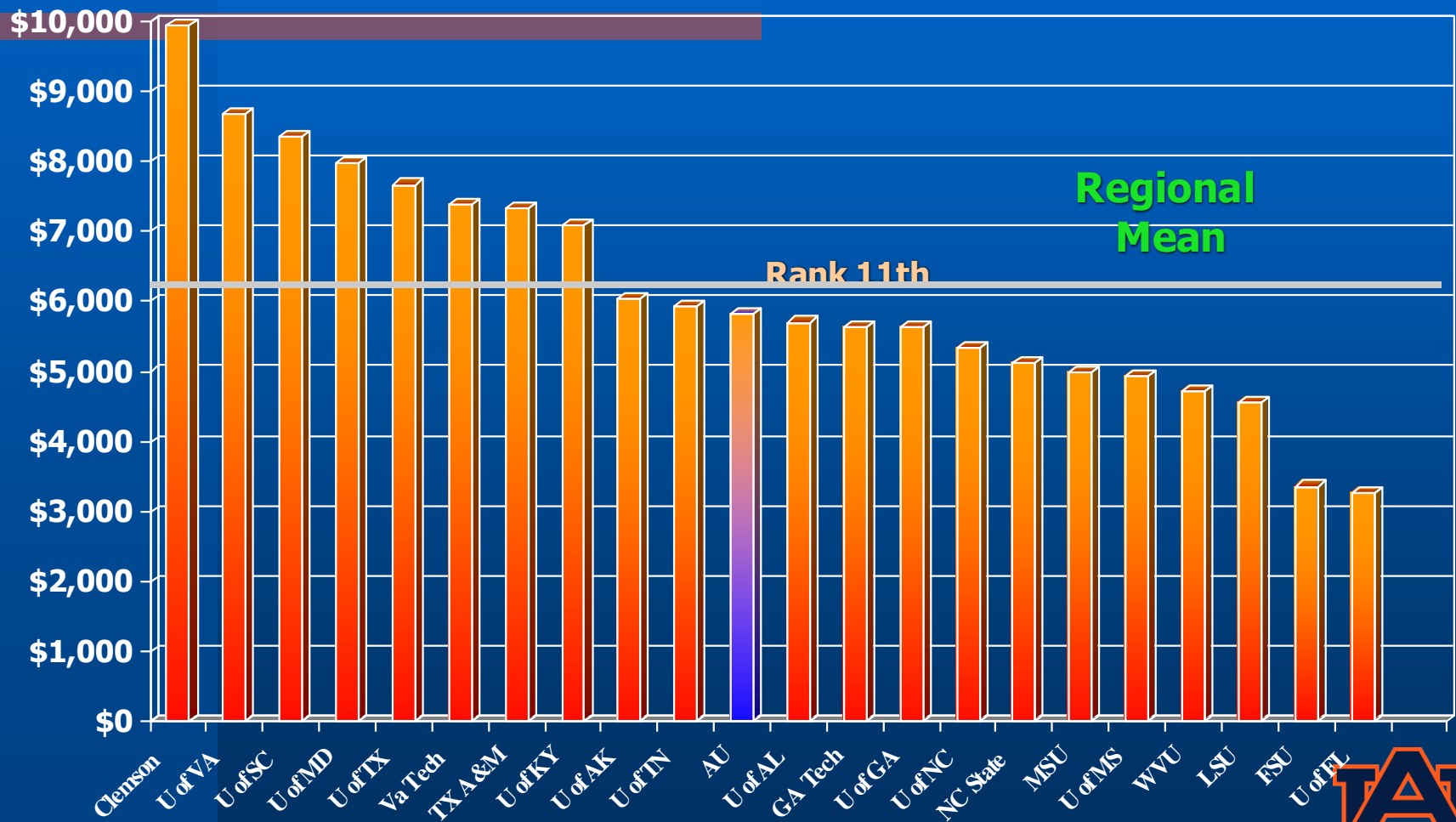
12% Increase



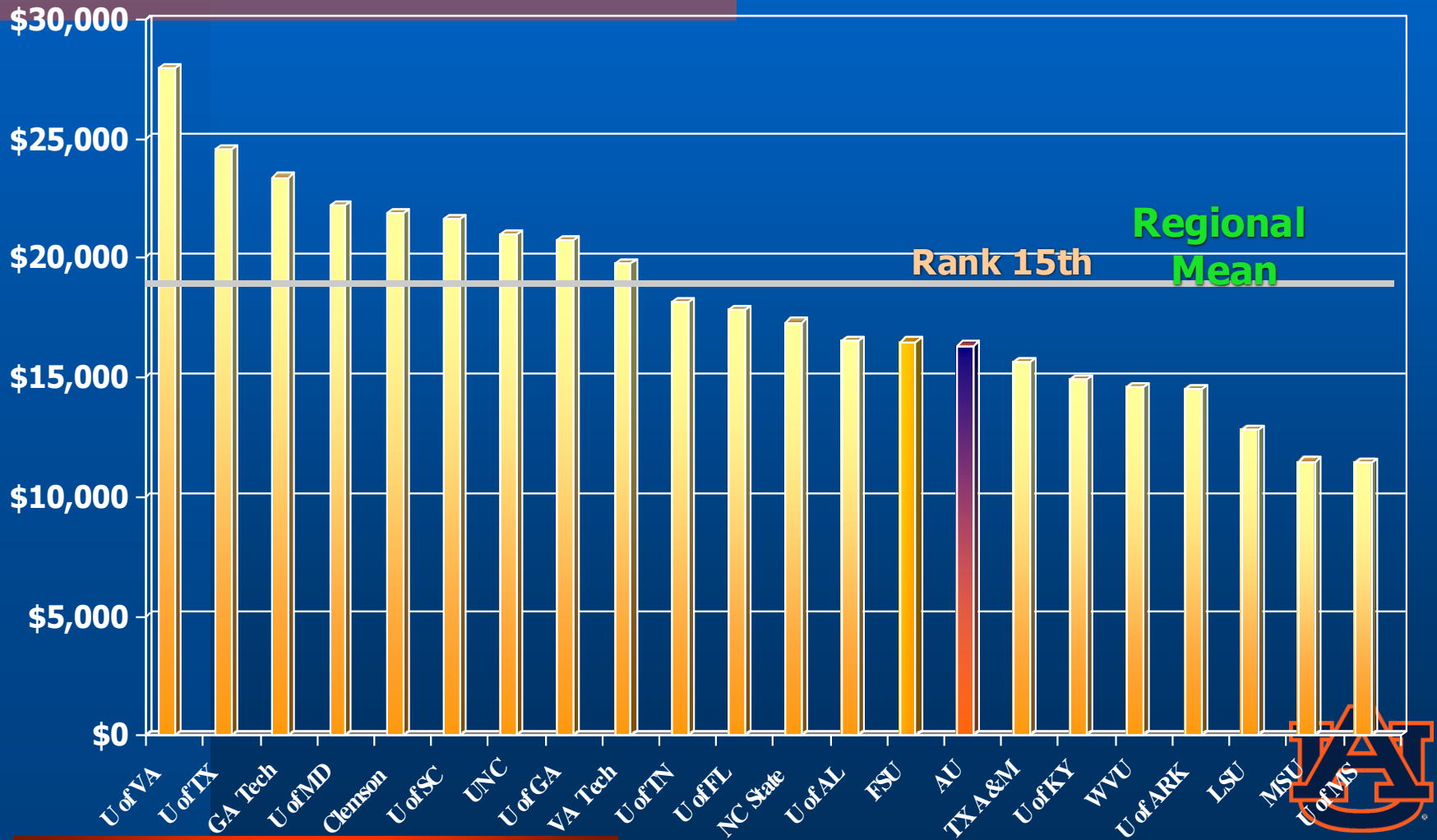
Tuition – Resident

SREB Peer Institutions

2007-2008 (Attachment 3)



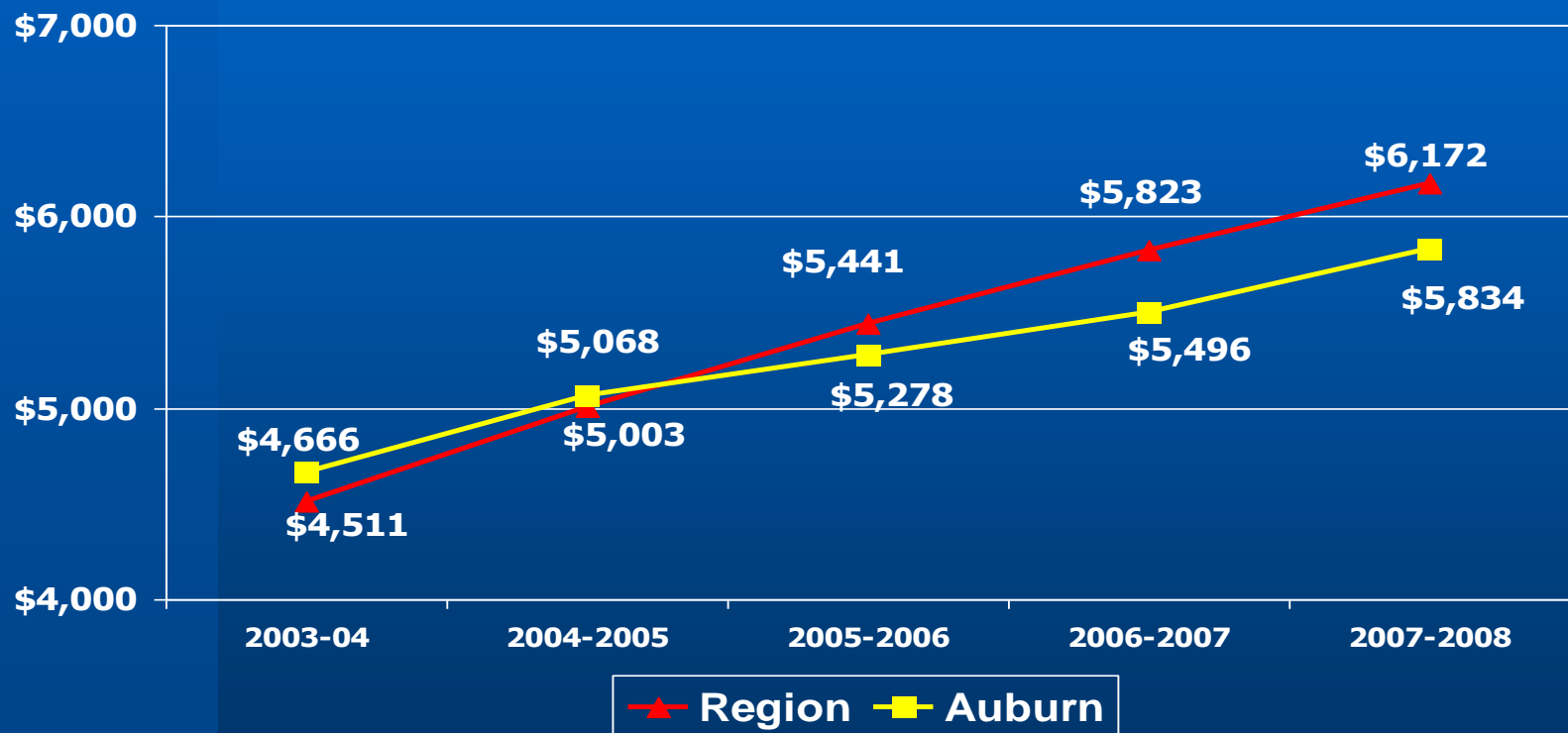
Tuition – Non-Resident SREB Peer Institutions 2007-2008



Resident Tuition

Auburn vs. SREB Peers

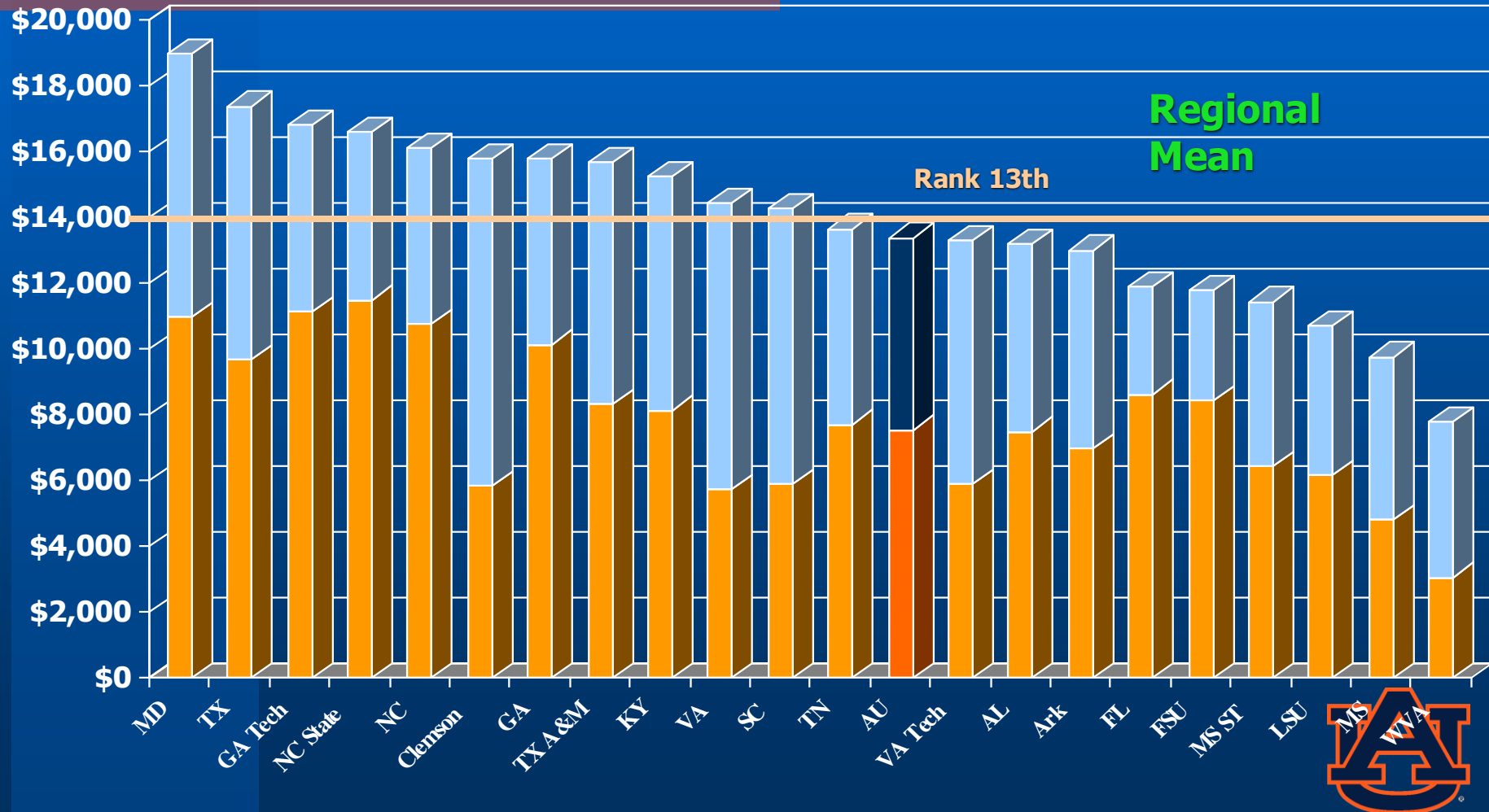
(Attachment 5)



State Appropriations and Tuition per FTE

SREB Peer Institutions

2007-2008 (Attachment 8)



AUM Tuition Recommendation

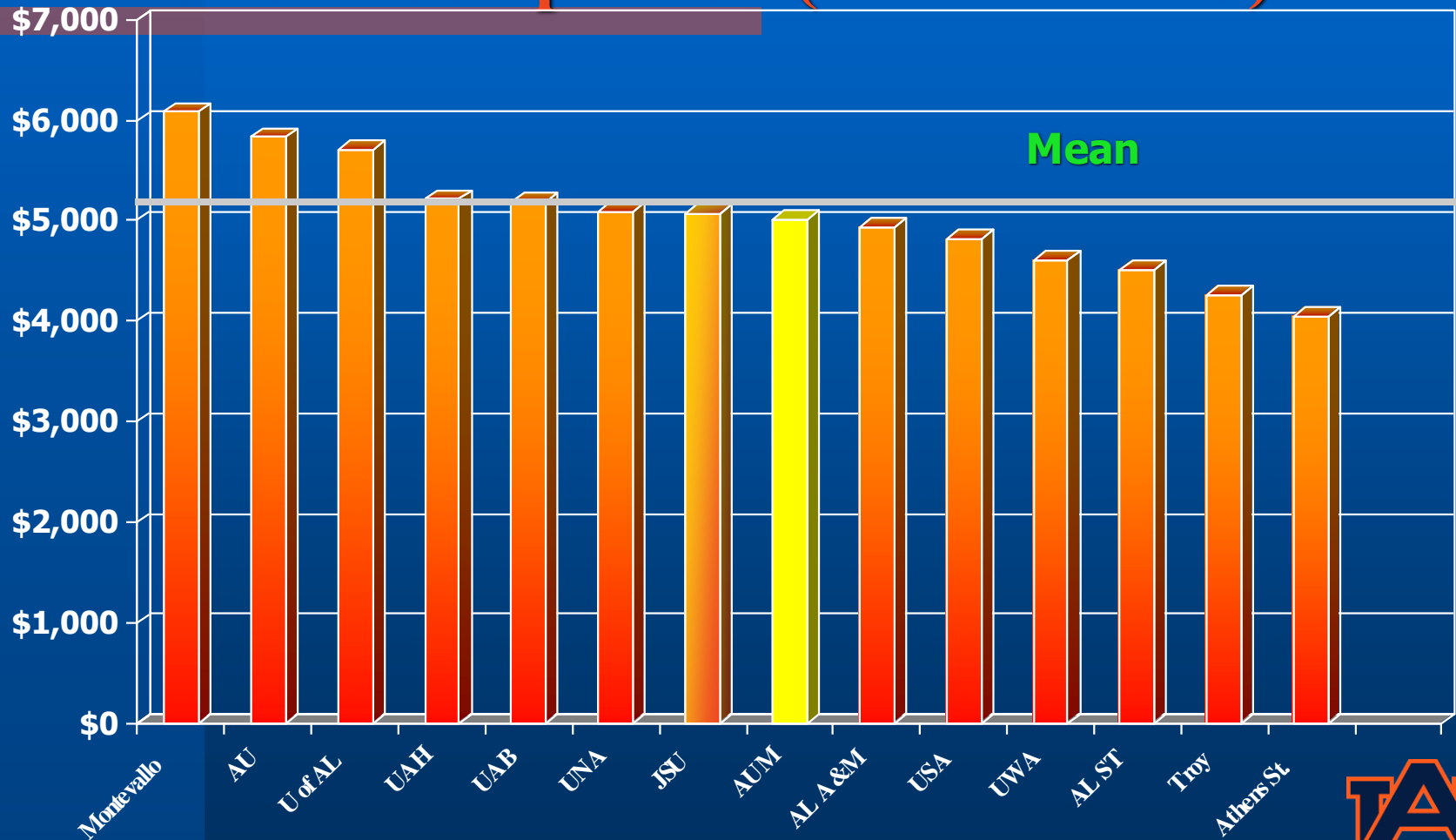
- **Recommendation for tuition rates for 2008-2009 Academic Year**
 - Undergraduate-Resident \$ 2,655
 - Undergraduate-Nonresident \$ 7,965
 - Graduate-Resident \$ 2,544
 - Graduate-Nonresident \$ 7,620
 - Reflects 12% increase in current rate



AUM Tuition – Resident Undergraduate

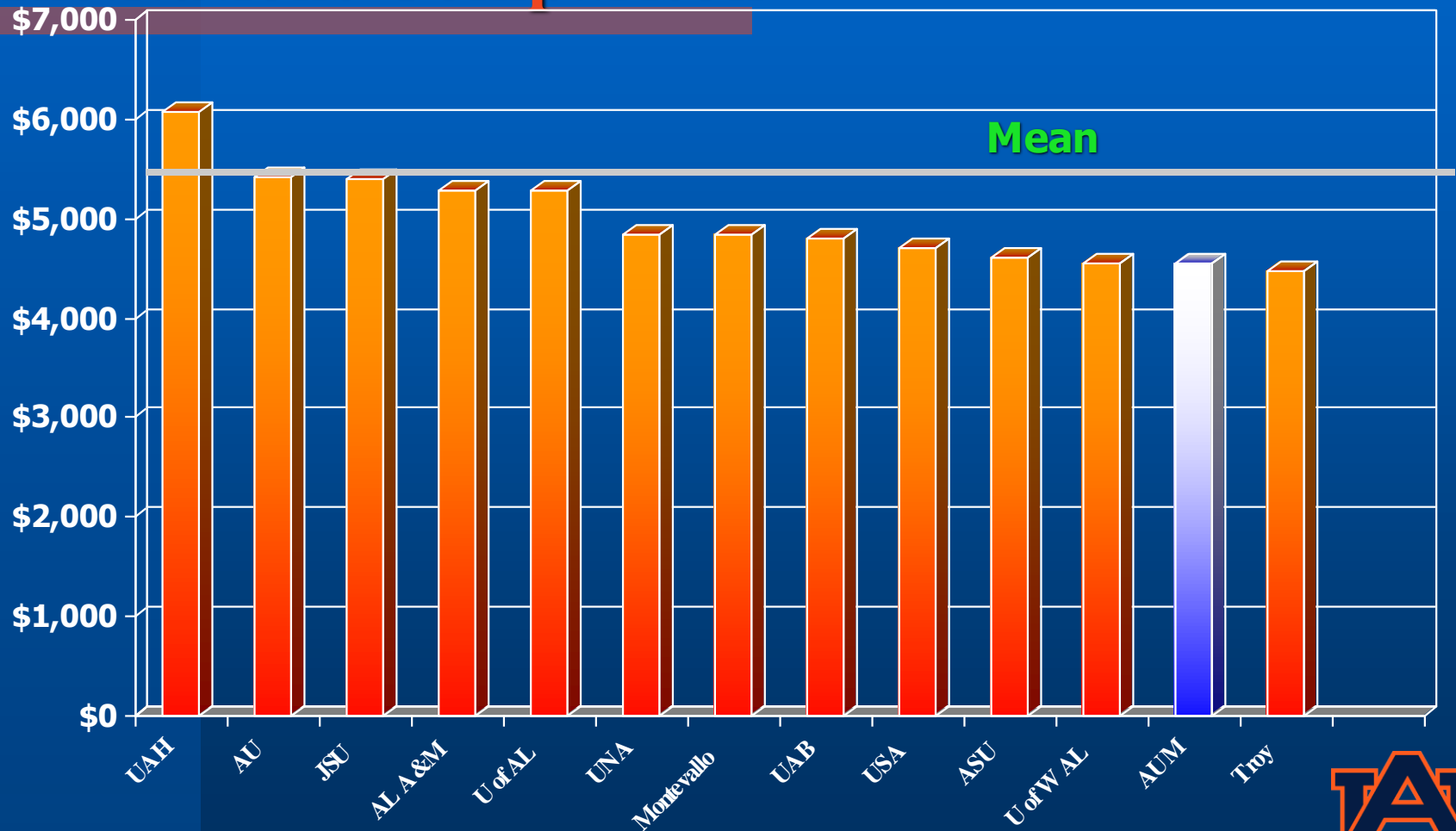
State of Alabama Public Senior

Institutions Comparison (Attachment 3)



AUM Tuition - Graduate

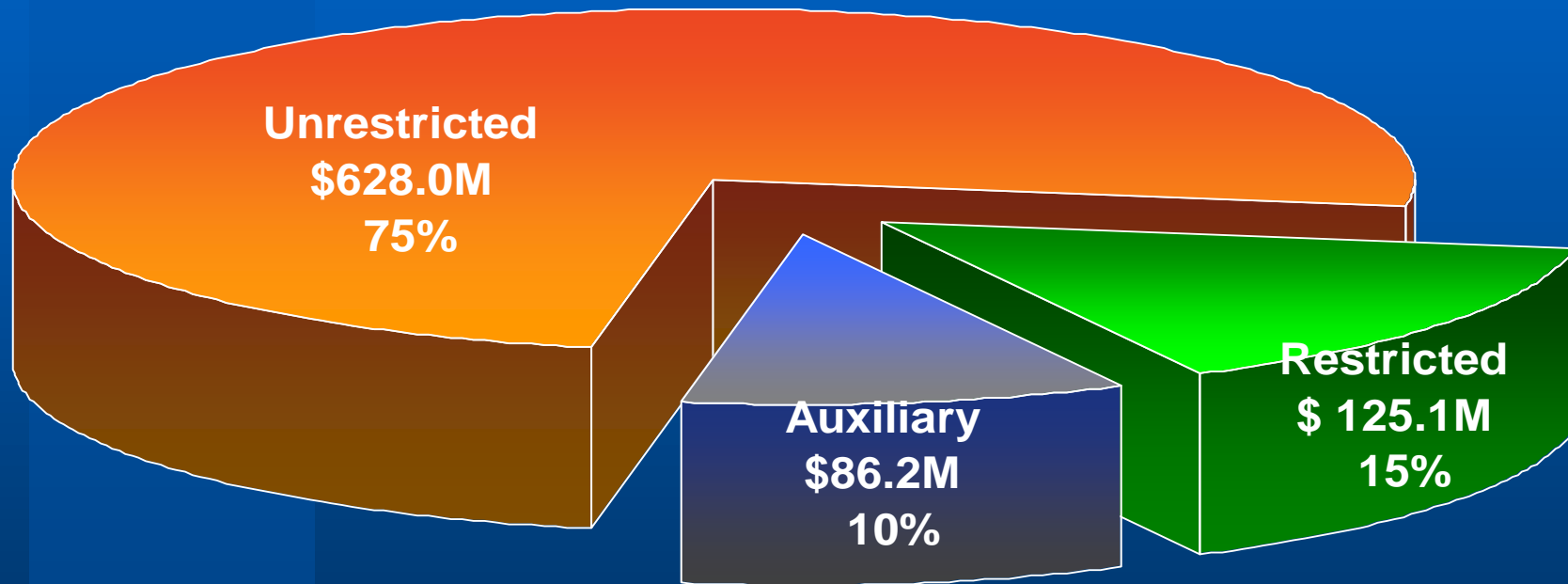
State of Alabama Public Senior Institutions Comparison



FY09 Budget Development

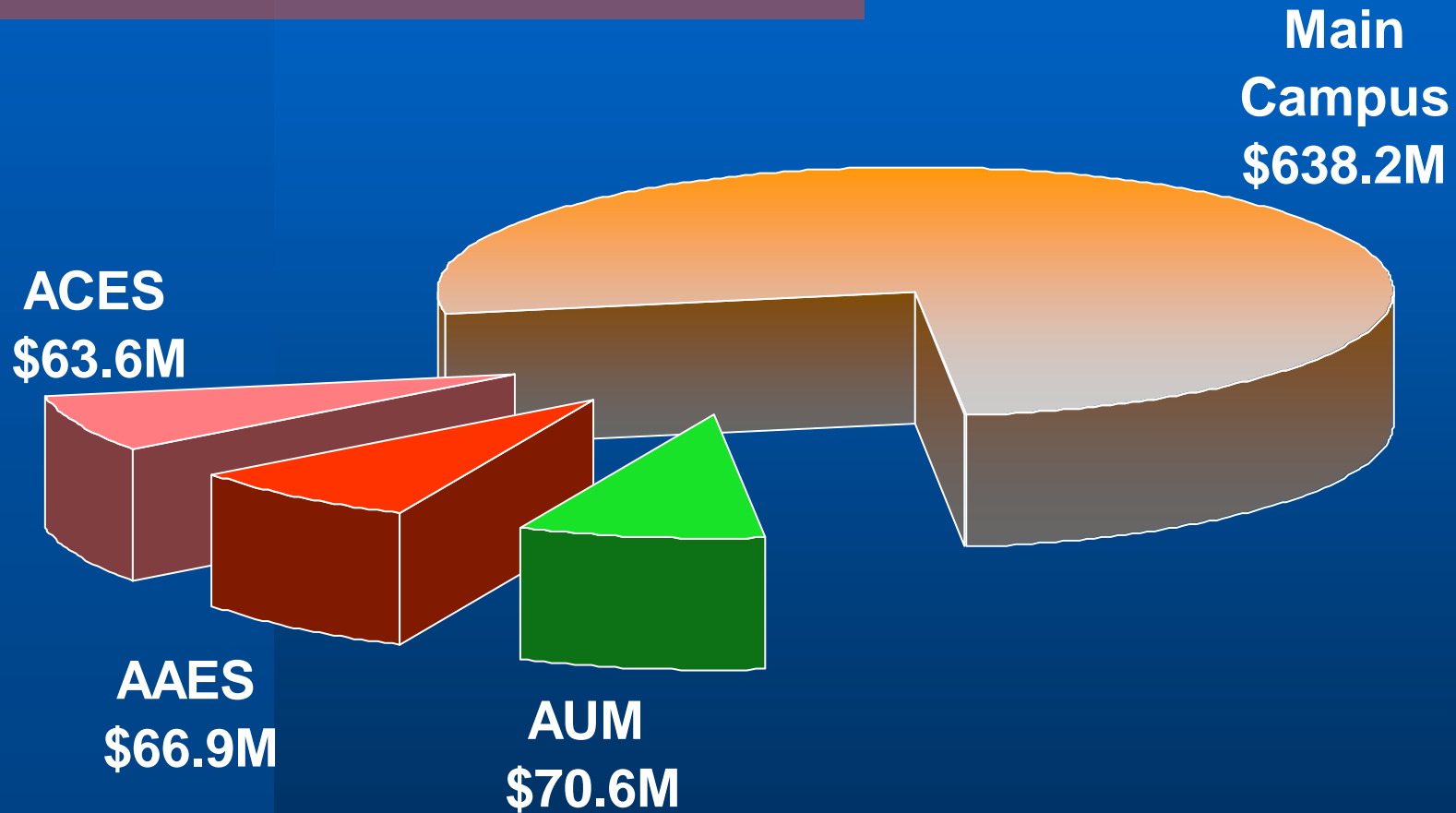
Auburn University

FY08 Total Budget - \$839.3M

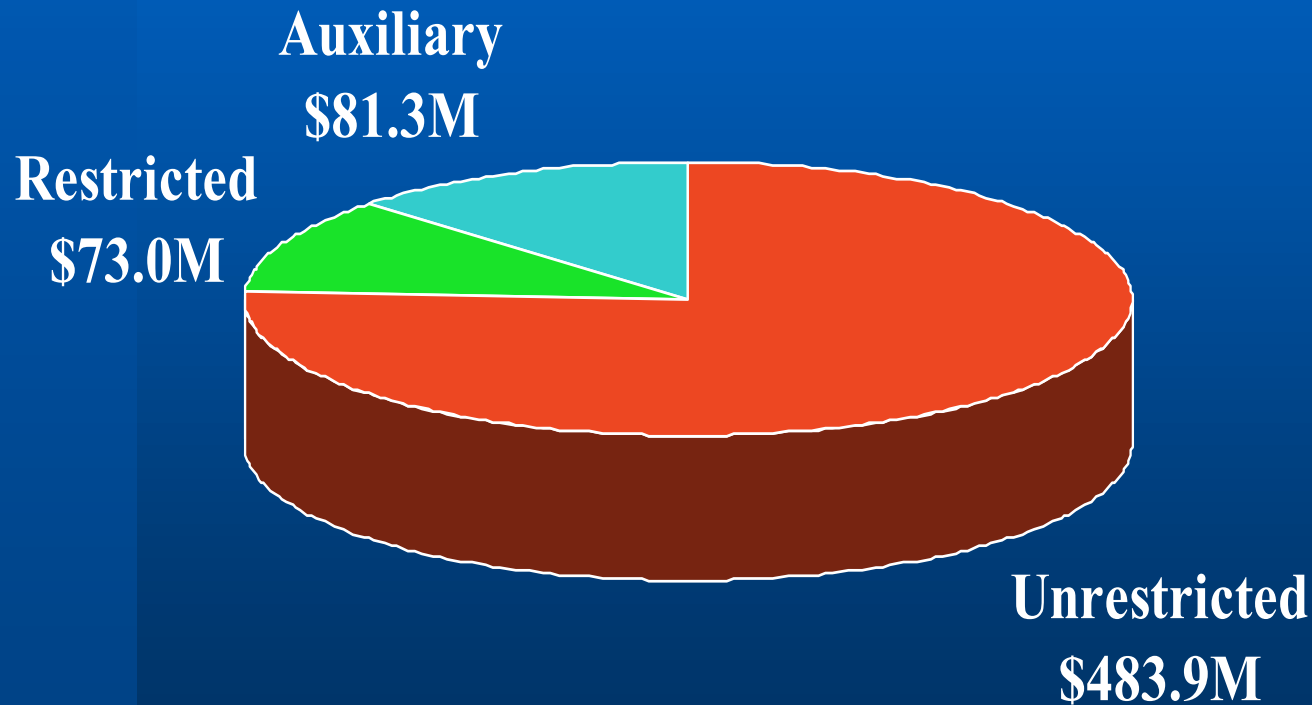


Total FY08

Budget by Division \$ 839.3M



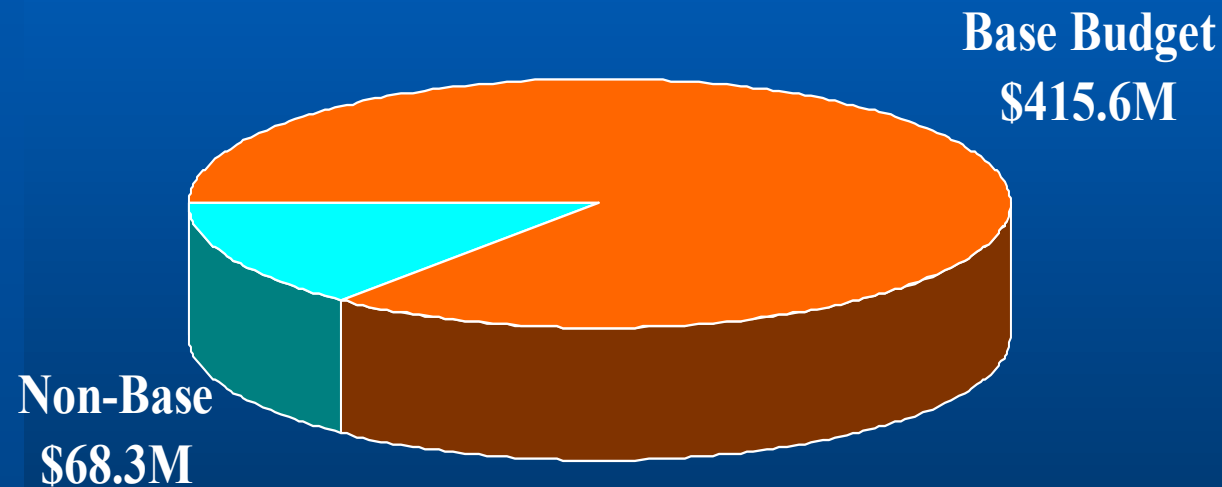
FY08 Main Campus Budget - \$638.2M



FY08 MAIN CAMPUS BUDGET

Unrestricted - \$483.9M

Unrestricted Base Budget - \$415.6M



Main Campus Proposed Budget Plan FY09

Reduction in appropriations	\$26.0M	
Mandatory & strategic commitments	<u>14.6M</u>	
Additional needed		<u>\$40.6M</u>
Proposed tuition	20.2M	
Budget reductions	<u>20.4M</u>	
Additional available		<u>\$40.6M</u>



Main Campus

Proposed Continuing Allocations –

Base Budget

Promotions	\$.7M
Benefit Inc (TR, PEEHIP)	2.0M
Utility/facilities costs	2.7M
Scholarships	2.5M
Debt Service	2.1M
Provost/Academic Affairs	1.5M
Security/Emergency Mgt	1.7M
Other priorities	1.4M
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	\$14.6M



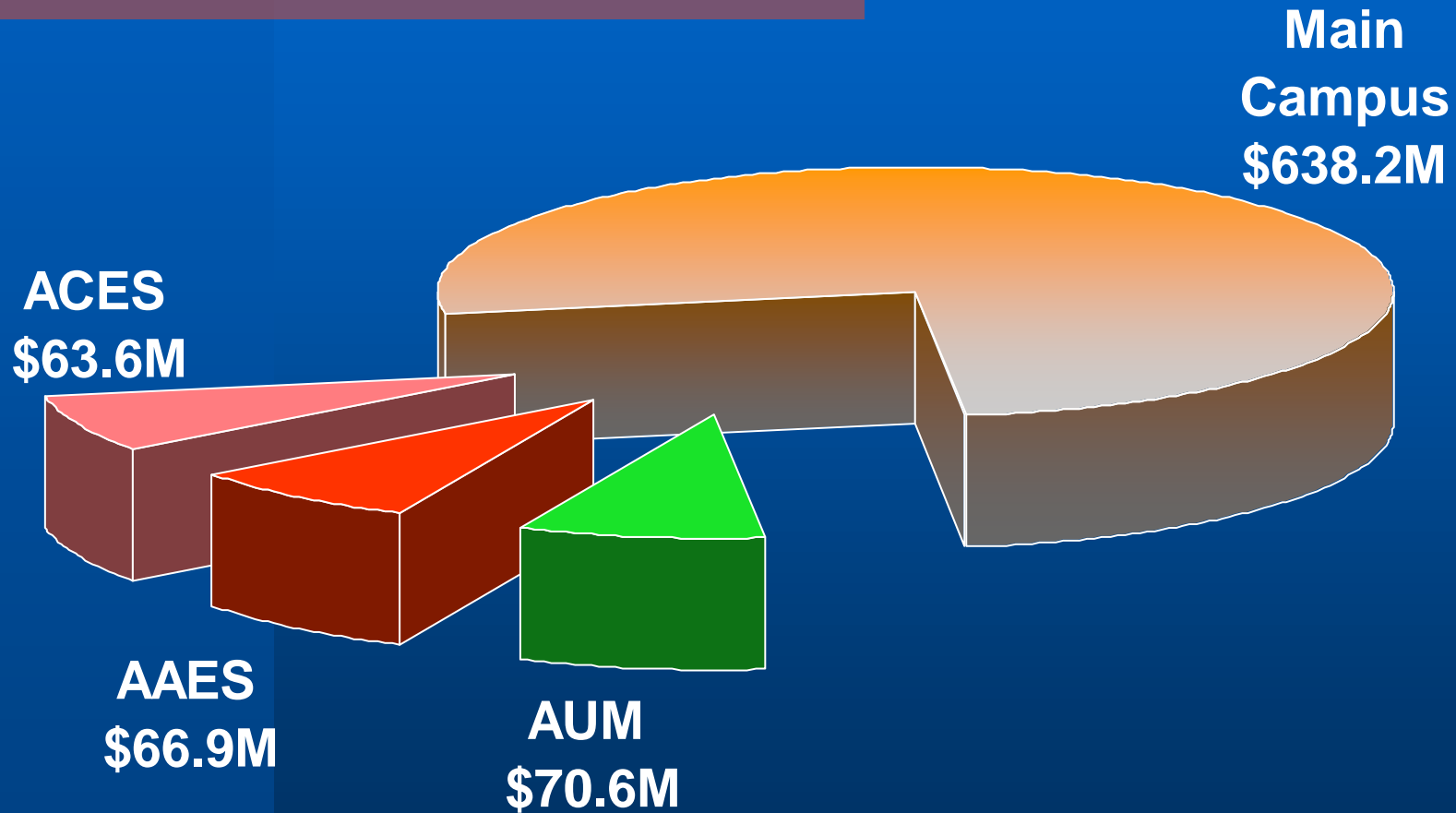
Main Campus Proposed Budget Plan FY09 – Budget Reductions

Reduce Deferred Maintenance allocation	\$4.0M
2% Give back from colleges/VP areas	5.8M
Selected reduction in non-academic base budget accounts	<u>10.6M</u>
	\$20.4M

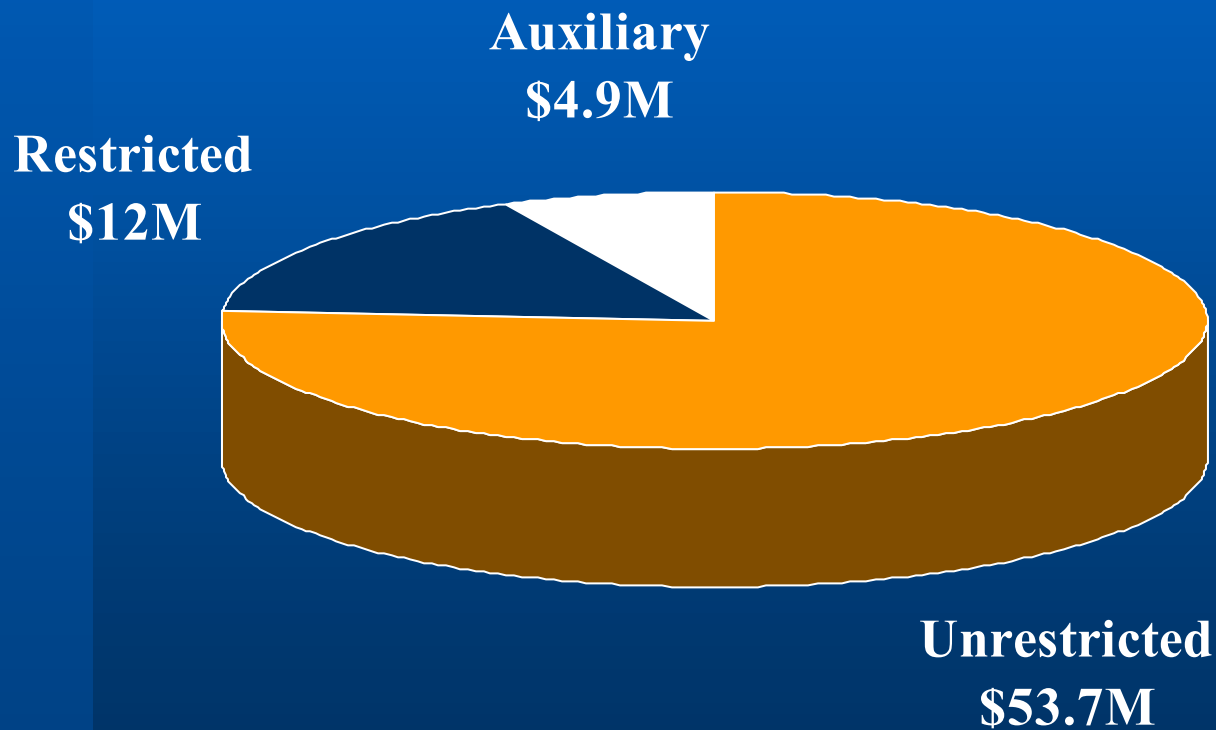


Total FY08

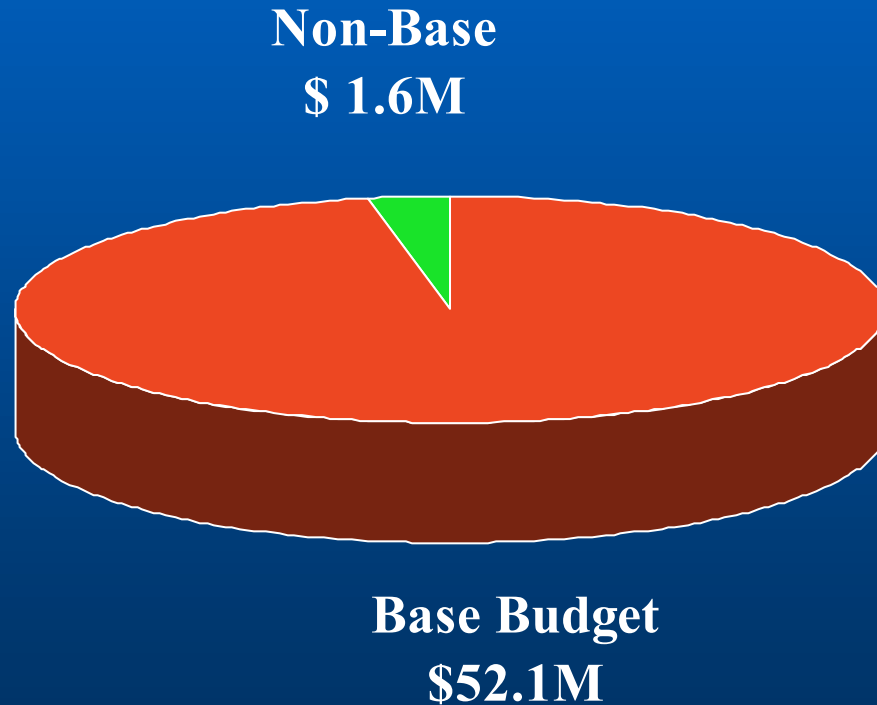
Budget by Division \$ 839.3M



FY08 AUM Budget - \$70.6M



FY08 AUM Unrestricted Budget - \$53.7M



AUM Proposed Budget Plan FY09

Reduction in appropriations	\$3.1M	
Mandatory commitments	<u>2.3M</u>	
Additional needed		<u>\$5.4M</u>
Proposed tuition	2.4M	
Budget reductions	<u>3.0M</u>	
Additional available		<u>\$5.4M</u>



AUM Proposed Continuing Allocations

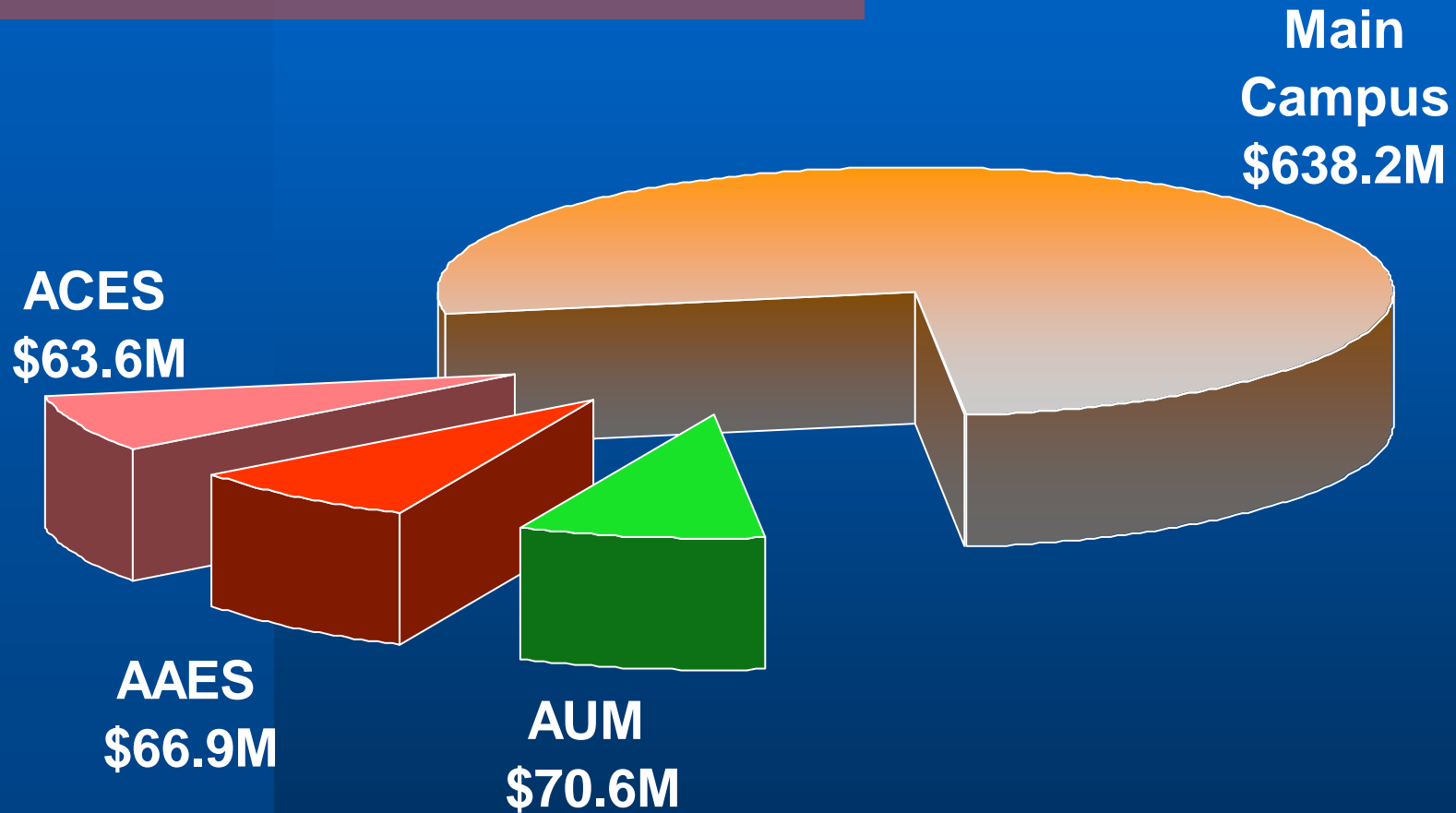
– Base Budget

Faculty promotions	\$ 33,150
Benefit Inc (TR, PEEHIP)	647,464
Scholarships/waivers	442,462
Athletics	236,685
Merchant fees V/MC	50,000
TechnaCenter operations	150,000
Insurance Premium	50,000
PwC (SACS requirements)	30,000
Academic Affairs	<u>588,185</u>
	\$2,227,946

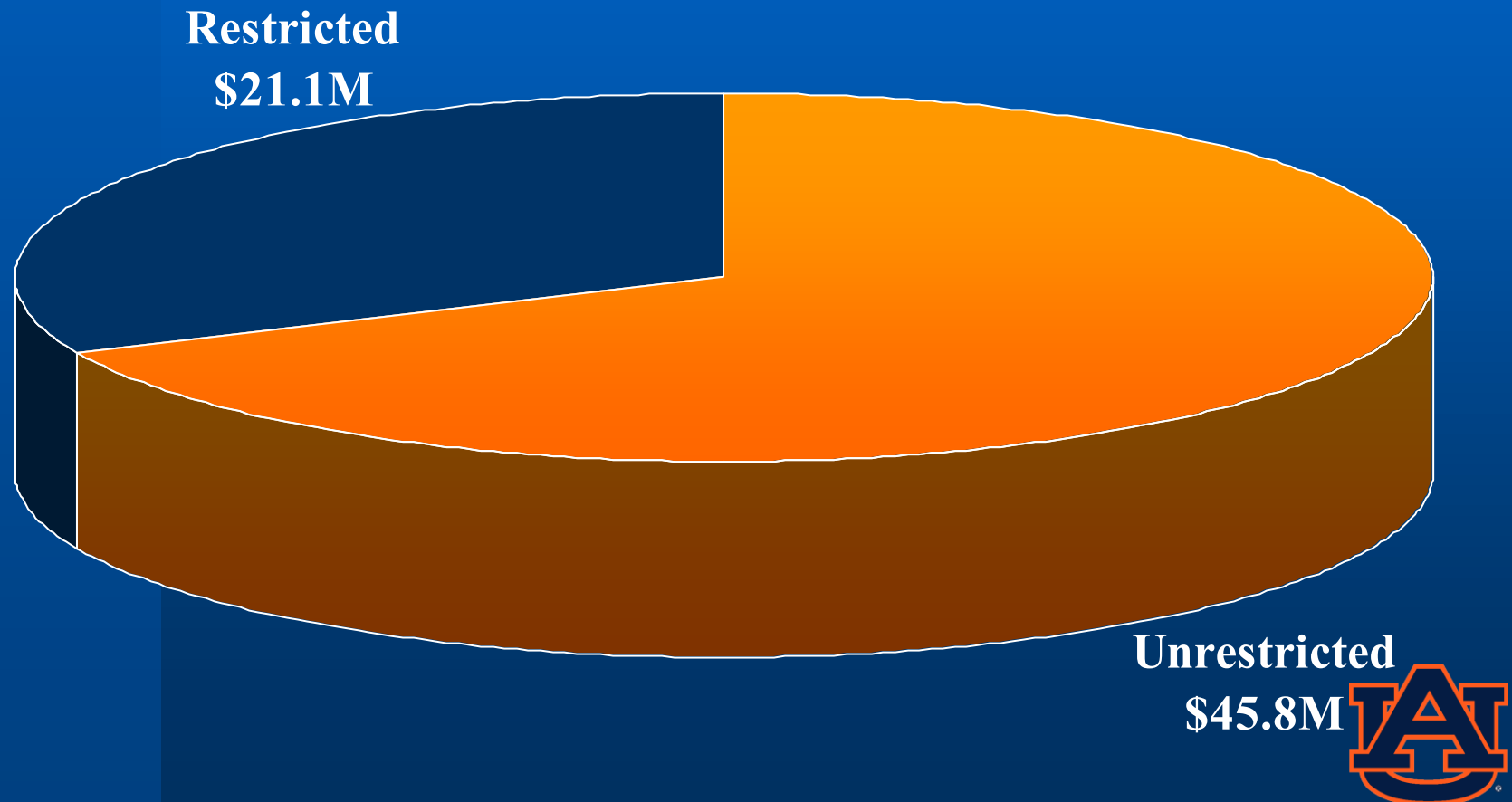


Total FY08

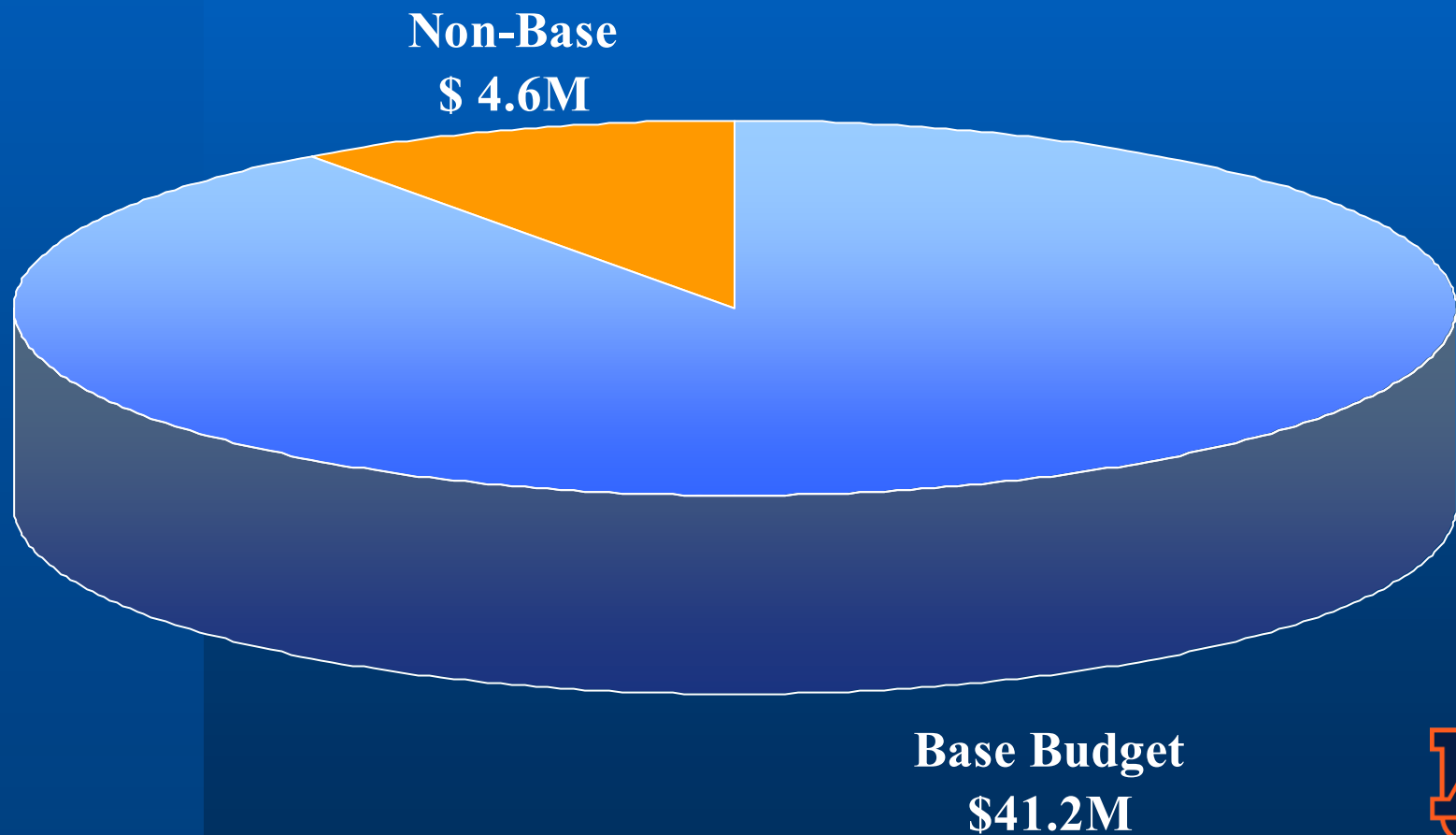
Budget by Division \$ 839.3M



FY08 AAES Budget - \$66.9M



FY08 AAES Unrestricted Budget - \$45.8M



AAES Proposed Budget Plan FY09

Reduction in appropriations	\$5.5M	
Mandatory commitments	<u>.7M</u>	
Additional needed		<u>\$6.2M</u>
Budget reductions	<u>6.2M</u>	
Additional available		<u>\$6.2M</u>



AAES

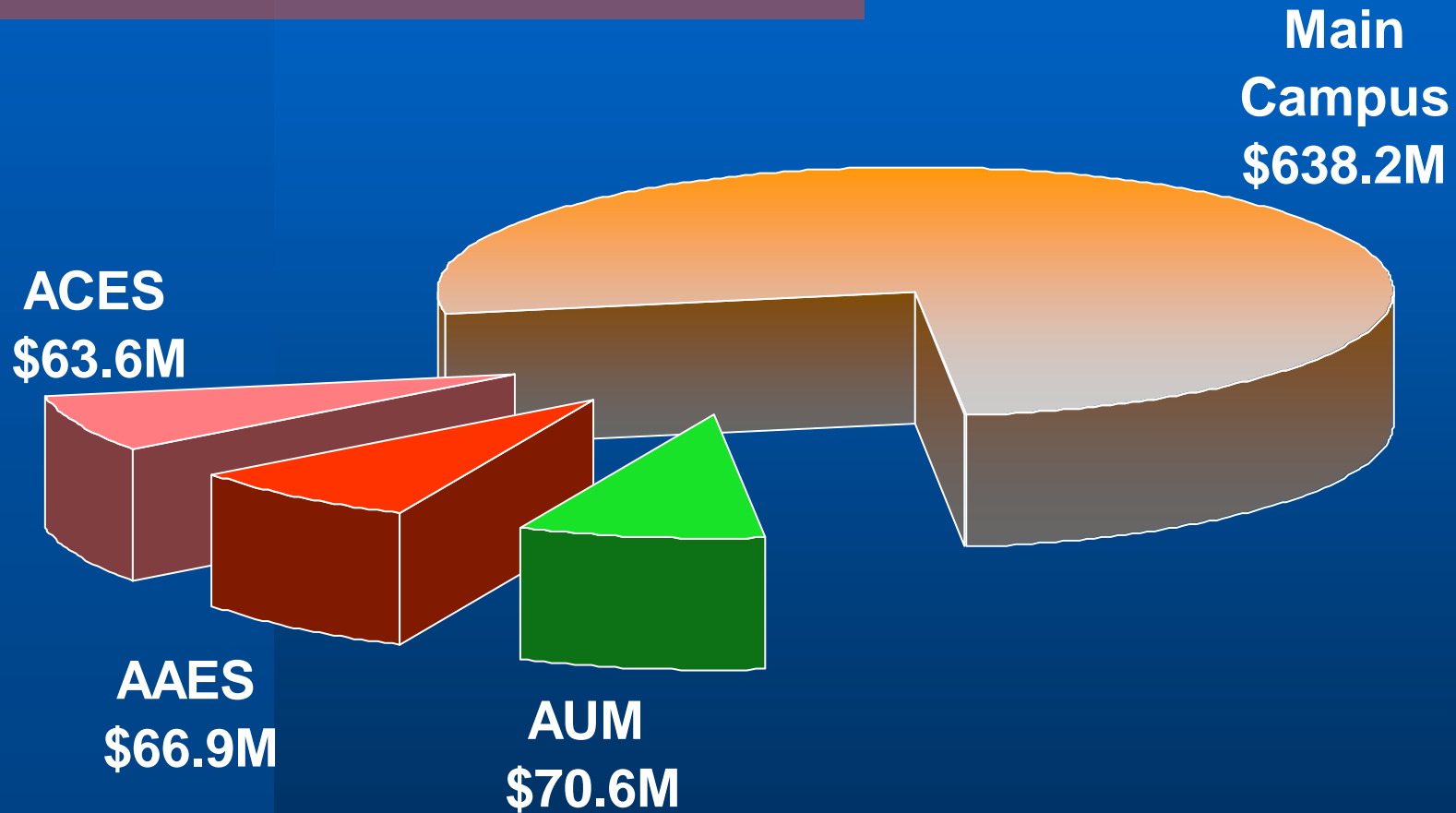
Proposed Continuing Allocations – Base Budget

Promotions	\$ 70,000
Benefit Inc (TR, PEEHIP)	490,000
Building Insurance, operations and maintenance	<u>105,000</u>
	<u>\$665,000</u>

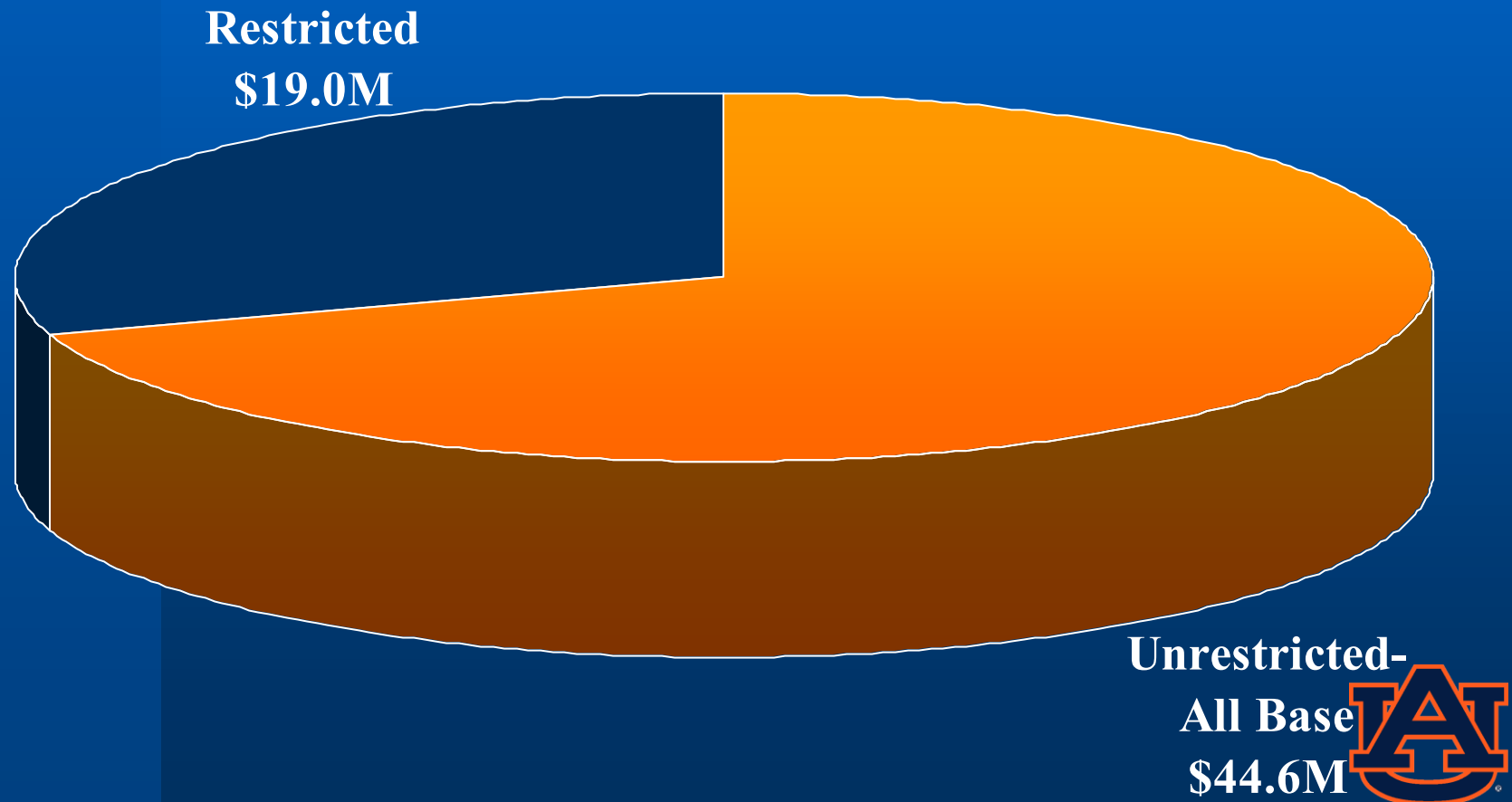


Total FY08

Budget by Division \$ 839.3M



FY08 ACES Budget - \$63.6M



ACES Proposed Budget Plan FY09

Reduction in appropriations	\$6.3M	
Mandatory commitments	<u>.9M</u>	
Additional needed		<u>\$7.2M</u>

Budget reductions	<u>7.2M</u>	
Additional available		<u>\$7.2M</u>



ACES

Proposed Continuing Allocations – Base Budget

Promotions	\$ 110,700
Benefit Inc (TR, PEEHIP)	817,000
Utility/Maintenance on existing buildings	<u>15,000</u>
	<u>\$ 942,700</u>

