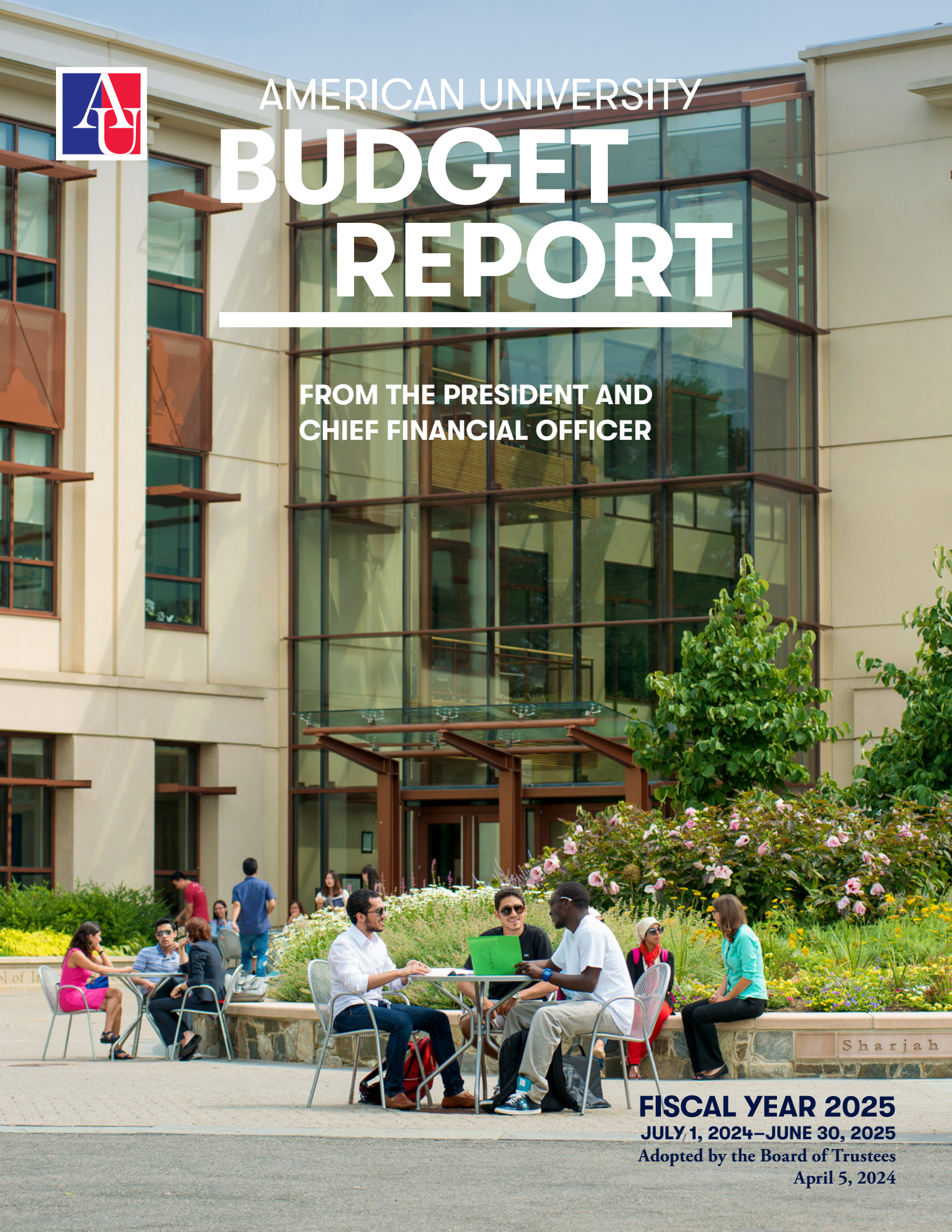




# AMERICAN UNIVERSITY BUDGET REPORT

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FROM THE PRESIDENT AND  
CHIEF FINANCIAL OFFICER



**FISCAL YEAR 2025**  
JULY 1, 2024–JUNE 30, 2025  
Adopted by the Board of Trustees  
April 5, 2024

AMERICAN UNIVERSITY

# **BUDGET REPORT**



**FISCAL YEAR 2025**

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## REPORT FROM

# PRESIDENT SYLVIA M. BURWELL AND CHIEF FINANCIAL OFFICER BRONTÉ BURLEIGH-JONES

**AU's people are at the center of the FY25 budget, as salaries and benefits for our faculty and staff and student financial aid make up the significant majority of our investments and spending.**

We are pleased to announce that the AU Board of Trustees approved a balanced operating budget for fiscal year 2025 totaling \$860 million. The FY25 budget advances our commitment to students, scholarship, and community while also maintaining a clear focus on our long-term financial health for future generations of Eagles.

The FY25 budget is guided by our community values and shared stewardship of our institution's resources and priorities, including affordability and access, research, student thriving, experiential learning, revenue growth and diversification, inclusive excellence, and investment in compensation and benefits for our people. We were challenged to respond to the rapid changes in higher education and the impact of post-pandemic shifts in enrollment patterns and the value proposition that students and parents are seeking. We closely examined our historical budget performance, future enrollment projections, and ongoing institutional priorities to establish data-informed revenue expectations for the coming year. The resulting one-year FY25 budget allows us to move our mission forward and provides a strong baseline for our ongoing work addressing evolving changes in the higher education landscape and the need to structurally align our revenues and expenses accordingly.

During FY25, we will complete a thoughtful review of our academic vision; student support services; research priorities; people structures and support, including our ongoing investments in compensation; resource management; revenue diversification, including the endowment and post-Change Can't Wait fundraising priorities; and our expense management and operational efficiencies. The one-year budget and the work we are undertaking this year are intended to guide our future strategy and budgetary decision-making and provide a strong framework for the FY26–27 two-year budget cycle.

AU's people are at the center of the FY25 budget, as salaries and benefits for our faculty and staff (43 percent) and student financial aid (23 percent) make up the significant majority of our investments and spending. Both critical investments are larger shares of the FY25 budget compared to FY24. We also continue to invest in the AU student experience, including the next renovation project in our residence halls (McDowell Hall), the first full renovation of TDR in nearly 40 years, and the ongoing construction of the Student Thriving Complex.

Key highlights of our one-year approach for the FY25 budget include:

1. A total of \$197.6 million investment in financial aid for undergraduate and graduate students. That is a year-over-year undergraduate financial aid increase of 4.9 percent, exceeding the 4.3 percent tuition, fees, and room and board increase. To accomplish this, we are increasing institutional undergraduate financial aid by \$5.5 million, supported in part by the Change Can't Wait campaign and gifts for scholarships.

2. A total of \$27.1 million investment in our people to align our workforce with market-competitive standards. Investments include funding for merit, equity, and performance increases; DC minimum wage adjustments; job architecture improvements; conversion of long-standing temporary positions to permanent base funding; and benefit premium increases.
3. Permanent funding for initiatives previously funded temporarily, including investments in equity and inclusive excellence, academic program support, fundraising, and enrollment operations.
4. \$25 million in unit expense savings across the university's operating budget, thanks to the tireless efforts of teams throughout the schools, colleges, and administrative units. As a result of their ongoing partnership, we achieved compensation savings from vacant positions; contractual expense reductions; savings in supplies, travel, and food expenses; and a lowering of other operating costs.

Widespread community consultation and input are essential to the work we are undertaking this year in assessing our institutional priorities and program offerings. As part of our continued commitment to transparency and community engagement, we hosted a series of open forums during the FY25 budget development cycle for our students, faculty, and staff to solicit their feedback on our budget priorities and share the results of the budget process. With our University Budget Committee now serving as a standing committee, our collaboration with the campus community around budget matters has become a hallmark of our shared commitment to responsibly manage our resources and advance AU's strategic mission.

We are grateful for the combined hard work of the entire AU community and everyone who participated in this year's budget process: the members of the Cabinet; the University Budget Committee; the Finance Committee of the AU Board of Trustees; and our students, faculty and staff. For your ongoing partnership and commitment to our Eagle family, we thank you.



Sylvia M. Burwell



Bronté Burleigh-Jones

Widespread community consultation and input are essential to the work we are undertaking this year in assessing our institutional priorities and program offerings.

# BUDGET HIGHLIGHTS

<b>Enrollment Projections</b>	First-year incoming student goal of 2,265 in fall 2024
	Graduate credit hour goal of 22,120 from traditional and online programs in fall 2024
	Full-time law student goal of 1,024 in fall 2024
<b>Tuition for Enrollment Categories</b>	4.0 percent increase for FY25 in undergraduate categories
	4.1 percent increase for FY25 in graduate categories
	4.0 percent increase for FY25 for law students
<b>Residence Halls</b>	4.5 percent average increase for FY25
<b>Meal Plan</b>	8.0 percent increase for FY25
<b>Total Tuition, Mandatory Fees, Residence Hall, and Meal Plan Rates</b>	4.3 percent increase for FY25
<b>Unrestricted Gifts</b>	\$1.2 million target in FY25
<b>Investment Income</b>	\$9.0 million target in FY25
<b>Indirect Cost Recovery</b>	\$4.5 million target in FY25
<b>Endowment Income</b>	\$30.7 million target in FY25, including additional endowment draw to support undergraduate financial aid
<b>WAMU-FM</b>	\$32.4 million target in FY25
<b>Financial Aid</b>	4.9 percent increase in undergraduate financial aid, exceeding the rate of the total tuition, fees, and room and board increase
	Discount rate increased to 33.1 percent of undergraduate tuition and mandatory fees
	Graduate financial aid based on the propensity-to-enrollment model
	Law financial aid aligned with enrollment targets

**Investments in Our People**

\$27.1 million investment in our people to align our workforce with market-competitive standards

Investments include funding for merit, equity, and performance increases; DC minimum wage adjustments; job architecture improvements; converting long-standing temporary positions to permanent base funding; ongoing position support, including term faculty; and benefit premium increases

**Other Operating Expenses**

Required expense increases for property insurance, dining programs, residence halls, commencement, and international programs

Base funding for previously cash-funded initiatives for diversity and inclusive excellence, academic program support, fundraising, mental health counseling, enrollment operations, and branding campaign

**Technology Capital Funding**

Funding for strategic technology investments in system replacements for customer relationship management system, content management system, the campus technology portfolio, and lifecycle replacement

**Library Acquisitions**

\$375,000 to keep up with cost increases for the library collection, electronic databases, and additional resources

**Unit Operating Budget Savings**

\$25 million in operating budget savings across all university divisions to achieve budget balance, including savings from position vacancies, contractual expenses, supplies, travel, and food service

**Fund Transfer to Support Technology Initiatives**

\$5.5 million to be transferred from technology reserves to support strategic investments in our technology infrastructure

FISCAL YEAR 2025

# SUMMARY NET REVENUE AND EXPENDITURE BUDGET

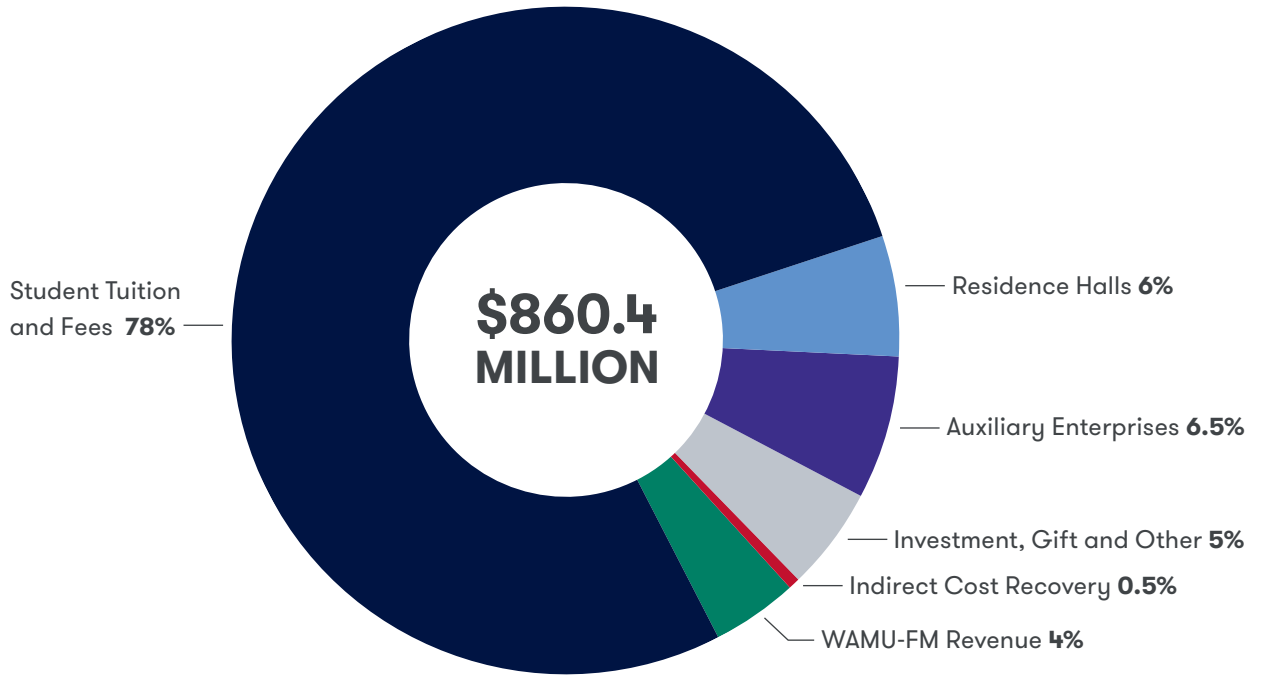
	FY2024 Budget	One-Year Budget Changes	FY2025 Budget	FY2024 to FY2025 % Change
<b>REVENUE (\$000s)</b>				
Student Tuition and Fees	\$717,532	(\$41,995)	\$675,537	(5.9%)
Less Financial Aid	(198,948)	1,371	(197,577)	(0.7%)
Net Student Tuition and Fees	518,584	(40,624)	477,960	(7.8%)
Residence Halls	50,025	711	50,736	1.4%
Auxiliary Enterprises	49,474	6,940	56,414	14.0%
Investment Income	6,500	2,500	9,000	38.5%
Unrestricted Gifts	1,200	0	1,200	0.0%
Indirect Cost Recovery	5,466	(966)	4,500	(17.7%)
Endowment Income	27,739	2,915	30,654	10.5%
WAMU-FM	36,141	(3,741)	32,400	(10.4%)
<b>Total Net Revenue</b>	<b>\$695,129</b>	<b>(\$32,266)</b>	<b>\$662,863</b>	<b>(4.6%)</b>
<b>Total Gross Revenue</b>	<b>\$894,077</b>	<b>(\$33,637)</b>	<b>\$860,440</b>	<b>(3.8%)</b>
<b>EXPENDITURES (\$000s)</b>				
Faculty and Staff Salaries	\$256,646	\$12,189	\$268,835	4.7%
Adjunct Faculty Salaries	8,680	13	8,693	0.2%
Part-time Staff	20,101	96	20,197	0.5%
Employee Benefits	77,833	(108)	77,725	(0.1%)
<b>Salaries and Benefits</b>	<b>\$363,260</b>	<b>\$12,190</b>	<b>\$375,450</b>	<b>3.4%</b>
Other Operating Expenses	225,608	(39,698)	185,909	(17.6%)
Library Acquisitions	9,023	375	9,398	4.2%
Utilities	12,617	(1,350)	11,267	(10.7%)
Technology Capital Funding	19,831	3,277	23,108	16.5%
Deferred Maintenance (Including Residence Halls)	15,419	0	15,419	0.0%
Furnishings and Equipment Fund	2,000	(1,000)	1,000	(50.0%)
Facilities Modernization Fund	6,600	(600)	6,000	(9.1%)
Debt Service	40,772	0	40,772	0.0%
Transfer to Fund Strategic IT Investments	0	(5,461)	(5,461)	N/A
<b>Total Expenditures</b>	<b>\$695,129</b>	<b>(\$32,266)</b>	<b>\$662,863</b>	<b>(4.6%)</b>
<b>Net Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

\*\$25 million in FY25 unit expense savings incorporated across expense lines

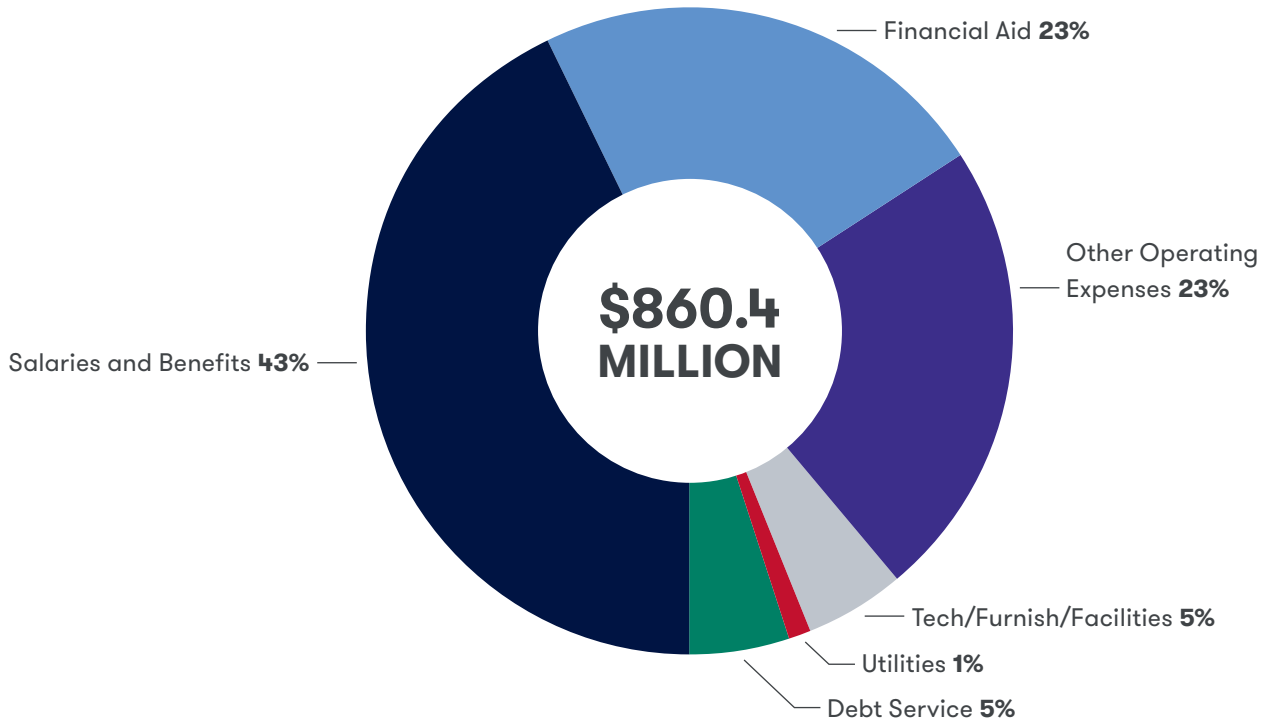


# REVENUE AND EXPENDITURE BUDGET

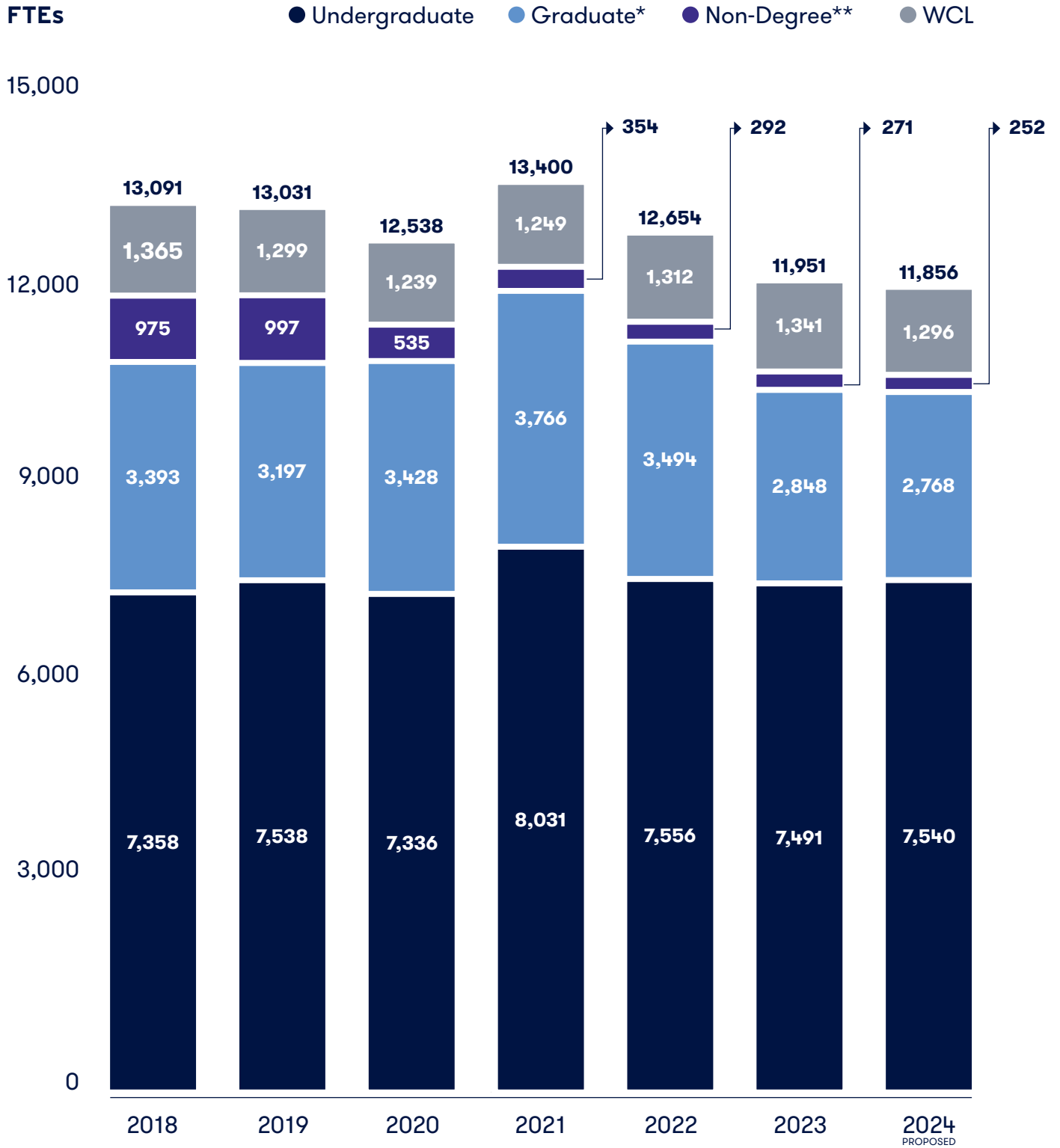
## REVENUE



## EXPENSE



# FALL FULL-TIME EQUIVALENT ENROLLMENT



Source: Office of Institutional Research and Assessment, data as of the 5th week of the semester (Census Date).

\*Graduate includes online programs

\*\*Non-degree includes International Accelerator Program and Master's Accelerator Program

# OVERALL TUITION, MANDATORY FEES, ROOM, AND BOARD

OVERALL TUITION, FEES, ROOM, AND BOARD	FY23	FY24	FY25	FY24–25 Change
Undergraduate Tuition	\$53,070	\$55,724	\$57,952	4.0%
Mandatory Fees	819	819	819	0.0%
Housing—Double Room (Including Residence Hall Association Fee)	10,400	11,302	11,820	4.6%
All-Inclusive Plus Plan with 100 Dining Dollars (For First-Years)	5,306	5,610	6,058	8.0%
<b>Total Academic Year Cost</b>	<b>\$69,595</b>	<b>\$73,455</b>	<b>\$76,649</b>	<b>\$3,194</b>
<b>Overall Percentage Change</b>				<b>4.3%</b>

TUITION RATES: FALL AND SPRING SEMESTERS	FY23	FY24	FY25	FY24–25 Change
Full-time Undergraduate (Semester)	\$26,535	\$27,862	\$28,976	4.0%
Part-time Undergraduate and Nondegree (Credit Hour)	1,768	1,856	1,930	4.0%
Graduate and Nondegree (Credit Hour)	1,866	1,922	2,000	4.1%
Washington College of Law (Semester)	29,921	30,968	32,207	4.0%
Washington College of Law (Credit Hour)	2,216	2,294	2,386	4.0%

TUITION RATES: SUMMER SEMESTERS (PER CREDIT HOUR)	Summer 2023	Summer 2024	Summer 2025	SU24–SU25 Change
Undergraduate	\$1,768	\$1,856	\$1,930	4.0%
Graduate	1,866	1,922	2,000	4.1%
Washington College of Law	2,216	2,294	2,386	4.0%

STUDENT HOUSING (PER SEMESTER)	FY23	FY24	FY25	FY24–25 Change
Hughes and Roper Single Occupancy	\$6,650	\$6,975	\$7,250	4.0%
Hughes and Roper Double Occupancy	5,200	5,455	5,670	4.0%
Hughes and Roper Triple Occupancy	3,880	4,075	4,240	4.0%
Anderson, Letts, Leonard, McDowell Single Occupancy*	6,710	7,035	7,350	4.5%
Anderson, Letts, Leonard, McDowell Double Occupancy*	5,250	5,515	5,760	4.5%
Anderson, Letts, Leonard, McDowell Triple Occupancy*	3,920	4,125	4,310	4.5%
Cassell Hall Single Occupancy	7,770	8,145	8,510	4.5%
Cassell Hall Double Occupancy	6,430	6,745	7,050	4.5%
Nebraska Hall Single Occupancy	7,850	8,225	8,600	4.5%
Nebraska Hall Double Occupancy	6,500	6,815	7,120	4.5%
Centennial Hall Single Occupancy	7,550	7,915	8,270	4.5%
Centennial Hall Double Occupancy	6,020	6,315	6,600	4.5%
East Campus Single Occupancy	7,770	8,145	8,510	4.5%
East Campus Double Occupancy	6,340	6,645	6,940	4.5%

MEAL PLAN RATES	FY23	FY24	FY25	FY24–25 Change
All-Inclusive Plus Plan with 100 Dining Dollars (For First-Years)	\$3,315	\$3,065	\$3,310	8.0%
All-Inclusive Plus Plan with 100 Dining Dollars	2,653	2,805	3,029	8.0%
All-Inclusive Standard Plan with 100 Dining Dollars	1,726	2,505	2,705	8.0%
All-Inclusive Basic Plan with 300 Dining Dollars	755	1,805	1,950	8.0%
\$800 Build-Your-Own Plan			800	
\$595 Build-Your-Own Plan			595	

\*Leonard and McDowell Halls grouped with Hughes and Roper Halls through FY24

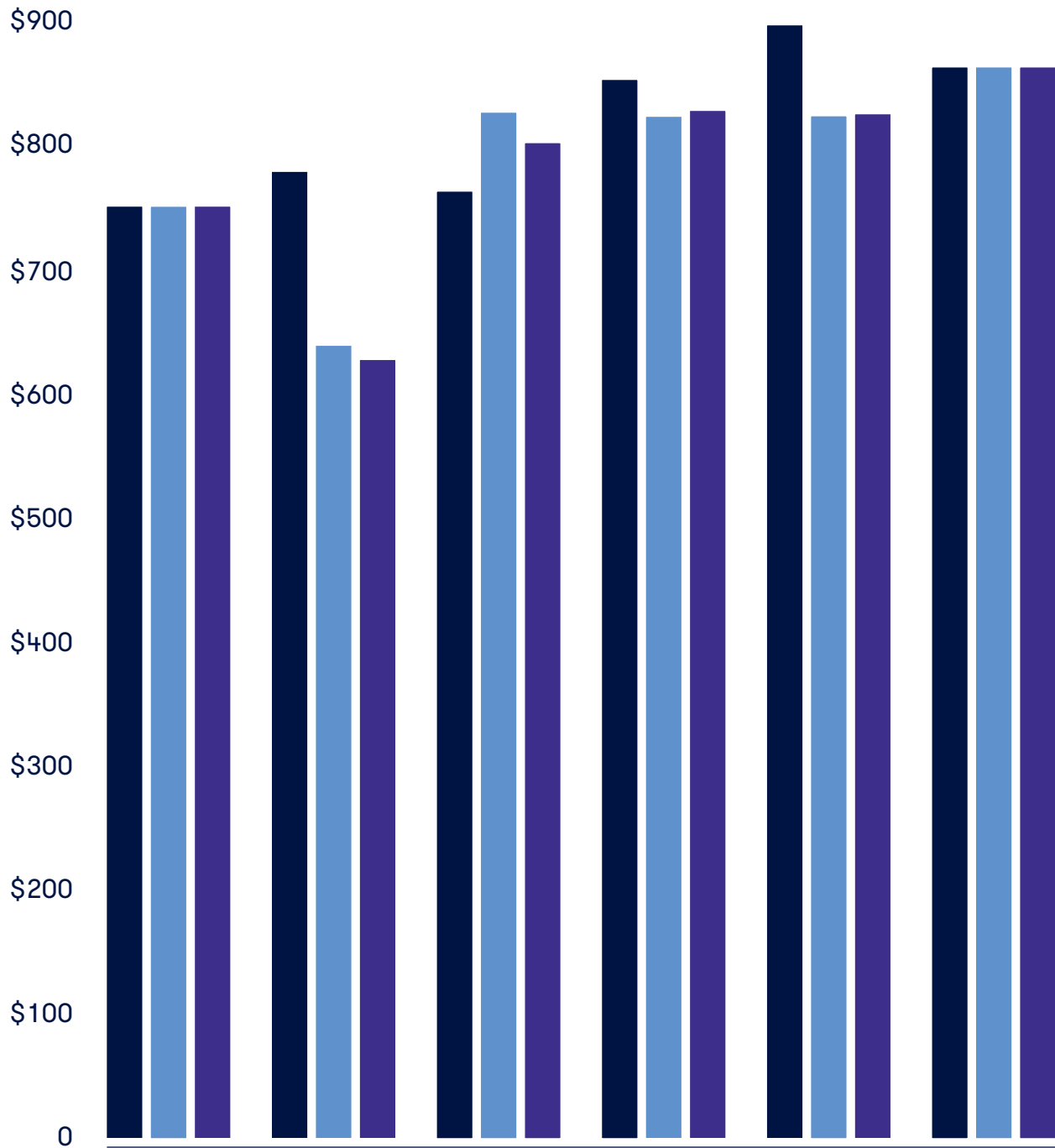
# OPERATING BUDGET HISTORY

\$ Millions

● Budget

● Actual Revenue

● Actual Expense



	FY20	FY21	FY22	FY23	FY24*	FY25
Budget	\$749.0	776.8	761.0	850.4	894.1	860.4
Actual Revenue	\$748.9	637.6	824.2	820.9	828.6	860.4
Actual Expense	\$749.0	626.2	799.8	825.6	833.9	860.4

Sources: University Budget Office and AU consolidated financial statements

\*FY24 actuals projected



AMERICAN UNIVERSITY  
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