



# AMERICAN UNIVERSITY BUDGET REPORT FROM THE PRESIDENT

**FISCAL YEARS 2020 AND 2021**

**JULY 1, 2019-JUNE 30, 2021**

Adopted by the Board of Trustees

March 1, 2019



## FISCAL YEARS 2020 AND 2021

# BUDGET HIGHLIGHTS

<b>Tuition for Enrollment Categories</b>	3.0% increase for FY20 and FY21 in undergraduate and graduate categories. Law tuition is set at a 2.0% increase each year
<b>Residence Halls</b>	A tiered approach has been adopted for residence hall increases, with no increases in FY20 and a 1.0% percent increase in FY21 for Hughes, Leonard, McDowell and Roper Halls, a 1.0% increase in each year for Anderson and Letts Halls, a 2.0% increase in each year for Centennial Hall, a 2.5% increase each year in Cassell Hall, and a 3.0% increase each year for East Campus suites and Nebraska Hall
<b>Meal Plan</b>	No increase for FY20 and FY21
<b>Total Tuition, Mandatory Fees, Residence Hall and Meal Plan Rates</b>	2.3% increase for FY20 and 2.4% increase for FY21
<b>Parking</b>	No increase for FY20 and FY21
<b>Unrestricted Gifts</b>	\$750,000 in FY20 and a \$1.2 million target in FY21
<b>Investment Income</b>	A \$7.0 million target in FY20–FY21
<b>Indirect Cost Recovery</b>	\$3 million and \$3.3 million targets in FY20–21
<b>Endowment Income</b>	A \$7.5 million target in FY20–21
<b>WAMU-FM</b>	A \$37 million revenue target in FY20 and a \$39 million revenue target in FY21
<b>Faculty and Staff Salaries</b>	\$5.0 million for a 2.5% funding pool to provide performance-based salary increase for faculty and staff in September 2019. An additional \$5.2 million for a 2.5% performance-based salary increase in September 2020
<b>Full-time Faculty</b>	\$400,000 in FY20 and another \$400,000 in FY21 as a tenure/tenure-track faculty retention pool to be market competitive. \$100,000 in FY20 and another \$100,000 in FY21 to support a term faculty promotion pool
<b>Staff</b>	Increased funding for staff positions include the areas of student health and wellness, residence life, information technology, the First-Year Advisors initiative, and new regulatory changes
<b>Faculty and Staff Benefits</b>	\$1.5 million over two years to increase the university’s contribution to premiums for competitive health, dental, and life disability plan offerings to attract and retain high-quality faculty and staff. In addition, funding has been set aside to cover estimated costs for the new DC Universal Paid Leave Act
<b>DC Minimum Wage Increases</b>	\$300,000 base increase in FY20 and another \$600,000 in FY21 to fund compensation adjustments in accordance with DC minimum wage increases

## FISCAL YEAR 2020

# REVENUE AND EXPENDITURE BUDGET

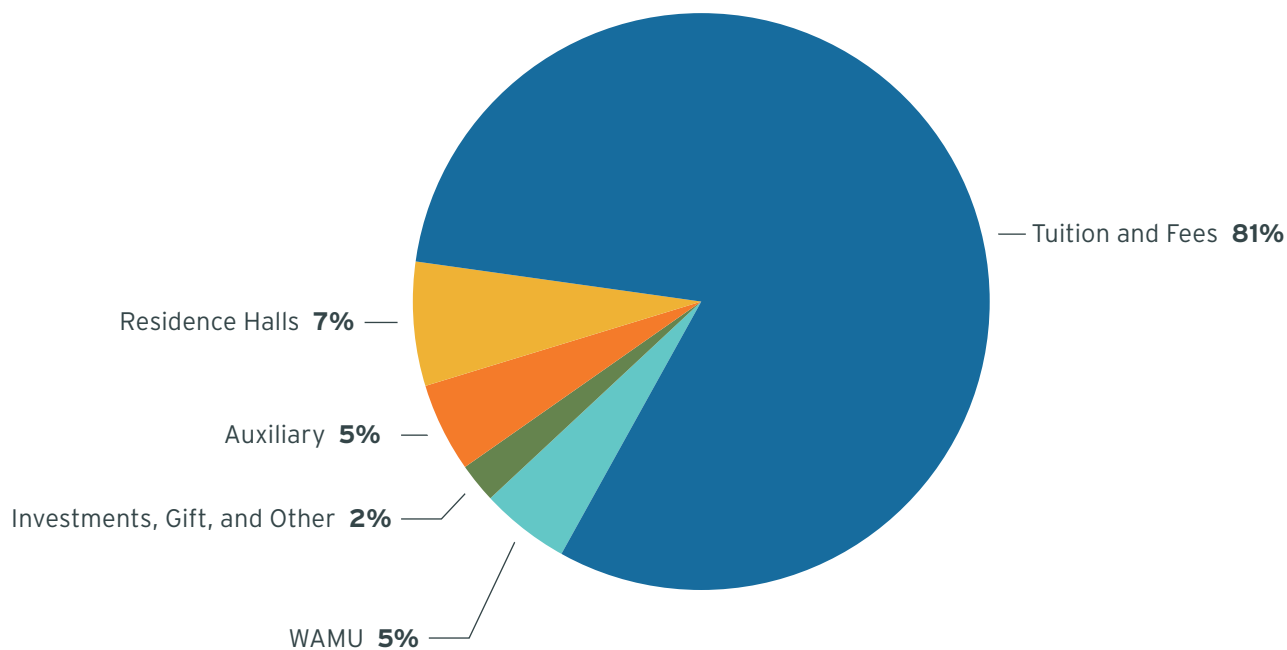
	FY19 Budget	Budget Changes	FY20 Budget	% Change
<b>REVENUE (\$000s)</b>				
Student Tuition and Fees	\$586,893	\$16,729	\$603,622	2.9%
Residence Halls	50,906	(122)	50,784	(0.2%)
Auxiliary Enterprises	39,391	(277)	39,114	(0.7%)
Investment Income	6,750	250	7,000	3.7%
Unrestricted Gifts	750	0	750	0.0%
Indirect Cost Recovery	2,000	1,016	3,016	50.8%
Endowment Income	4,500	3,000	7,500	66.7%
WAMU-FM Revenue	26,810	10,404	37,214	38.8%
<b>Total Revenue</b>	<b>\$718,000</b>	<b>\$31,000</b>	<b>\$749,000</b>	<b>4.3%</b>
<b>EXPENDITURES (\$000s)</b>				
Faculty and Staff Salaries	\$220,211	\$5,300	\$225,511	2.4%
Adjunct Faculty Salaries	8,785	75	8,860	0.9%
Part-time Staff	21,270	(201)	21,069	(0.9%)
Employee Benefits	68,205	4,374	72,579	6.4%
Transfer to Fund Sept. 2019 Salary Increase	(4,700)	(300)	(5,000)	6.4%
Transfer to Pre-Fund Sept. 2020 Salary Increase	5,000	200	5,200	4.0%
<b>Salaries and Benefits</b>	<b>\$318,771</b>	<b>\$9,449</b>	<b>\$328,220</b>	<b>3.0%</b>
Financial Aid	150,373	9,897	160,270	6.6%
Other Operating Expenses	113,711	(6,667)	107,045	(5.9%)
Online Partnership Programs and Instructional Revenue Centers (IRCs)	47,721	7,674	55,395	16.1%
Library Acquisitions	6,768	311	7,079	4.6%
Utilities	12,150	0	12,150	0.0%
Technology Capital Funding	16,165	1,038	17,203	6.4%
Deferred Maintenance (including residence halls)	13,669	875	14,544	6.4%
Furnishings and Equipment Fund	2,072	0	2,072	0.0%
Facilities Modernization Fund	6,600	0	6,600	0.0%
Debt Service	31,172	3,900	35,072	12.5%
Responsibility Center Management (RCM) Units	0	8,230	8,230	n/a
Transfer to Quasi-Endowment Funds	7,180	0	7,180	0.0%
Transfer to Fund RiSE Initiatives	(2,617)	158	(2,459)	(6.0%)
Transfer to Fund Fundraising Campaign	(5,735)	1,735	(4,000)	(30.3%)
Transfer to Fund Strategic Plan Initiatives	0	(5,600)	(5,600)	n/a
<b>Total Expenditures</b>	<b>\$718,000</b>	<b>\$31,000</b>	<b>\$749,000</b>	<b>4.3%</b>
<b>Net Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

FISCAL YEAR 2020

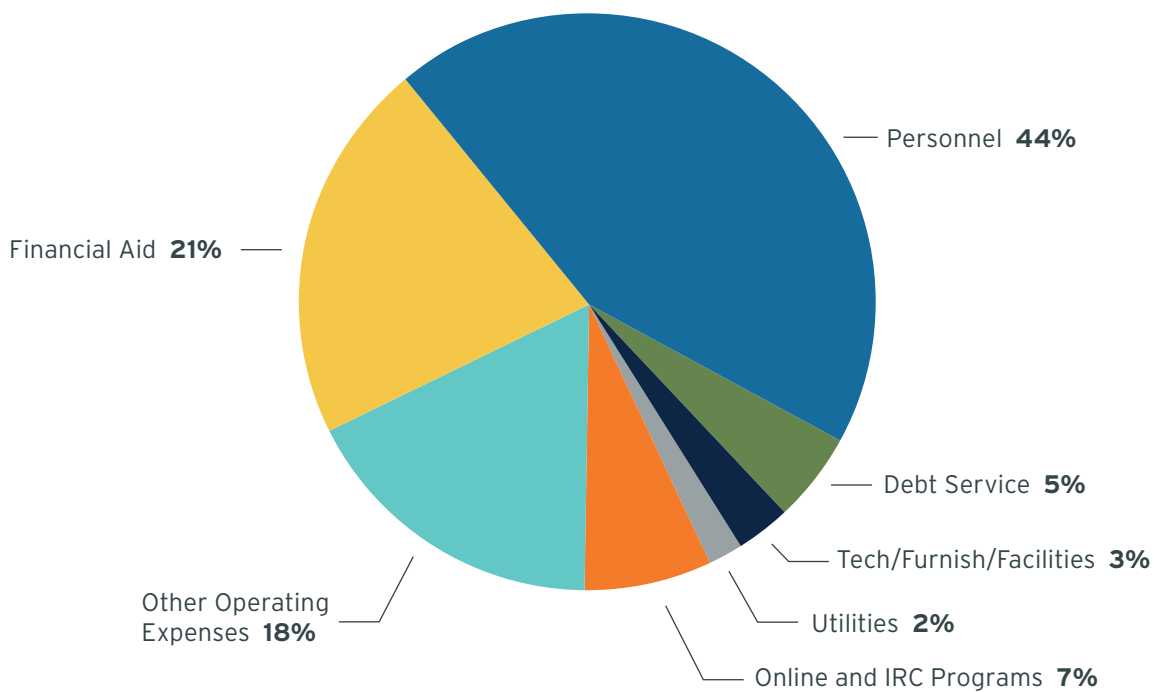
# REVENUE AND EXPENDITURE BUDGET

\$749 million

## REVENUE



## EXPENDITURES



FISCAL YEARS 2020–2021

# SUMMARY OF STRATEGIC PLAN INVESTMENTS

(EXISTING AND NEW INVESTMENTS)

(\$000s omitted)	FY20	FY21
<b>SCHOLARSHIP</b>		
Areas of Strategic Focus		
Establish up to three university-wide centers by year 2	\$900	\$900
Research		
Existing research support costs	\$40,273	\$41,222
Additional research overhead recovery return to schools	508	633
Further increase research administration support	600	600
Hall of Science (HoS) and new capital projects	3,900	3,900
<b>Total</b>	<b>\$45,281</b>	<b>\$46,355</b>
<b>LEARNING</b>		
The Student Experience		
Existing student experience support costs	\$38,823	\$38,687
Increase undergraduate and graduate financial aid (non-need based)	1,979	3,455
Enhance student wellness programs	200	200
Enhance student experience through study abroad programs	527	527
<b>Total</b>	<b>\$41,529</b>	<b>\$42,869</b>
Learning for Undergraduate, Graduate, & Professional Students		
Existing instructional and learning costs for undergraduate, graduate, & professional students	\$141,088	\$144,093
Strengthen graduate market research and recruitment efforts	500	500
Increase library materials	312	636
<b>Total</b>	<b>\$141,900</b>	<b>\$145,229</b>
Lifelong Learning		
Existing lifelong learning costs	\$48,379	\$48,379
Grow non-digital lifelong learning programs	2,770	2,770
Expand online master's programs	4,903	12,956
Create a digital strategy office	800	800
<b>Total</b>	<b>\$56,852</b>	<b>\$64,905</b>

# TUITION, HOUSING, AND MEAL PLAN RATES

<b>OVERALL TUITION, FEES, ROOM, AND BOARD (TFRB)</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>
Undergraduate Tuition	\$44,046	\$45,808	\$47,640	\$49,070	\$50,542
Mandatory Fees*	807	807	819	819	819
Housing—Double Room (including RHA Fee)	9,800	9,898	9,996	9,996	10,096
175 Block Meal Plan (with \$400 Eaglebucks for first-years)	4,726	4,804	4,884	4,884	4,884
<b>Total Academic Year Cost</b>	<b>\$59,379</b>	<b>\$61,317</b>	<b>\$63,339</b>	<b>\$64,769</b>	<b>\$66,341</b>
<b>% Change from Previous Academic Year</b>	<b>3.3%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>2.3%</b>	<b>2.4%</b>

<b>TUITION RATES: FALL AND SPRING SEMESTERS</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY19–20 Change</b>	<b>FY20–21 Change</b>
Full-time Undergraduate (semester)	\$23,820	\$24,535	\$25,271	3.0%	3.0%
Part-time Undergraduate and Nondegree (credit hour)	1,587	1,635	1,684	3.0%	3.0%
Graduate and Nondegree (credit hour)	1,708	1,759	1,812	3.0%	3.0%
Washington College of Law (semester)	27,786	28,342	28,909	2.0%	2.0%
Washington College of Law (credit hour)	2,058	2,099	2,141	2.0%	2.0%
Part-time Off-Campus (credit hour)	1,439	1,482	1,526	3.0%	3.0%

<b>TUITION RATES: SUMMER SEMESTERS (PER CREDIT HOUR)</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY19–20 Change</b>	<b>FY20–21 Change</b>
Undergraduate	\$1,526	\$1,587	\$1,635	4.0%	3.0%
Graduate	1,642	1,708	1,759	4.0%	3.0%
Washington College of Law	1,988	2,058	2,099	3.5%	2.0%
Part-time Off-Campus	1,384	1,439	1,482	4.0%	3.0%

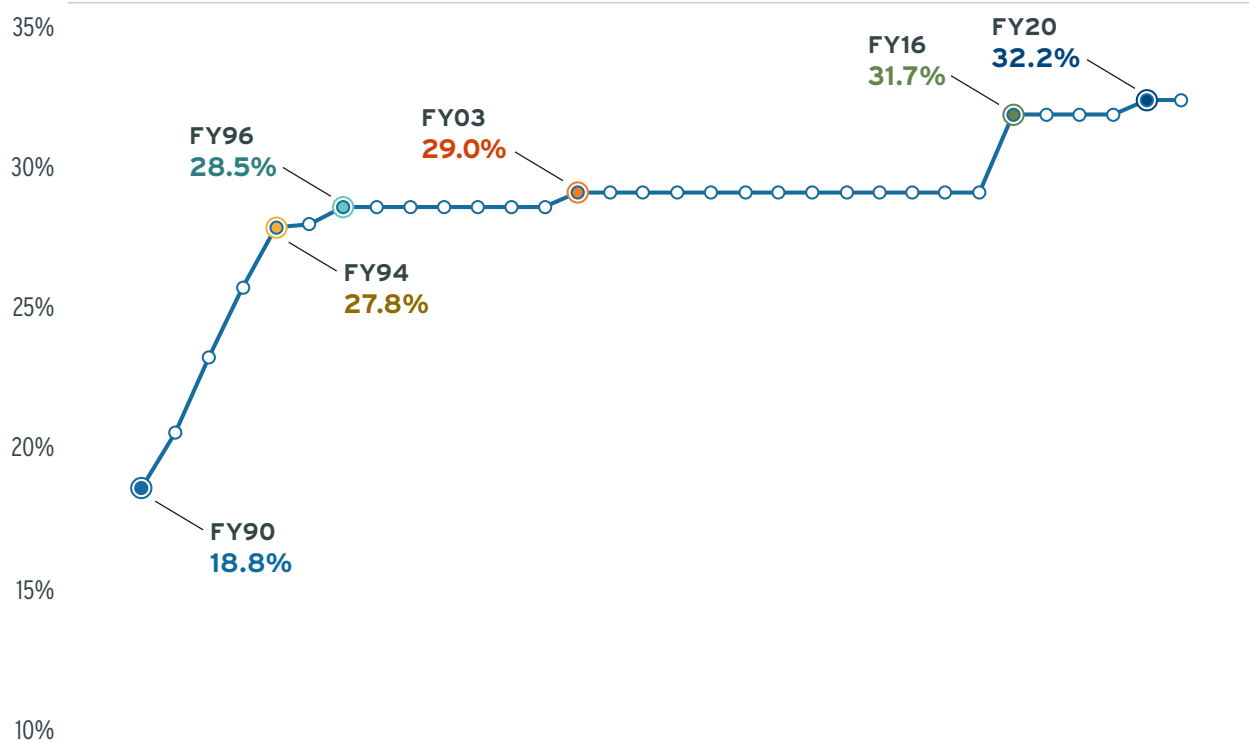
<b>STUDENT HOUSING (PER SEMESTER)</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY19–20 Change</b>	<b>FY20–21 Change</b>
Hughes, Leonard, McDowell, Roper Single Occupancy	\$6,388	\$6,388	\$6,452	0.0%	1.0%
Hughes, Leonard, McDowell, Roper Double Occupancy	4,998	4,998	5,048	0.0%	1.0%
Hughes, Leonard, McDowell, Roper Triple Occupancy	3,730	3,730	3,767	0.0%	1.0%
Anderson & Letts Single Occupancy	6,388	6,452	6,516	1.0%	1.0%
Anderson & Letts Double Occupancy	4,998	5,048	5,098	1.0%	1.0%
Anderson & Letts Triple Occupancy	3,730	3,767	3,805	1.0%	1.0%
Cassell Hall Single Occupancy	7,183	7,362	7,546	2.5%	2.5%
Cassell Hall Double Occupancy	5,947	6,095	6,247	2.5%	2.5%
Nebraska Hall Single Occupancy	7,183	7,398	7,619	3.0%	3.0%
Nebraska Hall Double Occupancy	5,947	6,125	6,308	3.0%	3.0%
Centennial Hall Single Occupancy	7,043	7,184	7,327	2.0%	2.0%
Centennial Hall Double Occupancy	5,620	5,732	5,846	2.0%	2.0%
East Campus Single Occupancy	7,113	7,326	7,545	3.0%	3.0%
East Campus Double Occupancy	5,802	5,976	6,155	3.0%	3.0%

<b>MEAL PLAN RATES</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY19–20 Change</b>	<b>FY20–21 Change</b>
All Access 7 Day Plan + 5 Meal Exchanges & 100 Eaglebucks	n/a	\$3,050	\$3,050	n/a	0.0%
175 Block Plan with 400 Eaglebucks	2,442	2,442	2,442	0.0%	0.0%
100 Block Plan with 400 Eaglebucks	1,588	1,588	1,588	0.0%	0.0%
50 Block Plan with 100 Eaglebucks	695	695	695	0.0%	0.0%
800 Eaglebucks	n/a	800	800	n/a	0.0%

Note: \*U-Pass fee included in Mandatory Fees.

# TUITION DISCOUNT RATE

(FINANCIAL AID AS A PERCENT OF TUITION REVENUE)



Notes: Excludes employee remitted tuition.

The tuition discount formula was recalibrated effective FY16 to reflect special allocations that had not previously been factored into the calculation (e.g., Frederick Douglass Distinguished Scholarships, grants-in-aid, and AU enrichment grants).

# PERCENTAGE OF FINANCIAL AID EXPENDITURES

ON NEED VS. MERIT

	NEED	MERIT
AY17-18	80%	20%
AY16-17	78%	22%
AY15-16	80%	20%
AY14-15	71%	29%
AY13-14	71%	29%
AY12-13	56%	44%
AY11-12	45%	55%
AY10-11	36%	64%
AY09-10	34%	66%