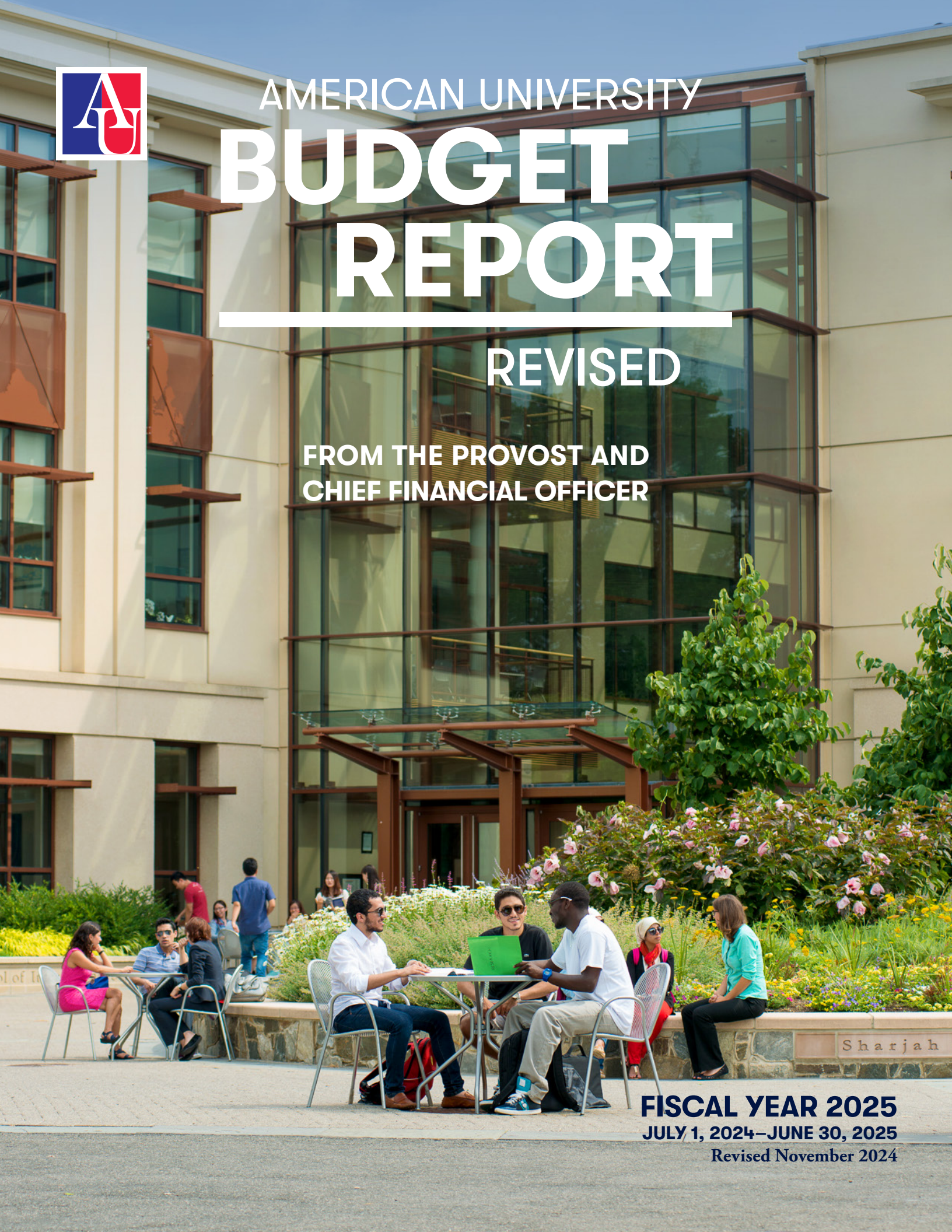




AMERICAN UNIVERSITY
**BUDGET
REPORT**

REVISED

**FROM THE PROVOST AND
CHIEF FINANCIAL OFFICER**



FISCAL YEAR 2025
JULY 1, 2024–JUNE 30, 2025
Revised November 2024



REPORT FROM

ACTING PROVOST AND CHIEF ACADEMIC OFFICER VICKY M. WILKINS AND CHIEF FINANCIAL OFFICER BRONTÉ BURLEIGH-JONES

The volatility in our enrollment environment has challenged all of us this year, and we are grateful to the entire university community for their partnership in addressing the additional FY25 budget shortfall.

During its November 2024 meeting, the AU Board of Trustees approved a revised operating budget for FY25, reflecting a reduction from the originally approved budget of \$860.4 million to \$825.2 million. This budget revision was prompted by unanticipated changes in our enrollment environment this year, which resulted in an additional budget impact of \$35.2 million. Recognizing that the additional FY25 budget shortfall exceeded the university’s self-imposed threshold for addressing major operating budget impacts, the board considered and approved a revised FY25 budget proposal, reflecting both our new revenue realities and additional budget mitigations.

Throughout the summer and fall of 2024, we kept the university community informed of the evolving changes in our undergraduate and graduate enrollment environment and the impact this has had on our budget and financial resources. While the originally approved FY25 one-year operating budget of \$860 million already incorporated a revenue decrease from anticipated enrollment declines in our graduate and online programs, significant additional enrollment shortfalls were realized at the start of the 2024–25 academic year, primarily as a result of a smaller incoming undergraduate class. Fortunately, thanks to significant efforts from our partners across campus, we were able to develop a mitigation plan to cover the shortfall through a combination of institutional expense savings, university-wide unit operating budget savings, and a proposed transfer from the enrollment reserve.

The FY25 budget reset recognizes gross tuition and fee revenue changes of approximately \$28 million as well as enrollment-related losses in housing and auxiliary revenues. Expense lines were reduced in the areas of salaries, benefits, and operational expenses, consistent with additional implemented mitigation strategies and unit budget savings. The remaining shortfall of \$13.2 million will be covered with a previously approved \$5 million transfer from the enrollment reserve plus an additional \$8.2 million reserve transfer approved as part of the revised FY25 budget.

The volatility in our enrollment environment has challenged all of us this year, and we are grateful to the entire university community for their partnership in addressing the additional FY25 budget shortfall. As we continue to build on this partnership to address the structural changes that are necessary to develop our FY26 budget and return the university to long-term financial stability, we thank all of you for your ongoing dedication and commitment to our Eagle community.

A handwritten signature in black ink that reads "V. Wilkins".

Vicky M. Wilkins

A handwritten signature in black ink that reads "Bronté Burleigh-Jones".

Bronté Burleigh-Jones

REVISED FISCAL YEAR 2025

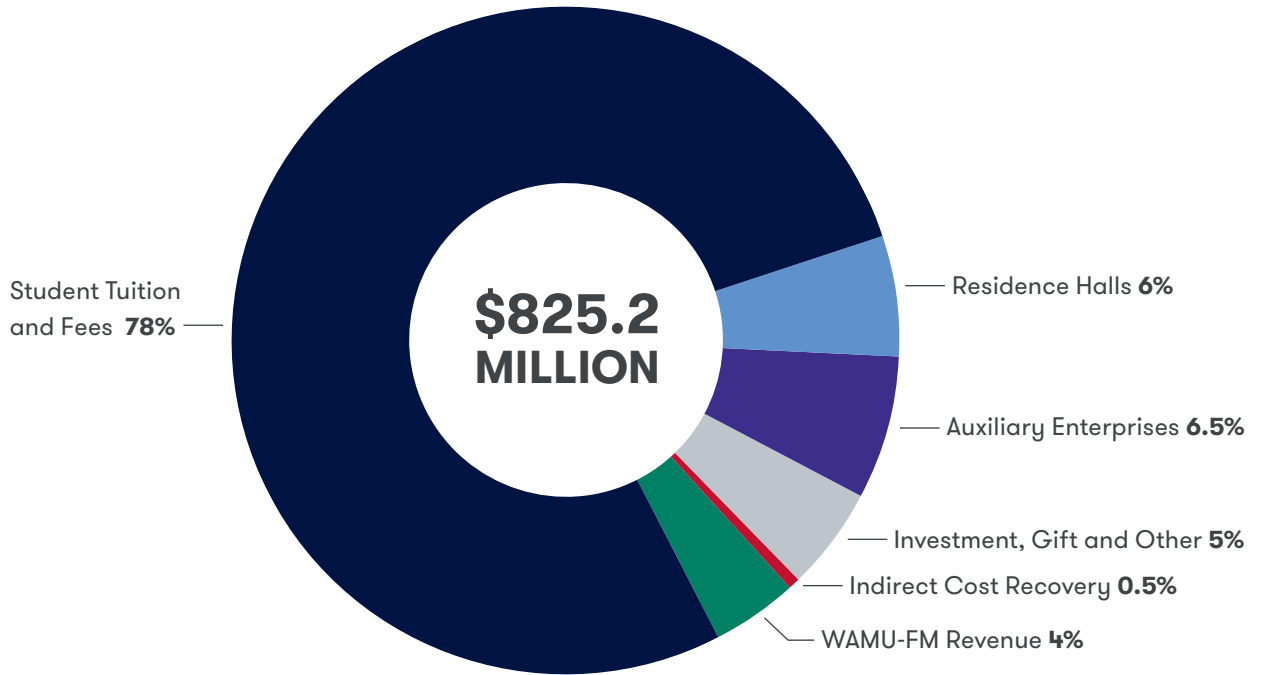
SUMMARY NET REVENUE AND EXPENDITURE BUDGET

	Original FY2025 Budget	Revised Budget Changes	Revised FY2025 Budget*
REVENUE (\$000s)			
Student Tuition and Fees	\$675,537	(\$28,501)	\$647,035
Less Financial Aid	(197,577)	0	(197,577)
Net Student Tuition and Fees	477,960	(28,501)	449,458
Residence Halls	50,736	(4,516)	46,220
Auxiliary Enterprises	56,414	(2,183)	54,231
Investment Income	9,000	0	9,000
Unrestricted Gifts	1,200	0	1,200
Indirect Cost Recovery	4,500	0	4,500
Endowment Income	30,654	0	30,654
WAMU-FM	32,400	0	32,400
Total Net Revenue	\$662,863	(\$35,200)	\$627,663
Total Gross Revenue	\$860,440	(\$35,200)	\$825,240
EXPENDITURES (\$000s)			
Faculty and Staff Salaries	\$268,835	(\$10,027)	\$258,808
Adjunct Faculty Salaries	8,693	288	8,981
Part-time Staff	20,197	(\$1,596)	18,602
Employee Benefits	77,725	(\$2,079)	75,646
Salaries and Benefits	\$375,450	(\$13,414)	\$362,036
Other Operating Expenses	185,909	(8,862)	177,047
Library Acquisitions	9,398	18	9,416
Utilities	11,267	(97)	11,171
Technology Capital Funding	23,108	354	23,462
Deferred Maintenance (Including Residence Halls)	15,419	0	15,419
Furnishings and Equipment Fund	1,000	0	1,000
Facilities Modernization Fund	6,000	0	6,000
Debt Service	40,772	0	40,772
Transfer to Fund Strategic IT Investments	(5,461)	0	(5,461)
Investments: FY25 Enrollment Reserve Transfer	0	(13,200)	(13,200)
Total Expenditures	\$662,863	(\$35,200)	\$627,663
Net Surplus/(Deficit)	\$0	\$0	\$0

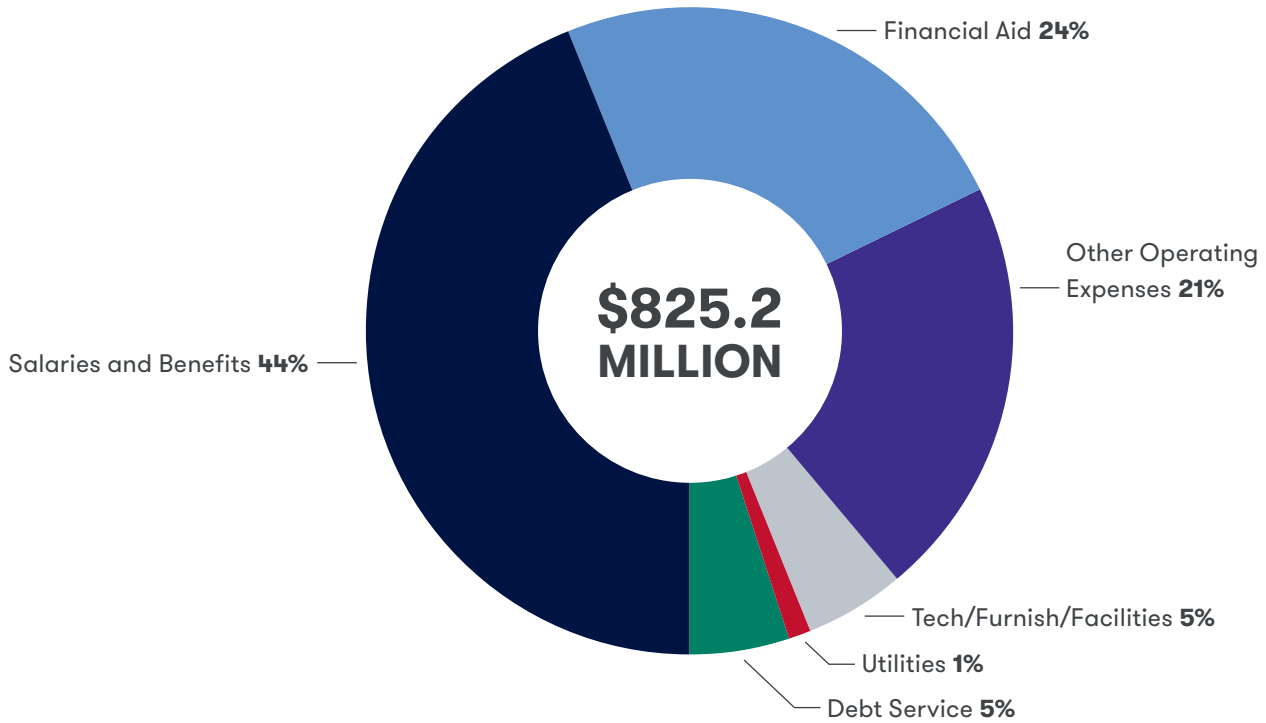
*Revised budget includes Fall 2025 enrollment variances, implemented expense mitigations, routine budget reallocations, and categorization changes resulting from ERP migration.

REVENUE AND EXPENDITURE BUDGET

REVENUE



EXPENSE





AMERICAN UNIVERSITY
WASHINGTON, DC

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