



AUBURN UNIVERSITY OPERATING BUDGET

FISCAL YEAR 2026



Auburn University Annual Budget



October 1, 2025 - September 30, 2026

The reports presented in this book represent the operating budget for all four divisions of Auburn University for FY 2025-26. The numbers are estimates of anticipated revenues and uses of those revenues for the fiscal year. The budget is a reflection of the University's plan to meet the strategic objectives recognized by the President and Board of Trustees in furtherance of the core mission of instruction, research, and extension. The reports are presented in multiple formats to give different perspectives of the same information as well as provide management with various tools with which to report on financial performance.

Kelli D. Shomaker, CPA
Senior Vice President for
Business & Administration/CFO

Bryan Elmore, CPA
AVP, Budgets & Business Operations

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AUBURN UNIVERSITY
Auburn, Alabama

TRUSTEES

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Dr. Christopher Roberts, President

Jon G. Waggoner, Secretary to the Board of Trustees

FY 2025-26 Budget

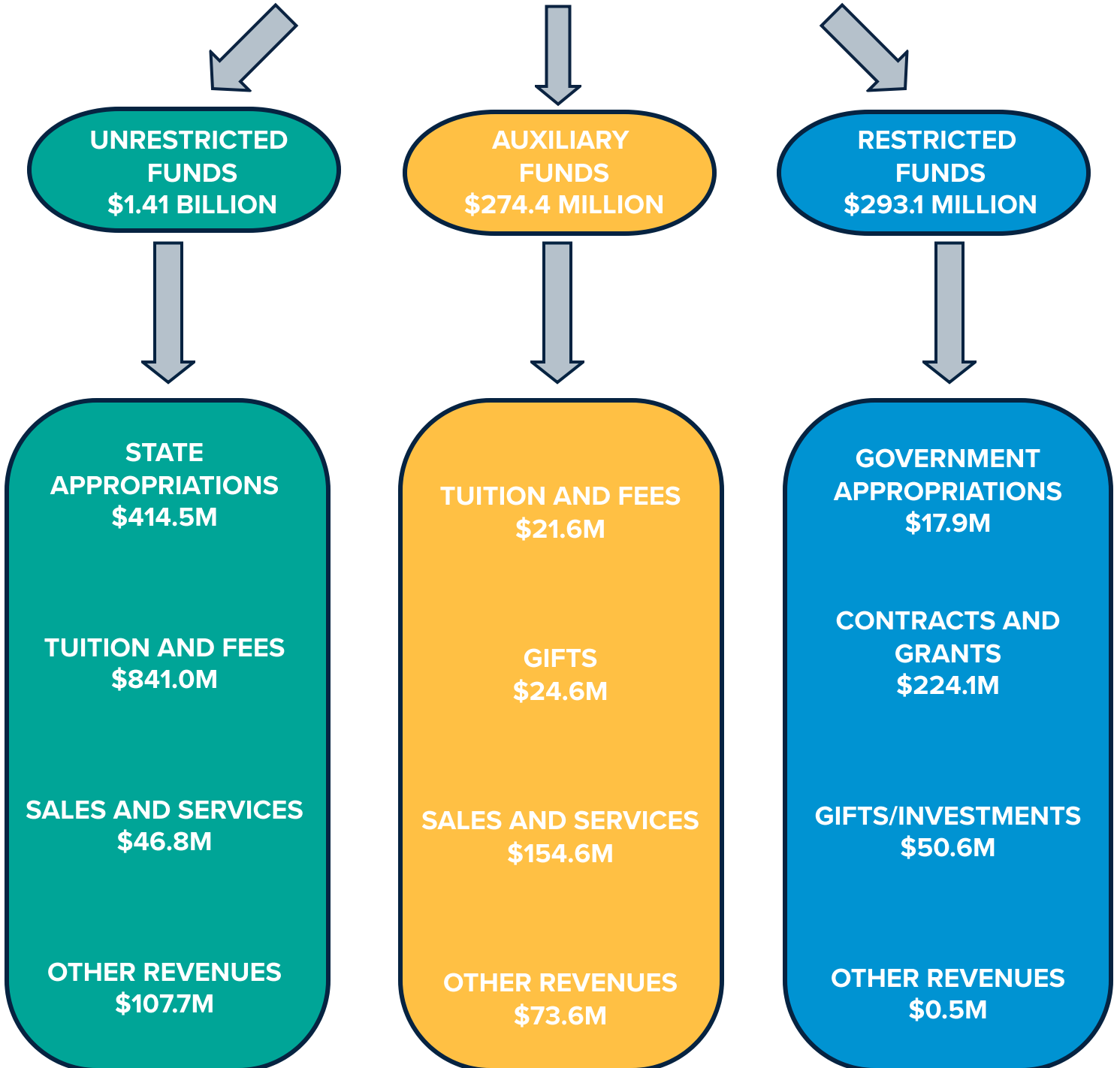
TAB: Consolidated Budget Information





AU BY THE NUMBERS

**FY 2025-26 BUDGET
\$1.98 BILLION**





Management Discussion

FY 2025-26 Operating Budget Highlights

This document provides a brief overview of the proposed budget for Auburn University for the fiscal year 2025-26 totaling \$1.98 billion, which reflects an increase of 6.88% from the prior year. The budget is divided into four divisions: AU-Main Campus (AU-Main Campus), Auburn University-Montgomery (AUM), the Alabama Agricultural Experiment Station (AAES), and the Alabama Cooperative Extension System (ACES) as seen in **Figure 1**, and three fund types: unrestricted, restricted, and auxiliary, as seen in **Figure 2**. The budget is based on the revenue projections from state appropriations, tuition and fees, contracts and grants, auxiliary operations, and other sources, and the expense allocations for salaries and wages, employee benefits, operations and maintenance, student aid, and other purposes. The budget also incorporates the strategic budgeting initiative, which is a modified Responsibility Center Management (RCM) approach that delegates operational authority to colleges and other units and uses a mission enhancement fund for subvention and strategic investment.

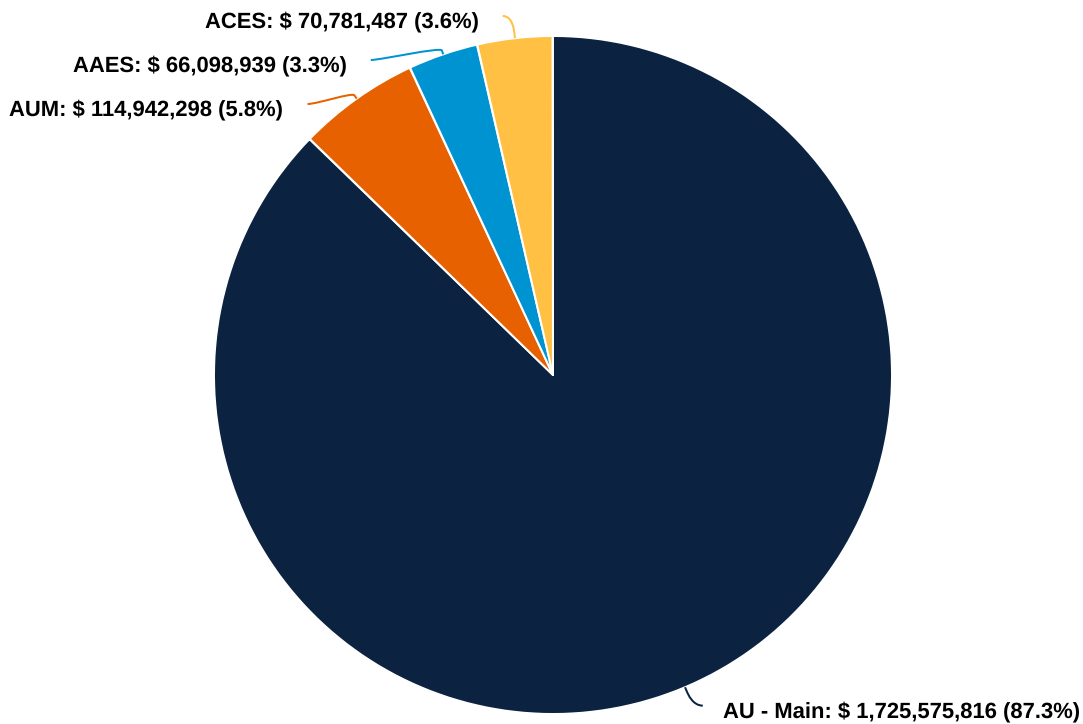
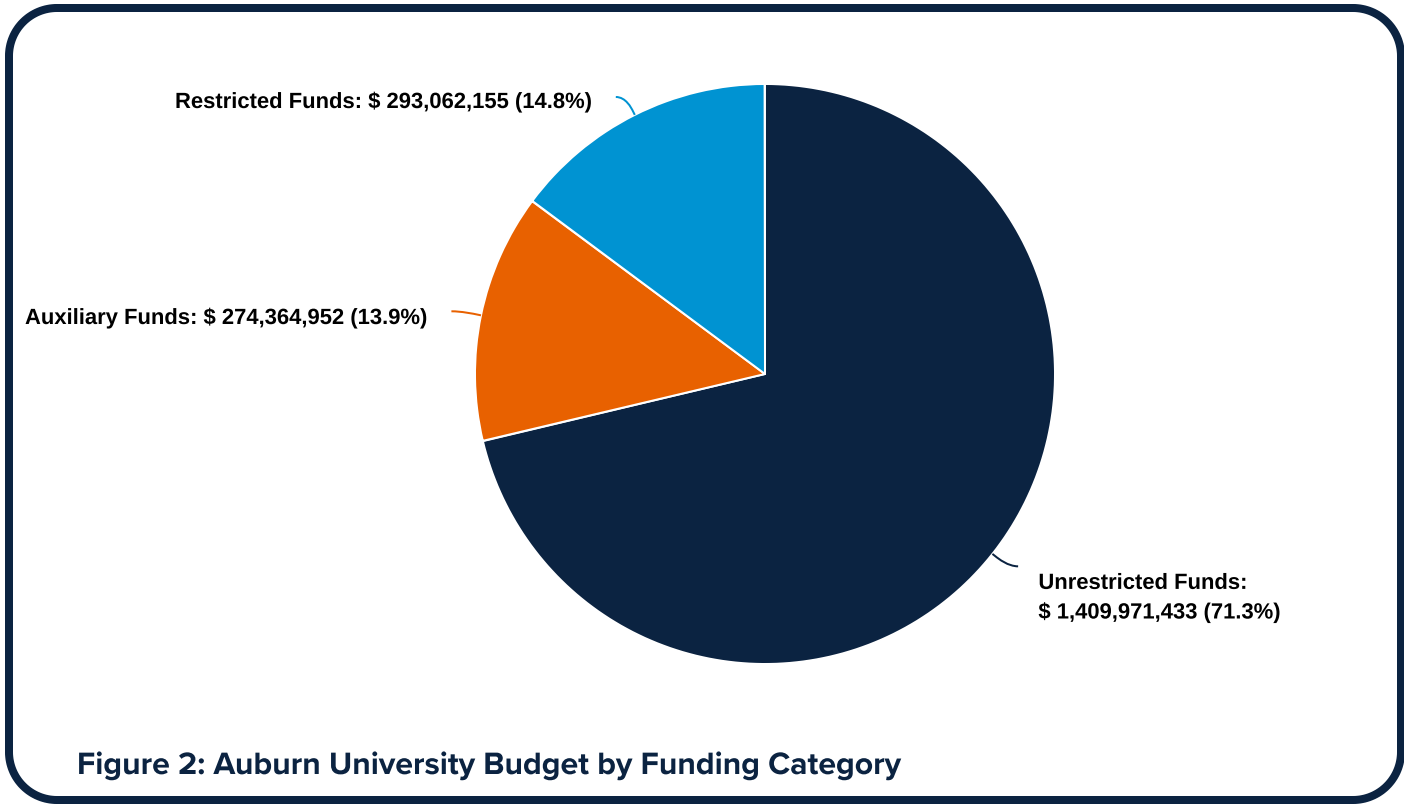


Figure 1: Auburn University Budget by Division



Revenues

The proposed budget for FY 2025-26 anticipates an increase of \$127.4 million in total revenues from the prior year. The main sources of revenue growth are:

- State appropriations: The 2025 legislative session concluded with a favorable outcome for Auburn University, with an expected increase of \$25.3 million (6.49%) in state funding. Once again, Auburn-Main Campus, AUM, and AAES received an allocation of one-time resources from the supplemental pools of funding from the State of Alabama. Because these funds are non-recurring, the only amounts included in the budget are those directly tied to Auburn in the Education Trust Fund appropriations bill. State appropriations have continued to grow in recent years as seen in **Figure 3**.
- Tuition and fees: The Board of Trustees approved a tuition rate increase of 3% for AU-Main Campus and AUM for the FY 2025-26 academic year. This rate change, coupled with an expected growth in enrollment at Auburn-Main Campus, results in an increase in tuition and fees of \$55.5 million (7.06%) from the prior year.

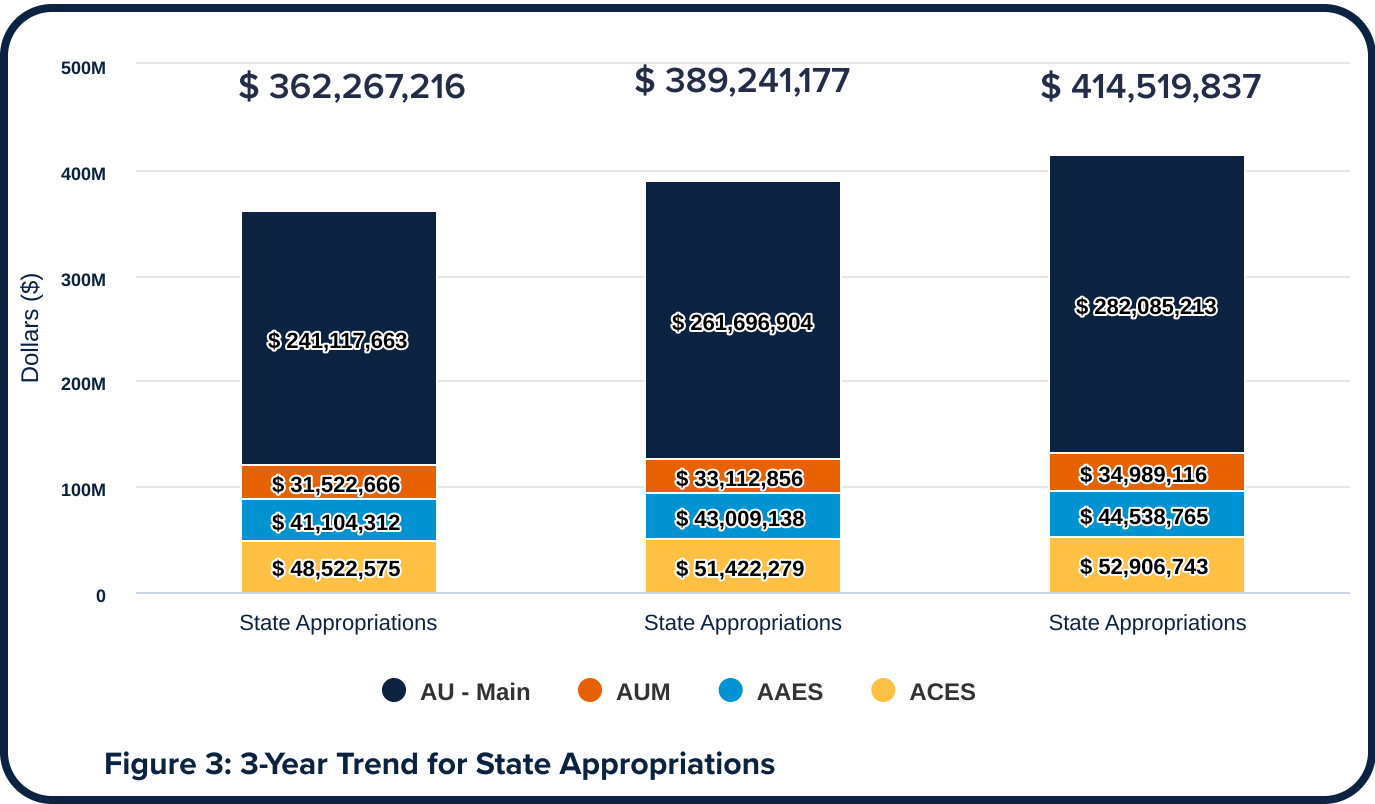
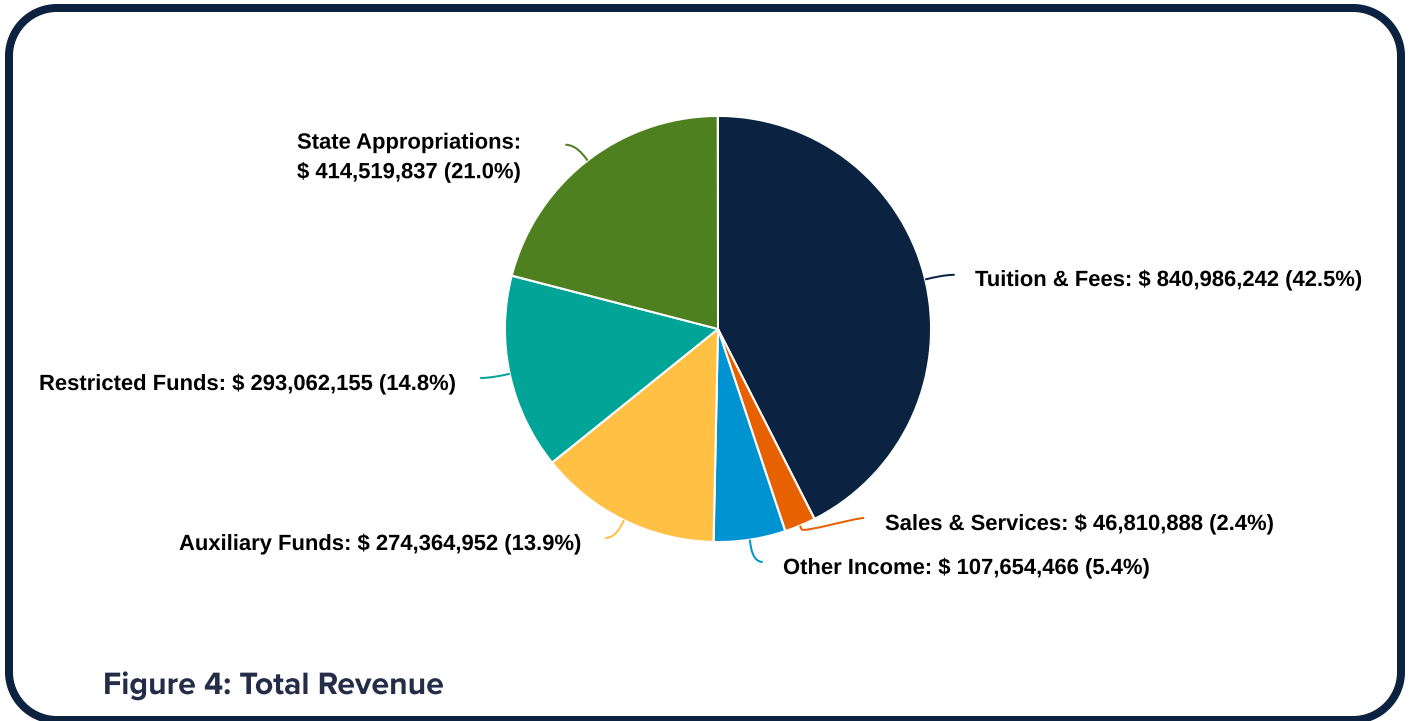


Figure 3: 3-Year Trend for State Appropriations

- Restricted revenues: This source of funding is expected to increase by \$14.1 million (5.07%). This increase is conservative due to uncertainties in government funding.
- Auxiliary revenues: These revenues are expected to increase by \$21.2 million (8.36%). This is primarily due to increases in Athletics (\$12 million), the AU Bookstore (\$2.2 million) and Campus Living (\$6.0 million), which includes housing and dining.
- Sales & services and Other revenues: These combined revenues are expected to increase by \$11.3 million (7.88%). This increase is related to the Gogue Performing Arts Center, the teaching hospital in the College of Veterinary Medicine, investment income and an increase in indirect cost recovery revenues related to contracts and grants .



The University has numerous revenue sources as seen in **Figure 4**. State appropriations and tuition & fees make up almost 63.5% of the total proposed budget for FY 2025-26 which is consistent with the proportion they represented in FY2024-25.



Expenses

The proposed budget for FY 2025-26 includes an increase of \$127.4 million in total expenses from the prior year. The primary areas of expense growth are:

- Salaries and wages: The proposed budget includes an increase related to personnel costs of \$45.1 million (6.02%) from the prior year. The university is budgeting for a 3% merit pool, which accounts for \$16.8 million of the overall increase. Faculty promotions, totaling \$1.3 million, are also included. There are new faculty and administrative positions totaling \$19.9 million. This includes positions related to performing research and research administration amongst other strategic investments for security and to enhance the student experience on campus. An increase of \$3.0 million is expected for the growth in use of students (both undergraduate and graduate) and temporary employees and \$2.3 million is expected in reclassifications and salary alignments. The increase in Athletics for salaries and wages is expected to be \$1.8 million.



- Employee benefits: Due to an increase in the fringe rate and the growth in salaries and wages, employee benefits are expected to increase by \$24.6 million (12.13%) from the prior year.

Non-personnel expenses are expected to increase by \$57.7 million from the prior year (6.42%). This includes the following changes.

- Student Aid: Student Aid is expected to increase by \$26.7 million (11.17%) largely due to an increase in Athletics as a result of the House settlement which provides for revenue sharing and additional scholarships offered to student athletes.
- Operations and maintenance: Operations and maintenance expenses are expected to increase by \$7.9 million (1.61%). This includes increases in contracts and other mandatory costs in safety and security with the city of Auburn, administrative and academic software and technology infrastructure, property insurance, utility and maintenance costs related to building operations, and costs related to new square footage.
- Repairs and renovation: The overall change is an increase of \$0.8 million (4.49%) over the prior year. AU-Main campus expects an increase of \$1.0 million while AUM will use supplemental state funds for their deferred maintenance needs resulting in a decrease of \$.2 million for their repair and renovation budget.
- Debt service: The total for debt service is expected to increase by \$15.5 million (19.32%) over the prior year. This includes the increase (\$5.9 million) resulting from the issuance of new bonds during FY25, a one-time increase related to transit bus bonds (\$10.4 million) due to a balloon payment to satisfy the outstanding debt, and refunding savings of \$800K.
- Budget Reserve: Overall, the budget reserve number is expected to decrease by \$1.5M (2.56%). We have increased the reserve for contingencies by \$19M (to a total of \$66.1 million). This is offset by the planned use of reserves in various units.
- Mission enhancement fund: The net mission enhancement fund is expected to increase by \$8.3 million (59.74%) over the prior year.



A summary of expenses by object can be found in **Figure 5**, and a summary of expenses by function can be found in **Figure 6**.

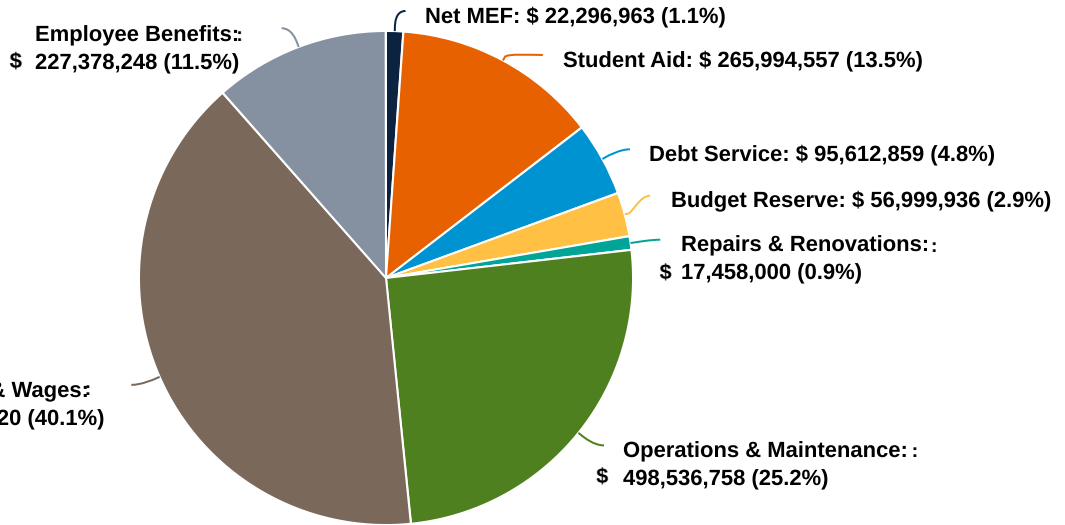


Figure 5: Expenses by Object

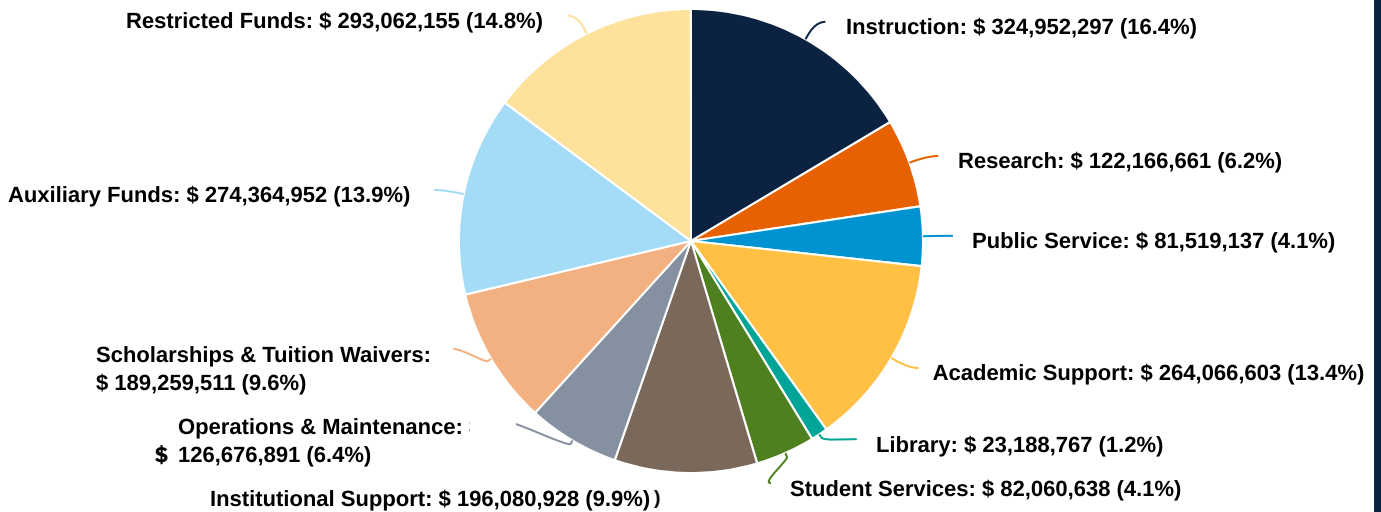


Figure 6: Expenses by Function



Strategic Budgeting Initiative

The University continues to budget using the modified RCM approach, which delegates operational authority to colleges and other units within the institution. Revenues are allocated to the colleges using the following metrics: 1) a ratio of 65%/35% of undergraduate tuition allocated to the college of instruction and college of major, respectively, 2) a ratio of 90%/10% of graduate and professional tuition allocated to the college of major and college of instruction, respectively, and 3) a 55%/45% ratio of state appropriations allocated based on the amount of resident tuition allocated to revenue units and sponsored activity/research, respectively. This is a slight change from FY25 where the state appropriations were allocated at 60%/40%. The variables used for allocation continue to be based on the last full year of data, meaning there is a one-year lag for most model variables. The specific data points are on the graphs in the Allocation Metrics section.

The Mission Enhancement Fund (MEF) participation rate of 25% is assessed on allocated revenues. The funds generated are used for both subvention and strategic investment. For FY 2025-26, the amount generated in the MEF before reallocation is \$194.8 million. Subvention needs are approximately \$172.5 million, which yields a strategic investment portion of \$22.2 million. As previously mentioned, this represents a \$8.3 million increase in the MEF from the prior year.



Auburn University - All Divisions Comparative Summary of Budgeted Revenues & Expenses By Function & Object

	<u>FY 2025-26 BUDGET</u>	<u>FY 2024-25 BUDGET</u>	<u>% CHANGE</u>
State Appropriations	\$ 414,519,837	\$ 389,241,177	6.49%
Tuition & Fees	\$ 840,986,242	\$ 785,495,696	7.06%
Sales & Services	\$ 46,810,888	\$ 41,600,152	12.53%
Other Income	\$ 107,654,466	\$ 101,581,935	5.98%
Unrestricted Funds	\$ 1,409,971,433	\$ 1,317,918,960	6.98%
Auxiliary Funds	\$ 274,364,952	\$ 253,188,996	8.36%
Restricted Funds	\$ 293,062,155	\$ 278,927,870	5.07%
Total Revenues by Source	\$ 1,977,398,540	\$ 1,850,035,826	6.88%

Instruction	\$ 324,952,297	\$ 316,461,617	2.68%
Research	\$ 122,166,661	\$ 118,297,998	3.27%
Public Service	\$ 81,519,137	\$ 79,934,542	1.98%
Academic Support	\$ 264,066,603	\$ 228,458,738	15.59%
Library	\$ 23,188,767	\$ 22,279,487	4.08%
Student Services	\$ 82,060,638	\$ 75,596,625	8.55%
Institutional Support	\$ 196,080,928	\$ 176,388,038	11.16%
Operations & Maintenance	\$ 126,676,891	\$ 117,524,936	7.79%
Scholarships & Tuition Waivers	\$ 189,259,511	\$ 182,976,979	3.43%
Unrestricted Funds	\$ 1,409,971,433	\$ 1,317,918,960	6.98%
Auxiliary Funds	\$ 274,364,952	\$ 253,188,996	8.36%
Restricted Funds	\$ 293,062,155	\$ 278,927,870	5.07%
Total Expenses by Function	\$ 1,977,398,540	\$ 1,850,035,826	6.88%

Salaries & Wages	\$ 793,121,220	\$ 748,067,298	6.02%
Employee Benefits	\$ 227,378,248	\$ 202,773,357	12.13%
Total Personnel Costs	\$ 1,020,499,468	\$ 950,840,655	7.33%
Student Aid	\$ 265,994,557	\$ 239,260,284	11.17%
Operations & Maintenance	\$ 498,536,758	\$ 490,639,782	1.61%
Debt Service	\$ 95,612,859	\$ 80,131,028	19.32%
Repairs & Renovations	\$ 17,458,000	\$ 16,708,000	4.49%
Net MEF/Central Unit Allocation	\$ 22,296,962	\$ 13,958,667	59.74%
Budget Reserve	\$ 56,999,936	\$ 58,497,410	(2.56%)
Total Non-Personnel Costs	\$ 956,899,072	\$ 899,195,171	6.42%
Total Expenses by Object	\$ 1,977,398,540	\$ 1,850,035,826	6.88%



Auburn University - All Divisions Summary of Budgeted Revenues & Expenses By Function & Object

	AU - Main	AUM	AAES	ACES	Auburn University
State Appropriations	\$ 282,085,213	\$ 34,989,116	\$ 44,538,765	\$ 52,906,743	\$ 414,519,837
Tuition & Fees	\$ 791,688,060	\$ 49,298,182	-	-	\$ 840,986,242
Sales & Services	\$ 41,677,213	\$ 1,000,000	\$ 3,785,000	\$ 348,675	\$ 46,810,888
Other Income	\$ 102,103,016	\$ 1,655,000	\$ 2,540,000	\$ 1,356,450	\$ 107,654,466
Unrestricted Funds	\$ 1,217,553,502	\$ 86,942,298	\$ 50,863,765	\$ 54,611,868	\$ 1,409,971,433
Auxiliary Funds	\$ 262,964,952	\$ 11,400,000	-	-	\$ 274,364,952
Restricted Funds	\$ 245,057,362	\$ 16,600,000	\$ 15,235,174	\$ 16,169,619	\$ 293,062,155
Total Revenues by Source	\$ 1,725,575,816	\$ 114,942,298	\$ 66,098,939	\$ 70,781,487	\$ 1,977,398,540

	AU - Main	AUM	AAES	ACES	Auburn University
Instruction	\$ 293,102,347	\$ 31,849,950	-	-	\$ 324,952,297
Research	\$ 81,719,677	\$ 214,137	\$ 40,193,836	\$ 39,011	\$ 122,166,661
Public Service	\$ 31,099,074	\$ 676,635	\$ 45,764	\$ 49,697,664	\$ 81,519,137
Academic Support	\$ 252,950,380	\$ 7,162,984	\$ 3,953,239	-	\$ 264,066,603
Library	\$ 21,160,903	\$ 2,027,864	-	-	\$ 23,188,767
Student Services	\$ 70,740,910	\$ 11,319,728	-	-	\$ 82,060,638
Institutional Support	\$ 169,428,966	\$ 18,301,437	\$ 3,475,332	\$ 4,875,193	\$ 196,080,928
Operations & Maintenance	\$ 115,336,642	\$ 8,164,655	\$ 3,175,594	-	\$ 126,676,891
Scholarships & Tuition Waivers	\$ 182,014,603	\$ 7,224,908	\$ 20,000	-	\$ 189,259,511
Unrestricted Funds	\$ 1,217,553,502	\$ 86,942,298	\$ 50,863,765	\$ 54,611,868	\$ 1,409,971,433
Auxiliary Funds	\$ 262,964,952	\$ 11,400,000	-	-	\$ 274,364,952
Restricted Funds	\$ 245,057,362	\$ 16,600,000	\$ 15,235,174	\$ 16,169,619	\$ 293,062,155
Total Expenses by Function	\$ 1,725,575,816	\$ 114,942,298	\$ 66,098,939	\$ 70,781,487	\$ 1,977,398,540

	AU - Main	AUM	AAES	ACES	Auburn University
Salaries & Wages	\$ 677,053,754	\$ 51,019,072	\$ 27,982,027	\$ 37,066,367	\$ 793,121,220
Employee Benefits	\$ 186,440,120	\$ 14,982,528	\$ 8,149,393	\$ 17,806,207	\$ 227,378,248
Total Personnel Costs	\$ 863,493,874	\$ 66,001,600	\$ 36,131,420	\$ 54,872,574	\$ 1,020,499,468
Student Aid	\$ 258,749,649	\$ 7,224,908	\$ 20,000	-	\$ 265,994,557
Operations & Maintenance	\$ 430,715,905	\$ 33,427,730	\$ 24,153,685	\$ 10,239,438	\$ 498,536,758
Debt Service	\$ 90,518,577	\$ 5,094,282	-	-	\$ 95,612,859
Repairs & Renovations	\$ 17,458,000	-	-	-	\$ 17,458,000
Net MEF/Central Unit Allocati...	\$ 10,726,095	\$ 3,193,778	\$ 3,501,896	\$ 4,875,193	\$ 22,296,962
Budget Reserve	\$ 53,913,716	-	\$ 2,291,938	\$ 794,282	\$ 56,999,936
Total Non-Personnel Costs	\$ 862,081,942	\$ 48,940,698	\$ 29,967,519	\$ 15,908,913	\$ 956,899,072
Total Expenses by Object	\$ 1,725,575,816	\$ 114,942,298	\$ 66,098,939	\$ 70,781,487	\$ 1,977,398,540



FY26 vs FY25 Comparative Summary Budgeted Revenues & Expenses

Auburn University -Main Campus			
	Current Year	Prior Year	% Change
State Appropriations	\$ 282,085,213	\$ 261,696,904	7.79%
Tuition & Fees	\$ 791,688,060	\$ 730,191,039	8.42%
Sales & Services	\$ 41,677,213	\$ 36,473,652	14.27%
Other Income	\$ 102,103,016	\$ 95,786,135	6.59%
Unrestricted Funds	\$ 1,217,553,502	\$ 1,124,147,730	8.31%
Auxiliary Funds	\$ 262,964,952	\$ 240,723,653	9.24%
Restricted Funds	\$ 245,057,362	\$ 224,029,951	9.39%
Total Revenues by Source	\$ 1,725,575,816	\$ 1,588,901,334	8.60%

	Current Year	Prior Year	% Change
Instruction	\$ 293,102,347	\$ 283,638,202	3.34%
Research	\$ 81,719,677	\$ 78,452,439	4.16%
Public Service	\$ 31,099,074	\$ 29,895,011	4.03%
Academic Support	\$ 252,950,380	\$ 217,897,393	16.09%
Library	\$ 21,160,903	\$ 20,338,810	4.04%
Student Services	\$ 70,740,910	\$ 65,145,456	8.59%
Institutional Support	\$ 169,428,966	\$ 148,425,452	14.15%
Operations & Maintenance	\$ 115,336,642	\$ 106,731,488	8.06%
Scholarships & Tuition Waivers	\$ 182,014,603	\$ 173,623,479	4.83%
Unrestricted Funds	\$ 1,217,553,502	\$ 1,124,147,730	8.31%
Auxiliary Funds	\$ 262,964,952	\$ 240,723,653	9.24%
Restricted Funds	\$ 245,057,362	\$ 224,029,951	9.39%
Total Expenses by Function	\$ 1,725,575,816	\$ 1,588,901,334	8.60%



FY26 vs FY25 Comparative Summary Budgeted Revenues & Expenses

Auburn University -Montgomery			
	Current Year	Prior Year	% Change
State Appropriations	\$ 34,989,116	\$ 33,112,856	5.67%
Tuition & Fees	\$ 49,298,182	\$ 55,304,657	(10.86%)
Sales & Services	\$ 1,000,000	\$ 1,250,000	(20.00%)
Other Income	\$ 1,655,000	\$ 1,430,000	15.73%
Unrestricted Funds	\$ 86,942,298	\$ 91,097,513	(4.56%)
Auxiliary Funds	\$ 11,400,000	\$ 12,465,343	(8.55%)
Restricted Funds	\$ 16,600,000	\$ 16,450,000	0.91%
Total Revenues by Source	\$ 114,942,298	\$ 120,012,856	(4.23%)

	Current Year	Prior Year	% Change
Instruction	\$ 31,849,950	\$ 32,823,415	(2.97%)
Research	\$ 214,137	\$ 152,047	40.84%
Public Service	\$ 676,635	\$ 867,689	(22.02%)
Academic Support	\$ 7,162,984	\$ 6,997,358	2.37%
Library	\$ 2,027,864	\$ 1,940,677	4.49%
Student Services	\$ 11,319,728	\$ 10,451,169	8.31%
Institutional Support	\$ 18,301,437	\$ 20,686,402	(11.53%)
Operations & Maintenance	\$ 8,164,655	\$ 7,870,256	3.74%
Scholarships & Tuition Waivers	\$ 7,224,908	\$ 9,308,500	(22.38%)
Unrestricted Funds	\$ 86,942,298	\$ 91,097,513	(4.56%)
Auxiliary Funds	\$ 11,400,000	\$ 12,465,343	(8.55%)
Restricted Funds	\$ 16,600,000	\$ 16,450,000	0.91%
Total Expenses by Function	\$ 114,942,298	\$ 120,012,856	(4.23%)



FY26 vs FY25 Comparative Summary Budgeted Revenues & Expenses

Alabama Agricultural Experiment Station

	Current Year	Prior Year	% Change
State Appropriations	\$ 44,538,765	\$ 43,009,138	3.56%
Sales & Services	\$ 3,785,000	\$ 3,565,000	6.17%
Other Income	\$ 2,540,000	\$ 2,387,500	6.39%
Unrestricted Funds	\$ 50,863,765	\$ 48,961,638	3.88%
Restricted Funds	\$ 15,235,174	\$ 15,717,107	(3.07%)
Total Revenues by Source	\$ 66,098,939	\$ 64,678,745	2.20%

	Current Year	Prior Year	% Change
Research	\$ 40,193,836	\$ 39,655,656	1.36%
Public Service	\$ 45,764	\$ 44,147	3.66%
Academic Support	\$ 3,953,239	\$ 3,563,987	10.92%
Institutional Support	\$ 3,475,332	\$ 2,729,656	27.32%
Operations & Maintenance	\$ 3,175,594	\$ 2,923,192	8.63%
Scholarships & Tuition Waivers	\$ 20,000	\$ 45,000	(55.56%)
Unrestricted Funds	\$ 50,863,765	\$ 48,961,638	3.88%
Restricted Funds	\$ 15,235,174	\$ 15,717,107	(3.07%)
Total Expenses by Function	\$ 66,098,939	\$ 64,678,745	2.20%

Alabama Cooperative Extension System

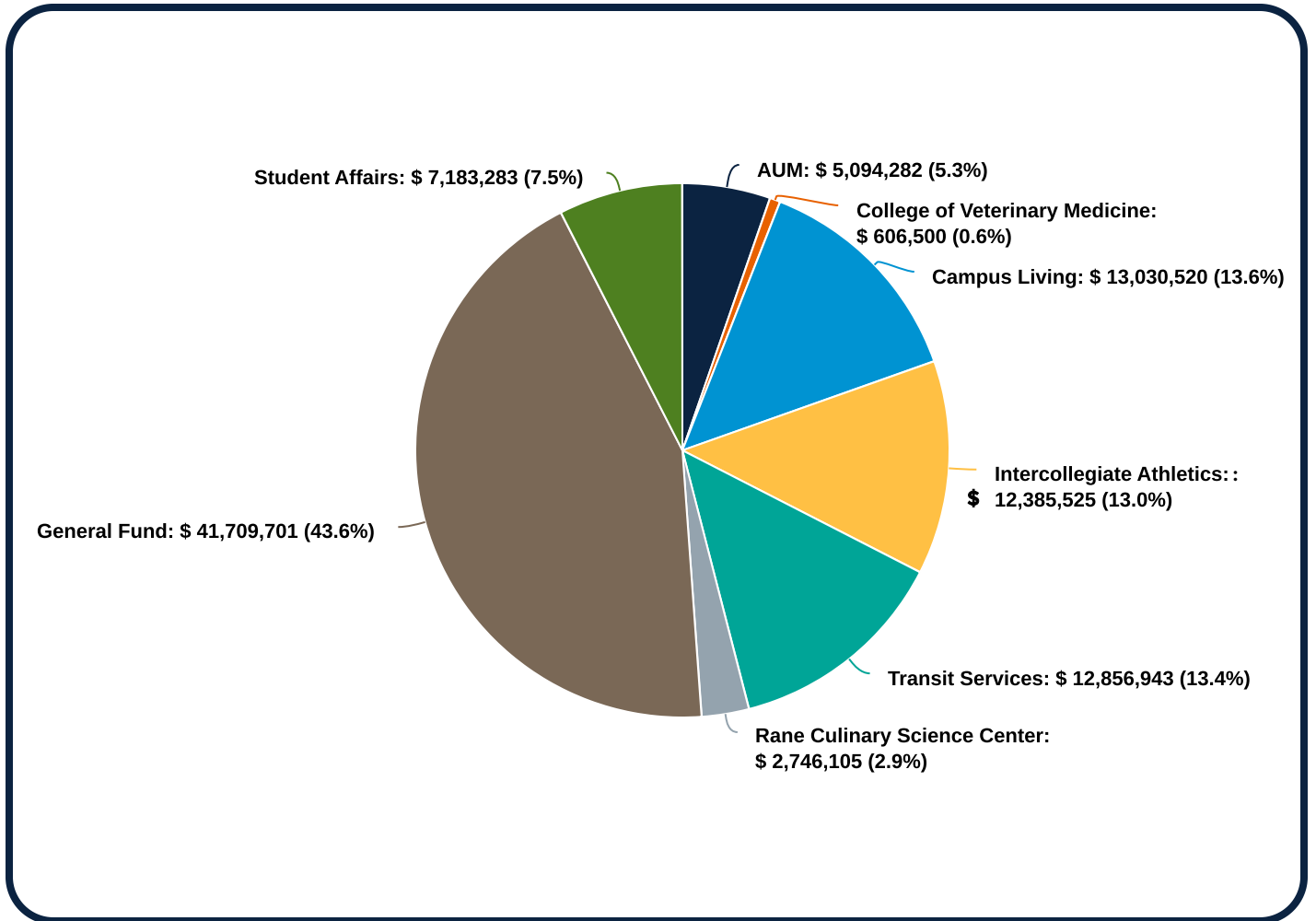
	Current Year	Prior Year	% Change
State Appropriations	\$ 52,906,743	\$ 51,422,279	2.89%
Sales & Services	\$ 348,675	\$ 311,500	11.93%
Other Income	\$ 1,356,450	\$ 1,978,300	(31.43%)
Unrestricted Funds	\$ 54,611,868	\$ 53,712,079	1.68%
Restricted Funds	\$ 16,169,619	\$ 22,730,812	(28.86%)
Total Revenues by Source	\$ 70,781,487	\$ 76,442,891	(7.41%)

	Current Year	Prior Year	% Change
Research	\$ 39,011	\$ 37,856	3.05%
Public Service	\$ 49,697,664	\$ 49,127,695	1.16%
Institutional Support	\$ 4,875,193	\$ 4,546,528	7.23%
Unrestricted Funds	\$ 54,611,868	\$ 53,712,079	1.68%
Restricted Funds	\$ 16,169,619	\$ 22,730,812	(28.86%)
Total Expenses by Function	\$ 70,781,487	\$ 76,442,891	(7.41%)



Auburn University FY 2025-26 Debt Service Schedule Includes Principal & Interest

	Current Year	Prior Year	Variance	% Change
College of Veterinary Medicine	\$ 606,500	\$ 610,300	(\$ 3,800)	(0.62%)
Campus Living	\$ 13,030,520	\$ 12,696,060	\$ 334,460	2.63%
Intercollegiate Athletics	\$ 12,385,525	\$ 12,885,108	(\$ 499,583)	(3.88%)
Transit Services	\$ 12,856,943	\$ 2,485,178	\$ 10,371,765	417.34%
Rane Culinary Science Center	\$ 2,746,105	\$ 2,746,195	(\$ 90)	-
Student Affairs	\$ 7,183,283	\$ 7,184,420	(\$ 1,137)	(0.02%)
General Fund	\$ 41,709,701	\$ 35,759,791	\$ 5,949,910	16.64%
AUM	\$ 5,094,282	\$ 5,763,976	(\$ 669,694)	(11.62%)
Auburn University	\$ 95,612,859	\$ 80,131,028	\$ 15,481,831	19.32%





Auburn University
FY 2025-26 State Appropriations
Division Summary per Bill SB112 (Act 2025-270)

AUBURN UNIVERSITY

Operations & Maintenance	\$ 285,004,063
Teacher In-Service Center	\$ 284,217
Poultry Science	\$ 250,000
National Livestock Competition	\$ 250,000
CLT Outreach	\$ 940,125
Irrigation Research & Outreach	\$ 500,000
McCrary Institute	\$ 1,000,000
Allocated to AAES under SBI Model	(\$ 63,984)
Allocated to ACES under SBI Model	(\$ 6,079,208)
Total Unrestricted State Apps	\$ 282,085,213

AUBURN UNIVERSITY MONTGOMERY

Operations & Maintenance - AUM	\$ 34,874,201
Senior Resource Center	\$ 114,915
Total Unrestricted State Apps	\$ 34,989,116

ALABAMA AGRICULTURAL EXPERIMENT STATION

Operations & Maintenance - AAES	\$ 44,474,781
Allocated from AU to AAES under SBI Model	\$ 63,984
Total Unrestricted State Apps	\$ 44,538,765

ALABAMA COOPERATIVE EXTENSION SYSTEM

Operations & Maintenance - ACES	\$ 46,702,535
4H Youth Development Specialist	\$ 125,000
Allocated from AU to ACES under SBI Model	\$ 6,079,208
Total Unrestricted State Apps	\$ 52,906,743

TOTAL STATE APPROPRIATIONS

Operations & Maintenance	\$ 411,055,580
Earmarks	\$ 3,180,040
Teacher In-Service Center	\$ 284,217
Allocated Under SBI Model	-
Total Unrestricted State Apps	\$ 414,519,837



Auburn University Summary of Central Unit Expenses by Pool

Below are the listings of the Central Unit Allocation Pools and the metrics by which those pools are allocated. i.e. Central Unit Allocation Pool: Academic Services, allocation metric: Credit Hours Instructed.

ACADEMIC SERVICES / CREDIT HOURS INSTRUCTED

Provost	\$ 22,500,951
Graduate Studies	\$ 1,797,343
Library	\$ 21,429,884
Strategic Initiatives	\$ 66,119,013
Academic Services Total	\$ 111,847,191

GENERAL ADMINISTRATION / DIRECT EXPENSES

Business & Admin. & CFO	\$ 3,130,441
Office of the President	\$ 10,033,144
Legal Affairs & General Counsel	\$ 4,242,192
Audit, Compliance & Privacy	\$ 6,012,721
Risk Management & Safety	\$ 13,130,291
General Administration Total	\$ 36,548,789

ADVANCEMENT & STUDENT SERVICES / STUDENT HEADCOUNT

Enrollment Management	\$ 10,758,784
Endowment Investment Office	\$ 584,696
Advancement	\$ 14,466,813
Communications & Marketing	\$ 4,522,165
Student Affairs	\$ 13,231,765
Adv. & Student Services Total	\$ 43,564,223

FACILITIES / SQUARE FOOTAGE

Facilities	\$ 74,687,330
Repair & Renovation	\$ 17,458,000
Debt Service	\$ 41,709,701
Facilities Total	\$ 133,855,031



Auburn University Summary of Central Unit Expenses by Pool

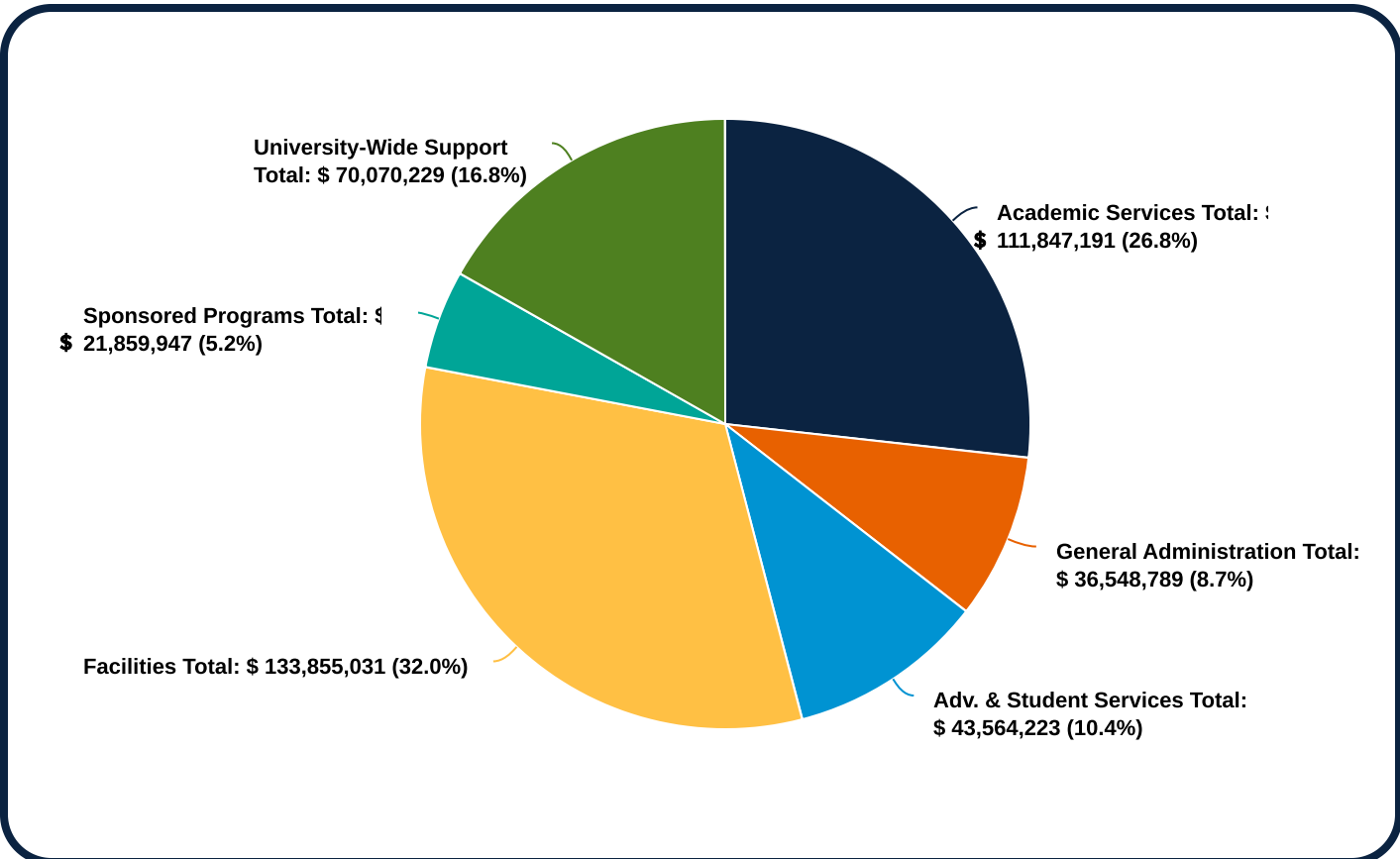
SPONSORED PROGRAMS / SPONSORED PROGRAM REVENUE

Research & Econ. Development	\$ 21,859,947
Sponsored Programs Total	\$ 21,859,947

UNIVERSITY-WIDE SUPPORT / STUDENT/FACULTY/STAFF FTE

Jule Collins Smith Museum	\$ 2,103,898
Gogue Performing Arts Center	\$ 2,664,460
Outreach	\$ 4,865,733
Human Resources	\$ 13,136,535
Information Technology	\$ 33,599,994
Campus Safety & Security	\$ 13,699,609
University-Wide Support Total	\$ 70,070,229

Total Central Unit Allocations	\$ 417,745,410
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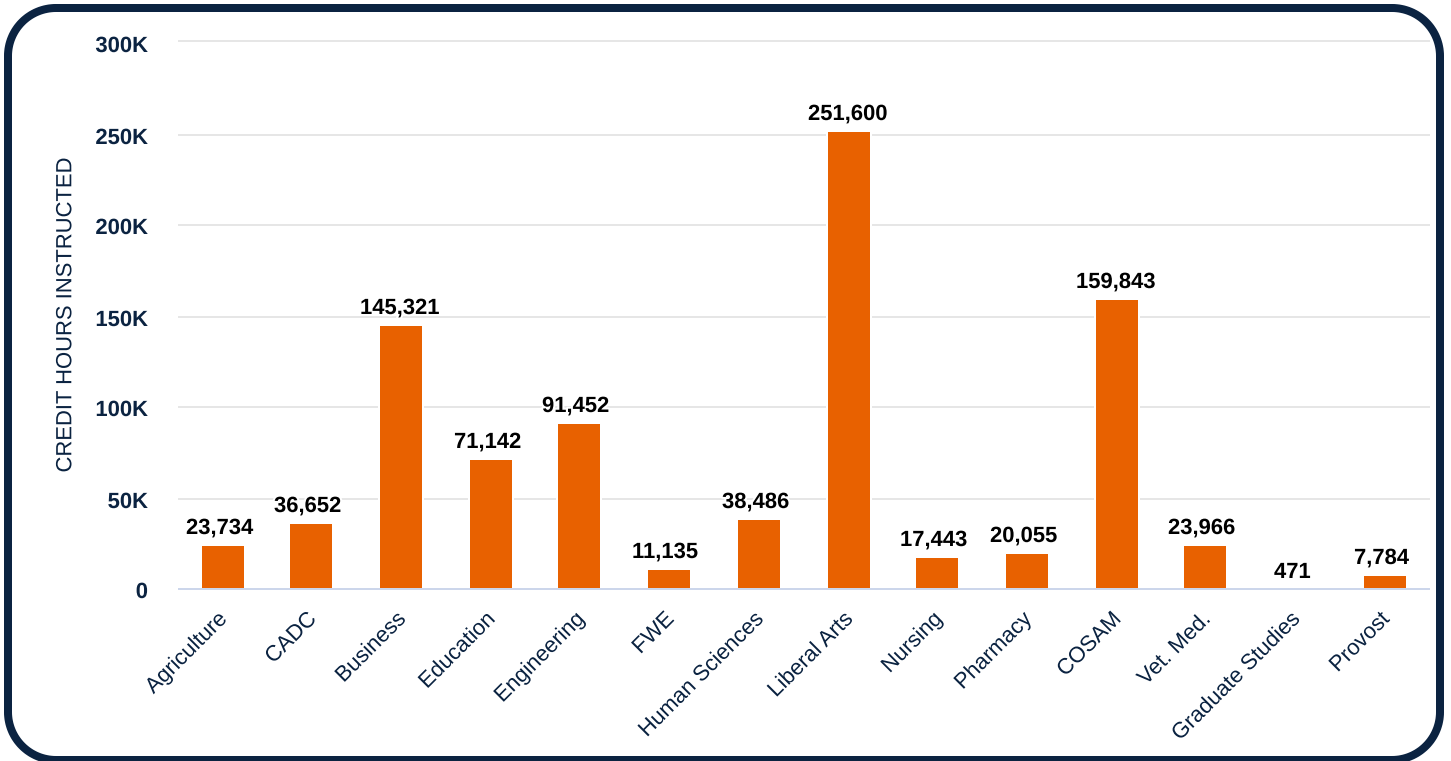


Central Units are shown at the pool level. For a list of units that make up each pool, refer to pages 18 & 19.

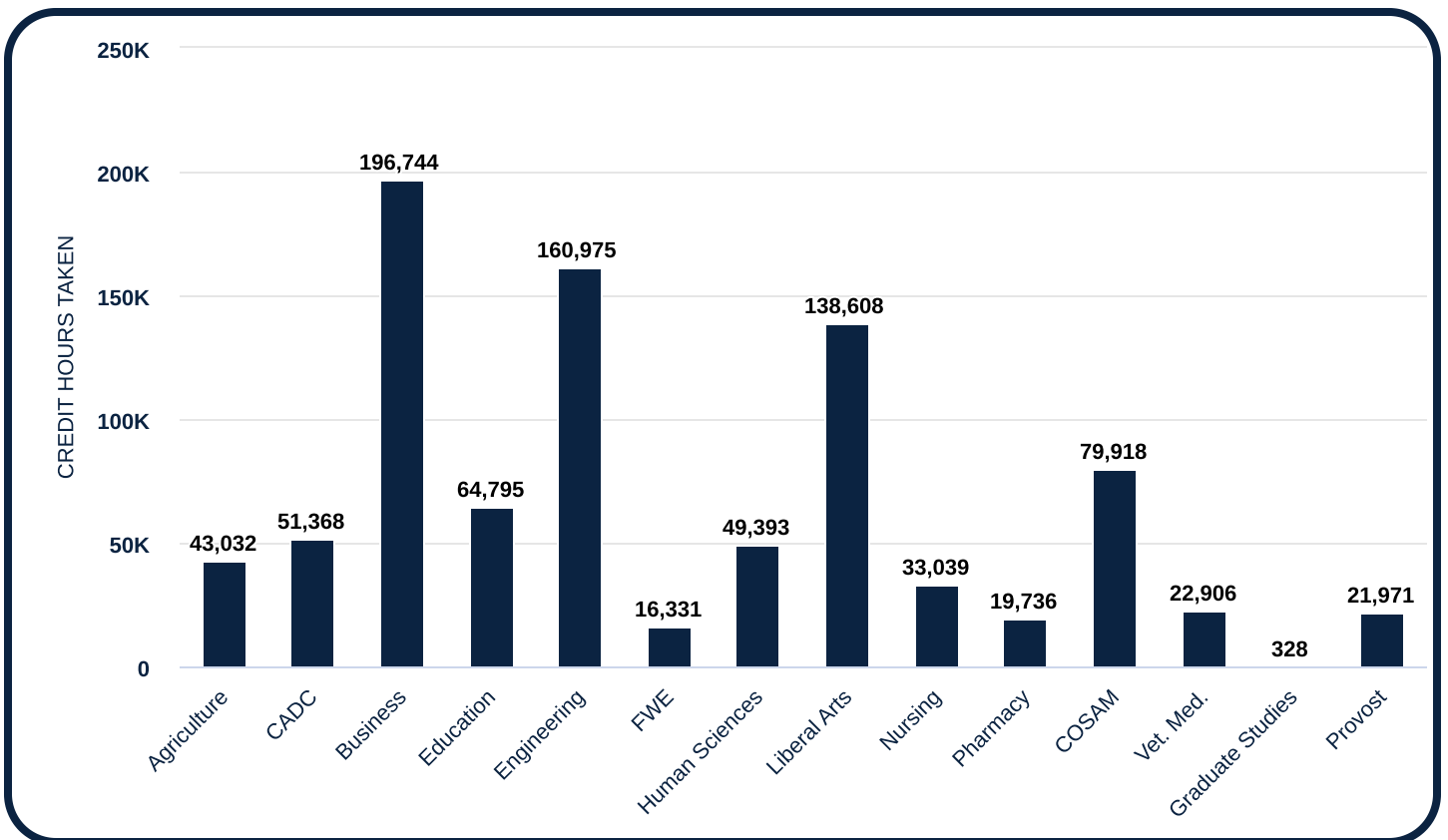


Auburn University Central Allocation Metrics

Credit Hours



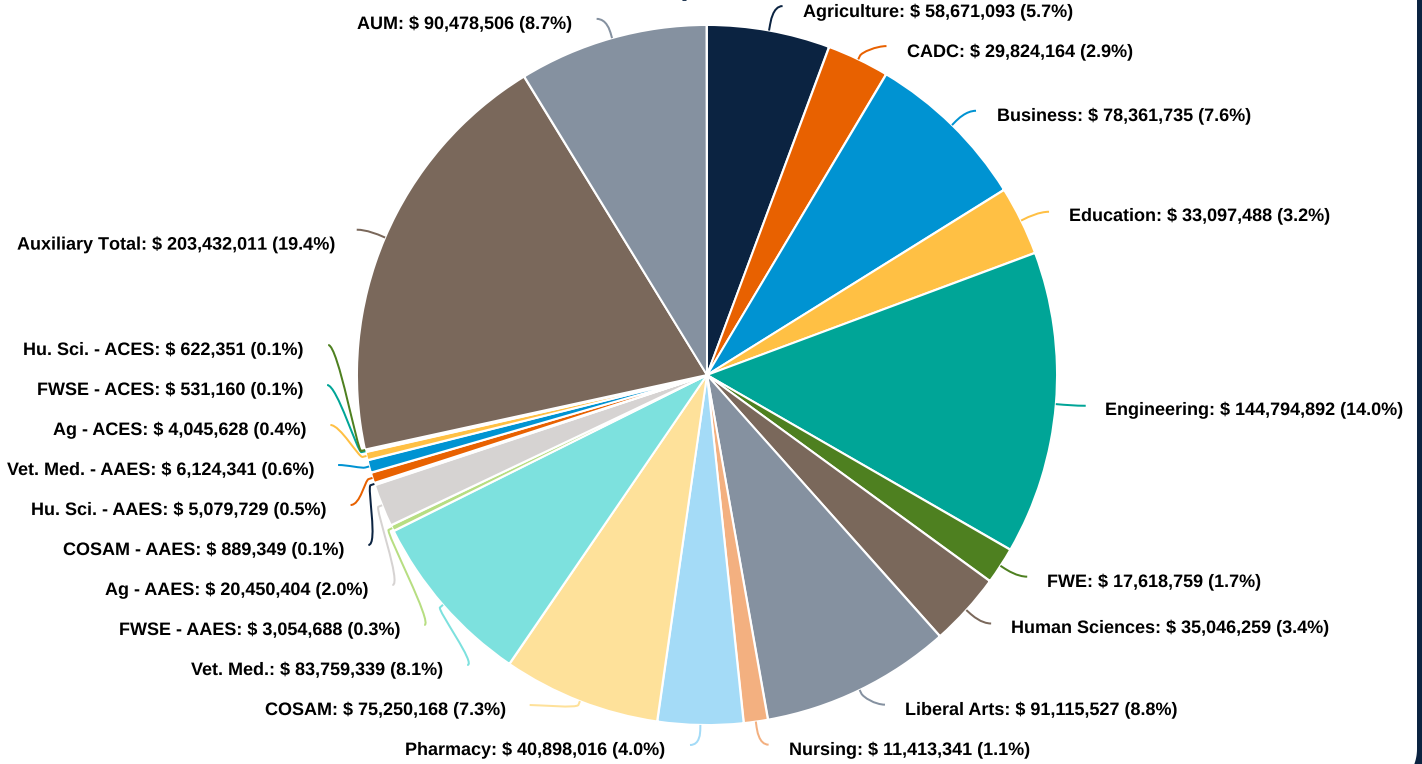
The University uses a formula to allocate 65% of tuition revenue to the colleges based on instructed hours and 35% of tuition revenue based on a student's college of enrollment, by a college unit. Total Credit Hours Instructed are used to allocate the Central Unit-Academic Services Pool; therefore Graduate School and the Provost are not included in the percentage calculation.



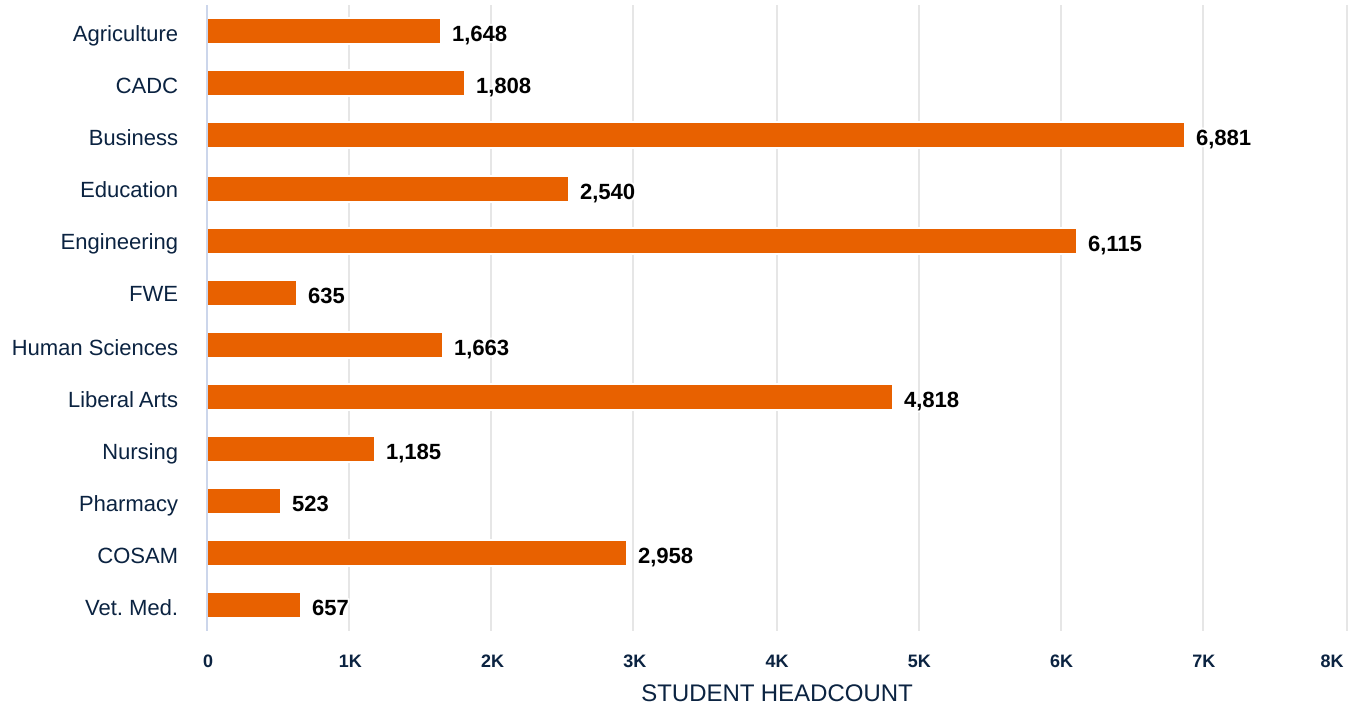


Auburn University Central Allocation Metrics

Direct Expenses

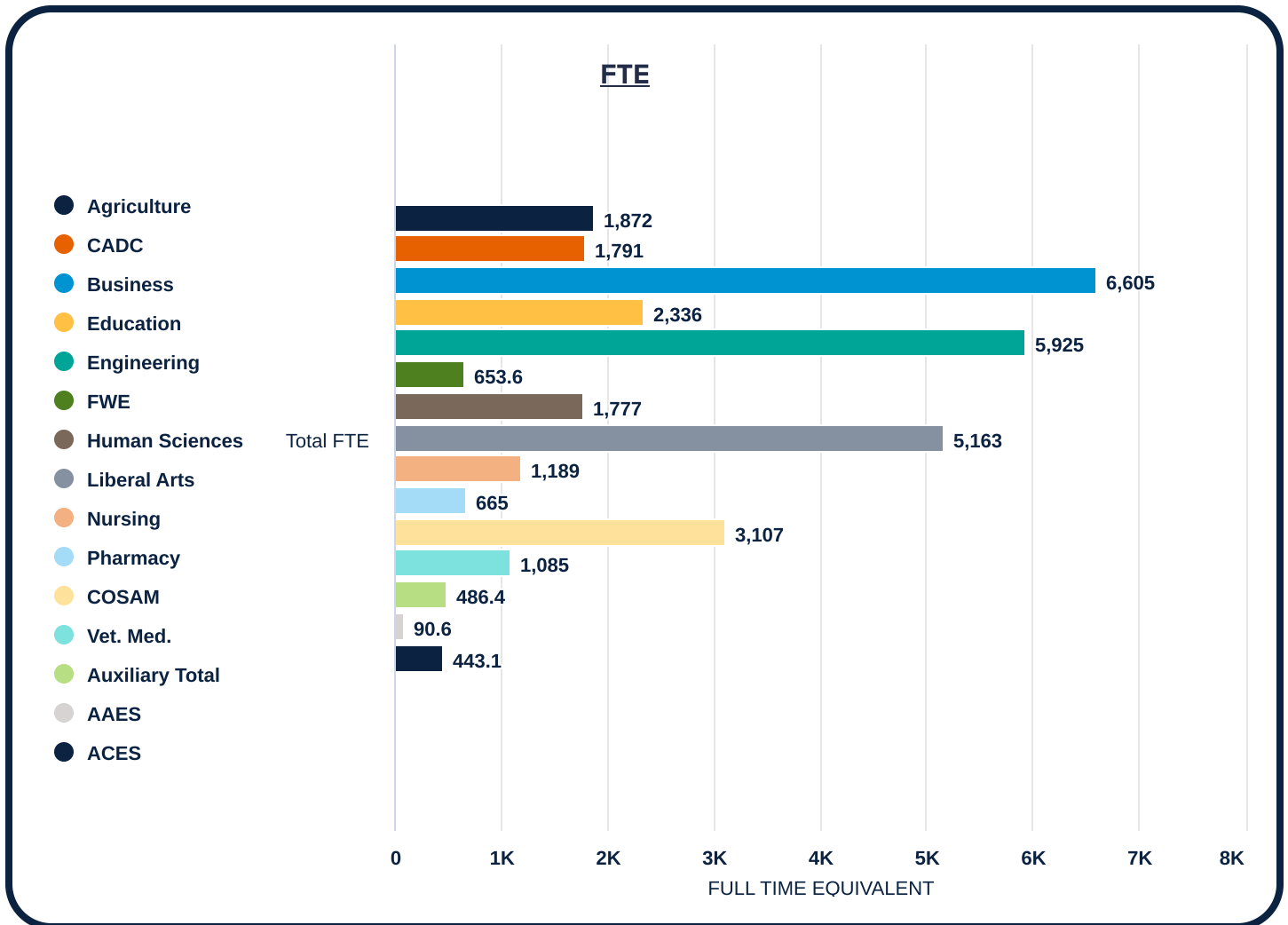


Student Headcount





Auburn University Central Allocation Metrics



FTE

A full-time equivalent (FTE) is a unit of measurement used to determine the number of full-time hours worked by all employees in a business. If your business considers 40 hours to be a full-time workweek, then an employee working 40 hours per week would have an FTE of 1.0. In contrast, a part-time employee working only 20 hours per week would have an FTE of 0.5—which shows that their hours worked are equivalent to half of a full-time employee. (Forbes, 2024). Auburn includes all employees and students in the FTE allocations; however, student employees are removed from the calculation so that they are not counted twice. This variable is utilized when allocating expenses related to the University Wide Support expense pool.

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TAB: Glossary of Terms





Glossary of Terms

Academic Support – Support services for the University’s primary mission – instruction, research and public services; includes primarily academic administration.

Academic Unit – Credit hour producing entity. Under the Strategic Budget Initiative, this group includes the 12 separately standing colleges or schools. See *Revenue Unit*.

Account – Detail classification of expenditure type.

Accrual – An accounting measurement method that ignores whether cash has been received or paid. This method considers revenues earned, but not collected in cash, and expenses incurred, whether paid in cash or due to be paid.

Alabama Agricultural Experiment Station – Provides scientific research to support Alabama's agricultural industries and businesses and to benefit Alabama citizens. AAES is headquartered at Auburn University. Abbreviated AAES or Division 3.

Alabama Cooperative Extension System - The primary outreach organization for the land-grant mission of Alabama A&M University and Auburn University. ACES delivers research-based educational programs that enable people to improve their quality of life and economic well-being. Abbreviated ACES or Division 4.

Allocation Variable – Variable used as a proxy to allocate expenses or revenues. Examples of allocation variables include credit hours, direct expenses, and square footage.

Appropriations Act – Contains the fiscal authorization by the Legislature, based upon legislative budgets or based upon legislative findings of the necessity for an authorization when no legislative budget is filed, for the expenditure of amounts of money by an agency, the judicial branch, and the legislative branch for stated purposes in the performance of the functions it is authorized by law to perform.

Auburn University-Main Campus - A public land-grant research university chartered in 1856. Abbreviated AU-Main or Division 1.

Auburn University-Montgomery - A public university in Montgomery, Alabama. Established by an act of the Alabama Legislature in 1967, it is governed by the Auburn University Board of Trustees. Abbreviated AUM or Division 2

Auxiliary Enterprises – Revenues and costs of self-supporting enterprises that furnish services to students, faculty and staff on campus. Examples include student housing, campus transit, and bookstores. See Revenue Unit.

Budget Cycle – The series of scheduled events that must occur to develop a budget for a single fiscal year.

Capital Assets – Physical resources with a cost (or fair market value, if donated) exceeding the established \$5,000 threshold that are expected to provide service for more than a single year. Unless the resources are expected to maintain or increase their value over time, the cost of the assets is allocated to the benefiting periods through amortization or depreciation. Examples of capital assets include land, buildings, equipment, and leasehold improvements.

Capital Budgeting – The process used to develop and monitor resources and investments related to large-dollar projects undertaken either to acquire or to construct capital assets such as buildings.

Carryover – The ability to use unspent budget resources from one fiscal period in a subsequent fiscal period.

Central Unit – Units which have limited ability to generate revenue through credit hour production or other means. These units generally enable Revenue units to generate revenue by providing core services. Leaders within these units are primarily held accountable for managing expenses and providing optimal service levels.

Contracts and Grants – A budget entity which contains activities in support of research, public service, and training. These activities are funded with awards from federal, state, local and private sources.

Current funds – Resources of the institution expended for primary and supporting missions of the institution used for generally operating purposes and expended in the near term.

Debt Service – Principal and interest payments on bonds.

Deferred Maintenance – The cumulative value of scheduled or routine maintenance and repairs for facilities that an organization chooses not to undertake when originally scheduled (typically due to financial considerations).

Direct costs – Costs that can be identified specifically with a particular project or activity.

Educational and General (E&G) – Unrestricted current funds used for the educational mission of the University and general operations.

Endowment – A gift carrying a stipulation that the principal being invested in perpetuity, with the investment income generated by the gift being available for program support or other purposes. Income from restricted endowments support specific programs identified by the donor, while income from unrestricted endowments may be used for any institutional purpose. *True endowments* are gifts of principal that may never be expended.



Glossary of Terms

Endowment Continued. - *Term endowments* require that the principal be maintained and invested until the passage of a specified time or the occurrence of a specific event. *Quasi-endowments* are resources set aside by an institution's governing board and combined with true and term endowments for investment purposes, with only the investment income available for use. Unlike true or term endowment principal, the principal of quasi-endowments can be expended at the discretion of the governing board.

Endowment income – Revenue earned by investing endowment principal, typically in stocks, bonds, and other investments. The revenue consists of dividends, interest, rents, and realized and unrealized gains from the sale of stocks, bonds, or other investments.

Federal Appropriations - Appropriations received from the Federal Government used primarily by Agricultural Experiment Stations and Cooperative Extension.

Fiscal Year – the period of time beginning October 1 and ending on the following September 30, both dates inclusive.

FOAP – the naming convention for accounts in the Banner financial system (F-fund, O-organization, A-account, P-program) See *organization*.

Fringe Benefits – Expenses directly associated with employment such as health insurance, social security and retirement benefits. When projecting these costs it is generally most appropriate to apply a combined rate for fringe benefits and other costs related to compensation. See *Fringe Pool and Fringe Rate*.

Fringe Pool - A type of indirect cost pool that commonly is established for the purpose of accumulating employee fringe benefit costs. Common costs accumulated in such pools include those for compensated absences, health insurance, bonuses, retirement plans, and payroll taxes. See *Fringe Benefits and Fringe Rate*.

Fringe Rate - An indirect cost rate which expresses the relationship between costs accumulated in a fringe pool and the related base for allocating such costs, for a given period of time. See *Fringe Benefits and Fringe Pool*.

Functional Classification – A method of categorizing expenses based on their purpose rather than on the nature of the expense. These include instruction, research, public service, library, academic support, operations & maintenance, student services, scholarships, and institutional support.

Indirect Costs – Costs that are incurred for multiple purposes and, therefore, cannot be linked specifically to a particular project or activity.

Infrastructure – The foundational assets and resources needed to operate a college or university. Some assets are tangible (for example, roadways, steam tunnels, and computer system cables), while others are intangible (for example, systems, policies, and procedures).

Institutional Support – Costs of financial operations, executive management, and personnel services.

Instruction – Expenses for academic, occupational and vocational instruction for all semesters, and continuing education.

Interdepartmental Credit – Charges for services performed between University departments.

Mandatory Transfers – Transfers required by a legal covenant for the payment of principal and interest on Bonded Debt and loan fund matching.

Mission Enhancement Fund (MEF) – A pool of resources derived by applying a participation rate on certain revenues in the academic units. This fund will be used to help support colleges or schools with calculated deficits under the model. In addition, it will be used to invest funding for strategic priorities.

Natural Classification – A method of categorizing expenses by the type of expense rather than the purpose for which the expense is incurred. Examples of natural expense categories include salaries, benefits, supplies, and travel.

Non-Mandatory Transfers – Voluntary transfers not required by a legal covenant between fund groups.

Operating Budget – The quantitative manifestation of an organization's (or one of its subunits') planned revenues, expenses, and contributions and withdrawals from reserves. Operating budgets usually are supported by narrative documents identifying goals, objectives, and priorities and, in some cases, performance standards related to the various activities and programs to be undertaken by the unit covered by the budget. Details the University's planned use of the funds and position which have been appropriated or approved for the expenditure during a fiscal year.

Operation and Maintenance of Plant – Buildings and grounds maintenance, utilities and general services.

Organization (Org) – An element of the naming convention for accounts. The org represents an academic or administrative department. See *FOAP*.



Glossary of Terms

Position – An employment slot that bears a title, funding, FTE, salary grade, and job description. *Hourly* positions are paid wages on a bi-weekly basis and are generally FLSA non-exempt. *Monthly* positions are paid at each month's end and are generally FLSA exempt. *Pool* positions contain funding for temporary employees who are not identified individually.

Position Number – A six-digit code identifying the budgeted salary rate and FTE for a fiscal year.

Public Service – Costs associated with non-instructional services beneficial to individuals and groups external to the institution.

Reallocation – A process in which managers of programs and activities must identify a small portion of existing resources that will be redistributed in accordance with established priorities.

Research – Costs associated with activities specifically organized to produce research outcomes.

Reserves – Funds set aside as savings in accordance with organizational plans. Reserves might be created for facilities maintenance and renewal, to meet unanticipated operating costs, or to be invested as quasi-endowment.

Responsibility Center Management (RCM) – A method of budgeting that aligns the revenues with the activities or units producing those revenues. In addition, the administrative costs are also allocated to the revenue producers.

Restricted Funds – Funds primarily from gifts, grants and contracts that are designated for restricted uses, predominantly research and student scholarship aid; also includes some University generated funds restricted to specific areas. Received from local, state, federal, and private sources and used only as specified by the donor.

Revenue Unit – Units which have substantial ability to influence revenue generation through credit hour production or other means. These units generally provide instruction (e.g. schools and colleges) or are auxiliary units with revenue generating capabilities (e.g. Intercollegiate Athletics).

Service Center (SC) – An organizational unit with the ability to generate revenues by direct action.

Scholarships and Fellowships – Expenditures for scholarships and fellowships in the form of outright grants to students selected by the institution and financed in the form of current funds, restricted and unrestricted.

Sponsored program – An agreement between an institution and an external entity (such as a federal agency, corporation, or foundation) under which the institution undertakes an activity with financial support from the external entity. The agreement specifies what will be accomplished and identifies the amounts and types of costs that will be reimbursed.

State Appropriations – Annual legislative allotment from the state's general revenue fund. The operating budget portion must be spent during the fiscal year for which it is appropriated while the capital budget portion may be spent over several years.

Student Fees – Revenues collected from students for registration in courses.

Student Services – Activities that support the student experience. Includes Enrollment Management, Freshman Year Experience, SGA, Student Life, etc.

Subvention – A Responsibility Center Management (RCM) term that refers to the allocation of resources distributed to a unit to fund structural deficits resulting from insufficient direct and allocated revenues to fund expenses. This can also be referred to as a subsidy.

Tuition Discounting – The practice of using institutional resources to award financial aid, thereby lowering the cost of attendance for selected students. Although the aid can address demonstrated financial need, it frequently is awarded on a merit basis.

Unrestricted Funds – Current funds derived from state appropriations, student fees, institutional revenue and auxiliary operations. Monetary resources that are not subject to specific external guidelines or regulations and are expendable for any activities that promote the instruction, research, and extension missions of the University.

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