

On February 25, 2022, the American University Board of Trustees approved the first part of the budget for fiscal years (FY) 2023 and 2024. This budget cycle is following a two-part approach to provide timely information to our community, effectively manage the ongoing COVID impacts on the budget, and provide sufficient time to update pertinent sections of the budget with the latest information. Other components of the budget will be reviewed during the April trustees meeting. The university fiscal year (FY) runs from July 1 to June 30, so the FY23 budget will cover July 1, 2022, to June 30, 2023, and the FY24 budget will cover July 1, 2023, to June 30, 2024.

The key details of the first part of the budget include:

Financial Aid: Supporting the financial needs of our students is a top university priority, reflected in our increased investments in financial aid.

The total institutional financial aid budget will increase by \$5 million each year, with FY23 aid totaling \$128,548,765 and FY24 aid reaching \$133,806,203.

The FY 2023 financial aid investment is \$19 million more than FY20 levels.

The average amount of financial aid available per student will increase by \$1,400 (or 9 percent) in FY23.

Tuition: We know that tuition levels and affordability are critical to our students and families and these concerns are central to our decision-making. Over the past two years, as university operating costs significantly increased with inflation and COVID health and safety needs, we provided a 10 percent tuition discount in FY21 to support our community during the pandemic-driven economic disruption and then had no tuition increase in FY22.

For FY23 and FY24, undergraduate tuition will increase by 5 percent per year. The increase directly supports our ability to expand institutional financial aid.

AU undergraduate tuition levels from FY21 to FY23 are an aggregate \$7,000 lower than the pre-COVID anticipated levels for that period if the university had continued its 10-year historical average of 3 percent annual increases. The FY23 and FY24 increases return tuition to historic levels after the community of care discount and no increase of the past two years.

Graduate tuition will increase by 3 percent per year (\$1,866 per credit hour in FY23 and \$1,922 per credit hour in FY 24). AU's per credit hour graduate tuition rates will remain lower than many of our competitors, including other DC universities, based on currently published information.

WCL tuition will increase by 3.5 percent per year.

Housing, Meal Plans, and Student Fees: A good deal of the AU student experience is shaped by time spent in our residence halls and dining facilities and pursuing on-campus activities. We are committed to providing a robust experience across these areas that supports student thriving. We also know that these costs are part of the overall financial commitment that students and families make, and we worked to determine moderate increases in housing and dining that support continued quality and ongoing enhancement of these services.

Undergraduate on-campus housing costs will increase by 3 percent in FY23 and 4.5 percent in FY24. The increases will support renovations and improvements in our residence halls, including planned updates in Leonard Hall in 2023.

Meal plan options will increase by 5 percent in each year.

Student activity fees will remain at pre-COVID levels for both FY23 and FY24 and all other mandatory fees remain at FY22 levels.

- Student Activity Fee— \$88.50
- Sports Center Fee— \$65
- Technology Fee— \$120
- U Pass Fee— \$136

The total undergraduate price of attendance (tuition, housing, meal plan, fees) will increase by approximately \$3,100 next year, a 4.7 percent increase from this year's total cost. Our overall cost remains lower than our competitor institutions. Many universities did not offer discounts in FY21 and most continued to increase tuition in FY22, a key difference from AU and our commitment to affordability.