



BOARD APPROVED
JUNE 7, 2024

Cindy Ream
Corporate Secretary

Office of the Treasurer and Chief Financial Officer

TO: Members of the Board of Trustees

FROM: Christopher A. Ruhl, Chief Financial Officer and Treasurer
Eva M. Nodine, Vice President and Deputy CFO

DATE: May 31, 2024

RE: FY 2025 University Operating Budget

At the June meeting, we will be seeking approval of the University's FY 2025 operating budget. This budget maintains our structural operating surplus and continued commitment to student affordability while also positioning the university to make strategic investments in key areas.

Attached is the presentation we plan to review at the meeting.

Highlights:

- System-wide steady-state operating revenues of \$3.159 billion exceed steady-state operating expenses of \$3.087 billion, resulting in an operating surplus of 2.3% (\$72 million)
- Excluding impacts from the realignment of IUPUI engineering, technology and computer science degree programs to Purdue, revenue is budgeted to grow 2.8% compared to FY 2024. This increase is primarily driven by West Lafayette undergraduate enrollment increases, growth in sponsored awards, new rates for on-campus student housing and dining, and athletics revenue increases.
- Expense increases are attributable to strategic investments in the Daniels School of Business, research excellence initiatives, and new online program growth plus faculty/staff compensation increases (3% for the main campus and Northwest, 2% merit for Fort Wayne), higher minimum graduate assistant salaries, and completion of necessary utility infrastructure maintenance on the West Lafayette campus.
- Tuition and housing rates remain frozen at the West Lafayette campus for FY25, the twelfth consecutive year for tuition and fees. Tuition rates will increase by 3% at the regional campuses, below the 3.5% max rate in the last biennial recommendation from the Indiana Commission for Higher Education.

If you have any questions in advance of the meeting, please let us know.