

# **BOARD OF REGENTS**

EASTERN MICHIGAN UNIVERSITY

SECTION: **Z**

DATE:

July 16, 2007

## **RECOMMENDATION**

### **FY 2008 GENERAL OPERATING, AUXILIARY AND CAPITAL BUDGETS**

#### **ACTION REQUESTED**

It is requested that the fiscal year 2008 General Operating, Auxiliary, and Capital Budgets in the amounts of \$252,275,000, \$39,693,000 and \$28,191,000 respectively be accepted and placed on file.

#### **STAFF SUMMARY**

##### **Operating**

The proposed operating budget of \$252,275,000 has increased by \$5.9 million over the prior year. The net impact of the contractual related increases and additional funding for strategic items represent an increase of \$11.3 million. These cost increases are offset by divisional operating budget reductions of \$5.4 million.

Included in the proposed net increase is \$1.6 million in additional student financial aid funding. This represents an 8% increase in student financial aid funds, and represents 27% of the net budget growth for fiscal year 2007-08.

The budget includes provisions for contractual salary agreements, required debt service, forecast increases in healthcare and benefits, utilities, risk management, financial aid and other necessary operating costs. The budget is contingent upon the approval of the accompanying recommendation for FY 2008 Tuition and Mandatory Fees.

The budget is based upon an approved state appropriation of \$77.0 million, or 1.6% decrease, from prior year appropriation budget of \$78.2 million and a one percent enrollment decline for total forecasted Student Credit Hours of 534,123.

##### **Auxiliary**

The revenue budget estimates for Housing and Dining Services are based upon the 2007-08 Housing and Dining Room & Board Rates, which were approved at the June 2007 Board of Regents meeting.

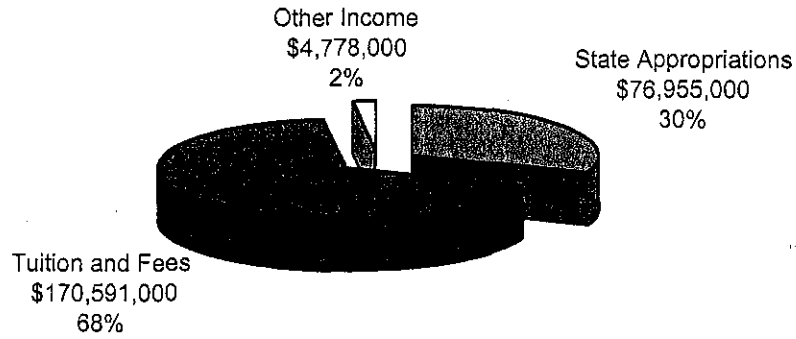
The total Auxiliary expense budget including administrative fees, debt requirements, and contributions for asset preservation and other transfers is \$39,693,000 an increase of \$611,000 over the 2006-07 budget expense due to the anticipated increase in occupancy.

# EASTERN MICHIGAN UNIVERSITY

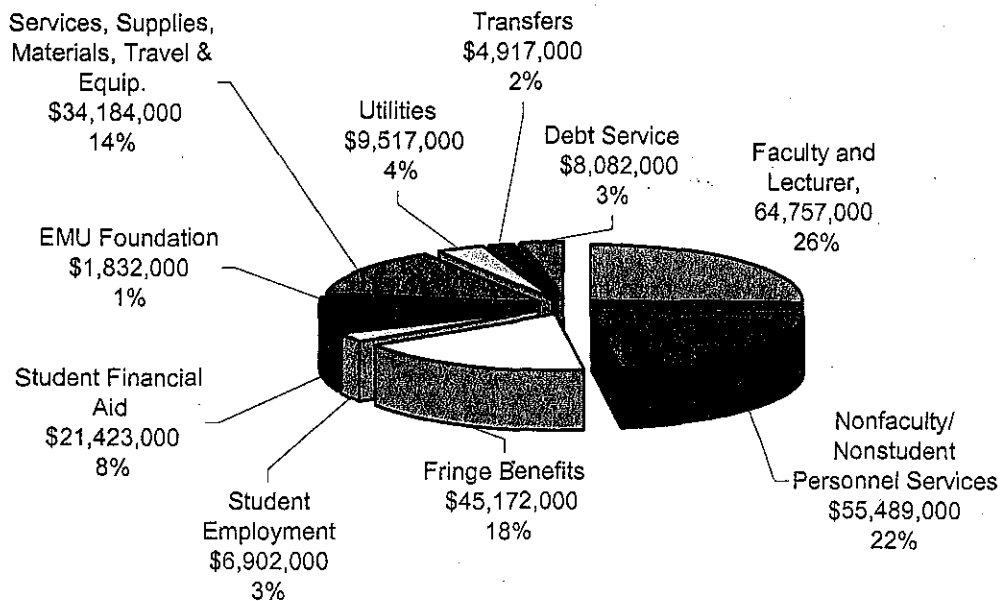
## General Operating Budget

### Fiscal Year 2008

#### Sources of Funds \$252,324,000



#### Uses Of Funds By Expense \$252,275,000



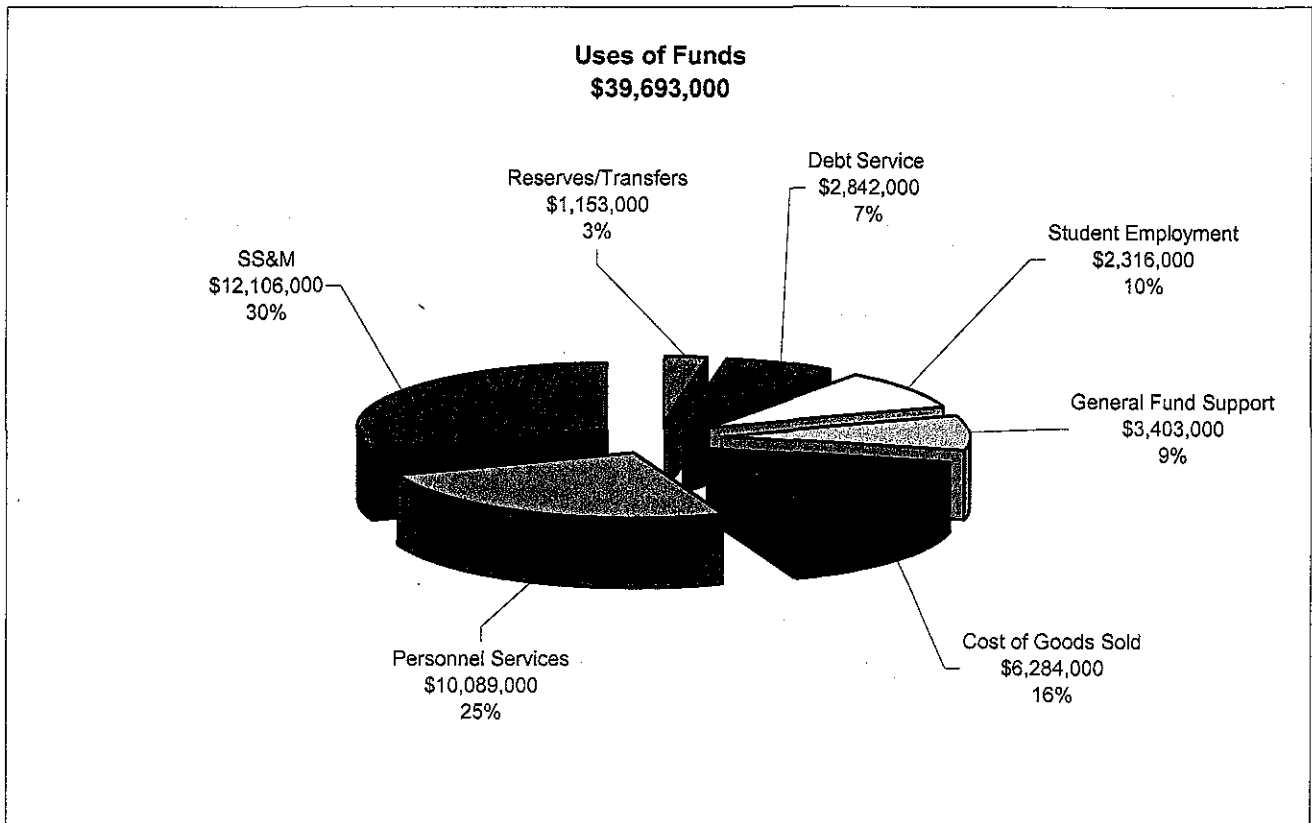
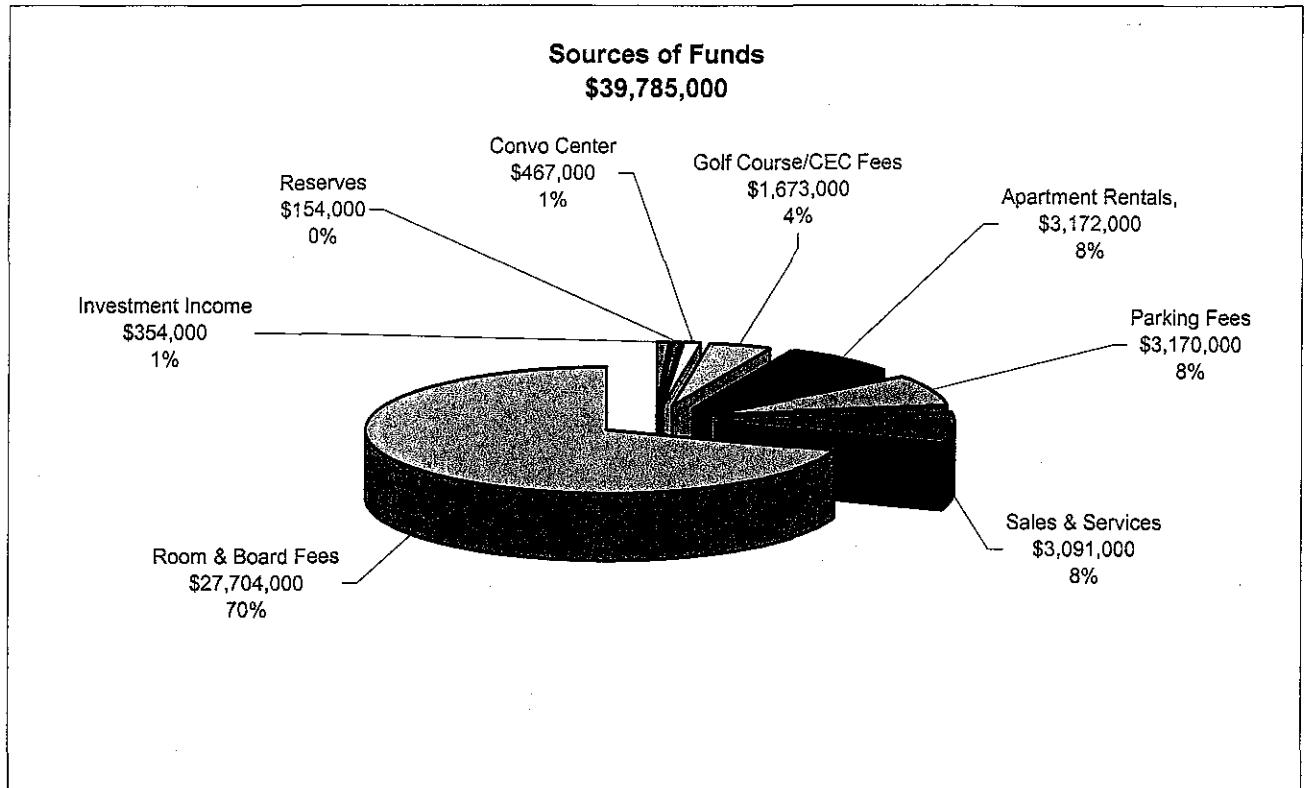
**Eastern Michigan University**  
**General Operating Budget**  
**Fiscal Year 2008**

<b>EXPENDITURES</b>	<b>2006-07 Base Budget</b>	<b>2007-08 Contractual/ Modifications</b>	<b>2007-08 Revised Budget</b>	<b>2007-08 Reduction Plan</b>	<b>2007-08 Base Budget</b>	<b>FY08 over FY07 Variance</b>
Faculty F/W*	\$49,185,565	\$2,240,435	\$51,426,000	(\$480,000)	\$50,946,000	\$1,780,435
Faculty SU	1,596,341	(12,341)	\$1,584,000	(12,000)	\$1,572,000	(24,341)
Faculty SP	2,972,970	10,030	\$2,983,000	(66,000)	\$2,917,000	(55,970)
Faculty Supplemental	1,079,927	390,073	\$1,470,000	0	\$1,470,000	390,073
Ranked Faculty Sabbaticals	900,569	(87,569)	\$833,000	0	\$833,000	(87,569)
Lecturer FT Fall/Winter	4,233,863	(491,863)	\$3,742,000	(29,000)	\$3,713,000	(520,863)
Adjunct Lecturer - Fall/Winter	4,318,323	(557,323)	\$3,761,000	(455,000)	\$3,306,000	(1,012,323)
<b>Total Faculty &amp; Lecturer</b>	<b>64,287,558</b>	<b>1,511,442</b>	<b>65,799,000</b>	<b>(1,042,000)</b>	<b>64,757,000</b>	<b>469,442</b>
Administrative Professional	17,796,557	559,443	\$18,356,000	(794,000)	\$17,562,000	(234,557)
P/T UAW Non-Exempt	12,562,711	1,436,289	\$13,999,000	(151,000)	\$13,848,000	1,285,289
Athletic Coaches	2,308,631	113,369	\$2,422,000	0	\$2,422,000	113,369
Police Officers	869,476	(3,476)	\$866,000		\$866,000	(3,476)
Police Sergeants	243,697	(4,697)	\$239,000	0	\$239,000	(4,697)
<b>Total Administrative/Support</b>	<b>33,781,072</b>	<b>2,100,928</b>	<b>35,882,000</b>	<b>(945,000)</b>	<b>34,937,000</b>	<b>1,155,928</b>
<b>Total Support staff</b>	<b>13,426,447</b>	<b>480,553</b>	<b>\$13,907,000</b>	<b>(266,000)</b>	<b>\$13,641,000</b>	<b>214,553</b>
OT/Temporary	784,032	140,968	\$925,000	0	\$925,000	140,968
Misc. Pers. Services	3,168,757	2,730,243	\$5,899,000	87,000	\$5,986,000	2,817,243
Graduate Assistant	2,954,749	67,251	\$3,022,000	(167,000)	\$2,855,000	(99,749)
Doctoral Fellows	747,500	7,500	\$755,000	(114,000)	\$641,000	(106,500)
Student Employment	3,207,959	316,041	\$3,524,000	(118,000)	\$3,406,000	198,041
<b>Total Student Employment</b>	<b>6,910,208</b>	<b>390,792</b>	<b>7,301,000</b>	<b>(399,000)</b>	<b>6,902,000</b>	<b>(8,208)</b>
<b>Fringe Benefits</b>	<b>44,918,011</b>	<b>1,016,989</b>	<b>\$45,935,000</b>	<b>(763,000)</b>	<b>\$45,172,000</b>	<b>253,989</b>
Services, Supplies and Materials	24,560,676	4,036,324	\$28,597,000	(1,234,000)	\$27,363,000	2,802,324
Travel and Equipment	4,864,245	(138,245)	\$4,726,000	(128,000)	\$4,598,000	(266,245)
Utilities	8,337,445	1,379,555	\$9,717,000	(200,000)	\$9,517,000	1,179,555
Advancement	1,837,425	575	\$1,838,000	(6,000)	\$1,832,000	(5,425)
Library Acquisitions	2,223,099	(99)	\$2,223,000	0	\$2,223,000	(99)
Student Financial Aid	19,842,367	1,859,633	\$21,702,000	(279,000)	\$21,423,000	1,580,633
Auxiliary Administrative Support	(3,465,914)	3,465,914	\$0	0	\$0	3,465,914
<b>Total Operating Support</b>	<b>58,199,343</b>	<b>10,603,657</b>	<b>68,803,000</b>	<b>(1,847,000)</b>	<b>66,956,000</b>	<b>8,756,657</b>
Transfers	15,901,516	(2,677,516)	\$13,224,000	(225,000)	\$12,999,000	(2,902,516)
<b>Subtotal</b>	<b>\$241,376,944</b>	<b>\$16,298,056</b>	<b>\$257,675,000</b>	<b>(\$5,400,000)</b>	<b>\$252,275,000</b>	<b>\$10,898,056</b>
Transfers from Reserves	4,959,040	(4,959,040)	0	0	0	(4,959,040)
<b>Total Operating Expenditures</b>	<b>246,335,984</b>	<b>11,339,016</b>	<b>257,675,000</b>	<b>(5,400,000)</b>	<b>252,275,000</b>	<b>5,939,016</b>

# EASTERN MICHIGAN UNIVERSITY

## Auxiliary Operating Budget

### Fiscal Year 2008



# EASTERN MICHIGAN UNIVERSITY

## Auxiliary Operating Budget

### Fiscal Year 2008

	2007-08 Auxiliary Oper. Budget	2006-07 Auxiliary Oper. Budget	Variance Auxiliary Oper. Budget
<b>SOURCES OF FUNDS</b>			
Sales and Services	\$ 39,277,000	\$ 38,262,569	\$ 1,014,431
Investment Income	354,000	350,001	3,999
<b>TOTAL REVENUES</b>	<b>39,631,000</b>	<b>38,612,570</b>	<b>1,018,430</b>
Allocations from Reserves	154,000	681,100	(527,100)
<b>TOTAL SOURCES</b>	<b>\$ 39,785,000</b>	<b>\$ 39,293,670</b>	<b>\$ 491,330</b>
<b>USES OF FUNDS</b>			
Cost of Goods Sold	\$ 6,284,000	\$ 6,191,472	\$ 92,528
Admin. Support/HDC	4,725,000	4,815,102	(90,102)
Personnel Services	3,574,000	3,065,683	508,317
Misc. Personnel	421,000	273,020	147,980
Fringe Benefits	1,596,000	1,345,568	250,432
Recouped Salaries	(227,000)	(164,464)	(62,536)
Student Employment	3,816,000	3,594,279	221,721
Supplies, Services & Materials	11,740,000	10,898,510	841,490
Travel	131,000	133,573	(2,573)
Equipment	235,000	285,494	(50,494)
<b>TOTAL EXPENSES</b>	<b>\$ 32,295,000</b>	<b>\$ 30,438,237</b>	<b>\$ 1,856,763</b>
<b>NET OF OPERATIONS</b>	<b>\$ 7,490,000</b>	<b>\$ 8,855,433</b>	<b>\$ (1,365,433)</b>
<b>TRANSFERS</b>			
Admin. Support/General Fund	3,403,000	3,403,236	(236)
Convocation Center Support	(1,080,000)		(1,080,000)
Children's Institute	(109,000)	(108,882)	(118)
Power Plant	70,000	70,000	-
Debt Service	2,842,000	2,402,486	439,514
Asset Preservation	1,684,000	2,401,000	(717,000)
Other	588,000	475,499	112,501
<b>TOTAL TRANSFERS</b>	<b>\$ 7,398,000</b>	<b>\$ 8,643,339</b>	<b>\$ (1,245,339)</b>
<b>TOTAL USES OF FUNDS</b>	<b>\$ 39,693,000</b>	<b>\$ 39,081,576</b>	<b>\$ 611,424</b>
<b>BALANCE - OPR. ACTS.</b>	<b>\$ 92,000</b>	<b>\$ 212,094</b>	<b>\$ (120,094)</b>