

**BOARD OF REGENTS**  
EASTERN MICHIGAN UNIVERSITY

<b>SECTION:</b> 27
<b>DATE:</b>  June 10, 2014

**RECOMMENDATION**  
**FISCAL YEAR 2014-15 AUXILIARY FUNDS OPERATING BUDGETS**

**ACTION REQUESTED**

It is recommended that the Board of Regents approve fiscal year 2014-2015 Auxiliary Activities operating budgets totaling \$49.2 million.

**STAFF SUMMARY**

The recommended Auxiliary Activities 2014-15 revenues, expenditures and transfers are summarized on the attachment. The revenue budget for Auxiliary Activities of \$49.2 million reflects the Room, Board, and Apartment rates approved by the Board on March 25, 2014.

The 2014-15 recommendation also reflects strong housing occupancy. It is expected that the number of students living on campus this Fall in residence halls and university-owned apartments will exceed 4,100 which would represent an increase in students housed of about 700 (or 20%) compared with the Fall of 2010.

The Auxiliary Activities operating expenditure budget contains provisions for all necessary operating costs including direct operating costs, auxiliary-specific debt service, and a transfer to the University's General Fund for services received. The recommended budgets result in an operating margin of \$6 million which provides the necessary funding for continued asset preservation and capital investment in the University's auxiliary facilities.

**FISCAL IMPLICATIONS**

Approval of the 2014-15 operating budget recommendation outlined above and on the attachment establishes the spending authorization for the auxiliary activities.

**ADMINISTRATIVE RECOMMENDATION**

The proposed Board action has been reviewed and is recommended for Board approval.

\_\_\_\_\_  
**University Executive Officer**

\_\_\_\_\_  
**Date**

**Eastern Michigan University**  
**Auxiliary Activities Fund Operating Budget**  
**Fiscal Years 2013-14 and 2014-15**

<i>(In millions)</i>	Recommended FY 2014-15 <u>Budget</u>	Adopted FY 2013-14 <u>Budget</u>	FY2014-15 Over/(Under) <u>FY2013-14</u>
<b>Revenues</b>			
Dining	\$ 17.7	\$ 16.8	\$ 0.9
Residence Halls	16.2	14.8	1.4
Apartments	3.8	3.1	0.7
Parking	3.7	3.5	0.2
All Other Auxiliary Activities	7.8	6.2	1.6
<b>Total Revenue</b>	<b>\$ 49.2</b>	<b>\$ 44.4</b>	<b>\$ 4.8</b>
<b>Expenditures</b>			
Operations	\$ 41.4	\$ 37.4	\$ 4.0
Debt Service	2.2	2.6	(0.4)
Overhead to General Fund	4.7	5.1	(0.4)
Transfers	(5.1)	(4.1)	(1.0)
<b>Total Operating Expenses</b>	<b>\$ 43.2</b>	<b>\$ 41.0</b>	<b>\$ 2.2</b>
<b>Operating Surplus</b>	<b>\$ 6.0</b>	<b>\$ 3.4</b>	<b>\$ 2.6</b>

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