

BOARD OF REGENTS

EASTERN MICHIGAN UNIVERSITY

SECTION: 24

DATE:

June 16, 2015

RECOMMENDATION FISCAL YEAR 2015-2016 GENERAL FUND OPERATING BUDGET

ACTION REQUESTED

It is recommended that the Board of Regents approve the University's General Fund operating expenditure budget of \$311.7 million for the 2015-16 fiscal year.

STAFF SUMMARY

The recommended 2015-16 General Fund operating budget is summarized on the attachment and includes \$311.7 million of revenues and corresponding expenses. The Board-approved General Fund expenditure budget for 2014-15 was \$302.6 million.

Recommended revenues include \$229.2 million in tuition and fees, a \$72.7 million state appropriation, and \$9.8 million in other revenues. The revenue budget reflects the tuition and fee recommendation contained in Section 23, no increase in state appropriations over what is expected to be received in FY15, a decrease in investment income, and an increase in Other revenue.

The recommended expenditure budget includes \$48.5 million in University-sponsored financial aid, an increase of \$4.7 million (10.7%) compared with the 2014-15 budget. Over the past eight years, Eastern's University-sponsored financial aid has increased by more than \$27 million from \$21.4 million in 2007-2008 to \$48.5 million in 2015-2016. The recommended budget reflects a slight decrease (\$0.1 million) in budgeted personnel costs compared to FY15.

FISCAL IMPLICATIONS

Approval of the 2015-16 budget recommendation outlined above and on the attachment establishes the spending authorization for General Fund operations.

ADMINISTRATIVE RECOMMENDATION

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

University Executive Officer

Date

Eastern Michigan University
General Fund Operating Budget
Fiscal Years 2015-16 and 2014-15

<i>(In millions)</i>	Recommended FY 2015-16 <u>Budget</u>	Adopted FY 2014-15 <u>Budget</u>	FY2015-16 Over/(Under) <u>FY2014-15</u>
Revenues			
Tuition and Fees	\$ 229.2	\$ 219.8	\$ 9.4
State Base Appropriation	\$ 71.8	\$ 71.8	\$ -
MPSERS	1.0	0.7	0.3
State - Total	\$ 72.7	\$ 72.4	\$ 0.3
Investment Income	\$ 1.5	\$ 3.0	\$ (1.5)
Other Revenue	8.3	7.4	0.9
Other - Total	\$ 9.8	\$ 10.4	\$ (0.6)
Total Revenue	\$ 311.7	\$ 302.6	\$ 9.1
Expenditures			
Salaries	\$ 142.5	\$ 143.3	\$ (0.8)
Benefits	54.0	53.3	0.7
Total Personnel Costs	\$ 196.5	\$ 196.6	\$ (0.1)
Financial Aid	48.5	43.8	4.7
Services, Supplies and Materials	38.2	36.1	2.1
Utilities	4.9	4.8	0.1
Debt Service, Asset Preservation	16.3	16.3	-
Distributions to Foundation	1.6	1.6	-
Net transfers/Contingency/Other	5.7	3.4	2.3
Total Expenditures	\$ 311.7	\$ 302.6	\$ 9.1
General Fund Surplus/(Deficit)	\$ 0.0	\$ 0.0	\$ 0.0