

BOARD OF REGENTS

EASTERN MICHIGAN UNIVERSITY

SECTION: 27
DATE: June 21, 2016

RECOMMENDATION FISCAL YEAR 2016-2017 GENERAL FUND OPERATING BUDGET

ACTION REQUESTED

It is recommended that the Board of Regents approve the University's General Fund operating expenditure budget of \$312.3 million for the 2016-17 fiscal year.

STAFF SUMMARY

The recommended 2016-17 General Fund operating budget is summarized on the attachment and includes \$312.3 million of revenues and corresponding expenses. The Board approved a \$311.7 million 2015-16 General Fund expenditure budget that included Intercollegiate Athletics. For 2016-17, Intercollegiate Athletics will now be in the Auxiliary budget.

Recommended revenues include \$221.3 million in tuition and fees, a \$74.5 million state appropriation, and \$16.5 million of other revenues and fees. The revenue budget reflects the tuition and fee recommendation contained in Section 23, a 2.5% increase in State Appropriations, no investment income, and a student credit hour projection of 495,000.

The recommended expenditure budget includes \$53.2 million in University-sponsored financial aid, an increase of \$4.7 million (9.7%) compared with the 2015-16 budget. Over the past nine years, Eastern's University-sponsored financial aid has increased by nearly \$32 million from \$21.4 million in 2007-2008 to \$53.2 million in 2016-2017. The recommended budget reflects a slight decrease (\$0.7 million) in budgeted personnel costs compared to FY16.

FISCAL IMPLICATIONS

Approval of the 2016-17 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 2016-17

<i>(In millions)</i>	FY 2015-16 Adjusted GF Incl. Athletics <u>Budget</u>	FY 2016-17 Adjusted GF (w/o Athletics) <u>Budget</u>
Revenues		
Tuition	\$ 180.9	\$ 186.9
Mandatory Fees	\$ 27.2	\$ 26.0
Program Fees	\$ 12.9	\$ 8.4
Tuition and Fees	\$ 221.0	\$ 221.3
State Appropriation	\$ 72.7	\$ 74.5
EPEO	\$ 6.9	\$ 8.9
Academic Related	\$ 0.3	\$ 0.7
Investment Income	\$ 1.5	\$ -
Other Revenue	\$ 6.7	\$ 6.9
Athletics - General	\$ 2.7	\$ -
Total Revenue	\$ 311.8	\$ 312.3
Expenditures		
Salaries	\$ 144.0	\$ 136.0
Benefits	\$ 54.0	\$ 53.3
Total Personnel Costs	\$ 198.0	\$ 189.3
Financial Aid	\$ 48.5	\$ 53.2
Services, Supplies and Materials	\$ 38.9	\$ 30.6
Utilities	\$ 4.9	\$ 6.1
Debt Service, Asset Preservation	\$ 16.3	\$ 13.3
Distributions to Foundation	\$ 1.6	\$ 1.5
Net transfers/Other/Contingency	\$ 3.6	\$ 18.3
Total Expenditures	\$ 311.8	\$ 312.3