

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION:
DATE:
June 19, 2012

RECOMMENDATION

FISCAL YEAR 2012-2013 GENERAL FUND OPERATING BUDGET

ACTION REQUESTED

It is recommended that the Board of Regents approve a 2012-2013 General Fund operating budget of \$290.6 million. Revenues and expenditures are summarized on the attachment.

STAFF SUMMARY

The recommended 2012-13 General Fund operating budget is balanced with revenues and expenditures of \$290.6 million. The 2011-12 General Fund operating budget adopted by the Board totaled \$283.3 million.

Revenues include \$209.6 million of tuition and fees, a \$66.5 million state appropriation (\$64.6 million base appropriation and \$1.9 million in one-time performance funding), and \$14.5 million of other revenues. The revenue budget reflects a 1% increase in student credit hours and the tuition and fee recommendations contained in Section XX.

The expenditure budget includes additional student advising resources and reflects a \$2.0 million increase in University-sponsored financial aid. Over the last five years, Eastern's financial aid has grown by over 65% from \$21.4 million in 2007-2008 to \$35.7 million in 2012-2013. The recommended budget also includes \$1.5 million in funding for new academic programs and initiatives to support continued enrollment growth.

The Board is requested to authorize \$290.6 million in expenditures although \$1.1 million is contingent upon achieving the 1% increase in student credit hours.

FISCAL IMPLICATIONS

Approval of the 2012-13 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 2011-12, and 2012-13

(In millions)	FY 2011-12 Budget	Recommended 2012-13 Budget	Variance
<u>Revenues</u>			
Tuition and fees	205.0	209.6	4.6
State appropriation - base	64.6	64.6	0.0
State appropriation - incentives	0.0	1.9	1.9
Investment income	3.2	3.2	0.0
Athletics revenue	1.4	1.8	0.4
Other revenues	9.1	9.5	0.4
Total Revenues	283.3	290.6	7.3
<u>Expenditures and Transfers</u>			
Salaries	141.4	142.4	1.0
Benefits	49.9	53.3	3.4
Total personnel costs	191.3	195.7	4.4
Service, supplies and materials	35.1	37.8	2.7
Student financial aid	33.7	35.7	2.0
Utilities	5.7	5.2	(0.5)
Debt service	11.1	10.8	(0.3)
Asset preservation transfer	4.1	4.1	0.0
Distribution to foundation	1.9	1.8	(0.1)
Growth fund	1.0	1.0	0.0
President's discretionary fund	0.8	0.8	0.0
Net transfers	(1.4)	(2.3)	(0.9)
Total Expenditures and Transfers	283.3	290.6	7.3
General Fund Surplus/(Shortfall)	0.0	0.0	