

1993

Auxiliary fund, 1993-94 executive summary, Eastern Michigan University

Eastern Michigan University



Auxiliary Fund

1993-94
Executive Summary

Eastern Michigan University

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**1993-94
Executive Summary**

Eastern Michigan University

Auxiliary Fund

*Presented to the
Eastern Michigan University
Board of Regents*

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EASTERN MICHIGAN UNIVERSITY

**EASTERN MICHIGAN UNIVERSITY
AUXILIARY FUND
1993-1994**

PREFACE

The 1993-94 Auxiliary Fund Budget Proposal Executive Summary contains three parts:

- **Guidelines and Assumptions**
- **Budget Summary**
- **Debt and Other Financial Obligations**

The Guidelines and Assumptions section includes the guidelines and assumptions used to develop the budget. Specific assumptions particular to each auxiliary entity are found in the Administrative Resource Plan.

The Budget Summary section contains a description of the Auxiliary Fund Organization, the fund revenue and expense distribution, budget goals by program area, position control summary, and 1993-94 new positions.

The Debt and Other Financial Obligations section contain charts and tables explaining the proposed 1993-94 budget. In the upper left corner of each table or chart, there is a brief explanation of the purpose for each page.

Details and additional budget information can be found in the Auxiliary Staff List, the Detailed Operating Budget, the Administrative Resource Plan, the Housing and Dining Services Maintenance and Renovation Plan, and the Housing and Dining Services Rate Proposal.

**EASTERN MICHIGAN UNIVERSITY
AUXILIARY FUND
1993-1994**

EXECUTIVE SUMMARY

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***GUIDELINES &
ASSUMPTIONS***

**EASTERN MICHIGAN UNIVERSITY
AUXILIARY FUND
1993-1994**

BUDGET GUIDELINES

This budget proposal for 1993-94 supports the mission of the Auxiliary Fund.

THE MISSION OF THE AUXILIARIES IS:

to provide quality goods, services and educational experiences to the University and its related communities, through financially self-supporting business and service entities.

In developing the Auxiliary Fund Operating Budgets, the following general guidelines were employed:

- **The Auxiliary Fund in total must be balanced. A situation may occur in which either the fund balance or other cost centers will be used to balance the account within the program area.**
- **All debt obligations will be met.**
- **Neither the General Fund nor the Auxiliary Fund will financially subsidize the other.**

**EASTERN MICHIGAN UNIVERSITY
AUXILIARY FUND
1993-1994**

BUDGET PLANNING ASSUMPTIONS¹

In developing the University Auxiliary Operating Budgets for fiscal year 1993-94, the following budget planning assumptions were used.

ENROLLMENT/OCCUPANCY

- Enrollment projection for 1993-1994 is 18,987 full-time equivalent students.
- Credit hour production for 1993-1994 is expected to be 532,000 without Continuing Education.
- The September 30, 1993 occupancy count is projected to be 3,530. The budget is based on this number.

PERSONNEL ASSUMPTIONS

- Salaries/Fringe benefits by contract.
- Unemployment and worker's compensation cost will be assessed based on actual cost.
- Auxiliaries will use University guidelines established for student help.

¹ Individual Unit Budget Assumptions and Guidelines are found in the Auxiliary Administrative Resource Plan.

UTILITIES ASSUMPTIONS²

- Energy consumption will increase:

Electricity . . . 5% Gas 3% Water . . . 10%

- Energy unit price increases are as follows:

Electric 5% Gas 26% Water . . . 4%

- Electric and Gas allocation is based on building cubic footage which currently is 67.2% General Fund and 32.8% Auxiliary Fund. Water expense is metered directly to each facility, and actual cost is assessed.

OTHER INFLATION ASSUMPTIONS

Prices are based on university guidelines, specific industry projections, consumer price index, and inflation factors as of December 31, 1992.³

		<u>Index</u>
● Food	3.5%	Detroit CPI
● Dining Supplies	3.2%	Detroit CPI
● Other SSM	3.2%	Detroit CPI
● Student Help	0%	Stud. Employ. EMU
● Printing Supplies	3.5%	Detroit CPI

Auxiliary entities will purchase labor support services from the university. These include: Accounting, Purchasing, Student Accounting, Cashier's Office, Personnel, Payroll, Public Safety, Compensation, University Computing, Shipping and Receiving, Budget, Maintenance and Skilled Trades.

² Based on Business and Finance Projections, January 1993.

³ ICARD

DEBT

The 1993-94 Auxiliary Fund Debt total is \$1,794,848, of the total:

● Housing, Dining, Union & Conferences	\$1,096,993
● Huron Golf Course	350,770
● Parking and Paving	124,397
● Co-gen	<u>222,688</u>
● Total	\$1,794,848

INSURANCE

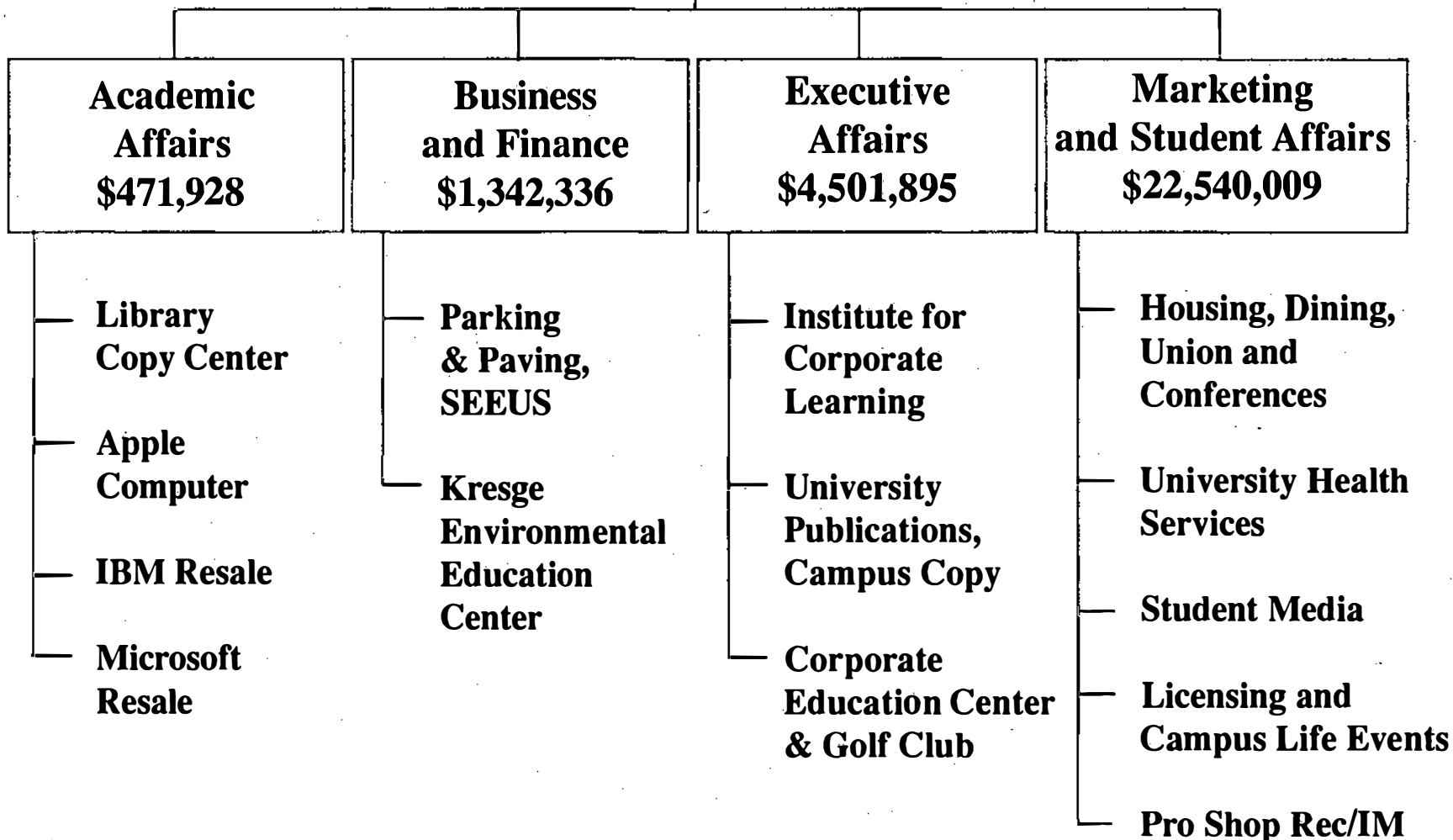
● Property and liability	\$ 296,412
● Michigan Universities' Self Insurance Consortium (MUSIC)	\$ 166,042
● Malpractice Insurance (Health Service Only)	\$ 57,220



BUDGET SUMMARY



Auxiliary Fund Organization



Dollar Amounts represent Gross Revenue from each Division.

Eastern Michigan University - Auxiliary Fund

Revenue and Expense Distribution (1)

06/04/93

Purpose : to provide the reader with the 1993-94 budget proposal
by entity and by operating revenue and expense.

1993-94

	Marketing and Student Affairs			Academic	Business and Finance		Executive			Total	
	HDUC (2)	University Health Services	Student Media	Licensing & Campus Life & Rec/IM	Academic Services	Kresge Envir. Educ. Center	Parking and Paving & SEEUS	CEC and Golf Course	Corporate Learning		University Publications
REVENUE											
Sales and Services	19,891,797	1,016,000	308,100	210,274	464,390	63,500	1,260,000	1,926,806	997,126	1,208,465	27,346,458
Student Fees	0	1,037,460	0	0	0	0	0	0	0	0	1,037,460
Investment Income	54,951	16,805	4,233	389	7,538	2,290	16,546	94,219	7,495	11,534	216,000
TOTAL REVENUES	19,946,748	2,070,265	312,333	210,663	471,928	65,790	1,276,546	2,021,025	1,004,621	1,219,999	28,599,918
Transfers from Other Funds	0	0	0	0	0	0	0	0	256,250	0	256,250
REVENUES & TRANSFERS	19,946,748	2,070,265	312,333	210,663	471,928	65,790	1,276,546	2,021,025	1,260,871	1,219,999	28,856,168
EXPENSES											
Cost of Good Sold	(3,307,156)	(130,000)	0	(105,000)	(322,936)	(12,700)	0	(181,000)	0	(533,000)	(4,591,792)
Personnel	(4,451,624)	(1,123,199)	(76,717)	(26,659)	(47,040)	(16,269)	(527,139)	(434,945)	(605,884)	(302,601)	(7,612,077)
Fringe Benefits	(1,688,592)	(387,971)	(22,708)	(9,364)	(17,582)	(3,360)	(170,768)	(142,221)	(159,023)	(106,456)	(2,708,045)
Student Help	(2,464,980)	(75,463)	(69,116)	(30,036)	(18,146)	(54)	(121,291)	(70,000)	(26,616)	(51,428)	(2,927,130)
SS&M	(6,117,096)	(276,664)	(136,259)	(24,808)	(45,066)	(11,312)	(169,265)	(797,998)	(242,338)	(181,632)	(8,002,438)
Travel	(61,208)	(13,589)	(4,095)	(3,011)	(1,044)	(16)	(3,387)	(20,000)	(26,200)	(2,686)	(135,236)
Equipment	(406,837)	(10,681)	(158)	(1,018)	(11,073)	(4,027)	(6,646)	(31,000)	(4,500)	(35,310)	(511,250)
NET OF OPERATIONS	1,449,255	52,698	3,280	10,767	9,041	18,052	278,050	343,861	196,310	6,886	2,368,200
TRANSFERS (IN/OUT)											
Mandatory Debt	(1,096,993)	0	0	0	0	0	(124,397)	(350,770)	0	0	(1,572,160)
Co-Gen	(219,395)	(2,412)	(404)	0	0	0	0	0	0	(477)	(222,688)
Non-Mandatory											
Facility Plan	(250,000)	0	0	0	0	0	0	0	0	0	(250,000)
Maintenance Reserve	117,133	0	0	0	0	(16,000)	(150,000)	55,000	(64,452)	(41,243)	(99,562)
TOTAL TRANSFERS	(1,449,255)	(2,412)	(404)	0	0	(16,000)	(274,397)	(295,770)	(64,452)	(41,720)	(2,144,410)
BALANCE - OPR. ACTS 6/94	0	50,286	2,876	10,767	9,041	2,052	3,653	48,091	131,858	(34,834)	223,790
PROJECTED FUND BAL. 6/93	234,723	104,177	60,259	28,465	30,758	30,349	16,081	809,230	179,456	227,842	1,721,340

(1) - Details for each entity are found in the Administrative Resource Plan, Detailed Operating Budget and Staff Listing.

(2) - Housing, Dining, Union and Conferences Services

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Eastern Michigan University
Auxiliary Fund 1993-94 - Budget Goals by Program Area

06/02/93

Purpose : to provide the reader with the 1992-93 budget goals compared to the 1992-93 revised budget and 1993-94 budget goals.

			1992-93 Budget Goals	1992-93 Revised	1993-94 Budget Goals
University Marketing and Student Affairs	Apartments, Residence Halls, Rental Property, Dining Service Union and Conferences	Gross Revenue	\$21,212,873	\$20,061,933	\$19,946,748
		Expenses	21,212,873	20,061,933	\$19,946,748
		Net	0	0	0
	University Health and Family Services	Gross Revenue	1,914,549	1,978,140	2,070,265
		Expenses	1,913,904	1,977,149	2,019,979
		Net	645	991	50,286
	Student Media (Eastern Echo, Aurora)	Gross Revenue	313,358	356,557	312,333
		Expenses	305,902	356,407	309,457
		Net	7,456	150	2,876
	Other - (University Licensing, Campus Life, Rec/IM)	Gross Revenue	31,360	32,360	210,663
		Expenses	28,219	28,793	199,896
		Net	3,141	3,567	10,767
Academic Affairs	Academic Services (Library Copy Center, Apple Computer, IBM Resale, Microsoft Resale)	Gross Revenue	415,692	417,412	471,928
		Expenses	406,096	406,074	462,887
		Net	9,596	11,338	9,041
Executive Affairs	University Publications and Campus Copy	Gross Revenue	1,242,363	1,392,363	1,219,999
		Expenses	1,203,130	1,337,707	1,254,833
		Net	39,233	54,656	(34,834)
	Corporate Education Center and Golf Club	Gross Revenue	2,050,686	2,050,686	2,021,025
		Expenses	1,941,502	1,976,195	1,972,934
		Net	109,184	74,491	48,091
The Centers for Corporate Learning: Training, Public Service, Entrepreneurship	Gross Revenue	929,754	929,754	1,260,871	
	Expenses	796,726	769,195	1,129,013	
	Net	133,028	160,559	131,858	
Business And Finance Affairs	Parking and Paving and SEEUS	Gross Revenue	1,390,969	1,310,969	1,276,546
		Expenses	1,374,888	1,294,888	1,272,893
		Net	16,081	16,081	3,653
	Kresge Environmental Education Center	Gross Revenue	68,238	68,238	65,790
Expenses		62,173	61,985	63,738	
Net		6,065	6,253	2,052	
Total Auxiliary Fund		Gross Revenue	\$29,569,842	\$28,598,412	\$28,856,168
		Expenses	\$29,245,413	\$28,270,326	\$28,632,378
		Net (1)	\$324,429	\$328,086	\$223,790

(1) - Total goes to each auxiliary entity's balance sheet.

**EASTERN MICHIGAN UNIVERSITY
AUXILIARY FUND
1993-94 BUDGET PLAN
POSITION CONTROL SUMMARY (1)**

Object Code	Obj. Desc.	92-93 Org. Bud.	93-94 Org. Bud.	Change
1210	ADMIN/PROF NBF AP10 & ABOVE	19.43	20.98	1.55
1220	ADMIN/PROF NBF AP09 & BELOW	18.00	15.00	-3.00
1230	PROFESSIONAL/TECHNICAL (UAW)	67.90	72.75	4.85
1250	POLICE OFFICERS	3.00	4.00	1.00
1260	POLICE SERGEANTS	3.00	2.50	-0.50
1280	CLERICAL/SECRETARIAL (UAW)	44.00	46.75	2.75
1310	MAINTENANCE (AFSCME)	81.10	80.10	-1.00
TOTAL		236.43	242.08	5.65

(1) Detail for this summary is found in the 1993-94 Staff Position Listing book.

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**EASTERN MICHIGAN UNIVERSITY
AUXILIARY FUND
1993-94 BUDGET PLAN
NEW POSITIONS (1)**

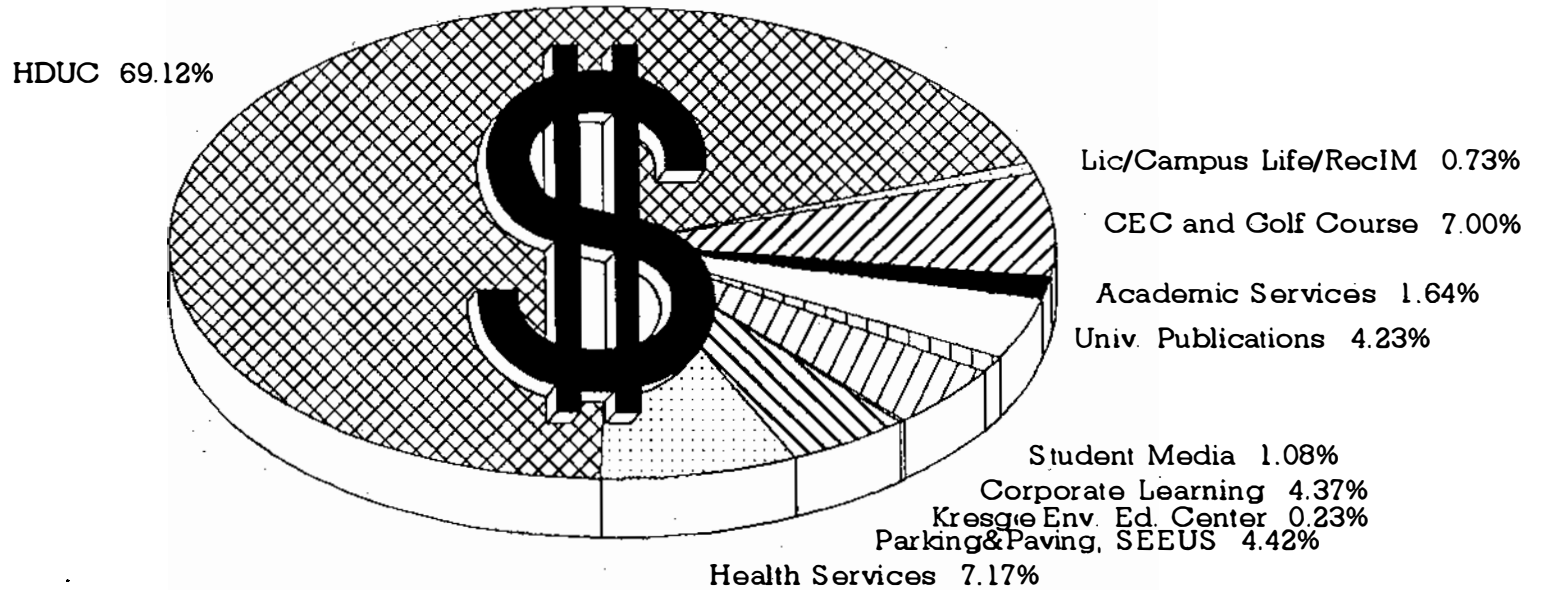
Account	Pos.#	Title	Class	Obj	Fte
445200	410372	Coordinator, Rec I/M and Pro Shop	PT07	1230	1.00
441021	410371	Officer Campus Police	CP01	1250	1.00
447579	410373	Ticket Writer	CS03	1280	0.75
447579	410376	Ticket Writer	CS03	1280	0.75
441007	410370	Manager University Apartments	PT05	1230	<u>1.00</u>
TOTAL (2)					4.50

(1) Detail for this summary is found in the 1993-94 Staff Position Listing Book.

(2) One FTE, Manager, Golf Shop was added to the Board approved Auxiliary Enterprises January 1993 Revised Budget.

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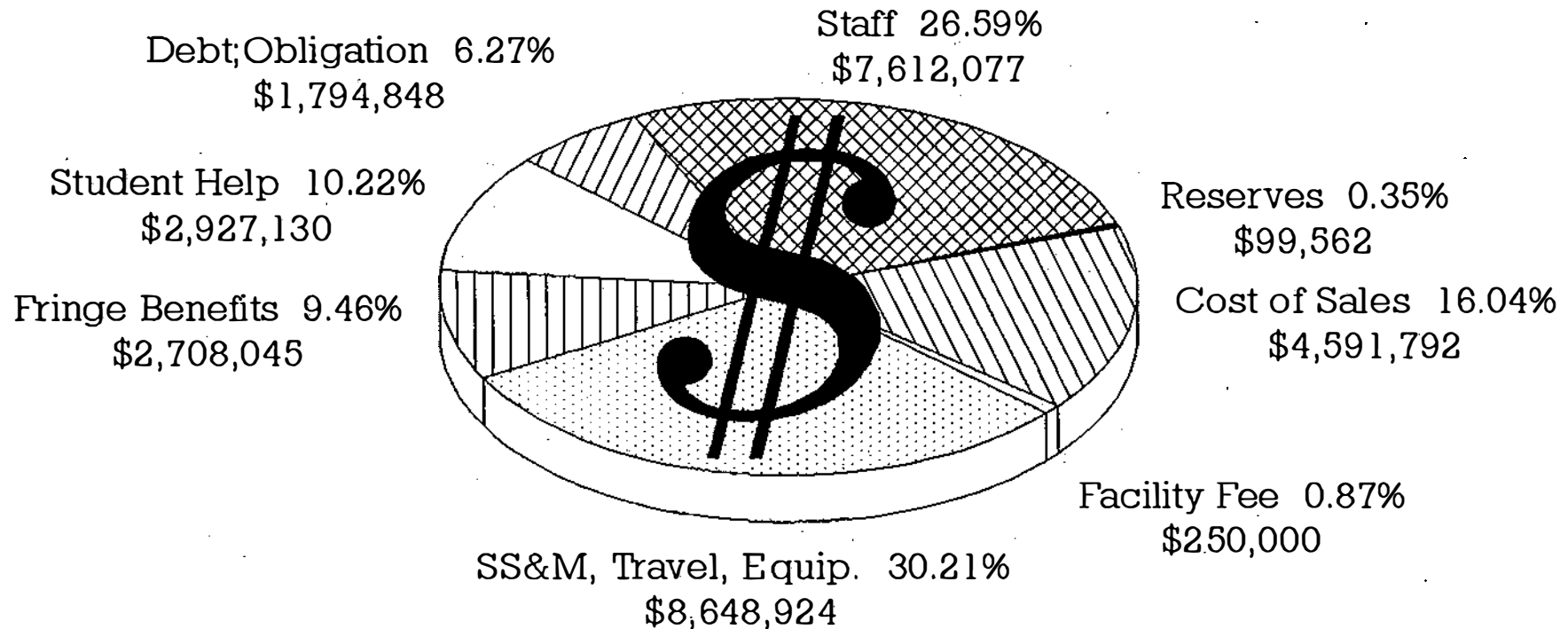
Auxiliary Fund Gross Revenue



Total Gross Revenue: \$28,856,168

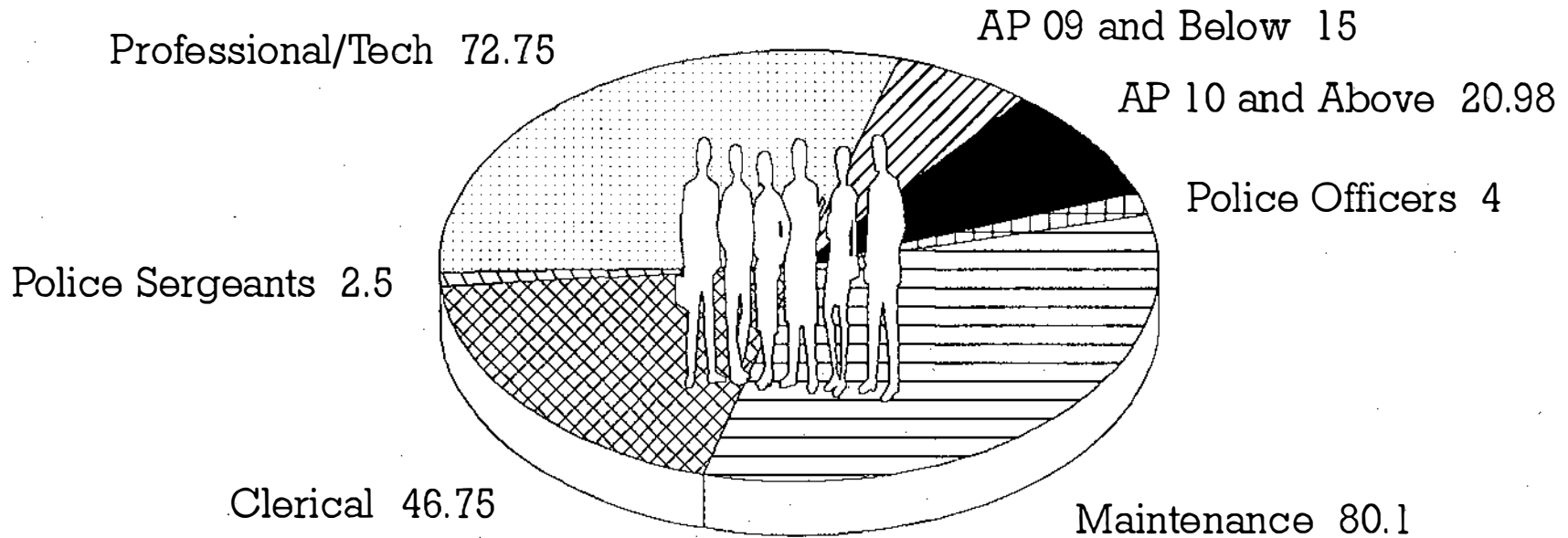
HDUC - Housing, Dining, Union and Conferences

Auxiliary Fund Expense Distribution



Total: \$28,632,378

Auxiliary Fund FTE Summary



Total: 242.08 FTE



DEBT AND OTHER

FINANCIAL OBLIGATIONS



EASTERN MICHIGAN UNIVERSITY
AUXILIARY FUND
1993-1994
AUXILIARY DEBT - PRINCIPLE, INTEREST, AND REQUIRED RESERVES

FISCAL YEAR	HDUC (1)	HURON GOLF		PARKING	TRUST (CO-GEN) 13900	AUXILIARY TOTAL DEBT
	TRUSTS 6525, 6038, 6930, 13900	PROPERTY 13900	CHRYSLER LEASE	TRUST 13900		
93-94	1,096,993	322,066	28,704	124,397	222,688	1,794,848
94-95	1,090,497	322,125		121,942	221,933	1,756,497
95-96	1,086,258	322,033		124,615	221,128	1,754,034
96-97	1,268,751	314,653		119,418	220,024	1,922,846
97-98	744,623	333,296		134,187	62,186	1,274,292
98-99	738,563	331,319		130,832		1,200,714
99-00	741,085	331,370		132,244		1,204,699
00-01	731,575	330,714		133,228		1,195,516
01-02	725,765	329,365		133,777		1,188,907
02-03	723,330	329,859		129,120		1,182,309
03-04	733,932	329,507		129,240		1,192,679
04-05	736,600	328,349		128,974		1,193,923
05-06	626,994	328,875		133,126		1,088,995
06-07	536,981	328,386		131,687		997,055
07-08	510,644	329,313		129,835		969,793
08-09	513,231	326,440		132,352		972,023
09-10	398,906	327,546		129,278		855,730
10-11		327,213		130,615		457,829
11-12		325,452		114,268		439,720
12-13		324,741				324,741
13-14		315,934				315,934
Accrued	33,111	15,416		5,721	3,065	57,313
	12,971,617	6,843,139	28,704	2,437,416	944,894	23,225,770

(1) Housing, Dining, Union, and Conferences
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5/25/93

Eastern Michigan University

Auxiliary Fund

1993-94

06/02/93

Facility Plan Payment Schedule

End of Fiscal Year	Barnes and Noble Bookstore	McKenny Vending & Vendors	HDUC (1) Reserves	Total
1994	200,000	50,000	250,000	500,000
1995	225,000	50,000	250,000	525,000
1996	225,000	50,000	250,000	525,000
1997		80,000	250,000	330,000
1998		80,000	350,000	430,000
1999		80,000	350,000	430,000
2000		80,000	350,000	430,000
2001		100,000	350,000	450,000
2002		100,000	350,000	450,000
2003		100,000	350,000	450,000
2004		100,000	350,000	450,000
2005		100,000	350,000	450,000
2006		100,000	300,000	400,000
2007		100,000	300,000	400,000
2008		100,000	300,000	400,000
2009		100,000	300,000	400,000
2010		100,000	300,000	400,000
2011		100,000	300,000	400,000
Total	\$650,000	\$1,570,000	\$5,600,000	\$7,820,000

(1) Housing, Dining, Union and Conferences

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