

GENERAL FUND BUDGET



FY 2003

Wayne State University
FY 2003 PROPOSED BUDGET

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INTRODUCTION

FY 2003 Proposed General Fund Budget

The FY 2003 Proposed General Fund Budget reflects total revenues of \$411.0 million. This represents an increase of \$18.4 million (4.7 percent) in revenues over the FY 2002 budget. The increase is primarily attributable to a proposed increase in tuition and fees that will generate, in the aggregate, an additional \$12.4 million (10.2 percent) in revenue. An increase is budgeted in Indirect Cost Recovery revenue of \$6.8 million. Investment Income is expected to decline by \$2.1 million. There will be no increase in state appropriations for FY 2003 – for any of the fifteen Michigan Public Universities.

Program Funding

Total expenditures for FY 2003 are \$411.0 million – an increase of \$18.4 million (4.7 percent) over FY 2002 – and reflects a balanced budget. Budgeted expenditures include approximately \$15.7 million in obligatory, non-discretionary commitments – e.g. employee compensation, fringe benefits, and utilities. Budgeted expenditures also reflect budget reductions throughout the University totaling approximately \$11.5 million.

Program funding of \$1.3 million is provided to support high priority program needs. These include admissions and financial aid operations, hazardous waste disposal, and continued preparation for the University's capital campaign.

Non-recurring allocations totaling \$3.6 million are provided to support operating expenditures that are one-time in nature or that cannot be funded on a continuing basis for FY 2003.

Budget Priorities and Assumptions

The proposed budget reflects organizational priorities derived from the University's strategic plan. That plan consists of five broad areas of strategic focus – academic excellence, research pre-eminence, quality of campus life, community engagement and educational opportunities. The budget reflects the following assumptions:

- 1. State appropriations will not increase for FY 2003. The state higher education appropriations legislation provides a continuation of the FY 2002 budget into FY 2003. That budget also caps increases in undergraduate resident tuition and fees at the greater of 8.5 percent or \$425. The budget reflects a proposed increase in tuition and fees as follows:*

<i>Undergraduate</i>	<i>\$425 per full-time student</i>
<i>Graduate</i>	<i>15.0 percent</i>
<i>Law</i>	<i>8.1 percent (3.0 percent for non-resident)</i>
<i>Pharm.D</i>	<i>\$8,900 for entering students</i>
<i>M.D.</i>	<i>8.1 percent</i>

INTRODUCTION

2. *Targeted enrollment is set at 18,840 – an increase of one percent over FY 2002 targeted enrollment – with no significant change in the nature or level of enrollment. Changes in the definition of residency for students from certain counties in Ohio and Ontario that were approved by the Board of Governors in FY 1998 have been factored into revenue projections. A 1.25 percent enrollment reserve has been set as a buffer against unexpected or significant enrollment fluctuations.*
3. *It is assumed that the local economy will not significantly worsen during the upcoming fiscal year. Further, it is expected that amounts available for investment by the University will not change significantly and that those investments will continue to be made in accordance with current investment guidelines. Projections for investment income have been reduced to reflect recent market declines.*
4. *It is assumed that there will be no significant change in the workforce or the general nature of the University's contractual commitments to that workforce during the year. Nine collective bargaining groups have labor contracts that are currently under negotiation. Those groups account for approximately 56 percent of the University's total projected salary budget for FY 2003. Increases are expected to occur in the University's contracts with fringe benefit providers – e.g., health care, dental and other services. Those factors have been considered in development of estimates for fringe benefits in the FY 2003 budget.*
5. *Except for new buildings or demolitions that have been identified in the budget, it is assumed that utility consumption and patterns of usage will remain constant. Anticipated changes in rates have been factored into budget projections*

The FY 2003 General Fund budget reflects a significant level of sacrifice and funding for only the most critical of University priorities. State appropriations represent approximately 61 percent of total budgeted General Fund revenue in FY 2002 and that source of revenue will not increase for FY 2003. Thus, the ability to meet obligatory, non-discretionary commitments and required funding for critical programs is contingent upon budget reductions and increases in tuition and fees.

Budget reductions include a 2.5 percent budget recapture based on academic and non-academic salary budgets totaling \$5.5 million. General Fund subsidies provided to four auxiliary units – University Press, McGregor Memorial Conference Center, Parking and Transportation Services, and WDET-FM Radio Station – will be reduced by a total of \$581,100. Reduction in funding for certain central accounts – including the Contingency Reserve, Special Equipment Funds, and Accrued Compensated Absences – will generate an additional \$2.5 million.

INTRODUCTION

Contents

Included in the Introduction tab of the budget book are sections on budget policies and practices, and on budget management procedures. These sections are an integral part of the FY 2003 budget and should be read and followed throughout the fiscal year. A number of policies and budget management procedures have been revised. Most notable changes occur in the carryforward policy.

Budget Presentation

The FY 2003 budget book includes budgets for the entire Academic Affairs Division, which includes the Office of the Provost and all of the Schools and Colleges. Separate budget detail is provided for each School and College. The non-academic divisions are presented at the division level only. (Each Vice President and Dean has received detailed budgets for all units in his/her operating division for purposes of detailed budget management.)

We look forward to discussing this budget with the Budget and Finance Committee on July 31, 2002.

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BUDGET POLICIES AND PRACTICES

The General Fund budget reflects allocations that have been made in accordance with University policy or standard budget practices that have been adopted by the University. Those policies and practices are summarized below.

1. *School/College Funding*

Current budget methodology requires that each school or college is allocated a base budget that is intended to cover a reasonable portion of its budgetary needs for faculty and staff salaries, instructional expenditures and travel, and operating supplies. For FY 2003, the base budget has been set at the same amount of funding as that approved for FY 2002, adjusted for revisions made during the fiscal year.

In addition to the base budget allocation, each school or college budget is adjusted up or down on an annual basis using a dynamic component. This dynamic adjustment is determined based on an assessment of the school or college's performance in a number of dimensions – such as enrollment, degree productivity, external funding and scholarly accomplishment. Because the university is still transitioning to this budget methodology, this dynamic adjustment did not occur in FY 2003. As part of the FY 2002 budget, however, an allocation of \$1.2 million was made to the Provost who will distribute these funds as warranted to support specific academic programs.

For FY 2003, budgets for each academic unit are constant with revised FY 2002 budgets. There are no reductions in school/college budgets for FY 2003, as a result of this change in methodology.

The implementation of this budget methodology for academic units will continue through the FY 2003 budget year. The next steps include identification of performance measures, collection of performance data and incorporation of both into an approach that can be used to report actual performance over time or in comparison to other internal or external academic programs. This will then provide a basis for assessment of budget requirements in each school/college each year.

2. *Spring/Summer Program Funding*

Wayne State University's Spring/Summer program generates approximately 13 percent of the University's total annual enrollment.

Most of the University's academic units are funded directly for operations of the Fall and Winter terms. (Exceptions to this practice are certain 12-month programs – Medicine, Pharmacy and Allied Health Professions, and some portions of Social

BUDGET POLICIES AND PRACTICES

Work – which are funded for a three-term academic year. The Law School, while a 9-month program, is also funded for a three-term academic year.)

Spring/Summer program funding is provided through the College of Lifelong Learning – Summer Session budget (CLL) where part-time faculty funding is provided for those units whose academic year budgets reflect only the Fall and Winter terms. The Spring/Summer program is a self-funded entity. Revenues generated by enrollment in the Spring/Summer terms are used first to cover the costs of operating the program. Those costs include the cost of faculty hired to teach Spring/Summer courses from the Summer Session budget and the costs of administering the program. Next, a fixed amount is set aside from Spring/Summer revenues to cover the cost of year-round operations of the University. That amount, which is increased annually by the applicable inflation rate, totals \$9,447,800 for FY 2003. Any excess revenues that remain after covering these commitments are then distributed as follows: (a) 60 percent is distributed to academic units whose enrollments generated total revenues that are 2.4 times the cost incurred for faculty teaching and instructional supplies, (b) 30 percent is directed to the University's Research Stimulation Fund, and (c) 10 percent is allocated to the University's central administration for use in funding programs that have University-wide impact.

Targeted AYES enrollment for the Spring/Summer program is 2,765.

3. *Distribution of Indirect Cost Recovery Revenues*

The University receives Indirect Cost Recovery revenue from many of its research grants and shares those funds with the principal investigators, academic units, and departments in accordance with a formula set forth in Executive Order 86-2. That formula requires distribution of Indirect Cost Recovery (ICR) revenues as follows:

Principal Investigators	8.5 percent
School/College	10.0 percent
Academic Department	15.0 percent
Research Stimulation Fund	10.0 percent

An additional 10.0 percent of ICR revenues in excess of \$5.2 million are set aside each year for Enhancement for Research Support. Enhancement for Research Support is a separate budget in Central Accounts from which administrative expenditures incurred in support of the University's research activities are funded. These expenditures are theoretically funded contingent upon the University's ability to sustain its current level of research funding and subject to reduction in the event of a substantial decline in that research funding.

BUDGET POLICIES AND PRACTICES

The required distribution to the principal investigators, the school/college and the applicable department is recorded in the Research Incentives budget in the Division of Research. The Research Stimulation Fund allocation is recorded in a separate budget in the Division of Research specifically designated for that purpose.

Indirect Cost Recovery revenues generated by research conducted at the University in connection with the Comprehensive Cancer Center initiative are allocated in accordance with the terms of the affiliation agreement between Wayne State University and the Barbara L. Karmanos Cancer Institute (formerly the Michigan Cancer Foundation). Those amounts are allocated to the principal investigator, the cancer program and the School of Medicine in the same percentages as specified in Executive Order 86-2. However, the remaining 56.5 percent is used to cover expenses associated with the research program including rent on the Meyer L. Prentis building, and specifically designated faculty and staff positions that are identified as support for the initiative. All surpluses in Karmanos-related ICR after this distribution are used to support other University needs.

Federal regulations require Wayne State University to spend an amount equivalent to the portion of ICR revenues based on faculty and equipment depreciation on the purchase, repair, acquisition, renovation or improvement of research facilities and equipment. These expenditures can either be made in the year in which the revenues are received, or within a five-year period after the fiscal year in which the revenues are received. The estimated portion of the University's current ICR rate dedicated to research facility and equipment depreciation is 14.6 percent, and funding for research equipment and facilities will be taken from the general fund portion of ICR revenue.

External funds generated by academic support units such as Libraries and Student Development and Campus Life will be recognized by a 15.0 percent reinvestment in those units.

4. *Special Equipment Funds*

The University has, in the past, provided base funding for four Special Equipment Programs. This funding, which totals \$1,150,000 is used to provide supplemental funding to units on a competitive basis for certain types of equipment purchases.

The Research Equipment Fund is managed by the Vice President for Research. The amount of the fund is \$600,000 and is used to meet the University's demands for modern research equipment. The Instructional Equipment Fund is managed by the Provost and Senior Vice President for Academic Affairs and is used to meet the

BUDGET POLICIES AND PRACTICES

demands in the academic units for instructional equipment. The amount of the fund is \$294,000.

The Equipment Replacement Fund in the amount of \$201,850 is managed by the Senior Vice President for Finance and Administration and is used to match non-academic unit funding for equipment purchases (e.g., copy machines, computers). The Office Automation Fund totals \$50,450 and is administered by the Vice President for Computing and Information Technology and is used exclusively to provide supplemental funding for units who wish to purchase computer equipment.

In most cases, allocations from these funds – which are budgeted as part of the Central Accounts fund codes – are matched 100.0 percent by the requesting unit.

As part of the FY 2002 budget, this amount was reduced from its previous level of \$2.3 million to \$1.2 million. For FY 2003, it is eliminated completely as part of the University's efforts to balance the budget.

5. ***Omnibus Fee Commitments***

Omnibus Fees, assessed as part of total tuition revenue, are earmarked for specific purposes. After a recurring set aside of \$1.2 million for financial aid, Omnibus Fees are earmarked for three purposes – student computing and technology, athletics enhancement, and student activities (which includes the fitness center). For FY 2003, Omnibus Fee commitments are increased by \$689,600. Omnibus Fee commitments available for distribution after the financial aid commitment, and transfers already made to base total \$3.8 million. This amount is allocated as follows:

Student Computing and Technology	\$3,125,245
ISP/SIS Debt Service Reduction	343,500
Athletics Enhancement	188,000
Student Activities (Fitness Center)	158,100

All remaining funds are allocated at the discretion of the President.

Amounts set aside for Student Computing and Technology are allocated to units based on a review performed by the Vice President for Computing and Information Technology.

Athletics funding totaling \$1.4 million is set aside recurrently to fund coaching salary enhancements, operations expenditures, and financial aid associated with the

BUDGET POLICIES AND PRACTICES

Athletics enhancement initiative. These amounts have been built into respective budgets.

A recurring allocation of \$375,000 for Libraries Acquisition is made to fund expanded collections in the University's various libraries. An additional allocation of \$150,000 has been built into the Libraries budget to fund the implementation and maintenance of the DALNET Im@gin catalog system.

During FY 2000, the Contact Management System, a key initiative of the Enrollment Management Strategy, was approved for funding at a total cost of \$326,600. Of that amount, \$107,800 was funded recurrently from the technology allocation of the Omnibus Fee. The remaining \$218,800 was funded, on a recurring basis, from Retention monies in the Strategic Plan Initiative fund code. These retention monies were set aside from the 2.0 percent reallocation that occurred in FY 1999.

A recurring allocation of \$700,000 from Omnibus Fees has been funded to the Fitness Center budget, and a base budget allocation of \$450,000 has been funded to the Student Activities budget.

Allocations from the Omnibus Fee revenues are contingent upon the realization of the budgeted revenue from the Omnibus Fees. Any surplus revenues are subject to allocation at the discretion of the President.

Except as indicated above, or as approved by the President, all allocations from the Omnibus Fee Commitment fund code should be non-recurring.

6. *Central Accounts*

A number of the University's commitments are budgeted as Central Accounts and managed by the central administration on a regular basis. These accounts include commitments for compensation and benefits to faculty and staff, utilities, expenditures, special equipment, and physical plant maintenance and repair.

The compensation reserve is budgeted based on the number of faculty and staff employed by the University and anticipated increases for those employees during the coming year. Depending on the bargaining unit, these compensation increases are typically paid in October or November. Some are retroactive to August. For FY 2003, nine bargaining units are currently involved in contract renegotiation. Total annual salary for those units represents approximately 56 percent of the total salary budget for the University.

BUDGET POLICIES AND PRACTICES

Fringe benefits are a function of the projected salary level for the University (which requires an increase in the budget for additional FICA, Medicare, and retirement benefits) and expected increases in contract rates for major benefit providers.

Utilities are projected based on anticipated consumption and rate changes.

7. *Non-recurring Allocations*

The proposed budget includes \$3.6 million in funding – on a one-time basis only – for certain program and operating expenses. These non-recurring allocations are made from anticipated budget savings and surpluses that might be generated in FY 2002. They are provided to fund certain non-recurring needs or specific program/operating needs that cannot be met on a continuing basis in the current budget.

FY 2003 non-recurring allocations are described below (in thousands of dollars):

<u>Description</u>	<u>Division</u>	<u>Amount</u>
Deferred Maintenance	Central Accounts	\$1,000.0
Advertising	University Advancement	600.0
Faculty Set-up Costs	Academic Affairs	400.0
Faculty Set-up Costs	Research	400.0
Capital Campaign	University Advancement	385.5
Risk Management	Finance and Administration	300.0
Admissions/Financial Aid Operations	Student Development and Campus Life	275.0
Banking Service Fees	Finance and Administration	<u>200.0</u>
TOTAL NON-RECURRING ALLOCATIONS		<u>\$3,560.5</u>

8. *General Fund Subsidy for Auxiliary Units*

The General Fund Budget includes a small operating subsidy for several of the University's auxiliary units. Those auxiliary units include WDET-FM, McGregor Memorial Conference Center, *The South End*, and the University Press. The operating subsidy that is provided to these units must remain intact each year. They are not subject to transfer to any other operating units within the University or the

BUDGET POLICIES AND PRACTICES

respective divisions – recurringly or non-recurringly – except with the approval of the President or his/her designee.

As part of the FY 2002 and FY 2003 budgets, subsidies to WDET-FM, McGregor Memorial Conference Center and the University Press have been reduced or eliminated as described in the Budget Notes for the applicable division.

The Office of Academic Affairs allocates from the research equipment fund the sum of \$10,000 each year to establish a reserve in the Office of the Vice President for Student Development and Campus Life to replace the student newspaper's equipment. This amount is based on *The South End's* estimate that present equipment is valued at approximately \$50,000 and has a reasonable life span of five years. Cost increases due to inflation should be funded by *The South End* itself, which contributes \$1,500 annually to the special depreciation fund to maintain current value. Both the University and *The South End* will authorize a transfer of \$10,000 and \$1,500, respectively, to the depreciation reserve as of November 1, 2002. In FY 2003, the University will make this contribution from available budget savings/surpluses.

Funds from the equipment reserve shall be released only with the approval of the Student Newspaper Publications Board and the Vice President for Student Development and Campus Life.

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BUDGET MANAGEMENT PROCEDURES

Responsibility for overall management of the University's General Fund budget lies with the Director of the Office of University Budget. That responsibility includes review and analysis of expenditures on an ongoing basis, reallocation of budget savings that may be available, periodic reporting on budget performance, and ensuring adherence to budget policies and procedures.

Each Dean or Vice President is responsible for the budget resources allocated to his/her respective unit. That includes utilization of budget resources in accordance with budget policy, and directing those resources to programmatic needs as approved by the Executive Administration. Deans and Vice Presidents may use budget savings to meet certain one-time needs after ensuring that all program goals and unit operating requirements have been satisfactorily met. Unit budget management responsibility also includes ensuring that annual expenditures do not exceed budgeted amounts.

The Provost and Senior Vice President for Academic Affairs ensures that each Dean establishes good practices within his/her own school or college to ensure compliance with University policies, responsible fiscal management, and accomplishment of program objectives with available resources.

The following Budget Management Procedures identify specific authorities for utilization, transfer, and reallocation of budget resources throughout the fiscal year.

Budget Transfers

Throughout the fiscal year, operating units may find it necessary to reallocate budget amounts to meet ongoing operating needs. These transfers may be recurring or non-recurring. Each Dean or Vice President should exercise discretion in making such transfers, as they impact available funding for program and operating needs during the fiscal year, and in some cases, beyond. Any transfer of funds that involves the creation of a new budget position or the movement of existing positions outside of the division must be approved by the President or his designee. The following guidelines cover required approvals to make these transfers.

1. The Dean or respective Vice President may approve transfers across major account codes within the same budgeted fund code on a **non-recurring** basis. In making that approval, the Dean or Vice President must ensure that all remaining commitments can be met with existing resources and that sufficient funding exists within the account code to make the transfer.
2. Transfers across major account codes within the same budgeted fund code on a **recurring** basis may be approved by the Dean or respective Vice President. The Budget Office will review such transfers so that base budgets can be properly adjusted. In making approval, the Dean or Vice President must ensure that school/college or

BUDGET MANAGEMENT PROCEDURES

division programs have been reviewed for adequate remaining funding, and that resources exist within the account code before the permanent transfer is made. ***A recurring transfer to create a new position must be approved by the President or his/her designee prior to the transfer.***

3. Transfers across fund codes within a division may be made with the approval of the division Vice President. Transfers between schools and colleges require the approval of the Provost and Senior Vice President for Academic Affairs. In making these transfers, a proper review must be made to ensure that all budgeted commitments can be met after the transfer has been made, that available resources exist within the school/college or division to make the transfer, and that all program commitments can be met with remaining resources. Review of a recurring transfer across fund codes must be made by the Budget Office so that base budgets can be appropriately impacted. ***A recurring transfer to create a new position must be approved by the President or his designee prior to the transfer.***
4. Transfers across fund codes between different divisions require approval by the President or the Executive Vice President. Such transfers impact the total amount of resources available to the division, and generally involve a change in program or change in program responsibility. Review of a recurring transfer across fund codes must be made by the Budget Office so that base budgets can be appropriately impacted.
5. Transfers across academic units require approval by the Provost. ***To create a new position, approval is required by the President or his designee.***

Position Control

The Budget Office is responsible for position control – that is, ensuring that all University positions are properly funded within available budget funding and that changes to those positions or the related funding levels are made in accordance with University policy. The Human Resources department is responsible for setting policy on the creation of new positions, reclassification of existing positions, and any other changes made to existing positions. Budget Management Procedures, as specified here, apply only to unit funding for staff, and do not change the policies and procedures set forth by Human Resources for modifying or creating new positions.

1. All new positions require approval by the President or his/her designee.
2. Except as specified in the authorized recruitment roster issued by the Provost and Senior Vice President for Academic Affairs, recruitment for any tenure-track or tenured faculty position requires prior authorization from the Provost and Senior Vice President for Academic Affairs.

BUDGET MANAGEMENT PROCEDURES

3. As faculty positions become vacant throughout the year due to resignation or retirement, the specific position budget will be decreased to the nominal salary rate in effect at the time for the unit. Any difference between the nominal rate and the budget position rate will be transferred to the full-time academic residual position in each school/college. Units may use residual position dollars to “top-up” or supplement the funding of a vacant faculty position when a new faculty member is recruited at a rate higher than the nominal rate. These funds may also be used for other allowable expenditures – on a one-time basis – at the discretion of the Dean.
4. Each academic unit may request the establishment of special temporary full-time faculty positions (STFP) to be funded, with either recurring or non-recurring funds, in order to help meet the instructional, research and public service missions of the units. STFPs are funded from the academic units' existing budgets. Positions must be tied to a specific source of funds and will be authorized for one fiscal year only, with an option to extend the STFP for no more than three years.
5. Non-academic positions are funded in accordance with the Hay Funding Policy, which requires that all positions are funded at the established position job rate. Once a position is funded at job rate, it must remain at least at that funding level unless the position is reclassified by Classification and Compensation. The Dean or Vice President may use salary savings generated by vacant non-academic positions at his/her discretion on a one-time basis. Non-academic salary funding in all units is assessed a 2.0 percent salary turnover factor. This annual turnover tax replaces the former Hay Funding policy under which salary savings were recaptured on vacant non-academic positions. Certain units with small budgets are exempted from the non-academic turnover tax. These units include Undergraduate General Education, Board of Governors, Equal Employment Opportunity, Office of the Ombudsperson, and Executive Vice President. However, these units will be taxed on their year-end balances an amount equal to the lower of (a) 2 percent of budgeted non-academic salaries or (b) 1 percent of their unspent balance at the end of the fiscal year.
6. Salary savings for all Executive (e.g., Vice President) positions are subject to recapture on a non-recurring basis by the central administration until the position is filled.
7. Each school/college or division is responsible for the routine, periodic review and reconciliation of their position rosters – faculty, other academic and non-academic – to ensure (a) proper funding and classification of each position assigned to the unit, and (b) agreement of Human Resource Management System salary commitments and corresponding funding levels reflected in the Financial Management System. The Office of University Budget provides instructions for this reconciliation and review process.

BUDGET MANAGEMENT PROCEDURES

Unspent Balances

Units are allowed to retain a portion of their unspent balances to provide additional flexibility in managing their resources and to aid in meeting some of their long-term funding needs.

1. Any balance of unexpended and unencumbered funds that remains in a budgeted unit at the end of the fiscal year will be subject to recapture of 25 percent of the balance. The remaining 75 percent will be retained in that school/college or division in a separate account and will be available to the respective dean or vice president for expenditures in subsequent fiscal years. These carryforward balances will not be subject to any further recapture after the initial year of assessment except if transferred from the separate carryforward account into an operating account.
2. Total carryforwards under these provisions shall be limited to the greater of 5.0 percent of the revised budget (e.g., total budgeted resources available to the unit in any given year plus any additional funding allocated) in each unit or \$35,000. Carryforward balances will be determined for each school/college or division using aggregate year-end balances and the carryforward account will be recorded in the Vice President's or Dean's office.
3. Funds will be carried forward in full only under certain conditions. Budget allocations reflecting unearned revenue will be carried forward at 100 percent. Budget allocations made within 120 days from the end of the fiscal year will be carried forward at 100 percent. These include transfers made from reallocation of year-end savings, contingency reserve, and distribution of Spring/Summer revenue. All other balances will be carried forward at 75 percent.

As part of the annual General Fund budget, several one-time allocations may be made for specific purposes. As part of the budget, the unspent balances of these allocations – to the extent that they are needed for completion of the project – are pre-approved for one-year carryforward at 100 percent.

4. As specified in Executive Order 86-2, the principal investigator will retain unexpended and unencumbered Indirect Cost Recovery revenues that have been distributed in accordance with University policy with no limitation on carryforward.
5. Certain allocations within the budget will be carryforward as approved either by University policy or contractual agreement. These include allocations for research awards and minority/women summer grants.

BUDGET MANAGEMENT PROCEDURES

Budget Administration

1. The accompanying budgets are based upon salaries and collective bargaining agreements in effect in June 2002. Additional allocations will be made as necessary to reflect future union contracts or administration compensation policies.
2. The President is authorized to reallocate and expend tuition, fee and other revenues that may be received in excess of the amounts included in this budget or expenditure savings; such reallocations and expenditures shall be for one-time non-recurring purposes only.
3. The President is authorized to reallocate and expend budget savings that may occur during the year in central accounts, in other accounts where new program start-up is not completed during the year, and in other appropriate areas. Such reallocations and expenditures shall be for one-time, non-recurring projects or activities only.
4. The Director of the Office of University Budget will provide to the President and Executive Vice President and Chief of Staff a quarterly summary of budget savings and expenditures made in accordance with the President's direction. The Director of the Office of University Budget will also provide an annual report to the President and Executive Vice President and Chief of Staff that summarize budget performance in each division, reallocated funds, and how those reallocated funds were used.
5. It is the goal of the University to allocate at least 2.0 percent of the Current Replacement Value of University buildings annually for repair and maintenance expenses. The President is authorized to reallocate budget savings and excess revenues identified during the year to achieve this target.

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General Fund Budget SUMMARY REVENUES AND EXPENDITURES

Fiscal Year 2003
(In Thousands of Dollars)

	FY 2002 Approved Budget	FY 2003 Proposed Budget	Net Change	
			\$	%
Revenues				
State Appropriations	240,882.3	240,882.3	-	0.00%
Net Tuition and Fees	121,591.4	133,974.4	12,383.0	10.18%
Indirect Cost Recovery	21,500.0	28,300.0	6,800.0	31.63%
Investment Income	3,960.0	1,900.0	(2,060.0)	-52.02%
Other Revenues	2,575.8	2,425.9	(149.9)	-5.82%
Rainy Day Fund	1,120.0	-	(1,120.0)	-100.00%
Prior Year Carryforwards	1,000.0	3,560.5	2,560.5	256.05%
Total Revenues	392,629.5	411,043.1	18,413.6	4.69%
Expenditures				
Academic Affairs	164,274.6	169,348.9	5,074.3	3.09%
Academic Support	30,669.5	34,329.0	3,659.5	11.93%
Divisions	71,150.0	73,741.5	2,591.5	3.64%
Student Financial Aid	20,186.4	22,786.3	2,599.9	12.88%
Central Accounts	103,795.6	108,433.9	4,638.3	4.47%
External Departmental Revenues	2,553.4	2,403.5	(149.9)	-5.87%
Total Expenditures	392,629.5	411,043.1	18,413.6	4.69%
Net Budget Surplus (Shortfall)	-	-	-	-

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General Fund Budget SUMMARY REVENUES

Fiscal Year 2003 Net Tuition and Fees (In Thousands of Dollars)

	FY 2002	FY 2003	Net Change	
	Approved Budget	Proposed Budget	\$	%
Graduate/Undergraduate	75,548.1	83,785.4	8,237.3	10.90%
Spring/Summer	13,118.0	14,498.9	1,380.9	10.53%
M.D. Program	16,920.4	18,223.5	1,303.1	7.70%
Law School	6,309.9	6,694.3	384.4	6.09%
Pharm. D. Program	-	193.5	193.5	100.00%
Omnibus Fee	7,593.0	8,282.6	689.6	9.08%
Registration Fee	5,664.2	6,138.0	473.8	8.36%
Miscellaneous Student Fees	<u>1,400.0</u>	<u>1,900.0</u>	<u>500.0</u>	<u>35.71%</u>
Total Tuition and Fees	126,553.6	139,716.2	13,162.6	10.40%
Tuition and Fee Offsets	<u>4,962.2</u>	<u>5,741.8</u>	<u>779.6</u>	<u>15.71%</u>
Net Tuition and Fees	<u><u>121,591.4</u></u>	<u><u>133,974.4</u></u>	<u><u>12,383.0</u></u>	<u><u>10.18%</u></u>

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Office of the Provost and Senior Vice President for Academic Affairs
SUMMARY DIVISION BUDGET

Fiscal Year 2003
General Fund Budget Expenditures
(In Thousands of Dollars)

	FY 2002	FY 2003	Net Change	
	Approved Budget	Proposed Budget	\$	%
Office of the Provost	5,755.2	9,023.6	3,268.4	56.79%
Schools and Colleges				
Business Administration	7,281.8	7,335.0	53.2	0.73%
Education	9,516.8	9,582.8	66.0	0.69%
Engineering	11,403.7	11,440.0	36.3	0.32%
Fine, Performing and Communication Arts	7,911.2	7,995.4	84.2	1.06%
Graduate School	991.7	1,026.1	34.4	3.47%
Law School	5,411.2	5,514.6	103.4	1.91%
Center for Legal Studies	242.2	242.9	0.7	0.29%
Liberal Arts	16,066.7	16,238.8	172.1	1.07%
Library and Information Science	950.6	953.3	2.7	0.28%
Lifelong Learning	11,309.0	9,633.4	(1,675.6)	-14.82%
Medicine	39,955.3	40,251.9	296.6	0.74%
Nursing	5,991.1	6,035.5	44.4	0.74%
Pharmacy and Health Professions	8,031.2	8,130.1	98.9	1.23%
Science	24,047.6	24,457.1	409.5	1.70%
Social Work	3,555.9	3,554.9	(1.0)	-0.03%
Urban, Labor and Metropolitan Affairs	5,726.4	7,805.0	2,078.6	36.30%
Undergraduate General Education	127.0	128.5	1.5	1.18%
Total Schools and Colleges	<u>158,519.4</u>	<u>160,325.3</u>	<u>1,805.9</u>	<u>1.14%</u>
Total Academic Affairs	<u>164,274.6</u>	<u>169,348.9</u>	<u>5,074.3</u>	<u>3.09%</u>

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Office of the Provost and Senior Vice President for Academic Affairs SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of the Provost's Office, as the central academic administrative unit of the University, is to provide leadership and support in Wayne State University's continuing role as a Carnegie I urban research university; to provide citizens of metropolitan Detroit with access to a comprehensive university curriculum at a reasonable cost; and to provide public service with special commitment to our urban environment.

The Office of the Provost provides leadership, sets academic unit goals, and assists in academic planning and facilitation of academic programs. This office determines the University's educational and research goals by maintaining and continuously seeking to improve teaching, research and service. The Division of Academic Affairs interacts and coordinates activities with other divisions of the university. Finally, the Office of the Provost and Senior Vice President for Academic Affairs facilitates academic governance and faculty interchange, and provides direction in the hiring of new faculty and on-going development of existing faculty.

**Office of the Provost and Senior Vice President for Academic Affairs
SUMMARY DIVISION BUDGET**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	121,026.3	2,113.9	123,140.2
Non-Academic Salaries	28,855.8	2,221.4	31,077.2
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	149,882.1	4,335.3	154,217.4
General Expenses	15,231.9	623.1	15,855.0
Non-Recurring	1,550.0	121.7	1,671.7
TOTAL EXPENDITURES	166,664.0	5,080.1	171,744.1
Revenue	(1,079.6)	0.0	(1,079.6)
Internal Transfers	(1,309.8)	(5.8)	(1,315.6)
NET ALLOCATION (REVENUE)	164,274.6	5,074.3	169,348.9

Budget Notes

1. EXPLANATION OF CHANGES

Restatement of FY 2002 Approved Budget

During FY 2002, an administrative reorganization occurred that resulted in the transfer of Federal Affairs from the Office of the Provost and Senior Vice President for Academic Affairs to the Division of Research. The Division budget is restated below (in thousands of dollars).

Division of Academic Affairs FY 2002 Approved Budget (including Schools and Colleges)	\$164,524.6
Federal Affairs FY 2002 Approved Budget	<u>(\$250.0)</u>
Division of Academic Affairs Restated Budget	<u>\$164,274.6</u>

Office of the Provost and Senior Vice President for Academic Affairs

SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Technical Adjustments

During FY 2002, technical adjustments resulting in a net increase of \$4,906,100 were made to the Division's budget. Of this amount compensation increases totaled \$5,119,500. A transfer of \$106,100 was made from the Division of University Advancement to fund 2.0 FTE positions in Institutional Analysis. The budget is also increased by a transfer of \$100,000 from Strategic Plan Initiatives for the Mathematics Pipeline in the School of Science. These entries were offset by the recapture of unexpended Faculty Recruitment funds totaling \$400,800 and transfers of \$18,700 to Research in meeting faculty commitments for new faculty.

Program Changes

For FY 2002, the Division budget is decreased by \$541,700. A transfer of \$1,833,300 has been made from the Division of Student Development and Campus Life to reflect the move of the Student Retention functions to the Office of the Provost. Also, a transfer of \$519,100 has been made from Libraries to reflect the move of the University Press to the Office of the Provost with a subsidy reduction of \$100,000. Allocations of \$400,000 and \$200,000 are made to replenish the Faculty Recruitment and Minority Faculty Recruitment Funds, respectively. Funds totaling \$227,000 are committed to 2.0 FTE non-academic positions to provide leadership in the Honors Program and Lifelong Learning. Funds totaling \$200,000 are provided to increase base funding for Faculty Set-Up Costs.

Funds in the amount of \$75,000 are committed to provide 1.0 FTE faculty position and \$1,900 for instructional supply in the Eugene Applebaum College of Pharmacy and Allied Health Sciences. An allocation of \$30,000 is provided from Strategic Plan Initiatives retention funding to support a pilot learning community project co-sponsored by the College of Education, the College of Liberal Arts, the College of Fine, Performing and Communication Arts, and the Division of Student Development and Campus Life.

For FY 2003, a permanent budget reduction is required of all University units. This adjustment is 2.5 percent of all academic and non-academic salary budgets. This results in a reduction of \$3,928,000 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Office of the Provost and Senior Vice President for Academic Affairs SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Non-recurring

For FY 2003, a distribution of net summer revenues totaling \$1,769,600 is budgeted. In addition an allocation of \$400,000 is provided to supplement base funding for Faculty Set-up costs. The application of the 2 percent turnover tax results in a reduction to the division's budget of \$632,100 for FY 2003. This is an increase of \$43,900 over the amount taken in FY 2002.

The FY 2002 allocation of \$1,415,800 will not be continued.

Other Matters

Effective October 1, 2002, the Interdisciplinary Studies Program (ISP) will transfer from the College of Lifelong Learning (CLL) to the College of Urban, Labor and Metropolitan Affairs (CULMA). As a result of this transfer, the CULMA budget will increase, and the CLL budget will decrease, by \$2,068,200.

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Office of the Provost			
Faculty Recruitment	400.0	0.0	400.0
Minority Faculty Recruitment	200.0	0.0	200.0
Office of the Senior Vice President	3,986.7	372.8	4,359.5
Faculty Set-Up Costs	400.0	600.0	1,000.0
Office for Teaching and Learning	252.8	(0.3)	252.5
Institutional Analysis	515.7	102.7	618.4
Student Retention	0.0	1,774.1	1,774.1
University Press	0.0	419.1	419.1
Subtotal Office of the Provost	5,755.2	3,268.4	9,023.6

**Office of the Provost and Senior Vice President for Academic Affairs
SUMMARY DIVISION BUDGET**

3. FTE DISTRIBUTION

The total salary budget for the Division is \$154.2 million, which represents 91 percent of the total Division budget. Total FTE staffing is comprised of the following, as given by the Division:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	1,333.4	330.5	311.3	136.0	2,111.2	551.1	2,662.3

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**Academic Affairs
OFFICE OF THE PROVOST**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	1,320.4	890.1	2,210.5
Non-Academic Salaries	2,180.7	1,321.4	3,502.1
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	3,501.1	2,211.5	5,712.6
General Expenses	2,297.1	729.9	3,027.0
Non-Recurring	0.0	332.8	332.8
TOTAL EXPENDITURES	5,798.2	3,274.2	9,072.4
Revenue	0.0	0.0	0.0
Internal Transfers	(43.0)	(5.8)	(48.8)
NET ALLOCATION (REVENUE)	5,755.2	3,268.4	9,023.6

Budget Notes

1. EXPLANATION OF CHANGES

Restatement of FY 2002 Approved Budget

During FY 2002, an administrative reorganization occurred that resulted in the transfer of Federal Affairs from the Office of the Provost to the Division of Research. The Office budget is restated below (in thousands of dollars).

Office of the Provost FY 2002 Approved Budget	\$6,005.2
Federal Affairs FY 2002 Approved Budget	<u>(\$250.0)</u>
Office of the Provost Restated Budget	<u><u>\$5,755.2</u></u>

**Academic Affairs
OFFICE OF THE PROVOST**

1. EXPLANATION OF CHANGES (continued)

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$152,000. A transfer of \$106,100 was made from the Division of University Advancement to fund 2.0 FTE positions in Institutional Analysis. Offsetting these adjustments are transfers of \$199,200 in Faculty Recruitment funds to individual academic units to assist in meeting faculty commitments for new faculty and the recapture of unexpended Faculty Recruitment funds totaling \$400,800.

Program Changes

For FY 2002, the Office of the Provost budget is increased by \$3,233,000. A transfer of \$1,833,300 has been made from the Division of Student Development and Campus Life to reflect the move of the Student Retention functions to the Office of the Provost. Also, a transfer of \$519,100, less \$100,000 subsidy reduction, has been made from Libraries to reflect the move of the University Press to the Office of the Provost. Allocations of \$400,000 and \$200,000 are made to replenish the Faculty Recruitment and Minority Faculty Recruitment Funds, respectively. Funds totaling \$227,000 are committed to 2.0 FTE non-academic positions to provide leadership in the Honors Program and Lifelong Learning. Funds totaling \$200,000 are provided to increase base funding for Faculty Set-Up Costs.

Funds in the amount of \$75,000 are committed to provide 1.0 FTE faculty position and \$1,900 for instructional supply in the Eugene Applebaum College of Pharmacy.

For FY 2003, a permanent budget reduction is required of all University units. This adjustment is 2.5 percent of all academic and non-academic salary budgets. This results in a reduction of \$123,300 to the Office of the Provost's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-recurring

An allocation of \$400,000 is provided for Faculty Set-Ups. The application of the 2 percent turnover tax results in a reduction to the Office of the Provost's budget of \$67,200 for FY 2003. This is an increase of \$22,700 over the amount taken in FY 2002.

2. OTHER MATTERS

Detail budgets comprising the Office of the Provost total budget are shown on page 23.

Academic Affairs
SCHOOL OF BUSINESS ADMINISTRATION

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	5,575.8	36.4	5,612.2
Non-Academic Salaries	1,361.1	45.7	1,406.8
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	6,936.9	82.1	7,019.0
General Expenses	365.2	0.0	365.2
Non-Recurring	0.0	(28.9)	(28.9)
TOTAL EXPENDITURES	7,302.1	53.2	7,355.3
Revenue	(20.3)	0.0	(20.3)
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	7,281.8	53.2	7,335.0

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$234,300.

Program Changes

For FY 2003 a permanent budget reduction is required of all University units. That adjustment is at 2.5 percent of all academic and non-academic salary budgets. This results in a reduction of \$180,000 to the School's budget. This reduction is in addition to the 2 percent turnover tax approved as part of the FY 2002 budget.

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the School's budget of \$28,900 for FY 2003. This is an increase of \$1,100 over the amount taken in FY 2002.

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Academic Affairs
COLLEGE OF EDUCATION

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	7,048.2	(39.2)	7,009.0
Non-Academic Salaries	1,587.7	140.7	1,728.4
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	8,635.9	101.5	8,737.4
General Expenses	729.8	30.0	759.8
Non-Recurring	164.2	(65.5)	98.7
TOTAL EXPENDITURES	9,529.9	66.0	9,595.9
Revenue	(13.1)	0.0	(13.1)
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	9,516.8	66.0	9,582.8

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by \$293,100. This increase consists primarily of compensation adjustments totaling \$290,100. Additionally, transfers totaling \$3,000 were made from the Faculty Recruitment Reserve to meet salary commitments for new faculty.

Program Changes

For FY 2003, a recurring allocation of \$30,000 is provided from Strategic Plan Initiatives to support a pilot learning community project co-sponsored by the College of Education, the College of Fine, Performing and Communication Arts, the College of Liberal Arts, and the Division of Student Development and Campus Life.

1. EXPLANATION OF CHANGES (continued)

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$224,000 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$35,500 for FY 2003. This is an increase of \$3,100 over the amount taken in FY 2002. For FY 2002, an amount of \$30,000 for the Learning Center has been reversed and is now a part of the base budget.

Academic Affairs
COLLEGE OF ENGINEERING

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	8,314.4	50.3	8,364.7
Non-Academic Salaries	1,678.4	44.9	1,723.3
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	9,992.8	95.2	10,088.0
General Expenses	1,435.2	(23.5)	1,411.7
Non-Recurring	0.0	(35.4)	(35.4)
TOTAL EXPENDITURES	11,428.0	36.3	11,464.3
Revenue	(24.3)	0.0	(24.3)
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	11,403.7	36.3	11,440.0

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$288,300. Additionally, transfers totaling \$7,800 were made from the Faculty Recruitment Reserve to meet salary commitments for new faculty.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$258,700 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$35,400 for FY 2003. This is an increase of \$1,100 over the amount taken in FY 2002.

Academic Affairs

COLLEGE OF FINE, PERFORMING AND COMMUNICATION ARTS

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	6,225.3	74.0	6,299.3
Non-Academic Salaries	1,114.7	33.8	1,148.5
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	7,340.0	107.8	7,447.8
General Expenses	604.8	0.0	604.8
Non-Recurring	0.0	(23.6)	(23.6)
TOTAL EXPENDITURES	7,944.8	84.2	8,029.0
Revenue	(33.6)	0.0	(33.6)
Internal Transfers	(0.0)	0.0	(0.0)
NET ALLOCATION (REVENUE)	7,911.2	84.2	7,995.4

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$276,000.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$191,000 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Academic Affairs

COLLEGE OF FINE, PERFORMING AND COMMUNICATION ARTS

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$28,500 for FY 2003. This is an increase of \$800 over the amount taken in FY 2002.

**Academic Affairs
GRADUATE SCHOOL**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	<u>FY 2002 Approved Budget</u>	<u>Total Adjustments</u>	<u>FY 2003 Proposed Budget</u>
Academic Salaries	510.0	1.5	511.5
Non-Academic Salaries	457.4	43.2	500.6
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	967.4	44.7	1,012.1
General Expenses	24.3	0.0	24.3
Non-Recurring	0.0	(10.3)	(10.3)
TOTAL EXPENDITURES	991.7	34.4	1,026.1
Revenue	0.0	0.0	0.0
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	991.7	34.4	1,026.1

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$61,400.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. This adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$26,000 to the School's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the School's budget of \$10,300 for FY 2003. This is an increase of \$1,000 over the amount taken in FY 2002.

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**Academic Affairs
LAW SCHOOL**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	3,679.7	89.2	3,768.9
Non-Academic Salaries	1,431.1	44.5	1,475.6
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	5,110.8	133.7	5,244.5
General Expenses	331.9	0.0	331.9
Non-Recurring	0.0	(30.3)	(30.3)
TOTAL EXPENDITURES	5,442.7	103.4	5,546.1
Revenue	(31.5)	0.0	(31.5)
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	5,411.2	103.4	5,514.6

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$159,600. Additionally, transfers totaling \$79,300 were made from the Faculty Recruitment Reserve to meet salary commitments for new faculty.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$134,500 to the School's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the School's budget of \$30,300 for FY 2003. This is an increase of \$1,000 over the amount taken in FY 2002.

**Academic Affairs
CENTER FOR LEGAL STUDIES**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	<u>FY 2002 Approved Budget</u>	<u>Total Adjustments</u>	<u>FY 2003 Proposed Budget</u>
Academic Salaries	86.5	4.1	90.6
Non-Academic Salaries	134.5	(0.7)	133.8
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	221.0	3.4	224.4
General Expenses	21.2	0.0	21.2
Non-Recurring	0.0	(2.7)	(2.7)
TOTAL EXPENDITURES	242.2	0.7	242.9
Revenue	0.0	0.0	0.0
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	242.2	0.7	242.9

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$6,400.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$5,700 to the Center's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

2. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the Center's budget of \$2,700 for FY 2003. This amount is consistent with the amount taken in FY 2002.

Academic Affairs
COLLEGE OF LIBERAL ARTS

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	13,641.1	212.4	13,853.5
Non-Academic Salaries	1,742.4	(4.7)	1,737.7
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	15,383.5	207.7	15,591.2
General Expenses	711.6	0.0	711.6
Non-Recurring	0.0	(35.6)	(35.6)
TOTAL EXPENDITURES	16,095.1	172.1	16,267.2
Revenue	(27.0)	0.0	(27.0)
Internal Transfers	(1.4)	0.0	(1.4)
NET ALLOCATION (REVENUE)	16,066.7	172.1	16,238.8

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$535,600. Additionally, transfers totaling \$36,300 were made from the Faculty Recruitment Reserve to meet salary commitments for new faculty.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$399,800 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$35,000 for FY 2003. This amount is consistent with the amount taken in FY 2002.

Academic Affairs

LIBRARY AND INFORMATION SCIENCE PROGRAM

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	<u>FY 2002 Approved Budget</u>	<u>Total Adjustments</u>	<u>FY 2003 Proposed Budget</u>
Academic Salaries	771.2	49.8	821.0
Non-Academic Salaries	103.1	(45.9)	57.2
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	874.3	3.9	878.2
General Expenses	76.3	0.0	76.3
Non-Recurring	0.0	(1.2)	(1.2)
TOTAL EXPENDITURES	950.6	2.7	953.3
Revenue	0.0	0.0	0.0
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	950.6	2.7	953.3

Budget Notes

1. Explanation of Changes

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$24,300.

Program Changes

For FY 2003, a permanent reduction is required on all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$22,500 to the Program's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Academic Affairs
LIBRARY AND INFORMATION SCIENCE PROGRAM

1. Explanation of Changes (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the Program's budget of \$1,200 for FY 2003. This is a reduction of \$900 from the amount taken in FY 2002.

Academic Affairs
COLLEGE OF LIFELONG LEARNING

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	FY 2002	Total	FY 2003
	<u>Approved</u>	<u>Adjustments</u>	<u>Proposed</u>
	<u>Budget</u>		<u>Budget</u>
Academic Salaries	6,983.7	(1,497.5)	5,486.2
Non-Academic Salaries	2,157.7	(366.3)	1,791.4
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	9,141.4	(1,863.8)	7,277.6
General Expenses	782.3	(159.4)	622.9
Non-Recurring	1,385.8	347.1	1,732.9
TOTAL EXPENDITURES	11,309.5	(1,676.1)	9,633.4
Revenue	0.0	0.0	0.0
Internal Transfers	(0.5)	0.5	0.0
NET ALLOCATION (REVENUE)	11,309.0	(1,675.6)	9,633.4

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$188,000.

Program Changes

Effective October 1, 2002, the Interdisciplinary Studies Program (ISP) will transfer from the College of Lifelong Learning to the College of Urban, Labor and Metropolitan Affairs (CULMA). As a result of this transfer, the budget is reduced by \$2,068,200.

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$186,600 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

For FY 2003, a distribution of net summer revenues totaling \$1,769,600 was budgeted. The net summer revenues for FY 2002 in the amount of \$1,385,800 were reversed. The application of the 2 percent turnover tax results in a reduction to the College's budget of \$36,700 for FY 2003. This is a reduction of \$7,400 from the amount taken in FY 2002.

**Academic Affairs
SCHOOL OF MEDICINE**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	31,193.8	219.5	31,413.3
Non-Academic Salaries	6,491.3	214.7	6,706.0
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	37,685.1	434.2	38,119.3
General Expenses	3,187.3	0.0	3,187.3
Non-Recurring	0.0	(137.6)	(137.6)
TOTAL EXPENDITURES	40,872.4	296.6	41,169.0
Revenue	(427.1)	0.0	(427.1)
Internal Transfers	(490.0)	0.0	(490.0)
NET ALLOCATION (REVENUE)	39,955.3	296.6	40,251.9

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$1,279,100.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$977,500 to the School's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the School's budget of \$137,600 for FY 2003. This is an increase of \$5,000 over the amount taken in FY 2002.

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**Academic Affairs
COLLEGE OF NURSING**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	4,463.7	1.0	4,464.7
Non-Academic Salaries	1,215.1	69.8	1,284.9
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	5,678.8	70.8	5,749.6
General Expenses	327.6	0.0	327.6
Non-Recurring	0.0	(26.4)	(26.4)
TOTAL EXPENDITURES	6,006.4	44.4	6,050.8
Revenue	(10.0)	0.0	(10.0)
Internal Transfers	(5.3)	0.0	(5.3)
NET ALLOCATION (REVENUE)	5,991.1	44.4	6,035.5

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$149,800. Additionally, transfers totaling \$43,600 were made from the Faculty Recruitment Fund to meet salary commitments for new faculty.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$147,400 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$26,400 for FY 2003. This is an increase of \$1,600 over the amount taken in FY 2002.

Academic Affairs

EUGENE APPLEBAUM COLLEGE OF PHARMACY AND HEALTH SCIENCES

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	5,999.9	87.6	6,087.5
Non-Academic Salaries	1,372.1	40.3	1,412.4
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	7,372.0	127.9	7,499.9
General Expenses	715.7	0.0	715.7
Non-Recurring	0.0	(29.0)	(29.0)
TOTAL EXPENDITURES	8,087.7	98.9	8,186.6
Revenue	(38.1)	0.0	(38.1)
Internal Transfers	(18.4)	0.0	(18.4)
NET ALLOCATION (REVENUE)	8,031.2	98.9	8,130.1

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustment totaling \$281,700. Additionally, transfers totaling \$10,500 were made from the Faculty Recruitment Reserve to help meet salary commitments for new faculty.

Program Changes

For FY 2003, a permanent reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$192,300 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Academic Affairs

EUGENE APPLEBAUM COLLEGE OF PHARMACY AND HEALTH SCIENCES

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$29,000 for FY 2003. This is an increase of \$1,000 over the amount taken in FY 2002.

**Academic Affairs
COLLEGE OF SCIENCE**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	19,449.0	439.3	19,888.3
Non-Academic Salaries	3,144.9	150.6	3,295.5
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	22,593.9	589.9	23,183.8
General Expenses	2,304.2	(112.8)	2,191.4
Non-Recurring	0.0	(67.6)	(67.6)
TOTAL EXPENDITURES	24,898.1	409.5	25,307.6
Revenue	(120.5)	0.0	(120.5)
Internal Transfers	(730.0)	0.0	(730.0)
NET ALLOCATION (REVENUE)	24,047.6	409.5	24,457.1

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$907,400. In addition, funding of \$100,000 was transferred from Strategic Plan Initiatives to provide permanent funding for the Mathematics Pipeline.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. This adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$594,500 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$67,600 for FY 2003. This is an increase of \$3,400 over the amount taken in FY 2002.

Academic Affairs
SCHOOL OF SOCIAL WORK

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	<u>FY 2002</u> <u>Approved</u> <u>Budget</u>	<u>Total</u> <u>Adjustments</u>	<u>FY 2003</u> <u>Proposed</u> <u>Budget</u>
Academic Salaries	2,618.4	(8.6)	2,609.8
Non-Academic Salaries	705.7	22.8	728.5
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	3,324.1	14.2	3,338.3
General Expenses	231.8	(0.3)	231.5
Non-Recurring	0.0	(14.9)	(14.9)
TOTAL EXPENDITURES	3,555.9	(1.0)	3,554.9
Revenue	0.0	0.0	0.0
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	3,555.9	(1.0)	3,554.9

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$85,100.

Program Change

For FY 2003, a permanent budget reduction is required of all University units. This adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$85,600 to the School's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the School's budget of \$14,900 for FY 2003. This is an increase of \$500 over the amount taken in FY 2002.

Academic Affairs

COLLEGE OF URBAN, LABOR AND METROPOLITAN AFFAIRS

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	3,059.4	1,503.4	4,562.8
Non-Academic Salaries	1,942.8	465.7	2,408.5
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	5,002.2	1,969.1	6,971.3
General Expenses	1,079.5	159.4	1,238.9
Non-Recurring	0.0	(49.4)	(49.4)
TOTAL EXPENDITURES	6,081.7	2,079.1	8,160.8
Revenue	(334.1)	0.0	(334.1)
Internal Transfers	(21.2)	(0.5)	(21.7)
NET ALLOCATION (REVENUE)	5,726.4	2,078.6	7,805.0

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$198,900.

Program Changes

Effective October 1, 2002, the Interdisciplinary Studies Program (ISP) will transfer from the College of Lifelong Learning to the College of Urban, Labor and Metropolitan Affairs (CULMA). As a result of this transfer, there is an increase in budget totaling \$2,068,200.

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$178,700 to the College's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Academic Affairs

COLLEGE OF URBAN, LABOR AND METROPOLITAN AFFAIRS

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the College's budget of \$49,600 for FY 2003. This is an increase of \$9,800 over the amount taken in FY 2002.

Academic Affairs
UNDERGRADUATE GENERAL EDUCATION

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	85.8	0.7	86.5
Non-Academic Salaries	35.1	0.8	35.9
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	120.9	1.5	122.4
General Expenses	6.1	0.0	6.1
Non-Recurring	0.0	0.0	0.0
TOTAL EXPENDITURES	127.0	1.5	128.5
Revenue	0.0	0.0	0.0
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	127.0	1.5	128.5

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$1,500.

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Academic Support SUMMARY BUDGET

Fiscal Year 2003 General Fund Budget Expenditures (In Thousands of Dollars)

	FY 2002 Approved Budget	FY 2003 Proposed Budget	Net Change	
	<u> </u>	<u> </u>	<u>\$</u>	<u>%</u>
Libraries	15,657.9	15,464.1	(193.8)	-1.24%
Research	<u>15,011.6</u>	<u>18,864.9</u>	<u>3,853.3</u>	<u>25.67%</u>
Total Academic Support	<u><u>30,669.5</u></u>	<u><u>34,329.0</u></u>	<u><u>3,659.5</u></u>	<u><u>11.93%</u></u>

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Libraries

SUMMARY DIVISION BUDGET

PROGRAM DESCRIPTION

The Libraries Division is responsible for the operations of all of the University's library facilities, which include the Purdy/Kresge Library, the Science and Engineering Library, the Arthur Neef Law Library, the Vera Shiffman Medical Library and the David W. Adamany Undergraduate Library. It also provides multimedia audio visual equipment and staff to support academic units and other University functions. Two academic units, the Library and Information Science Program and Undergraduate General Education are administered through the Libraries Division.

Libraries
SUMMARY DIVISION BUDGET

Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	1,545.7	5.9	1,551.6
Non-Academic Salaries	5,916.2	168.5	6,084.7
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	7,461.9	174.4	7,636.3
General Expenses	8,504.0	(243.4)	8,260.6
Non-Recurring	0.0	(124.8)	(124.8)
TOTAL EXPENDITURES	15,965.9	(193.8)	15,772.1
Revenue	(252.0)	0.0	(252.0)
Internal Transfers	(56.0)	0.0	(56.0)
NET ALLOCATION (REVENUE)	15,657.9	(193.8)	15,464.1

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$250,200.

Program Changes

Approximately \$5 million of the Division's budget is expended on acquisition of volumes and collections. This represents 32 percent of the total budget. For FY 2003, an allocation of \$275,000 is provided to cover inflation on periodicals maintained as part of the Library Collections.

To reflect the transfer of the University Press to the Office of the Provost, the budget is reduced by \$519,100.

Libraries
SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Program Changes

For FY 2003, a permanent reduction is required of all University units. This adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$195,800 to the Division's budget. That reduction is in addition to the turnover tax approved as part of the FY 2002 budget reduction.

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$124,800 for FY 2003. This is an increase of \$4,100 over the amount taken in FY 2002.

2. FTE DISTRIBUTION:

The total salary budget is \$7.6 million, which represents 70 percent of the total Libraries Division General Fund budget excluding the expenditures for acquisition of volumes and collections. Total funded FTE staffing, as reported by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non-Academic	Total FTE
No. FTE	0.0	5.5	0.0	30.0	35.5	132.2	167.7

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Division of Research SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of the Division of Research is to provide leadership for the University in development and support of quality research programs that are nationally competitive and consistent with the goals of the University.

**Division of Research
SUMMARY DIVISION BUDGET**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	504.2	13.1	517.3
Non-Academic Salaries	4,544.9	368.9	4,913.8
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	5,049.1	382.0	5,431.1
General Expenses	11,032.6	3,022.1	14,054.7
Non-Recurring	0.0	299.2	299.2
TOTAL EXPENDITURES	16,081.7	3,703.3	19,785.0
Revenue	(263.0)	150.0	(113.0)
Internal Transfers	(807.1)	0.0	(807.1)
NET ALLOCATION (REVENUE)	15,011.6	3,853.3	18,864.9

Budget Notes

1. EXPLANATION OF CHANGES

Restatement of FY 2002 Approved Budget

During FY 2002, an administrative reorganization occurred that resulted in the transfer of Federal Affairs from the Office of the Provost to the Division of Research. As a result of this reorganization, the FY 2002 Approved Budget is restated as follows (in thousands of dollars).

Division of Research FY 2002 Approved Budget	\$14,761.6
Federal Affairs FY 2002 Approved Budget	<u>\$250.0</u>
Division of Research Restated Budget	<u>\$15,011.6</u>

Division of Research SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Technical Adjustments

During FY 2002, compensation increases totaled \$173,900. Additionally, a transfer of \$18,700 was made from the Faculty Recruitment Reserve to meet the salary commitments for new faculty.

Program Changes

For FY 2003, changes in program funding resulted in a net increase of \$3,268,700. As a result of the \$6.8 million budgeted increase in Indirect Cost Recovery, the Research Stimulation budget is increased by \$680,000 and the Research Incentives budget is increased by \$2,278,000. An allocation of \$200,000 is provided as additional base funding for Faculty Set-up costs. Funding in the amount of \$250,000 is added to fund Hazardous Waste Disposal.

For FY 2003, a permanent budget reduction is required of all University units. This adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$139,300 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

An allocation of \$400,000 is provided to supplement base funding for Faculty Set-up costs. The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$100,800 for FY 2003. This is an increase of \$8,000 over the amount taken in FY 2002.

**Division of Research
SUMMARY DIVISION BUDGET**

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Minority/Women Summer Grant	50.0	0.0	50.0
Research Awards	205.0	0.0	205.0
Research Incentives	7,102.5	2,378.0	9,480.5
Office of the VP for Research	1,428.2	580.4	2,008.6
Research Stimulation	1,942.5	680.0	2,622.5
Institute of Gerontology	814.2	27.3	841.5
Research Support	1,379.8	(64.1)	1,315.7
Research Office	1,469.0	3.3	1,472.3
Hazardous Waste Disposal	241.0	250.0	491.0
Federal Affairs	250.0	(2.3)	247.7
Human & Animal Investigation Committee	129.4	0.7	130.1
TOTAL ALLOCATION	15,011.6	3,853.3	18,864.9

Detail budgets for these units have been provided to the Vice President.

3. FTE DISTRIBUTION

The total salary budget is \$5.4 million, which represents 83 percent of the total Division of Research General Fund budget excluding Minority/Women Summer Graduate Research Awards, Research Incentives and Research Stimulation. Total funded FTE staffing, as given by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non-Academic	Total FTE
No. FTE	5.4	1.5	0.0	3.2	10.1	104.9	115.0

Divisions SUMMARY BUDGET

Fiscal Year 2003 General Fund Budget Expenditures (In Thousands of Dollars)

	FY 2002 Approved Budget	FY 2003 Proposed Budget	Net Change	
			\$	%
Computing & Information Technology	12,676.2	12,849.3	173.1	1.37%
Executive Office of the President	7,356.5	7,508.3	151.8	2.06%
Finance and Administration	29,265.6	31,106.3	1,840.7	6.29%
General Counsel	880.3	915.9	35.6	4.04%
Governmental & Community Affairs	790.8	798.7	7.9	1.00%
Student Development & Campus Life				
Division Operations	14,953.7	14,667.1	(286.6)	-1.92%
Student Financial Aid	20,186.4	22,786.3	2,599.9	12.88%
University Advancement	<u>5,226.9</u>	<u>5,895.9</u>	<u>669.0</u>	<u>12.80%</u>
Total Divisions	<u><u>91,336.4</u></u>	<u><u>96,527.8</u></u>	<u><u>5,191.4</u></u>	<u><u>5.68%</u></u>

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Computing and Information Technology SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of Computing and Information Technology is to provide the technology environment required for Wayne State University to become the preeminent urban university. To fulfill its mission, Computing and Information Technology provides high-quality computing, communications and information processing resources required by the university at large, and helps students and employees use those resources creatively. By fulfilling its mission, Computing and Information Technology helps Wayne State University achieve its vision for excellence in teaching and learning and national prominence in research.

Computing and Information Technology SUMMARY DIVISION BUDGET

Fiscal Year 2003 General Fund Budget (In Thousands of Dollars)

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	22.0	(0.2)	21.8
Non-Academic Salaries	8,980.7	429.5	9,410.2
Fringe Benefits	138.0	8.1	146.1
TOTAL SALARIES	9,140.7	437.4	9,578.1
General Expenses	8,427.8	(103.9)	8,323.9
Non-Recurring	0.0	(160.4)	(160.4)
TOTAL EXPENDITURES	17,568.5	173.1	17,741.6
Revenue	(61.0)	0.0	(61.0)
Internal Transfers	(4,831.3)	0.0	(4,831.3)
NET ALLOCATION (REVENUE)	12,676.2	173.1	12,849.3

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments:

During FY 2002, the budget was increased by compensation adjustment totaling \$351,300.

Program Changes

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$169,200 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$192,200 for FY 2003. This is an increase of \$9,000 over the amount taken in FY 2002.

Computing and Information Technology SUMMARY DIVISION BUDGET

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	<u>FY 2002 Approved Budget</u>	<u>Total Adjustment</u>	<u>FY 2003 Proposed Budget</u>
Computing and Information Technology	7,185.6	70.1	7,255.7
University Television	382.4	29.2	411.6
University Communications	865.6	(5.9)	859.7
University Information Systems	4,242.6	79.7	4,322.3
TOTAL ALLOCATION	12,676.2	173.1	12,849.3

Detail budgets for these units have been provided to the Vice President.

3. FTE DISTRIBUTION

The total salary budget is \$9.4 million, which represents 88 percent of the total Computing and Information Technology General Fund budget less the estimated equipment and software maintenance contracts of \$2.1 million. Total funded FTE staffing, as given by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	0.5	0.0	0.0	0.5	155.0	155.5

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Executive Office of the President SUMMARY DIVISION BUDGET

MISSION STATEMENT

The Executive Office of the President is responsible for managing all of the executive and staff functions of the University, for the work of the Board of Governors, and for University-wide planning, coordinating and advising functions. It includes all offices reporting directly to the President, including the Office of the President, Executive Vice President, Secretary of the University and the Commission on the Status of Women. It also includes units reporting to the Executive Vice President, including the Office of University Budget, Equal Opportunity Office, Human Resources, Public Safety, and Internal Audit. In FY 1999, the Ombudsperson was returned to the Office of the President and reports directly to the Executive Vice President.

**Executive Office of the President
SUMMARY DIVISION BUDGET**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	9.8	5.3	15.1
Non-Academic Salaries	6,369.8	264.4	6,634.2
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	6,379.6	269.7	6,649.3
General Expenses	980.5	2.7	983.2
Non-Recurring	0.0	(120.6)	(120.6)
TOTAL EXPENDITURES	7,360.1	151.8	7,511.9
Revenue	(1.1)	0.0	(1.1)
Internal Transfers	(2.5)	0.0	(2.5)
NET ALLOCATION (REVENUE)	7,356.5	151.8	7,508.3

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$297,700.

Program Change

For FY 2003, \$3,600 will be provided to Internal Audit to cover annual increases in the University's external audit fee. Additional funding of \$3,500 will be provided to the President's Office to fund a 0.5 FTE graduate assistant position.

For FY 2003, a permanent budget reduction is required of all University units. This adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$151,200 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Executive Office of the President SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$120,600 for FY 2003. This is an increase of \$1,800 over the amount taken in FY 2002.

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Office of the President	664.1	15.8	679.9
Internal Audit	616.7	5.6	622.3
Equal Opportunity	262.7	7.8	270.5
Executive Vice President	189.8	21.2	211.0
Secretary of University	213.9	13.7	227.6
Commission on the Status of Women	10.8	0.0	10.8
University Budget	545.9	20.0	565.9
Ombudsperson	140.5	6.1	146.6
Human Resources	1,927.5	50.7	1,978.2
Public Safety	2,784.6	10.9	2,795.5
TOTAL ALLOCATION	7,356.5	151.8	7,508.3

Detail budgets for these units have been provided to the Executive Vice President.

3. FTE DISTRIBUTION

The total salary budget for the division is \$6.6 million, which represents 89 percent of the total Executive Office of the President General Fund budget. Total funded FTE staffing, as given by the Division, is comprised of the following:

**Executive Office of the President
SUMMARY DIVISION BUDGET**

3. FTE DISTRIBUTION (continued)

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	0.5	0.0	0.0	0.5	132.5	133.0

Finance and Administration SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of the Finance and Administration Division is to provide high quality financial, administrative, and customer services that support and enhance the University's research, urban teaching and service mission; while performing all fiduciary and operational responsibilities with the utmost integrity.

Finance and Administration SUMMARY DIVISION BUDGET

Fiscal Year 2003 General Fund Budget (In Thousands of Dollars)

	<u>FY 2002 Approved Budget</u>	<u>Total Adjustments</u>	<u>FY 2003 Proposed Budget</u>
Academic Salaries	0.0	0.0	0.0
Non-Academic Salaries	20,778.5	1,266.4	22,044.9
Fringe Benefits	538.3	155.5	693.8
TOTAL SALARIES	21,316.8	1,421.9	22,738.7
General Expenses	13,950.5	736.8	14,687.3
Non-Recurring	0.0	95.9	95.9
TOTAL EXPENDITURES	35,267.3	2,254.6	37,521.9
Revenue	(20.0)	0.0	(20.0)
Internal Transfers	(5,981.7)	(413.9)	(6,395.6)
NET ALLOCATION (REVENUE)	29,265.6	1,840.7	31,106.3

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$631,300.

Program Changes

For FY 2003, changes in program funding result in a net increase of \$689,400. An additional amount of \$404,100 is provided for the increased rent commitment on the Meyer L. Prentis Comprehensive Cancer Center of Metro Detroit facility. An increase of \$82,400 has been provided to cover inflationary increases on other lease agreements in accordance with contractual provisions. Additional funding of \$708,000 has been provided to cover operations costs for the new Bookstore, Welcome Center and Pharmacy building – all of which opened during FY 2002.

Finance and Administration SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

For FY 2003 a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$505,100 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

An allocation of \$300,000 is provided for the Office of Risk Management to supplement that budget. An allocation of \$200,000 is provided to supplement the banking service fees budget. The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$404,100 for FY 2003. This is a decrease of \$20,000 over the amount taken in FY 2002.

2. TOTAL ALLOCATION

The Summary Budget is comprised of the following business units:

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Office of the Senior Vice President	388.6	2.8	391.4
Banking Services	705.0	200.0	905.0
Business Operations	2,425.5	24.6	2,450.1
Facilities Planning and Management	15,423.4	768.3	16,191.7
Fiscal Operations	4,420.9	55.3	4,476.2
Rentals & Leases	4,542.8	486.5	5,029.4
Risk Management	1,359.4	303.2	1,662.6
TOTAL ALLOCATION	29,265.6	1,840.7	31,106.3

Detailed budgets for these units have been provided to the Senior Vice President.

Finance and Administration SUMMARY DIVISION BUDGET

3. FTE DISTRIBUTION

The total salary budget is \$22.7 million, which represents 87 percent of the total Finance and Administration General Fund budget, excluding expenditures for Rentals and Leases. Total funded FTE staffing, as given by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	0.0	0.0	0.0	0.0	585.7	585.7

General Counsel SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of the Office of the General Counsel is to ensure the legal health of the University. The major areas of service include civil claims, administrative agency proceedings, legal implications of proposed policies and actions, compliance with federal and state law, reviewing and drafting contracts and other legal documents, intellectual and other property interests, negotiating contract terms, and injury claims. Through the Office of Labor Relations, the Office seeks to establish an effective labor relations program balancing University and employee interests in a manner which promotes a productive and cooperative environment.

**General Counsel
SUMMARY DIVISION BUDGET**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	0.0	0.0	0.0
Non-Academic Salaries	809.1	53.3	862.4
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	809.1	53.3	862.4
General Expenses	71.2	0.0	71.2
Non-Recurring	0.0	(17.7)	(17.7)
TOTAL EXPENDITURES	880.3	35.6	915.9
Revenue	0.0	0.0	0.0
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	880.3	35.6	915.9

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$58,900.

Program Changes

For FY 2003, a permanent reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$22,100 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$17,700 for FY 2003. This is an increase of \$1,200 over the amount taken in FY 2002.

General Counsel SUMMARY DIVISION BUDGET

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Labor Relations	201.5	0.9	202.4
General Counsel	678.8	34.7	713.5
TOTAL ALLOCATION	880.3	35.6	915.9

Detail budgets for these units have been provided to the Vice President.

3. FTE DISTRIBUTION

The total salary budget is \$860,000, which represents 94 percent of the total General Counsel General Fund budget. Total funded FTE staffing, as reported by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	0.0	0.0	0.0	0.0	13.0	13.0

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Governmental and Community Affairs SUMMARY DIVISION BUDGET

MISSION STATEMENT

The Office for Governmental and Community Affairs serves as the official University liaison to local, community and state governments and to the greater southeastern Michigan community.

The Governmental Affairs mission is to identify and secure funding to support existing and new programs. By interacting with local, state, and federal officials, the Office serves as an advocate on issues that impact the University. The Office's community affairs mission is to cultivate relationships with community and civic organizations, the business community, and local elected officials throughout southeastern Michigan. The Office is also responsible for extending University resources to the community so that Wayne State will have a significant impact on the economic, social and cultural life of southeastern Michigan.

**Governmental and Community Affairs
SUMMARY DIVISION BUDGET**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	0.0	0.0	0.0
Non-Academic Salaries	458.5	51.1	509.6
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	458.5	51.1	509.6
General Expenses	332.3	(32.7)	299.6
Non-Recurring	0.0	(10.5)	(10.5)
TOTAL EXPENDITURES	790.8	7.9	798.7
Revenue	0.0	0.0	0.0
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	790.8	7.9	798.7

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, the budget was increased by compensation adjustments totaling \$22,100.

Program Changes

For FY 2003, a permanent reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This results in a reduction of \$13,100 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Governmental and Community Affairs SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Non-Recurring

The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$10,500 for FY 2003. This is an addition of \$1,100 over the amount in FY 2002.

2. TOTAL ALLOCATION

The Summary Budget is comprised of the following business units:

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Governmental Affairs	468.5	6.3	474.8
Community Relations	251.4	1.6	253.0
Cultural Center Association	70.9	0.0	70.9
TOTAL ALLOCATION	790.8	7.9	798.7

Detail budget sections for these units have been provided to the Vice President.

3. FTE DISTRIBUTION

The total salary budget is \$510,000, which represents 64 percent of the total Governmental and Community Affairs General Fund budget. Total funded FTE staffing, as reported by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	0.0	0.0	0.0	0.0	9.5	9.5

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Division of Student Development and Campus Life SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of the Division of Student Development and Campus Life is to provide those comprehensive student support services that promote academic and intellectual development; foster personal, social and career development in a diverse, urban university environment; and foster student retention through advising, counseling, and academic support activities.

**Division of Student Development and Campus Life
SUMMARY DIVISION BUDGET**

**Fiscal Year 2003
General Fund Budget
(In Thousands of Dollars)**

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Academic Salaries	3,744.3	(706.5)	3,037.8
Non-Academic Salaries	7,780.3	(343.8)	7,436.5
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	11,524.6	(1,050.3)	10,474.3
General Expenses	24,420.0	3,178.8	27,598.8
Non-Recurring	0.0	179.0	179.0
TOTAL EXPENDITURES	35,944.6	2,307.5	38,252.1
Revenue	(783.8)	0.0	(783.8)
Internal Transfers	(20.7)	5.8	(14.9)
NET ALLOCATION (REVENUE)	35,140.1	2,313.3	37,453.4

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, technical adjustments resulting in a net increase of \$932,300 were made to the budget. Compensation adjustments account for \$444,700 of this total. Other adjustments include a transfer of \$355,500 from Omnibus Fee commitments to support the Athletics Enhancements Initiative. An allocation of \$111,900 was transferred to the Fitness Center from Strategic Planning Initiatives for operations and equipment. A transfer of \$20,200 and 1.0 FTE position was made from the Division of University Advancement to Enrollment Services.

Division of Student Development and Campus Life SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Program Changes

For FY 2003, program changes resulting in a net increase of \$1,133,300 are made to the budget. Tuition based financial aid is increased each year by the same percentage as tuition and fees are increased. The adjustment for FY 2003 totals \$2.6 million, which has been added to the respective financial aid budgets.

Funding is also provided in the amount of \$606,400 to provide operational support for the Offices of Scholarships and Financial Aid, and Admissions. Of this amount, \$280,400 is funded in the Division's budget. The remaining \$326,000 is funded in Program Enhancements pending an operating plan that defines the steps toward defining operational strategy, planned enhancements in levels of service, as well as timeframes and targets for expected results.

Budget funding is also provided as follows: (1) \$158,100 is provided from incremental FY 2003 Omnibus Fee revenues to fund operating needs in the WSU Recreation and Fitness Center, and (2) \$188,000 is provided from incremental FY 2003 Omnibus Fee revenues to fund the Athletic Enhancement Initiative. Offsetting these increases is a transfer of \$1,833,300 to the Office of the Provost to reflect the movement of the Student Retention function to that Division.

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$259,900 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

There will be an allocation of \$200,000 to the Office of Admissions and an allocation of \$75,000 to the Office of Scholarships and Financial Aid to fund operating expenses. The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$146,100 for FY 2003. This is an increase of \$27,300 from amount taken in FY 2002.

Other Matters

Omnibus Fee Commitments will be added to the base budget to provide continued support for the Athletics Enhancement Initiative. To date a total of \$1,315,500 in Omnibus Fee revenue has been added to the base budget for this initiative. In addition to amounts shown in Program Changes, a remaining allocation of \$80,535 from prior year revenues will be transferred on October 1, 2002.

Division of Student Development and Campus Life SUMMARY DIVISION BUDGET

2. TOTAL ALLOCATION

The summary budget is comprised of the following unit budgets:

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Division Operations			
Office of the Vice President	544.1	52.3	596.4
Student Support Services	1,540.4	(15.7)	1,524.7
Student Retention Program	2,488.5	(1,799.0)	689.5
International Services	361.3	4.8	366.1
Student Program Activities	80.5	136.1	216.6
Student Evaluation Process	87.7	0.2	87.9
South End	131.7	0.0	131.7
Enrollment Services	2,351.7	34.2	2,385.9
Student Activities	30.5	0.8	31.3
Athletics	3,220.6	439.4	3,660.0
Admissions	1,653.1	455.8	1,908.9
Financial Aid	1,763.6	134.5	1,823.1
Fitness Center	700.0	270.0	970.0
Subtotal Division Operations	14,953.7	(286.6)	14,667.1

**Division of Student Development and Campus Life
SUMMARY DIVISION BUDGET**

2. TOTAL ALLOCATION (continued)

	FY 2002 Approved Budget	Total Adjustments	FY 2003 Proposed Budget
Awards/Scholarships			
Graduate Awards	5,619.0	756.9	6,375.9
Graduate Awards – Law and Medicine	2,995.4	540.6	3,536.0
Board of Governors Awards	1,261.5	132.1	1,393.6
State/Federal Match Requirements	1,119.0	125.3	1,244.3
Indian Tuition Requirements	198.6	11.9	210.5
Special Programs	2,555.3	407.3	2,962.6
Presidential Scholarships	6,262.0	613.5	6,875.5
Detroit Compact Scholarships	85.8	8.4	94.2
Law Non-Resident Tuition Awards	89.8	3.9	93.7
Subtotal Awards/Scholarships	20,186.4	2,599.9	22,786.3
TOTAL ALLOCATION	35,140.1	2,313.3	37,453.4

Detail budgets sections for these units have been provided to the Vice President.

3. FTE DISTRIBUTION:

The total salary budget is \$10.5 million, which represents 71 percent of the total Division of Student Development and Campus Life General Fund budget, excluding Financial Aid Awards scholarships. Total funded FTE staffing, as given by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	1.5	0.0	75.7	77.2	182.6	259.8

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University Advancement SUMMARY DIVISION BUDGET

MISSION STATEMENT

The Division of University Advancement is responsible for maintaining productive relations with University alumni, and current and prospective donors. It is responsible for all University fundraising efforts and works directly with academic units to coordinate their individual efforts. In addition, the division is responsible for the coordination and collaboration of University special events and services. The division was created as part of the November 1997 Executive Reorganization to optimize the efforts of the two previously separate units – e.g. University Development and Alumni Relations. The goals of this division are to build alumni and donor involvement in and commitment to Wayne State University. The Marketing and Media functions of the former Division of Marketing and Communications has been moved to the Division of University Advancement effective May 2001. Marketing and Communication is responsible for communicating academic initiatives and institutional priorities and accomplishments to both external and internal audiences.

University Advancement SUMMARY DIVISION BUDGET

Fiscal Year 2003 General Fund Budget (In Thousands of Dollars)

	FY 2002 Approved <u>Budget</u>	Total <u>Adjustments</u>	FY 2003 Proposed <u>Budget</u>
Academic Salaries	0.0	0.0	0.0
Non-Academic Salaries	4,495.9	62.2	4,558.1
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	4,495.9	62.2	4,558.1
General Expenses	821.0	(285.2)	535.8
Non-Recurring	0.0	892.0	892.0
TOTAL EXPENDITURES	5,316.9	669.0	5,985.9
Revenue	(90.0)	0.0	(90.0)
Internal Transfers	0.0	0.0	0.0
NET ALLOCATION (REVENUE)	5,226.9	669.0	5,895.9

Budget Notes

1. EXPLANATION OF BUDGET CHANGES

Technical Adjustments

During FY 2002, technical adjustments resulting in a net increase of \$33,200 were made to the budget. Compensation adjustments totaled \$159,500. A transfer of \$106,100 was made to the Office of the Provost for 2.0 FTE positions within the Office of Institutional Analysis. In addition, a transfer of \$20,200, a 1.0 FTE position, was made to Student Development and Campus Life to support Enrollment Services.

University Advancement SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Program Changes

For FY 2003, changes in program funding will result in a net decrease of \$347,900. The General Fund subsidies previously provided to WDET-FM and McGregor Memorial Conference Center which total \$231,000 will be eliminated as part of the FY 2003 budget reduction plan.

For FY 2003, a permanent budget reduction is required of all University units. That adjustment is calculated at 2.5 percent on all academic and non-academic salary budgets. This tax results in a reduction of \$116,900 to the Division's budget. This reduction is in addition to the turnover tax approved as part of the FY 2002 budget.

Non-Recurring

A non-recurring allocation of \$600,000 is provided to support the University's advertising effort. An additional allocation of \$385,500 is provided to support non-recurring needs associated with the Capital Campaign. The application of the 2 percent turnover tax results in a reduction to the Division's budget of \$93,500 for FY 2003. This is an increase of \$1,800 over the amount taken in FY 2002.

Other Matters

Funding is also provided in the amount of \$434,000 to fund 10.0 FTE positions and provide operational support for the planning of the FY 2003 Capital Campaign. The entire amount will be funded in Program Enhancements pending a review by Human Resources of position classifications and salary ranges.

University Advancement SUMMARY DIVISION BUDGET

2. TOTAL ALLOCATION

The Summary Budget is comprised of the following business units:

	FY 2002 Approved Budget	Total Adjustment	FY 2003 Proposed Budget
VP for Marketing & Communications	477.0	468.1	945.1
Radio Station WDET-FM	29.8	(29.8)	0.0
Alumni Relations	680.0	38.9	718.9
McGregor Conference Center	201.3	(201.3)	0.0
Commencements	49.7	(0.2)	49.5
Marketing & Communications	403.6	31.6	435.2
Media Relations	453.3	15.3	468.6
Development Office	2,932.2	346.4	3,278.6
TOTAL ALLOCATION	5,226.9	669.0	5,895.9

Detail budgets for each unit have been provided to the Senior Vice President.

3. FTE DISTRIBUTION

The total salary budget is \$4.6 million, which represents 77 percent of the total General Fund University Advancement budget. Total funded FTE staffing, as given by the Division, is comprised of the following:

FY 2002	Faculty	Graduate Assistants	Part-Time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	0.0	0.0	0.0	0.0	85.7	85.7

Central Accounts SUMMARY BUDGET

Fiscal Year 2003 General Fund Budget Expenditures (In Thousands of Dollars)

	FY 2002	FY 2003	Net Change	
	Approved Budget	Proposed Budget	\$	%
Professional Legal Fees	716.8	716.8	-	0.00%
Omnibus Fees Commitments	4,081.5	4,069.5	(12.0)	-0.29%
Contingency Reserve	837.9	-	(837.9)	-100.00%
Compensation Reserve	8,885.6	5,975.1	(2,910.5)	-32.76%
Physical Plant Maintenance and Repair	2,455.5	3,455.5	1,000.0	40.72%
Debt Service	7,982.9	8,257.9	275.0	3.44%
Utilities	18,063.6	19,182.2	1,118.6	6.19%
Research Equipment and Facilities	703.9	703.9	-	0.00%
Special Equipment Programs	1,151.0	-	(1,151.0)	-100.00%
Enhancement of Research Support Prog.	129.8	809.8	680.0	523.88%
Strategic Plan Initiatives	907.3	665.4	(241.9)	-26.66%
Employee Assistance Program	120.1	120.1	-	0.00%
Fringe Benefits	55,959.6	63,428.9	7,469.3	13.35%
Program Enhancement	1,000.0	759.9	(240.1)	-24.01%
Accrued Compensated Absences	800.1	288.9	(511.2)	-63.89%
Total Central Accounts	<u>103,795.6</u>	<u>108,433.9</u>	<u>4,638.3</u>	<u>4.47%</u>

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Central Accounts SUMMARY DIVISION BUDGET

PROGRAM DESCRIPTION

This budget includes centrally funded and maintained accounts to support overall University programs and operations. The budgets that comprise the total Central Accounts include functional expenditures that impact the entire University or are budgeted and managed at the University-wide level.

Central Accounts SUMMARY DIVISION BUDGET

Fiscal Year 2003 General Fund Budget (In Thousands of Dollars)

	<u>FY 2002 Approved Budget</u>	<u>Total Adjustments</u>	<u>FY 2003 Proposed Budget</u>
Academic Salaries	0.0	0.0	0.0
Non-Academic Salaries	0.0	0.0	0.0
Fringe Benefits	0.0	0.0	0.0
TOTAL SALARIES	0.0	0.0	0.0
General Expenses	102,819.6	4,638.3	107,457.9
Non-Recurring	1,000.0	0.0	1,000.0
TOTAL EXPENDITURES	103,819.6	4,638.3	108,457.9
Revenue	(3.0)	0.0	(3.0)
Internal Transfers	(21.0)	0.0	(21.0)
NET ALLOCATION (REVENUE)	103,795.6	4,638.3	108,433.9

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2002, transfers were made from Central Accounts to University units to fund merit increases and specific programs. These adjustments include \$8.9 million in compensation adjustments and transfers from Strategic Plan Initiatives of \$111,900 and \$100,000 to the Fitness Center and College of Science, respectively.

Program Changes

Six accounts out of the total Central Account budget account for approximately 96.1 percent of the total – Omnibus Fee Commitments, Compensation Reserve, Physical Plant Maintenance and Repair, Debt Service, Utilities and Fringe Benefits.

For FY 2003, program changes totaling \$13.7 million result from changes in Central Account budgets described below.

Central Accounts SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Compensations Reserve – For FY 2003, the Compensation Reserve is funded at \$6.0 million – a decrease of \$2.9 million over amounts budgeted in FY 2002. At the time of budget development, negotiation was in process for nine units whose total salaries comprise approximately 56 percent of total projected salaries for FY 2003.

Fringe Benefits – For FY 2003, the Fringe Benefits budget is increased by \$7.5 million. This funding reflects (a) applicable increases in FICA, Medicare and pension costs related to expected salary increases during the year and, (b) anticipated increases in contract costs for medical plans.

Utilities – For FY 2003, Utilities are funded at \$19.2 million – a net increase of \$1.1 million over amounts funded in FY 2002. The FY 2003 projection reflects additional costs for the opening of the new Pharmacy and Welcome Center buildings. The budget reflects anticipated rates for all utility providers.

The budget is based on projected General Fund Square Footage of 6,335,247. Utilities cost per Gross Square Foot show the following trends:

FY 1999 Actual	\$2.31
FY 2000 Actual	\$2.66
FY 2001 Actual	\$2.58
FY 2002 Projected	\$2.54
FY 2003 Projected	\$3.22

The Utilities budget does not include estimated costs associated with buildings recently purchased from Detroit Public Schools.

Accrued Compensation Absences – Accrued compensated absences reflects the University's liability to its employees for vested rights to sick and vacation leave at the end of the fiscal year in accordance with the provisions of Financial Accounting Standards Board Statement No. 43 (FASB 43). At the time of implementation, the University recognized two components of cost. The first was the current cost for employees that earn vested rights to sick and vacation leave during the year. That amount will vary from year to year and must be recognized on an annual basis. For FY 2002 that cost is budgeted at \$288,900. The second part was the accumulated liability for employee's total vested leave at the time of implementation in FY 1988. This amount was subject to amortization over a 15-year period. The last year of amortization – which totaled \$511,200 per year – was FY 2002. Hence, the budget is reduced by the amount of this amortization in FY 2003.

Central Accounts SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Omnibus Fees – All students pay a per credit hour Omnibus Fee, which is earmarked for specific purposes. After a recurring set aside of \$1.2 million for financial aid, Omnibus Fees are earmarked for three purposes – Student Computing and Technology, Athletics Enhancement, and Student Activities (which includes the Fitness Center). For FY 2003, Omnibus fee commitments are increased by \$689,600. Omnibus Fee commitments available for distribution after the financial aid commitment totals \$7.1 million. The distribution of this amount is shown in the following schedule:

Description	FY 2003 Unallocated Funds	Prior Year Transfers to Base	FY 2003 Transfers Pending	Total Allocation
Student Computing & Technology	\$3,125,245	\$632,800	\$343,500	\$4,101,545
Athletics Enhancement	-	\$1,396,035	\$188,000	\$1,584,035
Student Activities	-	\$1,150,000	\$158,100	\$1,308,100
Subtotal	\$3,125,245	\$3,178,835	\$689,600	\$6,993,680
Financial Aid				\$1,220,000
Strategic Plan Initiatives				\$68,920
Total	\$3,125,245	\$3,178,835	\$689,600	\$8,282,600

Omnibus Fee commitments will increase in FY 2003 as a result of the proposed 9.1 percent increase in tuition and fees. This amount is distributed as follows:

- (a) Amounts totaling \$158,100 are set aside to fund increased costs and programs in the University's Recreation and Fitness Center;
- (b) The athletics enhancement initiative will continue to receive a 20 percent allocation of net amounts available which total \$188,000 for FY 2003.
- (c) Amounts attributable to student computing and technology will be used to fund the ISP Debt Service requirement that is attributable to the new Student Information System. The amount required to meet this commitment is \$343,500. These funds will be transferred at the end of FY 2003.

Central Accounts SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Amounts set aside for Student Computing and Technology are allocated to units based on a review performed by the Vice President for Computing and Information Technology.

Allocations from the Omnibus Fee revenues are contingent upon the realization of the budgeted revenue from the Omnibus Fees. Any surplus revenues are subject to allocation at the discretion of the President.

Except as indicated above, or as approved by the President, all allocations from the Omnibus Fee Commitment fund code should be non-recurring.

Strategic Plan Initiatives – A transfer of \$30,000 is made to support a pilot learning community project co-sponsored by the College of Education, the College of Liberal Arts, the College of Fine, Performing and Communication Arts, and the Division of Student Development and Campus Life.

Contingency Reserve – As part of the FY 2003 budget reduction plan, the Contingency Reserve, previously budgeted at \$837,900, has been eliminated.

Debt Service – For FY 2003, Debt Service is funded at \$8.3 million – an increase of \$275,000 from amounts funded in FY 2002. The budget is increased by \$525,000 to fund the debt service for bonds issued for the Scott Hall Energy Consumption Reduction plan. The budget is reduced by \$250,000 in debt service attributable to the Parking and Transportation Services auxiliary. That auxiliary will assume responsibility for funding that portion of its debt service beginning in FY 2003.

Special Equipment Programs – As part of the FY 2003 budget reduction, Special Equipment programs, previously budgeted at \$1,151,000, has been eliminated. This budget was comprised of the following components – (a) Office Automation Fund, budgeted in FY 2002 at \$50,450; (b) the Research Equipment Fund, budgeted in FY 2002 at \$600,000; (c) the Instruction Equipment Fund, budgeted in FY 2002 at \$298,700, and (d) the Equipment Replacement Fund, budgeted in FY 2002 at \$201,850.

Enhancement for Research Support Programs - The budget for the Enhancement of Research Support Programs is increased by \$680,000 as a result of the budgeted \$6.8 million increase in Indirect Cost Recovery.

Central Accounts SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Program Enhancement – An allocation of \$325,900 has been provided to support the operational requirements of the Offices of Scholarship and Financial Aid, and Admissions. These funds are set aside in escrow pending an operating plan that identifies specific actions, timeframes, performance targets, and operational improvements. In addition, an amount of \$434,000 is provided to fund 10.0 FTE positions and provide operational support for the planning of the FY 2003 Capital Campaign. The entire amount will be funded pending a review by Human Resources of position classifications and salary ranges.

Non-Recurring

A non-recurring allocation \$1.0 million is provided to supplement the Deferred Maintenance budget. A non-recurring allocation of \$30,000 from Strategic Plan Initiatives has been permanently added to the budgets for the College of Science and College of Education. A non-recurring allocation of \$1.0 million provided in FY 2002 to support advertising and Faculty Set-up costs will not be continued.