

GENERAL FUND BUDGET



FY 2007

WAYNE STATE UNIVERSITY

FY 2007 PROPOSED GENERAL FUND BUDGET

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WAYNE STATE UNIVERSITY

FY 2007 PROPOSED GENERAL FUND BUDGET

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INTRODUCTION

FY 2007 Proposed General Fund Budget

The FY 2007 Proposed General Fund Budget reflects total revenues of \$489.2 million. This is an increase of \$16.5 million (3.5 percent increase) over the FY 2006 budget.

Following are the salient features of the FY 2007 General Fund budget:

- An increase of 2.5 percent (\$5.22 million) in state appropriations.
- A tuition rate increase of 5.8 percent for undergraduate and graduate rates. The Fiscal Year Equated Students (FYES) budgeted for FY 2007 is 23,727, and is based on the actual enrollment for FY 2006.
- An increase of 5.8 percent in the omnibus fee charged per credit hour and registration fee charged per semester and a 5.8 percent increase in the differential tuition rate charged for some programs.
- Net tuition increase of \$9.1 million as a result of the above mentioned rate increases.

Approximately 44 percent of the budget is attributable to state appropriations and 46 percent to tuition and fees. A summary of the total budgeted revenues is shown on page 11.

This budget reflects modest commitments of \$13.1 million towards obligatory, non-discretionary expenses for employee compensation, utilities and other operating increases and an increase of \$2.1 million in fee based financial aid to buffer the impact of the proposed tuition increase.

New additional initiatives or critical funding needs of \$2.3 million are met through operating savings of \$2.3 million and present no additional burden on the General Fund. These initiatives are largely to meet the compliance requirements in research, doctoral program enhancements, Macomb Initiatives and other critical staffing needs.

Budget Priorities and Assumptions:

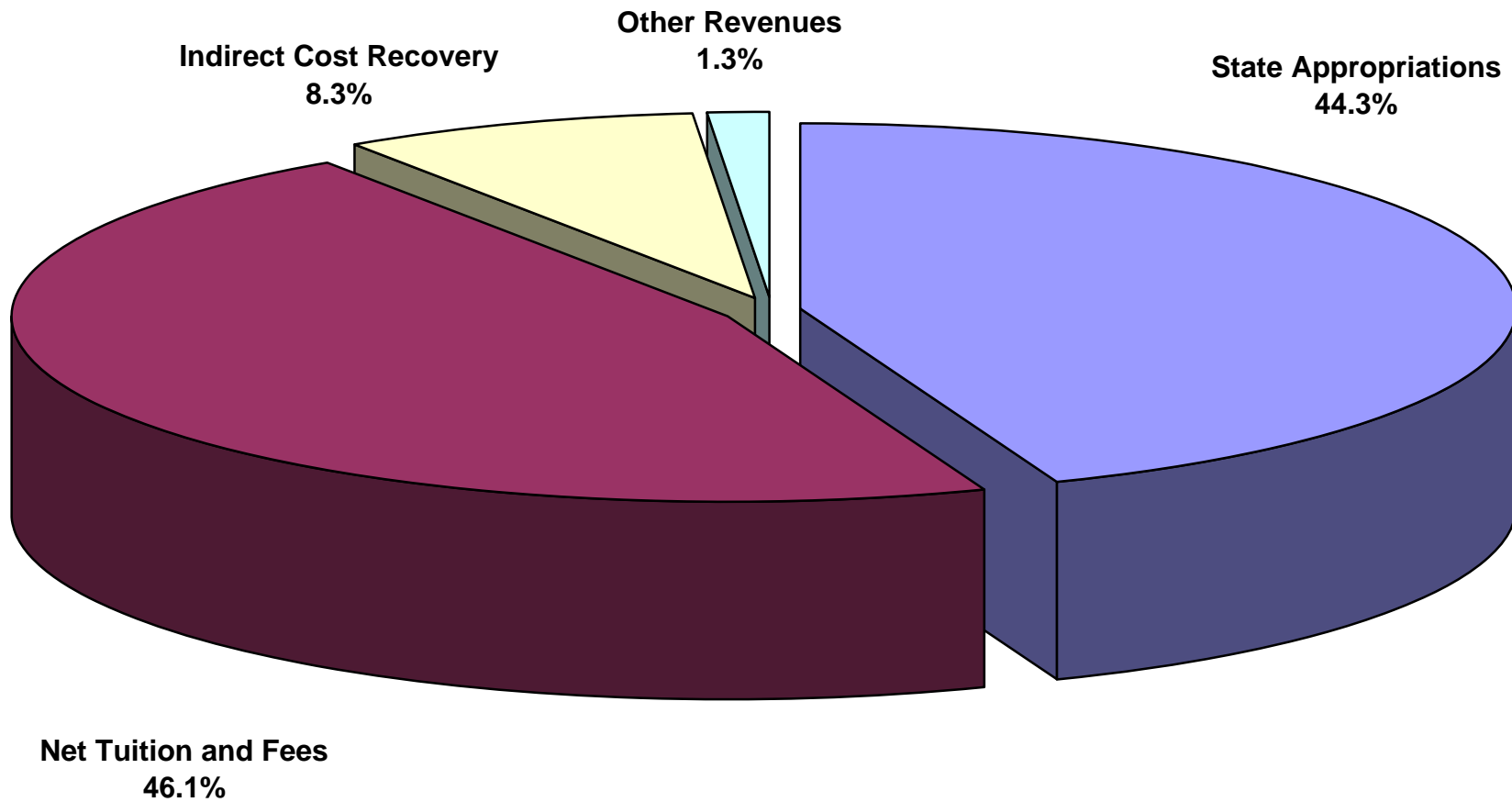
1. The state appropriation is assumed to increase by 2.5 percent over FY 2006 yielding \$5.2 million.
2. The budget reflects a proposed increase in tuition at 5.8 percent for all students. The omnibus fee, registration fee and differential tuition are also proposed to increase by 5.8 percent. Tuition revenue is also dependent on enrollment growth. Since FY 2004, enrollment growth has leveled off, due largely to declining graduate enrollment. We are not predicting additional tuition gains from enrollment growth in FY 2007. Additional growth in undergraduate credit hours may be offset by a decline in graduate credit hours.

INTRODUCTION

3. Targeted enrollment is set at 23,727 FYES. This enrollment is based on the actual enrollment for FY 2006 with some planned increase in enrollment for School of Medicine and the Eugene Applebaum College of Pharmacy and Health Sciences. The summer enrollment is set at 3,000 FYES; a realistic target based on the summer enrollment in FY 2005 and FY 2006.
4. Salary increases are budgeted at 3.5 percent for faculty and a pool of 2 percent is set aside for all non-faculty salary increases, some of which are governed by union contracts. It is assumed that there will be no significant change in the workforce or the general nature of University's contractual commitments to the workforce during the year.
5. Anticipated increases in utility rates total \$1.67 million have been factored in the utilities budget calculations. It is assumed that the utility consumption and pattern of usage will remain approximately the same as fiscal year 2006.

Useful data related to the proposed budget are presented on the graphs and table that follow. These include a) composition of budget revenues and expenditures; b) enrollment; c) total research funding and related indirect cost recovery; and d) workforce count.

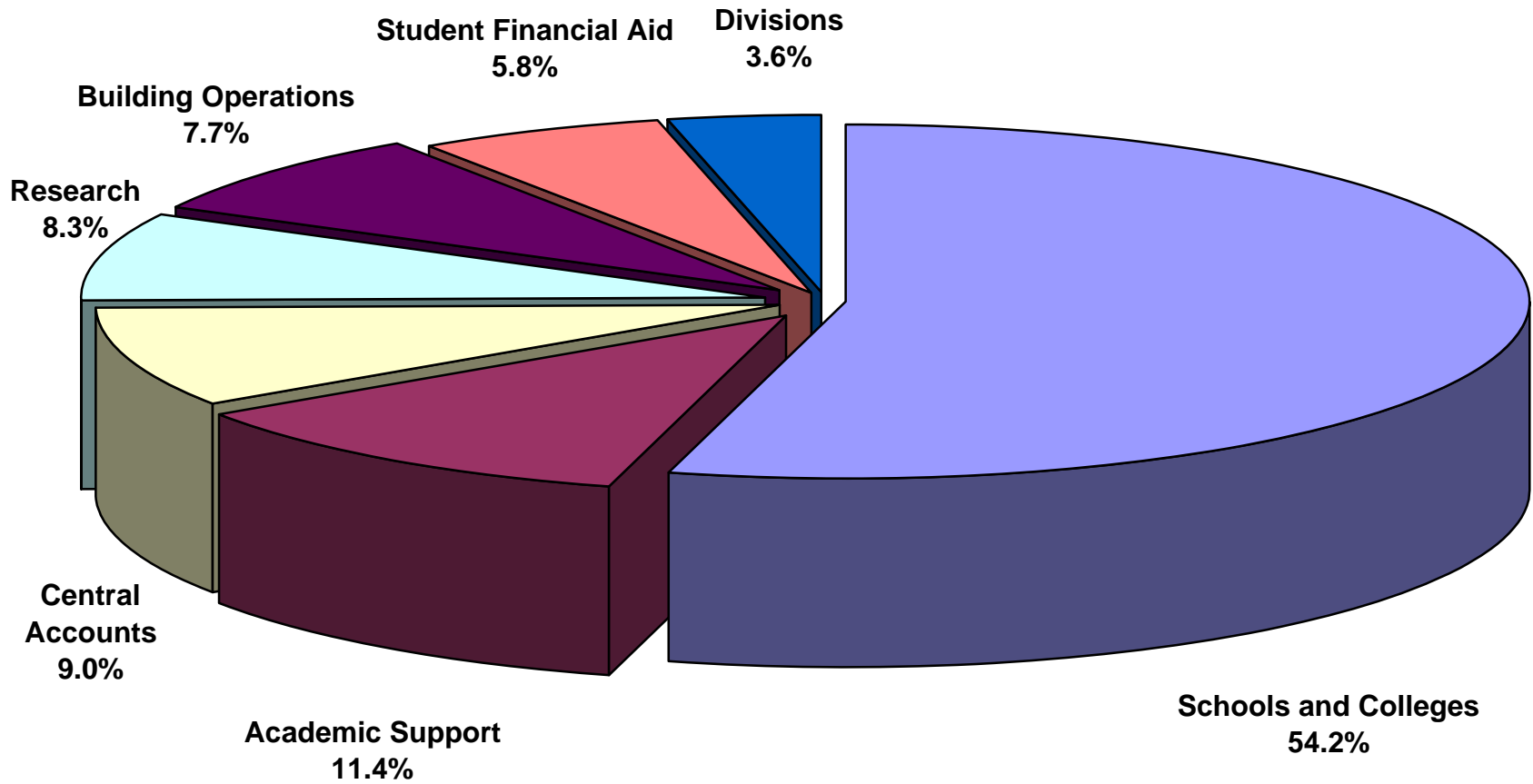
**Wayne State University
General Fund Budget Revenue Distribution
FY 2007**



Note: Percentages based on total General Fund revenue less budgeted prior year carryforward.

Source: Office of University Budget

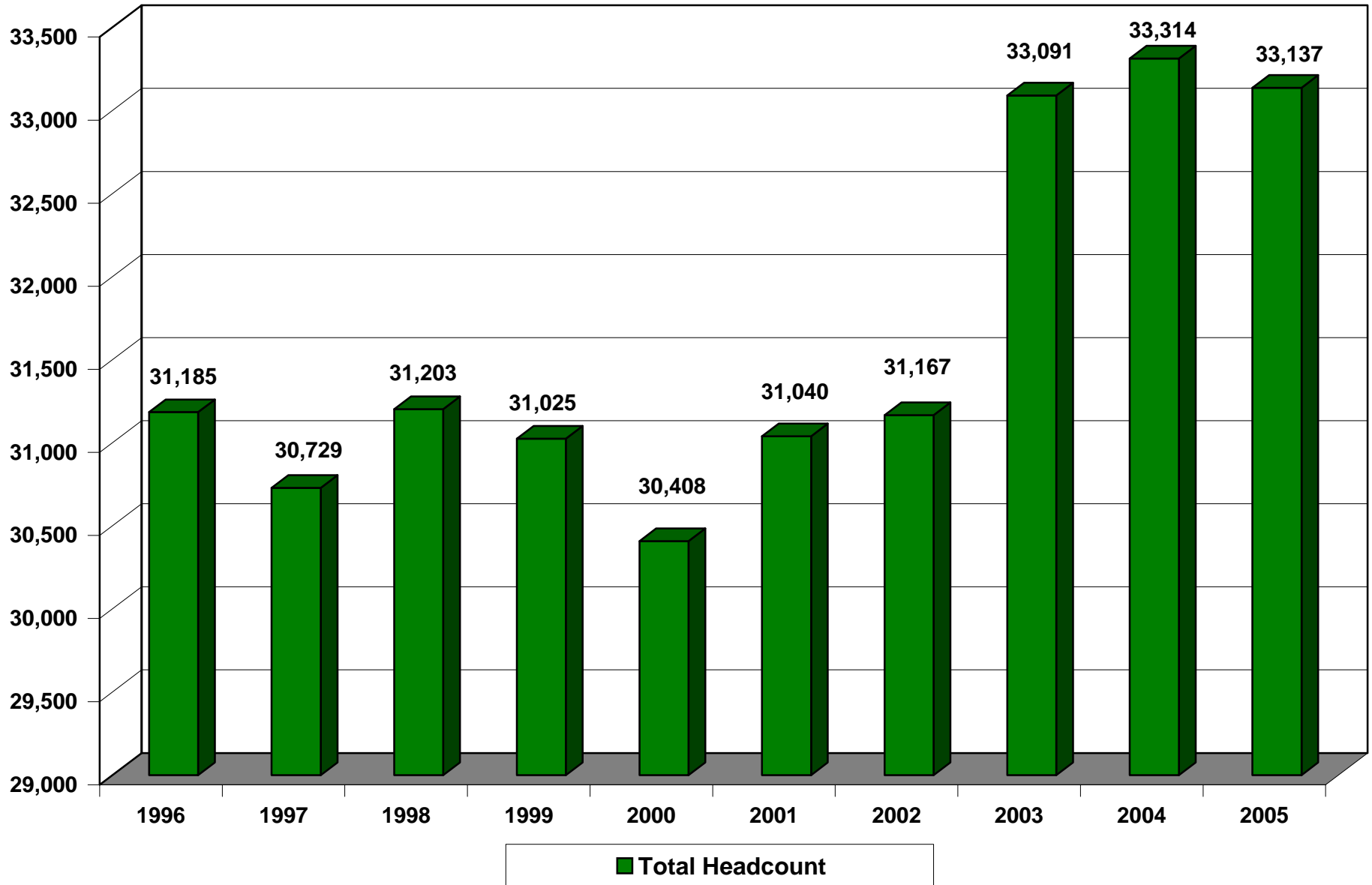
**Wayne State University
General Fund Budget Expenditure Distribution
FY 2007**



Note: Percentages based on total General Fund expense less budgeted external departmental revenue offset.

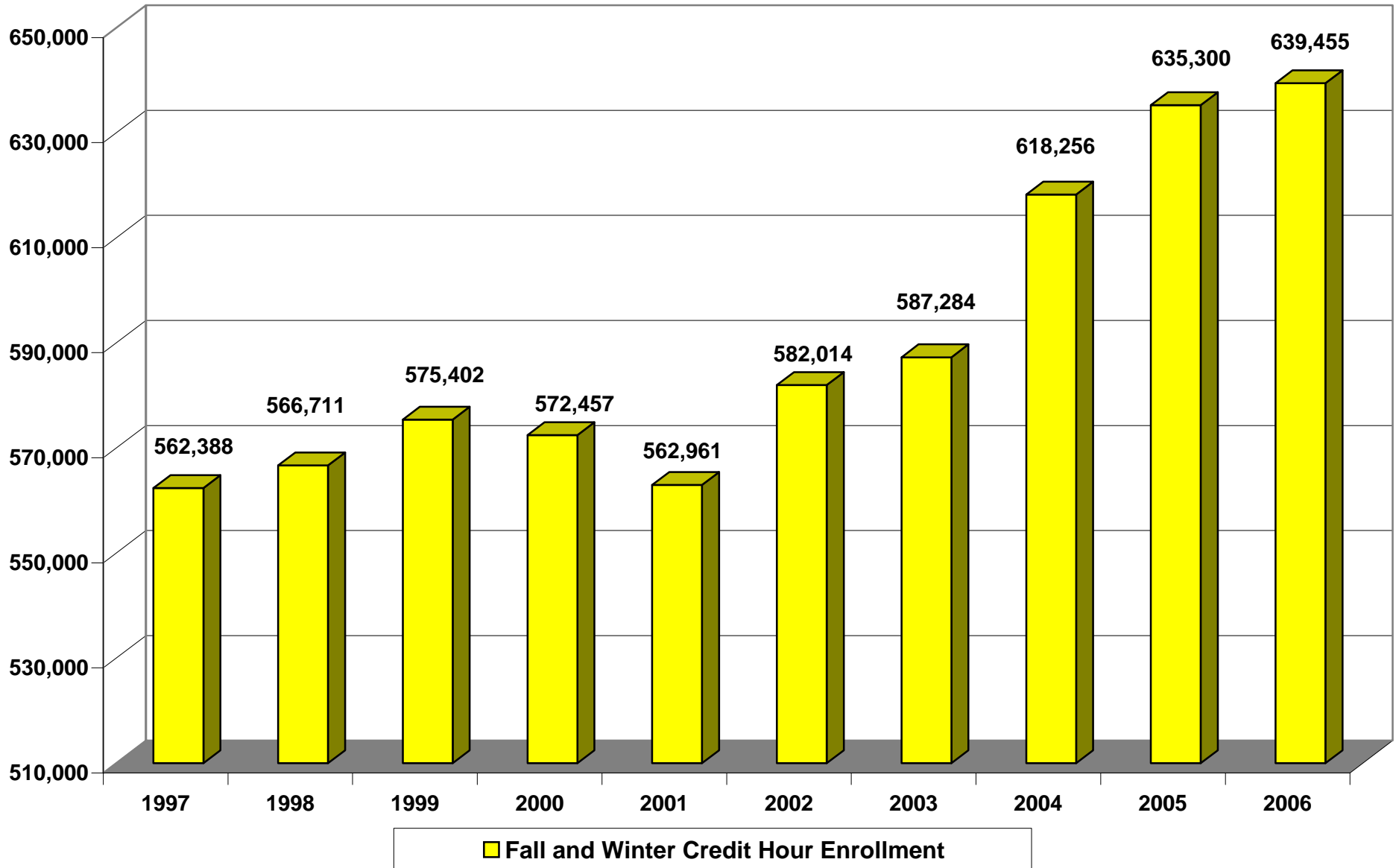
Source: Office of University Budget

Wayne State University Ten Year Comparative Headcount Enrollment Fall Terms 1996 to 2005



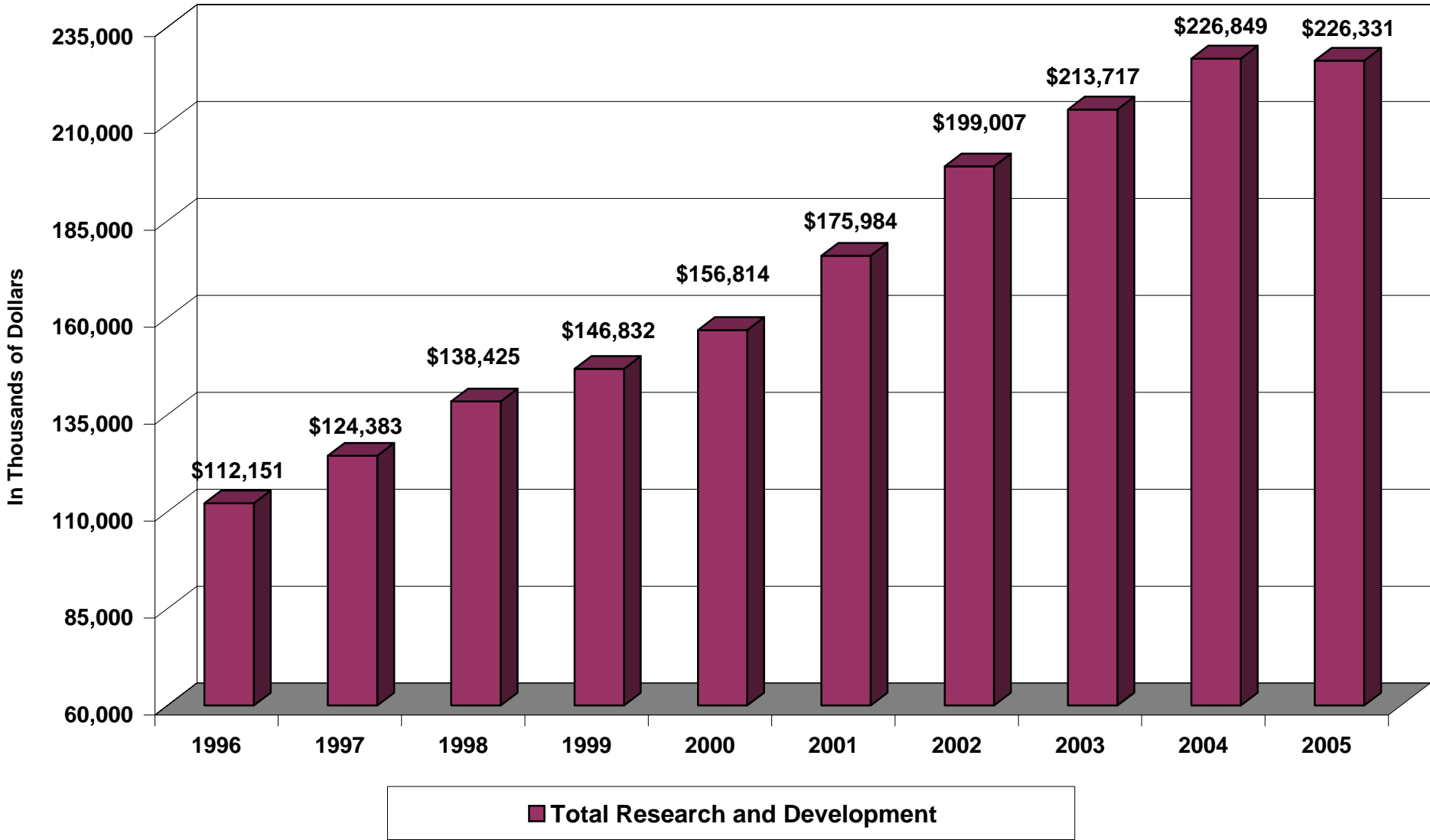
Source: Office of the Registrar, Official Enrollment Reports

Wayne State University Comparative Fall and Winter Credit Hour Enrollment Fiscal Year 1997 to Fiscal Year 2006



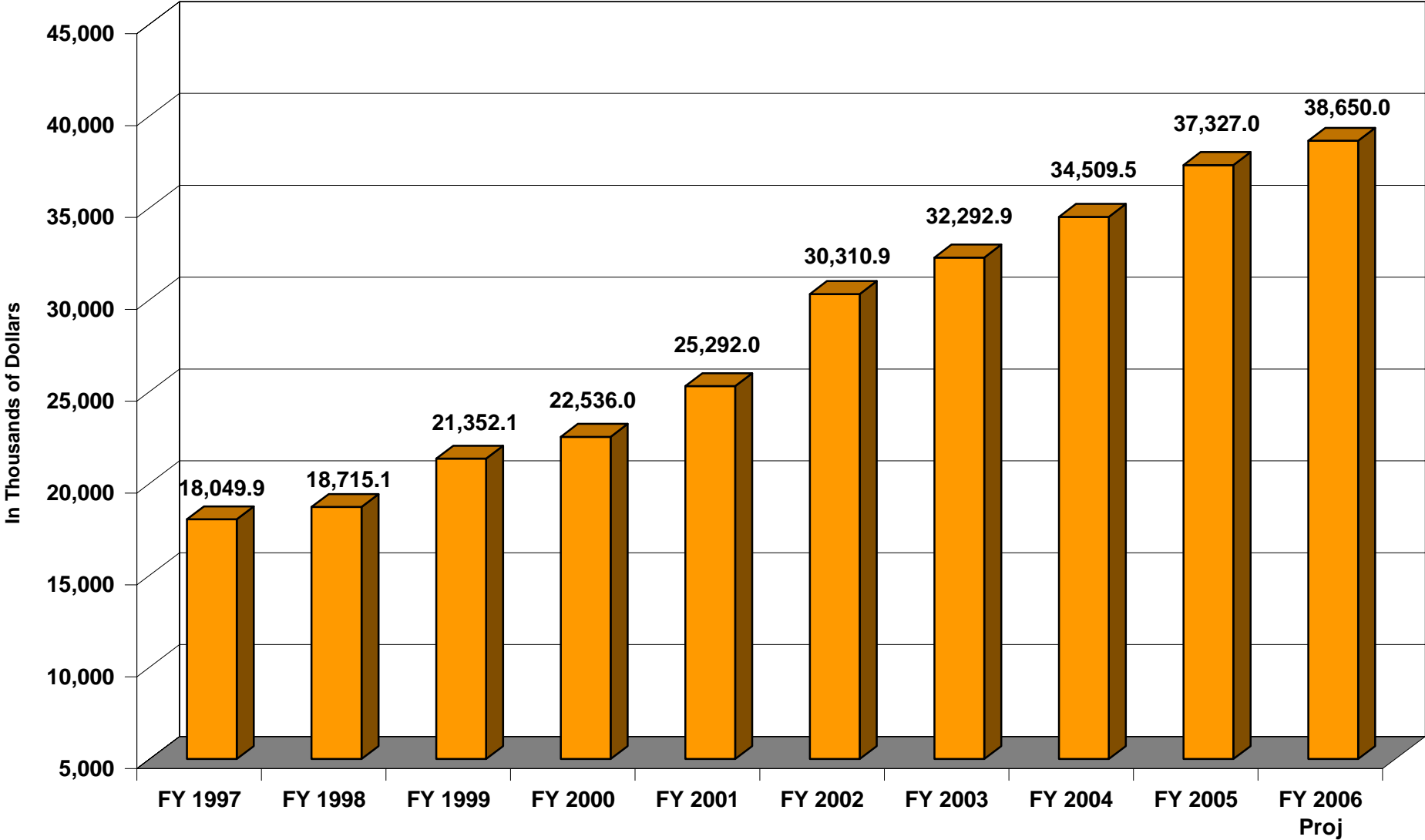
Source: Office of the Registrar, Official Enrollment Reports

Wayne State University Total Research and Development Expenditures Comparison Years 1996 through 2005



Source: Annual Report on Research Activity For FY 2005, Board of Governors, June 2006.

Wayne State University Indirect Cost Recovery FY 1997 to FY 2006



Source: Sponsored Program Administration

WAYNE STATE UNIVERSITY
Total Funded Full Time Equivalent (FTE) Employees
Fiscal Year 2007

Schools/Colleges	Total FTE
School of Business Administration	101.5
College of Education	165.5
College of Engineering	159.9
College of Fine, Performing and Communication Arts	154.8
Graduate School	35.7
Law School	78.8
College of Liberal Arts and Sciences	821.2
Library and Information Science Program	17.3
School of Medicine	555.9
College of Nursing	98.0
Eugene Applebaum College of Pharmacy and Health Sciences	136.4
School of Social Work	71.0
Total Schools/Colleges	2,395.9
Academic Support	
Office of the Provost	512.5
Student Services	185.0
Libraries	157.5
Research	125.7
Total Academic Support	980.7
Divisions	
Executive Office of the President	114.3
Administrative Operations	74.6
Development and Alumni Affairs	62.0
Finance and Facilities Management	516.2
Total Divisions	767.1
Total Schools/Colleges/Divisions	4,143.7

Note: FTE staffing numbers are reported by the respective School, College or Division.

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General Fund Budget

SUMMARY REVENUES AND EXPENDITURES

Fiscal Year 2007
(In Thousands of Dollars)

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Revenues				
State Appropriations	209,001.7	214,226.7	5,225.0	2.5%
Net Tuition and Fee Revenues	213,947.8	223,068.3	9,120.5	4.3%
Indirect Cost Recovery	38,410.0	40,138.0	1,728.0	4.5%
Investment Income	1,500.0	2,000.0	500.0	33.3%
Other Revenues	4,179.5	4,159.8	(19.7)	-0.5%
Prior Year Carryforward Funds	5,700.0	5,700.0	0.0	0.0%
Total Revenues	472,739.0	489,292.8	16,553.8	3.5%
Expenditures				
Schools and Colleges	169,749.2	177,487.9	7,738.7	4.6%
Academic Support	97,927.2	104,022.3	6,095.1	6.2%
Divisions	46,595.4	48,459.4	1,864.0	4.0%
Student Financial Aid	25,129.4	28,229.2	3,099.8	12.3%
Central Accounts	129,586.1	127,353.7	(2,232.4)	-1.7%
External Departmental Revenues	3,751.7	3,740.3	(11.4)	-0.3%
Total Expenditures	472,739.0	489,292.8	16,553.8	3.5%
Net Budget Surplus (Shortfall)	0.0	0.0	0.0	0.0%

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Schools and Colleges SUMMARY BUDGET

Fiscal Year 2007 General Fund Budget Expenditures (In Thousands of Dollars)

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Schools and Colleges				
Business Administration	8,418.6	8,677.5	258.9	3.1%
Education	9,982.3	10,596.8	614.5	6.2%
Engineering	12,900.2	13,269.5	369.3	2.9%
Fine, Performing and Communication Arts	8,656.6	9,227.5	570.9	6.6%
Graduate School	1,615.8	1,648.5	32.7	2.0%
Law	9,257.2	9,559.3	302.1	3.3%
Center for Legal Studies	135.2	0.0	(135.2)	-100.0%
Liberal Arts and Sciences	49,873.6	50,568.9	695.3	1.4%
Library and Information Science	1,117.3	1,612.8	495.5	44.4%
Medicine	47,697.2	51,168.9	3,471.7	7.3%
Nursing	6,551.4	6,700.3	148.9	2.3%
Pharmacy and Health Sciences	9,740.0	10,699.9	959.9	9.9%
Social Work	3,670.3	3,757.9	87.6	2.4%
Undergraduate General Education	133.5	0.0	(133.5)	-100.0%
Total Schools and Colleges	169,749.2	177,487.9	7,738.7	4.6%

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Schools and Colleges
SCHOOL OF BUSINESS ADMINISTRATION

Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	6,038.7	6,303.3	264.6	4.4%
Non-Academic Salaries	1,405.6	1,471.6	66.0	4.7%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	7,444.3	7,774.9	330.6	4.4%
General Expenses	994.6	922.9	(71.7)	-7.2%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	8,438.9	8,697.8	258.9	3.1%
Revenue	(20.3)	(20.3)	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	8,418.6	8,677.5	258.9	3.1%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$188,800. Increases to the budget consist primarily of compensation adjustments totaling \$198,600. A transfer totaling \$9,800 was made to Central Accounts to fund fringe benefits for a new 1.0 FTE Academic Advisor position funded from differential tuition.

Program Changes

In FY 2007, the budget will be increased by \$70,100. This reflects the increase in the School's 85 percent share of projected revenue from the differential tuition rate assessed for graduate business courses for FY 2007.

Schools and Colleges
SCHOOL OF BUSINESS ADMINISTRATION

1. EXPLANATION OF CHANGES (continued)

The \$188,800 increase in technical adjustments and \$70,100 increase in program changes result in a net budget increase of \$258,900.

2. OTHER MATTERS

Beginning in FY 2004, a differential tuition rate was set for graduate business courses. This differential, which for FY 2007 is set at \$57.40 per credit hour, is expected to generate total revenues of \$952,300. Of that amount, 85 percent is reinvested in the program. That aggregate reinvestment totals \$809,500 for FY 2007, which includes the \$70,100 increase budgeted for FY 2007.

At the end of the fiscal year, a comparison of actual enrollment will be made with projected enrollment and an adjustment made, if necessary, to the amounts reinvested.

3. FTE DISTRIBUTION

The total salary budget for the School is \$7.8 million, which represents 89.6 percent of the total School of Business Administration budget. Total funded FTE staffing, as reported by the School, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	60.5	8.5	5.5	5.0	79.5	22.0	101.5

Schools and Colleges
COLLEGE OF EDUCATION

Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	7,601.4	7,955.6	354.2	4.7%
Non-Academic Salaries	1,753.6	1,839.7	86.1	4.9%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	9,355.0	9,795.3	440.3	4.7%
General Expenses	664.3	838.5	174.2	26.2%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	10,019.3	10,633.8	614.5	6.1%
Revenue	(37.0)	(37.0)	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	9,982.3	10,596.8	614.5	6.2%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$614,500. Increases to the budget consist of transfers totaling \$234,200 to fund the Instructional Technology doctoral enhancement program and compensation adjustments totaling \$253,800. Total funding of \$126,500 was transferred to help meet new and continuing salary commitments and a new 1.0 FTE Academic Advisor position to increase student retention efforts in the College.

2. FTE DISTRIBUTION

The total salary budget for the College is \$9.8 million, which represents 92.4 percent of the total College of Education budget. Total funded FTE staffing, as reported by the College, is

Schools and Colleges
COLLEGE OF EDUCATION

2. FTE DISTRIBUTION (continued)

comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	94.0	2.5	23.1	8.4	128.0	37.5	165.5

Schools and Colleges
COLLEGE OF ENGINEERING

Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	9,492.8	10,052.3	559.5	5.9%
Non-Academic Salaries	1,811.8	1,915.2	103.4	5.7%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	11,304.6	11,967.5	662.9	5.9%
General Expenses	1,619.9	1,326.3	(293.6)	-18.1%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	12,924.5	13,293.8	369.3	2.9%
Revenue	(24.3)	(24.3)	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	12,900.2	13,269.5	369.3	2.9%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$266,600. Increases to the budget consist primarily of compensation adjustments totaling \$308,500 and a transfer from the Graduate School totaling \$1,700 to cover a salary increase. Offsetting these increases was a transfer of \$43,600 to Central Accounts to fund fringe benefits for 3.0 FTE faculty positions and 1.0 FTE academic advisor position created out of differential tuition revenues.

Program Changes

For FY 2007, the budget is increased by \$102,700, which reflects the School's 85 percent share of projected revenue from the differential tuition rate assessed for graduate engineering courses.

Schools and Colleges
COLLEGE OF ENGINEERING

1. EXPLANATION OF CHANGES (continued)

The \$266,600 increase in technical adjustments and \$102,700 increase in program changes result in a net budget increase of \$369,300.

2. OTHER MATTERS

Beginning in FY 2004, a differential tuition rate was set for graduate engineering courses. This differential, which for FY 2007 is set at \$57.40 per credit hour, is expected to generate total revenues of \$873,700. Of that amount, 85 percent is reinvested in the program. That aggregate reinvestment totals \$742,600 for FY 2007, which includes the \$102,700 increase budgeted for FY 2007.

At the end of the fiscal year, a comparison of actual enrollment will be made with projected enrollment and an adjustment made, if necessary, to the amounts reinvested in the program.

3. FTE DISTRIBUTION

The total salary budget for the College is \$11.9 million, which represents 90.2 percent of the total College of Engineering budget. Total funded FTE staffing, as reported by the College, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	92.0	25.0	2.2	7.0	126.2	33.7	159.9

Schools and Colleges

COLLEGE OF FINE, PERFORMING AND COMMUNICATION ARTS

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	7,043.7	7,557.9	514.2	7.3%
Non-Academic Salaries	1,134.0	1,174.0	40.0	3.5%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	8,177.7	8,731.9	554.2	6.8%
General Expenses	512.4	529.2	16.8	3.3%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	8,690.1	9,261.1	571.0	6.6%
Revenue	(33.6)	(33.6)	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	8,656.5	9,227.5	571.0	6.6%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$531,000. Increases to the budget consist of compensation adjustments totaling \$222,400 and a transfer of \$151,600 made from the College of Liberal Arts and Sciences for the Master of Arts in Dispute Resolution program due to the College of Urban, Labor and Metropolitan Affairs' dissolution effective October 1, 2005. Transfers of \$125,000 were made to fund the Communication Doctoral Enhancement Program and \$32,000 to help meet salary commitments for new and continuing faculty.

Program Changes

For FY 2007, the budget will be increased by \$40,000 to fund an Art Curator position.

Schools and Colleges

COLLEGE OF FINE, PERFORMING AND COMMUNICATION ARTS

1. EXPLANATION OF CHANGES (continued)

The \$531,000 increase in technical adjustments and \$40,000 increase in program changes result in a net budget increase of \$571,000.

2. FTE DISTRIBUTION

The total salary budget for the College is \$8.7 million, which represents 94.6 percent of the total College of Fine, Performing and Communication Arts budget. Total funded FTE staffing as reported by the College, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	85.0	26.0	11.9	7.0	129.9	24.9	154.8

**Schools and Colleges
GRADUATE SCHOOL**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	648.6	665.5	16.9	2.6%
Non-Academic Salaries	908.1	923.9	15.8	1.7%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	1,556.7	1,589.4	32.7	2.1%
General Expenses	59.1	59.1	0.0	0.0%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	1,615.8	1,648.5	32.7	2.0%
Revenue	0.0	0.0	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	1,615.8	1,648.5	32.7	2.0%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by compensation adjustments totaling \$32,700.

2. OTHER MATTERS

The University supports approximately 650 graduate assistants, of which 33 are reflected in the Graduate School budget (\$488,600, referenced in item 3 below). The Graduate School assistantships are awarded through a competitive process based on current and future research projects. The budget for other graduate assistants is reflected in the respective schools and colleges.

Schools and Colleges GRADUATE SCHOOL

2. OTHER MATTERS (continued)

In addition, the Graduate School also administers roughly 57-60 graduate fellowships annually. Funding for these fellowships, in addition to other graduate awards, is budgeted in the Office of Scholarships and Financial Aid.

3. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Graduate School	1,138.7	1,159.9	21.2	1.9%
Graduate Research Assistants	477.1	488.6	11.5	2.4%
TOTAL ALLOCATION	1,615.8	1,648.5	32.7	2.0%

4. FTE DISTRIBUTION

The total salary budget for the School is \$1.6 million, which represents 96.4 percent of the total Graduate School budget. Total funded FTE staffing, as reported by the School, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	16.5	0.0	3.0	19.5	16.2	35.7

**Schools and Colleges
LAW SCHOOL**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	4,565.0	5,511.3	946.3	20.7%
Non-Academic Salaries	1,365.9	1,558.8	192.9	14.1%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	5,930.9	7,070.1	1,139.2	19.2%
General Expenses	3,357.8	2,520.7	(837.1)	-24.9%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	9,288.7	9,590.8	302.1	3.3%
Revenue	(31.5)	(31.5)	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	9,257.2	9,559.3	302.1	3.3%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$164,200. Increases to the budget consist primarily of a transfer of \$250,000 to fund the Doctoral Enhancement program and compensation adjustments totaling \$140,800. Offsetting these increases were transfers totaling \$226,600 to Central Accounts to fund fringe benefits for 8.8 FTE positions. These positions were funded from the Doctoral Enhancement program and differential tuition funds.

Program Changes

For FY 2007, the budget will be increased by \$137,900. The Law School scholarships and awards budget is increased by \$106,100 due to the proposed increase in base Law School

Schools and Colleges LAW SCHOOL

1. EXPLANATION OF CHANGES (continued)

tuition. These funds are specifically earmarked for Law students but are transferred to the School's budget to reflect its total resources. University policy requires that all financial aid disbursed through the Office of Scholarships and Financial Aid (OSFA). The movement of these budget amounts does not change that policy and OSFA continues to be responsible for ensuring that financial aid is awarded and disbursed in accordance with established guidelines.

A portion of the Center for Legal Studies will be consolidated into the Law School, which will result in a budget transfer of \$19,000.

Beginning with the fall 2005 term, it was proposed that the Law School tuition be increased by an additional \$2,000 per academic year, in addition to the proposed rate of increase for all tuition and fees. This would generate additional tuition revenue of \$1,588,000 for FY 2007, of which 80 percent, \$1,270,400, will be reinvested in Law School programs and Law School scholarships and awards. This allocation reflects a change of \$12,800 from FY 2006.

The \$164,200 increase in technical adjustments and \$137,900 increase in program changes result in a net budget increase of \$302,100.

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Law School	7,429.1	7,625.2	196.1	2.6%
Law School Graduate Awards	1,828.1	1,934.1	106.0	5.8%
TOTAL ALLOCATION	9,257.2	9,559.3	302.1	3.3%

3. FTE DISTRIBUTION

The total salary budget for the School is \$7.1 million, which represents 92.7 percent of the total Law School operating budget excluding scholarships and awards. Total funded FTE staffing, as reported by the School, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	48.0	0.0	2.0	2.0	52.0	26.8	78.8

**Schools and Colleges
CENTER FOR LEGAL STUDIES**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	103.6	0.0	(103.6)	-100.0%
Non-Academic Salaries	20.8	0.0	(20.8)	-100.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	124.4	0.0	(124.4)	-100.0%
General Expenses	10.8	0.0	(10.8)	-100.0%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	135.2	0.0	(135.2)	-100.0%
Revenue	0.0	0.0	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	135.2	0.0	(135.2)	-100.0%

Budget Notes

1. EXPLANATION OF CHANGES

Program Adjustments

Effective October 1, 2006 the budget for the Center for Legal Studies will be consolidated within the Law School, Office of the Provost and the College of Liberal Arts and Sciences. The transfers are reflected in the respective units. The Center for Legal Studies' charter was not renewed and its status is under review.

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Schools and Colleges
COLLEGE OF LIBERAL ARTS AND SCIENCES

Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	41,377.4	42,484.0	1,106.6	2.7%
Non-Academic Salaries	6,254.4	6,148.3	(106.1)	-1.7%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	47,631.8	48,632.3	1,000.5	2.1%
General Expenses	3,121.2	2,816.0	(305.2)	-9.8%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	50,753.0	51,448.3	695.3	1.4%
Revenue	(147.5)	(147.5)	0.0	0.0%
Internal Transfers	(731.9)	(731.9)	0.0	0.0%
NET ALLOCATION (REVENUE)	49,873.6	50,568.9	695.3	1.4%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$1,198,000. Increases to the budget consist of compensation adjustments totaling \$1,396,500. As part of the College of Urban, Labor and Metropolitan Affairs dissolution effective October 1, 2005, additional transfers netting to \$46,900 were made to the Office of the Provost and a transfer of \$151,600 was made to the College of Fine, Performing and Communication Arts for the Master of Arts in Dispute Resolution program.

Program Adjustments

For FY 2007, the budget will be decreased by a net \$502,700. Due to the English Language Institute transferring to the Office of the Provost, the budget was decreased by \$571,500.

Schools and Colleges
COLLEGE OF LIBERAL ARTS AND SCIENCES

1. EXPLANATION OF CHANGES (continued)

Offsetting this increase is the transfer of a 1.0 faculty FTE from the Center for Legal Studies in the amount of \$68,800.

The \$1,198,000 increase in technical adjustments and \$502,700 decrease in program changes result in a net budget increase of \$695,300.

2. FTE DISTRIBUTION

The total salary budget for the College is \$48.6 million, which represents 96.1 percent of the total College of Liberal Arts and Sciences budget. Total funded FTE staffing, as reported by the College, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	454.2	183.5	5.9	38.5	682.1	139.1	821.2

Schools and Colleges
LIBRARY AND INFORMATION SCIENCE PROGRAM

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	901.2	952.6	51.4	5.7%
Non-Academic Salaries	170.9	174.7	3.8	2.2%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	1,072.1	1,127.3	55.2	5.1%
General Expenses	45.3	485.6	440.3	972.0%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	1,117.4	1,612.9	495.5	44.3%
Revenue	0.0	0.0	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	1,117.4	1,612.9	495.5	44.3%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

For FY 2006, the budget was increased by \$55,200. Increases to the budget consist primarily of compensation adjustments of \$25,200 and a transfer of \$30,000 to help meet salary commitments for new and continuing faculty.

Program Changes

For FY 2007, the budget is increased by program changes totaling \$440,300 which reflects the 85 percent share of projected revenue from the differential tuition rate assessed for graduate courses. The differential tuition revenue will defray the cost due to increases in enrollment by funding additional positions (full and part-time faculty) and support student access to cutting edge classroom technology.

Schools and Colleges
LIBRARY AND INFORMATION SCIENCE PROGRAM

1. EXPLANATION OF CHANGES (continued)

The \$55,200 increase in technical adjustments and \$440,300 increase in program changes result in a net budget increase of \$495,500.

2. OTHER MATTERS

Beginning in FY 2007, a differential tuition rate is set for graduate Library and Information Science courses. This differential, which for FY 2007 is set at \$57.40 per credit hour, is expected to generate total revenues of \$518,000. Of that amount, 85 percent is reinvested in the program. The aggregate reinvestment totals \$440,300 for FY 2007.

3. FTE DISTRIBUTION

The total salary budget for the Program is \$1.1 million, which represents 69.9 percent of the total Library and Information Science Program budget. Total funded FTE staffing, as reported by the Program, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	13.0	0.5	0.8	1.0	15.3	2.0	17.3

**Schools and Colleges
SCHOOL OF MEDICINE**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	35,113.1	36,295.3	1,182.2	3.4%
Non-Academic Salaries	6,759.0	6,936.2	177.2	2.6%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	41,872.1	43,231.5	1,359.4	3.2%
General Expenses	7,500.3	9,644.1	2,143.8	28.6%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	49,372.4	52,875.6	3,503.2	7.1%
Revenue	(1,185.2)	(1,216.7)	(31.5)	2.7%
Internal Transfers	(490.0)	(490.0)	0.0	0.0%
NET ALLOCATION (REVENUE)	47,697.2	51,168.9	3,471.7	7.3%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$1,405,800. Increases to the budget consist primarily of compensation adjustments totaling \$1,296,300. Total funding of \$125,000 was transferred to support the Physiology and Obstetrics/Gynecology Reproductive Sciences Doctoral Enhancement program and \$100,000 to support the Medical Physics graduate program. A transfer of \$94,800 was made for the FY 2006 tuition rate increase of 18.5 percent for the 14 medical students' scholarships. The Radiation Therapy program was transferred to the Eugene Applebaum College of Pharmacy and Health Sciences, creating a net reduction of \$210,300 to the School of Medicine budget.

Program Changes

For FY 2007, the budget is increased by program changes totaling \$2,065,900.

Schools and Colleges SCHOOL OF MEDICINE

1. EXPLANATION OF CHANGES (continued)

Beginning with the fall 2007 entering class, the M.D. program will increase the size of each freshman class by 30 students for a total of 120 additional students by FY 2010. Tuition revenue of \$1,433,000 generated by this increased enrollment for FY 2007 will be returned to the School of Medicine at the proposed non-resident tuition rate to support the additional instructional costs attributable to the larger class size. Funding in the amount of \$321,300 will be allocated for scholarships for 14 additional students at the resident rate.

Also beginning in fall 2007 a differential tuition rate will be set for Medical Physics Master of Science and Ph.D programs. This differential, which for FY 2007 is set at \$125.00 per credit hour, is expected to generate total revenues of \$71,600. Of that amount, 100 percent is reinvested in the program.

For each of the above differential tuition programs, at the end of the fiscal year, a comparison of actual enrollment will be made with projected enrollment and an adjustment made, if necessary, to the amounts reinvested in the program.

Additionally, financial aid will be increased by \$240,000 reflecting the University's ongoing practice of increasing tuition-based financial aid by the same percentage that tuition increases. These funds are specifically earmarked for School of Medicine students but are transferred to the School's budget to reflect its total resources and to reflect the mission. University policy requires that all financial aid is disbursed through the Office of Scholarships and Financial Aid (OSFA). The movement of these budget amounts does not change that policy and OSFA continues to be responsible for ensuring that financial aid is awarded and disbursed in accordance with established guidelines.

The \$1,405,800 increase in technical adjustments and \$2,065,900 increase in program changes result in a net budget increase of \$3,471,700.

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Medical School Operations	43,653.9	46,478.9	2,825.0	6.5%
Graduate Awards - Medicine	4,043.3	4,690.0	646.7	16.0%
Total	47,697.2	51,168.9	3,471.7	7.3%

**Schools and Colleges
SCHOOL OF MEDICINE**

3. FTE DISTRIBUTION

The total salary budget for the School is \$43.2 million, which represents 93.1 percent of the total School of Medicine operating budget. Total funded FTE staffing, as reported by the School, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	342.0	40.0	29.1	19.5	430.6	125.3	555.9

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**Schools and Colleges
COLLEGE OF NURSING**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	4,980.2	5,345.0	364.8	7.3%
Non-Academic Salaries	1,410.8	1,478.8	68.0	4.8%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	6,391.0	6,823.8	432.8	6.8%
General Expenses	434.9	251.0	(183.9)	-42.3%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	6,825.9	7,074.8	248.9	3.6%
Revenue	(269.2)	(369.2)	(100.0)	37.1%
Internal Transfers	(5.3)	(5.3)	0.0	0.0%
NET ALLOCATION (REVENUE)	6,551.4	6,700.3	148.9	2.3%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$136,800. Increases to the budget consist of compensation adjustments totaling \$179,400. Transfers totaling \$42,600 were made to Central Accounts to fund fringe benefits for 3.0 FTE faculty positions funded by the differential tuition revenues.

Program Changes

For FY 2007, the budget is increased by program changes totaling \$12,100. Starting with FY 2007, the College will assess an application fee of \$50.00 per application. This fee is projected to generate revenue of \$50,000.

Schools and Colleges COLLEGE OF NURSING

1. EXPLANATION OF CHANGES (continued)

Beginning in FY 2004, a differential tuition rate was set for graduate nursing courses. This differential, which for FY 2007 is set at \$57.40 per credit hour, is expected to generate total revenues of \$138,900. Of that amount, 85 percent is reinvested in the program. That aggregate reinvestment totals \$118,100 for FY 2007; a reduction of \$37,900 is budgeted for FY 2007.

At the end of the fiscal year, a comparison of actual enrollment will be made with projected enrollment and an adjustment made, if necessary, to the amounts reinvested.

The \$136,800 increase in technical adjustments and \$12,100 increase in program changes result in a net budget increase of \$148,900.

2. FTE DISTRIBUTION

The total salary budget of the College is \$6.8 million, which represents 98.2 percent of the total College of Nursing budget. Total funded FTE staffing, as reported by the College, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	66.0	1.0	4.0	3.0	74.0	24.0	98.0

Schools and Colleges

EUGENE APPLEBAUM COLLEGE OF PHARMACY AND HEALTH SCIENCES

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	7,264.3	7,690.9	426.6	5.9%
Non-Academic Salaries	1,247.3	1,297.7	50.4	4.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	8,511.6	8,988.6	477.0	5.6%
General Expenses	1,284.9	1,790.1	505.2	39.3%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	9,796.5	10,778.7	982.2	10.0%
Revenue	(38.1)	(78.7)	(40.6)	106.6%
Internal Transfers	(18.4)	0.0	18.4	-100.0%
NET ALLOCATION (REVENUE)	9,740.0	10,700.0	960.0	9.9%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$467,400. Increases to the budget consist of compensation adjustments totaling \$238,300. Transfers totaling \$210,300 were made from the School of Medicine for the Radiation Therapy program. A transfer of \$63,000 was made from Faculty Recruitment Fund to help meet salary commitments for new faculty. Transfers of \$44,200 were made to Central Accounts to fund fringe benefits for 2.0 faculty FTE.

Program Changes

For FY 2007, the budget is increased by \$492,600, which reflects the School's 85 percent share of projected revenue generated from the differential tuition rate assessed for the Doctor

EUGENE APPLEBAUM COLLEGE OF PHARMACY AND HEALTH SCIENCES

1. EXPLANATION OF CHANGES (continued)

of Pharmacy program (Pharm.D) of \$256,000 and the Doctor of Physical Therapy program (DPT) of \$257,700. A reduction of \$21,100 will be made to the FY 2007 differential revenue to adjust for FY 2006 actual enrollment.

2. OTHER MATTERS

The Board of Governors has approved differential tuition rates for the Doctor of Pharmacy (Pharm.D) and Doctor of Physical Therapy (DPT) programs. This differential rate generates additional revenue to meet the costs of clinical faculty ratios required by state licensing requirements and addresses growth and program needs. 85 percent of the revenue generated from Doctor of Pharmacy and 75 percent from Doctor of Physical Therapy differential tuition revenues will be reinvested in the programs.

As of FY 2007, aggregate budgeted differential tuition revenue for the Pharm.D and DPT programs is \$1,979,500, of which \$1,613,900 is returned to the programs, including the \$513,700 increase budgeted for FY 2007

3. FTE DISTRIBUTION

The total salary budget for the College is \$8.9 million, which represents 88.2 percent of the total Eugene Applebaum College of Pharmacy and Health Sciences budget, excluding the \$513.7 reinvestment of differential tuition in FY 2007. Total funded FTE staffing, as reported by the College, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	84.2	2.2	12.0	9.0	107.4	29.0	136.4

**Schools and Colleges
SCHOOL OF SOCIAL WORK**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	2,702.5	2,761.2	58.7	2.2%
Non-Academic Salaries	772.4	801.3	28.9	3.7%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	3,474.9	3,562.5	87.6	2.5%
General Expenses	195.4	195.4	0.0	0.0%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	3,670.3	3,757.9	87.6	2.4%
Revenue	0.0	0.0	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	3,670.3	3,757.9	87.6	2.4%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by compensation adjustments totaling \$87,600.

2. FTE DISTRIBUTION

The total salary budget for the School is \$3.6 million, which represents 95.0 percent of the total School of Social Work budget. Total funded FTE staffing, as reported by the School, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	28.0	0.0	24.0	3.0	55.0	16.0	71.0

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Schools and Colleges
UNDERGRADUATE GENERAL EDUCATION

Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)

	FY 2006 Approved Budget	FY2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	88.7	0.0	(88.7)	-100.0%
Non-Academic Salaries	39.3	0.0	(39.3)	-100.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	128.0	0.0	(128.0)	-100.0%
General Expenses	5.5	0.0	(5.5)	-100.0%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	133.5	0.0	(133.5)	-100.0%
Revenue	0.0	0.0	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	133.5	0.0	(133.5)	-100.0%

Budget Notes

1. EXPLANATION OF CHANGES

Program Adjustments

Beginning with Academic Year 2006, the UGE 1000 course was no longer required as part of the general education curriculum. However, during transition, a reduced number of sections were taught as no credit electives. In Academic Year 2007 the UGE 1000 course will no longer be available in its current form. The budget will be transferred to the Office of the Provost in the amount of \$133,500 in order to initiate a new First Year Experience program.

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Academic Support SUMMARY BUDGET

Fiscal Year 2007 General Fund Budget Expenditures (In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Office of the Provost	49,309.0	50,998.6	1,689.6	3.4%
Student Services	9,218.8	10,104.2	885.4	9.6%
Libraries	17,002.3	17,604.4	602.1	3.5%
Research	22,397.4	25,315.1	2,917.7	13.0%
Total Academic Support	<u>97,927.4</u>	<u>104,022.3</u>	<u>6,094.7</u>	<u>6.2%</u>
Student Financial Aid	<u>25,129.4</u>	<u>28,229.2</u>	<u>3,099.8</u>	<u>12.3%</u>

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Office of the Provost SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of the Office of the Provost, as the central academic administrative unit of the University, is to provide leadership and support in Wayne State University's continuing role as a one of 63 Carnegie Foundation "Research University/Very High Research Activity" public higher education institutions; 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. These programs are delivered through 11 schools and colleges with aggregate budgets totaling \$177.4 million. This office determines the University's educational and research goals by maintaining and continuously seeking to improve teaching, research and service. The Office of the Provost interacts and coordinates activities with other divisions of the University; is responsible for University budgeting, institutional analysis and information technology; facilitates academic governance and faculty interchange; provides a wide range of student services; and provides direction in the hiring of new faculty and on-going development of existing faculty.

**Office of the Provost
SUMMARY DIVISION BUDGET**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	10,443.4	11,285.7	842.3	8.1%
Non-Academic Salaries	19,114.5	19,036.0	(78.5)	-0.4%
Fringe Benefit	175.8	175.8	0.0	0.0%
TOTAL SALARY	29,733.7	30,497.5	763.8	2.6%
General Expenses	20,000.0	23,879.6	3,879.6	19.4%
Non-Recurring	5,028.4	2,767.5	(2,260.9)	-45.0%
TOTAL EXPENDITURES	54,762.1	57,144.6	2,382.5	4.4%
Revenue	(735.1)	(735.1)	0.0	0.0%
Internal Transfers	(5,411.0)	(5,411.0)	0.0	0.0%
NET ALLOCATION (REVENUE)	48,616.0	50,998.5	2,382.5	4.9%

Budget Notes

1. EXPLANATION OF CHANGES

Restatement of FY 2006 Approved Budget

FY 2006 Approved Budget	\$49,309.0
<u>Transfer from other units:</u>	
Student Activities	481.7
Dean of Students	309.1
International Services	237.3
South End	121.7
<u>Transfer to other units:</u>	
University Advising (formerly Student Retention)	(1,842.8)
Restated FY 2006 Approved Budget	\$48,616.0

Office of the Provost SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Technical Adjustments

During FY 2006, the budget was increased by adjustments totaling \$2,410,600. Increases to the budget consist of compensation adjustments totaling \$414,900. Allocations were made from Program Enhancements to fund \$1,000,000 for Faculty Set-ups, \$500,000 for campus safety, \$1,500,000 for graduate doctoral enhancement programs and \$500,000 for enhancement of student retention services. Omnibus funding totaling \$588,600 was transferred to the Office of the Provost, Computing and Information Technology, and Public Safety. Funding in the amount of \$107,000 is provided to Public Safety for building monitors in the 5057 Woodward Building based on a contractual agreement. As part of the College of Urban, Labor and Metropolitan Affairs (CULMA) dissolution effective October 1, 2005, additional transfers netting to \$46,900 was made to the Office of the Provost.

Due to CULMA's dissolution, \$1,000,000 was recaptured to the Central Accounts to fund other budget needs. Transfers totaling \$750,000 were made to fund the graduate doctoral enhancement programs in the College of Education (Instructional Technology), Law School, School of Medicine (Physiology and OB/GYN Reproductive Studies), College of Fine, Performing and Communication Arts (Communication doctoral program) and \$100,000 to support the Medical Physics graduate program in the School of Medicine. Transfers of \$207,500 were made to individual academic units from the Faculty Recruitment Fund to assist in meeting salary commitments for new and continuing faculty.

A transfer of \$54,800 from the student retention enhancement was made to fund a 1.0 FTE Academic Advisor position in the College of Education. A transfer of \$134,500 to fund the Public Safety cadet program and \$40,000 to fund part-time students to secure the University Libraries was made from the campus safety enhancement. Transfers totaling \$94,500 were made to the Merrill-Palmer Institute for 3.0 FTE faculty positions from the Strategic Investment Fund.

Program Changes

For FY 2007, the budget is increased by adjustments netting to \$2,232,700. The budget will be increased by \$1,167,700 for Metropolitan Programs and Summer Sessions. Allocations totaling \$301,300 are made from Omnibus Fees. A transfer of \$750,000 is provided for the Graduate doctoral enhancement programs. Funding for the English Language Institute in the College of Liberal Arts and Sciences in the amount of \$571,500 is transferred to the Office of the Provost. A transfer of \$200,000 is provided for the Macomb Initiatives.

Allocation of \$600,000 is made to replenish the Faculty Recruitment Fund and the amount of \$23,000 is provided to bring Faculty Recruitment to the base allocation. Funding is

Office of the Provost SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

transferred from Undergraduate General Education in the amount of \$134,800 to initiate a new First Year Experience program. The Center for Legal Studies was not rechartered; therefore, the budget will be consolidated among several units, including \$49,900 to the Office of the Provost, while alternatives are being reviewed.

Funding for the Strategic Plan is reduced by \$1,000,000. An additional reduction of \$500,000 is budgeted to reflect the final installment of the savings generated with the dissolution of the College of Urban Labor and Metropolitan Affairs (CULMA) in FY 2006. The unspent balance of \$65,500 in Minority Faculty recruitment is recaptured.

Non-Recurring

For FY 2007, a distribution of net summer revenue totaling \$2,767,500 is budgeted. This is a decrease of \$1,749,900 from the amount budgeted in FY 2006, reflecting a more realistic assessment of program revenue and expenses. The Faculty Recruitment non-recurring adjustment in the amount of \$510,900 was discontinued as a budget item for FY 2007.

The \$2,410,600 increase in technical adjustments, \$2,232,700 increase in program changes and \$2,260,800 reduction in non-recurring items result in a net budget increase of \$2,382,500.

2. OTHER MATTERS

The Computing and Information Technology unit is part of Office of the Provost. The \$15.4 million budget for this unit is comprised of the following subordinate units:

Computing and Information Technology	6,680.7
University Information Systems	3,887.3
Omnibus Fee - Student Technology	2,655.6
Network Services	1,004.5
University Television	334.3
TOTAL	14,562.4

Included in the Network Services budget is estimated revenue from charges made to University units for telephones, phone services and operating support. This revenue is budgeted at \$5.3 million for FY 2007.

3. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

Office of the Provost SUMMARY DIVISION BUDGET

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Computing and Information Technology	14,086.2	14,562.4	476.2	3.4%
Office of the Provost and Senior Vice President	9,311.9	10,737.8	1,425.9	15.3%
Summer Session	9,266.5	8,688.2	(578.3)	-6.2%
Public Safety	3,193.8	3,741.2	547.4	17.1%
Extension Program	3,386.2	3,425.7	39.5	1.2%
Faculty Set-Ups	2,000.0	3,000.0	1,000.0	50.0%
Community Education	1,004.1	1,028.1	24.0	2.4%
Institutional Research, Assessment & Data Resources	1,005.2	1,027.0	21.8	2.2%
Archives	839.8	856.7	16.9	2.0%
Center for Urban Studies	600.0	605.4	5.4	0.9%
Faculty Recruitment Fund	1,110.9	600.0	(510.9)	-46.0%
Student Activities	481.7	481.8	0.1	0.0%
University Budget	540.6	421.0	(119.6)	-22.1%
University Press	419.1	419.1	0.0	0.0%
Center for Labor Studies	323.6	330.6	7.0	2.2%
Dean of Students	309.1	314.0	4.9	1.6%
International Services	237.3	253.9	16.6	7.0%
Ombudsperson	131.1	133.5	2.4	1.8%
South End	121.7	121.7	0.0	0.0%
University Professors	109.1	111.3	2.2	2.0%
Student Evaluation Process	88.0	89.0	1.0	1.1%
Minority/Women Summer Grant	50.1	50.1	0.0	0.0%
TOTAL ALLOCATION	48,616.0	50,998.5	2,382.5	4.9%

4. FTE DISTRIBUTION

The total salary budget for the Office is \$30.5 million, which represents 74.1 percent of the total Office of the Provost budget, excluding Faculty Set-ups, Omnibus Fee – Student Technology and Net Change in Summer Revenue. Total funded FTE staffing, as reported by the Office, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	8.0	1.5	151.5	57.0	218.0	294.5	512.5

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**Office of the Provost
STUDENT SERVICES**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	2,607.6	2,687.9	80.3	3.1%
Non-Academic Salaries	5,920.7	6,037.3	116.6	2.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	8,528.3	8,725.2	196.9	2.3%
General Expenses	26,823.2	29,918.5	3,095.3	11.5%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	35,351.5	38,643.7	3,292.2	9.3%
Revenue	(304.5)	(304.5)	0.0	0.0%
Internal Transfers	(5.8)	(5.8)	0.0	0.0%
NET ALLOCATION (REVENUE)	35,041.2	38,333.4	3,292.2	9.4%

Budget Notes

1. EXPLANATION OF CHANGES

Restatement of FY 2006 Approved Budget

FY 2006 Approved Budget	\$34,348.2
<u>Transfer from other units:</u>	
Student Retention	1,842.8
<u>Transfer to other units:</u>	
Student Activities	(481.7)
Dean of Students	(309.1)
International Services	(237.3)
South End	(121.7)
Restated FY2006 Approved Budget	\$35,041.2

1. EXPLANATION OF CHANGES (continued)

Technical Adjustments

During FY 2006, the budget was increased by \$2,014,500. Increases to the budget consist of compensation adjustments totaling \$192,500. Transfers totaling \$1,700,000 from Program Enhancements for undergraduate (\$1,325,000) and graduate (\$375,000) need based financial aid. A transfer of \$122,000 from Omnibus Fees was made for need based financial aid.

Program Changes

The Student Services budget includes amounts funded for Financial Aid Awards. Tuition based financial aid is increased each year by the same percentage as tuition and fees are increased. The adjustment for FY 2007 totals \$1,277,700 which has been added to the respective financial aid budgets based on proposed increases in tuition and fee rates.

The \$2,014,500 increase in technical adjustments and \$1,277,700 increase in program changes result in a net budget increase of \$3,292,200.

2. OTHER MATTERS

For FY 2007 Student Services will be reorganized. Student Support Services includes Academic Success Center, Education Accessibility Services, and Counseling and Psychological Services. Undergraduate Admissions, Office of Student Financial Aid, and Student Orientation and Transitions will be combined. University Advising Center previously under Student Retention and Career Services previously under Student Support Services will now be separate units. Several units have been transferred to the Office of the Provost.

3. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Operations				
Admissions and Student Financial Aid	2,437.4	4,336.5	1,899.1	77.9%
Office of the Registrar	2,243.0	2,280.0	37.0	1.6%
Student Support Services	1,019.5	1,193.4	173.9	17.1%
University Advising Center	1,842.8	1,049.0	(793.8)	-43.1%
Career Services	0.0	615.6	615.6	0.0%
Office of the Vice President	332.3	333.0	0.7	0.2%
Federal TRIO Programs-ACCESS	291.3	296.7	5.4	1.9%
Financial Aid	1,745.4	0.0	(1,745.4)	-100.0%
Subtotal Operations	9,911.7	10,104.2	192.5	1.9%

**Office of the Provost
STUDENT SERVICES**

Awards/Scholarships

Presidential Scholarships	8,502.1	8,995.3	493.2	5.8%
Graduate Awards	8,496.4	8,731.6	235.2	2.8%
Special Programs	4,363.3	4,616.3	253.0	5.8%
Board of Governors Awards	1,867.5	3,875.6	2,008.1	107.5%
State/Federal Match Requirement	1,526.7	1,615.3	88.6	5.8%
Indian Tuition Reimbursement	259.1	274.1	15.0	5.8%
Detroit Compact Scholarships	114.4	121.0	6.6	5.8%
Subtotal Awards/Scholarships	25,129.5	28,229.2	3,099.7	12.3%
TOTAL ALLOCATION	35,041.2	38,333.4	3,292.2	9.4%

3. FTE DISTRIBUTION

The total salary budget for the unit is \$8.7 million, which represents 86.4 percent of the total Student Services General Fund budget, excluding Financial Aid Awards Scholarships. Total funded FTE staffing, as reported by the Office of the Provost, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	1.5	0.0	58.5	60.0	125.0	185.0

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Libraries

SUMMARY DIVISION BUDGET

MISSION STATEMENT

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. Media Services is also a part of the Libraries and is responsible for providing 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 2007
General Fund Budget
(In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	2,008.7	2,046.6	37.9	1.9%
Non-Academic Salaries	6,225.4	6,389.5	164.1	2.6%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	8,234.1	8,436.1	202.0	2.5%
General Expenses	9,076.3	9,476.3	400.0	4.4%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	17,310.4	17,912.4	602.0	3.5%
Revenue	(252.0)	(252.0)	0.0	0.0%
Internal Transfers	(56.0)	(56.0)	0.0	0.0%
NET ALLOCATION (REVENUE)	17,002.4	17,604.4	602.0	3.5%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$202,000. Increases to the budget consist of compensation adjustments totaling \$162,000, and a transfer totaling \$40,000 from the Office of the Provost campus safety fund for part-time student salary for security in the Libraries.

Program Changes

For FY 2007, the budget is increased by \$400,000, which is provided as an inflation adjustment on periodicals maintained as part of the Libraries' collections. Approximately \$6.3 million of the Division's budget is expended on acquisition of volumes and collections. This represents 35.8 percent of the total budget.

Libraries SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

The \$202,000 increase in technical adjustments and \$400,000 increase in program changes result in a net budget increase of \$602,000.

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Libraries	16,660.5	17,261.6	601.1	3.6%
Office for Teaching and Learning	341.9	342.8	0.9	0.3%
TOTAL ALLOCATION	17,002.4	17,604.4	602.0	3.5%

3. FTE DISTRIBUTION

The total salary budget for the Division is \$8.4 million, which represents 74.6 percent of the total Libraries Division General Fund budget, excluding the expenditures for acquisition of volumes and collection. Total funded FTE staffing, as reported by the Division, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	5.5	1.5	33.0	40.0	117.5	157.5

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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.

Of the \$25.3 million budget proposed for FY 2007, \$13.4 million (60.4 percent) is attributable to Research Incentives that will be distributed to principal investigators, departments, and school/colleges in accordance with University policy.

The Division supports the University's \$165.4 million in annual research funding (2005) and \$225.5 million in annual research expenditures (2005).

Division of Research
SUMMARY DIVISION BUDGET

Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	786.3	906.2	119.9	15.3%
Non-Academic Salaries	5,783.6	5,959.3	175.7	3.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	6,569.9	6,865.5	295.6	4.5%
General Expenses	16,715.1	19,325.8	2,610.7	15.6%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	23,285.0	26,191.3	2,906.3	12.5%
Revenue	(110.5)	(110.4)	0.1	-0.1%
Internal Transfers	(777.1)	(765.8)	11.3	-1.5%
NET ALLOCATION (REVENUE)	22,397.4	25,315.1	2,917.7	13.0%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by net adjustments of \$1,295,600. Increases to the budget consist of compensation adjustments totaling \$148,000 and a transfer of \$1,000,000 from Program Enhancements for Research Faculty set-ups. Transfers totaling \$94,500 were made from Strategic Enhancements to the Merrill-Palmer Institute to fund 3.0 FTE positions. Net transfers totaling \$53,100 were made for 1.0 FTE position from Enhancement of Research Support.

Program Changes

For FY 2007, changes in program funding will result in a net increase of \$1,622,100. An allocation of \$1,000,000 is provided for continued strengthening of academic and research

Division of Research SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

programs. As a result of the \$1,728,000 budgeted increase in Indirect Cost Recovery, the Research Incentive budget is increased by \$449,300 and the Research Stimulation budget is increased by \$172,800.

The \$1,295,600 increase in technical adjustments and \$1,622,100 increase in program changes result in a net budget increase of \$2,917,700.

2. OTHER MATTERS

Beginning October 1, 2003, the policy for the distribution of Indirect Cost Recovery (ICR) as prescribed in Executive Order 86-2 has been revised. The revisions include a change in the percentage allocations and new allocations to meet the needs for facilities maintenance in research buildings and \$1.0 million operating support within the Research Division. The Research Facilities Fund, maintained in Central Accounts, will provide resources to meet continuing improvements and capital maintenance in buildings that house research activities. After meeting this commitment, the balance of ICR is distributed in accordance with the following schedule:

	Distribution
Department	11.5%
Research Stimulation	10.0%
School/College	7.5%
Enhancement for Research Support ¹	7.5%
Principal Investigator	7.0%
Research Facilities Fund	7.0%
TOTAL	50.5%

In addition to the allocation percentages identified above, an allocation of \$1.0 million is made to support research operations. The unallocated ICR is used to support University expenditures attributable to research activity – e.g., utilities, depreciation, administrative expenses, etc.

3. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

¹ Enhancement for Research Support is allocated on all ICR in excess of \$5.2 million in accordance with the percentage specified.

Division of Research SUMMARY DIVISION BUDGET

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Research Incentives	9,823.9	10,273.2	449.3	4.6%
Office of the Vice President for Research	3,461.2	5,493.7	2,032.5	58.7%
Research Stimulation	3,878.8	4,051.6	172.8	4.5%
Research Office	1,855.5	1,946.8	91.3	4.9%
Research Support	1,529.0	1,573.7	44.7	2.9%
Institute of Gerontology	938.3	965.3	27.0	2.9%
Hazardous Waste Disposal	491.0	491.0	0.0	0.0%
Research Awards	205.0	205.0	0.0	0.0%
Human and Animal Investigation Committees	135.3	137.7	2.4	1.8%
Merrill-Palmer Institute	0.0	95.1	95.1	0.0%
Research Excellence & Economic Development	79.4	82.0	2.6	3.3%
TOTAL ALLOCATION	22,397.4	25,315.1	2,917.7	13.0%

4. FTE DISTRIBUTION

The total salary budget for the Division is \$6.8 million, which represents 63.7 percent of the total Division of Research General Fund budget excluding Research Awards, Research Incentives and Research Stimulation. Total funded FTE staffing, as reported by the Division, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	6.6	1.0	0.0	5.2	12.8	112.8	125.7

**Divisions
SUMMARY BUDGET**

**Fiscal Year 2007
General Fund Budget Expenditures
(In Thousands of Dollars)**

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Executive Office of the President	8,872.7	10,018.5	1,145.8	12.9%
Administrative Operations	4,072.7	4,107.5	34.8	0.9%
Development & Alumni Relations	4,706.4	4,783.0	76.6	1.6%
Finance and Facilities	28,943.7	29,550.4	606.7	2.1%
Total Divisions	46,595.4	48,459.4	1,864.0	4.0%

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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.

Specific departments within this division include Athletics; Marketing and Communication; Internal Audit; General Counsel; and Governmental and Community Affairs. Of these units, budgets for Athletics and Marketing combined total \$6.1 million and account for 60.4 percent of the total division budget.

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

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	1,501.3	1,613.8	112.5	7.5%
Non-Academic Salaries	5,199.9	5,466.9	267.0	5.1%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	6,701.2	7,080.7	379.5	5.7%
General Expenses	1,847.2	2,613.5	766.3	41.5%
Non-Recurring	400.0	400.0	0.0	0.0%
TOTAL EXPENDITURES	8,948.4	10,094.2	1,145.8	12.8%
Revenue	(75.6)	(75.6)	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	8,872.8	10,018.6	1,145.8	12.9%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by adjustments netting \$215,800. The FY 2006 omnibus fee allocation of \$294,300 was transferred to Athletics from Office of the Provost. Increases to the budget consist of compensation adjustments totaling \$162,600. Transfers were made from Central Accounts of \$146,500 for a 1.0 FTE position in Internal Audit and to fund a reclassification in the Office of the President. A transfer of \$33,100 from Auxiliary Operations was made to fund .85 FTE in the Office of the Executive Vice President. A transfer of \$7,900 was made from Development and Alumni Affairs to support a non-academic position in Internal Audit.

The FY 2006 allocation of \$400,000 to supplement base funding for advertising will be discontinued as a technical adjustment and continued as a program change for FY 2007. A transfer of \$27,600 was made from the Office of the Executive Vice President to Central

Executive Office of the President SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Accounts for salary support. A transfer of \$1,000 was made from the Office of the Executive Vice President to Office of Equal Opportunity for salary support.

Program Changes

For FY 2007, program changes result in a net increase of \$530,000. The Omnibus Fee allocation totaling \$240,000 will be provided to strengthen the Athletics Program. Funding of \$170,000 will be allocated to Governmental and Community Affairs to meet critical funding needs. General Counsel will receive \$90,000 for an additional staff attorney. Internal Audit will be allocated \$30,000 for salary enhancements.

Non-Recurring

The FY 2006 allocation of \$400,000 to supplement base funding for advertising will be continued in FY 2007 as a non-recurring allocation.

The \$215,800 increase in technical adjustments, \$530,000 increase in program changes and \$400,000 in non-recurring allocation result in a net budget increase of \$1,145,800.

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Athletics	3,612.6	4,214.3	601.7	16.7%
Marketing and Communications	1,781.1	1,807.2	26.1	1.5%
General Counsel	981.6	1,090.1	108.5	11.1%
Governmental and Community Affairs	881.5	1,064.8	183.3	20.8%
Office of the President	631.6	693.6	62.0	9.8%
Internal Audit	495.0	645.2	150.2	30.3%
Executive Vice President	246.0	255.7	9.7	3.9%
Secretary of the University	233.2	237.5	4.3	1.9%
Commission on the Status of Women	10.2	10.2	0.0	0.0%
TOTAL ALLOCATION	8,872.8	10,018.6	1,145.8	12.9%

Executive Office of the President SUMMARY DIVISION BUDGET

3. FTE DISTRIBUTION

The total salary budget for the Division is \$7.1 million, which represents 70.6 percent of the total Executive Office of the President budget. Total funded FTE staffing, as reported by the Division, is comprised of the following:

Projected FY 2007	Faculty	Graduate Assistants	Part-time Faculty	Other Academic	Total Academic	Non- Academic	Total FTE
No. FTE	0.0	2.0	0.0	30.5	32.5	81.8	114.3

Administrative Operations SUMMARY DIVISION BUDGET

MISSION STATEMENT

Administrative Operations includes many of the staff operating functions of the University – including Human Resources and Business Operations. Business Operations is responsible for most of the auxiliary operations of the University, as well as Housing. Those operating budgets are not part of the General Fund. Both Human Resources and Business Operations have University-wide impact, and their operations are vital to the day-to-day operations of almost all University units.

Administrative Operations SUMMARY DIVISION BUDGET

Fiscal Year 2007 General Fund Budget (In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	0.0	0.0	0.0	0.0%
Non-Academic Salaries	3,626.5	3,661.8	35.3	1.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	3,626.5	3,661.8	35.3	1.0%
General Expenses	1,993.3	1,992.8	(0.5)	0.0%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	5,619.8	5,654.6	34.8	0.6%
Revenue	0.0	0.0	0.0	0.0%
Internal Transfers	(1,547.1)	(1,547.1)	0.0	0.0%
NET ALLOCATION (REVENUE)	4,072.7	4,107.5	34.8	0.9%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, budget adjustments resulted in a net increase of \$15,800. Increases to the budget consist of compensation adjustments totaling \$76,700. The budget has been increased by \$32,300 to support the online hiring system and \$15,000 was transferred for employee recognition awards. An allocation of \$8,000 has been provided for Michigan Universities Coalition on Health (MUCH) and \$1,000 was transferred from the Executive Office of the President to the Equal Employment Office for salary support. Funding in the amount of \$84,100 was transferred from Business Operations to Program Enhancements to reduce the general fund obligation and a .85 FTE was transferred in the amount of \$33,100 to the Executive Office of the President.

Administrative Operations SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Program Changes

For FY 2007, program changes result in a net increase of \$19,000. A 1.0 FTE position is provided for Human Resources for system support in the amount of \$74,800. An additional allocation of \$2,000 is provided for MUCH and funding in the amount of \$2,200 is provided for the Talx Employment Verification maintenance fee. The Performance Planning Program funding in the amount of \$60,000 is eliminated as it was intended to be one time for FY 2006.

The \$15,800 increase in technical adjustments and \$19,000 increase in program changes result in a net budget increase of \$34,800.

2. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Human Resources	2,274.4	2,398.6	124.2	5.5%
Business Operations	1,550.0	1,458.0	(92.0)	-5.9%
Equal Opportunity	248.3	250.9	2.6	1.0%
TOTAL ALLOCATION	4,072.7	4,107.5	34.8	0.9%

3. FTE DISTRIBUTION

The total salary budget for the Division is \$3.7 million, which represents 89.2 percent of the total Administrative Operations budget. Total funded FTE staffing, as reported by the Division, is comprised of the following:

Projected FY 2007	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	74.6	74.6

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Development and Alumni Affairs SUMMARY DIVISION BUDGET

MISSION STATEMENT

The Division of Development and Alumni Affairs 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 University is currently involved in a \$500 million capital campaign which will strengthen the University's \$194.1 million endowment (as of September 30, 2005) and generate funds for scholarships, faculty chairs and facilities. This campaign has been underway for several years and is expected to continue through FY 2008.

Wayne State has over 200,000 alumni of which approximately 183,000 reside in the State of Michigan.

Development and Alumni Affairs SUMMARY DIVISION BUDGET

Fiscal Year 2007 General Fund Budget (In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	0.0	0.0	0.0	0.0%
Non-Academic Salaries	3,853.1	3,929.8	76.7	2.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	3,853.1	3,929.8	76.7	2.0%
General Expenses	1,045.3	1,045.2	(0.1)	0.0%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	4,898.4	4,975.0	76.6	1.6%
Revenue	(192.0)	(192.0)	0.0	0.0%
Internal Transfers	0.0	0.0	0.0	0.0%
NET ALLOCATION (REVENUE)	4,706.4	4,783.0	76.6	1.6%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by \$76,600. Increases to the budget consist of compensation adjustments totaling \$84,500. A transfer of \$7,900 was made to the Executive Office of the President to support a non-academic position in Internal Audit.

2. OTHER MATTERS

The University is currently involved in a \$500 million capital campaign. Total campaign costs of \$14.1 million are to be funded from a combination of the following:

Development and Alumni Affairs SUMMARY DIVISION BUDGET

2. OTHER MATTERS (continued)

- an allocation of \$700,000 from the General Fund provided as part of the FY 2005 budget;
- an administrative fee of 0.5 percent on the fair market value of the University's endowment beginning April 1, 2005; and
- a 2.0 percent assessment on the receipt of cash gifts beginning April 1, 2005.

This funding plan was approved by the Board of Governors in March 2005.

3. FTE DISTRIBUTION

The total salary budget for the Division is \$3.9 million, which represents 82.2 percent of the total Development and Alumni Affairs budget. Total funded FTE staffing, as reported by the Division, is comprised of the following:

Projected FY 2007	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	62.0	62.0

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Finance and Facilities Management SUMMARY DIVISION BUDGET

MISSION STATEMENT

The mission of the Finance and Facilities Management Division is to provide 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.

Approximately 61 percent of the total Division budget is assigned to Facilities, Planning and Management (FP&M), which is responsible for maintenance and repair of the University's 108 owned and 19 leased buildings totaling approximately 11.9 million square feet of space (as of FY 2005). FP&M also oversees all University construction projects, and its deferred maintenance.

The remaining 39 percent of the budget is attributable to management of the University's financial operations – including purchasing, financial accounting and reporting and oversight of the University's investment and treasury functions, which includes total net assets of \$810 million as of September 30, 2005.

Finance and Facilities Management SUMMARY DIVISION BUDGET

Fiscal Year 2007 General Fund Budget (In Thousands of Dollars)

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	0.0	0.0	0.0	0.0%
Non-Academic Salaries	20,728.6	21,244.9	516.3	2.5%
Fringe Benefit	260.6	327.7	67.1	25.7%
TOTAL SALARY	20,989.2	21,572.6	583.4	2.8%
General Expenses	12,403.0	12,427.7	24.7	0.2%
Non-Recurring	0.0	0.0	0.0	0.0%
TOTAL EXPENDITURES	33,392.2	34,000.3	608.1	1.8%
Revenue	(292.3)	(40.0)	252.3	-86.3%
Internal Transfers	(4,156.2)	(4,409.9)	(253.7)	6.1%
NET ALLOCATION (REVENUE)	28,943.7	29,550.4	606.7	2.1%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

During FY 2006, the budget was increased by compensation adjustments totaling \$306,700.

Program Adjustments

For FY 2007, additional funds are provided in the amount of \$300,000 to Facilities, Planning and Management for general expense service contracts.

The \$306,700 increase in technical adjustments and \$300,000 increase in program changes result in a net budget increase of \$606,700.

Finance and Facilities Management SUMMARY DIVISION BUDGET

2. OTHER MATTERS

During FY 2006, the department of Investment, Debt, and Risk Management was created with funding being transferred from the department of Fiscal Operations.

3. TOTAL ALLOCATION

The summary budget is comprised of the following business units:

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Facilities, Planning and Management	17,538.0	18,031.8	493.8	2.8%
Fiscal Operations	4,626.2	4,243.1	(383.1)	-8.3%
Rentals and Leases	3,343.3	3,343.3	0.0	0.0%
Risk Management	1,886.7	1,891.7	5.0	0.3%
Purchasing	832.0	847.1	15.1	1.8%
Office of the Vice President	507.5	516.2	8.7	1.7%
Investment, Debt and Risk Management	0.0	467.2	467.2	0.0%
Banking Services	210.0	210.0	0.0	0.0%
TOTAL ALLOCATION	28,943.7	29,550.4	606.7	2.1%

4. FTE DISTRIBUTION

The total salary budget of the Division is \$21.6 million, which represents 73.0 percent of the total Finance and Facilities Management budget. Total funded FTE staffing, as reported by the Division, is comprised of the following:

Projected FY 2007	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	516.2	516.2

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Central Accounts SUMMARY BUDGET

Fiscal Year 2007 General Fund Budget Expenditures (In Thousands of Dollars)

	FY 2006	FY 2007	Variance	
	Approved Budget	Proposed Budget	\$	%
Fringe Benefits	66,225.9	66,536.9	311.0	0.5%
Utilities	21,863.5	23,451.3	1,587.8	7.3%
Debt Service	8,202.3	7,615.8	(586.5)	-7.2%
Compensation Reserve	8,198.5	9,850.0	1,651.5	20.1%
Deferred Maintenance	6,455.5	7,955.5	1,500.0	23.2%
Research Administration Support	4,364.3	4,361.7	(2.6)	-0.1%
President's Research Enhancement Prog.	1,800.0	1,800.0	0.0	0.0%
ISP Debt Service	1,574.1	1,574.1	0.0	0.0%
Professional Fees	936.8	936.8	0.0	0.0%
Special Equipment Program	560.0	560.0	0.0	0.0%
Contingency Reserve	500.0	500.0	0.0	0.0%
Omnibus Fees Commitments	2,068.9	1,645.4	(423.5)	-20.5%
Strategic Plan Initiatives	0.0	158.3	158.3	n/a
Program Enhancement	6,836.4	407.9	(6,428.5)	-94.0%
Total Central Accounts	129,586.2	127,353.7	(2,232.4)	-1.7%

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Central Accounts SUMMARY DIVISION BUDGET

MISSION STATEMENT

This budget includes centrally funded and maintained accounts that 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 by multiple units or at the University-wide level.

Central Accounts represent approximately 26 percent of the total General Fund budget. Four accounts – Fringe Benefits, Utilities, Debt Service, Compensation Reserve and Deferred Maintenance – account for over 84 percent of the total FY 2007 proposed budget.

**Central Accounts
SUMMARY DIVISION BUDGET**

**Fiscal Year 2007
General Fund Budget
(In Thousands of Dollars)**

	FY 2006 Approved Budget	FY 2007 Proposed Budget	Variance	
			\$	%
Academic Salaries	0.0	0.0	0.0	0.0%
Non-Academic Salaries	0.0	0.0	0.0	0.0%
Fringe Benefit	0.0	0.0	0.0	0.0%
TOTAL SALARY	0.0	0.0	0.0	0.0%
General Expenses	124,310.1	122,077.7	(2,232.4)	-1.8%
Non-Recurring	5,300.0	5,300.0	0.0	0.0%
TOTAL EXPENDITURES	129,610.1	127,377.7	(2,232.4)	-1.7%
Revenue	(3.0)	(3.0)	0.0	0.0%
Internal Transfers	(21.0)	(21.0)	0.0	0.0%
NET ALLOCATION (REVENUE)	129,586.1	127,353.7	(2,232.4)	-1.7%

Budget Notes

1. EXPLANATION OF CHANGES

Technical Adjustments

Various transfers were made in FY 2006 as described below:

A total of \$8,198,500 was transferred from the compensation reserve to University units to fund employee salary increases.

Total omnibus fee commitments of \$1,004,900 were permanently transferred to units for technology, student activities, financial aid, Public Safety and Athletics.

A budget reduction for \$250,000 for debt service, and \$82,200 for utilities was made in FY 2006 due to reallocation of costs to auxiliary units.

A transfer of \$15,000 for Employee Recognition Awards, \$8,000 for the WSU contribution to

Central Accounts SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

the Michigan University Coalition on Health and \$32,300 for support of online hiring system was made to Human Resources.

Fringe expense of \$366,000 was transferred by various units to the central fringe accounts to repay for fringe expense for new positions that were funded out of differential tuition, program enhancements or other sources.

A transfer of \$53,200 was made to Enhancement of Research Support programs to fund a Grant/Contract Officer position.

A permanent transfer of \$1.7 million for financial aid, \$1.0 million for Research set-ups, \$1.0 million for Academic set-ups, and \$500,000 each for student services and other support; campus safety; and doctoral program enhancements was made from the FY 2006 Program Enhancement fund. A transfer of \$471,400 was made into the Program Enhancement Fund towards auxiliary contributions for FY 2006

All the above adjustments made during the year resulted in a net total reduction of \$14,006,700 in the Central Accounts budget.

Program Changes

For FY 2007, increases in the budget total \$11,773,700 and include the following:

- Fringe Benefits, which includes Accrued Compensated Absences will remain unchanged. Negotiations with health care providers will keep increases at cost of about 8.5 percent. Accruals for unused sick and vacation leave are maintained at the FY2006 allocation.
- The Compensation Reserve will be funded at \$9,850,000 – reflecting increases specified in collective bargaining agreements and proposed increases for non-represented personnel.
- The Utilities budget will be increased by \$1,670,000 to reflect increase in Utilities rates.
- Omnibus Fee Commitments is increased by \$679,400 as a result of proposed increases in omnibus fee rates. This amount will be allocated during FY 2007 to technology, campus safety, athletics, and financial aid. A portion of Omnibus Commitment which is an amount of \$60,200 is held in Strategic Planning Initiatives as part of central accounts.
- A budget transfer of \$200,000 is made to reduce the allocation in the Research Equipment and Facilities fund given in FY 2006 for Hudson-Webber Research Building.
- Research Administration Support centrally funded includes the Research Facilities Fund and Enhancement for Research Support – both funded from a distribution of Indirect Cost

Central Accounts SUMMARY DIVISION BUDGET

1. EXPLANATION OF CHANGES (continued)

Recovery. The Research Facilities Fund and the Enhancement for Research Support budgets increased by \$121,000 and \$129,600, respectively, as a result of the \$1,728,000 projected increase in Indirect Cost Recovery.

- Debt Service is being reduced by \$336,500 as the debt for parking is being assumed by the auxiliary operations of parking.
- The Program Enhancement budget includes a \$200,000 contribution from Auxiliary operations.

Non-Recurring

For FY 2007 an allocation of \$5.3 million is provided to meet the following needs. This allocation will be made from the FY 2006 year end savings to the extent they are realized.

- Deferred maintenance (\$3.5 million)
- President's Research Enhancement Fund (\$1.8 million)

The \$14,006,700 reduction in technical adjustments and \$11,773,700 increase in program changes result in a net budget decrease of \$2,233,000.

2. OTHER MATTERS

For FY 2007, omnibus fee revenues total \$12.4 million – an increase of \$679,400 (5.8 percent) over FY 2006 amounts. Of this amount, \$1.9 million is set aside for financial aid and General Fund support. The remaining \$10.5 million is available for allocation as follows:

	FY 2006	FY 2007	Change
Student Computing and Technology	6,046,800	6,287,400	240,600
Athletics	1,975,700	2,215,700	240,000
Unallocated	858,100	858,100	-
Student Activities	450,000	450,000	-
Strategic Plan Initiatives	389,800	450,000	60,200
Campus Safety	196,100	256,800	60,700
TOTAL	9,916,500	10,518,000	601,500

In FY 2006, the Recreation and Fitness Center (RFC) became a self-supporting auxiliary unit. The \$858,100 that was previously allocated to the RFC will be allocated to other needs in FY 2007.

Amounts allocated to student activities is fixed at \$450,000 per year.

Central Accounts SUMMARY DIVISION BUDGET

3. TOTAL ALLOCATION

The summary budget is comprised of the following:

	FY 2006 Approved Budget	FY2007 Proposed Budget	Variance	
			\$	%
Fringe Benefits	65,605.8	65,916.8	311.0	0.5%
Utilities	21,863.5	23,451.3	1,587.8	7.3%
Compensation Reserve	8,198.4	9,850.0	1,651.6	20.1%
Physical Plant Maintenance and Repair	6,455.5	7,955.5	1,500.0	23.2%
Debt Service	8,202.3	7,615.8	(586.5)	-7.2%
Research Facilities Fund	3,011.2	3,132.2	121.0	4.0%
President Research Enhancement Program	1,800.0	1,800.0	0.0	0.0%
Omnibus Fee	2,068.9	1,645.4	(423.5)	-20.5%
ISP Debt	1,574.1	1,574.1	0.0	0.0%
Research Equipment and Facilities	1,299.9	1,099.9	(200.0)	-15.4%
Professional Legal Fees	716.8	716.8	0.0	0.0%
Special Equipment Programs	560.0	560.0	0.0	0.0%
Contingency Reserve	500.0	500.0	0.0	0.0%
Accrued Compensated Absences	500.0	500.0	0.0	0.0%
Program Enhancement	6,836.4	407.9	(6,428.5)	-94.0%
Independent Audit Fees	220.0	220.0	0.0	0.0%
Strategic Plan Initiatives	0.0	158.3	158.3	0.0%
Enhancement of Research Support Programs	53.2	129.6	76.4	143.6%
Employee Assistance Program	120.1	120.1	0.0	0.0%
TOTAL CENTRAL ACCOUNTS	129,586.1	127,353.7	(2,232.4)	-1.7%

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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 provides 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, travel and operating supplies. For FY 2007, the base budget has been set at the same amount of funding as that approved for FY 2006, adjusted for salary increases and other revisions made during the fiscal year or as part of FY 2007 budget development, or as determined by the Provost and Senior Vice President for Academic Affairs.

Included in the FY 2007 budget is an academic program enhancement of \$750,000 – funded in the Office of the Provost. The Provost and Senior Vice President for Academic Affairs will determine how these funds are allocated to the individual schools and colleges and make appropriate transfers during the course of the fiscal year.

Five programs – Business Administration, Engineering, Nursing, Pharmacy and Physical Therapy – assess a differential tuition rate for students entered in their graduate programs. For FY 2007, 85 percent of the total tuition revenue generated from this differential is reinvested in most of the schools to strengthen its programs. Law School differential tuition is reinvested at a rate of 80 percent, Doctor of Physical Therapy program differential tuition is reinvested at the rate of 75 percent, the Medical Physics program in the School of Medicine differential tuition is reinvested at 100 percent. The percentage of reinvestment varies with the unique circumstances of the program.

In addition to the above programs, for FY 2007, differential tuition will be charged to the students attending the Library and Information Science program and 85 percent of the additional revenue generated will be reinvested in that program. Similarly, the School of Medicine will get an additional allocation for the 30 new students that will be admitted in the M.D. program for FY 2007. A new differential tuition will be assessed to all the masters and doctoral students in Medical Physics and 100 percent of the revenue generated will be reinvested in that program in FY 2007. The newly instituted application fee for the Nursing program is also being allocated to the School of Nursing.

The differential tuition amount for each participating program is allocated based on the estimate of enrollment in that program for FY 2007. This estimate is determined using the actual enrollment for fall 2005 and winter 2006 as reported by the Office of the Registrar and adjusted for any known program change. This differential tuition allocation will be adjusted at the end of FY 2007 based on the actual enrollment as reported in the records by the Office of Registrar for fall 2006 and winter 2007.

BUDGET POLICIES AND PRACTICES

Financial aid awards earmarked for students in the Law School and the School of Medicine – totaling \$1.8 million and \$4.7 million respectively – have been budgeted directly in each school to reflect total resources available to support the program's mission. University policy requires that all financial aid is disbursed through the Office of Scholarships and Financial Aid (OSFA) and OSFA continues to be responsible for ensuring that financial aid is awarded and disbursed in accordance with established guidelines.

2. *Spring/Summer Program Funding*

Wayne State University's spring/summer program generates approximately 12.6 percent of the University's total annual enrollment.

Most of the University's academic units are funded directly for operations in the fall and winter terms. Exceptions to this practice are certain 12-month programs – Medicine, Pharmacy and Health Sciences, and some portions of Social 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 Metropolitan Programs and Summer School budget in the Office of the Provost, 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 School 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 was typically increased annually but is not being increased for FY 2007 due to an overcorrection in previous years, will remain at \$14,602,640 for FY 2007.

Any excess revenues that remain after covering these commitments are then distributed as follows: (a) 60 percent is distributed to academic units based on relative enrollment generated during the Spring/Summer term, (b) 15 percent is directed to the University's Research Stimulation Fund, (c) 15 percent is allocated to the Office of the Provost Strategic Investment Fund, and (d) 10 percent is allocated to the University's central administration for use in funding programs that have University-wide impact. Schools receiving differential tuition returns will not receive Spring/Summer incentives for the graduate enrollment.

Targeted AYES enrollment for the FY 2007 Spring/Summer program is 3,000.

BUDGET POLICIES AND PRACTICES

3. *Distribution of Indirect Cost Recovery Revenues*

The University receives Indirect Cost Recovery (ICR) revenue from many of its research grants and shares those funds with the principal investigators, academic units, and departments. Distributions of ICR, as revised October 1, 2003, reflect the following rates:

<u>Distribution</u>	
Department	11.5%
Research Stimulation	10.0%
School/College	7.5%
Principal Investigator	7.0%
Research Facilities Fund	7.0%
Office of the Vice President for Research Operations	\$1.0 million

These allocations total 43.0 percent. Unallocated ICR is used to support general fund expenses that support research activities – such as utilities, depreciation and administrative operations.

An additional 7.5 percent of ICR revenues in excess of \$5.2 million are set aside each year for Enhancement for Research Support, 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.

The required distribution to the principal investigators, the school or 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. The Research Facilities Fund and Enhancement for Research Support are recorded in Central Accounts.

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 10.3 percent, and funding for research equipment and facilities will be taken from the general fund portion of ICR revenue.

BUDGET POLICIES AND PRACTICES

4. *Omnibus Fee Commitments*

Omnibus fees, assessed as part of tuition and fees, are earmarked for specific purposes. After a recurring set aside of \$1.88 million for financial aid and other purposes, omnibus fees are earmarked for the following purposes – student computing and technology, athletics enhancement, student activities and campus safety. For FY 2007, omnibus fee commitments are increased by \$679,400.

Since FY 2005, omnibus fee revenues set aside for student computing and technology are funded 50 percent in Computing and Information Technology (C&IT) to support infrastructure needs and 50 percent in the Office of the Provost for distribution to schools and colleges. The total amount allocated for FY 2007 is \$6,287,400, of which \$3,143,700 will be added to the C&IT budget and the same amount to the Office of the Provost.

Athletics funding totaling \$2.2 million is set aside on a recurring basis to fund coaching salary enhancements, operations, expenditures and financial aid associated with the Athletics enhancement initiative. These amounts are built into respective budgets.

As of FY 2006 a recurring allocation of \$858,100 from omnibus fees previously funded for the Fitness Center is no longer needed for this purpose, as the Fitness Center has now become a self-supporting auxiliary unit. These funds will be distributed on a discretionary basis to meet student needs.

A base budget allocation of \$450,000 is made to student activities.

Omnibus fee commitments available for distribution in FY 2007 total \$10.5 million. The distribution of this amount is shown in the following schedule.

Description	Amount
Student Computing and Technology	6,287,400
Athletics Enhancement	2,215,700
Strategic Plan Initiatives	450,000
Campus Safety	256,800
Student Activities	450,000
Discretionary	858,100
Total Allocated Funds	10,518,000
Financial Aid	1,419,800
University Operations*	455,100
Total Other	1,874,900
GRAND TOTAL	12,392,900

* Amount generated in FY 2005 from elimination of 12 credit hour cap on omnibus fees for undergraduate students as a budget reduction enhancement strategy.

BUDGET POLICIES AND PRACTICES

Allocations from the omnibus fee revenues are contingent upon the realization of the budgeted revenues from the omnibus fees. Any surplus revenues are subject to allocation at the discretion of the President.

5. *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, 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 2007, two bargaining units are currently involved in contract renegotiation. The Administration has signed a three year tentative agreement with the AAUP-AFT Local 6075 which by itself totals \$139 million and approximately 75 percent is funded from the General Fund.

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. For FY 2007, contract rates for major health care providers will likely increase by 8.5 percent.

Utilities are projected based on anticipated consumption and rate changes.

6. *Non-recurring Allocations*

The proposed budget includes \$5.7 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 to the extent they are generated in FY 2006. 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 2007 non-recurring allocations are described below (in thousands of dollars):

Description	Division	Amount
Deferred Maintenance	Central Accounts	\$3,500.0
President's Research Enhancement Program	Central Accounts	1,800.0
Advertising	Executive Office of the President	400.0
Total Non-recurring Allocations		<u>\$5,700.0</u>

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BUDGET MANAGEMENT PROCEDURES

Responsibility for overall management of the University's General Fund budget lies with the Office of University Budget. That responsibility includes review and analysis of major expenditures on an ongoing basis, reallocation of budget savings that may become 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 its budgets 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 position, reduction in faculty funding 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 vice president may approve transfers across major account codes within the same budgeted fund code. 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 fund codes within a division may be made with the explicit approval of the division vice president. Transfers across fund codes within a school or college may be made with the explicit approval of the dean. 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. This approval authority can not be delegated.

BUDGET MANAGEMENT PROCEDURES

3. Transfers between divisions require approval by the President or his/her designee. Such transfers typically impact the total amount of resources available to the division, and generally involve a change in program or change in program responsibility. This approval authority can not be delegated.
4. Transfers between academic units or schools and colleges require the approval of the Provost and Senior Vice President for Academic Affairs.

Position Control

The Office of University Budget is responsible for position control – that is, ensuring that all University positions are properly funded and that total salary commitments are within available budget funding. 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 academic positions require approval by the Provost and Senior Vice President for Academic Affairs; and new non-academic positions require approval from the respective dean or division vice president.
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.
3. Non-academic positions are funded in accordance with the Hay Funding Policy, which requires that all positions be 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 Total Compensation and Wellness. When the position is reclassified, it must meet the job rate for the new classification. It is the responsibility of the unit to bring the reclassified position to the job rate utilizing their available budget resources. The dean or vice president may use salary savings generated by vacant non-academic positions at his/her discretion on a one-time basis during the fiscal year.
4. 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. Rosters should be reconciled on a monthly basis and specifically after salary increases have been made. Units should submit their roster reconciliations to the Office of University Budget every October

BUDGET MANAGEMENT PROCEDURES

and April, or on request. Failure to perform routine and timely reconciliations will result in curtailment of new position creation for the unit.

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 7.5 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 dean's or vice president's office.
3. Funds will be carried forward in full only under certain conditions such as:
 - 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.
 - As specified by University policy, 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.
 - 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.
 - Funds allocated for a specific purpose that require more than one fiscal year but not more than three fiscal years to complete.

All other balances will be carried forward at 75 percent.

BUDGET MANAGEMENT PROCEDURES

Budget Administration

1. The accompanying budgets are based upon salaries and collective bargaining agreements in effect in June 2006. 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.
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.
4. The Office of University Budget will provide to the President and the Provost a quarterly summary of budget savings and expenditures made in accordance with the President's direction. The Office of University Budget will also provide an annual report to the President and the Provost that summarize budget performance in each division.
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.