

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 26

DATE:

September 19, 2006

RECOMMENDATION

2006 AUXILIARY FUND BUDGET MANAGEMENT REPORT

ACTION REQUESTED

It is recommended that the 2006 Auxiliary Fund Budget Management Report be accepted and placed on file.

STAFF SUMMARY

The auxiliary operations earned revenue of \$38.2 million, which is \$3.4 million below the budget plan.

Expenses, including the cost of goods sold, totaled \$33.0 million, below plan by \$1.5 million. Heating plant and general fund support of \$1.6 million resulted in operating balance of \$3.6 million.

Transfers for maintenance reserves and debt totaled \$4.1 million which was below plan by \$1.4 million.

Net fund balance decreased by \$463,271.

FISCAL IMPLICATIONS

The Auxiliary Fund operating account balances decreased by \$463,271. The accumulated total fund balance as of June 30, 2006 is \$3,108,308 million.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been received and is recommended for Board approval.

University Executive Officer

Date

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EASTERN MICHIGAN UNIVERSITY
2006 BUDGET MANAGEMENT REPORT
AUXILIARY FUND

The 2006 Auxiliary Financial Operations are evaluated with respect to the plan set forth in the auxiliary fund Operating Budget approved in June 2005. The Combined operations are summarized below and are compared to the prior year and budget.

	2005 Actual	2006 Actual	Var.	2006 Budget	2006 Actual	Var.
Revenues	\$38,059,874	\$38,244,483	\$184,609	\$41,639,338	\$38,244,483	(\$3,394,855)
Expenditures	31,845,734	33,032,420	1,186,686	34,556,726	33,032,420	(1,524,306)
Administrative Support	2,000,000	1,498,602	(501,398)	1,498,955	1,498,602	(353)
Heating Plant Support	70,000	70,000	0	70,000	70,000	0
Operating Balance	4,144,140	3,643,461	(500,679)	5,513,657	3,643,461	(1,870,196)
Transfers Debt Service	2,474,209	2,548,930	74,721	2,719,456	2,548,930	(170,526)
Maintenance Reserves	1,876,712	1,557,802	(318,910)	2,806,176	1,557,802	(1,248,375)
Net Change to Operating Balance	(\$206,781)	(\$463,271)	(\$256,490)	(\$11,975)	(\$463,271)	(\$451,295)

The Auxiliary Operating Statement, as of June 30, 2006, is seen in Exhibit #1.

Beginning Fund Balance 7-1-05	\$3,571,579
Net Change to Operating Balance	(463,271)
Ending Fund Bal. 6-30-06	<u>\$3,108,308</u>

Eastern Michigan University
Auxiliary Operating Statement
As of June 2006

Student Affairs									
Apartment	Residence Halls	Dining Services	Rental Property	University Health Services	Children's Institute	Rec/IM	ICT (1) Student Tech Services		
REVENUE								REVENUE	
Sales and Services	11,244,289	13,348,390	103,851	888,284	636,704	581,244	101,968	Sales and Services	101,968
Fees	0	0	0	1,206,195	0	0	0	Fees	0
Investment Income	0	0	0	0	0	0	0	Investment Income	0
TOTAL REVENUES	11,244,289	13,348,390	103,851	2,094,479	636,704	581,244	101,968	TOTAL REVENUES	101,968
Transfers from G.F.	0	0	0	0	0	0	0	Transfers from G.F.	0
Transfers from D.E./E.R.	0	0	0	0	0	0	0	Transfers from D.E./E.R.	0
Allocations from Fund Balance	0	0	0	0	0	0	0	Allocations from Fund Balance	0
TOTAL FUNDING	11,244,289	13,348,390	103,851	2,094,479	636,704	581,244	101,968	TOTAL FUNDING	101,968
EXPENSES								EXPENSES	
Cost of Goods Sold	633	4,746,707	0	370,121	0	95,243	0	Cost of Goods Sold	0
Personnel Services	31,946	1,226,745	0	825,109	318,084	104,216	0	Personnel Services	0
Misc. Personnel	551	138,193	0	55,780	555	17,980	0	Misc. Personnel	0
Fringe Benefits	15,290	589,425	0	352,987	147,350	44,945	0	Fringe Benefits	0
Recouped Salaries (Abr 1367)	0	0	0	0	0	0	0	Recouped Salaries (Abr 1367)	0
Student Help	21,934	1,825,117	0	16,481	91,930	5,132	0	Student Help	0
SS&M	1,436,600	1,546,194	48,842	246,481	74,830	149,906	67,165	SS&M	67,165
Travel	6,268	26,015	0	1,096	632	665	0	Travel	0
Equipment	0	24,239	0	0	0	7,125	0	Equipment	0
Admin. Support/HDC	0	0	0	0	0	0	0	Admin. Support/HDC	0
Custodial	489,183	1,757,813	15	176	62	44	47,389	Custodial	47,389
Maintenance Staff	329,010	297,594	14,459	0	0	0	0	Maintenance Staff	0
Other Expenses	0	0	0	0	0	0	0	Other Expenses	0
TOTAL EXPENSES	2,330,781	12,178,043	63,317	1,868,232	633,444	425,256	114,555	TOTAL EXPENSES	114,555
NET OF OPERATIONS	(771,198)	1,170,347	40,534	226,247	3,260	155,989	(12,587)	NET OF OPERATIONS	(12,587)
TRANSFERS								TRANSFERS	
Admin. Support/General Fund	125,406	454,143	1,047	172,584	72,801	18,075	6,042	Admin. Support/General Fund	6,042
Mand. Debt	111,456	1,472,752	0	0	0	593	0	Mand. Debt	0
Facility Plan	0	0	0	0	0	0	0	Facility Plan	0
Maintenance Reserve/Plant Fund	(1,025,820)	1,213,172	39,487	96,212	(265)	136,957	(22,584)	Maintenance Reserve/Plant Fund	(22,584)
Power Plant	17,759	43,414	0	546	210	0	0	Power Plant	0
Transfers to D.E./E.R. (Match)	0	0	0	0	0	0	0	Transfers to D.E./E.R. (Match)	0
TOTAL TRANSFERS	(771,198)	1,172,461	40,534	269,342	72,746	155,625	(18,542)	TOTAL TRANSFERS	(18,542)
BALANCE - OPR. ACTS.	0	(49,831)	(2,114)	(43,095)	(69,486)	363	3,955	BALANCE - OPR. ACTS.	3,955

(1) ICT Student Technology Services and ID Operations. Any deficits will be covered by Housing and Dining
Prepared by Business Operations 8/25/2006

Eastern Michigan University
Auxiliary Operating Statement
As of June 2006

Student Affairs	Marketing & Communications	ICT	Business and Finance	Golf Course/CEC	Other	Total
Eastern Echo	Licensing	University Publications	Kresge Environmental Education	Golf Course/CEC	Other	
481,218	81,714	826,238	20,627	1,714,600	22,634	36,962,946
69,561	0	0	0	0	0	1,275,756
0	0	0	0	5,746	35	5,781
550,778	81,714	826,238	20,627	1,720,346	22,668	38,244,483
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
550,778	81,714	826,238	20,627	1,720,346	22,668	38,244,483
0	1,451	744,393	4,943	58,379	0	7,981,923
62,936	0	0	0	0	0	3,435,330
0	0	0	5,737	0	0	310,307
19,684	0	0	464	0	0	1,604,646
0	0	0	0	0	0	0
210,422	3,300	18,153	0	0	0	3,583,349
203,642	141,265	80,981	6,632	1,527,043	7,629	9,459,120
1,245	3,695	123	0	0	0	155,726
0	44,091	8,592	0	0	0	124,127
0	0	0	0	0	0	0
48	0	0	0	0	261	5,129,939
0	0	0	0	0	0	1,247,952
0	0	0	0	0	0	0
497,987	193,802	852,241	17,776	1,585,422	7,890	33,032,420
52,791	(112,087)	(25,004)	2,851	134,924	14,778	5,212,063
23,210	0	0	0	0	0	1,498,602
0	0	0	0	328,875	0	2,548,930
0	0	0	0	0	0	0
29,258	12,000	0	0	0	0	1,399,160
126	0	147	0	0	0	228,641
0	0	0	0	0	0	0
52,593	12,000	27,002	0	328,875	0	5,675,334
198	(124,087)	(25,004)	2,851	(193,951)	14,778	(463,271)
52,791	(112,087)	(25,004)	2,851	134,924	14,778	5,212,063
23,210	0	0	0	0	0	1,498,602
0	0	0	0	328,875	0	2,548,930
0	0	0	0	0	0	0
29,258	12,000	0	0	0	0	1,399,160
126	0	147	0	0	0	228,641
0	0	0	0	0	0	0
52,593	12,000	27,002	0	328,875	0	5,675,334
198	(124,087)	(25,004)	2,851	(193,951)	14,778	(463,271)

REVENUE

Sales and Services
Fees
Investment Income
TOTAL REVENUES
Transfers from G.F.
Transfers from D.E./E.R.
Allocations from Fund Balance
TOTAL FUNDING

EXPENSES

Cost of Goods Sold
Personnel Services
Misc. Personnel
Fringe Benefits
Recouped Salaries (Abr 1367)
Student Help

SS&M
Travel
Equipment
Admin. Support/HDC
Custodial
Maintenance Staff
Other Expenses
TOTAL EXPENSES

NET OF OPERATIONS

TRANSFERS

Admin. Support/General Fund
Mand. Debt
Facility Plan
Maintenance Reserve/Plant Fund
Power Plant
Transfers to D.E./E.R. (Match)
TOTAL TRANSFERS

BALANCE - OPR. ACTS.

Prepared by Business Operations

8/25/2006

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Eastern Michigan University
Auxiliary Operating Statement
CALENDARIZED BUDGET
As of June 2006

Student Affairs									
Apartment	Residence Halls	Dining Services	Rental Property	University Health Services	Children's Institute	Rec/M	(1)ICT Student Tech Services	REVENUE	
3,492,947	12,444,697	14,538,166	150,237	945,000	597,000	498,000	151,039	Sales and Services	
0	0	0	0	1,151,171	0	0	0	Fees	
0	0	0	0	0	0	0	0	Investment Income	
3,492,947	12,444,697	14,538,166	150,237	2,096,171	597,000	498,000	151,039	TOTAL REVENUES	
0	0	0	0	0	103,436	0	25,000	Transfers from G.F.	
0	0	0	0	52,000	68,000	250,000	0	Transfers from D.E./E.R.	
0	0	0	0	0	768,436	748,000	176,039	Allocations from Fund Balance	
3,492,947	12,444,697	14,538,166	150,237	2,148,171	768,436	748,000	176,039	TOTAL FUNDING	
EXPENSES									
0	0	5,254,515	0	394,000	0	76,700	0	Cost of Goods Sold	
31,054	0	1,290,417	0	908,043	368,665	94,242	0	Personnel Services	
5,455	0	176,865	0	51,952	7,648	35,395	0	Misc. Personnel	
17,413	0	620,612	0	369,788	154,275	42,441	0	Fringe Benefits	
0	0	0	0	(87,000)	(30,000)	0	0	Recouped Salaries (Abr 1367)	
22,869	1,168,252	1,754,907	0	21,000	100,000	21,750	0	Student Help	
1,994,109	4,185,025	1,559,526	49,424	256,207	52,269	281,909	108,371	SS&M	
9,774	24,174	28,756	0	500	0	0	0	Travel	
2,000	29,675	132,142	0	0	0	0	5,450	Equipment	
526,212	1,598,683	1,538,329	61,157	0	0	0	54,068	Admin. Support/HDC	
20,157	1,600,496	395,085	0	0	0	0	0	Custodial	
405,522	937,948	206,898	10,512	0	0	0	0	Maintenance Staff	
0	0	0	0	0	0	0	0	Other Expenses	
3,034,566	9,544,253	12,958,051	121,092	1,914,490	652,857	552,427	167,889	TOTAL EXPENSES	
NET OF OPERATIONS									
458,381	2,900,444	1,580,115	29,145	233,681	115,579	195,573	8,150	NET OF OPERATIONS	
125,407	454,146	469,426	0	172,584	72,801	18,075	6,042	TRANSFERS	
111,455	1,472,752	160,768	0	0	0	0	0	Admin. Support/General Fund	
0	0	0	0	0	0	0	0	Mand. Debt	
185,000	850,000	865,000	85,000	50,000	35,000	100,000	0	Facility Plan	
16,279	39,796	7,148	0	546	210	75,000	0	Maintenance Reserve/Plant Fund	
0	0	0	0	0	0	0	0	Power Plant	
438,141	2,816,694	1,502,342	85,000	223,130	108,011	193,075	6,042	Transfers to D.E./E.R. (Match)	
438,141	2,816,694	1,502,342	85,000	223,130	108,011	193,075	6,042	TOTAL TRANSFERS	
BALANCE - OPR. ACTS.									
20,240	83,750	77,773	(55,855)	10,551	7,568	2,498	2,108	BALANCE - OPR. ACTS.	

(1) ICT Student Technology Services and ID Operations. Any deficits will be covered by Housing and Dining
Prepared by Business Operations 8/25/2006

Eastern Michigan University
Auxiliary Operating Statement
CALENDARIZED BUDGET
As of June 2006

Student Affairs	Marketing & Communications	Academic	Business and Finance		Golf Course/CEC	Others	Total
Eastern Echo	Licensing	Computer Sales	Kresge Environmental Education	Parking/SEEUS and DPS Support	Golf Course/ CEC	Others	
REVENUE							
Sales and Services							
Fees	394,000	600,000	26,100	3,180,128	1,199,485	0	39,922,731
Investment Income	67,000	0	0	0	0	0	1,218,171
TOTAL REVENUES	0	0	0	0	0	0	0
Transfers from G.F.	461,000	600,000	26,100	3,180,128	1,199,485	0	41,140,902
Transfers from D.E./E.R.	0	0	0	0	0	0	128,436
Allocations from Fund Balance	0	0	0	0	0	0	0
TOTAL FUNDING	0	600,000	26,100	3,180,128	1,199,485	0	370,000
	461,000	600,000	26,100	3,180,128	1,199,485	0	41,639,338
EXPENSES							
Cost of Goods Sold	0	570,000	6,700	0	42,503	0	7,489,418
Personnel Services	120,019	0	0	787,493	0	0	3,748,575
Misc. Personnel	2,675	0	10,400	62,772	0	0	357,633
Fringe Benefits	51,314	0	842	368,920	0	0	1,696,741
Recouped Salaries (Abr 1367)	(31,000)	0	0	0	0	0	(148,000)
Student Help	140,000	18,000	0	169,308	0	0	3,462,458
SS&M	146,749	6,202	4,500	380,823	1,020,991	0	10,239,598
Travel	0	3,000	0	58,000	0	0	139,804
Equipment	0	0	0	25,000	0	0	216,267
Admin. Support/HDC	0	0	0	0	0	(1)	3,778,447
Custodial	0	0	0	0	0	0	2,015,738
Maintenance Staff	0	0	0	0	0	0	1,560,880
Other Expenses	0	0	0	0	(832)	0	(832)
TOTAL EXPENSES	429,757	597,202	22,442	1,852,315	1,062,662	(1)	34,556,726
NET OF OPERATIONS	31,243	2,798	3,658	1,327,813	136,823	1	7,082,612
TRANSFERS							
Admin. Support/General Fund	23,210	0	0	130,410	0	0	1,498,955
Mand. Debt	0	0	0	646,137	328,344	0	2,719,456
Facility Plan	0	0	0	0	0	0	100,000
Maintenance Reserve/Plant Fund	0	0	3,658	551,266	0	0	2,711,924
Power Plant	126	0	0	0	0	0	64,252
Transfers to D.E./E.R. (Match)	0	0	0	0	0	0	0
TOTAL TRANSFERS	23,336	0	3,658	1,327,813	328,344	0	7,094,587
BALANCE - OPR. ACTS.	7,908	1,463	(0)	(0)	(191,521)	1	(11,975)

REVENUE								
Sales and Services								
Fees	394,000	600,000	26,100	3,180,128	1,199,485	0	39,922,731	
Investment Income	67,000	0	0	0	0	0	1,218,171	
TOTAL REVENUES	0	0	0	0	0	0	0	
Transfers from G.F.	461,000	600,000	26,100	3,180,128	1,199,485	0	41,140,902	
Transfers from D.E./E.R.	0	0	0	0	0	0	128,436	
Allocations from Fund Balance	0	0	0	0	0	0	0	
TOTAL FUNDING	0	600,000	26,100	3,180,128	1,199,485	0	370,000	
	461,000	600,000	26,100	3,180,128	1,199,485	0	41,639,338	
EXPENSES								
Cost of Goods Sold	0	570,000	6,700	0	42,503	0	7,489,418	
Personnel Services	120,019	0	0	787,493	0	0	3,748,575	
Misc. Personnel	2,675	0	10,400	62,772	0	0	357,633	
Fringe Benefits	51,314	0	842	368,920	0	0	1,696,741	
Recouped Salaries (Abr 1367)	(31,000)	0	0	0	0	0	(148,000)	
Student Help	140,000	18,000	0	169,308	0	0	3,462,458	
SS&M	146,749	6,202	4,500	380,823	1,020,991	0	10,239,598	
Travel	0	3,000	0	58,000	0	0	139,804	
Equipment	0	0	0	25,000	0	0	216,267	
Admin. Support/HDC	0	0	0	0	0	(1)	3,778,447	
Custodial	0	0	0	0	0	0	2,015,738	
Maintenance Staff	0	0	0	0	0	0	1,560,880	
Other Expenses	0	0	0	0	(832)	0	(832)	
TOTAL EXPENSES	429,757	597,202	22,442	1,852,315	1,062,662	(1)	34,556,726	
NET OF OPERATIONS	31,243	2,798	3,658	1,327,813	136,823	1	7,082,612	
TRANSFERS								
Admin. Support/General Fund	23,210	0	0	130,410	0	0	1,498,955	
Mand. Debt	0	0	0	646,137	328,344	0	2,719,456	
Facility Plan	0	0	0	0	0	0	100,000	
Maintenance Reserve/Plant Fund	0	0	3,658	551,266	0	0	2,711,924	
Power Plant	126	0	0	0	0	0	64,252	
Transfers to D.E./E.R. (Match)	0	0	0	0	0	0	0	
TOTAL TRANSFERS	23,336	0	3,658	1,327,813	328,344	0	7,094,587	
BALANCE - OPR. ACTS.	7,908	1,463	(0)	(0)	(191,521)	1	(11,975)	

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Eastern Michigan University
Auxiliary Operating Statement
ACTUAL-BUDGET VARIANCE
As of June 2006

		Student Affairs							
		Residence Halls	Dining Services	Rental Property	University Health Services	Children's Institute	Rec/M	ICT (1) Student Tech Services	
REVENUE	Sales and Services	(1,933,364)	(1,189,776)	(46,387)	(56,716)	39,704	83,244	(49,071)	
	Fees	0	0	0	55,024	0	0	0	
	Investment Income	0	0	0	0	0	0	0	
	TOTAL REVENUES	(1,933,364)	(1,189,776)	(46,387)	(1,892)	39,704	83,244	(49,071)	
	Transfers from G.F.	0	0	0	0	(103,436)	0	(25,000)	
EXPENSES	Transfers from D.E./E.R.	0	0	0	0	0	0	0	
	Allocations from Fund Balance	0	0	0	(52,000)	(68,000)	(250,000)	0	
	TOTAL FUNDING	(1,933,364)	(1,189,776)	(46,387)	(53,692)	(131,732)	(166,756)	(74,071)	
	Cost of Goods Sold	0	(507,808)	0	(23,879)	0	18,543	0	
	Personnel Services	892	(63,672)	0	(82,934)	(50,581)	9,974	0	
EXPENSES	Misc. Personnel	(4,905)	(38,671)	0	3,828	(7,092)	(17,404)	0	
	Fringe Benefits	(2,124)	(31,187)	0	(16,801)	(6,925)	2,503	0	
	Recouped Salaries (Abr 1367)	0	0	0	87,000	30,000	0	0	
	Student Help	(935)	70,210	0	(4,519)	(8,070)	(16,618)	0	
	SS&M	(557,509)	(13,332)	(582)	(9,726)	22,561	(132,003)	(41,206)	
EXPENSES	Travel	(3,506)	(2,741)	0	596	632	665	0	
	Equipment	(2,000)	(107,903)	0	0	0	7,125	(5,450)	
	Admin. Support/HDC	(526,212)	(1,538,329)	(61,157)	0	0	0	(54,068)	
	Custodial	469,025	1,362,728	15	176	62	44	47,389	
	Maintenance Staff	(76,513)	90,697	3,947	0	0	0	0	
EXPENSES	Other Expenses	0	0	0	0	0	0	0	
	TOTAL EXPENSES	(703,785)	(780,008)	(57,775)	(46,258)	(19,412)	(127,171)	(53,334)	
NET OF OPERATIONS		(1,229,579)	(409,768)	11,389	(7,434)	(112,319)	(39,585)	(20,737)	
TRANSFERS	Admin. Support/General Fund	(1)	(1,397)	1,047	0	0	0	0	
	Mand. Debt	1	(98,602)	0	0	0	593	0	
	Facility Plan	0	0	0	0	0	(100,000)	0	
	Maintenance Reserve/Plant Fund	(1,210,820)	(389,173)	(45,513)	46,212	(35,265)	61,957	(22,584)	
	Power Plant	1,480	3,618	159,291	0	0	0	0	
TRANSFERS	Transfers to D.E./E.R. (Match)	0	0	0	0	0	0	0	
	TOTAL TRANSFERS	(1,209,340)	(366,788)	(329,881)	46,212	(35,265)	(37,450)	(22,584)	
BALANCE - OPR. ACTS.		(20,240)	(133,582)	55,855	(53,646)	(77,054)	(2,135)	1,847	

(1) ICT Student Technology Services and ID Operations. Any deficits will be covered by Housing and Dining.
Revenue (1) is less revenue than budgeted.
Expense (1) is less expense than budgeted.
Net of operations (1) lower than budget.
Balance (1) lower than budget.
Prepared by Business Operations 8/25/2006

Eastern Michigan University
Auxiliary Operating Statement
ACTUAL-BUDGET VARIANCE
As of June 2006

Student Affairs	Marketing & Communications	Academic	Business and Finance	Golf Course/CEC	Other	Total
Eastern Echo	Licensing	Computer Sales	Kresge Environmental Education	Golf Course CEC	Other Accounts	
87,218	21,283	226,238	(5,473)	515,115	22,634	(2,959,785)
2,561	0	0	0	0	0	57,585
0	0	0	0	0	35	5,781
89,778	21,283	226,238	(5,473)	520,861	22,669	(2,896,419)
0	0	0	0	0	0	(128,436)
0	0	0	0	0	0	0
0	0	0	0	0	0	(370,000)
89,778	21,283	226,238	(5,473)	520,861	22,669	(3,394,855)
REVENUE						
Sales and Services						
Fees						
Investment Income						
TOTAL REVENUES						
Transfers from G.F.						
Transfers from D.E./E.R.						
Allocations from Fund Balance						
TOTAL FUNDING						
EXPENSES						
Cost of Goods Sold						
Personnel Services						
Misc. Personnel						
Fringe Benefits						
Recouped Salaries (Abr 1367)						
Student Help						
SS&M						
Travel						
Equipment						
Admin. Support/HDC						
Custodial						
Maintenance Staff						
Other Expenses						
TOTAL EXPENSES						
NET OF OPERATIONS						
TRANSFERS						
Admin. Support/General Fund						
Mand. Debt						
Facility Plan						
Maintenance Reserve/Plant Fund						
Power Plant						
Transfers to D.E./E.R. (Match)						
TOTAL TRANSFERS						
BALANCE - OPR. ACTS.						

Revenue () is less revenue than budgeted.
Expense () is less expense than budgeted.
Net of operations () lower than budget.
Balance () lower than budget.
Prepared by Business Operations 8/25/2006