

THE UNIVERSITY OF MICHIGAN-FLINT
Regents Communication

Approved by the Regents
July 19, 2007

SUBJECT: Proposed Flint FY 2007-2008 General Fund Operating Budget

ACTION REQUESTED: Approval of 2007-2008 General Fund Budget

BACKGROUND:

The proposed 2007-08 General Fund budget for UM-Flint (attached) assumes the August 2007 deferred payment is fully restored and that 40% of the FY 2006-07 funding increase is maintained for FY 2007-08. The proposed budget assumes a 6.4% increase in combined tuition and fees for resident undergraduate students (5.0% for graduate students) over the rates approved by the Regents for 2006-07.

This budget proposal assumes:

- Flat undergraduate enrollment, 3.0% graduate enrollment increase;
- 3% merit salary program; and,
- 8.4% increase in institutional financial aid, 2.0% above the combined tuition and fee increase.

We request approval of the proposed 2007-08 General Fund budget.

Recommended by:


Jack Kay, Acting Chancellor
University of Michigan-Flint

July 2007
Attachment

University of Michigan - Flint
Proposed General Fund Expenditure Budget
Fiscal Year 2007 - 08

	<u>Budget for FY 2006 - 07</u>	<u>\$ Change</u>	<u>Budget for FY 2007 - 08</u>
Revenues:			
State Appropriation	21,520,300	(369,000)	21,151,300
Student Tuition & Fees:			
Graduate	7,209,167	1,094,390	8,303,557
Undergraduate	34,813,533	4,007,910	38,821,443
Indirect Cost Recovery	200,000	(70,000)	130,000
Income from Investments	200,000	30,000	230,000
Department Activities	270,000		270,000
Total Incremental Revenues	<u>64,213,000</u>	<u>4,693,300</u>	<u>68,906,300</u>

University of Michigan - Flint
Proposed General Fund Budget
Fiscal Year 2007 - 08

Projected Expenditures (By Area)	Original Budget for FY 2006 - 07	Base Trans. Between Unit Groups	Adjusted Budget for FY 2006 - 07 (1)	Salary & Benefits (2)	Student Support (3)	Fixed Costs (4)	Academic Program Development (5)	Miscellaneous (6)	Budget for FY 2007 - 08
College of Arts & Sciences	16,148,124	83,814	16,231,938	589,161					16,821,099
School of Management	4,193,069	19,362	4,212,431	126,956					4,339,387
School of Health Profession & Studies	4,179,107	135,491	4,314,598	141,632					4,456,230
Associate Provost & Graduate Programs	4,159,654	17,121	4,176,775	94,107	111,000			190,000	4,571,882
School of Education & Human Services	2,856,715	40,467	2,897,182	131,648					3,028,830
Other Instructional Programs	707,362		707,362	11,196					718,558
Subtotal - Academic Units	32,244,031	296,255	32,540,286	1,094,699	111,000	-	-	190,000	33,935,985
Chancellor	1,715,711	(15,115)	1,700,596	41,191					1,741,787
Provost/Academic Affairs	2,496,846	(58,403)	2,438,443	57,243					2,495,686
Student Services & Enrollment Management	3,825,638	(9,152)	3,816,486	100,256	23,955				3,940,697
Student Aid	3,478,262	15,000	3,493,262		296,927				3,790,189
Administration	8,807,648	56,050	8,863,698	212,608	49,602			25,000	9,150,908
Institutional Advancement	2,115,793	(4,404)	2,111,389	54,320					2,165,709
Subtotal - Executive Officers	22,439,898	(16,024)	22,423,874	465,617	370,484	-	-	25,000	23,284,976
Utilities	4,200,000		4,200,000			250,000			4,450,000
Central Support	426,141		426,141			43,859			470,000
Debt Service	1,315,000		1,315,000			(100,500)			1,214,500
General Administrative Services	3,028,530	(280,231)	2,748,299			18,534 (7)		1,371,531 (8)	4,138,364
General Administrative Reserve	559,400		559,400					100,000 (9)	659,400
Revenue from Special Programs			-				753,075		753,075
Subtotal - Other	9,529,071	(280,231)	9,248,840	-	-	211,893	753,075	1,471,531	11,685,339
Total Expenditures	64,213,000	0	64,213,000	1,560,316	481,484	211,893	753,075	1,686,531	68,906,300

(1) FY 2006-07 Budget has been adjusted to reflect base budget transfers between areas.

(2) The increase for Salary & Benefits represents mandatory salary increases for union employees, a 3% merit program, faculty promotions, fringe benefit increases, and a 3% salary increase for LEO faculty.

(3) The increase for Student Support represents approx. \$297K in student aid (an increase of 2% over UG tuition rate increase), \$49K in support of the Recreation Center, \$111K to support computing needs, and \$24K for Student Activity Fee.

(4) The Fixed Cost increase has been segregated due to the fact that their fluctuations are beyond our control. These increases include items such as utilities, business operations recharge, insurance, system maintenance contracts, debt retirement, and benefits.

(5) Represents the funding due to departments based on special revenue agreements for certain academic programs (MA Ed Tech, MA Special Ed, MA Social Sciences, MS CIS, SC4, Anesthesia, MAC, MPA EAC, MPA Recertification)

(6) The Miscellaneous column consists of funds needed for:

\$190K to Associate Provost (\$90K to promote growth in international student enrollment, \$12K for Web for Parents to resolve FERPA compliance issues, and \$88K to resolve GLBA compliance issues)
\$25K to the VC for Administration for boiler maintenance/replacement

(7) The Fixed Cost increase in General Administrative Services consists of:

Increase in BOR, insurance recharge and credit card acceptance fees	243,500
Fixed price contracts for Facilities	17,000
System contracts	19,011
Reduction in reserve to be allocated through the budget model	(86,408)
Decrease in funding for minimum wage and equity increases	(104,569)
Decrease in ICR funds	(70,000)
	<u>18,534</u>

(8) The Miscellaneous increase in General Administrative Services consists of:

Strategic Cuts TBD	(200,000)
Operating reserve for student housing	200,000
Transportation agreement with MTA	50,000
Deferred maintenance	100,000
Student Housing Initiatives	500,000
Reserve to be allocated to departments according to new budget model	<u>721,531</u>
	1,371,531

(9) \$100K increase in central reserve