

**OAKLAND UNIVERSITY
BOARD OF TRUSTEES
WORKING SESSION AGENDUM ITEM
July 7, 2004**

**PROPOSED ANCILLARY ACTIVITIES OPERATING BUDGET FOR THE
FISCAL YEARS ENDING
JUNE 30, 2005, 2006, AND 2007**

Division/Department: Finance and Administration

Summary:

Projected budgets for the fiscal years ending June 30, 2005, 2006, and 2007 for the following eight ancillary activities are presented for approval:

Campus Recreation (CR)	Meadow Brook Music Festival (MBMF)
Graham Health Center (GHC)	Meadow Brook Theatre (MBT)
Intercollegiate Athletics (IA)	Oakland Center (OC)
Lowry Early Childhood Center (LECC)	University Housing (UH)

The Meadow Brook Hall budget will be presented to the Board at a later date, when the details of the Hall's business plan have been finalized.

The ancillary activities presented here represent a broad range of operations connected with and in support of the educational mission of Oakland University. A summary of the proposed budgets is attached as Appendix I.

Each ancillary budget is presented in a similar format, using common terminology and revenue, expense and transfer categories. The "All Funds" budget model has been used to construct the presentation of these budgets. This model, introduced last year, is intended to provide a comprehensive picture of the financial activities of each unit. This format depicts operating and capital transactions in the General Fund, Auxiliary Fund, Designated Fund, Expendable Restricted Fund and the Plant Fund. Gifts are included, but the fund balances in permanent endowments are not included as there is no discretion with regard to their use. Distributions from these endowments are income in the Expendable-Restricted Funds and are included.

The Board of Trustees conditionally approved budgets for FY 2005 and FY 2006 on August 6, 2003 for each of these units. Each budget has been revised to reflect current operating projections, and updated assumptions since those previous approvals.

Budgeted expenditures and transfers for these eight units total \$17,706,106 for FY 2005. This represents an increase of 1.4% over the estimated actual expenditures and transfers of \$17,466,985 in FY 2004.

**Proposed Ancillary Activities Operating Budget for the Fiscal Years
Ending June 30, 2005, 2006, and 2007
Board of Trustees Working Session
July 7, 2004
Page 2**

Payments to the general fund for administrative overhead costs for FY 2005 from these eight ancillary operations totals \$463,883.

Action to be Requested at Next Formal Board Meeting:

At the August 2004 meeting, the Board of Trustees will be asked to approve the budgets for Campus Recreation, Graham Health Center, Intercollegiate Athletics, Lowry Early Childhood Center, Meadow Brook Music Festival, Meadow Brook Theatre, Oakland Center and University Housing for the year ending June 30, 2005, and to conditionally approve the budgets for fiscal years ending June 30, 2006, and June 30, 2007, with expenditures and transfers not to exceed the amounts on Appendix I respectively, for each year. All expenditures and transfers beyond the approved budget must have the prior approval of the President or his designee and these amounts will be reported on a periodic basis to the Board of Trustees.

Attachment:

1. Appendix I

Reviewed by Secretary Victor A. Zambardi:

(Please Initial)

Reviewed by President Gary D. Russi:

(Please Initial)

**Oakland University
Auxiliary Operations
Proposed Budgets
Fiscal Year 2005 through 2007**

	<u>Expenditures and Transfers</u>		
	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Campus Recreation	\$ 3,430,282	\$ 3,399,232	\$ 3,455,910
Graham Health Center	540,904	554,564	571,319
Intercollegiate Athletics	1,511,616	1,538,411	1,566,034
Lowry Early Childhood Center	873,078	896,474	886,887
Meadow Brook Music Festival	69,600	71,300	73,300
Meadow Brook Theatre	40,300	42,260	44,300
Oakland Center	2,409,088	2,128,527	2,175,662
University Housing	8,831,238	9,168,370	9,516,422
Totals	<u>\$ 17,706,106</u>	<u>\$ 17,799,138</u>	<u>\$ 18,289,834</u>

Department of Campus Recreation

Description of Program

The Department of Campus Recreation is responsible for the management of the Oakland University Recreation Center and Upper Pioneer Field. The mission of the department is to provide facilities, programs and services to meet the recreational, fitness, and wellness needs of the Oakland University community. The primary focus of the Department of Campus Recreation is to promote the recruitment, retention and satisfaction of Oakland University students, by providing an extensive array of informal, intramural, club sport, outdoor, fitness/wellness and special event programs.

Fiscal year 2003-2004 is the sixth year of operation for the Department of Campus Recreation. Although budget reductions created some challenges, Campus Recreation experienced outstanding growth in programs, as well as successes, as evident by:

- A 9.1% increase in entries to the facility over same time last year
- A 26% increase in student participation in the intramural sports program
- An 8.6% increase in the group exercise program participation
- Increased interest in wellness programs with the Wellness Wednesday series and partnership with UHR in the 10K a day walking program
- An increase in both the number of club sports (from 14 to 18) and the number of student members in club sports (up 39%)
- The Men's Ice Hockey Club won the Division II ACHA National Championship, as well the their league regular season and playoffs. The club will serve as host to the 2005 National Championships, featuring OU and 15 teams next March
- The Women's Ice Hockey Club won the CCWHA Tournament Championship
- The Men's Lacrosse Club won the Division A CCLA championship

The Department of Campus Recreation also provides numerous opportunities for students to develop their leadership potential through involvement in facility and program management and to improve their interpersonal skills through participation in decision-making activities.

Key Performance Indicators

	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004*</u>
Building Entries	235,711	235,247	240,062
Days of Operation	347	342	312
Non-student members	2,517	2,369	1,885
Paid guest visits	7,162	8,337	7,950

*Through May 31, 2004

Department of Campus Recreation

Explanation of Major Changes

At the outset of FY04, the department was faced with a permanent \$50,000 budget reduction from General Fund Budget Support. This challenge was met through reduction in part time staffing levels and operational reductions in supplies, services and equipment purchase. Utility expense was also significantly higher than budgeted.

Approved capital projects with improved lighting in the fitness center, social lounge and Sail Window Illumination improvement and external sidewalk to patio were completed. The Aquatic Center preventive maintenance project, which at first was a capital project, is now in operations as a result of lower than projected actual cost.

Budget Assumptions

Income: FY05 budget projections include:

1. Projecting same level of non-student membership as FY04 actual due to the economy and impact of new recreation facilities in close proximity
2. Projecting same level of facility rental as FY04 actual due to increase in student usage of the Recreation Center and the impact of the economy
3. \$2 reduction in student fee per student, per semester or term corresponding to debt refinancing
4. Additional permanent reduction of \$9,203 in general fund support due to state budget cuts

Expense: FY05 budget projections include:

1. 5.5 percent increase in fringe benefits, up \$ 12,717
2. 26.5 percent increase in utilities budget, up \$92,604 over FY04 budget
3. 36 percent increase in University Overhead Charge, up \$17,476
4. A decrease of \$90,000 in debt service due to debt refinancing
5. \$20,000 one time expense in preventive maintenance in the aquatic center pool. The pool needs to be drained, repaired and re-filled once every 5-7 years
6. Proposed Capital Projects include major wood floor sanding/refinishing, exercise equipment replacement and installation of wireless internet access

Oakland University
Department of Campus Recreation
Proposed Budget - All Funds
Fiscal Year 2005 Through Fiscal Year 2007

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 637,270	\$ 620,026	\$ 625,220	\$ 656,935	\$ 690,762
Retail Sales	-	-	-	-	-
Student Fees	2,697,729	2,761,766	2,716,152	2,734,884	2,762,233
Gifts and Grants	2,600	2,700	2,500	2,600	2,600
Investment Income	13,321	7,502	8,502	9,100	9,600
Total Revenue	<u>\$ 3,350,920</u>	<u>\$ 3,391,994</u>	<u>\$ 3,352,374</u>	<u>\$ 3,403,519</u>	<u>\$ 3,465,195</u>
EXPENDITURES:					
Compensation	\$ 1,152,289	\$ 1,101,643	\$ 1,141,682	\$ 1,158,540	\$ 1,233,686
Supplies and Services	361,518	339,666	348,858	330,766	330,766
Repairs and Maintenance	165,700	158,700	189,166	174,241	179,468
Cost of Retail Sales	-	-	-	-	-
Equipment	35,000	30,000	25,000	30,000	30,000
Insurance	33,850	33,850	33,504	34,509	35,544
Utilities	350,000	413,709	442,604	464,734	487,971
University Overhead	48,313	48,313	65,789	67,763	69,796
Total Expenditures	<u>\$ 2,146,670</u>	<u>\$ 2,125,881</u>	<u>\$ 2,246,603</u>	<u>\$ 2,260,553</u>	<u>\$ 2,367,231</u>
TRANSFERS OUT (IN):					
General Fund Budget Support	\$ (535,274)	\$ (535,277)	\$ (526,071)	\$ (526,071)	\$ (526,071)
Debt Service	1,603,400	1,603,400	1,514,750	1,514,750	1,514,750
Major Capital Expenditures	370,000	290,000	200,000	150,000	100,000
Other Transfers	-	(5,000)	(5,000)	-	-
Total Transfers	<u>\$ 1,438,126</u>	<u>\$ 1,353,123</u>	<u>\$ 1,183,679</u>	<u>\$ 1,138,679</u>	<u>\$ 1,088,679</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ (233,876)</u>	<u>\$ (87,010)</u>	<u>\$ (77,908)</u>	<u>\$ 4,287</u>	<u>\$ 9,285</u>
FUND BALANCES JULY 1					
	<u>\$ 1,009,415</u>	<u>\$ 1,018,225</u>	<u>\$ 931,215</u>	<u>\$ 853,307</u>	<u>\$ 857,594</u>
FUND BALANCES JUNE 30					
	<u>\$ 775,539</u>	<u>\$ 931,215</u>	<u>\$ 853,307</u>	<u>\$ 857,594</u>	<u>\$ 866,879</u>

**Oakland University
Department of Campus Recreation
Proposed Major Capital Expenditures
Fiscal Year 2005 through Fiscal Year 2007**

<u>Fiscal Year 2005 - Item Description</u>	<u>Estimated Cost</u>
Wireless internet for building/social lounge	\$ 20,000
Campus Recreation Master Plan	30,000
Wood Floor Sanding	50,000
Interior/Exterior improvements	50,000
Replace cardio equipment in Fitness Center	50,000
Fiscal Year 2005 Total	<u><u>\$ 200,000</u></u>
<u>Fiscal Year 2006 - Item Description</u>	
Replace remaining cardio equipment in Fitness Center	\$ 50,000
Area Carpet replacement	50,000
Additional Upper Field improvements	50,000
Fiscal Year 2006 Total	<u><u>\$ 150,000</u></u>
<u>Fiscal Year 2007 - Item Description</u>	
Replace strength equipment in Fitness Center	\$ 50,000
Interior/Exterior improvement projects	50,000
Fiscal Year 2007 Total	<u><u>\$ 100,000</u></u>

Graham Health Center

Description of Program

The Graham Health Center provides acute care for Oakland University students and staff members. The primary users of the center are residence hall students, participants in the student health insurance program and female students who utilize the center for their women's health care issues. The Graham Health Center functions as the primary care provider for all student insurance participants and makes referrals to specialists for these students, if necessary. Staff members occasionally utilize the center for acute conditions that can be handled medically with one or two patient visits.

The model of care delivery in the Graham Health Center is a nurse practitioner model utilizing a consultative relationship with two physicians. One physician is on site four hours each week and available by phone for consultation during the remainder of the hours that the health center is open. The physicians also provide delegated prescriptive authority to the nurse practitioners. In addition, a consulting psychiatrist is on site 6 hours per month to conduct student psychiatric evaluations and/or medication reviews.

Key Performance Indicators

	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>
Patient Visits	4,000	4,082	3,860
Participants in Student Health Insurance Program	471	500	380

Explanation of Major Changes

The Graham Health Center experienced a slight drop in patient visits in 2003-2004, primarily attributed to a light flu season and fewer new employee physicals; however, revenue remained strong. Unlike many college health centers that function only as acute health care centers, the Graham Health Center manages primary care for a large number of students with chronic conditions.

Budget Assumptions

1. The student fee income is increased by 2 percent, or \$5,318, in fiscal year 2005. The same percent increase is applied in fiscal years 2006 and 2007.

Graham Health Center

2. Fiscal year 2005 compensation changes include increased hours for one medical assistant. All other compensation is projected to increase by approximately 2.7 percent overall.
3. Insurance costs increased 25 percent over last year and are expected to increase an additional 25 percent in 2005 due to the medical malpractice portion of the university premiums.
4. University administrative overhead charges increased by 7.04 percent for 2004-2005.

**Oakland University
Graham Health Center
Proposed Budget - All Funds
Fiscal Year 2005 through Fiscal Year 2007**

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 160,175	\$ 165,500	\$ 170,000	\$ 175,100	\$ 180,353
Retail Sales	75,350	87,000	100,000	103,000	106,090
Student Fees	265,896	265,886	271,204	276,628	282,161
Gifts and Grants	-	-	-	-	-
Investment Income	-	-	-	-	-
Total Revenue	<u>\$ 501,421</u>	<u>\$ 518,386</u>	<u>\$ 541,204</u>	<u>\$ 554,728</u>	<u>\$ 568,604</u>
EXPENDITURES:					
Compensation	\$ 287,050	\$ 282,000	\$ 296,220	\$ 304,514	\$ 313,650
Supplies and Services	105,000	122,915	109,000	112,270	115,638
Repairs and Maintenance	11,425	11,425	11,756	12,085	12,448
Cost of Retail Sales	64,000	69,232	82,000	84,460	86,994
Equipment	7,000	-	2,000	-	-
Insurance	4,548	8,854	11,047	11,378	11,720
Utilities	7,555	7,555	5,500	5,775	6,064
University Overhead	21,843	21,843	23,381	24,082	24,805
Total Expenditures	<u>\$ 508,421</u>	<u>\$ 523,824</u>	<u>\$ 540,904</u>	<u>\$ 554,564</u>	<u>\$ 571,319</u>
TRANSFERS OUT (IN):					
General Fund Budget Support	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	-	-	-	-	-
Major Capital Expenditures	-	-	-	-	-
Other Transfers	-	(10,000)	-	-	-
Total Transfers	<u>\$ -</u>	<u>\$ (10,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ (7,000)</u>	<u>\$ 4,562</u>	<u>\$ 300</u>	<u>\$ 164</u>	<u>\$ (2,715)</u>
FUND BALANCES JULY 1					
	<u>\$ 68,780</u>	<u>\$ 73,422</u>	<u>\$ 77,984</u>	<u>\$ 78,284</u>	<u>\$ 78,448</u>
FUND BALANCES JUNE 30					
	<u>\$ 61,780</u>	<u>\$ 77,984</u>	<u>\$ 78,284</u>	<u>\$ 78,448</u>	<u>\$ 75,733</u>

Department of Athletics

Description of Program

The OU Department of Intercollegiate Athletics has been fully participating in Division I athletics since 1999-2000. In the first five years the Golden Grizzlies have won 12 regular-season conference championships, 24 conference tournament titles and have had 16 NCAA tournament appearances.

The Oakland University Athletics Department is a member of the Mid-Continent Conference. The Mid-Continent Conference is comprised of nine schools – Centenary, Chicago State, IUPUI, UMKC, Oral Roberts, Southern Utah, Valparaiso and Western Illinois. The men's and women's swimming and diving programs also compete in the National Independent Conference.

OU has 14 varsity sports -- baseball, men's basketball, women's basketball, men's cross country, women's cross country, men's golf, women's golf, men's soccer, women's soccer, softball, men's swimming & diving, women's swimming & diving, women's tennis and volleyball.

The Golden Grizzlies play their court sports (volleyball and men's and women's basketball) at the Athletics Center 'O'rena which has a capacity of 4,005, and the baseball, softball and soccer games are played at the OU Athletic Fields. OU swimming and diving competes in the OU Aquatics Center, which has a capacity of 1,000, and the men's and women's golf teams call OU's Katke-Cousins its home golf course.

Key Performance Indicators

	<u>2001/02</u>	<u>2002/03</u>	<u>2003/04</u>
RPI Tier 1 Athletic Teams			
Men's Basketball	135	199	227
Women's Basketball	144	194	123
Men's Soccer	86	86	40
Women's Soccer	52	101	63
Men's Swimming/Diving	10*	27#	50#
Women's Swimming/Diving	15*	50#	39#
Number of Student Athletes	311	276	253

RPI (Ratings Percentage Index) is a rating system utilizing three factors: Division I winning percentage, schedule strength, and opponents' schedule strength.

* Mid-Major Ranking

National Finish/Ranking

Department of Athletics

Budget Assumptions

The OU Department of Intercollegiate Athletics' budget reflects the revenues and expenditures of its continuing participation in Division I athletics. Budget assumptions for the Fiscal Years 05, 06 and 07 are as follows:

1. Operating revenues are projected to increase by 2% for both FY06 and FY07.
2. Student Fees are projected to increase by 2% in both FY06 and FY07.
3. Beginning in FY05 Gifts and Grants revenue includes both restricted and unrestricted gifts.
4. Compensation costs are projected to increase approximately 2.6% for FY05, 2.8% for FY06 and 3% for FY07.
5. Included in the Compensation line item are three new entry-level positions in Athletic Training, Compliance and Sports Information. These positions result in a zero net increase in the budget from our present structure of using casual and temporary labor in these areas.
6. Supplies and services are projected to increase 2% in both FY06 and FY07.
7. General Fund budget support increases are due to projected adjustments for compensation.

Oakland University
Department of Athletics
Proposed Budget - All Funds
Fiscal Year 2005 through Fiscal Year 2007

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 911,000	\$ 1,076,645	\$ 878,401	\$ 895,969	\$ 913,888
Retail Sales	50,000	50,000	50,000	50,000	50,000
Student Fees	434,697	448,052	457,013	466,153	475,476
Gifts and Grants	75,000	275,000	275,000	275,000	275,000
Investment Income					
Total Revenue	<u>\$ 1,470,697</u>	<u>\$ 1,849,697</u>	<u>\$ 1,660,414</u>	<u>\$ 1,687,122</u>	<u>\$ 1,714,364</u>
EXPENDITURES:					
Compensation	\$ 1,915,186	\$ 1,990,472	\$ 2,086,490	\$ 2,139,444	\$ 2,197,769
Supplies and Services	1,330,587	1,480,393	1,158,822	1,181,998	1,205,638
Repairs and Maintenance	-	-	-	-	-
Cost of Retail Sales	40,000	40,000	40,000	40,000	40,000
Equipment	-	-	-	-	-
Insurance	19,000	19,194	20,900	22,990	25,289
Utilities	-	-	-	-	-
University Overhead	-	-	-	-	-
Total Expenditures	<u>\$ 3,304,773</u>	<u>\$ 3,530,059</u>	<u>\$ 3,306,212</u>	<u>\$ 3,384,432</u>	<u>\$ 3,468,696</u>
TRANSFERS OUT (IN):					
General Fund Budget Support	\$ (1,889,263)	\$ (1,967,920)	\$ (1,836,596)	\$ (1,888,021)	\$ (1,944,662)
Debt Service	42,000	42,000	42,000	42,000	42,000
Major Capital Expenditures	-	-	-	-	-
Other Transfers	-	-	-	-	-
Total Transfers	<u>\$ (1,847,263)</u>	<u>\$ (1,925,920)</u>	<u>\$ (1,794,596)</u>	<u>\$ (1,846,021)</u>	<u>\$ (1,902,662)</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ 13,187</u>	<u>\$ 245,558</u>	<u>\$ 148,798</u>	<u>\$ 148,711</u>	<u>\$ 148,330</u>
FUND BALANCES JULY 1					
	<u>\$ 414,163</u>	<u>\$ 736,208</u>	<u>\$ 981,766</u>	<u>\$ 1,130,564</u>	<u>\$ 1,279,275</u>
FUND BALANCES JUNE 30					
	<u>\$ 427,350</u>	<u>\$ 981,766</u>	<u>\$ 1,130,564</u>	<u>\$ 1,279,275</u>	<u>\$ 1,427,605</u>

Lowry Early Childhood Education Center (Child Development Lab)

Description of Program

The Lowry Early Childhood Center is a model center, which exhibits best practice in the field of early childhood education and development. Its main purpose is to provide a laboratory setting for the study of human, family, and child development. The aim of Lowry is to be a Child Development Lab of the highest quality.

The mission of the Lowry Center is to provide a model center for early childhood education and human development for the broad University community and its constituency groups. Lowry provides an ideal setting for the professional development of pre-service and in-service educators in the field of Early Childhood Education. The educational goals of the center are congruent with the goals of the School of Education and Human Services and the mission of Oakland University. The Lowry Center serves multiple target groups by supplying high quality education experiences for young children in the community and an excellent field experience and observation site for Oakland University students.

The Lowry Early Childhood Education Center offers an exemplary program for young children 18 months through 5 years of age extended to 6 years in the summer program. The vision of the center is to cultivate and maintain an environment where students, faculty, staff and parents collaborate regarding the essential elements necessary for optimal learning in young children. Teacher education, research and service are in the forefront of goal setting throughout the center. Child development, early learning and best practice in the field of early childhood education are cornerstones of the program's foundation.

The curriculum is based on sound child development theory and practice, incorporating a variety of techniques. The daily routine structure is based on the High/Scope Curriculum model and consists of planning time, work time, and recall time. Project-based learning allows children the opportunity to challenge their minds by exploring various topics and questions. As children are involved in project experiences, they become familiar with, and competent in the process of planning, exploring, and expanding their interests. The program strives to provide an environment, which develops strong self-esteem, provokes curiosity, and increases the desire to learn.

The Lowry Center is utilized for selected graduate Early Childhood Education courses, thus providing immediate and direct opportunities for observation and interaction with young children. Undergraduate classes in the School of Education make frequent visits to the Lowry Center for observations, assessment, and modeling. Many undergraduate students serve in classroom assistant roles throughout their time at Oakland University.

Lowry Early Childhood Education Center
(Child Development Lab)

The Lowry Center partners with Rochester Community Schools to provide inclusive environments for children with special needs from the Rochester community. This partnership enhances learning for all children and offers a diverse environment and support from many specialists from the Rochester Community Schools.

Through the Child Care Access Means Parent's in School (CCAMPIS) federal grant funding, the Lowry Center also strives to serve and support Oakland University student parents by providing a high quality program for their young children as they work to achieve educational goals.

Key Performance Indicators

Percentage of enrollment capacity for Winter semester, 2004

	Toddler-AM	Toddler-PM	Toddler – Full
Monday	100%	100%	100%
Tuesday	100%	100%	93%
Wednesday	100%	100%	100%
Thursday	100%	100%	93%
Friday	100%	N/A	89%
	Preschool - AM	Preschool - PM	
Monday	100%	93%	
Tuesday	100%	100%	
Wednesday	100%	93%	
Thursday	100%	100%	
Friday	70%	5%	
	Preschool Full		
Monday	70%		
Tuesday	100%		
Wednesday	70%		
Thursday	100%		
Friday	45%		

Lowry Early Childhood Education Center
(Child Development Lab)

Performance Indicators, Cont.

	Pre-K--AM	Pre-K--PM	Pre-K--Full Day
Monday	69%	25%	100%
Tuesday	94%	69%	100%
Wednesday	69%	25%	100%
Thursday	94%	69%	100%
Friday	68%	5%	70%

	Winter 2002 Participants	Winter 2003 Participants	Winter 2004 Participants
Community	108	142	200
Students	42	30	22
Faculty and Staff	22	22	14

Age Group	2004-2005	2003-2004	2002-2003
Toddlers	\$49 Full day \$27 Half day	\$47 Full day \$26 Half day	\$40 Full day \$25 Half day
Preschool	\$41 Full day \$22 Half day	\$39 Full day \$21 Half day	\$35 Full day \$20 Half day
Pre-K	Pre-K \$41 Full day \$22 Half day	Pre-K \$39 Full day \$21 Half day	(Only Pre-K offered this year.) \$35 Full day \$20 Half day
Before / After-Care	\$5.00 / ½ hour (Unscheduled hours discouraged.)	\$5.00 / ½ hour (Unscheduled hours discouraged.)	\$5.00 / ½ hour (Unscheduled hours discouraged.)

Lowry Early Childhood Education Center
(Child Development Lab)

Budget Assumptions

1. The 2004-05 projected enrollment revenue is based upon classroom capacity criteria as set forth by the State Bureau of Regulatory Services.
2. Fee structure is based on half-day and full day sessions, and per-hour before/after-care.
3. An average rate increase of 4.66% is necessary to cover increases in salary expenses (i.e. 11.91% fringe benefit composite rate increase) and additional operating expenses associated with new mandatory Friday class for fiscal year 2005.
4. Registration/Deposit fees for community members will be \$200 per year; \$150 will be deducted from the final payment (\$50.00 non-refundable).
5. Registration fees for OU affiliates will be \$50 per semester; \$25 will be deducted from the final payment per semester (\$25.00 non-refundable per semester).
6. Teaching assistants positions (2) re-designated to 9-month position.
7. Hiring of (1) new teaching assistant in 9-month position.

Oakland University
Lowry Early Childhood Education Center
Proposed Budget - All Funds
Fiscal Year 2005 through Fiscal Year 2007

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 802,265	\$ 712,626	\$ 840,635	\$ 864,172	\$ 890,097
Retail Sales	-	-	-	-	-
Student Fees	-	-	-	-	-
Gifts and Grants	34,865	44,026	37,443	37,443	2,086
Investment Income	-	-	-	-	-
Total Revenue	<u>\$ 837,130</u>	<u>\$ 756,652</u>	<u>\$ 878,078</u>	<u>\$ 901,615</u>	<u>\$ 892,183</u>
EXPENDITURES:					
Compensation	\$ 779,968	\$ 731,793	\$ 791,500	\$ 810,971	\$ 834,688
Supplies and Services	82,831	74,326	100,232	103,967	70,454
Repairs and Maintenance	-	-	-	-	-
Cost of Retail Sales	-	-	-	-	-
Equipment	5,000	3,650	3,000	3,056	3,117
Insurance	-	-	-	-	-
Utilities	4,800	3,394	5,225	5,359	5,507
University Overhead	-	-	-	-	-
Total Expenditures	<u>\$ 872,599</u>	<u>\$ 813,163</u>	<u>\$ 899,957</u>	<u>\$ 923,353</u>	<u>\$ 913,766</u>
TRANSFERS OUT (IN):					
General Fund Budget Support	\$ (68,230)	\$ (74,106)	\$ (26,879)	\$ (26,879)	\$ (26,879)
Debt Service	-	-	-	-	-
Major Capital Expenditures	3,000	-	-	-	-
Other Transfers	-	-	-	-	-
Total Transfers	<u>\$ (65,230)</u>	<u>\$ (74,106)</u>	<u>\$ (26,879)</u>	<u>\$ (26,879)</u>	<u>\$ (26,879)</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ 29,761</u>	<u>\$ 17,595</u>	<u>\$ 5,000</u>	<u>\$ 5,141</u>	<u>\$ 5,296</u>
FUND BALANCES JULY 1					
	<u>\$ 114,577</u>	<u>\$ 120,172</u>	<u>\$ 137,707</u>	<u>\$ 142,707</u>	<u>\$ 147,848</u>
FUND BALANCES JUNE 30					
	<u>\$ 144,338</u>	<u>\$ 137,767</u>	<u>\$ 142,707</u>	<u>\$ 147,848</u>	<u>\$ 153,144</u>

Meadow Brook Music Festival

Description of Program

The 2003 Meadow Brook Music Festival season was the seventh season under the ten-year agreement with Palace Sports and Entertainment to operate and manage the music festival. Highlights of the agreement include a guaranteed lease payment, an investment of over two million dollars in facility improvements, as well as a long-term commitment to more concerts than presented in previous years. Meadow Brook's 2003 schedule was highlighted by a five-weekend visit by the Detroit Symphony Orchestra, for a total of fifteen performances. Besides the classical offerings, however, the Festival's events included rock, jazz, country, comedy, adult contemporary and family entertainment.

The Meadow Brook Music Festival opened in July 1964 and was built to be the summer home for the Detroit Symphony Orchestra. Over the years, millions of visitors have enjoyed concerts at the outdoor amphitheatre, which features over 2,700 pavilion seats, and lawn seating for an additional 5,000. Under the university's contract with the Palace, there is a guaranteed annual payment of \$105,000, plus six percent of gross revenues over \$3 million.

Key Performance Indicators

	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>
Attendance	128,407	109,974	121,070
Gross Revenue	\$2,673,554	\$2,614,082	\$3,053,169
Number of Events	40	44	46

Explanation of Major Changes

The budgets for 2004-05 through 2006-07 reflect the revenue from the guaranteed lease payment from Palace Sports and Entertainment. Compensation expenses have been reduced, due to a restructuring of Auxiliary Services.

Oakland University
Meadow Brook Music Festival
Proposed Budget - All Funds
Fiscal Year 2005 through Fiscal Year 2007

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 105,000	\$ 108,190	\$ 105,000	\$ 105,000	\$ 105,000
Retail Sales	-	-	-	-	-
Student Fees	-	-	-	-	-
Gifts and Grants	11,000	9,000	9,000	9,000	9,000
Investment Income	-	-	-	-	-
Total Revenue	<u>\$ 116,000</u>	<u>\$ 117,190</u>	<u>\$ 114,000</u>	<u>\$ 114,000</u>	<u>\$ 114,000</u>
EXPENDITURES:					
Compensation	\$ 79,400	\$ 81,700	\$ 62,100	\$ 63,800	\$ 65,800
Supplies and Services	2,000	2,000	2,500	2,500	2,500
Repairs and Maintenance	-	-	-	-	-
Cost of Retail Sales	-	-	-	-	-
Equipment	-	-	-	-	-
Insurance	5,000	3,785	5,000	5,000	5,000
Utilities	-	-	-	-	-
University Overhead	-	-	-	-	-
Total Expenditures	<u>\$ 86,400</u>	<u>\$ 87,485</u>	<u>\$ 69,600</u>	<u>\$ 71,300</u>	<u>\$ 73,300</u>
TRANSFERS OUT (IN):					
General Fund Budget Support	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	-	-	-	-	-
Major Capital Expenditures	-	-	-	-	-
Other Transfers	-	-	-	-	-
Total Transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ 29,600</u>	<u>\$ 29,705</u>	<u>\$ 44,400</u>	<u>\$ 42,700</u>	<u>\$ 40,700</u>
FUND BALANCES JULY 1					
	<u>\$ 72,167</u>	<u>\$ 72,357</u>	<u>\$ 102,062</u>	<u>\$ 146,462</u>	<u>\$ 189,162</u>
FUND BALANCES JUNE 30					
	<u>\$ 101,767</u>	<u>\$ 102,062</u>	<u>\$ 146,462</u>	<u>\$ 189,162</u>	<u>\$ 229,862</u>

Meadow Brook Theatre

Description of Program

In June 2003, Oakland University entered into an agreement with The Theatre Ensemble, a non-profit corporation, to lease Meadow Brook Theatre facilities to produce a full season of plays each of the next five years, beginning in fiscal year 2004. Highlights of the agreement included:

- Continued productions of professional theatre productions and related events as Meadow Brook Theatre.
- Guaranteed rent payment per week of each production season, with a guaranteed number of weeks each year.
- Additional rent payments based on tickets sold.
- Increased opportunities for a strong relationship between The Theatre Ensemble and Oakland University's students, particularly those in the academic theatre programs.

The Theatre Ensemble completed their first season in May 2004, and will be producing a full subscription season in 2005.

Key Performance Indicators

	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>
Total Attendance	100,227	102,386	68,438

Explanation of Major Changes

The estimated actual results for Meadow Brook Theatre for fiscal year 2003-2004 reflect the lease revenue from the Theatre Ensemble, and related university expenses for utilities and insurance. The business model for the Meadow Brook Theatre has eliminated the operating activities from the university's finances. Rent payments and expenses directly related to the lease agreement are included in the university's budget and financial reports.

Budget Assumptions

Fixed rent received per the contract is based on a minimum guaranteed number of production weeks, and increases each year of the agreement. Insurance is projected to increase by three per cent each year, and utilities by fifteen per cent in 2004-2005, and five per cent in each of the next two years.

**Oakland University
Meadow Brook Theatre
Proposed Budget - All Funds
Fiscal Year 2005 through Fiscal Year 2007**

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 55,000	\$ 61,745	\$ 72,000	\$ 76,000	\$ 80,000
Retail Sales	-	-	-	-	-
Student Fees	-	-	-	-	-
Gifts and Grants	-	-	-	-	-
Investment Income	-	-	-	-	-
Total Revenue	<u>\$ 55,000</u>	<u>\$ 61,745</u>	<u>\$ 72,000</u>	<u>\$ 76,000</u>	<u>\$ 80,000</u>
EXPENDITURES:					
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies and Services	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Cost of Retail Sales	-	-	-	-	-
Equipment	-	-	-	-	-
Insurance	1,800	2,906	3,100	3,200	3,300
Utilities	30,000	32,353	37,200	39,060	41,000
University Overhead	-	-	-	-	-
Total Expenditures	<u>\$ 31,800</u>	<u>\$ 35,259</u>	<u>\$ 40,300</u>	<u>\$ 42,260</u>	<u>\$ 44,300</u>
TRANSFERS OUT (IN):					
General Fund Budget Support	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	-	-	-	-	-
Major Capital Expenditures	-	-	-	-	-
Other Transfers	-	-	-	-	-
Total Transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ 23,200</u>	<u>\$ 26,486</u>	<u>\$ 31,700</u>	<u>\$ 33,740</u>	<u>\$ 35,700</u>
FUND BALANCES JULY 1					
	\$ -	\$ -	\$ 26,486	\$ 58,186	\$ 91,926
FUND BALANCES JUNE 30					
	<u>\$ 23,200</u>	<u>\$ 26,486</u>	<u>\$ 58,186</u>	<u>\$ 91,926</u>	<u>\$ 127,626</u>

**Oakland University
Meadow Brook Theatre
Report on Transition
2003-2004**

With the leasing of Meadow Brook Theatre to the Theatre Ensemble in July 2003, the University recognized one-time closing costs, particularly for employee severance and vacation payouts (\$122,000) and other contractual obligations. These costs were partially offset by proceeds from the sale of assets, gifts, and the final payment of \$22,300 from the Michigan Council of Arts and Cultural Affairs for the 2003 season.

The attached financial statement presents the actual results for the fiscal year ended June 30, 2003 and the estimated results for the year ended June 30, 2004. The projected fund balance at June 30, 2004 represents the amount relating to the Meadow Brook Theatre operations, and does not include results for the leased activity. Those are presented in a separate budget document.

**Oakland University
Meadow Brook Theatre
Actual FY 2003
Estimated Actual FY 2004**

	<u>FY 03 ACTUAL</u>	<u>FY 04 ESTIMATED ACTUAL</u>
REVENUE:		
Operating Revenue	\$ 2,321,998	\$ -
Retail Sales	21,037	-
Student Fees	-	-
Gifts and Grants	545,916	32,200
Investment Income	-	-
Total Revenue	<u>\$ 2,888,951</u>	<u>\$ 32,200</u>
EXPENDITURES:		
Compensation	\$ 1,600,975	\$ -
Supplies and Services	1,273,145	-
Repairs and Maintenance	30,302	-
Cost of Retail Sales	9,711	-
Equipment	39,201	-
Insurance	5,501	-
Utilities	-	-
University Overhead	77,719	-
Total Expenditures	<u>\$ 3,036,554</u>	<u>\$ -</u>
TRANSFERS OUT (IN):		
General Fund Budget Support	\$ (166,964)	\$ -
Debt Service	-	-
Major Capital Expenditures	-	-
Other Transfers	-	-
Total Transfers	<u>\$ (166,964)</u>	<u>\$ -</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS	<u>\$ 19,361</u>	<u>\$ 32,200</u>
ONE-TIME TRANSITION COSTS	\$ 145,699	\$ 41,935
NET REVENUE	\$ (126,338)	\$ (9,735)
FUND BALANCES JULY 1	<u>\$ (316,573)</u>	<u>\$ (442,911) *</u>
FUND BALANCES JUNE 30	<u>\$ (442,911)</u>	<u>\$ (452,646)</u>

* The University intends to identify fiscal-year 2004 year-end sources to cover this deficit.

Oakland Center

Description of Program

The Oakland Center serves as a community center for students, faculty, staff and university guests. The Oakland Center offers a wide-range of services and amenities such as: campus-wide food service, 24-hour computer lab access, university bookstore, meeting and conference room facilities, departmental and student organization offices. The newly expanded Oakland Center continues to experience strong and growing student utilization, and to attract a diversity of programs to the popular Banquet Rooms.

Key Performance Indicators

	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>
Number of meeting reservations	6,328	6,444	5,788
Number of attendees	219,771	228,688	217,179
Number of catered events	3,939	4,056	3,986

Last year's construction and kitchen renovation contributed to an 11.3 percent reduction in meeting room reservations compared to the previous year. Upon opening the Banquet Rooms in September, 164 events were hosted in the new conference space with attendance of over 39,000. Off-campus groups accounted for 4 percent of Banquet Room usage.

Explanation of Major Changes

On September 5th the 30,000 sq. ft. Oakland Center expansion officially opened. Facility expenses increased by \$109,000 due to additional utility loads, operational costs, and staff compensation. The added costs were offset this year by a slight increase in bookstore commissions and conservative spending, especially in the area of compensation.

The Oakland Center was also affected by a permanent general fund reduction of \$16,000 in response to state budget cuts. On June 30th University Services closed Copy Stop. This change represents an additional loss of \$7,500 in annual revenue.

Café O'Bear's, a 24-hour computer lab, located in the expansion consists of fifteen networked computer stations and a laser printer. Additionally, a new wireless computing system is in place throughout the main and upper levels. Prior to launching these initiatives fiscal responsibility for all building computer lab support and maintenance was transferred to the Oakland Center.

In FY05, a one-time \$50,000 bookstore commission payable to the university general fund will increase the annual payable commission from \$186,000 to \$236,000.

Oakland Center

Budget Assumptions

1. Bookstore commissions are projected to increase 1.48 percent.
2. Conference revenues are projected to increase 35 percent.
3. A 2 percent General Service Fee increase is assumed for FY05, FY06 and FY07.
4. Copy Stop annual revenue of \$7,500 is eliminated due to the closing of Copy Stop.
5. The annual bookstore commission payable of \$186,000 to the general fund is increased by a one-time \$50,000 increase, representing an additional 26.88 percent over FY04, bringing the FY05 general fund payment to \$236,000.
6. FY05 compensation expenses are based on the elimination of one custodial position and a part-time clerical position.
7. Utility rates are estimated to increase by 2 percent in FY05 over FY04 projected actual.
8. Capital expenditures of \$297,500 are anticipated in FY05 for replacement of a dish machine, food service equipment purchases, and meeting room upgrades.

Oakland University
Oakland Center
Proposed Budget - All Funds
Fiscal Year 2005 through Fiscal Year 2007

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 1,198,707	\$ 1,184,206	\$ 1,214,871	\$ 1,226,384	\$ 1,242,678
Retail Sales	-	-	-	-	-
Student Fees	872,840	872,840	890,297	908,103	926,265
Gifts and Grants	-	803	-	-	-
Investment Income	14,000	6,634	6,700	6,850	7,000
Total Revenue	<u>\$ 2,085,547</u>	<u>\$ 2,064,483</u>	<u>\$ 2,111,868</u>	<u>\$ 2,141,337</u>	<u>\$ 2,175,943</u>
EXPENDITURES:					
Compensation	\$ 914,948	\$ 803,408	\$ 922,805	\$ 957,417	\$ 995,290
Supplies and Services	218,819	220,288	225,896	232,673	228,253
Repairs and Maintenance	257,183	269,524	178,324	183,674	182,934
Cost of Retail Sales	-	-	-	-	-
Equipment	155,970	178,367	52,500	54,075	55,697
Insurance	30,344	21,127	21,761	22,414	23,086
Utilities	357,000	316,000	322,500	338,600	348,800
University Overhead	35,126	35,126	62,402	64,274	66,202
Total Expenditures	<u>\$ 1,969,390</u>	<u>\$ 1,843,840</u>	<u>\$ 1,786,188</u>	<u>\$ 1,853,127</u>	<u>\$ 1,900,262</u>
TRANSFERS OUT (IN):					
General Fund Budget Support	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	-	-	-	-	-
Major Capital Expenditures	-	-	297,500	-	-
Other Transfers	275,400	229,919	325,400	275,400	275,400
Total Transfers	<u>\$ 275,400</u>	<u>\$ 229,919</u>	<u>\$ 622,900</u>	<u>\$ 275,400</u>	<u>\$ 275,400</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ (159,243)</u>	<u>\$ (9,276)</u>	<u>\$ (297,220)</u>	<u>\$ 12,810</u>	<u>\$ 281</u>
FUND BALANCES JULY 1					
	<u>\$ 937,722</u>	<u>\$ 942,294</u>	<u>\$ 933,018</u>	<u>\$ 635,798</u>	<u>\$ 648,608</u>
FUND BALANCES JUNE 30					
	<u>\$ 778,479</u>	<u>\$ 933,018</u>	<u>\$ 635,798</u>	<u>\$ 648,608</u>	<u>\$ 648,889</u>

**Oakland University
Oakland Center
Proposed Major Capital Expenditures
Fiscal Year 2005 through Fiscal Year 2007**

<u>Fiscal Year 2005 - Item Description</u>	<u>Estimated Cost</u>
Gold Room Renovation	\$ 175,000
Dishmachine Purchase	75,000
Food Service Equipment (Banquet Rm Set Up Area)	47,500
Fiscal Year 2005 Total	<u><u>\$ 297,500</u></u>
<u>Fiscal Year 2006 - Item Description</u>	
Fiscal Year 2006 Total	<u><u>\$ -</u></u>
<u>Fiscal Year 2007 - Item Description</u>	
Fiscal Year 2007 Total	<u><u>\$ -</u></u>

Department of University Housing

Description of Program

The Department of University Housing has administrative oversight for on-campus housing operations including budget, facility operations, maintenance, programming, support services, and all personnel. The department also has contract management responsibilities for the food services agreement with Chartwells Corporation and property management responsibilities for the Meadow Brook Subdivision and other university rental properties.

The number of students living on campus was approximately 5 percent higher than budgeted in FY 2003-2004. The additional occupancy resulted in total revenue of \$9,151,154; an increase of \$392,179 over the Board approved FY 2003-0004 budget.

This past year, \$415,522 was used for student housing renovation projects. Projects included:

- Hamlin Hall air-conditioning replacement
- Faucet and shower replacements
- Matthews Court gutter and down spout replacement
- Student room door lock replacement project (first year of three year project)
- Campus Housing Master Plan Development and Facilities Analysis

Projects scheduled for FY 2004-2005 include:

- Upgrade Hamlin computer lab equipment
- Structural repair of Van Wagoner and Hill House pedestrian walkways
- Security cameras for all building entrances
- Completion of student apartment landscaping plan
- Upgrade barn storage facility
- Student lounge furniture replacement

Key Performance Indicators

	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>
Opening Occupancy	1430	1524	1612
Renovation and Refurbishing Projects	\$854,228	\$804,170	\$415,522
All Funds Balance	\$789,300	\$233,395	\$450,091 (estimated)

Department of University Housing

Explanation of Major Changes

FY 2004-2005 operating revenue reflects a 4.5 percent room and board and student apartment rate increase. The budget does not propose any rate increase for Matthews Court Family Housing in order to remain an affordable option for single parent and two-student families who wish to live on campus. We also project an increase in investment income revenue due to market improvement.

The proposed budget reflects increases in supplies and services for the replacement of the computers in the Hamlin Hall computer lab, security cameras for the individual building entrances and student lounge furniture replacement. Major capital expenditures include two projects identified from a recent facility audit: structural repair of the Van Wagoner and Hill House pedestrian walkways and student room door hardware replacement. The proposed budget also reflects a 23.5 percent increase in the University overhead assessment and a decrease in the debt service; the latter resulting from retired bond payments on all of the traditional residence halls.

Budget Assumptions

- The recommended residence halls' room and board rates reflected in these documents are as follows:

Year	FY 2004-2005	FY 2005-2006	FY 2006-2007
Academic Year Rate	\$5790	\$6080	\$6385
Single Room Premium	\$1035	\$1090	\$1145
Spring Term Rate	\$1325	\$1390	\$1460
Summer Term Rate	\$1275	\$1340	\$1410
Percentage Increase	4.5%	5%	5%

- The recommended apartment rates reflected in these documents are as follows:

Year	FY 2004-2005	FY 2005-2006	FY 2006-2007
Academic Year Rate	\$4675	\$4910	\$5155
Spring Term	\$1170	\$1230	\$1290
Summer Term	\$1170	\$1230	\$1290
Matthews Court - monthly	\$650 ⁽¹⁾	\$685	\$720
Percentage Increase	4.5%	5%	5%

(1) This rate does not reflect an increase for FY 2004-2005.

Department of University Housing

3. The budget reflects estimated compensation increases of 2.6% in FY 2004-2005, 2.8% in FY 2005-2006, and 3% in FY 2006-2007.
4. The budget reflects an approved average increase in payment to caterer of 3.0% for FY 2004-2005 and projected increases of 3% for FY 2005-2006 and FY 2006-2007.

Oakland University
University Housing
Proposed Budget - All Funds
Fiscal Year 2005 through Fiscal Year 2007

	FY 04 BUDGET	FY 04 ESTIMATED ACTUAL	FY 05 BUDGET	FY 06 BUDGET	FY 07 BUDGET
REVENUE:					
Operating Revenue	\$ 8,754,179	\$ 9,149,388	\$ 8,951,654	\$ 9,399,237	\$ 9,869,199
Retail Sales	-	-	-	-	-
Student Fees	-	-	-	-	-
Gifts and Grants	-	-	-	-	-
Investment Income	4,796	1,766	5,000	5,150	5,305
Total Revenue	<u>\$ 8,758,975</u>	<u>\$ 9,151,154</u>	<u>\$ 8,956,654</u>	<u>\$ 9,404,387</u>	<u>\$ 9,874,504</u>
EXPENDITURES:					
Compensation	\$ 2,130,860	\$ 2,075,898	\$ 2,243,868	\$ 2,308,379	\$ 2,377,630
Supplies and Services	2,459,957	2,875,479	2,905,999	2,993,179	3,082,974
Repairs and Maintenance	706,283	790,446	640,000	659,200	678,976
Cost of Retail Sales	-	-	-	-	-
Equipment	15,000	7,958	20,000	20,600	21,218
Insurance	125,000	120,398	130,000	133,900	137,917
Utilities	1,100,000	962,782	1,000,000	1,050,000	1,102,500
University Overhead	252,870	252,870	312,311	321,680	331,330
Total Expenditures	<u>\$ 6,789,970</u>	<u>\$ 7,085,831</u>	<u>\$ 7,252,178</u>	<u>\$ 7,486,938</u>	<u>\$ 7,732,545</u>
TRANSFERS OUT (IN):					
General Fund Budget Support					
Debt Service	\$ 1,752,630	\$ 1,786,550	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
Major Capital Expenditures	100,000	390	100,000	200,000	300,000
Other Transfers	62,950	61,687	79,060	81,432	83,875
Total Transfers	<u>\$ 1,915,580</u>	<u>\$ 1,848,627</u>	<u>\$ 1,579,060</u>	<u>\$ 1,681,432</u>	<u>\$ 1,783,875</u>
NET REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS					
	<u>\$ 53,425</u>	<u>\$ 216,696</u>	<u>\$ 125,416</u>	<u>\$ 236,017</u>	<u>\$ 358,084</u>
FUND BALANCES JULY 1					
	<u>\$ 248,863</u>	<u>\$ 233,395</u>	<u>\$ 450,091</u>	<u>\$ 575,507</u>	<u>\$ 811,524</u>
FUND BALANCES JUNE 30					
	<u>\$ 302,288</u>	<u>\$ 450,091</u>	<u>\$ 575,507</u>	<u>\$ 811,524</u>	<u>\$ 1,169,608</u>

**Oakland University
Department of University Housing
Proposed Major Capital Expenditures
Fiscal Year 2005 through Fiscal Year 2007**

<u>Fiscal Year 2005 - Item Description</u>	<u>Estimated Cost</u>
Deferred Maintenance Items to be Determined	\$ 100,000
Fiscal Year 2005 Total	<u><u>\$ 100,000</u></u>
<u>Fiscal Year 2006 - Item Description</u>	
Deferred Maintenance Items to be Determined	\$ 200,000
Fiscal Year 2006 Total	<u><u>\$ 200,000</u></u>
<u>Fiscal Year 2007 - Item Description</u>	
Deferred Maintenance Items to be Determined	\$ 300,000
Fiscal Year 2007 Total	<u><u>\$ 300,000</u></u>

**Agendum
Oakland University
Board of Trustees Formal Meeting
August 4, 2004**

**APPROVAL OF ANCILLARY ACTIVITIES OPERATING BUDGET
FOR THE FISCAL YEARS ENDING
JUNE 30, 2005, 2006, AND 2007**

Introduction

Projected budgets for the fiscal years ending June 30, 2005, 2006, and 2007 for the following eight ancillary activities are presented for approval:

Campus Recreation (CR)	Meadow Brook Music Festival (MBMF)
Graham Health Center (GHC)	Meadow Brook Theatre (MBT)
Intercollegiate Athletics (IA)	Oakland Center (OC)
Lowry Early Childhood Center (LECC)	University Housing (UH)

The Meadow Brook Hall budget will be presented to the Board at a later date, when the details of the Hall's business plan have been finalized.

These ancillary activities represent a broad range of operations connected with and in support of the educational mission of Oakland University. A summary of the proposed budgets is attached as Appendix I.

Each ancillary budget is presented in a similar format, using common terminology and revenue, expense and transfer categories. The "All Funds" budget model has been used to construct the presentation of these budgets. This model, introduced last year, is intended to provide a comprehensive picture of the financial activities of each unit. This format depicts operating and capital transactions in the General Fund, Auxiliary Fund, Designated Fund, Expendable Restricted Fund and the Plant Fund. Gifts are included, but the fund balances in permanent endowments are not included as there is no discretion with regard to their use. Distributions from these endowments are income in the Expendable-Restricted Funds and are included.

The Board of Trustees conditionally approved budgets for FY 2005 and FY 2006 on August 6, 2003 for each of these units. Each budget has been revised to reflect current operating projections, and updated assumptions since those previous approvals.

Budgeted expenditures and transfers for these eight units total \$17,706,106 for FY 2005. This represents an increase of 1.4% over the estimated actual expenditures and transfers of \$ 17,466,985 in FY 2004.

**Approval of Ancillary Activities Operating Budget
For the Fiscal Years Ending June 30, 2004, 2005, And 2006
Board of Trustees
August 4, 2004
Page 2**

Payments to the general fund for administrative overhead costs for FY 2005 from these eight ancillary operations totals \$463,883.

Recommendation

RESOLVED, that the Board of Trustees approves the budgets for University Housing, Lowry Early Childhood Center, Oakland Center, Meadow Brook Theatre, Meadow Brook Music Festival, Campus Recreation, Graham Health Center and Intercollegiate Athletics for the year ending June 30, 2004, and conditionally approves the budgets for fiscal years ending June 30, 2005, and June 30, 2006, with expenditures and transfers not to exceed the amounts on Appendix I respectively, for each year except as next set forth; and, be it further

RESOLVED, that all expenditures and transfers beyond the approved budget must have the prior approval of the President or his designee and these amounts will be reported on a periodic basis to the Board of Trustees.

Submitted to the University President
on _____, 2004, by

Lynne C. Schaefer
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on _____, 2004
to the Board of Trustees for Approval

Gary D. Russi
President