

**ANCILLARY ACTIVITIES OPERATING BUDGETS FOR THE
FISCAL YEAR ENDING JUNE 30, 2015**

A Recommendation

1. **Division and Department:** Academic Affairs, Finance and Administration, and Student Affairs and Enrollment Management.
2. **Introduction:** Proposed budgets for the following ancillary activities are presented for approval for the fiscal year ending June 30, 2015:

Campus Recreation	Meadow Brook Music Festival
Graham Health Center	Meadow Brook Theatre
Intercollegiate Athletics	Oakland Center
Lowry Center for Early Childhood Education	University Housing

The ancillary activities presented here represent a broad range of operations connected with and in support of the educational mission of Oakland University. 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. The all funds model 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 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.

3. **Previous Board Action:** The Board of Trustees (Board) approved the FY2014 ancillary budgets on April 3, 2013.
4. **Budget Implications:** See individual ancillary program descriptions for budget implications.
5. **Educational Implications:** See individual ancillary program descriptions for educational implications.
6. **Personnel Implications:** See individual ancillary program descriptions for personnel implications.

**Ancillary Activities Operating Budgets for the
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Oakland University
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7. **University Reviews/Approvals:** The ancillary activities operating budgets were prepared by the ancillary units, reviewed by the Financial Performance Review Committee, Budget and Financial Planning Office, Senior Vice President for Academic Affairs and Provost, Interim Vice President for Student Affairs and Enrollment Management, Vice President for Finance and Administration, and Interim President.

8. **Recommendation:**
RESOLVED, that the Board of Trustees approves the FY2015 budgets for Campus Recreation, Graham Health Center, Intercollegiate Athletics, Lowry Center for Early Childhood Education, Meadow Brook Music Festival, Meadow Brook Theatre, Oakland Center, and University Housing, with expenditures and transfers not to exceed the expense total for each unit as reflected in the attached budgets, except as set forth; and, be it further

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

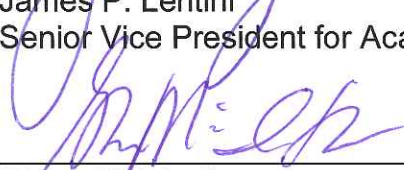
9. **Attachments:**

1. Description of Programs and Proposed Budgets, FY2015

Submitted to the President
on 4/15, 2014 by

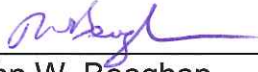


James P. Lentini
Senior Vice President for Academic Affairs and Provost



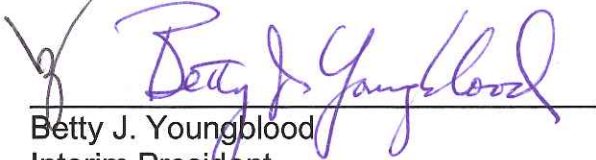
Glenn McIntosh
Interim Vice President for Student Affairs and Enrollment
Management

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John W. Beaghan
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on May 7, 2014
to the Board for approval by



Betty J. Youngblood
Interim President

Department of Campus Recreation

Description of Program

The Department of Campus Recreation mission is to enhance the quality of life for individuals in the Oakland University community by offering programs, services and facilities that support healthy lifestyles. The department is responsible for recreational sports, the Recreation Center, the Grizzly Oaks Disc Golf Course, running trails and newly constructed Recreation and Athletic Outdoor Complex (RAOC) that becomes operational October 1, 2014.

Program highlights from the current fiscal year include:

- Successful modified fall outdoor Intramural Sports (flag football and soccer) played on the lower fields. Thank you Department of Athletics!
- More than 14,000 participations in the Group Exercise Program that averaged 60 classes per week
- 70,555 touches for Campus Recreation via social media (Facebook, Twitter, Blogs and You Tube) during the first six months of the fiscal year
- Inaugural year for the Club Football program
- Over 11,000 individuals toured the Recreation Center while on Admission Tours
- 350 faculty/staff participated in the 3rd Annual Poker Walk on National Fitness Day

Key Performance Indicators

	<u>FY2012</u>	<u>FY2013</u>	<u>Projected FY2014</u>
Building Entries	312,953	306,754	300,000
Student Visits	157,318	159,456	155,000
Intramural Participation	14,746	16,837	16,600
Club sports	23	24	24
Days of Operation	352	349	346

FY2014 Explanation of Major Changes

- Operating revenue lower due to additional pool closure and upper fields going off line for the entire fiscal year
- Expenses lower in compensation, supplies and service repair and maintenance due to the impact of additional pool closure and fewer credit hours taken by graduate assistants
- Debt service reduction due to refinancing of the 2004 bond

Department of Campus Recreation

FY2014 Explanation of Major Changes (continued)

- Overhead allocation is lower due to reclassification of university support for employee memberships and wellness initiatives previously accounted for under Student Tuition Allocation and General Fund support.
- Major Capital Expenditures less due to actual expense of the project lower than budgeted

FY2015 Budget Assumptions

- Operating revenue increase due to full year pool operation and RAOC revenue in Spring of 2015
- Student Tuition Allocation increase based on enrollment projections
- Compensation increase reflects budget guideline instructions, full year of aquatic center staffing, one additional professional staff position, one additional graduate assistant position, operational staffing of the RAOC and an allocation for a potential minimum wage increase sometime during the year
- Supplies and Service increase due to the net impact of RAOC operations, graduate assistant tuition expense and reclassification of custodial and maintenance expense. Note: custodial operational expense projected pending approval of new custodial contract
- Debt service reduction due to full fiscal year savings of refinanced bond
- Capital expense includes the wood floor sanding project and recreation equipment for the RAOC project

Oakland University
Ancillary Activities Operating Budget
Department of Campus Recreation
Proposed Budget - All Funds
FY2015

	FY2014 BUDGET	FY2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue	\$ 363,000	\$ 320,700	\$ 408,000
Retail Sales	1,500	2,000	1,500
Student Tuition Allocation	3,856,544	3,793,473	3,847,223
Gifts and Grants	-	-	-
Investment Income	60	60	100
General Fund Support	25,000	-	-
Total Revenue	<u>\$ 4,246,104</u>	<u>\$ 4,116,233</u>	<u>\$ 4,256,823</u>
EXPENDITURES:			
Compensation	\$ 1,412,073	\$ 1,392,334	\$ 1,605,690
Supplies and Services	468,240	436,046	473,300
Repairs and Maintenance	231,550	220,899	235,000
Cost of Retail Sales	1,000	1,700	1,000
Equipment	80,000	80,000	80,000
Insurance	27,165	25,226	27,985
Utilities	395,000	395,000	406,500
Debt Service	1,507,604	1,435,825	1,396,150
University Overhead	117,724	2,724	26,504
Other Transfers	-	-	-
Total Expenditures	<u>\$ 4,240,356</u>	<u>\$ 3,989,754</u>	<u>\$ 4,252,129</u>
Net Revenue	<u>\$ 5,748</u>	<u>\$ 126,479</u>	<u>\$ 4,694</u>
Ending Balances prior to Major Cap. Expenditures:			
Restricted Fund Balance *	\$ -	\$ -	\$ -
Unrestricted Fund Balance	1,979,569	2,106,048	1,789,742
Less: Major Capital Expenditures	390,000	321,000	105,000
Total Fund Balance	<u>\$ 1,589,569</u>	<u>\$ 1,785,048</u>	<u>\$ 1,684,742</u>
Restriction 1		\$ -	
Restriction 2		-	
Restriction 3		-	
Restricted Fund Balance *		<u>\$ -</u>	

Oakland University
Department of Campus Recreation
Proposed Major Capital Expenditures
FY 2015

Item Description	Estimated Cost
Wood floor sanding project	\$ 55,000
Upper Field project recreation equipment	50,000

FY 2015 Total

\$ 105,000

Graham Health Center FY15

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, student health insurance participants and female students who utilize the center for their women's health care needs.

Service delivery at the Graham Health Center is a nurse practitioner/physician assistant model utilizing a consultative relationship with two area 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/physician assistants. In addition, a consulting psychiatrist is on site weekly to conduct student psychiatric evaluations and/or medication reviews.

Key Performance Indicators

	<u>FY2012</u>	<u>FY2013</u>	<u>Projected FY2014</u>
Patient Visits	4,170	3,540	3,748
Participants in Student Health Insurance	345	268	500

FY2015 Budget Assumptions

1. Operating revenue is estimated to increase by 2% to reflect FY 14 experience and student use.
2. Student Tuition Allocation reflects anticipated enrollment growth.
3. Retail sales have decreased due to prescription coverage changes with PPACA. This downward trend may continue.

Oakland University
Ancillary Activities Operating Budget
Graham Health Center
Proposed Budget - All Funds
FY2015

	FY2014 BUDGET	FY2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue	\$ 249,260	\$ 250,000	\$ 255,000
Retail Sales	32,640	21,984	22,423
Student Tuition Allocation	369,193	369,193	376,577
Gifts and Grants	-	-	-
Investment Income	-	-	-
General Fund Support	-	-	-
Total Revenue	<u>\$ 651,093</u>	<u>\$ 641,177</u>	<u>\$ 654,000</u>
EXPENDITURES:			
Compensation	\$ 437,355	\$ 405,109	\$ 404,760
Supplies and Services	133,902	141,014	155,296
Repairs and Maintenance	10,660	9,606	9,894
Cost of Retail Sales	26,000	12,876	17,031
Equipment	2,000	-	-
Insurance	5,979	9,833	9,362
Utilities	6,900	6,500	7,000
Debt Service	-	-	-
University Overhead	25,117	25,117	28,968
Other Transfers	-	-	-
Total Expenditures	<u>\$ 647,913</u>	<u>\$ 610,055</u>	<u>\$ 632,311</u>
Net Revenue	<u>\$ 3,180</u>	<u>\$ 31,122</u>	<u>\$ 21,689</u>
Ending Balances prior to Major Cap. Expenditures:			
Restricted Fund Balance *	\$ -	\$ -	\$ -
Unrestricted Fund Balance	118,087	146,029	148,236
Less: Major Capital Expenditures	19,482	19,482	-
Total Fund Balance	<u>\$ 98,605</u>	<u>\$ 126,547</u>	<u>\$ 148,236</u>
Restriction 1		\$ -	
Restriction 2		-	
Restriction 3		-	
Restricted Fund Balance *		<u>\$ -</u>	

Department of Intercollegiate Athletics

Description of Program

The Oakland University (OU) Department of Intercollegiate Athletics has been fully participating in Division I athletics since 1999-2000. In fourteen years the Golden Grizzlies have won 24 regular-season conference championships, 51 conference tournament titles and have had 37 NCAA tournament appearances.

OU has 18 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, men's indoor & outdoor track, women's indoor & outdoor track and volleyball.

The Golden Grizzlies play their court sports (volleyball, men's and women's basketball) at the Athletics Center (O'rena) which has a capacity of 3,000, with baseball, softball and soccer games played at the OU Athletic Fields. OU swimming and diving competes in the OU Aquatics Center, which has a capacity of 1,000, and OU's Katke-Cousins golf course is the home course for the men's and women's golf teams. The track & field and tennis programs do not have on-campus facilities. Renovations of the upper playing field, scheduled for completion in fall 2014, will provide on-campus facilities for track & field and tennis.

<u>Key Performance Indicators</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>
<u>RPI Tier 1 Athletic Teams</u>			
Men's Basketball	135	151	188
Women's Basketball	240	293	224
Men's Soccer	185	113	105
Women's Soccer	177	106	156
Men's Swimming/Diving	12*	4*	48#
Women's Swimming/Diving	11*	24*	31*

* Mid-Major Ranking

National Ranking

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

Number of Student Athletes	357	312	320
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Department of Intercollegiate Athletics

<u>Key Performance Indicators</u> (continued)	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>
Graduation Rates-All Students/Student Athletes	40% / 54%	40% / 68%	43% / 58%
Graduation Success Rate – Student Athletes	85%	84%	81%

Freshman-Cohort 2004/2005, 2005/2006 & 2006/2007 Graduation Rates: These are the most recent graduating classes for which the required six years of information is available. "All Students" represents all undergraduate students who were enrolled in a full-time program of studies for a degree. "Student Athletes" represents those student athletes who received athletics aid from the university for any period of time during their entering year.

The main difference between the two rates is the Graduation Success Rate takes into account the successful completion of graduation requirements for transfer students.

FY2014 Explanation of Changes

Operating revenues are reflective of less than expected basketball tickets sales, an increase in men's basketball team guarantee revenue and less than expected sponsorship sales.

Gift revenue decreases are due mainly to shortfalls in unrestricted giving.

Compensation decreases are due to open positions throughout the year.

Decreases in supplies and services are due to decreased spending in operations, general equipment, and repairs and maintenance in response to the expected decrease in operating revenue.

Other transfers consist of a one-time transfer for improvements to our Strength & Conditioning facility.

Capital expenditures are reflective of the softball and baseball facilities improvement project.

FY2015 Budget Assumptions

The Oakland University Department of Intercollegiate Athletics' budget reflects the revenues and expenditures of its continuing participation in NCAA Division I and league affiliation to The Horizon League. Budget assumptions for Fiscal Year 2015 have been projected based on Horizon League competition:

1. External revenues have been modified to reflect future expectations in the areas of tickets sales, sponsorships, advertising, and fund raising.
2. Student Tuition Allocation reflects anticipated enrollment growth, related to Horizon League participation.
3. Gift revenue changes are reflective of future expectations.

Department of Intercollegiate Athletics

FY2015 Budget Assumptions (continued)

4. Compensation and operation budget increases are offset by an increase in General Fund support, funded primarily by projected increased enrollment related to participation in The Horizon League.
5. Capital Expenditures consist of equipment for the Track & Field programs.

Oakland University
Ancillary Activities Operating Budget
Department of Athletics
Proposed Budget - All Funds
FY2015

	FY2014 BUDGET	FY2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue:			
Ticket Sales	\$ 175,000	\$ 125,000	\$ 132,500
Team Guarantees	310,000	365,000	340,000
NCAA Revenues	393,870	393,870	395,000
Other	740,000	635,000	762,500
Total Operating Revenue	\$ 1,618,870	\$ 1,518,870	\$ 1,630,000
Retail Sales	27,000	28,000	27,000
Student Tuition Allocation	1,533,655	1,533,655	1,959,609
Gifts and Grants	525,000	435,000	450,000
Investment Income	1,000	1,000	1,000
General Fund Support	3,615,054	3,494,054	3,747,765
Total Revenue	\$ 7,320,579	\$ 7,010,579	\$ 7,815,374
EXPENDITURES:			
Compensation	\$ 4,385,233	\$ 4,317,233	\$ 4,939,664
Supplies and Services	1,635,298	1,428,298	1,659,450
Travel	1,075,000	1,100,000	1,100,000
Repairs and Maintenance	-	-	-
Cost of Retail Sales	12,000	15,000	12,000
Equipment	-	132,000	-
Insurance	93,500	87,500	93,500
Utilities	-	-	-
Debt Service	-	-	-
University Overhead	-	-	-
Other Transfers	-	(132,000)	-
Total Expenditures	\$ 7,201,031	\$ 6,948,031	\$ 7,804,614
Net Revenue	\$ 119,548	\$ 62,548	\$ 10,760
Ending Balances prior to Major Cap. Expenditures:			
Restricted Fund Balance *	\$ 264,884	\$ 317,757	\$ 325,000
Unrestricted Fund Balance	965,782	855,909	831,038
Less: Major Capital Expenditures	-	28,388	100,000
Total Fund Balance	\$ 1,230,666	\$ 1,145,278	\$ 1,056,038
Athletic Programs		\$ 232,394	
Endowments / Scholarships		29,340	
Facility Development		42,936	
Student Athlete Funds		13,087	
Restricted Fund Balance *		<u>\$ 317,757</u>	

Oakland University
Department of Athletics
Proposed Major Capital Expenditures
FY 2015

Item Description	Estimated Cost
Track & Field Equipment	100,000
FY 2014 Total	<u><u>\$ 100,000</u></u>

Lowry Center for Early Childhood Education

Description of Program

The vision of the Lowry Center for Early Childhood Education is to cultivate and maintain an environment where faculty, students, staff and parents collaborate to provide a model center which exhibits best practice in the field of early childhood education and development. It has three related components, described below, with purposes that are congruent with the goals of the School of Education and Human Services (SEHS) and the mission of Oakland University:

- To provide high quality, developmentally appropriate early childhood experiences for young children and families.
- To provide learning and teaching environments for students and practitioners in Education, Human Services and related fields.
- To expand knowledge in Education, Human Service and related fields through research and service.

These components are based on the belief that learners of all ages should have meaningful, interesting and challenging experiences. Child and adult development are fostered by active participation of the learner.

Key Performance Indicators

Overall Center Enrollment

March 30, 2010	March 30, 2011	March 30, 2012	March 2013	March 2014
55%	72%	79%	83%	80%

Enrollment by Category

	Winter 2010 Participants	Winter 2011 Participants	Winter 2012 Participants	Winter 2013 Participants	Winter 2014 Participants
Community	98	102	116	105	97
Students	28	27	28	23	18
Faculty & Staff	20	25	21	25	27
Total	146	154	165	153	142

Daily Rates

Age Group	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Toddlers	\$55 9am-4pm	\$57.50	\$57.50	\$57.50	\$57.50
	\$45 9am-2pm	9am-4pm	9am-4pm	9am-4pm	9am-4pm
		\$47.50	\$47.50		
	\$31 9am-12pm	9am-2 pm	9am-2pm		
		\$33.50	\$33.50	\$33.50	\$33.50
		9am-12pm	9am-12pm	9am-12pm	9am-12pm

Lowry Center for Early Childhood Education

Preschool	\$46 9am-4pm	\$48.50	\$48.50	\$48.50	\$48.50
	\$26 9am-12pm	9am-4pm	9am-4pm	9am-4pm	9am-4pm
		\$28.50	\$28.50	\$28.50	\$28.50
		9am-12pm	9am-12pm	9am-12pm	9am-12pm
Pre-K	\$46 9am-4pm	\$48.50	\$48.50	\$48.50	\$48.50
	\$26 9am-12pm	9am-4pm	9am-4pm	9am-4pm	9am-4pm
		\$28.50	\$28.50	\$28.50	\$28.50
		9am-12pm	9am-12pm	9am-12pm	9am-12pm

All Age Groups

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Before Care	\$5.00 per	\$5.00 per	\$5.00 per	\$5.00 per	\$5.00 per
7:30 -9:00 am	½hour	½hour	½hour	½hour	½hour
After Care	Community	Community	Community	Community	Community
4:00-5:30 pm	\$3.00 per	\$3.00 per	\$3.00 per	\$3.00 per	\$3.00 per
	½ hour OU	½ hour OU	½ hour OU	½ hour OU	½ hour OU

- Registration/Deposits for community members will be \$200 per year; \$150 will be deducted from the final payment (\$50 non-refundable)
- Registration charges for OU affiliates will be \$75 per year, \$25 will be deducted from the final payment of the school year (\$50 non-refundable per school year)
- Schedule change charges of \$25.00 per occurrence will be applied to families with frequent schedule changes.
- A late charge of \$25.00 will be applied to families who have not paid their monthly tuition by the 10th of the month.

FY2014 Explanation of Major Changes

In the Fall of 2012 Elementary Education students with a major in Early Childhood began to complete their practicum experiences at Lowry. In the Winter of 2013 an education specialist program in Early Education and Intervention was launched. This program will culminate in a capstone project, and some students may implement this project at Lowry. In addition, several Ph.D. students are completing field studies and coursework at the Lowry Center.

Lowry Center for Early Childhood Education

FY2015 Budget Assumptions

Revenue –

Operating Revenue

- Based on 80% projected enrollment. Revenue increase primarily due to increased before/after care hours requested in the FY14 school year.
- Families will be offered a 5% discount on the oldest sibling when enrolling two or more children. This discount is common practice among preschools.

Gifts and Grants

- CCAMPIS grant was not awarded for the period 10/1/14-9/30/18.
- National Inclusion Project grant was not awarded for FY 2015. Lowry received the grant for 3 years of a 3 year cycle.
- \$7,725 in projected gifts and investment income from endowments

General Fund Budget Support

- Based on number of practicum students enrolled for Summer 2014 and Fall 2014 as of March, 2014 (graduate =15; undergraduates = 28)

Expenditures –

Compensation

- Includes salary increases for staff
- Includes liaison teacher stipend
- Decrease in substitute teaching hours. Will not need a long-term substitute teacher

Repairs and Maintenance – cleaning services contract based on current trend

Oakland University
Ancillary Activities Operating Budget
Lowry Center for Early Childhood Education
Proposed Budget - All Funds

	FY2014 BUDGET	FY2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue	\$ 778,580	\$ 778,580	\$ 790,747
Retail Sales	-	-	-
Student Tuition Allocation	-	-	-
Gifts and Grants	60,590	61,851	3,000
Investment Income	4,400	4,685	4,725
General Fund Support	33,814	42,533	47,441
Total Revenue	<u>\$ 877,384</u>	<u>\$ 887,649</u>	<u>\$ 845,913</u>
EXPENDITURES:			
Compensation	\$ 787,691	\$ 731,734	\$ 772,187
Supplies and Services	42,020	38,700	39,865
Repairs and Maintenance	29,520	30,401	31,313
Cost of Retail Sales	-	-	-
Equipment	-	-	-
Insurance	-	-	-
Utilities	-	-	-
Debt Service	-	-	-
University Overhead	-	-	-
Other Transfers	-	-	-
Total Expenditures	<u>\$ 859,231</u>	<u>\$ 800,835</u>	<u>\$ 843,365</u>
Net Revenue	<u>\$ 18,153</u>	<u>\$ 86,814</u>	<u>\$ 2,548</u>
Ending Balances prior to Major Cap. Expenditures:			
Restricted Fund Balance *	\$ -	\$ -	\$ -
Unrestricted Fund Balance	451,663	520,322	427,870
Less: Major Capital Expenditures	95,000	95,000	-
Total Fund Balance	<u>\$ 356,663</u>	<u>\$ 425,322</u>	<u>\$ 427,870</u>
Restriction 1		\$ -	
Restriction 2		-	
Restriction 3		-	
Restricted Fund Balance *		<u>\$ -</u>	

Meadow Brook Music Festival

Description of Program

Oakland University's ten-year agreement with Palace Sports and Entertainment (PSE) to operate and manage the Meadow Brook Music Festival (Festival) ended following the 2006 season.

In November 2006, PSE exercised its option to extend the Agreement for five-years, through the 2011 season.

In September 2010, PSE exercised its option to extend the Agreement for an additional two-years through the 2013 season, and, in June 2013, PSE exercised the final option to extend the lease term for an additional one-year through the 2014 season. All terms and conditions of the Agreement will remain in full force and effect during the extended Agreement, which provides for an annual guaranteed payment of \$135,000, plus 6% of gross box office revenues over \$3.5 million.

The Festival's events typically include rock, indie rock, jazz, country, comedy, adult contemporary and family entertainment.

Key Performance Indicators

	<u>FY2012</u>	<u>FY2013</u>	<u>Projected FY2014</u>
Attendance	66,277	69,856	72,000
Gross Revenue	\$1,959,559	\$2,166,037	\$2,250,000

FY2014 Explanation of Major Changes

A renovation of the two historic barns on the grounds of the Festival, which will include Oakland University branding, is scheduled for spring 2014 at an estimated cost of \$250,000.

FY2015 Budget Assumptions

The FY2015 budgeted revenue is consistent with the extended Agreement and historical investment income. The budgeted expenses include insurance, supplies and services, and compensation.

Also in FY2015, per the endowment requirements, \$12,000 will be disbursed from the L. Clifford Goad Memorial Concert Endowment to support a Detroit Symphony Orchestra concert at the Festival, and \$40,000 will be disbursed from the Trumbull Terrace Endowment to support repairs and maintenance of the Festival's Trumbull Terrace.

Oakland University
Ancillary Activities Operating Budget
Meadow Brook Music Festival
Proposed Budget - All Funds
FY2015

	FY2014 BUDGET	FY2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue	\$ 135,000	\$ 135,000	\$ 135,000
Retail Sales	-	-	-
Student Tuition Allocation	-	-	-
Gifts and Grants	-	-	-
Investment Income	10,000	11,000	10,000
General Fund Support	-	-	-
Total Revenue	<u>\$ 145,000</u>	<u>\$ 146,000</u>	<u>\$ 145,000</u>
EXPENDITURES:			
Compensation	\$ 6,135	\$ 5,700	\$ 6,000
Supplies and Services	2,500	2,500	14,500
Repairs and Maintenance	-	-	40,000
Cost of Retail Sales	-	-	-
Equipment	-	-	-
Insurance	4,649	4,616	5,038
Utilities	-	-	-
Debt Service	-	-	-
University Overhead	-	-	-
Other Transfers	-	-	-
Total Expenditures	<u>\$ 13,284</u>	<u>\$ 12,816</u>	<u>\$ 65,538</u>
Net Revenue	<u>\$ 131,716</u>	<u>\$ 133,184</u>	<u>\$ 79,462</u>
Ending Balances prior to Major Cap.Expenditures:			
Restricted Fund Balance	\$ 76,922	\$ 93,800	\$ 51,800
Unrestricted Fund Balance	971,745	1,097,287	968,749
Less: Major Capital Expenditures	-	250,000	-
Total Fund Balance	<u>\$ 1,180,383</u>	<u>\$ 941,087</u>	<u>\$ 1,020,549</u>

Meadow Brook Theatre

Description of Program

Oakland University (University) entered into an Agreement with The Theatre Ensemble (Ensemble), a non-profit corporation, to lease Meadow Brook Theatre (MBT) facilities in 2002. In March 2012, the University Board of Trustees approved a renewal of the original Agreement through June 30, 2016, which will allow the Ensemble to continue in the MBT facilities through the MBT Fiftieth Anniversary season (2015-2016). Highlights of the Agreement include the following:

- Continued professional theatre productions and related events at Meadow Brook Theatre, including a full-season of plays.
- Guaranteed weekly fixed rent payments each production season, with a guaranteed number of weeks each year.
- Additional rent payments based on tickets sold.
- Opportunities for a strong relationship between the Ensemble and the University's students, particularly those in the academic theatre program.

All contractual payments to the University from the Ensemble continue to be paid in a timely manner.

The Ensemble is committed to presenting high quality productions, geared to inspire, educate and entertain a diverse audience base. This year, the season included three musicals, three dramas and a comedy. The Ensemble continues to share its resources with the University's Department of Music, Theatre and Dance in professional and artistic avenues and a number of students are employed by the Ensemble in a variety of professional and operational positions.

Key Performance Indicators

	<u>FY2012</u>	<u>FY2013</u>	<u>Projected FY2014</u>
Total Attendance	69,339	75,379	70,000

FY2015 Budget Assumptions

Under the current agreement, rent will be \$1,985 per week for the FY2015 season. Rent revenue covers expenses for repairs; maintenance; insurance and utilities to maintain the auxiliary operation and provides net revenue for major capital expenditures.

The MBT dressing room trailer, part of MBT facilities rented to the Ensemble, is more than 25 years old and will be replaced in FY2015. Construction is expected to be complete by November, 2014, with an estimated cost of \$156,400.

Oakland University
Ancillary Activities Operating Budget
Meadow Brook Theatre
Proposed Budget - All Funds
FY2015

	FY 2014 BUDGET	FY 2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue	\$ 98,500	\$ 98,500	\$ 102,500
Retail Sales	-	-	-
Student Tuition Allocation	-	-	-
Gifts and Grants	-	-	-
Investment Income	-	-	-
General Fund Support	-	-	-
Total Revenue	<u>\$ 98,500</u>	<u>\$ 98,500</u>	<u>\$ 102,500</u>
EXPENDITURES:			
Compensation	\$ -	\$ -	\$ -
Supplies and Services	1,000	1,000	1,000
Repairs and Maintenance	2,500	3,500	2,500
Cost of Retail Sales	-	-	-
Equipment	-	-	-
Insurance	2,625	3,214	2,771
Utilities	45,300	45,300	39,000
Debt Service	-	-	-
University Overhead	-	-	-
Other Transfers	-	-	-
Total Expenditures	<u>\$ 51,425</u>	<u>\$ 53,014</u>	<u>\$ 45,271</u>
Net Revenue	<u>\$ 47,075</u>	<u>\$ 45,486</u>	<u>\$ 57,229</u>
Ending Balances prior to Major Cap.Expenditures:			
Restricted Fund Balance *	\$ -	\$ -	\$ -
Unrestricted Fund Balance	343,660	351,550	246,879
Less: Major Capital Expenditures	159,000	161,900	
Total Fund Balance	<u>\$ 184,660</u>	<u>\$ 189,650</u>	<u>\$ 246,879</u>

Oakland Center

Description of Program

The Oakland Center serves as a community center for students, faculty, staff and university guests. It offers a wide-range of services and amenities such as: campus-wide food service, university bookstore, credit union, meeting and conference room facilities, departmental and student organization offices. The Oakland Center continues to experience strong and growing student utilization and to attract a diversity of campus and community programs.

Key Performance Indicators

	<u>FY2012</u>	<u>FY2013</u>	Projected <u>FY2014</u>
Number of meeting room reservations	5,464	5,921	6,456
Number of meeting attendees	273,168	293,514	291,011

- 236,986 pedestrian entries were recorded during September 2013 a 5% increase over the previous year with a total of 1,094,685 entries from July 2013 through February 26, 2014.
- 301 Banquet Room events were held with 65,591 attendees.

The following major capital projects were completed:

- Corridor and lounge carpet replacement

FY2014 Explanation of Major Changes

- Revenue projections reflect a decrease in annual bookstore commissions.
- Salary savings were realized due to a vacant full-time position.
- Budgeted repairs and maintenance to include meeting room lighting and technology upgrades were postponed due to scheduling conflicts.

FY2015 Budget Assumptions

1. Student tuition allocation reflects anticipated enrollment growth.
2. The budget reflects \$151,000 plant renewal project as detailed in the proposed major capital expenditures attachment.
3. University Overhead includes \$153,423 from the bookstore commission to the general fund support.
4. A one year food service contract extension increased commissions by \$80,000.
5. The annual \$89,400 amortization of the food service contract has been fulfilled eliminating the transfer of the annual expense. It is now realized as net revenue.

Oakland University
Ancillary Activities Operating Budget
Oakland Center
Proposed Budget - All Funds
FY2015

	FY2014 BUDGET	FY2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue:			
Bookstore Commissions	\$ 672,000	\$ 650,500	\$ 620,000
Conferences	215,800	190,000	164,500
Food Service	350,000	350,000	430,000
Other	157,000	162,190	157,000
Total Operating Revenue	<u>\$ 1,394,800</u>	<u>\$ 1,352,690</u>	<u>\$ 1,371,500</u>
Retail Sales			
Student Tuition Allocation	1,090,011	1,090,011	1,111,811
Gifts and Grants	300	410	410
Investment Income	200	200	200
General Fund Support	-	-	-
Total Revenue	<u>\$ 2,485,311</u>	<u>\$ 2,443,311</u>	<u>\$ 2,483,921</u>
EXPENDITURES:			
Compensation	\$ 1,064,109	\$ 1,004,227	\$ 1,105,047
Supplies and Services	259,500	255,120	262,775
Travel	6,900	11,280	11,500
Repairs and Maintenance	299,000	199,000	204,790
Cost of Retail Sales			
Equipment	65,000	65,000	67,000
Insurance	23,725	23,395	24,686
Utilities	390,500	390,500	371,168
Debt Service	80,866	80,866	80,866
University Overhead	191,787	173,787	168,552
Other Transfers	89,400	74,114	-
Total Expenditures	<u>\$ 2,470,787</u>	<u>\$ 2,277,289</u>	<u>\$ 2,296,384</u>
Net Revenue	<u>\$ 14,524</u>	<u>\$ 166,022</u>	<u>\$ 187,537</u>
Ending Balances prior to Major Cap. Expenditures:			
Restricted Fund Balance *	\$ -	\$ -	\$ -
Unrestricted Fund Balance	978,095	978,095	1,058,765
Less: Major Capital Expenditures	(112,000)	(85,352)	(151,000)
Total Fund Balance	<u>\$ 880,619</u>	<u>\$ 1,058,765</u>	<u>\$ 1,095,302</u>
Restriction 1		\$ -	
Restriction 2		-	
Restriction 3		-	
Restricted Fund Balance *		<u>\$ -</u>	

Oakland University
OAKLAND CENTER
Proposed Major Capital Expenditures
FY 2015

<u>Item Description</u>	<u>Estimated Cost</u>
Update north meeting rooms and adjacent corridor to include ADA modernization, new ceilings and lighting systems, carpet replacement, technology infrastructure, and asbestos abatement	\$ 151,000
FY 2015 Total	<u><u>\$ 151,000</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 personnel. The department also has property management responsibilities for the Meadow Brook Subdivision.

Key Performance Indicators

	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>
Opening Occupancy	2,068	2,087	2,277
Renovation and Refurbishing Projects	\$1,667,372	\$1,745,469	\$3,145,700
Chartwell's Board Rate Increase	3.5%	3.7%	2.8%

FY2014 Explanation of Major Changes

The increase in operating revenue over the Board approved FY2014 budget is due to higher than budgeted occupancy.

The increase in food service expense is due to higher occupancy.

The increase in supplies and services is due to the cost of hotel occupancy.

The increase in Major Capital Expenditures is due to the development of an additional dining venue on the lower level of Vandenberg Hall to accommodate residential population growth.

The increase in other transfers is due to an internal transfer provided to expand the Bear Bus program with two additional shuttle buses. The Bear Bus program became a critical component of a successful parking strategy for this year of construction projects.

Department of University Housing

FY2015 Budget Assumptions

- 1). The **Residence Hall** budget reflects a 3.75 percent double room rate increase in room and board. The proposed room rates position Oakland University Housing at the middle tier among other Michigan Universities. The recommended rates are as follows:

Year	FY2013	FY2014	FY2015
Academic Year Rate (double room)	\$8,207	\$8,576	\$8,895
Academic Year Rate (single room)	\$8,922	\$9,324	\$9,675
Summer Semester – Base Rate (double room)	\$2,580	\$2,696	\$2,795
Summer Semester – Base Rate (single room)	\$2,785	\$2,910	\$3,020
Percentage Increase (Acad. Yr – double)	3.0%	4.5%	3.75%

- 2). The **New Residence Hall** budget is designed to reflect the value of the square footage and amenities offered within the new facility. A board plan is required for all residents of the New Residence Hall.

Year	FY2013	FY2014	FY2015
Academic Year Rate (freshmen double room)	N/A	N/A	\$9,350
Academic Year Rate (upper class single room suite)	N/A	N/A	\$9,700
Summer Semester Rate (freshmen double room)	N/A	N/A	\$3,275
Summer Semester Rate (upper class single room suite)	N/A	N/A	\$3,395
Percentage Increase (Acad. Yr– 3&4 BR)	N/A	N/A	N/A

Department of University Housing

FY2015 Budget Assumptions (continued)

- 3). The **Ann V. Nicholson Apartments** budget reflects an 8.8 percent rate increase. The rate increase for the Ann V. Nicholson apartments more closely reflects the upgrade in amenities and living space offered in these locations in comparison to the standard residence hall and new residence hall living spaces. The recommended rates are as follows:

Year	FY2013	FY2014	FY2015
Academic Year Rate (3 and 4 Bedrooms)	\$6,507	\$6,800	\$7,400
Academic Year Rate (2 Bedrooms)	\$6,839	\$7,146	\$7,775
Summer Semester Rate (3 and 4 Bedrooms)	\$3,088	\$3,226	\$3,510
Summer Semester Rate (2 Bedrooms)	\$3,430	\$3,584	\$3,900
Percentage Increase (Acad. Yr- 3&4 BR)	3.0%	4.5%	8.8%

- 4). The **George T. Matthews Apartments** budget reflects a 7.75 percent rate increase. The rate increase for the George T. Matthews apartments more closely reflects the upgrade in amenities and living space offered in these locations in comparison to the standard residence hall and new residence hall living spaces. The recommended rate is as follows:

Year	FY2013	FY2014	FY2015
Academic Year Rate	\$6,839	\$7,146	\$7,700
Summer Semester Rate	\$3,430	\$3,584	\$3,900
Percentage Increase	3.0%	4.5%	7.75%

- 5). The increase in operating revenue is due to our anticipated increase in room and board rates and housing expansion.
- 6). Food service increase is due to a 3 percent increase in Chartwells rates as well as the addition of the new residence hall dining contracts.

Department of University Housing

FY2015 Budget Assumptions (continued)

- 7). Increase in compensation is due to an increase in student labor primarily in the new residence hall. We anticipate the addition of custodial and skilled trade positions in the new residence hall. We anticipate the addition of a Residence Director position in each of the four residence hall areas to support the academic and programmatic mission with a corresponding reduction in the graduate director positions.

- 8). Major capital expenditures reflect \$4,836,500 for East Vandenberg Hall plumbing renovation and the Aruba wireless installation throughout the residential buildings. The Aruba installation in the residence halls will mirror what is currently being installed campus wide.

Oakland University
Ancillary Activities Operating Budget
University Housing
Proposed Budget - All Funds
FY2015

	FY2014 BUDGET	FY2014 ESTIMATED ACTUAL	FY2015 PROPOSED BUDGET
REVENUE:			
Operating Revenue:			
Room & Board	\$ 15,990,178	\$ 17,348,243	\$ 21,505,327
Conferences	340,000	340,000	340,000
Other	333,286	333,286	373,286
Total Operating Revenue	<u>\$ 16,663,464</u>	<u>\$ 18,021,529</u>	<u>\$ 22,218,613</u>
Retail Sales	-	-	-
Student Tuition Allocation	-	-	-
Gifts and Grants	-	-	-
Investment Income	2,000	2,000	2,000
General Fund Support	-	-	-
Total Revenue	<u>\$ 16,665,464</u>	<u>\$ 18,023,529</u>	<u>\$ 22,220,613</u>
EXPENDITURES:			
Compensation	\$ 3,362,693	\$ 3,356,152	\$ 4,557,225
Supplies and Services	431,950	761,793	525,762
Student Programming & Retention	400,270	422,570	433,370
Food Service	3,391,659	3,550,104	4,212,414
Travel	25,000	25,000	35,000
Repairs and Maintenance	1,002,850	1,277,952	1,721,108
Cost of Retail Sales	-	-	-
Equipment	250,000	246,681	260,000
Insurance	97,614	97,126	105,785
Utilities	1,229,691	1,346,886	1,538,319
Debt Service	2,857,393	2,723,878	2,723,878
University Overhead	353,388	413,388	441,232
Other Transfers	66,450	(227,292)	16,738
Total Expenditures	<u>\$ 13,468,958</u>	<u>\$ 13,994,238</u>	<u>\$ 16,570,831</u>
Net Revenue	<u>\$ 3,196,506</u>	<u>\$ 4,029,291</u>	<u>\$ 5,649,782</u>
Ending Balances prior to Major Cap.Expenditures:			
Restricted Fund Balance *	\$ -	\$ -	\$ -
Unrestricted Fund Balance	7,855,188	8,738,740	9,953,560
Less: Major Capital Expenditures	3,145,700	4,434,961	4,836,500
Total Fund Balance	<u>\$ 4,709,449</u>	<u>\$ 4,303,779</u>	<u>\$ 5,117,060</u>
Restriction 1		\$ -	
Restriction 2		-	
Restriction 3		-	
Restricted Fund Balance *		<u>\$ -</u>	

**Oakland University
University Housing
Proposed Major Capital Expenditures
Fiscal Year 2015**

<u>Item Description</u>	<u>Estimated Cost</u>
East Vandenberg Hall Plumbing Renovation	\$ 4,236,500
Aruba wireless system upgrade	600,000
FY 2015 Total	<u>\$ 4,836,500</u>