

GENERAL FUND BUDGET POLICIES AND PRACTICES

Beginning in FY 2009, ICR allocations to the schools, colleges, and divisions are budgeted in the units rather than the Division of Research, to more accurately reflect the budgetary control of those resources. The Research Stimulation Fund allocation is recorded in a separate, specifically designated budget in the Division of Research.

The Research Facilities Fund is recorded in Central Accounts. Federal regulations require Wayne State University to spend an amount equivalent to the portion of ICR revenues based on faculty and equipment depreciation on the purchase, repair, acquisition, renovation or improvement of research facilities and equipment. These expenditures can either be made in the year in which the revenues are received, or within a five-year period after the fiscal year in which the revenues are received. The estimated portion of the University's current ICR rate dedicated to research facility and equipment depreciation is 10.4 percent, and funding for research equipment and facilities will be taken from the general fund portion of ICR revenue.

5. *Omnibus Fee Commitments*

Omnibus fees, assessed as part of tuition and fees are earmarked for specific purposes, such as student computing and technology, athletics enhancement, student activities and campus safety. Starting in FY 2009, omnibus fees provide funding for the Student Center and the Dean of Students Office.

Since FY 2005, the majority of omnibus fee revenues have been set aside for student computing and technology needs. Part of these funds is allocated through the Division of the Provost to the schools and colleges for instructional technology needs. Student computing and technology funds are allocated through Computing and Information Systems (C&IT). The total amount allocated for FY 2011 is \$7.5 million, of which \$4.2 million will be allocated through C&IT and \$3.3 million will be allocated through the Office of the Provost.

Athletics funding totaling \$2.6 million is set aside on a recurring basis to fund salaries, operations, expenditures and financial aid associated with the Athletics enhancement initiative. These amounts are built into respective budgets.

A base budget allocation of \$564,600 is made to Student Activities.

Prior to FY 2009 primary funding for the Student Center and the Dean of Students Office came from a \$2.85 and \$0.65 per student credit hour set aside from tuition revenue. Beginning in FY 2009 these units are funded from omnibus fees. The funding amount for each unit is initially based on the per student credit hour amount used previously but in future years may change based on adjustments in the omnibus fee rate.

Funding totaling \$2.3 million is provided for the Student Health Clinic. Prior to FY 2010 use of the Student Health Clinic was restricted to residence hall occupants and was mostly funded by a surcharge paid as part of the Housing assessment. The omnibus funding will allow the expansion of eligibility to all students.

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Omnibus fee commitments available for distribution in FY 2011 total \$19 million. The distribution of this amount is shown in the following schedule:

FY 2011 Omnibus Allocation

Category	FY 2011 Budget
Student Computing and Technology – C&IT	\$4,235,700
Student Computing and Technology – Provost	\$3,287,700
Athletics	\$2,650,000
Student Health Clinic	\$2,313,000
Student Center	\$2,014,300
Financial Aid	\$2,197,300
Campus Safety	\$682,700
Student Activities	\$564,600
Dean of Students	\$478,500
Library Support	\$156,100
Marketing	\$373,000
Total Omnibus Fee Allocation	\$18,952,900

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

6. Central Accounts

A number of the University’s commitments are budgeted as Central Accounts and managed by the central administration on a regular basis. These accounts include commitments for compensation and benefits to faculty and staff, utilities, and physical plant maintenance and repair.

The compensation reserve is budgeted based on the number of faculty and staff employed by the University and anticipated increases for those employees during the coming year. Depending on the bargaining unit, these compensation increases are typically paid in October or November. Some are retroactive to August.

Fringe benefits are a function of the projected salary level for the University (which requires an increase in the budget for additional Social Security, Medicare, and retirement benefits) and expected increases in contract rates for major benefit providers. For FY 2011 contract rates for major health care providers will likely increase approximately 7.3 percent.

Utilities are projected based on anticipated consumption and rate changes.