



Proposed FY 2013 General Fund Budget

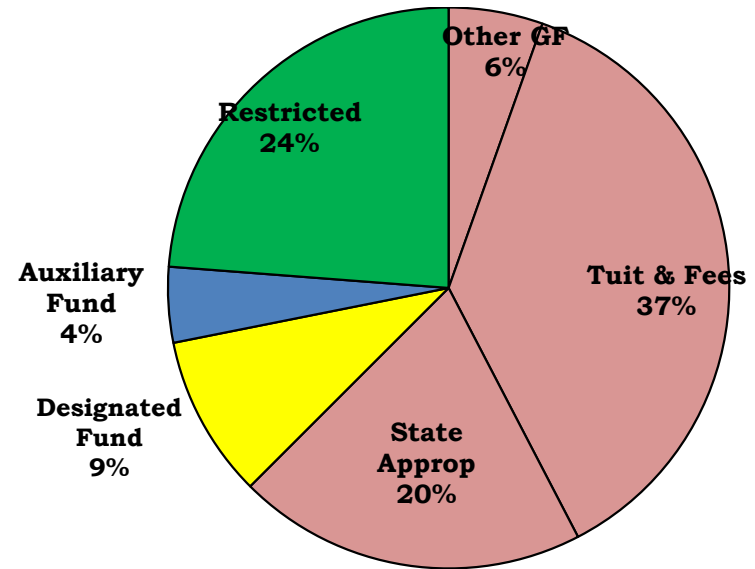
Executive Committee-June 27, 2012

FY 2013 Current Funds Budget

Revenues

Total Revenues \$910 M

- General Fund Budget: \$567 M
 - Sources: Tuition, fees, ICR and state appropriations
 - Uses: Faculty and staff compensation, utilities, insurance
- Designated Fund Budget: \$85 M
 - Sources: Fees or services, donor gifts and non-governmental organizations
 - Uses: Funding for specific purposes for schools, colleges and divisions
- Auxiliary Fund Budget: \$41 M
 - Sources: Housing, Parking, University Press, Bookstore, Student Center, etc.
 - Uses: Salaries, operations and debt service of auxiliary entities
- Restricted Budget: \$217 M
 - Sources: Governmental grants, sponsored contracts and non-governmental grants and contracts
 - Uses: Grants—support the university’s research activities
 - Uses: Gifts—dedicated components of the educational budget such as scholarships, endowed chairs, and capital improvements

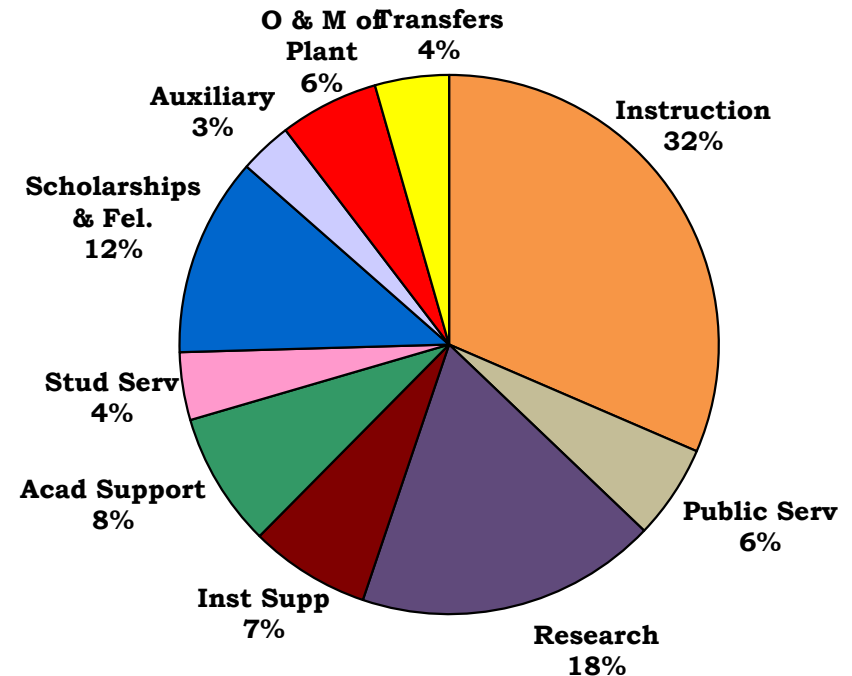


FY 2013 Current Funds Budget

Expenditures

Total Expenditures \$910 M

- Primary Mission 55%
 - Instruction/Public Service: \$338 M
 - Research: \$164 M
- Support Programs 31%
 - Scholarships: \$109 M
 - Institutional Support: \$66 M
 - Expenditures associated with administrative operations
 - Academic and Student Support: \$110 M
 - Expenditures associated with supporting academic and student services
- Auxiliary 3% \$29 M
- Plant Operations 7% \$54 M
- Transfers 4%
 - Debt Service/Plant Improvement: \$40 M



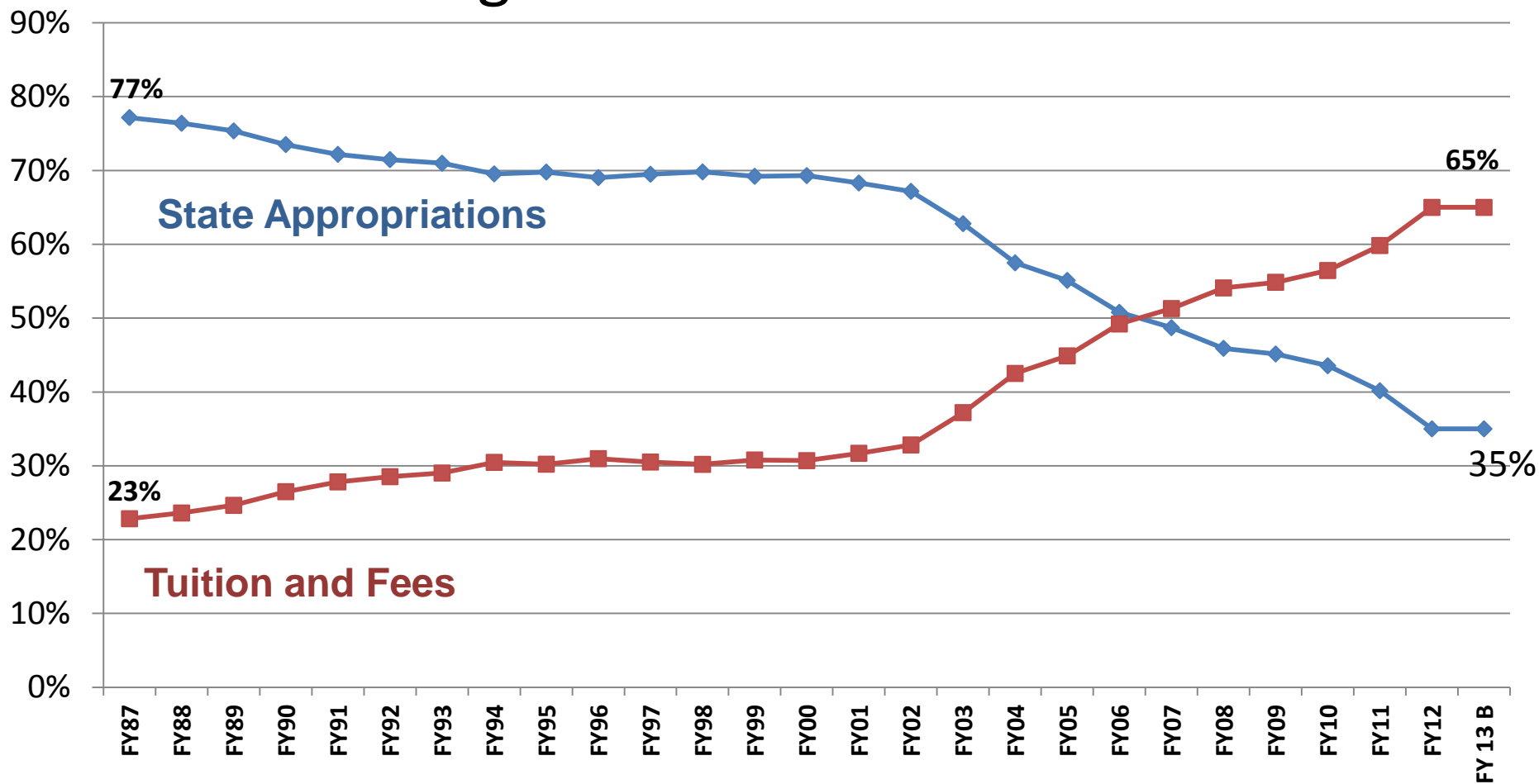
FY 2013 General Fund Budget Planning Principles

- Sustain academic programs and student initiatives
- Do not take full amount of 3% “shopping list”
- Continue to provide funding to enhance retention efforts
- Continue to support students through enhanced financial aid—both need and merit-based aid
- Provide funding for critical initiatives and new programs
- Continue to implement changes in business practices as outlined by Huron Consulting

Challenges with FY 2013 Budget

- State Appropriations
 - Lowest State Appropriation increase of all MPU
 - State eliminated Pell and affordability measures in performance metrics
- Enrollment
 - Positives
 - Increases in new students: FTIAC, Transfers, graduates
 - Maintaining retentions levels
 - Concerns
 - Impact of Pell program changes
 - SAP, Timeframe, limit on summer program
 - Decreases in HS graduates
 - Decrease in Law applications
- Tuition Revenues
 - Tuition restraint cap
 - Imposed on undergraduate; Implemented on a percentage basis; not on dollar change
 - Decline in FY 2012 tuition revenues below budgeted levels as a result of lower winter retention rates and drop in summer enrollment
- Need to continue to invest in new initiatives and programs

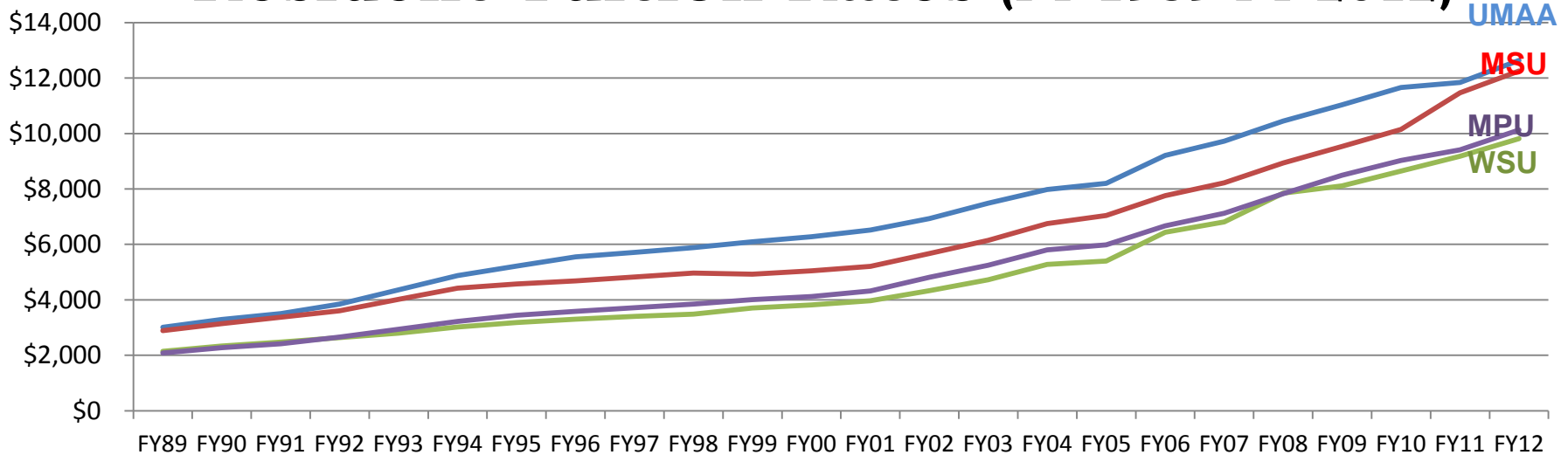
Tuition and Fees and State Appropriations as Percentage of Tuition & State Revenues



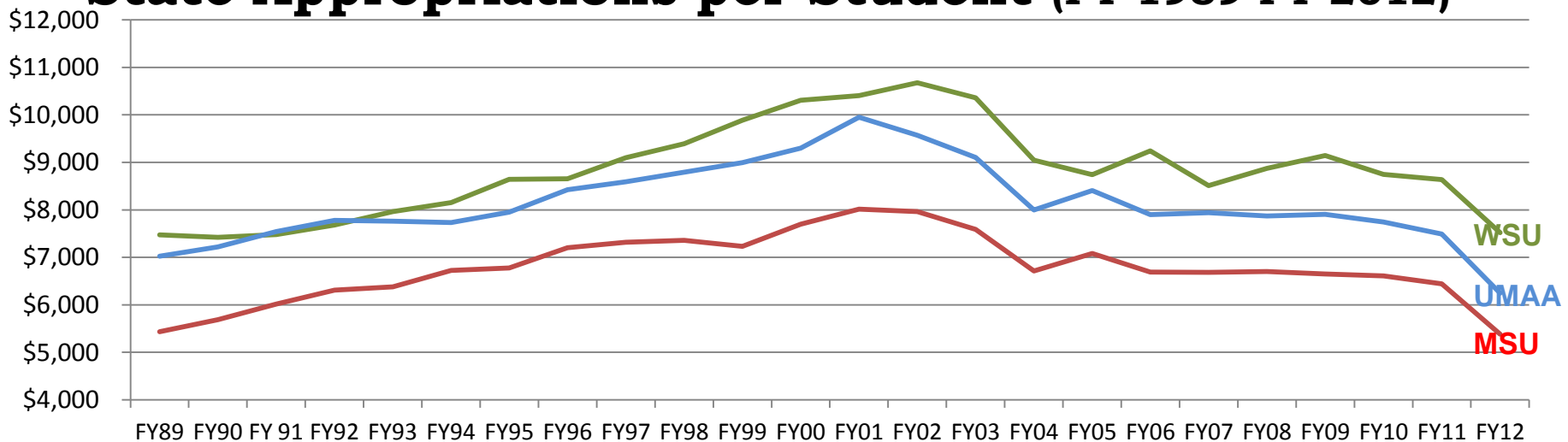
Source: HEIDI

*Source: WSU Budget Books

Resident Tuition Rates (FY 1989-FY 2012)



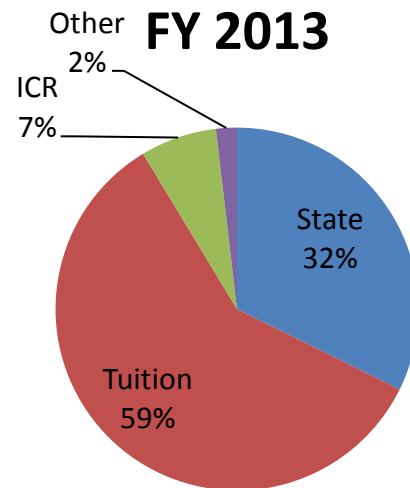
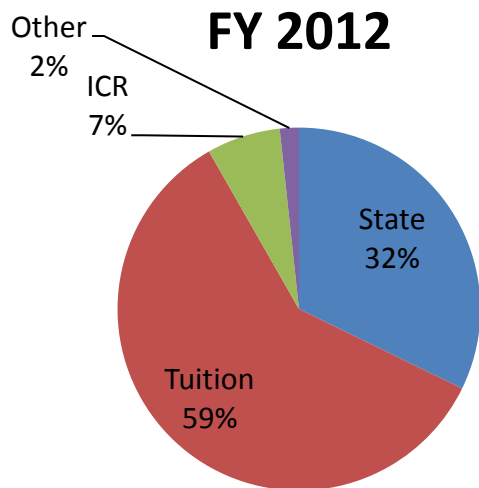
State Appropriations per Student (FY 1989-FY 2012)



State Appropriations per student are at the same levels, or less, than they were in FY 1989 for the three research institutions, unadjusted for inflation

Proposed FY 2013 GF Revenue Budget

Status	FY 2012	FY 2013	\$ Variance	% Variance
State Appropriations	\$181,762.9	\$182,955.1	\$1,192.2	0.7%
Tuition & Fees	\$336,080.7	\$334,405.4	(\$1,675.3)	-0.5%
Indirect Cost Recovery	\$37,000.0	\$38,500.0	\$1,500.0	4.1%
Other Revenues	\$9,670.6	\$10,945.6	\$1,275.0	13.2%
Total Revenues	\$564,514.2	\$566,806.1	\$2,291.9	0.4%



- State Appropriation increase of \$1.19 M or 0.65%
 - Average MPU increase of 2.25% (tuition restraint funding yet to be allocated)
 - WSU received lowest increase of MPUs; SVSU 8.2% & UM-F 7.6% had highest allocations
 - Tuition restraint set at 4%

Metrics	Amount for WSU	WSU % of Total Allocation
1) Completion of Critical Skills degrees	\$313 k	5%
2) Six Year Graduation Rate	\$0	0%
3) Total Undergraduate degrees completed	\$489 k	8%
4) Institutional Support as % of total expenditures	\$0	0%
5) % of R&D Expenditures	\$389 k	13%

- Impact to WSU of adopted budget vs. Senate proposal
 - State Appropriation: -\$2.6 M
 - Net Tuition Revenue from Cap (3.5% to 4%): \$1.2 M
 - Variance -\$1.4 M

General Fund Budget: Tuition (only) Recommendation

- Undergraduate tuition: 3.9%
- Graduate tuition: 3.9%
- PharmD. tuition: 3.9%
- Law School: 3.9%
- Medicine (M.D.) 1.5%

Resident Freshman	FY 2012	FY 2013	Change	Change per Week (based on 15 weeks / semester)	% Change
Per Credit Hour	\$287.05	\$298.25	\$11.20	\$0.75	3.9%
3 Credit Hours per Semester	\$861.15	\$894.75	\$33.60	\$2.24	3.9%
12 Credit Hours per Semester	\$3,444.60	\$3,579.00	\$134.40	\$8.96	3.9%

MPU Tuition Rate Increases for FY 2013

Lower Division Annual Tuition and Fees based on 24 credit hours

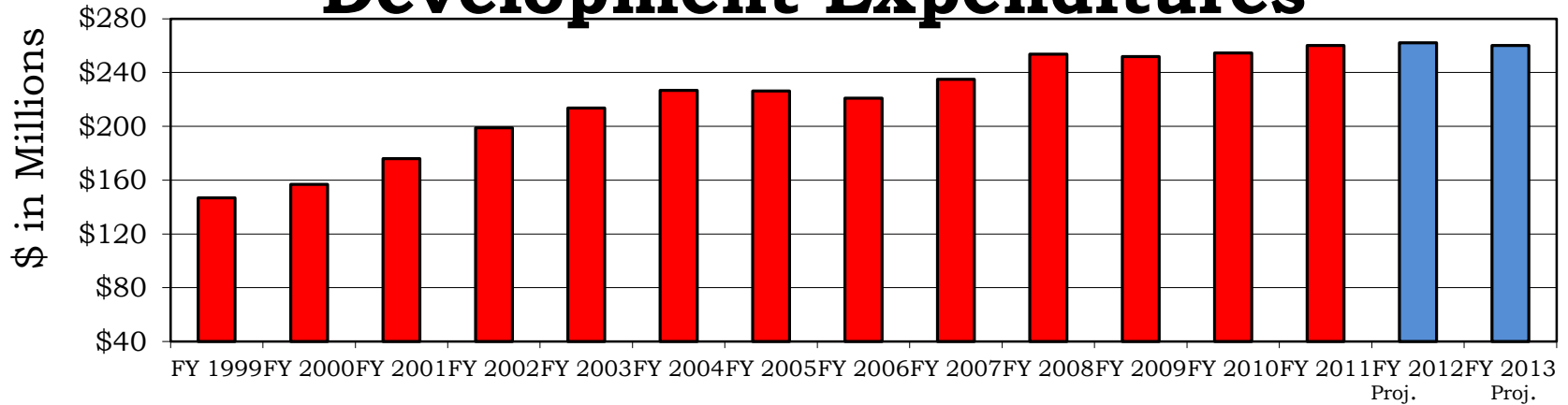
Institution	FY 2012 Tuition	FY 2012 Variance from WSU	FY 2013 Tuition	\$ Change	% Change	FY 2013 Variance from WSU	Date of Board Meeting
UM-AA	\$12,634	\$4,707	\$12,988	\$354	2.80%	\$4,753	6/21
MTU	\$10,330	\$2,403	\$10,733	\$403	3.90%	\$2,498	6/21
WMU	\$9,906	\$1,979	\$10,292	\$386	3.90%	\$2,057	7/25
MSU	\$9,814	\$1,887	\$10,157	\$343	3.50%	\$1,923	6/22
GVSU	\$9,716	\$1,789	\$10,095	\$379	3.90%	\$1,860	7/13
LSSU	\$9,614	\$1,687	\$9,893	\$279	2.90%	\$1,658	5/21
UM-D	\$9,406	\$1,479	\$9,754	\$348	3.70%	\$1,519	6/21
UM-F	\$8,712	\$785	\$9,026	\$314	3.60%	\$791	6/21
CMU	\$8,592	\$665	\$8,755	\$163	1.90%	\$520	4/12
NMU	\$8,414	\$487	\$8,742	\$328	3.90%	\$507	7/12
FSU	\$8,352	\$425	\$8,678	\$326	3.90%	\$443	7/11
OU	\$7,950	\$23	\$8,260	\$310	3.90%	\$25	TBD
WSU	\$7,927	\$0	\$8,235	\$308	3.88%	\$0	6/27
EMU	\$6,965	(\$962)	\$7,240	\$275	3.95%	(\$995)	6/19
SVSU	\$5,252	(\$2,675)	\$5,457	\$205	3.90%	(\$2,778)	6/11

Green letters indicate those institutions have set their rates. All other institutions are set at 3.9%

Tuition/Fees & Financial Aid Summary

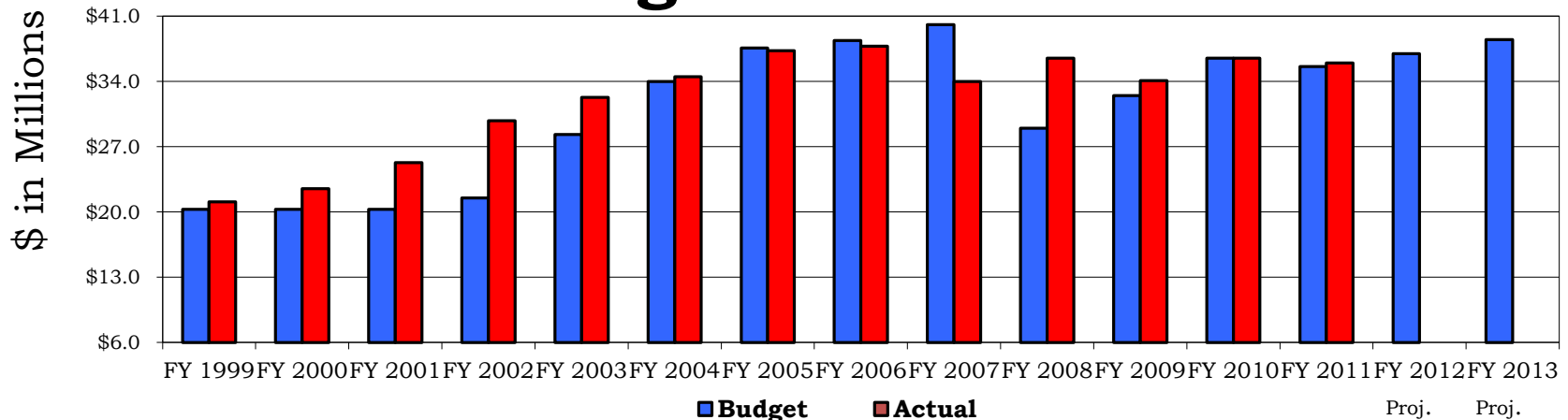
- WSU Tuition/Fee Increase of \$308
 - Freshman taking 24 credit hours
 - MPU average tuition increases to date: \$315
 - Research Univ. Avg. increases to date: \$366
 - Research Universities (MSU, MTU, UM-AA)
- Financial Aid
 - Record levels of Institutional financial Aid (\$56 M)
 - Financial Aid budget has doubled over last five years
 - FY 2007 \$28 M FY 2013 \$56 M
 - Over 82% of all undergraduate students receive some type of institutional need based or merit based financial aid

Total Research & Development Expenditures

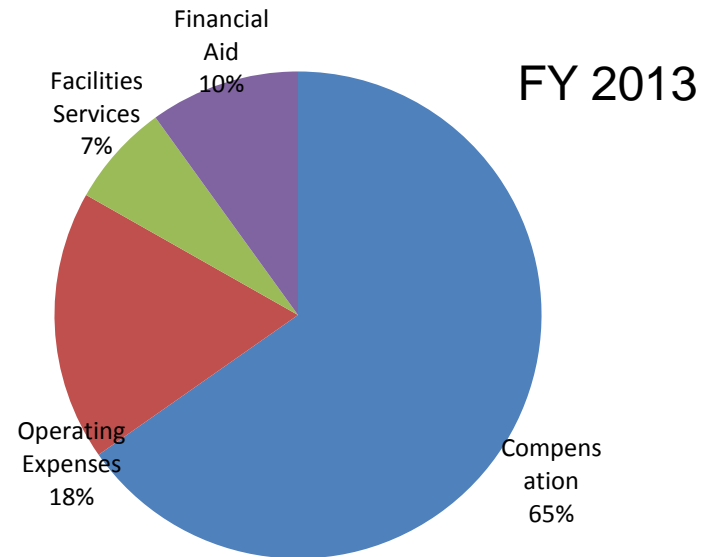
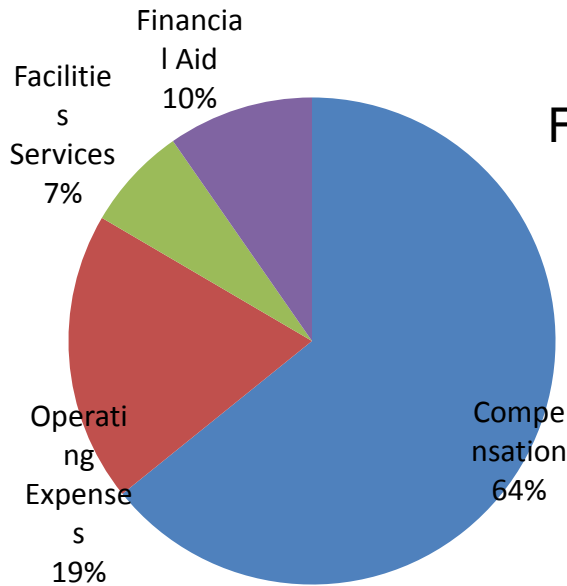


Total R & D expenditures have increased by 71% since FY 1999

ICR Revenues Budget vs. Actual



Expenditures	FY 2012	FY 2013	(\$ in k)	% Increase
<u>General Fund Expenditures</u>				
Compensation	\$362,384	\$369,957	\$7,573	2.1%
Utilities, Defer. Maint, Debt Service	\$38,903	\$38,803	(\$100)	-0.3%
Other General Expense	\$108,606	\$101,638	(\$6,968)	-6.4%
Financial Aid	\$54,621	\$56,409	\$1,788	3.3%
Total Expenditures	\$564,514	\$566,806	\$2,293	0.4%



- 3% Reduction Target = \$9.6 M
- Recommended reductions = \$7.2 M

Divisions	Recomend Reduction	%	School/College	Recomend Reduction	%
President	\$35,031	2.8%	Business	\$245,000	2.2%
Marketing	\$149,740	1.6%	Education	\$259,405	2.1%
Provost	\$1,708,086	2.7%	Engineering	\$180,000	1.0%
Research	\$398,744	1.9%	Fine Arts	\$126,486	1.0%
Finance & Facilities	\$680,999	2.1%	Graduate School	\$26,803	1.6%
Development	\$167,368	2.3%	Honors	\$37,201	2.5%
General Counsel	\$0	0.0%	Law	\$267,854	3.1%
Government Relations	\$30,000	3.2%	Liberal Arts	\$1,256,077	2.2%
Athletics	\$102,000	2.1%	Library Sciences	\$63,806	2.6%
Total	\$3,271,968	2.2%	Medicine	\$1,070,208	1.8%
			Nursing	\$120,513	1.1%
			Pharmacy	\$170,236	1.3%
			Social Work	\$129,535	2.7%
			Total	\$3,953,124	1.9%
Recommendation reduction total			\$7,225,092		

Projected Expenditures: Planned Initiatives

- Continue Student Success & Retention initiative
- Implement Purchasing system
- Continue Law School Top 100 initiative
- Develop Public Health program
- Maintain Public Safety officers who were previously support by grant funds
- Develop Office of Veterans Affairs
- Enhance Counseling Center
- Continue Housing subsidy
- Continue to add new faculty lines
- *Total investment = \$5.1 M*

Changes to Budget Parameters

- Reduce commitment to initial list of proposed initiatives by funding some items from alternative sources or phasing / postponing to future years
- Lower inflation increases on operating costs
- Defer some of Academic Enhancements until FY 2014
- Negotiate future health care changes
- Defer allocation of investment income to reserves
- Reduce up-front allocation of summer school tuition to schools / colleges and reduce allocation to administration
- Re-evaluate Extension / On-line funding program and defer allocations to FY 2014

ENROLLMENT PROJECTIONS

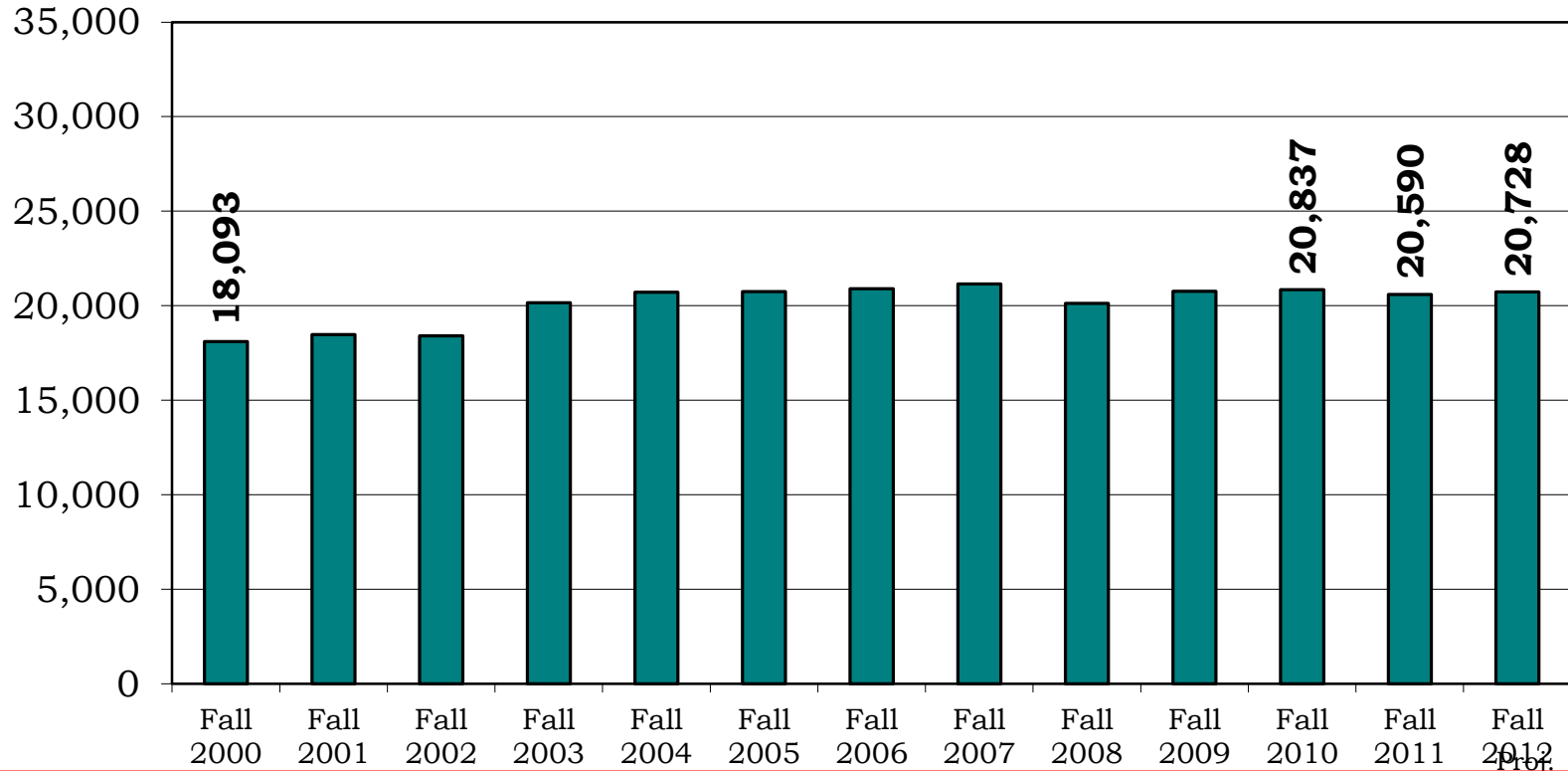
WAYNE STATE UNIVERSITY Enrollment Update--YTD

Category	YTD Fall 2012 Registrations			Past avg. % of Students Registered to Date
	06/26/11	06/24/12	Change	
Undergraduates				
FTIAC	1,170	1,385	18.4%	49%
Transfers	794	893	12.5%	28%
Con't Undergrad	10,105	9,805	-3.0%	65%
TOTAL	12,069	12,083	0.1%	55%
Graduate				
New Grads	541	749	38.4%	30%
Con't Grads	3,589	3,494	-2.6%	54%
TOTAL	4,130	4,243	2.7%	50%
Professional				
PharmD	286	276	-3.5%	77%
TOTAL	286	276	-3.5%	
GRAND TOTAL	16,485	16,602	0.7%	55%

Note: the table does not include registrations associated with Law and Medicine

Undergraduate Fall Headcount Enrollment

Fall 2000 to Fall 2012

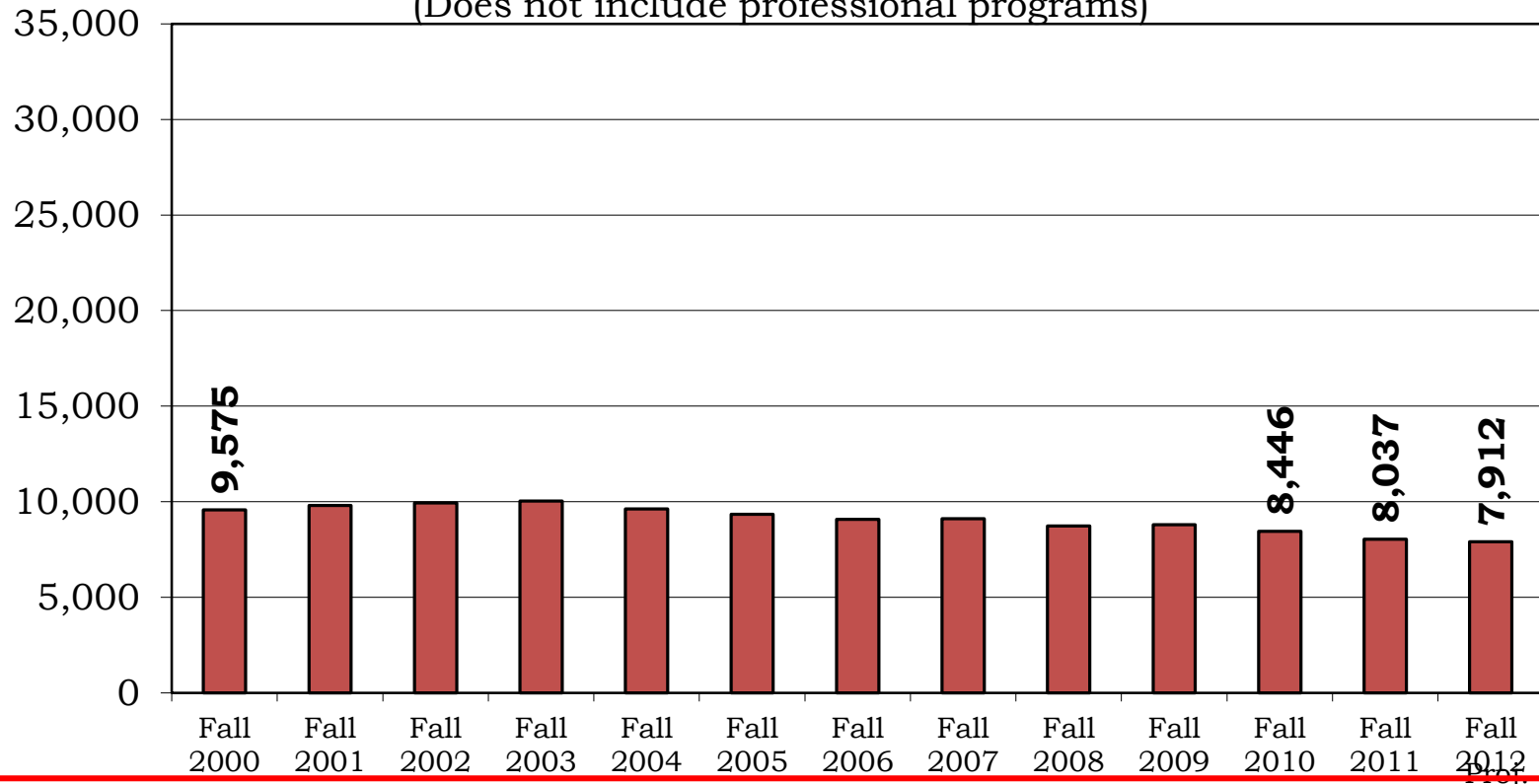


- Total undergraduate fall headcount for 2012 will increase slightly from fall 2011
- Projected FTIAC and transfer enrollment is expected to increase while projected continuing enrollment will decrease from fall 2011
- Total Undergraduate credit hours are projected to be down compared to FY 2012

Graduate Fall Headcount Enrollment

Fall 2000 to Fall 2012

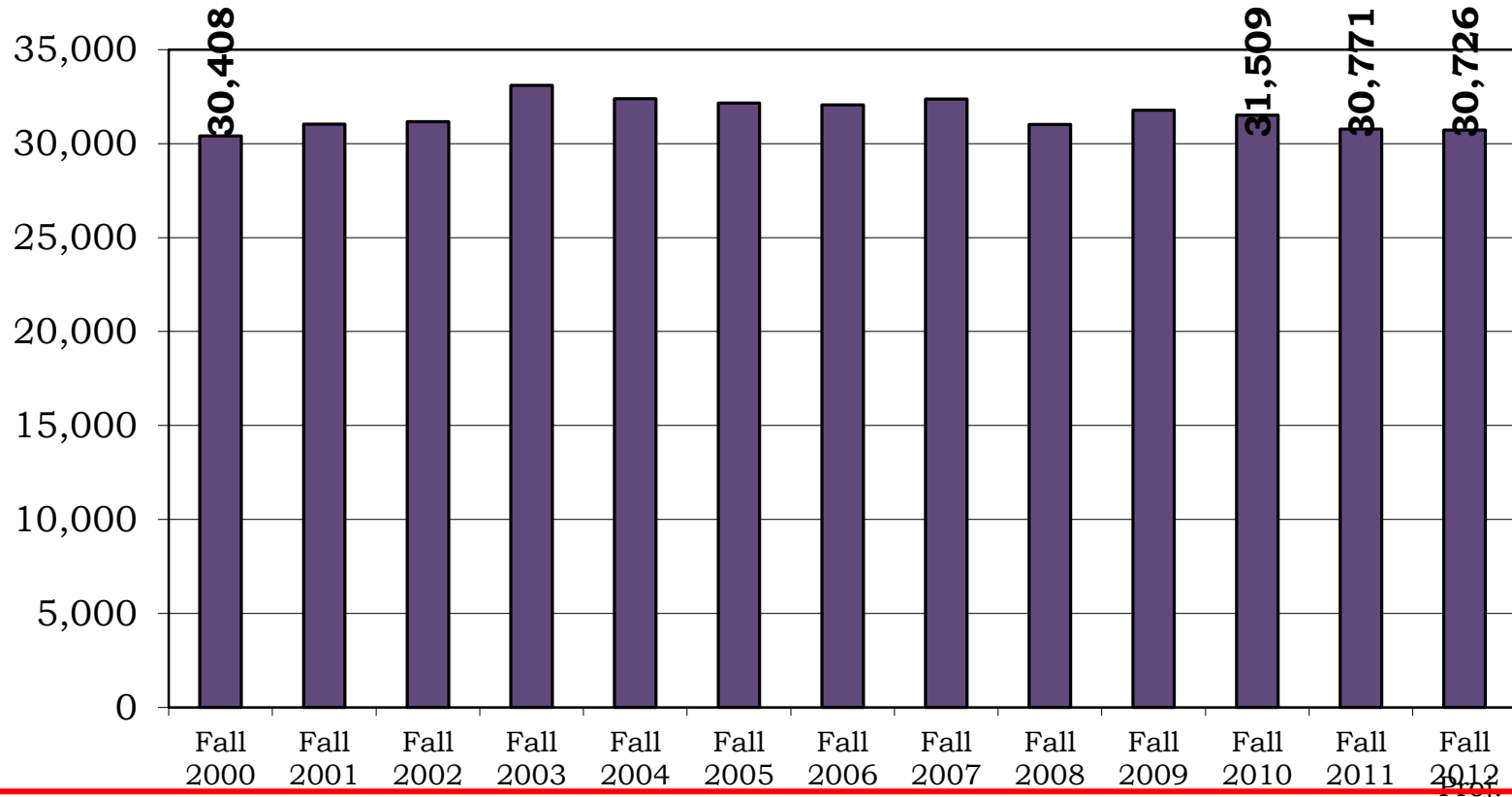
(Does not include professional programs)



- Total graduate fall headcount for 2012 will decrease slightly from fall 2011
- Projected new graduate enrollment is expected to increase while projected continuing enrollment will decrease from fall 2011
- Total graduate credit hours are projected to be down compared to FY 2012

Total Fall Headcount Enrollment

Fall 2000 to Fall 2012



- Total fall headcount for 2012 will decrease slightly from fall 2011
- Projected increases in new students and transfer students. Projected decreases in continuing enrollment and in Law School enrollment compared to fall 2011
- Total credit hours are projected to be down compared to FY 2012

- Maintain investments in academic and student programs
- Continue to invest in Retention and Student Success programs
- Enhancing campus physical presence:
 - MBRB facility
 - Over 65 projects will be completed during the summer
- On-going implementation of improved business practices
 - Facilities Services
 - Student Services Center
 - Information Technology services
- Tuition rate will remain one of the lowest in state and financial aid package will remain one of the best
 - Amount of tuition increase will be one of the lowest in the state