

# WAYNE STATE UNIVERSITY

## **FY 2011 AUXILIARY BUDGETS SUMMARY**

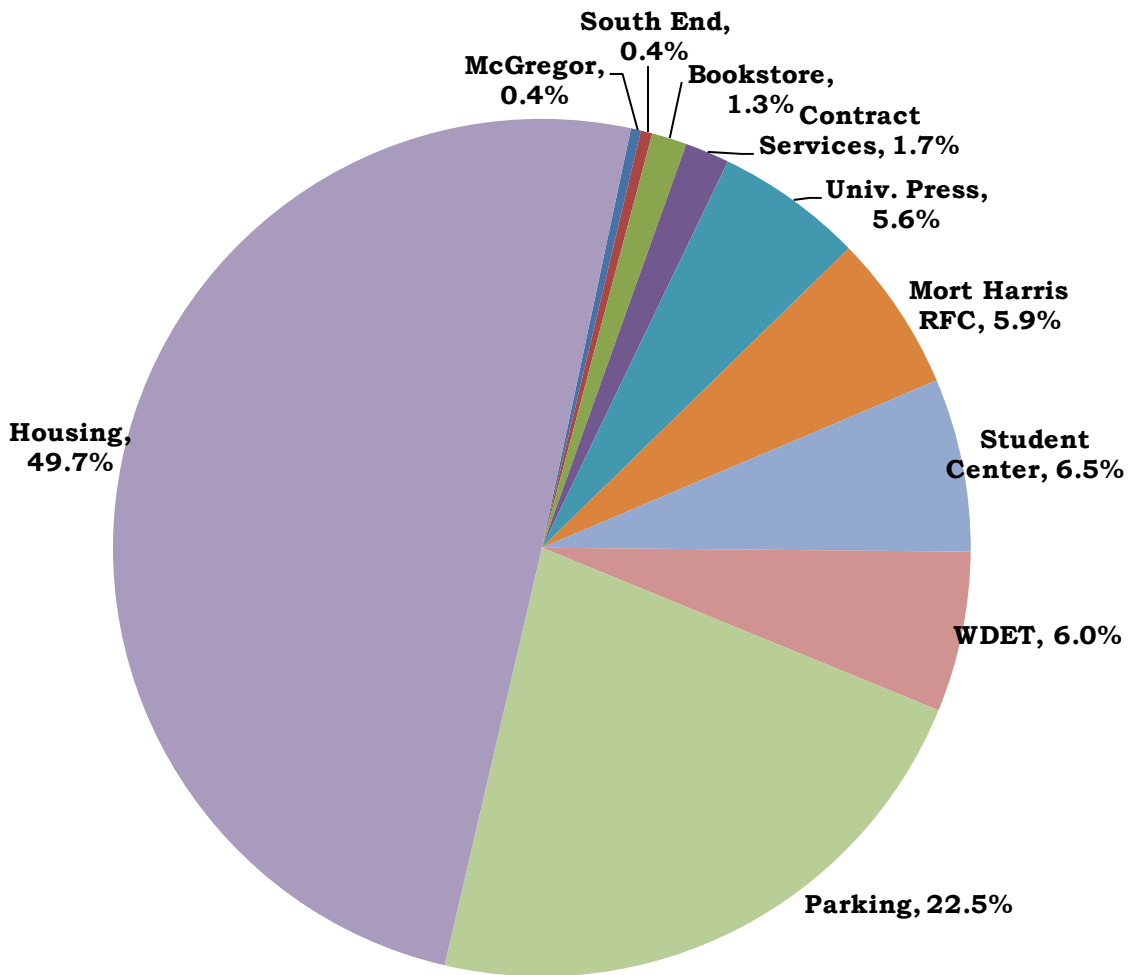


# Overview of Auxiliary Operations

Wayne State's auxiliary operations consist of ten units in five basic categories:

- Auxiliary Business Operations:
  - Bookstore, Contract Services, McGregor Memorial Conference Center, Parking and Transportation Services, Student Center
- Publications: *The South End* Newspaper & University Press
- Radio: WDET
- Athletics: Mort Harris Recreation and Fitness Center
- Housing and Residential Life:
  - Previously approved separately, now presented with other auxiliary units

# Proposed FY 2011 Auxiliary Expenditure Budgets (\$41.0 M)



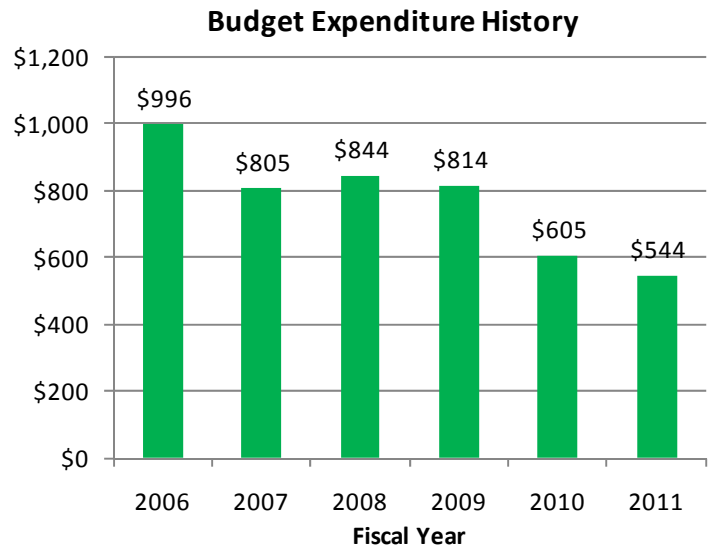
# FY 2011 Auxiliary Budgets Overview

Category	All Auxiliary exc. Housing	Housing	Total Auxiliary Activities
<b>REVENUES</b>			
<b>Beginning Net Assets</b>	\$3,506.8	(\$6,912.0)	<b>(\$3,405.2)</b>
<b>Operating Revenue</b>			
Student Tuition and Fees	\$3,911.0	\$0.0	<b>\$3,911.0</b>
Auxiliary Revenues	\$16,456.1	\$20,119.3	<b>\$36,575.4</b>
Total Operating Revenue	\$20,367.1	\$20,119.3	<b>\$40,486.4</b>
<b>Non-Operating Revenues</b>			
Gifts	\$1,283.7	\$0.0	<b>\$1,283.7</b>
Other	\$1,139.1	\$1,000.0	<b>\$2,139.1</b>
Total Non-Operating Revenues	\$2,422.8	\$1,000.0	<b>\$3,422.8</b>
<b>TOTAL REVENUES</b>	\$22,789.9	\$21,119.3	<b>\$43,909.2</b>
<b>EXPENDITURES AND TRANSFERS</b>			
Auxiliary Enterprises			
Compensation	\$7,612.1	\$3,033.2	<b>\$10,645.3</b>
Operating Expenses	\$7,877.1	\$8,463.3	<b>\$16,340.4</b>
Expenditures	\$15,489.2	\$11,496.5	<b>\$26,985.7</b>
Transfers Out/(In)			
Debt Service	\$4,325.7	\$8,084.5	<b>\$12,410.2</b>
Plant & Other	\$794.5	\$775.0	<b>\$1,569.5</b>
Subtotal Transfers	\$5,120.2	\$8,859.5	<b>\$13,979.7</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	\$20,609.4	\$20,356.0	<b>\$40,965.4</b>
<b>Operating Surplus / (Deficit)</b>	\$2,180.5	\$763.3	<b>\$2,943.8</b>
<b>Ending Net Assets</b>	\$5,687.3	(\$6,148.7)	<b>(\$461.4)</b>

# Bookstore

## Highlights:

- Continues to provide \$319K of faculty awards
- Working with Bursar and Financial Aid on streamlining book purchases by students with award funds
- Involvement in community activities including local author book signings, the Detroit Festival of the Arts, new student and parent orientations

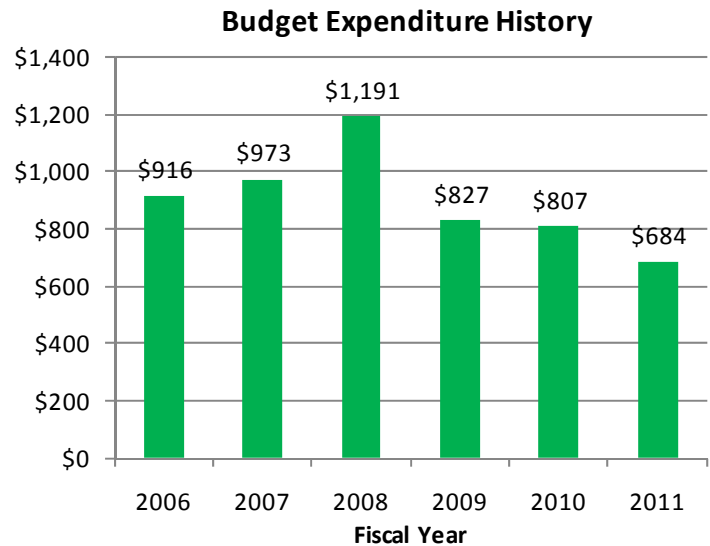


Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$33.6	\$132.7	\$357.1	\$224.4
Revenue	\$678.2	\$750.9	\$762.1	\$11.2
Expense & Transfers	\$604.8	\$526.5	\$544.1	\$17.6
Net Operating Budget	\$73.4	\$224.4	\$218.0	(\$6.4)
Ending Fund Balance	\$107.0	\$357.1	\$575.1	\$218.0

# Contract Services

## Highlights:

- Contract services unit manages the Equipment Maintenance Program, FedEx Kinkos, IKON printing and pouring rights contracts
- Departmental spending is down
- Adding revenue generating areas such as new public access printers, additional vending machines and new auxiliary venues

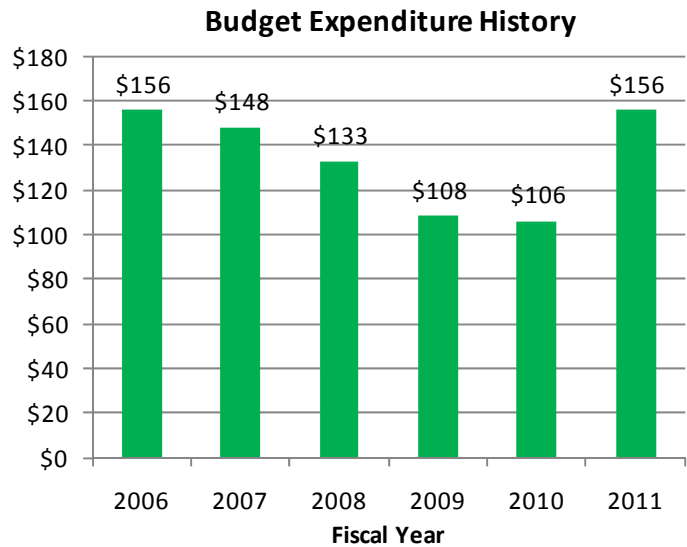


Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$829.4	\$881.5	\$871.2	(\$10.3)
Revenue	\$802.6	\$808.8	\$802.0	(\$6.8)
Expense & Transfers	\$807.0	\$819.1	\$684.0	(\$135.1)
Net Operating Budget	(\$4.4)	(\$10.3)	\$118.0	\$128.3
Ending Fund Balance	\$825.0	\$871.2	\$989.2	\$118.0

# McGregor Memorial Conference Center

## Highlights:

- McGregor generates revenue through fees associated with dining, catering and conference services
- Reduction of revenue with the university having reduced the use of catering on campus
- Instituted a food service advisory committee to better serve customers
- Added food service station in AAB

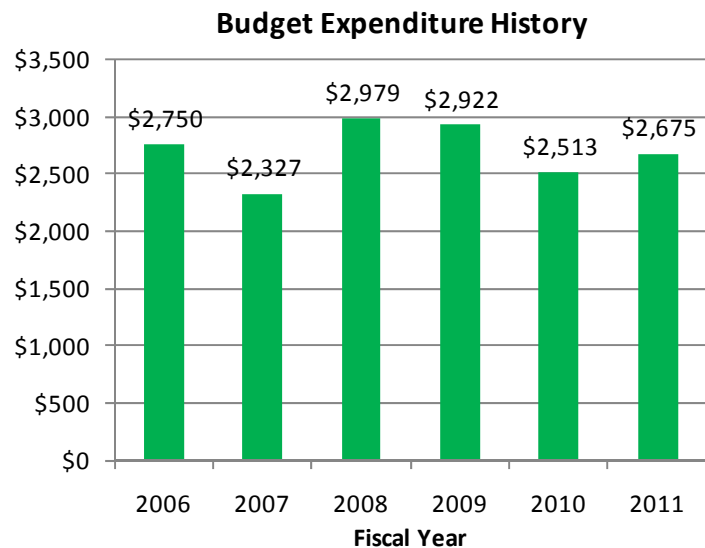


Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$147.0	\$220.7	\$223.0	\$2.3
Revenue	\$111.1	\$113.3	\$114.9	\$1.6
Expense & Transfers	\$106.2	\$111.0	\$155.8	\$44.8
Net Operating Budget	\$4.9	\$2.3	(\$40.9)	(\$43.2)
Ending Fund Balance	\$151.9	\$223.0	\$182.1	(\$40.9)

# Student Center

## Highlights:

- Relocated WAYN radio and *The South End* offices to Student Center
- Moved postal and information service centers to lower level, making better use of space and improving access
- Working on rolling out new campus-wide scheduling program



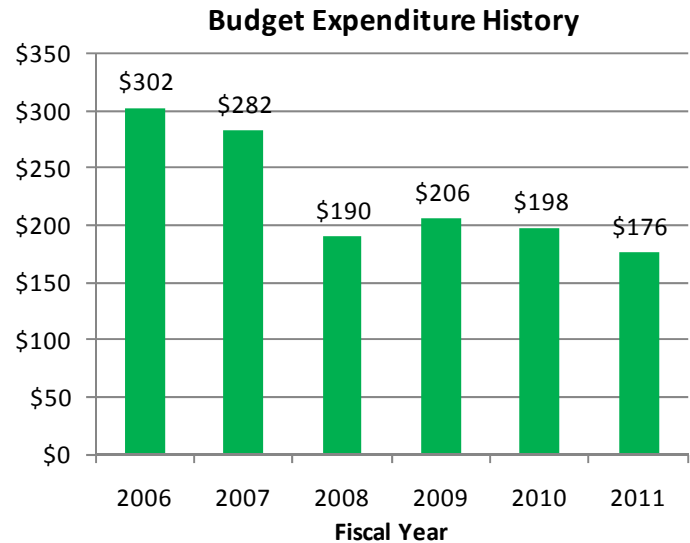
Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$231.7	\$603.4	\$570.8	(\$32.6)
Revenue	\$2,518.9	\$2,614.0	\$2,680.4	\$66.4
Expense & Transfers	\$2,513.1	\$2,646.6	\$2,675.0	\$28.4
Net Operating Budget	\$5.8	(\$32.6)	\$5.4	\$38.0
Ending Fund Balance	\$237.5	\$570.8	\$576.2	\$5.4



# The South End Newspaper

## Highlights:

- Continued to publish print edition weekly; with daily web updates
- *The South End* offices moved to Student Center
- Increased promotion of online site in the next year
- Advisory partnership between Dept. of Communication, Journalism program and Dean of Student's Office for *TSE*

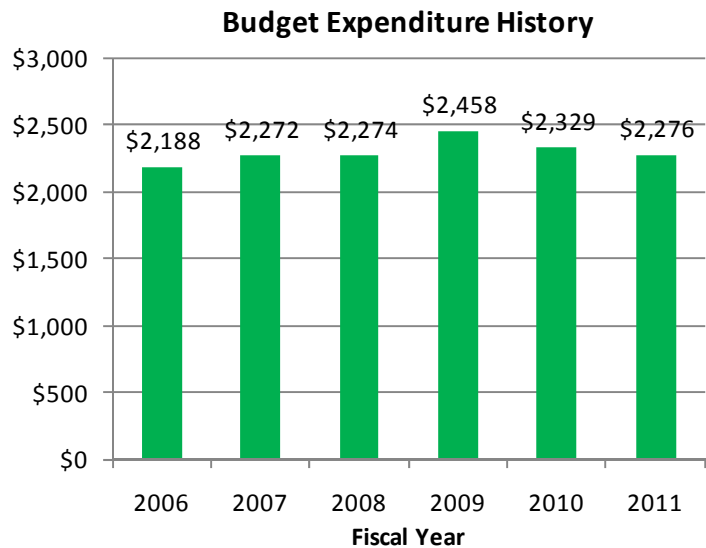


Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$103.0	\$105.7	\$108.0	\$2.3
Revenue	\$198.0	\$165.3	\$176.3	\$11.0
Expense & Transfers	\$198.0	\$163.0	\$176.3	\$13.3
Net Operating Budget	\$0.0	\$2.3	\$0.0	(\$2.3)
Ending Fund Balance	\$103.0	\$108.0	\$108.0	\$0.0

# University Press

## Highlights:

- Revenue relatively steady
  - Book sales decrease
  - Increase in electronic format and rights sales, and gifts
- 31 new titles and 29 journal issues published in FY 2010

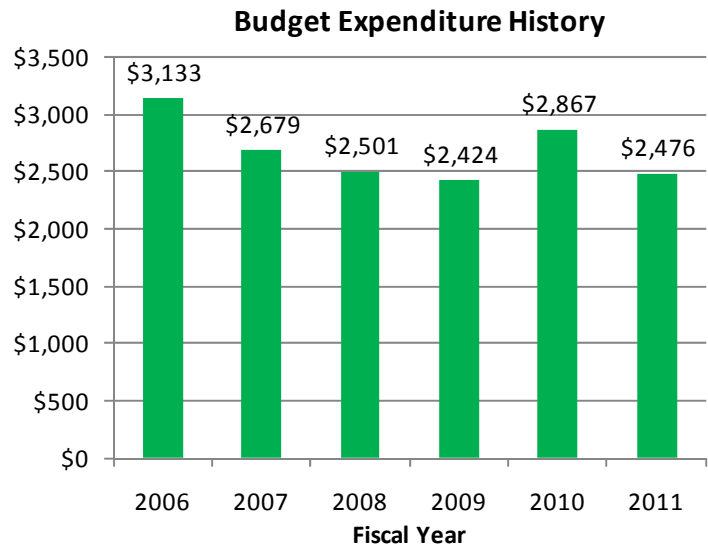


Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$534.0	\$545.8	\$408.7	(\$137.1)
Revenue	\$2,330.0	\$2,300.3	\$2,276.1	(\$24.2)
Expense & Transfers	\$2,329.2	\$2,437.4	\$2,275.8	(\$161.6)
Net Operating Budget	\$0.8	(\$137.1)	\$0.3	\$137.4
Ending Fund Balance	\$534.8	\$408.7	\$409.0	\$0.3

# WDET Radio Station

## Highlights:

- WDET is holding total audience size and targeted growth cells (18-24, 25-34, 35-44 and 45-54) are all showing meaningful growth
- Adult African-American listening remains at levels 2 to 3 times the national industry standard
- WDET's current donor file now over 8,700 and this year will deliver the best results since 2006, providing clear evidence that WDET's audience values the station and agrees that WDET is providing a worthwhile community service

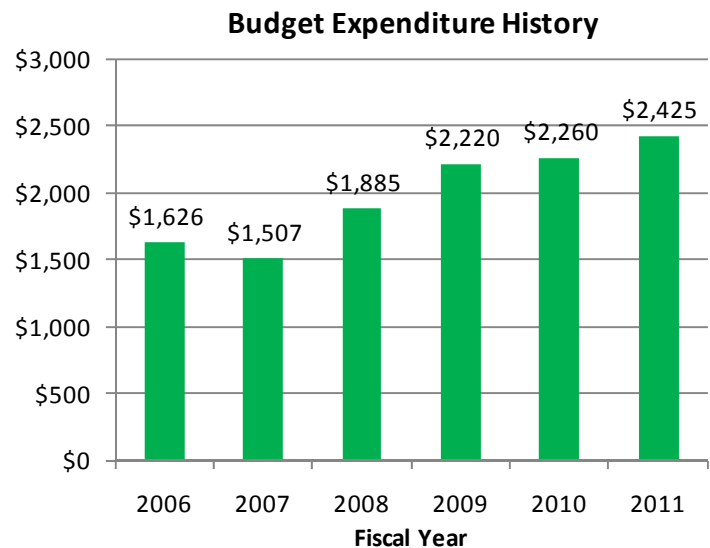


Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	(\$1,120.9)	(\$1,351.5)	(\$1,886.9)	(\$535.4)
Revenue	\$2,544.0	\$1,996.0	\$2,480.0	\$484.0
Expense & Transfers	\$2,867.3	\$2,531.4	\$2,476.1	(\$55.3)
Net Operating Budget	(\$323.3)	(\$535.4)	\$3.9	\$539.3
Ending Fund Balance	(\$1,444.2)	(\$1,886.9)	(\$1,883.0)	\$3.9

# Mort Harris Recreation & Fitness Center

## Highlights:

- Expansion of club sports program
- Managing WSU Employee Wellness Program
  - Participation increased in FY 2010 by 12% over FY 2009 numbers



Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$499.1	\$435.6	\$442.4	\$6.8
Revenue	\$2,270.8	\$2,227.6	\$2,444.0	\$216.4
Expense & Transfers	\$2,260.4	\$2,220.8	\$2,424.8	\$204.0
Net Operating Budget	\$10.4	\$6.8	\$19.2	\$12.4
Ending Fund Balance	\$509.5	\$442.4	\$461.6	\$19.2

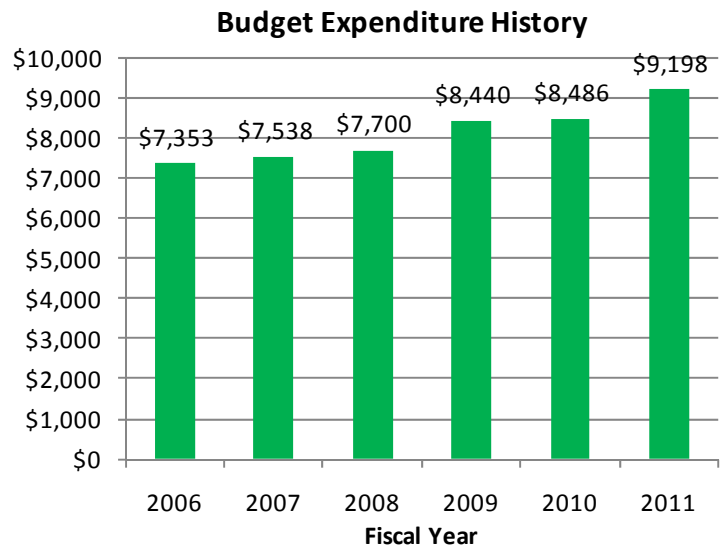


# Parking

# Parking & Transportation Services

## Highlights:

- New 5 Year Business Plan drafted
- Facility survey identified specific immediate repairs needed on Structure 1, underway now
- Adjustments in revenues will ensure funding for critical operating expenses, deferred maintenance needs and debt service
- FY 2011 budget assumes \$0.50 parking fee increase



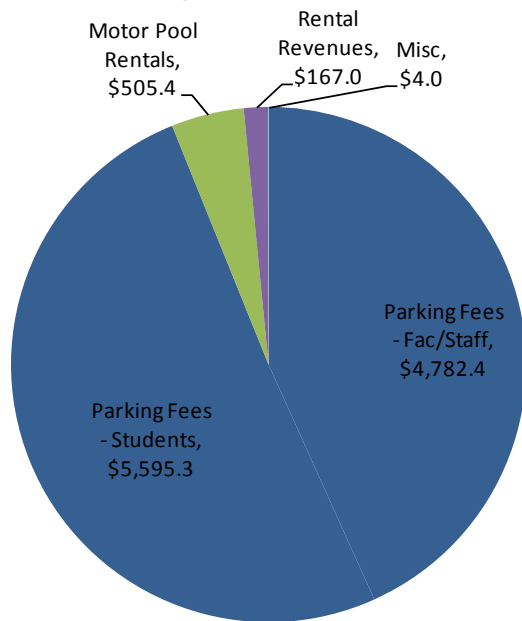
Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Actuals
Beg Fund Balance	\$1,368.2	\$2,069.5	\$2,412.5	\$343.0
Revenue	\$8,764.3	\$8,889.2	\$11,054.1	\$2,164.9
Expense & Transfers	\$8,486.0	\$8,546.2	\$9,197.5	\$651.3
Net Operating Budget	\$278.3	\$343.0	\$1,856.6	\$1,513.6
Ending Fund Balance	\$1,646.5	\$2,412.5	\$4,269.1	\$1,856.6

# Parking Operations: Overview

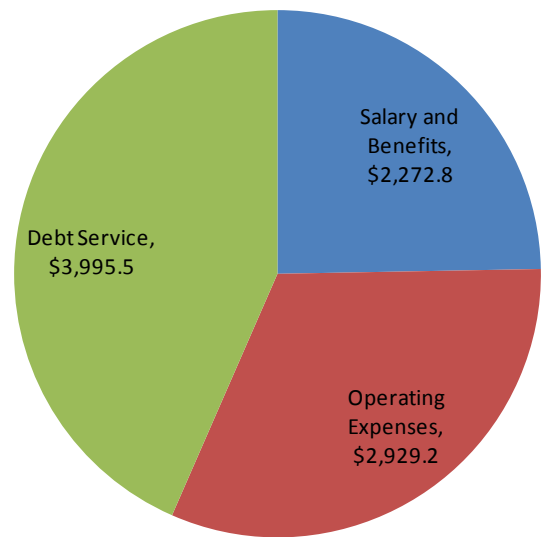
- 8 Structures; 45 Surface Lots; 13,000 Spaces
- Faculty/Staff are assigned 5,000 spaces
- Students, visitors & guests use 8,000 spaces
- Employ 36 attendants and 3 supervisors to staff 7 structures during all hours of operation; majority of surface lots are unstaffed
- 10% of total permit revenue is generated from lease of excess parking capacity to external parties
- 3 historical rate increases in 2002, 2004 and 2009; Total increase over 19 years: \$1.50 (student) and \$1.75 (staff)

# Parking Operations: Overview

**Budgeted Revenues**



**Budgeted Expenditures and Transfers**





# Parking Operations: Areas of Concern

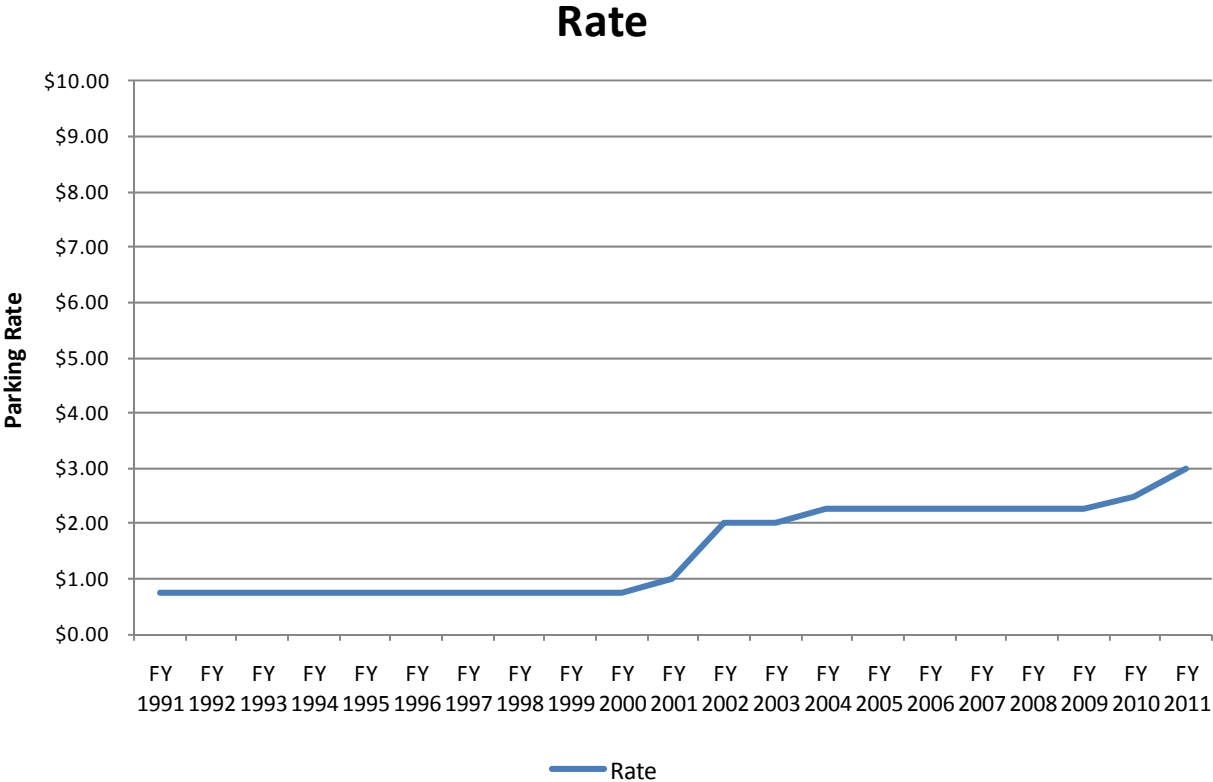
- Safety and Security Issues and Significant Deferred Maintenance
  - Consultant's report issued in 2009 identifying \$40.3 million in needed repairs and improvements to parking structures over the next 10 years
- Outdated Technology
- Debt Service as Percent of Total Expenditures
  - Current debt service is estimated to represent approximately 47% of projected FY 2011 operation costs including salary; 64% excluding salary
- Limited Reserves
  - \$1.3 million remaining following Structure 1 repair project approved in February 2010

# **Parking Operations Business Plan: Strategic Initiatives**

- Development of funding plan to provide:
  - Implementation of required structural repairs and maintenance
  - Increased annual maintenance beginning in FY 2016
  - Replacement reserves for future needs
- Further implementation of technology within current operations
- Implementation of a marketing and communication plan

# Parking Operations Business Plan

## Student Parking Rate History





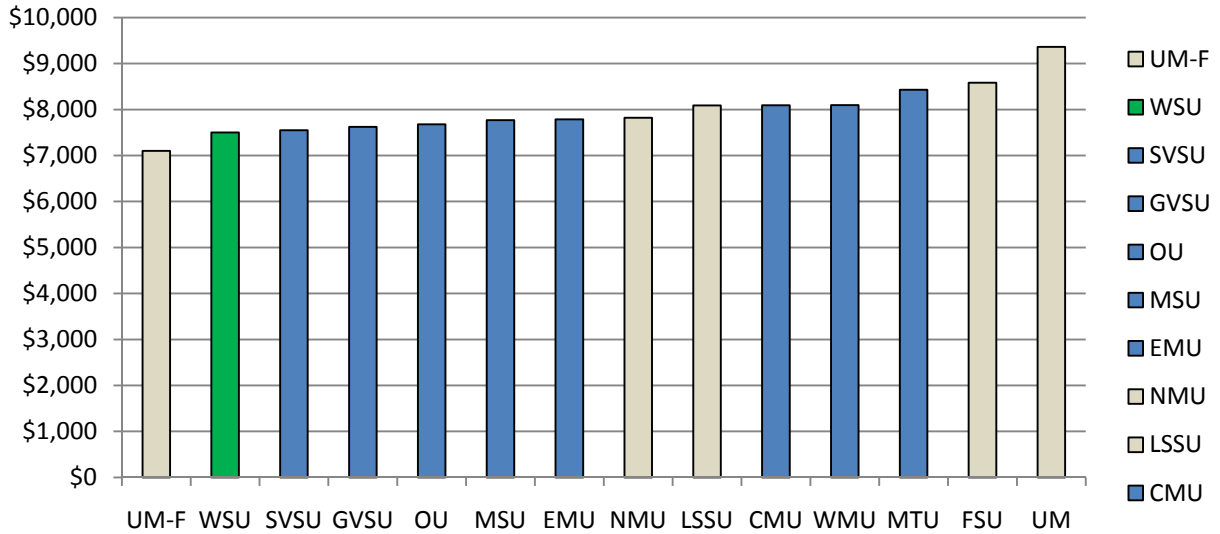
# Housing

# Housing and Residential Life

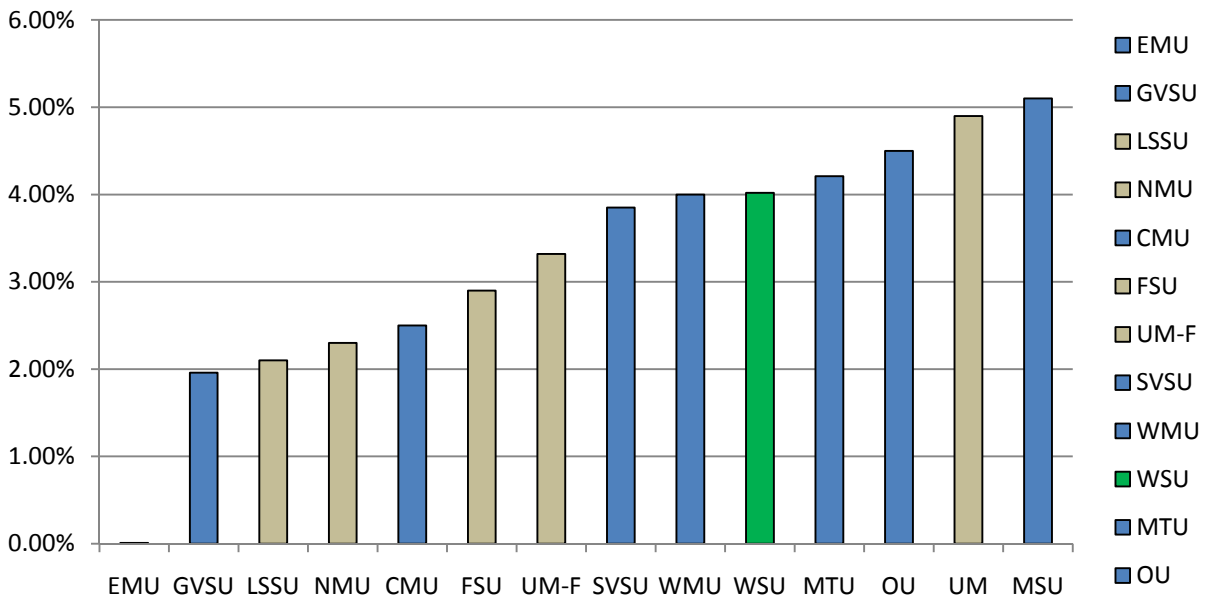
- Occupancy at an all-time high
- Operating revenue over expenditures are positive for first time in several years
- Funding support plan will address deferred maintenance needs

Category	FY 2010 Approved Budget	FY 2010 Projected Actuals	FY 2011 Proposed Budget	\$ Change From Act.
<b>Beg Fund Balance</b>	<b>(\$6,726.4)</b>	<b>(\$6,152.2)</b>	<b>(\$6,912.0)</b>	<b>(\$759.8)</b>
<b>Revenue</b>				
Apt. Occup. Rev.	\$5,841.7	\$5,915.3	\$6,421.3	\$506.0
Res. Hall Occup. Rev.	\$5,857.1	\$8,289.6	\$8,334.6	\$45.0
Meal Plan Rev.	\$3,080.5	\$3,847.7	\$4,086.6	\$238.9
Other Rev.	\$1,511.0	\$1,789.5	\$2,276.8	\$487.3
<b>Total Revenue</b>	<b>\$16,290.3</b>	<b>\$19,842.1</b>	<b>\$21,119.3</b>	<b>\$1,277.2</b>
<b>Expenditures</b>				
Compensation	\$2,862.8	\$2,782.7	\$3,033.2	\$250.5
Facilities and Utilities	\$4,302.9	\$4,564.2	\$3,869.1	(\$695.1)
Meal Plan Exp.	\$2,158.7	\$2,895.0	\$2,761.2	(\$133.8)
Other Exp.	\$1,152.4	\$1,800.6	\$1,833.0	\$32.4
<i>Total Expenditures</i>	<i>\$10,476.8</i>	<i>\$12,042.5</i>	<i>\$11,496.5</i>	<i>(\$546.0)</i>
<b>Transfers</b>				
Debt Service	\$8,084.5	\$8,084.5	\$8,084.5	\$0.0
Other Transfers	\$275.0	\$475.0	\$775.0	\$300.0
<i>Total Transfers</i>	<i>\$8,359.5</i>	<i>\$8,559.5</i>	<i>\$8,859.5</i>	<i>\$300.0</i>
<b>Total Exp. and Trsfs.</b>	<b>\$18,836.3</b>	<b>\$20,602.0</b>	<b>\$20,356.0</b>	<b>(\$246.0)</b>
<b>Net Operating Budget</b>	<b>(\$2,546.0)</b>	<b>(\$759.9)</b>	<b>\$763.3</b>	<b>\$1,523.2</b>
<b>Ending Fund Balance</b>	<b>(\$9,272.4)</b>	<b>(\$6,912.1)</b>	<b>(\$6,148.7)</b>	<b>\$763.4</b>

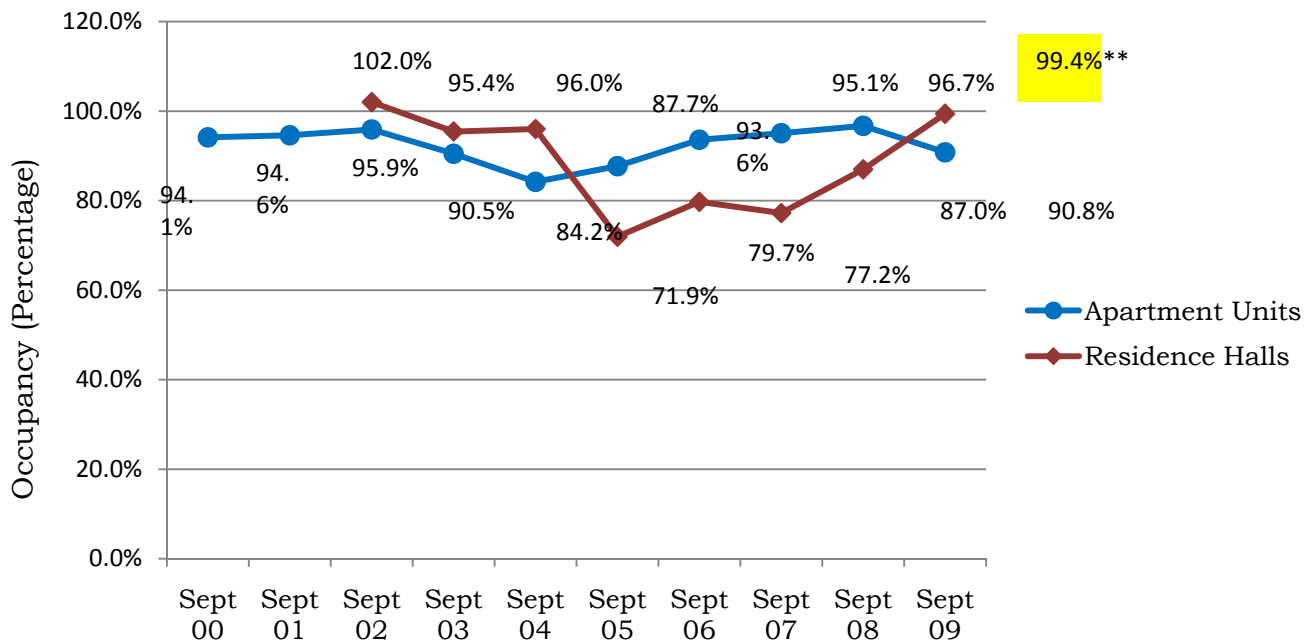
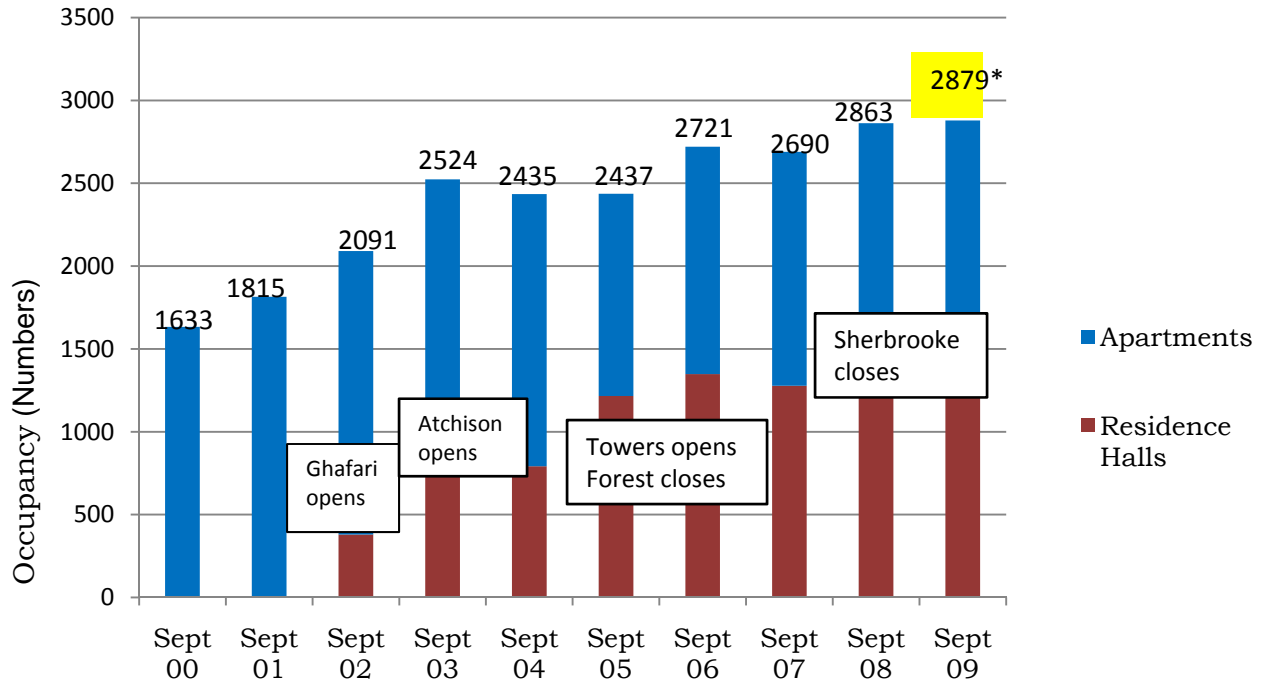
## Michigan Public Universities Combined Housing & Dining Costs for FY11 (beige rates not final)



## Michigan Public Universities Combined Housing & Dining Percentage Increases for FY11 (beige rates not final)



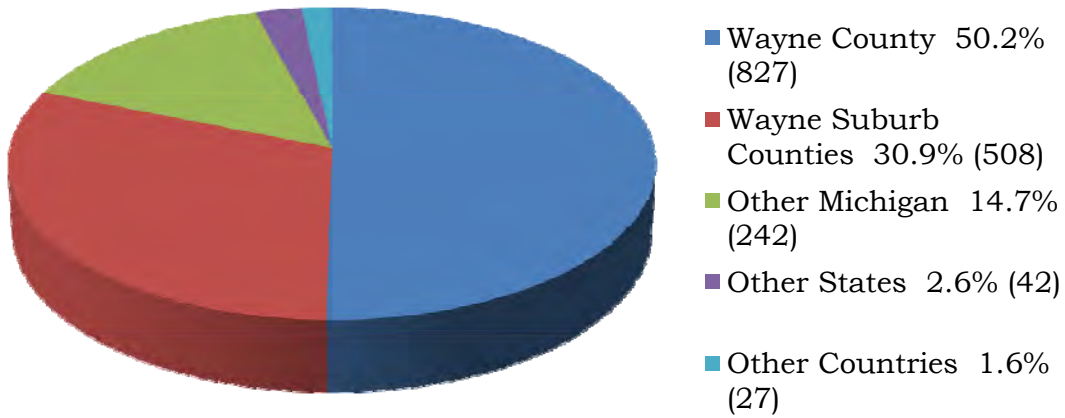
# Campus Housing Occupancy



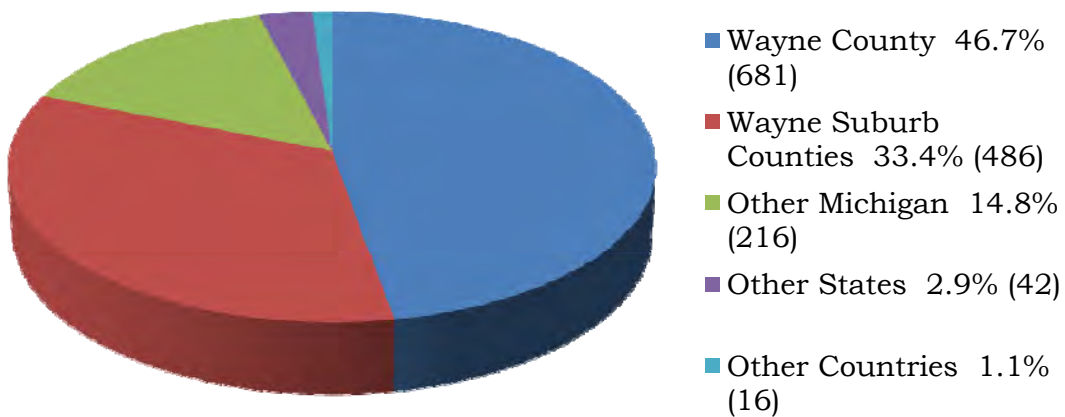
\*All-time high for campus residents

\*\* First time all three residence halls are at full capacity

# Where are Atchison, Ghafari, And The Towers Residents From?



Fall 2009 - 1646 Residents



Fall 2008 - 1457 Residents



# Housing & Residential Life 2010 – 2011 Rate Summary

- New typical freshman room and board package increase is 4.04% to \$7500
- Typical returning resident room rate increase is 3.5%
- Graduate/professional apartment increase is 3.0%
- Meal plan rate changes varying from +3.4% to -10.4%
- New Constant Pass (unlimited access) meal plan
- New furnished apartment option for undergraduates

# Housing and Residential Life

## Highlights:

- Continued declines in apartment occupancy due to significant drop in international graduate student population
- Conversion of 72 DeRoy apartment units to furnished, apartment-style living for 160 undergraduates
- Anticipate 99% residence hall occupancy in fall 2010, 95% in winter 2011; 95% apartment occupancy
- Increase in meal revenue forecast due to new pricing options introduced in FY 2011
- Room and board rates are below MPU averages
- Continue to address deferred maintenance needs
- General Fund support of \$1M for FY 2011
- Housing contracts currently signed are equivalent to amount signed 6 weeks prior to fall term last year
- Continuing student contracts – 250% increase over last year

# Auxiliary Summary

- Very challenging economic conditions for auxiliaries, less spending by both students and departments
- Quality of auxiliary services key to positive campus experience
- Auxiliary enterprise at WSU is relatively young compared to most institutions
- Continued to explore opportunities to maximize revenues for the good of the University

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**FY 2011 Proposed Budget**

The bookstore is a retail center operated jointly by Wayne State University and Barnes and Noble, Inc. that offers textbooks for use in classes, as well as school supplies, emblematic items, general reading materials and notions. These items can be purchased by students, staff and the community. Bookstore revenues consist primarily of commission paid by Barnes and Noble to the university in accordance with an established agreement. These revenues are used to cover certain operating costs and to meet various strategic needs of the university. The bookstore is a self-supporting entity and generates a net profit each year. In FY 2011 the bookstore will commit to payments of over \$544,000 to support general and non-general fund operations, building and depreciation reserves, utilities, and faculty awards.

**Key Accomplishments:**

- Involvement in community activities such as local author book signings, Noel Night, and university programs including new student and parent orientation.
- An aggressive book buy-back campaign of used books which allows students access to a large inventory of used books at an affordable price.
- Continued support of faculty and chair awards.

**Key Challenges**

- Continued reduction of university budgets and tighter spending by the community.
- Increased vendor costs impacting the cost of goods to bookstore customers.
- Online book selling between students and from online discount booksellers.

**Opportunities and Plans for FY 2011:**

- Continue to increase community awareness by continuing to support local events and book signings.
- Work with Bursar and Financial Aid on allowing qualifying students to purchase books at the WSU Bookstore as part of their aid package.

**Challenges in FY 2011:**

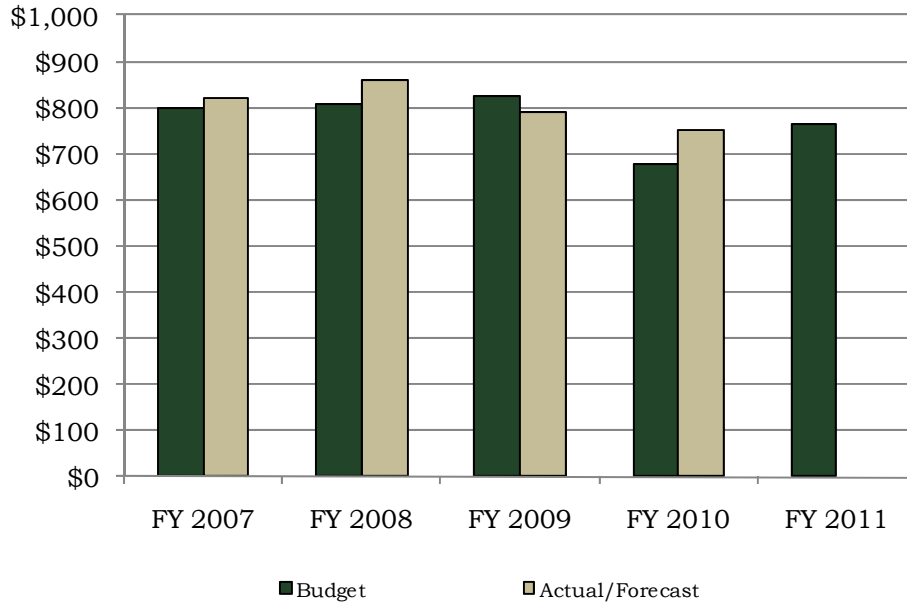
- Compensating for the impact of reduced university budgets on sales.
- Maintaining and increasing text book sales through relationships with faculty that use the bookstore for text book purchases.
- Continuing the aggressive campaign to increase used textbook sales in FY 2011 while attempting to reduce its impact on bottom line revenues and the continuous new additions released by publishers.

**FY 2011 Proposed Budget  
(in Thousands of Dollars)**

	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	Proposed Budget to	
	Approved	Actual	Approved	Projected	Proposed	Projected	Actual
	Budget	Activity	Budget	Actual	Budget	Amount	Percent
<b>BEGINNING FUND BALANCE</b>	<b>\$22.8</b>	<b>\$19.3</b>	<b>\$33.6</b>	<b>\$132.7</b>	<b>\$357.1</b>	<b>\$224.4</b>	<b>169.2%</b>
<b>REVENUE</b>							
Commissions	\$810.3	\$791.6	\$676.7	\$750.4	\$761.6	\$11.2	1.5%
Investment Income	\$15.0	\$0.6	\$1.5	\$0.5	\$0.5	\$0.0	0.0%
<b>TOTAL REVENUE</b>	<b>\$825.3</b>	<b>\$792.2</b>	<b>\$678.2</b>	<b>\$750.9</b>	<b>\$762.1</b>	<b>\$11.2</b>	<b>1.5%</b>
<b>EXPENDITURES</b>							
Personnel Support	\$44.0	\$38.8	\$42.7	\$38.2	\$51.9	\$13.7	35.9%
Subtotal Compensation	\$44.0	\$38.8	\$42.7	\$38.2	\$51.9	\$13.7	35.9%
Utilities	\$194.0	\$79.2	\$161.1	\$87.3	\$90.7	\$3.4	3.9%
Other Expenses	\$6.5	\$7.1	\$6.5	\$6.5	\$7.0	\$0.5	7.7%
Subtotal Operational Expenses	\$200.5	\$86.4	\$167.6	\$93.8	\$97.7	\$3.9	4.2%
<b>TOTAL EXPENDITURES</b>	<b>\$244.5</b>	<b>\$125.2</b>	<b>\$210.3</b>	<b>\$132.0</b>	<b>\$149.6</b>	<b>\$17.6</b>	<b>13.3%</b>
<b>NET INCOME (LOSS)</b>	<b>\$580.8</b>	<b>\$667.0</b>	<b>\$467.9</b>	<b>\$618.9</b>	<b>\$612.5</b>	<b>(\$6.4)</b>	<b>-1.0%</b>
<b>TRANSFERS TO (FROM)</b>							
Building Maintenance Reserve	\$50.0	\$150.0	\$25.0	\$25.0	\$25.0	\$0.0	0.0%
Depreciation Reserve	\$100.0	\$100.0	\$50.0	\$50.0	\$50.0	\$0.0	0.0%
Faculty / Chair Awards	\$319.5	\$303.7	\$319.5	\$319.5	\$319.5	\$0.0	0.0%
Graduate Students Stipends	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%
Non-General Fund Projects	\$100.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
<b>TOTAL TRANSFERS</b>	<b>\$569.5</b>	<b>\$553.7</b>	<b>\$394.5</b>	<b>\$394.5</b>	<b>\$394.5</b>	<b>\$0.0</b>	<b>0.0%</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$814.0</b>	<b>\$678.8</b>	<b>\$604.8</b>	<b>\$526.5</b>	<b>\$544.1</b>	<b>\$17.6</b>	<b>3.3%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>\$11.3</b>	<b>\$113.4</b>	<b>\$73.4</b>	<b>\$224.4</b>	<b>\$218.0</b>	<b>(\$6.4)</b>	<b>-2.9%</b>
<b>ENDING FUND BALANCE</b>	<b>\$34.1</b>	<b>\$132.7</b>	<b>\$107.0</b>	<b>\$357.1</b>	<b>\$575.1</b>	<b>\$218.0</b>	<b>61.1%</b>

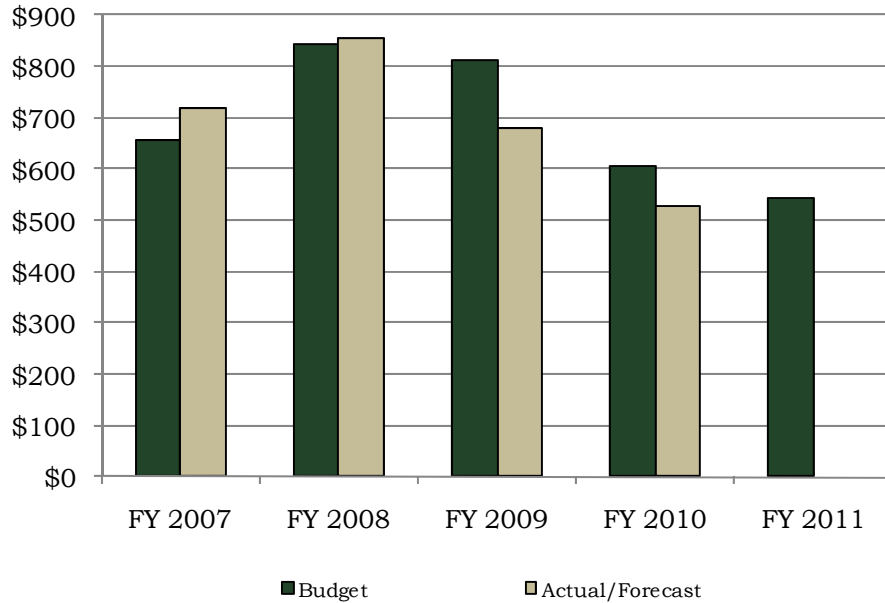
**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Revenue  
(in Thousands of Dollars)



**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



**FY 2011 Proposed Budget  
Sales Measures**

	Actual FY 2007	Actual FY 2008	Actual FY 2009	Projected FY 2010	Projected FY 2011	Change % (+/-)
Barnes & Noble - Bookstore Sales	\$8,013,047	\$7,879,628	\$7,740,972	\$7,377,040	\$7,478,000	1.3%
Barnes & Noble - Bookstore Comm.	\$ 816,191	\$ 809,504	\$ 790,682	\$ 750,400	\$ 761,700	1.4%

Sales and Commissions excludes Barnes & Nibble for all years.



**FY 2011 Proposed Budget**

The Contract Services unit manages the Equipment Maintenance Program, duplication center (FedEx Kinko's), copying and printing services (IKON), Pouring Rights contract and other various contracts on campus. This unit develops and establishes contracts with external vendors to provide the university with quality goods and services. Revenues are associated with gross sales and commissions and are projected to be slightly down between FY 2010 and FY 2011.

**Key Accomplishments:**

- Continued to add various revenue generating areas to Auxiliary Services including new print labs, vending machines and Auxiliary venues.
- Worked with printing services vendor on keeping their management fee at the FY 2010 rate.
- Remodeled and updated the Scott Hall Cafeteria and expanded the menu.

**Key Challenges:**

- Spending habits of the campus community have changed with these difficult economic times.
- Declining University budgets have curtailed departmental spending.

**Challenges for FY 2011:**

- Maintaining competitive pricing for Auxiliary customers while supply costs continue to increase.
- Continuing to offer expanded products and services with the struggling economy and reduced budgets.

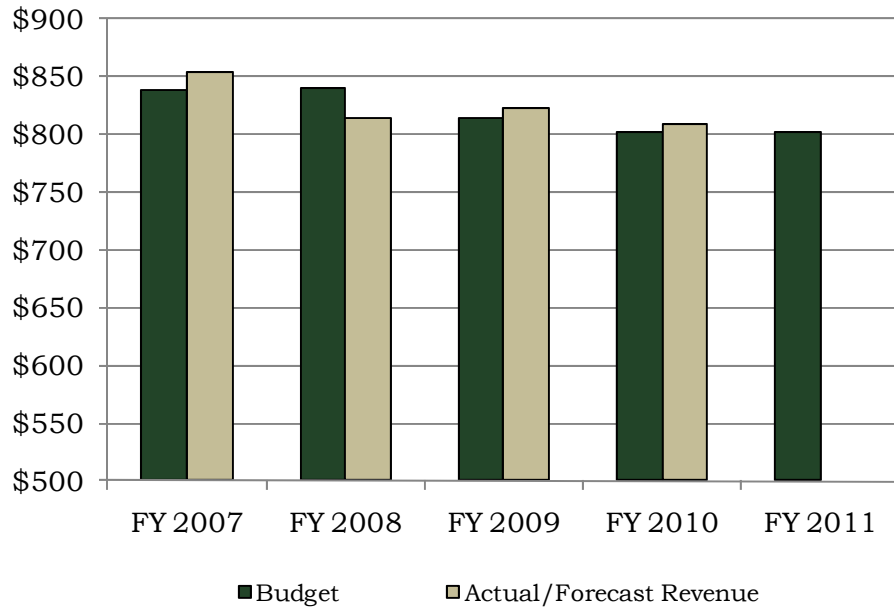
## Auxiliaries CONTRACT SERVICES

### FY 2011 Proposed Budget (in Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	Proposed Budget to	
	Approved	Actual	Approved	Projected	Proposed	Projected Actual	
	Budget	Activity	Budget	Actual	Budget	Amount	Percent
<b>BEGINNING FUND BALANCE</b>	<b>\$820.1</b>	<b>\$822.3</b>	<b>\$829.4</b>	<b>\$881.5</b>	<b>\$871.2</b>	<b>(\$10.3)</b>	<b>-1.2%</b>
<b>REVENUE</b>							
Gross Sales	\$317.0	\$313.7	\$315.4	\$321.5	\$320.0	(\$1.5)	-0.5%
Commissions	\$489.5	\$498.3	\$477.2	\$476.9	\$474.0	(\$2.9)	-0.6%
Internal Credits	\$8.0	\$11.3	\$10.0	\$10.4	\$8.0	(\$2.4)	-23.1%
<b>TOTAL REVENUE</b>	<b>\$814.5</b>	<b>\$823.4</b>	<b>\$802.6</b>	<b>\$808.8</b>	<b>\$802.0</b>	<b>(\$6.8)</b>	<b>-0.8%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$489.7	\$481.1	\$482.1	\$481.5	\$469.5	(\$12.0)	-2.5%
Fringe Benefits	\$128.9	\$126.3	\$120.6	\$119.7	\$115.1	(\$4.6)	-3.8%
Compensation Reimbursement	(\$117.2)	(\$118.5)	(\$119.5)	(\$117.9)	(\$120.3)	(\$2.4)	2.0%
Personnel Support	\$237.8	\$237.6	\$230.7	\$233.8	\$233.4	(\$0.4)	-0.2%
Personnel Support Reallocations	(\$503.8)	(\$485.9)	(\$483.3)	(\$482.0)	(\$460.4)	\$21.6	-4.5%
Subtotal Compensation	\$235.5	\$240.6	\$230.6	\$235.1	\$237.3	\$2.2	0.9%
Contracted Services	\$0.0	\$266.6	\$0.0	\$257.5	\$257.6	\$0.1	0.0%
Other Expenses	\$257.2	\$3.4	\$254.7	\$3.4	\$4.8	\$1.4	41.2%
Supplies and Equipment	\$51.9	\$0.0	\$43.1	\$44.5	\$9.3	(\$35.2)	-79.1%
Utilities	\$4.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
Subtotal Operating Expenses	\$313.2	\$269.9	\$297.8	\$305.4	\$271.7	(\$33.7)	-11.0%
<b>TOTAL EXPENDITURES</b>	<b>\$548.7</b>	<b>\$510.5</b>	<b>\$528.4</b>	<b>\$540.5</b>	<b>\$509.0</b>	<b>(\$31.5)</b>	<b>-5.8%</b>
<b>NET INCOME (LOSS)</b>	<b>\$265.8</b>	<b>\$312.9</b>	<b>\$274.2</b>	<b>\$268.3</b>	<b>\$293.0</b>	<b>\$24.7</b>	<b>9.2%</b>
<b>TRANSFERS TO (FROM)</b>							
Equipment Reserve	\$25.0	\$0.0	\$25.0	\$25.0	\$25.0	\$0.0	0.0%
Non-General Fund Projects	\$253.6	\$253.6	\$253.6	\$253.6	\$150.0	(\$103.6)	-40.9%
<b>TOTAL TRANSFERS</b>	<b>\$278.6</b>	<b>\$253.6</b>	<b>\$278.6</b>	<b>\$278.6</b>	<b>\$175.0</b>	<b>(\$103.6)</b>	<b>-37.2%</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$827.3</b>	<b>\$764.1</b>	<b>\$807.0</b>	<b>\$819.1</b>	<b>\$684.0</b>	<b>(\$135.1)</b>	<b>-16.5%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>(\$12.8)</b>	<b>\$59.3</b>	<b>(\$4.4)</b>	<b>(\$10.3)</b>	<b>\$118.0</b>	<b>\$128.3</b>	<b>-1245.6%</b>
<b>ENDING FUND BALANCE</b>	<b>\$807.3</b>	<b>\$881.5</b>	<b>\$825.0</b>	<b>\$871.2</b>	<b>\$989.2</b>	<b>\$118.0</b>	<b>13.5%</b>

**FY 2011 Proposed Budget**  
**Revenue and Expenditure Trends**

Total Revenue  
(in Thousands of Dollars)

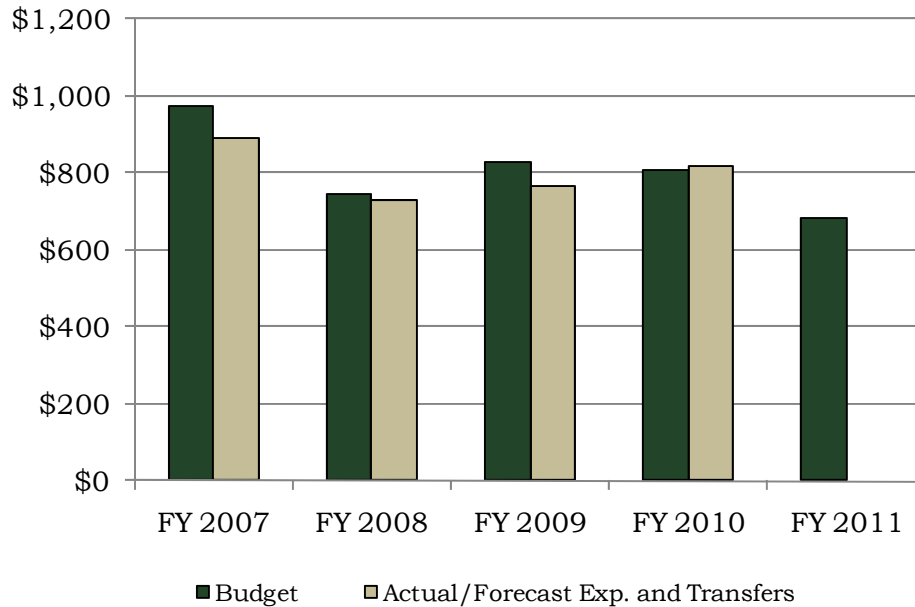


Revenues include commissions from equipment rental pool, food service, copying/printing sales, duplicating and vending sales.

**Auxiliaries**  
**CONTRACT SERVICES**

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



Expenses included a yearly management fee, license fee and lease contract for the fleet copying and printers utilized on campus.

**FY 2011 Proposed Budget  
Sales Measures**

Sales and Commissions	Actual FY 2007	Actual FY 2008	Actual FY 2009	Estimated FY 2010	Projected FY 2011	% (+/-)
AVI - Food Services - Sales	\$880,073	\$803,919	\$700,075	\$666,200	\$664,000	-0.3%
AVI - Food Services - Commission	\$127,392	\$115,399	\$105,106	\$106,900	\$104,000	-2.5%
Copying/Printing Sales	\$319,800	\$327,220	\$313,741	\$321,500	\$320,000	-0.5%
Copying/Printing Commission	\$20,900	\$29,183	\$47,000	\$26,315	\$56,985	105.1%
Kinko's - Sales	\$412,500	\$462,054	\$435,870	\$370,500	\$370,500	0.0%
Kinko's - Commission	\$0	\$9,334	\$12,963	\$10,725	\$10,725	0.0%
Vending - Sales	\$572,000	\$575,000	\$466,325	\$442,560	\$441,000	-0.3%
Vending - Commission	\$360,000	\$360,000	\$360,000	\$360,000	\$360,000	0.0%

**McGREGOR MEMORIAL CONFERENCE CENTER**

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**FY 2011 Proposed Budget**

The McGregor Memorial Conference Center and the Community Arts Center provide conference and meeting facilities for use by the campus and local community. Financial support for McGregor is generated from fees for dining, catering and conference services. The center consists of the McGregor Memorial Conference Center, the Community Arts Auditorium and university catering services. Service operations include meeting room arrangements, food services, audio visual rentals and meeting support. McGregor operations are subcontracted to AVI Food Systems, Inc., which provides a commission-based service to the university. McGregor is a self supporting entity. However, some administrative functions such as human resources, accounting, and purchasing are supported by the Business and Auxiliary Operations unit.

**Key Accomplishments:**

- Worked with the Summer Conference committee on utilizing McGregor for conference needs.
- Added a food service station at the Administration Building (AAB).

**Key Challenges:**

- Budget restraints within the university have reduced the use of catering on campus.
- Increase the use of McGregor Memorial Conference Center by the campus and surrounding communities.
- Maintaining competitive pricing with the increase of food costs and labor.

**Opportunities or Plans for FY 2011:**

- Reduce the cost to rent rooms in McGregor to boost revenues.
- Work with Housing and Business Operations to continue to expand food services options and conference room options for the University and conferences.

**Challenges in FY 2011:**

- The facility is in need of remodeling and updating to attract larger groups for seminars and meetings.
- Continued budget restraints placed on the university department's impact revenue.
- The struggling economy has impacted spending by the entire community.

# Auxiliaries

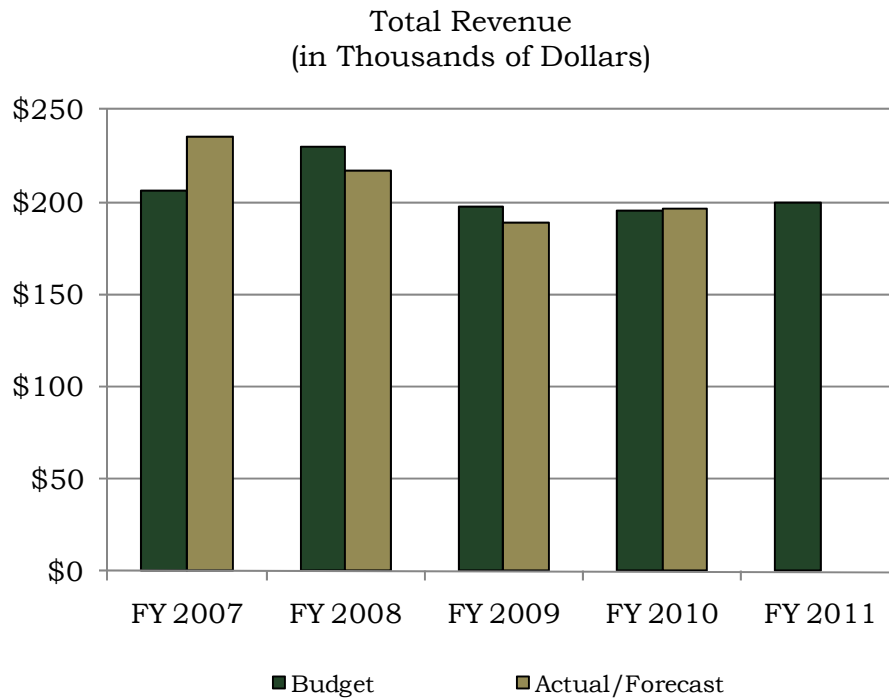
## McGREGOR MEMORIAL CONFERENCE CENTER

### FY 2011 Proposed Budget (in Thousands of Dollars)

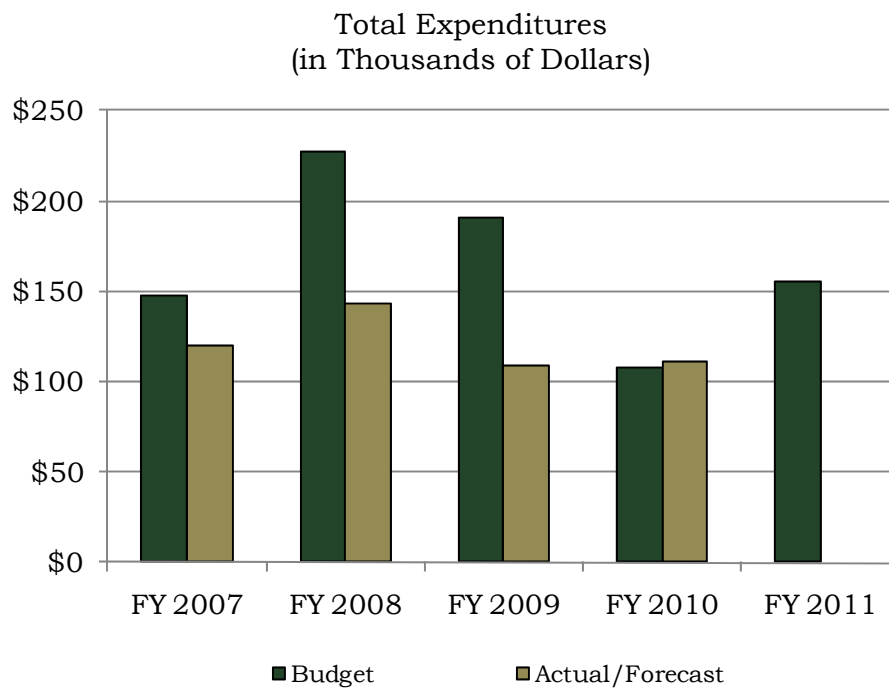
	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	Proposed Budget to	
	Approved Budget	Actual Activity	Approved Budget	Projected Actual	Proposed Budget	Projected Actual Amount	Percent
<b>BEGINNING FUND BALANCE</b>	<b>\$14.3</b>	<b>\$140.3</b>	<b>\$147.0</b>	<b>\$220.7</b>	<b>\$223.0</b>	<b>\$2.3</b>	<b>1.0%</b>
<b>REVENUE</b>							
Commissions	\$106.4	\$102.2	\$95.4	\$91.6	\$93.1	\$1.5	1.6%
Auxiliary Sales and Services	\$8.0	\$4.2	\$15.7	\$21.7	\$21.8	\$0.1	0.5%
<b>TOTAL REVENUE</b>	<b>\$114.4</b>	<b>\$106.3</b>	<b>\$111.1</b>	<b>\$113.3</b>	<b>\$114.9</b>	<b>\$1.6</b>	<b>1.4%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$61.7	\$61.2	\$61.4	\$61.4	\$62.6	\$1.2	2.0%
Fringe Benefits	\$21.2	\$21.6	\$22.4	\$22.0	\$22.4	\$0.4	1.8%
AVI Compensation Reimb.	(\$82.9)	(\$82.8)	(\$83.8)	(\$83.4)	(\$85.0)	(\$1.6)	1.9%
Subtotal Compensation	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	5.7%
Contracted Services	\$0.0	\$5.8	\$0.0	\$8.5	\$6.8	(\$1.7)	-20.0%
Other Expenses	\$16.6	\$1.7	\$14.8	\$2.2	\$2.2	\$0.0	0.0%
Overhead Administrative Costs	\$16.6	\$16.6	\$7.7	\$7.7	\$7.7	\$0.0	0.0%
Purchases for Resale	\$7.5	\$2.0	\$7.0	\$9.6	\$6.1	(\$3.5)	-36.5%
Supplies and Equipment	\$2.1	\$0.0	\$1.7	\$8.0	\$8.0	\$0.0	0.0%
Utilities	\$65.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
Subtotal Operating Expenses	\$108.3	\$26.0	\$31.2	\$36.0	\$30.8	(\$5.2)	-16.7%
<b>TOTAL EXPENDITURES</b>	<b>\$108.3</b>	<b>\$26.0</b>	<b>\$31.2</b>	<b>\$36.0</b>	<b>\$30.8</b>	<b>(\$5.2)</b>	<b>-14.4%</b>
<b>NET INCOME (LOSS)</b>	<b>\$6.1</b>	<b>\$80.3</b>	<b>\$79.9</b>	<b>\$77.3</b>	<b>\$84.1</b>	<b>\$6.8</b>	<b>8.8%</b>
<b>TRANSFERS TO (FROM)</b>							
Building Maintenance Reserve	\$0.0	\$0.0	\$50.0	\$50.0	\$75.0	\$25.0	50.0%
Equipment Reserve	\$0.0	\$0.0	\$25.0	\$25.0	\$50.0	\$25.0	100.0%
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
<b>TOTAL TRANSFERS</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$75.0</b>	<b>\$75.0</b>	<b>\$125.0</b>	<b>\$50.0</b>	<b>66.7%</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$108.3</b>	<b>\$26.0</b>	<b>\$106.2</b>	<b>\$111.0</b>	<b>\$155.8</b>	<b>\$44.8</b>	<b>40.4%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>\$6.1</b>	<b>\$80.3</b>	<b>\$4.9</b>	<b>\$2.3</b>	<b>(\$40.9)</b>	<b>(\$43.2)</b>	<b>-1878.3%</b>
<b>ENDING FUND BALANCE</b>	<b>\$20.4</b>	<b>\$220.7</b>	<b>\$151.9</b>	<b>\$223.0</b>	<b>\$182.1</b>	<b>(\$40.9)</b>	<b>-18.3%</b>

**McGREGOR MEMORIAL CONFERENCE CENTER**

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**



**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**



Note: AVI compensation reimbursement is shown in revenue in the above chart.

**Auxiliaries**

**McGREGOR MEMORIAL CONFERENCE CENTER**

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**FY 2011 Proposed Budget  
Sales Measures**

<b>Sales &amp; Commission</b>	<b>Actual FY 2007</b>	<b>Actual FY 2008</b>	<b>Actual FY 2009</b>	<b>Estimated FY 2010</b>	<b>Projected FY 2011</b>	<b>Variance % (+/-)</b>
McGregor Catering Sales	\$1,774,537	\$1,715,390	\$1,719,192	\$1,714,564	\$1,740,283	1.5%
McGregor Catering Commission	\$ 104,975	\$ 108,113	\$ 106,531	\$ 107,300	\$ 108,800	1.4%



**PARKING AND TRANSPORTATION SERVICES**

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**FY 2011 Proposed Budget**

Parking and Transportation Services is an auxiliary unit that maintains parking facilities and vehicles for use by university units and comprises three services units:

- Parking Facilities – currently consists of eight (8) parking structures and forty-five (45) surface lots. The total parking system is approximately 13,000 spaces, of which 35 percent are allocated for use by faculty and staff. The remaining 65 percent are available for student, guest and visitor parking.
- Violations Bureau – is the collection agency for parking violations.
- Transportation Services – manages and services all vehicles permanently assigned to university departments and oversees the rental of vehicles to university staff.

Parking and Transportation Services is a self-supporting auxiliary unit that covers its direct operating costs from revenues generated.

**Key Accomplishments:**

- Implemented website and manage online student semester parking sales and violation payments
- Facilitated shuttle services agreement between Wayne State University, Detroit Medical Center, and Henry Ford Hospital.
- Prepared five year business plan for Parking Operations

**Challenges for FY 2011:**

- Completing the implementation of T2 parking software.
- Maintaining the older parking facilities and improving security and technology throughout the campus parking system.
- Improving the distribution of assigned and daily parking to meet the needs of the university.
- Improving shuttle transportation between DMC, Henry Ford, CCS and WSU campuses.
- Implement five year business plan.

**Strategies:**

- Improve efficiency and effectiveness of parking pass operations and tracking violations with new equipment and software and maximize the use of each parking facility using technology.
- Continue to enhance current campus transportation system and encourage more students, faculty and staff to utilize public transportation, car/van pool and the WSU shuttle to offset the high cost of fuel, reduce traffic congestion and carbon monoxide emissions by working with DDOT, SMART, SEMCOG and others.
- Continue to evaluate parking usage by lot and structure to determine which facilities should close during certain times of the year.
- Enhance and improve suggested customer services to comply with the 2009 Parking and Transportation survey results
- Implement consultant's recommendations from the comprehensive conditions survey for parking structures #1 - #6.

**PARKING AND TRANSPORTATION SERVICES**

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**FY 2011 Budget Assumptions:**

- In accordance with the recently developed five-year business plan, a combined funding program of increased fee revenue and new debt is recommended to provide sufficient revenues to fund all of the structural repairs and improvements necessary within the next five years.
- The funding plan recommends the implementation of a \$0.50 rate increase to all current rates effective FY 2011. This increase is incorporated into the proposed FY 2011 budget.
- In FY 2011, the business plan includes the assumption that \$10 million of new debt will be issued during the fiscal year. The FY 2011 proposed expenditures include the associated projected debt service with the issuance of this additional debt.

**Future Year Budget Assumptions:**

- The funding plan also recommends increases of \$0.50 across the board in FY 2013 and FY 2015.
- Based on the increases in FY 2011, FY 2013, FY 2015, the associated revenues are anticipated to generate an additional \$13.7 million in permit and user fee over the five-year period. These revenues will provide sufficient resources to complete the repair program as presented in the five-year business. This repair program includes addition of \$18 million of new debt (\$10 million of new debt in FY 2011 and \$8.0 million of new debt in FY 2014) of which a portion will be paid back by the aforementioned rate increases in FY 2011, FY 2013 and FY 2015.

**PARKING AND TRANSPORTATION SERVICES**

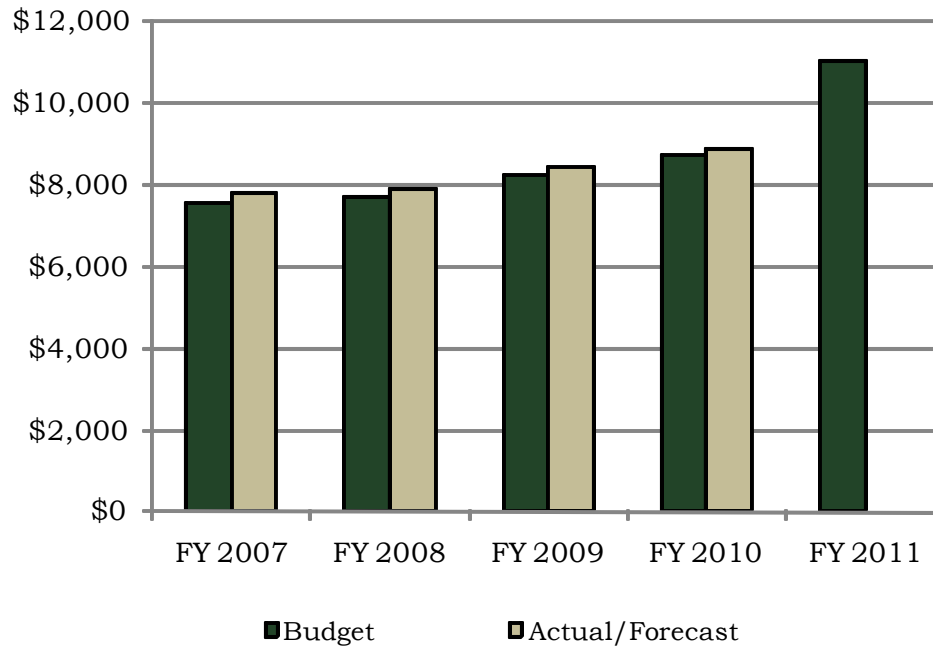
**FY 2011 Proposed Budget  
(in Thousands of Dollars)**

	<b>FY 2009 Approved Budget</b>	<b>FY 2009 Actual Activity</b>	<b>FY 2010 Approved Budget</b>	<b>FY 2010 Projected Actual</b>	<b>FY 2011 Proposed Budget</b>	<b>Proposed Budget to Projected Actual Amount</b>	<b>Percent</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$1,707.8</b>	<b>\$1,803.5</b>	<b>\$1,368.2</b>	<b>\$2,069.5</b>	<b>\$2,412.5</b>	<b>\$343.0</b>	<b>16.6%</b>
<b>REVENUE</b>							
Parking Fees	\$7,591.9	\$7,834.1	\$8,147.0	\$8,271.9	\$10,377.7	\$2,105.8	25.5%
Motor Pool Rentals	\$548.0	\$491.7	\$491.3	\$491.3	\$505.4	\$14.1	2.9%
Rental Revenues	\$122.0	\$134.4	\$122.0	\$122.0	\$167.0	\$45.0	36.9%
Commission	\$3.1	\$1.2	\$4.0	\$4.0	\$4.0	\$0.0	0.0%
<b>TOTAL REVENUE</b>	<b>\$8,265.0</b>	<b>\$8,461.4</b>	<b>\$8,764.3</b>	<b>\$8,889.2</b>	<b>\$11,054.1</b>	<b>\$2,164.9</b>	<b>24.4%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$1,790.0	\$1,655.7	\$1,656.6	\$1,646.6	\$1,678.3	\$31.7	1.9%
Fringe Benefits	\$613.6	\$564.0	\$474.3	\$474.1	\$482.6	\$8.5	1.8%
Personnel Support	\$97.0	\$95.0	\$93.7	\$93.7	\$111.9	\$18.2	19.4%
Subtotal Compensation	\$2,500.6	\$2,314.7	\$2,224.5	\$2,214.4	\$2,272.8	\$58.4	2.6%
Facilities Maintenance	\$834.0	\$884.2	\$900.0	\$1,000.4	\$1,067.7	\$67.3	6.7%
Other Expenses	\$1,009.6	\$873.4	\$935.9	\$905.9	\$980.0	\$74.1	8.2%
Overhead Administrative Costs	\$245.4	\$245.4	\$216.2	\$216.2	\$222.2	\$6.0	2.8%
Supplies and Equipment	\$119.6	\$115.5	\$106.7	\$106.7	\$118.4	\$11.7	11.0%
Utilities	\$549.5	\$434.1	\$484.1	\$484.1	\$508.5	\$24.4	5.0%
Bad Debt Expense	\$0.0	(\$2.9)	\$31.5	\$31.5	\$32.4	\$0.9	2.9%
Subtotal Operating Expenses	\$2,758.1	\$2,549.7	\$2,674.4	\$2,744.8	\$2,929.2	\$184.4	6.7%
<b>TOTAL EXPENDITURES</b>	<b>\$5,258.7</b>	<b>\$4,864.4</b>	<b>\$4,898.8</b>	<b>\$4,959.2</b>	<b>\$5,202.0</b>	<b>\$242.8</b>	<b>4.9%</b>
<b>NET INCOME (LOSS)</b>	<b>\$3,006.2</b>	<b>\$3,597.0</b>	<b>\$3,865.5</b>	<b>\$3,930.0</b>	<b>\$8,124.9</b>	<b>\$4,194.9</b>	<b>106.7%</b>
<b>TRANSFERS TO (FROM)</b>							
Debt Service	\$3,181.0	\$3,181.0	\$3,587.0	\$3,587.0	\$3,995.5	\$408.5	11.4%
Unexpended Plant Fund	\$0.0	\$150.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
<b>TOTAL TRANSFERS</b>	<b>\$3,181.0</b>	<b>\$3,331.0</b>	<b>\$3,587.0</b>	<b>\$3,587.0</b>	<b>\$3,995.5</b>	<b>\$408.5</b>	<b>11.4%</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$8,439.8</b>	<b>\$8,195.4</b>	<b>\$8,485.9</b>	<b>\$8,546.2</b>	<b>\$9,197.5</b>	<b>\$651.3</b>	<b>7.6%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>(\$174.8)</b>	<b>\$266.0</b>	<b>\$278.4</b>	<b>\$343.0</b>	<b>\$1,856.6</b>	<b>\$1,513.6</b>	<b>441.3%</b>
<b>ENDING FUND BALANCE</b>	<b>\$1,533.0</b>	<b>\$2,069.5</b>	<b>\$1,646.6</b>	<b>\$2,412.5</b>	<b>\$4,269.1</b>	<b>\$1,856.6</b>	<b>77.0%</b>

**PARKING AND TRANSPORTATION SERVICES**

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Revenue  
(in Thousands of Dollars)

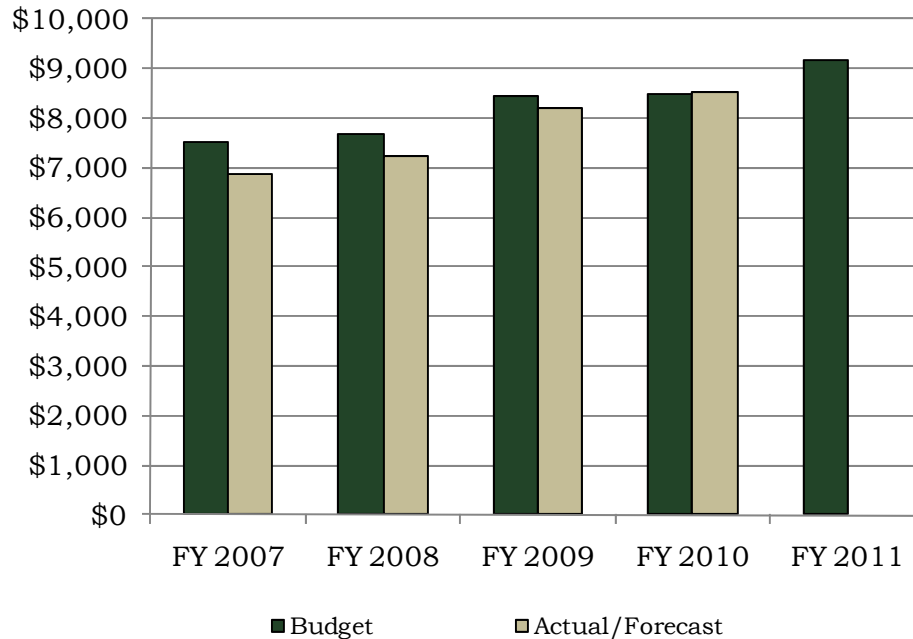


The recently adopted Parking five-year business plan outlines \$0.50 parking fee rate increases across all parking categories in each of FY 2011, FY 2013 and FY 2015. The budget for FY 2011 incorporates the increase scheduled for FY 2011. The subsequent increases will be reflected in future budgets.

**PARKING AND TRANSPORTATION SERVICES**

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



The steady increase in expenditures is a result of the auxiliary’s effort to become totally self supporting.

FY 2011 includes additional expense for debt service to finance approximately \$40 million in repairs and renovations to parking structures to comply with Walker Restoration Consultants Capital Improvement and Protection Plan

**FY 2011 Proposed Budget  
Sales Measures**

Sales Information	Actual FY 2007	Actual FY 2008	Actual FY 2009	Estimated FY 2010	Projected FY 2011	% (+/-)
<b>Parking Revenues</b>	\$7,114,000	\$7,290,663	\$7,824,650	\$8,264,730	\$10,369,720	25%
<b>Facilities Operated</b>	52	53	53	51	51	0%
<b>Facilities Supervised</b>	52	53	53	51	51	0%
<b>Fines Collected</b>	\$7,470	\$7,314	\$5,375	\$7,170	\$8,000	12%
<b>Parking Capacity</b>	12,700	13,184	13,184	13,165	13,165	0%

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### **FY 2011 Proposed Budget**

The Student Center provides significant support to Wayne State students through co-curricular and extracurricular student programs. Our current traffic count on average is 10,500 people per day.

The Student Center houses a food court operated by local vendors. Other operation units such as the Office of Housing and Residential Life, C&IT Help Desk, the Dean of Students Office and Student Council are also housed in the Student Center. Student Center Administration provides a number of services and functions including weekly programs, a postal and information service center and conference/meeting facilities.

#### **Key Accomplishments:**

- Increased student participation in the Down Under activity area in the lower level of the Student Center.
- Increased the visibility and service capacity of the renovated postal and information service center by creating a “one-stop shop” for students.
- Completed second floor renovations to create a more active study lounge and improve meeting spaces.
- Completed renovations of Community Arts Auditorium.
- Participated in the relocation of WAYN Radio and the South End offices to the Student Center.
- Collaborated with Computing & Information Technology to relocate the C&IT PC Clinic.

#### **Challenges for FY 2011:**

- Maintaining service levels in a building that requires major maintenance and renovations.
- Improving programming, building use and activities in Student Center with a specific focus on customer service to a diverse student population.
- Continuing increased use of the Down Under entertainment area.

#### **Strategies:**

- Obtain additional funding for major facility renovations needed.
- Maintain and increase building use (traffic) which supports programs and retail activity.
- Begin collaboration with DOSO, Housing and Fitness Center to enhance programming activities.
- Increase the number of reservation events including meetings, catering, rentals and special events by faculty, staff, students and especially, external sources.
- Begin implementation of updated service training program for student assistants to improve customer service.
- Incorporate a more diverse range of events into the programming schedule.
- Work with the core group to implement the new campus-wide scheduling program, Ad Astra. Attend Ad Astra training and develop a rollout process for training the campus community.

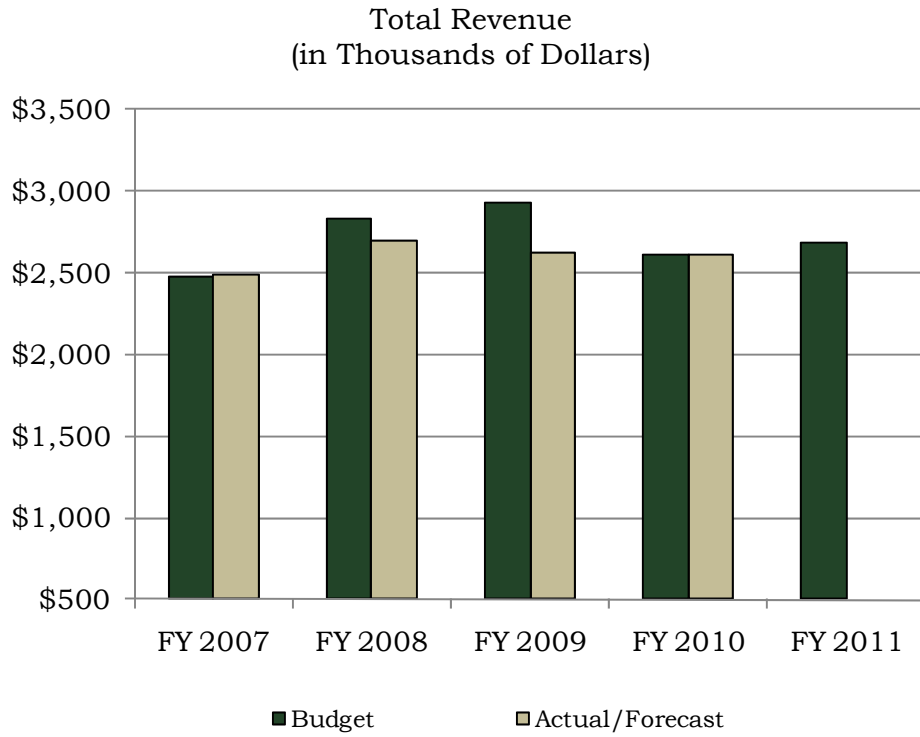
# Auxiliaries STUDENT CENTER

## FY 2011 Proposed Budget (in Thousands of Dollars)

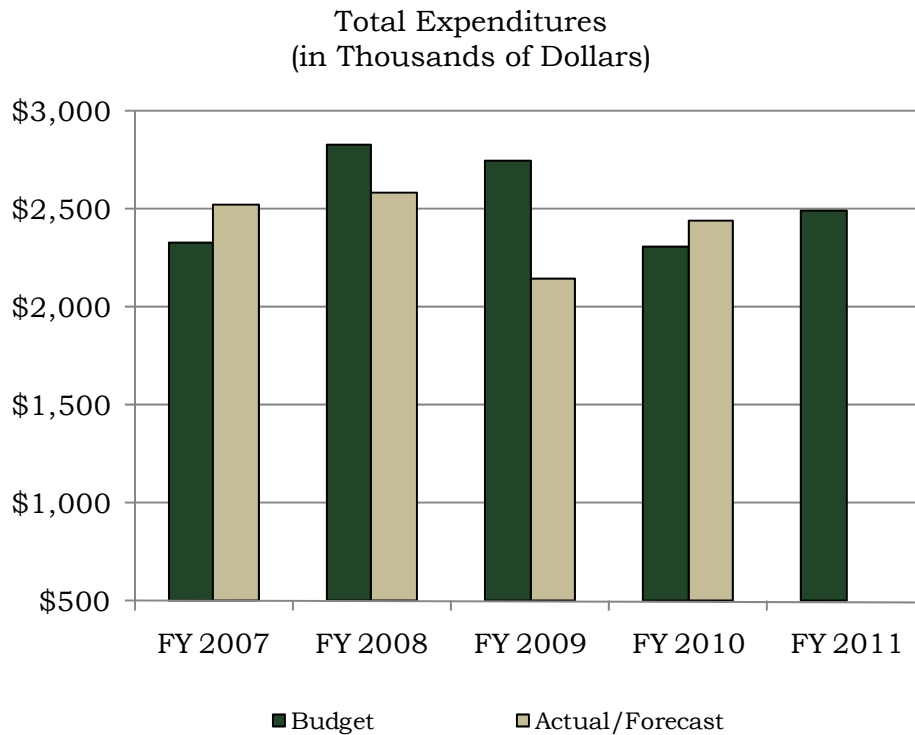
	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	Proposed Budget to	
	Approved Budget	Actual Activity	Approved Budget	Projected Actual	Proposed Budget	Projected Actual Amount	Percent
<b>BEGINNING FUND BALANCE</b>	<b>\$278.4</b>	<b>\$300.3</b>	<b>\$231.7</b>	<b>\$603.4</b>	<b>\$570.8</b>	<b>(\$32.6)</b>	<b>-5.4%</b>
<b>REVENUE</b>							
Student Fees	\$1,904.1	\$1,853.9	\$1,949.1	\$1,949.1	\$2,014.3	\$65.2	3.3%
Auxiliary Sales and Services	\$213.2	\$188.5	\$170.6	\$170.6	\$172.0	\$1.4	0.8%
Commissions	\$117.0	\$134.8	\$122.4	\$122.3	\$122.3	\$0.0	0.0%
Programs and Special Events/Concessions	\$0.0	\$5.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
Rental Revenues	\$199.1	\$180.8	\$187.0	\$187.0	\$187.0	\$0.0	0.0%
Conference Revenue	\$500.0	\$204.5	\$125.0	\$125.0	\$126.3	\$1.3	1.0%
Internal Credits	\$0.0	\$61.1	\$60.0	\$60.0	\$58.5	(\$1.5)	-2.5%
<b>TOTAL REVENUE</b>	<b>\$2,933.3</b>	<b>\$2,628.7</b>	<b>\$2,614.1</b>	<b>\$2,614.0</b>	<b>\$2,680.4</b>	<b>\$66.4</b>	<b>2.5%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$631.4	\$671.4	\$668.8	\$718.5	\$755.9	\$37.4	5.2%
Fringe Benefits	\$83.0	\$85.1	\$92.0	\$91.8	\$99.3	\$7.5	8.2%
Personnel Support	\$55.0	\$50.9	\$50.4	\$50.4	\$63.2	\$12.8	25.4%
Subtotal Compensation	\$769.4	\$807.4	\$811.2	\$860.7	\$918.4	\$57.7	6.7%
Facilities Maintenance	\$627.6	\$576.3	\$532.8	\$608.5	\$594.4	(\$14.1)	-2.3%
Overhead Administrative Costs	\$115.2	\$115.2	\$78.9	\$78.9	\$79.7	\$0.8	1.0%
Supplies and Equipment	\$69.5	\$30.6	\$50.0	\$54.9	\$55.5	\$0.6	1.1%
Utilities	\$494.9	\$321.6	\$549.0	\$549.0	\$554.5	\$5.5	1.0%
Other Expenses	\$170.4	\$156.2	\$167.0	\$174.4	\$176.1	\$1.7	1.0%
Conference Expenses	\$500.0	\$143.1	\$119.0	\$120.0	\$121.2	\$1.2	1.0%
Subtotal Operating Expenses	\$1,977.5	\$1,342.9	\$1,496.7	\$1,585.7	\$1,581.4	(\$4.3)	-0.3%
<b>TOTAL EXPENDITURES</b>	<b>\$2,747.0</b>	<b>\$2,150.3</b>	<b>\$2,307.9</b>	<b>\$2,446.4</b>	<b>\$2,499.8</b>	<b>\$53.4</b>	<b>2.2%</b>
<b>NET INCOME (LOSS)</b>	<b>\$186.4</b>	<b>\$478.3</b>	<b>\$306.2</b>	<b>\$167.6</b>	<b>\$180.6</b>	<b>\$13.0</b>	<b>7.8%</b>
<b>TRANSFERS TO (FROM)</b>							
Debt Service	\$175.3	\$175.2	\$175.2	\$175.2	\$175.2	\$0.0	0.0%
Facility Maintenance Reserve	\$0.0	\$0.0	\$30.0	\$25.0	\$0.0	(\$25.0)	-100.0%
<b>TOTAL TRANSFERS</b>	<b>\$175.3</b>	<b>\$175.2</b>	<b>\$205.2</b>	<b>\$200.2</b>	<b>\$175.2</b>	<b>(\$25.0)</b>	<b>-12.5%</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$2,922.2</b>	<b>\$2,325.6</b>	<b>\$2,513.1</b>	<b>\$2,646.6</b>	<b>\$2,675.0</b>	<b>\$28.4</b>	<b>1.1%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>\$11.1</b>	<b>\$303.1</b>	<b>\$101.0</b>	<b>(\$32.6)</b>	<b>\$5.4</b>	<b>\$38.0</b>	<b>-116.6%</b>
<b>ENDING FUND BALANCE</b>	<b>\$289.5</b>	<b>\$603.4</b>	<b>\$332.7</b>	<b>\$570.8</b>	<b>\$576.2</b>	<b>\$5.4</b>	<b>0.9%</b>



**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**



**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**



**FY 2011 Proposed Budget  
Sales Measures**

Sales and Commissions	Actual FY 2007	Actual FY 2008	Actual FY 2009	Projected FY 2010	Projected FY 2011	% (+/-)
Friar Tucks Sales	\$403,281	\$484,682	\$507,632	\$518,060	\$518,060	0.0%
Friar Tucks Commissions & Leases	\$43,195	\$60,193	\$75,775	\$65,000	\$65,000	0.0%
Barnes & Nibble Convenience Store	\$350,841	\$405,935	\$412,962	\$434,300	\$434,300	0.0%
Barnes & Nibble Commissions	\$21,357	\$44,261	\$41,254	\$43,430	\$43,430	0.0%
McDonalds Sales	\$873,073	\$908,166	\$900,671	\$899,300	\$899,300	0.0%
McDonalds Commissions & Leases	\$56,203	\$53,543	\$61,420	\$54,494	\$54,494	0.0%
Subway Sales	\$356,227	\$400,416	\$419,290	\$442,800	\$442,800	0.0%
Subway Commissions	\$42,230	\$40,039	\$41,053	\$44,280	\$44,280	0.0%
Pizza Hut Sales	\$183,914	\$253,935	\$247,050	\$250,900	\$250,900	0.0%
Pizza Hut Commissions	\$16,596	\$25,394	\$24,193	\$25,090	\$25,090	0.0%
<b>Total Sales</b>	<b>\$2,167,336</b>	<b>\$2,453,134</b>	<b>\$2,487,605</b>	<b>\$2,545,360</b>	<b>\$2,545,360</b>	<b>0.0%</b>
<b>Total Commissions &amp; Leases*</b>	<b>\$179,581</b>	<b>\$223,430</b>	<b>\$243,695</b>	<b>\$232,294</b>	<b>\$232,294</b>	<b>0.0%</b>

\*Retail tenants paying rent only, not included above - Comerica, Community Care Services, Grosberg, JPMorgan Chase, and Michigan First Credit Union.

### **FY 2011 Proposed Budget**

*The South End* is a campus newspaper published by Wayne State University under the direction of the Student Newspaper Publication Board (SNPB).

*The South End* receives an annual General Fund subsidy to support operation of the newspaper. The subsidy for FY 2011 is proposed to be the same as FY 2010. It also receives a small allocation from the Research Equipment Fund to supplement funds provided from newspaper operations to replace equipment.

*The South End* continued to see success in an editorial agenda focused solely on Wayne State University and local interest stories with the help of journalism students writing articles for class assignments. The paper's office move to the Student Center has helped its operations be more efficient. The partnership between the Department of Communication, Journalism program, and Dean of Students Office has never been stronger and is a model of a successful academic affairs/student affairs partnership.

#### **Key Challenges for FY 2011:**

- Advertising revenue continues to be a challenge for the media advertising paradigm has permanently changed. With so many electronic advertising opportunities that are free or of little cost (wayne.edu, pipeline, events.wayne.edu, all campus emails), and the reduction of unit budgets, internal advertising is down and will not significantly increase. The new advertising salesperson is bringing in new external accounts, but these funds are limited as well. This advertising environment mimics the one experienced by local Detroit media.
- The South End's future is in the online version. A new platform service has been purchased and a new domain name secured: thesouthend.wayne.edu. The budget request includes a \$10,000 increase in salary. This salary is needed for building the online product.

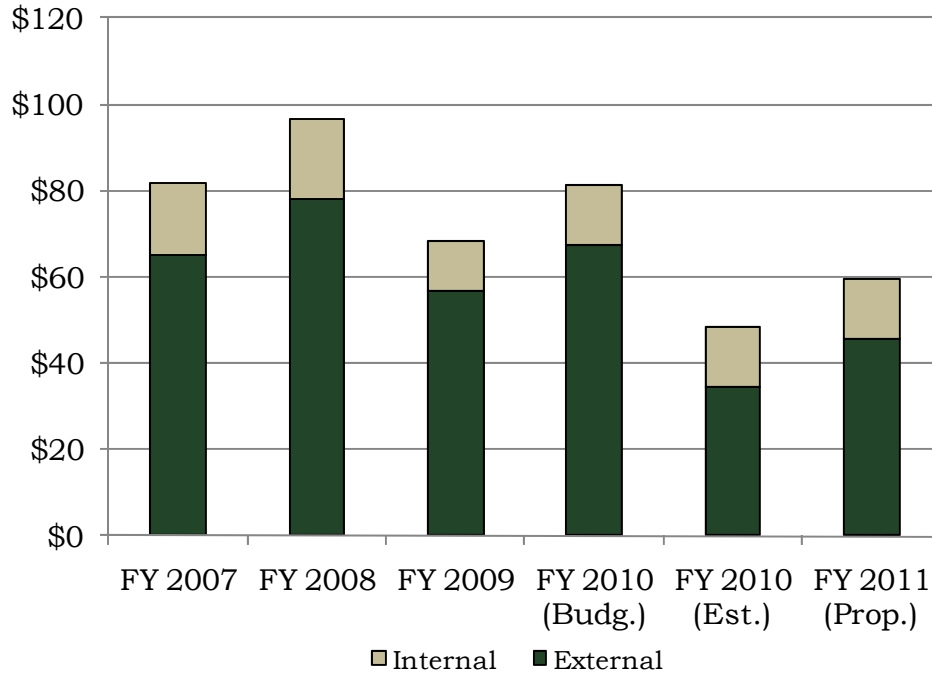
**Auxiliaries  
THE SOUTH END**

**FY 2011 Proposed Budget  
(in Thousands of Dollars)**

	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	Proposed Budget to	
	Approved Budget	Actual Activity	Approved Budget	Projected Actual	Proposed Budget	Projected Amount	Actual Percent
<b>BEGINNING FUND BALANCE</b>	\$122.0	\$121.5	\$103.0	\$105.7	\$108.0	\$2.3	2.2%
<b>REVENUE</b>							
Advertising							
External	\$75.0	\$56.6	\$67.2	\$34.5	\$45.5	\$11.0	31.9%
Internal	\$14.0	\$11.7	\$14.0	\$14.0	\$14.0	\$0.0	0.0%
General Fund Support	\$116.8	\$116.8	\$116.8	\$116.8	\$116.8	\$0.0	0.0%
<b>TOTAL REVENUE</b>	<b>\$205.8</b>	<b>\$185.0</b>	<b>\$198.0</b>	<b>\$165.3</b>	<b>\$176.3</b>	<b>\$11.0</b>	<b>6.7%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$116.5	\$108.3	\$110.0	\$99.1	\$109.4	\$10.3	10.4%
Fringe Benefits	\$3.8	\$2.7	\$2.9	\$2.7	\$2.8	\$0.1	3.7%
Subtotal Compensation	\$120.3	\$111.0	\$112.9	\$101.8	\$112.2	\$10.4	10.2%
Printing and Duplicating	\$50.0	\$42.7	\$53.0	\$43.3	\$44.0	\$0.7	1.6%
Telephone	\$5.4	\$14.6	\$2.1	\$2.8	\$2.8	\$0.0	0.0%
Other Expenses	\$30.1	\$32.6	\$30.0	\$15.1	\$17.3	\$2.2	14.6%
Subtotal Operating Expenditures	\$85.5	\$89.8	\$85.1	\$61.2	\$64.1	\$2.9	4.7%
<b>TOTAL EXPENDITURES</b>	<b>\$205.8</b>	<b>\$200.9</b>	<b>\$198.0</b>	<b>\$163.0</b>	<b>\$176.3</b>	<b>\$13.3</b>	<b>8.2%</b>
<b>NET INCOME (LOSS)</b>	<b>\$0.0</b>	<b>(\$15.8)</b>	<b>\$0.0</b>	<b>\$2.3</b>	<b>\$0.0</b>	<b>\$2.3</b>	<b>100.0%</b>
<b>TOTAL TRANSFERS</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>n/a</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$205.8</b>	<b>\$200.9</b>	<b>\$198.0</b>	<b>\$163.0</b>	<b>\$176.3</b>	<b>\$13.3</b>	<b>8.2%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>\$0.0</b>	<b>(\$15.8)</b>	<b>\$0.0</b>	<b>\$2.3</b>	<b>\$0.0</b>	<b>(\$2.3)</b>	<b>-100.0%</b>
<b>ENDING FUND BALANCE</b>	<b>\$122.0</b>	<b>\$105.7</b>	<b>\$103.0</b>	<b>\$108.0</b>	<b>\$108.0</b>	<b>\$0.0</b>	<b>0.0%</b>

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Advertising Revenues  
(in Thousands of Dollars)

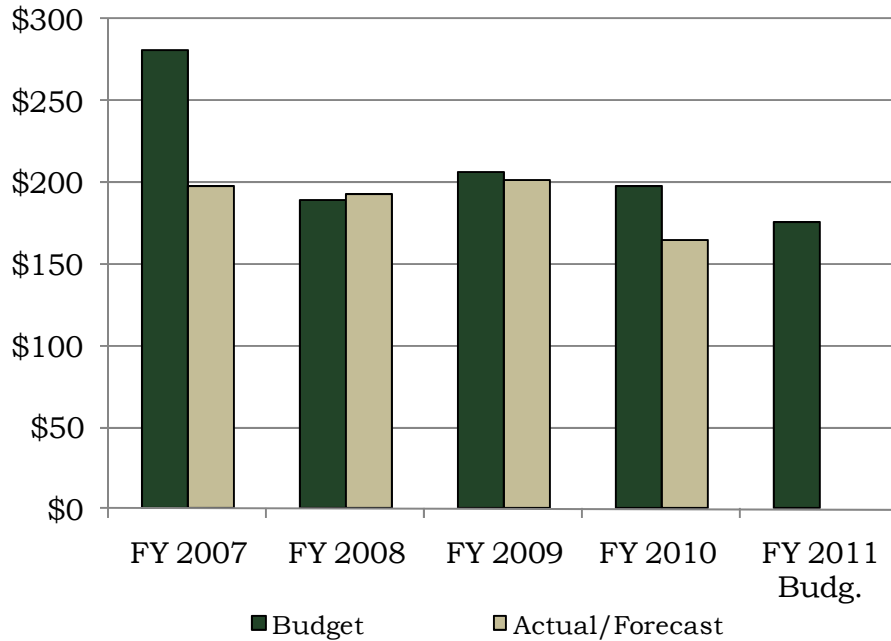


The South End will continue to be published as a weekly newspaper with a greater emphasis on the online edition.

University units continue to use other advertising mediums to promote their events and activities, including email, pipeline, wayne.edu, events.wayne.edu, and flyers. These are low to no cost forms of advertising, and it is believed that this trend will continue with the continuing university budget challenges.

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



FY 2011 expenses will focus on the newspaper's online presence. Expenses, including salaries, will be limited and monitored very closely.

The Dean of Students Office's administration of The South End budget has made operations more efficient and this process will continue. Additionally, the Dean of Student's Office will take on newspaper distribution responsibilities and this cost will not be incurred by the paper.

## **FY 2011 Proposed Budget**

Detroit's educational and cultural institutions are essential resources that make our region a great place to live and work. Wayne State University is a stellar example of such an institution, and its Press plays an important role in its parent institution's mission. The Wayne State University Press is a distinctive urban publisher that combines an educational mission with a commitment to publishing and promoting Michigan writers and works of local interest and importance, all while supporting Wayne State University's mission of research, teaching, and public service. In the past several years the Press has focused and refined its scholarly publishing program, elevating its national and international status, while retaining a commitment to excellence in regional history and general-interest literature.

Through series like *Made in Michigan Writers*, the Press gives voice to talented Michigan authors. The *African American Life* and *Jewish Studies* series explore social, historical, and cultural themes through the works of nationally and internationally renowned authors. Regional history is given special attention through the *Great Lakes Books* series, and the social impact of media and pop-culture is explored in the *Contemporary Approaches to Film and Television* series. The Press's books are regularly recognized for the high quality of their content and design, including four recently named as 2009 Michigan Notable Books. The Wayne State University Press is committed to continuing its award-winning publishing program, even in this time of economic uncertainty, and to moving forward with plans to transform internal systems in order to remain competitive in an increasingly difficult book sales market.

The Press receives University support of \$421,776.

### **Key Challenges and Opportunities for FY 2011:**

The Wayne State University Press, like its counterparts around the country, continues to experience fluctuations in operating income. In recent years the Press ended with a positive financial situation mostly due to the efficiency of operations, salary savings, and reduced general expenses. Continued improvements to the Press's publishing program—reducing or eliminating output in some subject areas while increasing in others and practicing selective publishing—have affected revenue. The Press also continues to reduce publication costs and increase efficiency which has allowed revenue growth without significant increases in total costs.

### **Specific Challenges:**

- Creating an e-publishing strategy to license content and increase revenue.
- Managing resources appropriately for books to ensure that publication schedules and marketing and sales goals are met. This is especially important for our *Painted Turtle* trade titles, which require more resources than our traditional scholarly titles (royalty advances, expensive production, shorter production schedules for faster time-to-market, different author expectations, and marketing challenges).
- Developing future projects with sufficient sales potential to ensure revenue growth and net income.
- Implementing ways to increase journal revenue in online formats while managing decreasing print subscriptions.

*Specific Challenges (continued)*

- Developing a rights and permissions strategy to manage licensing and permissions and increase revenue.
- Continuing fundraising for building endowments, grants, and other gift income in a challenging economy.
- Developing ways to deal with declining budgets for libraries and other institutions, which is impacting their ability to buy Press books.

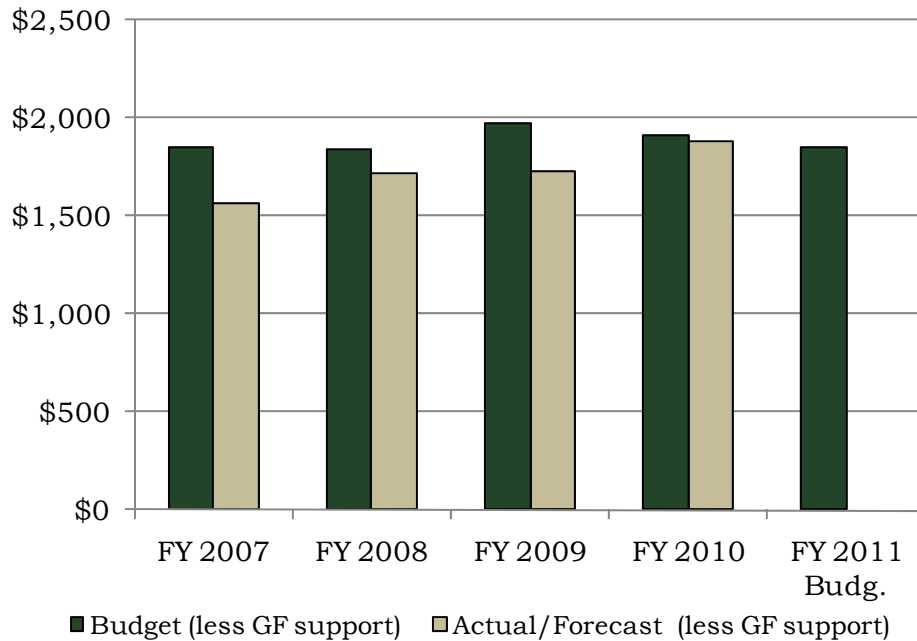


**FY 2011 Proposed Budget**  
**(in Thousands of Dollars)**

	<b>FY 2009 Approved Budget</b>	<b>FY 2009 Actual Activity</b>	<b>FY 2010 Approved Budget</b>	<b>FY 2010 Projected Actual</b>	<b>FY 2011 Proposed Budget</b>	<b>Proposed Budget to Projected Actual Amount</b>	<b>Percent</b>
<b>BEGINNING FUND BALANCE</b>	\$554.5	\$546.6	\$534.0	\$545.8	\$408.7	(\$137.1)	-25.1%
<b>REVENUE</b>							
Sales - Books, Journals	\$1,881.9	\$1,680.3	\$1,845.9	\$1,821.3	\$1,764.6	(\$56.7)	-3.1%
General Fund support	\$484.2	\$444.0	\$421.8	\$421.8	\$421.8	\$0.0	0.0%
Other publishing income	\$26.0	\$22.5	\$40.0	\$41.0	\$56.0	\$15.0	36.6%
Gifts and endowment income	\$67.0	\$26.7	\$22.3	\$16.2	\$33.7	\$17.5	108.0%
<b>TOTAL REVENUE</b>	<b>\$2,459.1</b>	<b>\$2,173.5</b>	<b>\$2,330.0</b>	<b>\$2,300.3</b>	<b>\$2,276.1</b>	<b>(\$24.2)</b>	<b>-1.1%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$943.1	\$866.6	\$892.9	\$869.2	\$897.0	\$27.8	3.2%
Fringe Benefits	\$242.7	\$225.0	\$230.8	\$213.7	\$219.4	\$5.7	2.7%
Subtotal Compensation	\$1,185.8	\$1,091.6	\$1,123.7	\$1,082.9	\$1,116.4	\$33.5	3.1%
Cost of Goods Sold (books)	\$641.1	\$507.2	\$543.1	\$579.6	\$509.4	(\$70.2)	-12.1%
Journals	\$213.1	\$191.2	\$240.0	\$233.3	\$239.4	\$6.1	2.6%
Marketing	\$142.0	\$161.9	\$142.0	\$141.4	\$141.0	(\$0.4)	-0.3%
Press Administration	\$92.5	\$53.9	\$89.4	\$201.1	\$85.5	(\$115.6)	-57.5%
Acquisitions	\$28.3	\$24.1	\$28.2	\$26.1	\$27.3	\$1.2	4.6%
Editorial	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	n/a
Editorial, Design and Production	\$86.6	\$83.9	\$85.8	\$83.9	\$87.3	\$3.4	4.1%
Order Fulfillment	\$69.0	\$60.5	\$77.0	\$89.1	\$69.5	(\$19.6)	-22.0%
Subtotal Operating Expenditures	\$1,272.6	\$1,082.7	\$1,205.5	\$1,354.5	\$1,159.4	(\$195.1)	-14.4%
<b>TOTAL EXPENDITURES</b>	<b>\$2,458.4</b>	<b>\$2,174.3</b>	<b>\$2,329.2</b>	<b>\$2,437.4</b>	<b>\$2,275.8</b>	<b>(\$161.6)</b>	<b>-6.6%</b>
<b>NET INCOME (LOSS)</b>	<b>\$0.7</b>	<b>(\$0.8)</b>	<b>\$0.8</b>	<b>(\$137.1)</b>	<b>\$0.3</b>	<b>\$137.4</b>	<b>-100.2%</b>
<b>TOTAL TRANSFERS</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>n/a</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$2,458.4</b>	<b>\$2,174.3</b>	<b>\$2,329.2</b>	<b>\$2,437.4</b>	<b>\$2,275.8</b>	<b>(\$161.6)</b>	<b>-6.6%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>\$0.7</b>	<b>(\$0.8)</b>	<b>\$0.8</b>	<b>(\$137.1)</b>	<b>\$0.3</b>	<b>\$137.4</b>	<b>-100.2%</b>
<b>ENDING FUND BALANCE</b>	<b>\$555.2</b>	<b>\$545.8</b>	<b>\$534.8</b>	<b>\$408.7</b>	<b>\$409.0</b>	<b>\$0.3</b>	<b>0.1%</b>

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Revenues  
(in Thousands of Dollars)



Revenue is generated primarily from the publication and sale of books and journals. For FY 2011, budgeted revenue from these sources is \$1.9 million. The University is providing direct support of \$421,776 for FY 2011. Unrestricted endowment and gift income also provides a small portion of revenue.

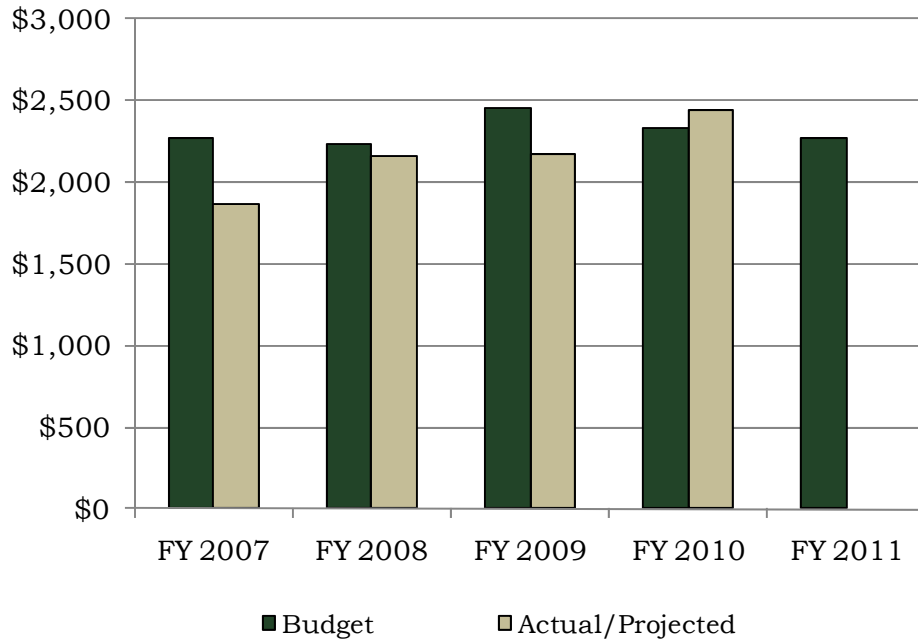
FY 2007 external revenue was 16 percent below budget, mostly due to lower-than-projected sales for a variety of front- and backlist titles. Journal revenue was also lower than projected as two journals remained behind schedule and increases in electronic subscription revenue were lower than decreases in print subscription revenue. FY 2008 revenue was about 7 percent below budget as frontlist book sales were below expectations due to the slow economy, lack of a marketing and sales manager for most of the year, and larger-than-anticipated declines in print subscriptions for two journals. For FY 2009, total sales revenue was below budget by 12 percent due to a decline in backlist book sales and lower-than-expected sales of the distributed title *Great Architecture in Michigan*, due to the poor economy. The decline in book revenue was partially offset by above-budget revenue from electronic journal access and subscriptions (from Project Muse) and journal permission income. External revenue is projected to be 2 percent below budget for FY 2010. This is due to below-budget backlist book sales caused in part by difficulties in getting backlist book data out electronically for discoverability, because of inadequate title and data management systems. This was partially offset by above-budget journal revenue as the journals schedules have improved and electronic subscription and use revenue increased significantly.

*Revenue Trends (continued)*

For 2011, revenue is expected to decline about 1 percent compared to projected levels for FY 2010. This is mainly due to projected frontlist sales, as the new titles for FY 2011 do not have as high of sales potential as some of the new books for FY 2010, which included *Travelin' Man* (a photo based book on Bob Seger) and *Motor City Year* (a photo-based book about metro Detroit people and cultural events). This reduction is partially offset by an expected increase in electronic format and rights sales when the Press implements new title and data management systems. The projected increase in journal revenue from FY 2010 to FY 2011 of 5 percent will also offset the lower frontlist sales. The journal income increase comprises modest price increases, continued increases in electronic subscriptions, and new revenue from pay-per-view services provided through the Digital Commons agreement with the University Libraries.

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



Approximately half of budgeted expenditures are for salaries and fringe benefits. FTEs have been relatively stable, between 16 and 17, from FY 2007-FY 2011. The Press added two permanent, fractional-time positions in FY 2009 in journals and the business office as technicians were phased out. The Press also added a full-time development officer in late FY 2008. The funding and costs for that position were transferred to the Development Office in FY 2009. Salaries and fringe benefits are projected to increase from FY 2010 to FY 2011 due to contractual obligations.

Other budgeted expenditures include the cost of goods sold for books, production costs for journals, and department operating expenses. These are budgeted to decrease by 6.6 percent compared to FY 2010 projected amounts. The decline is mainly due to lower cost of goods sold from the lower projected total book sales for FY 2011 compared to FY 2010. Journal expenses are projected to decrease about 1 percent. The decrease comprises small reductions in print runs to reflect customers increasingly choosing electronic subscriptions over print and sending electronic instead of print complimentary copies.

For FY 2010, the Press will invest approximately \$137,500 in system infrastructure. The investments include a new title management system, additional modules for its order fulfillment system, a digital asset management system, and related hardware needs. These expenditures are necessary for the Press to:

- more efficiently publish books;

*Expenditure Trends (continued)*

- provide data necessary to allow electronic discoverability of its titles through a variety of sources, leading to additional sales;
- manage and store books digitally to enable sales of e-books and other electronic rights;
- electronically process book orders, invoices, and shipment notifications to increase efficiency in order processing, meet customer requirements, and improve collections.

These costs account for the increase in expenses for FY 2010 compared to budgeted amounts. If these expenditures are excluded from the FY 2010 totals, FY 2011 non-publication expenditures are budgeted to increase only \$4,000 (1.4%) from FY 2010 projected actual levels because of increases in manuscript review and copyediting rates.

**FY 2011 Proposed Budget  
Productivity Measures**

Description	Current Performance FY 2010	Targeted Performance FY 2011
<b>Book Publishing</b>		
New Titles	31	32
Net Book Sales (in 000's)	1,361	1,281
<b>Journal Publishing</b>		
Journals Published	6	6
Journal Issues Published	29	26
Journal Revenue (in 000's)	460.1	483
General Fund Support as Percentage of Total Revenue	18%	19%
Number of Fulltime Employees	17.1	17.1

Performance Measure	Current Performance FY 2010	Targeted Performance FY 2011
Books and Journal Issues Published	60	58
Percentage External Revenue Growth	9.4%	-2.3%
Publication Costs as a Percentage of External Revenue	38.0%	35.2%

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## **FY 2011 Proposed Budget**

WDET 101.9 FM (WDET) is a public radio station licensed to Wayne State University and is Southeast Michigan's station for public radio news. WDET's news and information format serves over 150,000 people each week. WDET's audience is spending approximately 16.9 million hours with the station on an annual basis. At this writing in FY 2010, Wayne State faculty, administrators and Wayne State-related stories have been featured in 110 individual stories, interviews or news reports. According to an independent study that evaluated WDET's overall service reach and impact, WDET is delivering an equivalent public service and public relations annual value to Wayne State of approximately \$11.1 million in FY 2010.

### **WDET Strategic Vision**

In mid-FY 2010, WDET's new management instituted a strategic vision that will move the station from subsidy to self-sufficiency. This plan is bearing fruit and WDET will continue to pursue an agenda that is a) focusing all activities on significant community service, b) reestablishing the WDET brand and reach into the online space, c) realigning revenue generating activities into a plan that combines industry best practices in individual and corporate philanthropy with an innovative, entrepreneurial approach to corporate underwriting, events and sponsorship and, d) creating a professional management structure that establishes a climate of accountability and fosters substantive professional development for all employees.

### **WDET Service Proposition**

In February and December, 2009 WDET executed a pair of interrelated schedule changes. These schedule changes, coupled with major work in the staff structure, marketing, and revenue areas, were the result of a thorough examination of WDET's mission and wide-ranging realignment of WDET's service position. In this yearlong process, WDET sought to accomplish these goals:

- Establish a defensible market position that would foster long-term overall audience growth
- Deepen and expand community engagement through high impact, locally-relevant editorial content
- Maintain the service to the adult African-American audience, while growing key, younger age cells across all ethnic groups
- Deepen audience loyalty by increasing weekday-weekend usage

The total impact of these goals will deliver a stronger case for support and increased listener-sensitive revenue, particularly in the individual giving areas. There is clear evidence that the 2009 efforts are showing positive results. WDET's qualitative audience profile is improving, community relevance and impact is growing and individual giving, a key proxy representation of audience value and brand strength, is growing. The improvements to the broadcast product, coupled with a total reorganization of the Individual Giving program, are delivering the desired results. WDET's Individual Giving program is on track to deliver the best results since 2006. This is clear evidence that WDET's audience values the station and its mission more deeply, agrees that the station's case for support is valid and agrees that WDET is providing a worthwhile community service.

### **WDET Audience**

WDET is engaging a broad, representative audience that values the station's deep, original coverage of the region's news and cultural communities. WDET's audience spans the entire Southeast Michigan region. It is expected that after a schedule change of the magnitude undertaken in December 2009 WDET would experience significant audience drop-off. WDET has not experienced this churn and did not see a meaningful audience decline. Quite the opposite, WDET can report that total audience remains level and some usage metrics are improving.

### **WDET Programming and Growth Opportunities**

WDET's business model requires the station to utilize a wide network to provide additional resources, expertise and access.

- WDET is receiving over \$250,000 in pro bono brand consultation, marketing strategy, digital design and implementation consulting from Team Detroit. This project will include a re-launched on line presence and support for the development of mobile applications.
- In spring 2010, WDET competed for, and won, admission into a CPB-funded Major Giving development program. This program will provide WDET with over \$35,000 in free consulting services and support.
- WDET has constructed arrangements with a range of partners to create new revenue generating opportunities. The partners include American Public Media Group, which has already delivered \$25,000 in new Knight Foundation-backed funding, Image Media group (publishers of Model D), and Metro Parent Publishing Group (publishers of Metro Parent, B.L.A.C.).
- WDET developed a long list of high impact programming and community engagement initiatives in FY 2010. These activities sharpen and define the WDET brand, create substantial marketing opportunities, drive awareness and stimulate sampling.

### **Programming Highlights**

**Right Wing Extremism Series:** This was an editorial collaboration between WDET, The Jewish News, the Arab American News, Michigan Chronicle and Latino Press. The project was designed to raise awareness of this issue and provoke great citizen action with both the political and media class.

**The Craig Fahle Show relaunch:** Two years after the program's launch, WDET has finally delivered the sought-after, agenda-setting local news/talk program. CFS is attracting Southeast Michigan's decision-makers for completely unduplicated conversations on the most vital issues facing the region.

**"The Dateline Do Over" & Detroit broadcast of The Takeaway :** WDET launched a citizen action media campaign that stimulated over 10,000 social and email responses to the NBC Dateline broadcast and was featured in The Takeaway's Detroit broadcast.

**Shifting Gears:** WDET's special on the evolving U.S. automotive industry was heard on over 30 public radio stations nationwide.

**The Moth story telling series launch:** The Moth draws +300 20-30 year old attendees to Cliff Bell's, a legendary Downtown Detroit venue, every month and is the hottest cultural event for this audience.

**Ann Delisi's Essential Music:** For the second consecutive year, WDET's signature local music program was named *The Best Local Music Show* by the Metro Times readers.

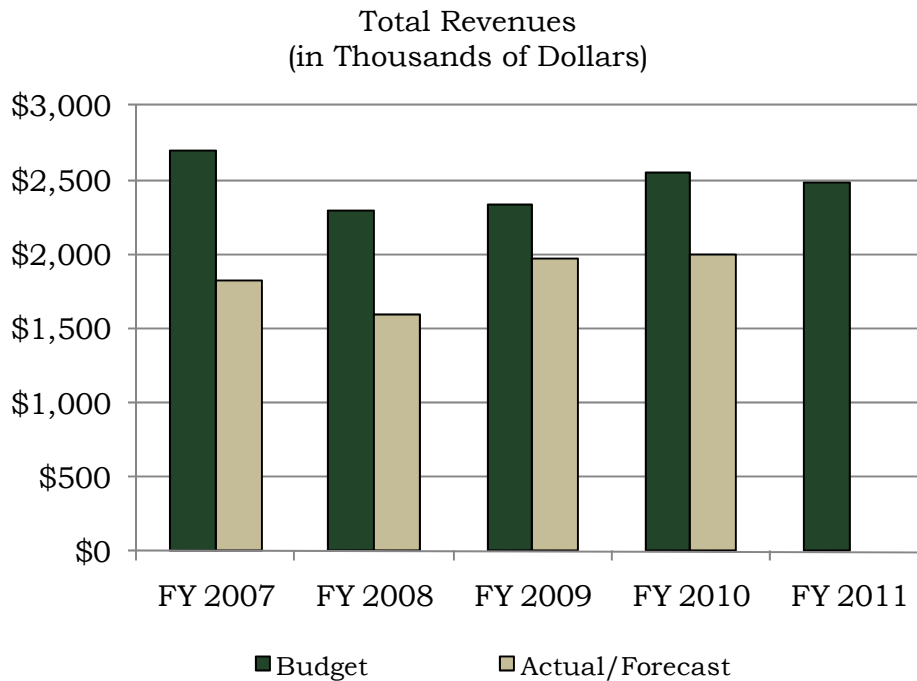


WDET does not have a legal status or existence separate from Wayne State. The assets, liabilities, net assets and revenues and expenses of WDET are included in the combined financial statements of Wayne State University. The Corporation for Public Broadcasting (CPB) requires an annual audit of the station's financial results by an independent accounting firm. The last audit was performed in 2010, with a clean opinion rendered.

**FY 2011 Proposed Budget  
(in Thousands of Dollars)**

	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	Proposed Budget to	
	Approved Budget	Actual Activity	Approved Budget	Projected Actual	Proposed Budget	Projected Actual Amount	Percent
<b>BEGINNING FUND BALANCE</b>	<b>(\$649.4)</b>	<b>(\$601.4)</b>	<b>(\$1,120.9)</b>	<b>(\$1,351.5)</b>	<b>(\$1,886.9)</b>	<b>(\$535.4)</b>	<b>39.6%</b>
<b>REVENUE</b>							
Gifts	\$1,135.0	\$951.2	\$1,135.0	\$1,135.0	\$1,250.0	\$115.0	10.1%
Corporate Underwriting and External Revenue	\$800.0	\$606.1	\$809.0	\$460.0	\$630.0	\$170.0	37.0%
Major Giving	\$0.0	\$0.0	\$200.0	\$0.0	\$0.0	\$0.0	n/a
General Fund Support	\$400.0	\$400.0	\$400.0	\$400.0	\$600.0	\$200.0	50.0%
Other Revenue	\$0.0	\$19.0	\$0.0	\$1.0	\$0.0	(\$1.0)	-100.0%
<b>TOTAL REVENUE</b>	<b>\$2,335.0</b>	<b>\$1,976.3</b>	<b>\$2,544.0</b>	<b>\$1,996.0</b>	<b>\$2,480.0</b>	<b>\$484.0</b>	<b>24.2%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$1,233.1	\$1,457.3	\$1,538.7	\$1,445.0	\$1,459.5	\$14.5	1.0%
Fringe Benefits	\$291.2	\$334.0	\$348.6	\$320.1	\$323.3	\$3.2	1.0%
Subtotal Compensation	\$1,524.3	\$1,791.3	\$1,887.3	\$1,765.1	\$1,782.8	\$17.7	1.0%
Membership Dues	\$68.6	\$44.5	\$61.8	\$50.5	\$51.5	\$1.0	2.0%
Contracted Services	\$389.1	\$489.2	\$384.0	\$403.2	\$319.2	(\$84.0)	-20.8%
Publicity and Advertising	\$60.2	\$53.3	\$60.2	\$45.0	\$45.0	\$0.0	0.0%
Duplicating and Addressing	\$64.5	\$61.4	\$65.5	\$30.0	\$40.0	\$10.0	33.3%
Other Supplies and Materials	\$42.2	\$42.8	\$27.5	\$27.6	\$27.6	\$0.0	0.0%
Other Expenses	\$275.1	\$244.0	\$381.0	\$210.0	\$210.0	\$0.0	0.0%
Subtotal Operating Expenses	\$899.7	\$935.2	\$980.0	\$766.3	\$693.3	(\$73.0)	-9.5%
<b>TOTAL EXPENDITURES</b>	<b>\$2,424.0</b>	<b>\$2,726.5</b>	<b>\$2,867.3</b>	<b>\$2,531.4</b>	<b>\$2,476.1</b>	<b>(\$55.3)</b>	<b>-2.2%</b>
<b>NET INCOME (LOSS)</b>	<b>(\$89.0)</b>	<b>(\$750.2)</b>	<b>(\$323.3)</b>	<b>(\$535.4)</b>	<b>\$3.9</b>	<b>\$539.3</b>	<b>-100.7%</b>
<b>TOTAL TRANSFERS</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>n/a</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$2,424.0</b>	<b>\$2,726.5</b>	<b>\$2,867.3</b>	<b>\$2,531.4</b>	<b>\$2,476.1</b>	<b>(\$335.9)</b>	<b>-13.3%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>(\$89.0)</b>	<b>(\$750.2)</b>	<b>(\$323.3)</b>	<b>(\$535.4)</b>	<b>\$3.9</b>	<b>(\$212.1)</b>	<b>39.6%</b>
<b>ENDING FUND BALANCE</b>	<b>(\$738.4)</b>	<b>(\$1,351.5)</b>	<b>(\$1,444.2)</b>	<b>(\$1,886.9)</b>	<b>(\$1,883.0)</b>	<b>(\$442.7)</b>	<b>23.5%</b>

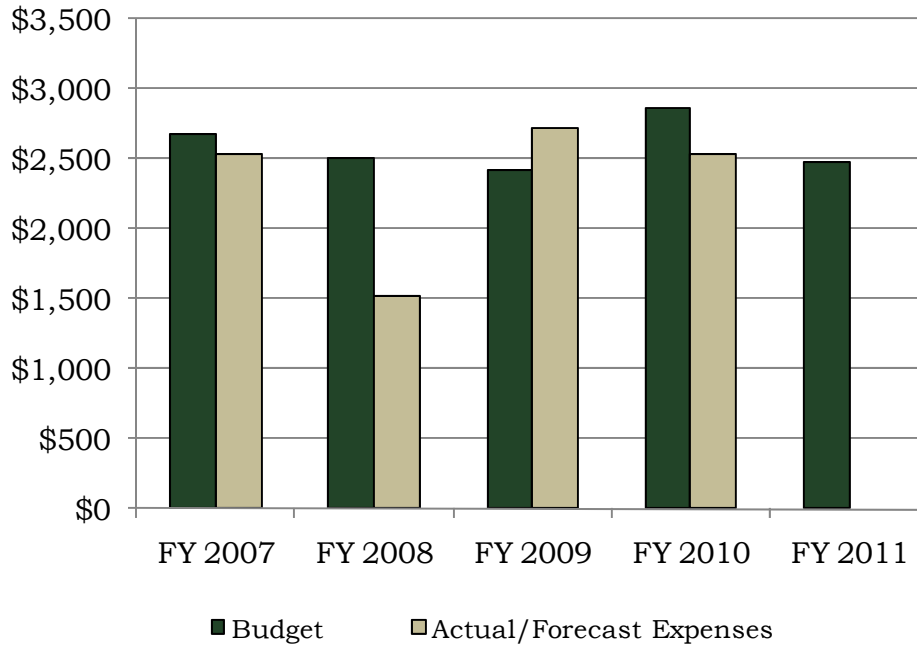
**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**



- In FY 2010, WDET will post a modest year over year revenue increase. The FY 2010 revenue picture includes a revitalized individual giving program.
- Corporate underwriting is projected to miss its budgeted goal by almost \$350,000. Year over year corporate underwriting is down by \$146,000. The main cause of this shortage is WDET has turned over 3 of the 4 underwriting employees. The transition period is ending and WDET is adding new accounts and is pursuing innovative new sales strategies.
- Recognizing an important untapped revenue opportunity, WDET, working in close coordination with Wayne State University Development, launched a Major Giving program in FY 2010. WDET was overly optimistic about how quickly a start-up Major Giving program would begin to deliver results. The FY 2010 budget projected \$200,000 in revenue. WDET has made excellent strides in launching a Major Giving program, but there will be no revenue this year from Major Giving.
- WDET has constructed arrangements with a range of partners to create new revenue generating opportunities. The partners include American Public Media Group, which has already delivered \$25,000 in new Knight Foundation-backed funding, Image Media group (publishers of Model D), Metro Parent Publishing group (publishers of Metro Parent, B.L.A.C.).
- WDET's CPB Community Service Grant will be flat with the anticipated grant being worth approximately \$240,000 in FY11.
- To assist WDET with its financial turnaround effort, Wayne State is adding \$200,000 in General Fund support for the station, for a total of \$600,000.

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



WDET's new management has focused intently on cost containment.

WDET's total year over year expenses are down \$195,000 and total projected expenses for FY 2010 are \$335,000 below budget. WDET is proposing to reduce expenditures for FY 2011 by 2.2 percent (\$55,300).

The results of the cost containment effort are shown in several areas:

- WDET has made substantive progress on restructuring the organization with an eye toward right sized work load, proper balancing of skills and organizational priorities and priorities that reflect the organization's real-world needs
- WDET has outsourced key components of the individual giving program, which has reduced cost while increasing return
- As discussed in the Overview, WDET is utilizing a wide network to provide additional resources, expertise and access to national revenue sources. The majority of these opportunities come with little to no significant expense.

**FY 2011 Proposed Budget  
Key Operating and Performance Measures**

<b>Key Operating Statistic</b>	<b>Projected Actual FY 2010 Statistic</b>	<b>Budgeted FY 2011 Statistic</b>
Gifts (as a percent of total revenue)	56.86%	54.82%
Corporate Underwriting (as a percent of total revenue)	23.00%	27.63%
Ending Fund Balance	(\$1,886.9)	(\$1,883.0)

<b>Performance Measure</b>	<b>Historical Performance 2009</b>	<b>Actual/Projected Performance 2010</b>	<b>Targeted Performance 2011</b>
Average Time Spent Listening Rate	2:50	2:10	3:50
Number of Weekly Listeners	145,767	150,000	150,000
Number of Contributors	7,800	8,801	9,800

After five years of audience and revenue declines, WDET has arrested the slide and the organization is returning to a sustainable model. In 2009, WDET executed two inter-connected schedule reorganizations. The schedule reorganizations are showing signs of success.

It is expected that after a schedule change of the magnitude undertaken in 2009 WDET would experience significant audience drop-off. Large-scale audience churn and migration as the existing audience leaves, causing a temporary audience drop until the new audience finds and acclimates to the new schedule, is expected. WDET has not experienced this churn and did not see a meaningful audience decline. WDET can report these important positive audience results:

- WDET’s total audience remains level and some usage metrics are improving
- WDET is attracting a younger audience – WDET’s targeted growth cells (18-24, 25-34, 35-44 and 45-54) are all showing signs of meaningful growth
- Weekend listening is up
- Adult African-American listening has held and remains at levels that are two to three times the national industry standard

Beyond the audience data, WDET’s individual giving program is on track to deliver the best results since 2006. This is clear evidence that WDET’s audience values the station and its mission more deeply, agrees that the station’s case for support is valid and agrees that WDET is providing a worthwhile community service.

- WDET’s current donor file is now over 8800, the highest since 2006
- WDET has added over 1,000 new donors in the last 12 months
- WDET’s average gift has remained constant (\$92.00) and is in line with national industry standards
- For the first time, WDET has an active, growing mid-level (\$250-500 per year) giving program and is rapidly growing the donor segment

*Key Operating and Performance Measures (continued)*

- For the first time, WDET has a major (over \$1,000 per year) giving program and is rapidly expanding the donor segment

In conclusion, as defined by reach, usage, impact and philanthropic activity, WDET is a healthier, more relevant station than at any time in the last five years. Clearly, WDET's progress toward sustainability is not complete and the larger regional economic and demographic challenges have not been overcome. Nevertheless, WDET is able to demonstrate measurable progress and there is every indication that the station's recovery will continue.

**Auxiliaries**

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**MORT HARRIS RECREATION AND FITNESS CENTER**

**FY 2011 Proposed Budget**

The Mort Harris Recreation and Fitness Center is an exercise and wellness unit under the direction of the Athletics department. The facility located in the center of campus offers students, faculty, staff and community members access to a variety of programs and services housed in a 78,000 square foot building that includes: basketball courts, running track, fitness studios, climbing wall, a "women's only" exercise area and cardio equipment.

The Mort Harris Recreation and Fitness center is operated by a per semester student fee and general memberships and is designed to address the various health and exercise awareness needs of a diverse audience. Individual and group programming is organized around pertinent health initiatives and exercise trends. One-on-one supervision and education is also available under a separate fee structure, as is massage therapy and club sport initiatives.

**Key Accomplishments:**

- Increased personal training sales by 23%
- Increased massage sales by 43%
- Added Pilates Reformers to personal training program
- Wellness Warrior participation compliance 64%
- Serviced 995 personal training sessions for Wellness Warriors
- Serviced 150 massages for wellness warriors
- Increased fitness camp participants by 60%
- Installed and implemented a High Ropes Course Program
- Delivered or facilitated High Ropes Course and Team Building for five non-WSU organizations and 10 WSU affiliated groups
- Added 10 new team building games to Team Building Program
- Increased Freshmen Quests to 8 sections serving 112 students
- Designed and implemented iSTART/convocation opening address and teambuilding for all incoming freshmen
- Incorporated a DJ and lighting system for climbing wall competitions
- Increased climbing wall revenue by 49% and usage by 13%
- Improved overall sense of community at the climbing wall
- Developed a new Lead Climb Certification program
- Increased intramural participants by 33% and participations by 59%
- Increased registered Club Sport participants and teams by 14%
- Hosted the 2010 NIRSA Region III Lead On conference with 274 attendees. Campus Recreation student, David Dunomes, appointed to chair the 2011 NIRSA Region III Lead On Committee

**Challenges for FY 2011:**

- The 2010 Wellness Warrior program will be complete in May of 2011 (3rd quarter).

**Strategies:**

- Find ways to increase memberships.
- Provide accessible parking for patrons and visitors.

**Auxiliaries**

**MORT HARRIS RECREATION AND FITNESS CENTER**

**FY 2011 Proposed Budget  
(in Thousands of Dollars)**

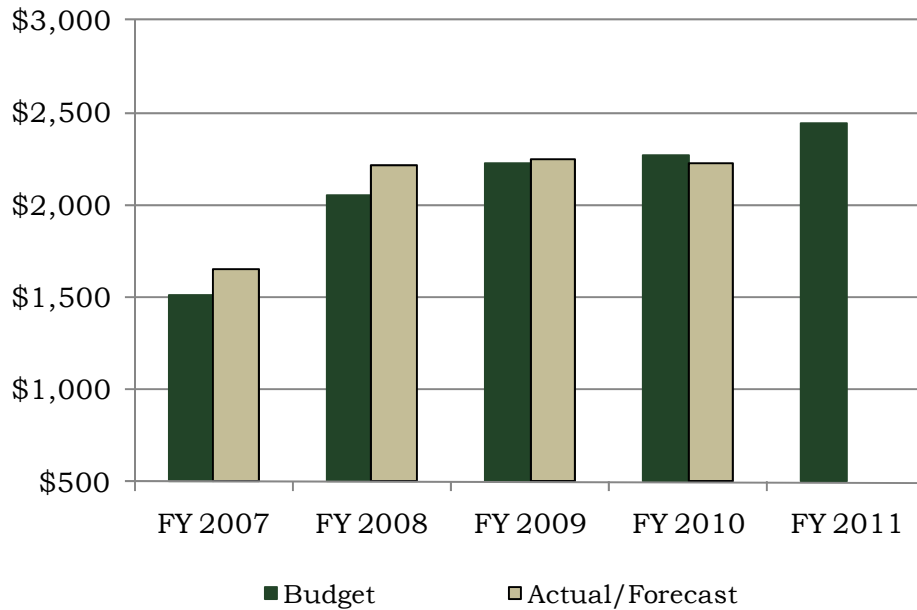
	<b>FY 2009 Approved Budget</b>	<b>FY 2009 Actual Activity</b>	<b>FY 2010 Approved Budget</b>	<b>FY 2010 Projected Actual</b>	<b>FY 2011 Proposed Budget</b>	<b>Proposed Budget to Projected Actual Amount</b>	<b>Percent</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$385.1</b>	<b>\$385.1</b>	<b>\$499.1</b>	<b>\$435.6</b>	<b>\$442.4</b>	<b>\$6.8</b>	<b>1.6%</b>
<b>REVENUE</b>							
Student Fees	\$1,826.0	\$1,763.7	\$1,741.9	\$1,733.6	\$1,896.7	\$163.1	9.4%
Membership Fees	\$208.6	\$221.0	\$205.8	\$235.9	\$244.1	\$8.2	3.5%
Programs & Spec. Events, Concessions	\$193.0	\$207.9	\$235.6	\$201.1	\$193.2	(\$7.9)	-3.9%
Other Income	\$0.0	\$56.3	\$87.5	\$57.0	\$110.0	\$53.0	93.0%
<b>TOTAL REVENUE</b>	<b>\$2,227.6</b>	<b>\$2,248.8</b>	<b>\$2,270.8</b>	<b>\$2,227.6</b>	<b>\$2,444.0</b>	<b>\$216.4</b>	<b>9.7%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$627.1	\$779.5	\$727.3	\$872.6	\$907.9	\$35.3	4.0%
Fringe Benefits	\$90.8	\$99.8	\$106.3	\$140.7	\$142.4	\$1.7	1.2%
Personnel Support	\$70.0	\$66.5	\$65.7	\$10.0	\$70.0	\$60.0	600.0%
Subtotal Compensation	\$787.9	\$945.8	\$899.3	\$1,023.3	\$1,120.3	\$97.0	9.5%
Contracts & Equipment Maintenance	\$40.9	\$118.2	\$123.3	\$125.0	\$125.0	\$0.0	0.0%
Facilities Maintenance	\$386.2	\$369.6	\$407.2	\$386.2	\$386.2	\$0.0	0.0%
Other Expenses	\$33.0	\$49.4	\$29.8	\$50.0	\$50.0	\$0.0	0.0%
Overhead Administrative Costs	\$74.9	\$74.9	\$79.8	\$35.0	\$74.9	\$39.9	114.0%
Supplies and Equipment	\$100.0	\$91.8	\$109.5	\$102.0	\$105.1	\$3.1	3.0%
Utilities	\$202.9	\$254.2	\$268.5	\$255.0	\$269.0	\$14.0	5.5%
Bad Debt Receivables	\$39.1	\$39.3	\$38.0	\$39.3	\$39.3	\$0.0	0.0%
Subtotal Operating Expenses	\$877.0	\$997.5	\$1,056.1	\$992.5	\$1,049.5	\$57.0	5.7%
<b>TOTAL EXPENDITURES</b>	<b>\$1,664.9</b>	<b>\$1,943.3</b>	<b>\$1,955.4</b>	<b>\$2,015.8</b>	<b>\$2,169.8</b>	<b>\$154.0</b>	<b>7.6%</b>
<b>NET INCOME (LOSS)</b>	<b>\$562.7</b>	<b>\$305.5</b>	<b>\$315.4</b>	<b>\$211.8</b>	<b>\$274.2</b>	<b>\$62.4</b>	<b>29.5%</b>
<b>TRANSFERS</b>							
Debt Service	\$155.0	\$155.0	\$155.0	\$155.0	\$155.0	\$0.0	0.0%
Equipment Replacement	\$200.0	\$0.0	\$50.0	\$25.0	\$50.0	\$25.0	100.0%
Facility and Replacement Reserve	\$200.0	\$100.0	\$100.0	\$25.0	\$50.0	\$25.0	100.0%
<b>TOTAL TRANSFERS</b>	<b>\$555.0</b>	<b>\$255.0</b>	<b>\$305.0</b>	<b>\$205.0</b>	<b>\$255.0</b>	<b>\$50.0</b>	<b>24.4%</b>
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>\$2,219.9</b>	<b>\$2,198.3</b>	<b>\$2,260.4</b>	<b>\$2,220.8</b>	<b>\$2,424.8</b>	<b>\$204.0</b>	<b>9.2%</b>
<b>REVENUES OVER (UNDER) EXPENDITURES &amp; TRANSFERS</b>	<b>\$7.7</b>	<b>\$50.5</b>	<b>\$10.4</b>	<b>\$6.8</b>	<b>\$19.2</b>	<b>\$12.4</b>	<b>182.7%</b>
<b>ENDING FUND BALANCE</b>	<b>\$392.8</b>	<b>\$435.6</b>	<b>\$509.5</b>	<b>\$442.4</b>	<b>\$461.6</b>	<b>\$19.2</b>	<b>4.3%</b>



**MORT HARRIS RECREATION AND FITNESS CENTER**

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Revenues  
(in Thousands of Dollars)



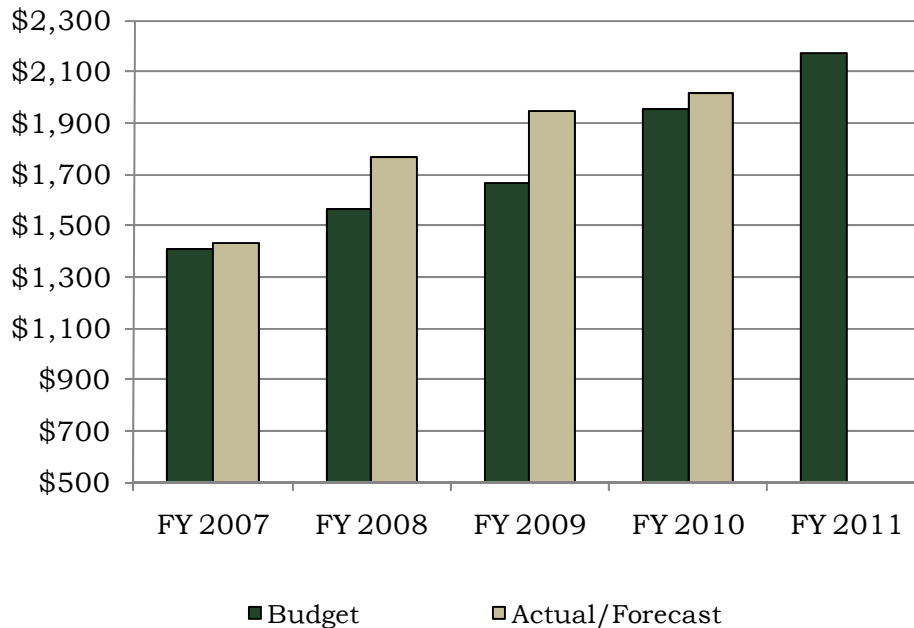
Revenue sources are student fees and membership dues with some other revenues from merchandise and foods services, activity classes, personal training and summer camps.

Revenues from student fees are based on the increase in enrollment as projected by the Office of Budget, Planning and Analysis.

**MORT HARRIS RECREATION AND FITNESS CENTER**

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



FY 2010 includes cost of operating WSU's Wellness Warriors program for employees, new Medical School fitness satellite site and first year expenditure start up cost for the rope course. In addition, facility pays for utilities, engineer services, maintenance and custodial service.

**FY 2011 Proposed Budget  
Sales Measures**

Sales Information	Actual	Actual	Actual	Estimated	Projected	
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	% (+/-)
Membership Fees	\$199,538	\$209,350	\$221,683	\$235,914	\$244,046	3.4%
Merchandise and Food	\$14,891	\$14,979	\$13,559	\$13,738	\$13,215	-3.8%
Activity Classes/ Personal Training/ Rental/ Climbling Wall	\$42,988	\$82,852	\$97,642	\$128,234	\$120,644	-5.9%
Massage	\$11,775	\$11,195	\$9,011	\$11,984	\$12,224	2.0%
Towel Fees	\$9,990	\$11,348	\$11,110	\$11,954	\$11,954	0.0%
Summer Camps	\$42,676	\$49,216	\$37,483	\$3,511	\$3,511	0.0%
Outdoor Programming		\$13,581	\$38,346	\$31,652	\$31,652	0.0%
<b>Total</b>	<b>\$321,858</b>	<b>\$392,521</b>	<b>\$428,835</b>	<b>\$436,988</b>	<b>\$437,246</b>	<b>0.1%</b>

**FY 2011 Proposed Budget**

**Vision**

A dynamic, student-centered residential learning environment that promotes student academic and interpersonal success.

**Mission Statement**

Housing and Residential Life at Wayne State fosters student learning and success through engaging residents in an intentional living-learning environment. Supported by safe, comfortable and convenient residence hall, apartment and dining environments, residents grow in self-awareness and cross-cultural understanding as they practice social and group development as members of a diverse group of Wayne State learners.

**Values:**

- Student learning and success
- Celebration of diversity
- Safe, comfortable and convenient housing and dining environments
- Professional, consistent resident services
- Efficient, committed and courteous staff
- Assessment and evaluation

**Challenges in FY 2011:**

- Continuing challenge to recruit and retain residence hall residents, 80% of whom have historically been from commuting distance to Wayne State.
- Third year of significant drop in enrollment of international graduate students who traditionally live in campus apartments in large numbers.
- Creating occupancy options for sophomore and junior students not eligible to live in Wayne State apartments historically reserved for graduate and professional students and families.

**Strategies:**

- New pricing and occupancy strategies to provide returning residents with more housing options with pricing that helps them better manage room and board costs.
- Conversion of 72 Derooy apartments to furnished, apartment-style housing for undergraduates.
- Revision and expansion of our guest housing program.
- Creation of a new unlimited access meal plan, re-pricing of other meal plans to allow more selection and flexibility based on academic schedules, and expansion of meal hours and Warrior Grill options.
- Continue our success in reducing our annual bad debt expense through intensive, individualized collection activities.

**Auxiliaries**  
**HOUSING AND RESIDENTIAL LIFE**

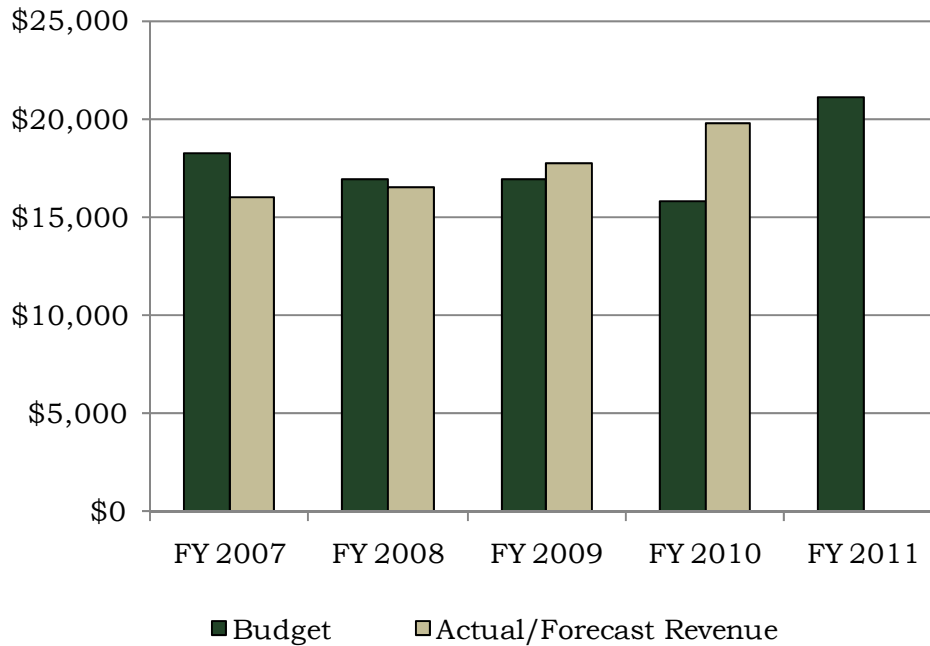
**FY 2011 Proposed Budget**  
**(in Thousands of Dollars)**

	FY 2009	FY 2009	FY 2010	FY 2010	FY 2011	Proposed Budget to	
	Approved Budget	Actual Activity	Approved Budget	Projected Actuals	Proposed Budget	Projected Actual Amount	Percent
<b>BEGINNING FUND BALANCE</b>	<b>(\$3,656.5)</b>	<b>(\$5,070.1)</b>	<b>(\$6,726.4)</b>	<b>(\$6,152.2)</b>	<b>(\$6,912.0)</b>	<b>(\$759.8)</b>	<b>12.4%</b>
<b>REVENUE</b>							
Apartment Rental Income	\$5,850.1	\$5,524.9	\$5,841.7	\$5,915.3	\$6,421.3	\$505.9	8.6%
Residence Hall/Suite Income	\$6,420.9	\$7,160.4	\$5,857.1	\$8,289.6	\$8,334.6	\$45.0	0.5%
Meal Plan Income	\$3,280.5	\$3,573.1	\$3,080.5	\$3,847.7	\$4,086.6	\$238.9	6.2%
Retail Income	\$387.7	\$505.6	\$399.5	\$528.7	\$517.3	(\$11.4)	-2.2%
Student Health Clinic Fees	\$224.5	\$247.4	\$0.0	\$0.0	\$0.0	\$0.0	n/a
Conference Service Income	\$319.2	\$349.6	\$320.0	\$375.6	\$350.0	(\$25.6)	-6.8%
Other Income	\$402.0	\$421.3	\$291.5	\$310.2	\$409.5	\$99.3	32.0%
General Fund Support	\$0.0	\$0.0	\$500.0	\$500.0	\$1,000.0	\$500.0	100.0%
<b>TOTAL REVENUE</b>	<b>\$16,884.9</b>	<b>\$17,782.3</b>	<b>\$16,290.4</b>	<b>\$19,767.1</b>	<b>\$21,119.3</b>	<b>\$1,352.2</b>	<b>6.8%</b>
<b>EXPENDITURES</b>							
Salaries and Wages	\$1,835.9	\$2,052.3	\$2,243.2	\$2,188.7	\$2,405.7	\$217.0	9.9%
Fringe Benefits	\$582.5	\$603.6	\$619.6	\$594.0	\$627.5	\$33.5	5.6%
Subtotal Compensation	\$2,418.4	\$2,656.0	\$2,862.8	\$2,782.7	\$3,033.2	\$250.5	9.0%
Facilities Maintenance	\$1,048.8	\$1,167.5	\$1,700.0	\$1,921.0	\$1,592.7	(\$328.3)	-17.1%
Utilities	\$2,696.2	\$2,212.7	\$2,602.9	\$2,643.2	\$2,276.4	(\$366.8)	-13.9%
Meal Plan Expense	\$2,375.9	\$2,658.9	\$2,158.7	\$2,895.0	\$2,761.2	(\$133.8)	-4.6%
Other Expenses	\$884.8	\$1,522.8	\$802.4	\$1,450.6	\$1,483.0	\$32.5	2.2%
Bad Debt	\$300.0	\$198.2	\$350.0	\$350.0	\$350.0	\$0.0	0.0%
Subtotal Operating Expenses	\$7,305.7	\$7,760.1	\$7,614.0	\$9,259.8	\$8,463.3	(\$796.5)	-8.6%
<b>TOTAL EXPENDITURES</b>	<b>\$9,724.1</b>	<b>\$10,416.1</b>	<b>\$10,476.8</b>	<b>\$12,042.4</b>	<b>\$11,496.5</b>	<b>(\$546.0)</b>	<b>-4.5%</b>
<b>NET INCOME (LOSS)</b>	<b>\$7,160.8</b>	<b>\$7,366.2</b>	<b>\$5,813.6</b>	<b>\$7,724.7</b>	<b>\$9,622.8</b>	<b>\$1,898.2</b>	<b>24.6%</b>
<b>TRANSFERS TO (FROM)</b>							
Debt Service	\$8,086.5	\$8,084.5	\$8,084.5	\$8,009.5	\$8,084.5	\$75.0	0.9%
Transfer Out	\$250.0	\$363.8	\$275.0	\$475.0	\$775.0	\$300.0	63.2%
<b>TOTAL TRANSFERS</b>	<b>\$8,336.5</b>	<b>\$8,448.3</b>	<b>\$8,359.5</b>	<b>\$8,484.5</b>	<b>\$8,859.5</b>	<b>\$375.0</b>	<b>4.4%</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$18,060.6</b>	<b>\$18,864.4</b>	<b>\$18,836.3</b>	<b>\$20,526.9</b>	<b>\$20,356.0</b>	<b>(\$170.9)</b>	<b>-0.8%</b>
<b>REVENUE OVER (UNDER) EXPENDITURES AND TRANSFERS</b>	<b>(\$1,175.7)</b>	<b>(\$1,082.1)</b>	<b>(\$2,545.9)</b>	<b>(\$759.8)</b>	<b>\$763.3</b>	<b>\$1,523.2</b>	<b>-200.5%</b>
<b>ENDING FUND BALANCE</b>	<b>(\$4,832.2)</b>	<b>(\$6,152.2)</b>	<b>(\$9,272.3)</b>	<b>(\$6,912.0)</b>	<b>(\$6,148.7)</b>	<b>\$763.3</b>	<b>-11.0%</b>

Note: the FY 2010 approved budget is restated. \$500,000 in support from the General Fund was shown as an expenditure reduction in debt service. It is now shown as a separate revenue item.

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Revenues  
(in Thousands of Dollars)



For the residence halls, the budget assumes an average 98 percent occupancy for fall 2010 and 95 percent occupancy for winter 2011, continuing 2009-10 demand.

The FY 2011 budget assumes the conversion of seven Derooy apartments to expanded rental space for the expansion of the Health Clinic; the conversion of 72 Derooy apartments for rental as undergraduate, furnished housing for 160 students; and a 95 percent occupancy rate for all apartments.

Meal plan revenue will increase due to the introduction of a new unlimited access plan, the "Warrior Pass" and the re-pricing of the remaining meal plans. Retail revenue will decline due to a vacant storefront and the reduction in contracted rent for three retail locations.

All revenue related to the health services' fee formerly charged to residence hall students has been removed as of FY 2010, as the health services' fee is now part of the omnibus fee.

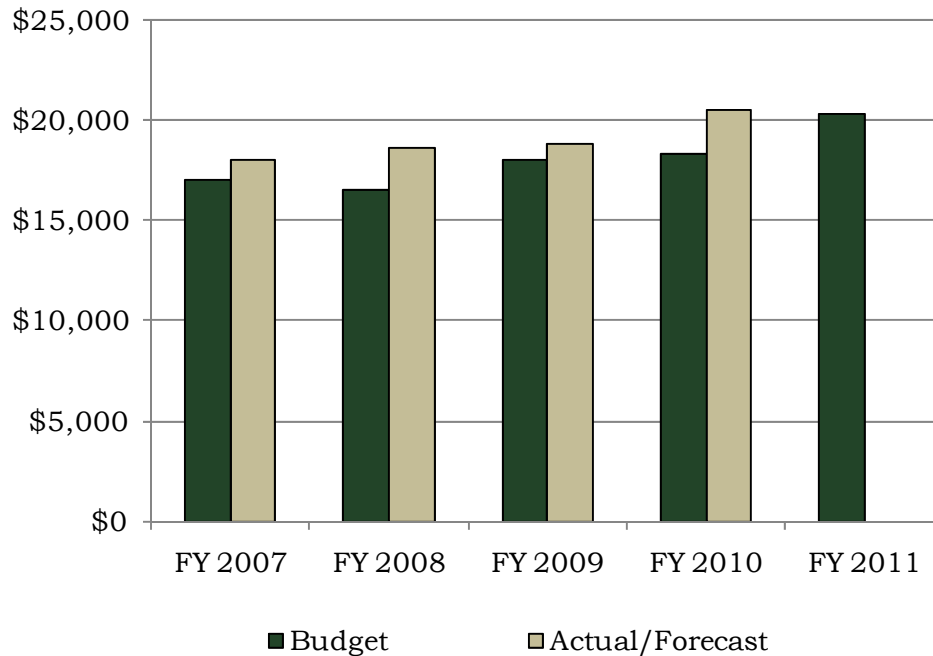
Conference Services revenue is expected to decline due to projected summer 2011 compared to summer 2010 groups and activities. Other revenue increases due primarily to the change of the residence hall \$150 application fee and security deposit to a \$100 non-refundable application fee.

The budget reflects the second year of general fund subsidy funding. Beginning in FY 2010 at \$500,000, the subsidy will grow by \$500,000 each year until it reaches \$2 million in FY 2013 and will remain at that level thereafter to provide debt service relief.

**HOUSING AND RESIDENTIAL LIFE**

**FY 2011 Proposed Budget  
Revenue and Expenditure Trends**

Total Expenditures  
(in Thousands of Dollars)



Housing personnel costs will increase due to contracted wage increases, recently filled positions that were vacant in FY 2010, and the addition of two new positions. This includes a full-time housekeeper to replace part-time labor and overtime of existing staff; and a housekeeping supervisor position that was eliminated in FY 2007 as a cost-saving move. This supervisor position is needed to properly manage the work force and improve the housing facilities' environment.

Facilities expenses will drop in FY 2011 primarily due to renovating two additional floors in Derooy for undergraduate, furnished apartment-style housing compared to four floors renovated in FY 2010.

Meal plan expenses will fall due to an anticipated change in the relative mix of meal plans purchased in FY 2011 compared to FY 2010. The shifts are projected based on the addition of a new unlimited access plan and the re-pricing of several other plans and services.

Other expenses increase slightly due to program costs for an expansion of the residence hall cable TV system from 40 to 60 channels, plus other inflationary increases.

Transfers out increases reflect increased funding for housing facility annual refurbishment programs and deferred maintenance projects.

# Wayne State University Housing & Residential Life



## 2010 - 2011 Room Rates (per person)

		2010-11 Annual	Fall 2010	Winter 2011
<b>Ghafari &amp; Atchison Halls</b>				
Double Occupancy rooms with private bath		\$4,750	\$2,375	\$2,375
Triple Occupancy rooms with private bath		\$3,800	\$1,900	\$1,900
<b>The Towers Residential Suites</b>				
	<b>Suite Types</b>			
Double Occupancy room with shared bath	A	\$4,910	\$2,455	\$2,455
Single Occupancy room with private bath	E and G	\$6,830	\$3,415	\$3,415
Double Occupancy room within a suite	B and C	\$5,466	\$2,733	\$2,733
Single Occupancy room within a regular suite	C, D and F	\$5,786	\$2,893	\$2,893
<b>Deroy Furnished Apartments (sophomores/juniors/seniors only)</b>				
Efficiency apartment double		\$5,500	\$2,750	\$2,750
One bedroom apartment double		\$5,700	\$2,850	\$2,850
Two bedroom apartment single		\$5,900	\$2,950	\$2,950
Two bedroom apartment double		\$5,700	\$2,850	\$2,850

## APARTMENT RENTALS (per unit) (minimum junior standing or 21 years of age)

### 2010-11 Monthly

### Deroy Apartments

Efficiency unfurnished	\$684
One Bedroom unfurnished	\$855
Two Bedroom unfurnished	\$956

### Chatsworth Apartments

Efficiency unfurnished	\$649
One Bedroom unfurnished	\$752
Two Bedroom unfurnished	\$958

### University Towers

One Bedroom unfurnished	\$917
Two Bedroom unfurnished	\$1,133
Three Bedroom unfurnished	\$1,391

## 2010 - 2011 Meal Plans (per person)

	2010-11 Annual	Fall 2010	Winter 2011
Warrior Pass (Unlimited access during operating hours)	\$2,900	\$1,450	\$1,450
15 meals per week + \$100 Warrior Dollars per semester	\$2,750	\$1,375	\$1,375
10 meals per week + \$200 Warrior Dollars per semester	\$2,750	\$1,375	\$1,375
5 meals per week + \$50 Warrior Dollars per semester	\$1,200	\$600	\$600
Super 78 - Any 78 meals per semester for self and guests	\$950	\$475	\$475

Please note:

All freshmen must select the Warrior Pass or the 15 meal plan.

The Super 78 plan may be selected by graduate level residents only.

The Super 78 plan is the only plan that allows guest passes.

There will be a meal plan change period offered each semester after the end of the drop/add registration period.

Approved BoG 032410

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**Auxiliaries  
FTE COUNT**

**Total Staffing by Auxiliary Unit  
FY 2007 – FY 2011  
(in FTE)**

Auxiliary Unit	FY 2007	FY 2008	FY 2009	Estimated FY 2010	Projected FY 2011
Bookstore	0	0	0	0	0
Contract Services	6.2	6.2	6.3	6.3	6.3
McGregor Memorial Conference Center	2	2	2	2	2
Parking and Transportation Services	57	54	56	50	50
Student Center	7	5.6	6	6.8	6.8
The South End	9.5	8.6	3.1	3.1	3.1
University Press	16	17	17.1	17.1	17.1
WDET-FM	24	24	24	22	21
Mort Harris Recreation and Fitness Center	6	6.6	7	8	8
Housing and Residential Life			47	47	49