



FY25 Non E&G Final Operating Budget Overview

**EOU Board of Trustees
November 13, 2024**

Non E&G Operating Funds are comprised of Auxiliary Enterprises, Designated Operations and Service Departments. These budgets are being presented for approval.

FY25 Final Budget	Revenue	Expenditures	Transfer (in)/Out	Net
Auxiliary Enterprises	\$9,232,869	\$6,961,800	\$157,099	\$2,113,970
Designated Operations	\$896,490	\$467,040	\$215,500	\$213,950
Service Departments	\$97,600	\$165,095	-\$35,000	-\$32,495
Total Non E&G Budget	\$10,226,959	\$7,593,935	\$337,599	\$2,295,425

Delta from FY24	Revenue	Expenditures	Transfer (in)/Out	Net
Auxiliary Enterprises	\$916,365	\$27,052	-\$289,261	\$1,178,574
Designated Operations	\$273,041	\$102,561	\$113,000	\$57,480
Service Departments	-\$27,460	-\$3,780	-\$11,376	-\$12,304
Total Non E&G Budget	\$1,161,946	\$125,833	-\$187,637	\$1,223,750

Budgets do not include depreciation or Housing Principal Bond Payment.

All Non E&G funds are expected to maintain a positive cash balance at year end and are intended to be self-supporting, unless the institution has approved to subsidize the funds by providing a transfer from other sources. The budgets presented are for annual operating revenue and expenditures and do not include cash reserves.

Auxiliary Enterprises

Auxiliary Enterprises Services exist to furnish services, which are essential to the support of the university's academic programs. Auxiliary units are expected to generate sufficient revenue to cover all costs of operating and capital needs, and are not supported by State allocation/funding. By the nature of the services provided and the purpose of the fund, these funds are characterized as self-support. Bond principal payments are not included in the expenditure/transfer column. Estimated FY25 year end cash balance \$13M.

HOUSING & DINING

The Housing and Dining fund provides services and support for students living on campus. There are two residence halls on campus, which have a total occupancy of 420. The facilities are comprised of suite style units, offering triple, double and single occupancy for students. Eastern Oregon University has a mandatory live on policy for all new freshmen. The housing and dining fund have annual debt service payments until 2035. Dining Services is a contracted service. A third party provides all food services operations on the campus, including summer camp and catering service.

A 4% increase in room and board rates was approved for 2024-25, revenue estimates are based on a revised annual occupancy count of 385 market beds and 315 meal plans, increases of 51 and 66 respectively. There are moderate increases for camps and conferences projected in the FY25 revenue.

The proposed FY25 expenditure budget increases are related to contract escalation, labor costs, adjustments to general overhead assessments, maintenance and capital improvements. During the FY25 budgeting process, a deep dive was completed regarding institutional (E&G) subsidy of the auxiliary operations. It was determined that Housing & Dining has been under charged for general administrative overhead. The General Administrative overhead rate for non E&G funds is 8% of revenue earned, however in looking at correlating expenditures within Residence Life, the rate would be capped at 5.9%. The following chart shows the phased in approach to rightsizing the General Administrative Overhead rate for Residence Life. These figures are estimates only.

Residence Life						
Administrative Overhead						
	FY24	FY25	FY26	FY27	FY28	FY28
Budgeted Revenue	\$ 3,672,157	\$ 3,819,043	\$ 3,971,805	\$ 4,130,677	\$ 4,295,904	\$ 4,467,740
	Current	3%	4%	5%	6%	6%
Overhead	\$ 34,000	\$ 110,164.71	\$ 152,761.73	\$ 198,590.25	\$ 247,840.63	\$ 257,754.26
Current structure for other entities is 8% of revenue is returned to EOU for support services -- administrative (legal, payroll, accounts payable, student billings, security)						

The Residence Life budget has additional expenditure changes for FY25 and beyond. Student Affairs administration also did a deep dive on the time and effort spent by staff supporting Residence Life and it was determined that 20% of staff time is currently being used to support Residence Life. Therefore, a transfer of \$94,636 has also been incorporated into the budget for FY25. This amount will be adjusted annually based on compensation rates. The transfer will remain in effect for the next three years, at which time a review will be conducted. Each year the Facility team reviews the direct expenditures and support provided to Residence Life, for FY25 the facilities fee will increase by \$60K. Residence Life will also transfer \$50,000 annually to the Student Health Center budget to support services provided to students living on campus. All items were discussed with Director Jones and have been included in the FY25 expenditure budget.

Financial goals for this fund include maintaining 4-6 months of operating in reserves, having a minimum of 2 years of debt service cash available, Facilities Capital Investments and Renewals and maximizing occupancy. All of these goals are met in the FY25 Budget.

STUDENT ACTIVITIES/INCIDENTAL FEES/ STUDENT CLEARING

The Student Activities/Incidental Fees fund supports student programs that are beyond the academic mission of the institution. The fund is managed by the Financial Affairs VP for ASEOU. The budgets within the fund are allocated by the Student Fee Committee (SFC), which is a standing subcommittee of the Associated Students of Eastern Oregon University

(ASEOU) Student Senate and is the duly recognized body of the ASEOU Student Government responsible for recommending Student Fee allocations to the ASEOU Student Government, and the University President.

The student incidental fee is the primary revenue source for this fund and is assessed each term to all students taking “On-Campus” courses, and to all students living on campus or part of an athletic team. The fees in this fund provide financial support for the student union operations, student organizations, student governmental activities, and provides some support to athletics. The fee for 2024-25 is \$376/term. The individual units also generate revenue above the student fee allocation. The SFC followed their own budget process and guidelines for allocation, there have not been any changes to the budgets since the preliminary budget was approved.

INTERCOLLEGIATE ATHLETICS

A portion of the financial support for athletics is in an auxiliary enterprise. This fund is established for a self-support operation and is the funding received directly from student incidental fees and lottery funding. The auxiliary fund is the primary operational fund for all athletic operations for over 400 student athletes. The fund supports operational activities for the individual sports, intramural and the recreation center. Funds received from fundraising and camps are transferred into the auxiliary fund to cover the excess operational expenses when the student fee and athletic operations revenue generated does not cover the annual expenditures.

With the budget challenges in FY25, the Intercollegiate athletics fund will absorb additional athletics expenses of \$261K. These expenses are included in the \$4.8M E&G reduction. In addition, EOU Athletic personnel expenses, athletic trainers, and a portion of post season travel remain funded through the E&G budget (\$2.8M).

The chart below shows the breakdown of the overall Athletics Budget for FY25.

Athletics Budget Overview							
FY25							
Source of Funding	E&G	Intercollegiate	Lottery	Student Fees	Designated Operations	Other Auxiliary	TOTAL
Revenue	\$ -	\$ 603,350	\$ 1,558,984	\$ 20,000	\$ 555,490	\$ 35,000	\$ 2,772,824
Expenses	\$ 3,160,622	\$ 1,164,775	\$ 436,073	\$ 21,720	\$ 197,040	\$ 17,800	\$ 4,998,030
Transfers	\$ (282,108)	\$ (561,425)	\$ 525,824	\$ 5,000	\$ 305,500	\$ -	\$ (7,209)
TOTAL Expenses/Transfers	\$ 2,878,514	\$ 603,350	\$ 961,897	\$ 26,720	\$ 502,540	\$ 17,800	\$ 4,990,821
NET	\$ (2,878,514)	\$ -	\$ 597,087	\$ (6,720)	\$ 52,950	\$ 17,200	\$ (2,217,997)

HEALTH SERVICES

Health Services is also a self-support operation funded by revenue generated from the Student Health fee. Students enrolled in at least one credit “On-Campus”, and all students living on campus or part of an athletic team are assessed the Student Health Fee. Students pay a quarterly mandatory Health Service Fee that provides student access to the Student Physical and Mental Health services. The proposed fee for 2024-25 is \$239.00 per term. The primary expenses in this fund are personnel costs related to the Counseling Center, the Oregon Health Sciences University contract, as well

as funding for trainers. In FY25, this budget will be supported by a \$50,000 transfer in from Residence Life. This transfer is a sustainable measure to attend to short term deficits while building a longer term sustainability plan.

PARKING SERVICES

Parking Services provides enforcement services for campus parking. The fund generates revenues through the sale of annual, quarterly and one-day parking permits, special events fees, and parking citations. Revenue generated is used for parking enforcement, facility and route improvement, parking lot and street repair and maintenance and signage. Parking permits in 2024-25 will reflect a 5% increase to current permit prices. There was a deep dive completed on this fund for FY25 to ensure expenses associated with parking services were allocated appropriately. The result of the review resulted in shifting 50% of the Security Director's compensation to this fund. Therefore, the expenditure budget was increased by \$58,939. The overall financial plan for this fund includes maintaining a cash reserve to support future needs associated with new construction and ongoing maintenance and repairs of parking infrastructure.

GENERAL RENTALS

This fund supports university rental property, long and short term leases, where there is income generated and expenditures. At this time, EOU has lease agreements for space and facilities with various campus partners. These leases support the facility services offered in exchange for the space. The long term lease agreements include Oregon Fish and Wildlife, Oregon Health Sciences University, Regional Solutions and AAP. EOU also rents other space on a short- term basis, including the Gilbert Center. The overall financial plan for this fund includes building a cash reserve to support future infrastructure needs associated with additional capital investments such as future purchase of property on/near campus. Beginning in FY25, expenses associated with general rentals, such as custodial and maintenance will be allocated to this fund. This results in an increase in expenses of \$186,280.

INTEGRATED SERVICES BUILDING

Since the construction of the building, EOU has negotiated an extended lease agreement with the Department of Human Services and the Health Authority for the facility use of the Integrated Services Building. The original lease was structured to pay for the debt service and maintenance and operations of the facility. The bond obligation has been paid in full. The expenditure budget was increased by \$30K for FY25.

The Library Coffee Cart is included in this fund and is used for all coffee cart operational expenses associated with replacement and maintenance of the equipment. Income to the fund comes from coffee cart sales. There are also revenue and expenditures in this fund type associated with food vending, and Eastern Oregon Head Start program, Athletic concessions and facility rentals.

Auxiliary Enterprises	Revenue	Expenditures	Transfer (in)/Out	Net
Housing & Dining	\$4,540,428	\$3,410,428	\$144,636	\$985,364
Student Activities/Incidental Fees	\$755,305	\$764,436	-\$127,000	\$117,869
Intercollegiate Athletic	\$2,162,334	\$1,566,603	-\$35,601	\$631,332
Health Services	\$744,346	\$586,906	\$90,520	\$66,920
Parking Services	\$80,000	\$136,653	\$0	-\$56,653
General Rentals	\$271,637	\$19,980	\$84,544	\$167,113
Other Auxiliaries, including ISB	\$678,819	\$476,794	\$0	\$202,025
Total Auxiliary Enterprises	\$9,232,869	\$6,961,800	\$157,099	\$2,113,970

Budgets do not include depreciation.

Designated Operations

Designated Operations are university functions that provide self-support operations related to non-instructional activities such as field trips and community education. A Designated Operations fund will be established when approximately 80% or greater of a self-support activity is funded from external sources, including student fees for field trips. Estimated cash balance at the end of FY25 \$1.5M.

FIELD TRIPS/EDUCATION WORKSHOPS

Field trips are offered in several disciplines and support academic programming. The field trips in this fund are designated as such because the field trip is offered to community members and non EOU students. The fees are charged per course or per credit and range from \$25 - \$150 per course. The revenue and expenditures in this fund are associated with education workshops. While workshops may not be conducted every year, the fund also supports education science projects.

LAW LIBRARY

This fund is used for upkeep of the Law Library, per the MOU with the Union County Bar Association. The major expenses are for library materials purchases in Law, and are reimbursed by the Union County Bar Association. Income to the fund also comes from Library reference services to the public. The MOU and revenue stream are currently being reviewed by EOU Library Dean, Watkins.

SUNDRY DONATIONS - BINNEY FUND

The Elizabeth P Binney fund was established for revenue received from an outside trust. EOU receives an estimated \$80,000 - \$100,000 per year from the trust, plus interest. These funds are used to support student labor for the EOU Learning Center.

RURAL ENGAGEMENT AND VITALITY CENTER (REV)

The REV Center is a joint venture of Eastern Oregon University and Wallowa Resources. Designated as Oregon's Rural University in 2018, EOU has a long tradition of serving rural students and has identified as a goal in its strategic plan the aim to promote prosperity and resilience in rural communities.

ATHLETIC CAMPS

This fund supports internal camps, clinics and academies hosted by EOU Athletics. The camps, clinics and academies allow our student-athletes and coaches to help local and regional youth learn new tools and techniques to become better athletes in their selected sport or sports. The community involvement for our athletic teams help reinforce the Servant Leadership core value of the Champions of Character program. The revenue generated helps to offset Athletic team operations and equipment purchases.

ATHLETIC DONATIONS

This fund is designated to Athletic Donations, which are outside of the EOU foundation. Athletic donations are seen as the third funding arm of Athletics, along with General Fund and Student Fee Committee dollars. Letter drive campaigns, the HomeTown Hero program, and Kids Night Out, are just a few of the many programs and activities that Athletics uses to fund the necessary operational dollars not covered by other sources. The revenue generated from the donations also offset athletic team operations.

Designated Operations	Revenue	Expenditures	Transfer (in)/Out	Net
Field Trips	\$20,000	\$20,000	\$0	\$0
Workshops	\$45,000	\$45,000	\$0	\$0
Reading Clinic - COE	\$170,000	\$75,000		\$95,000
Sundry Donations - Binney Fund	\$106,000	\$40,000	\$0	\$66,000
Rural Engagement Viality Center	\$0	\$90,000	-\$90,000	\$0
Athletic Camps	\$274,500	\$146,240	\$160,500	-\$32,240
Athletic Donations	\$280,990	\$50,800	\$145,000	\$85,190
Total Designated Operations Funds	\$896,490	\$467,040	\$215,500	\$213,950

Service Department Funds

A Service Department fund is established with the majority of the activity is internal to the university. Cash balance estimate at year end FY25 \$5K.

AUDIO VISUAL/MEDIA SERVICES

The Audio Visual department provides equipment to a variety of events located on campus, whether it is a presentation (business or social), a public speaker, a movie night or even a dance party. The 40 "Smart Classrooms" and presentation spaces/meeting rooms on campus are partially supported by the revenue generated in this fund. Media Services maintains and operates facilities equipped with IP video conferencing capability, computer lab stations, and assisting with video/audio recording web conferencing and media technology.

SURPLUS PROPERTY

EOU public surplus auctions are run using an online auction service. Surplus sales take place based on the need.

PLOTTER PRINTER - CSTM-HS

This fund supports printing activity in the college of science, technology, engineering, math and health sciences.

Revenue is generated from the printing of posters and the expenditures are supplies associated with the printing.

TELECOMMUNICATION SERVICES

Telecommunication services support the entire campus network of telephones along with the wired and wireless data network in the residence halls. This operation is partially supported by a transfer in from the E&G funds. It is considered a necessary operation to the campus and therefore there is an intentional subsidy provided annually.

LIBRARY COPY SERVICES

The fund is used to pay for two public photocopier / printers in the Library. The major expenses are the photocopier maintenance contracts and photocopy/print supplies (paper and toner). Income to the fund comes from photocopying and printing charges.

Service Departments	Revenue	Expenditures	Transfer (in)/Out	Net
Audio Visual	\$32,000	\$39,800	\$0	-\$7,800
Surplus Property	\$0	\$0	\$0	\$0
Plotter Printer - CSTM-HS	\$200	\$200		\$0
Telecommunication Services	\$59,400	\$119,095	-\$35,000	-\$24,695
Library Copy Services	\$6,000	\$6,000	\$0	\$0
Total Service Department Funds	\$97,600	\$165,095	-\$35,000	-\$32,495

SUMMARY OF BUDGETARY CHANGES FROM PRIOR YEAR BUDGET**Auxiliary Budget Variances:**

- Increase in Room and Board Rates, plus occupancy
- Increase in Student Incidental and Health Service Fee Rates
- Full Lottery allocation including graduate assistants for colleges
- Increases in Parking Permit rates
- Increase in lease revenue
- Increase in Student Activities expenditures
- Realignment of labor expenses to General Rentals
- Decrease in overall Housing and Dining Expenses (Capital)
- Decrease in Net transfers for Student Health
- Decrease in net transfers in Athletics due to delay of Ballfield complex

Designated Operations & Service Department Budget Variance:

Increases in interest earnings from the Binney Fund

Increase in transfers out from athletic donations/camps to operations

Increase in audio visual and telecommunications

Decrease in transfer for telecommunications