

**BOARD OF REGENTS**  
**EASTERN MICHIGAN UNIVERSITY**

**SECTION:**

**DATE:**  
October 18, 2011

**RECOMMENDATION**

**FINANCE AND AUDIT COMMITTEE**

**ACTION REQUESTED**

It is recommended that the Board of Regents receive and place on file the minutes from the September 20, 2011 Finance and Audit Committee meeting, the Working Agenda for the October 18, 2011 meeting and the Informational Reports and Financial Updates.

**STAFF SUMMARY**

September 20th, 2011

Regular agenda items discussed at the September 20, 2011 Finance and Audit Committee included; financial updates on revenue and expenses for FY12, fundraising collected, and cash and investments all through September 15, 2011. An update on Grants and Contracts through July 2011 was reported as well as, an update on Information Technology initiatives. The Committee also reviewed recommendations to the Board for:

- Contract Extension with CMD Outsourcing Solutions Inc. for financial aid call center services
- Contract with JPMorgan Chase Bank, N.A. for Student Center banking services and campus ATM locations

October 18th, 2011 Meeting Agenda

Regular agenda items will include an Informational Report and Financial Updates as of September 30, 2011. The Committee also will review recommendations to the Board for:


- Consolidated Financial Statements as of June 30, 2011 and Auditor's report (Plante & Moran presenting)
- FY2012-13 State Capital Outlay Request
- FY2012-13 General Fund Scholarships, Awards, and Grants request

**FISCAL IMPLICATIONS**

None

**ADMINISTRATIVE RECOMMENDATION**

The proposed Board action has been reviewed and is recommended for Board approval.

 University Executive Officer

10/18/11  
Date

**Eastern Michigan University  
Finance and Audit Committee  
Meeting Minutes  
September 20, 2011**

The meeting was called to order at 3:00 PM by Regent Stapleton.

**REGULAR AGENDA**

**Section 18      Recommendation      Monthly Reports – Finance and Audit Committee,  
Informational Reports and Financial Updates**

A motion was made and seconded to accept the minutes from the previous Board of Regents meeting on June 21, 2011.

John Lumm presented the financial updates in a power-point presentation format.

Tuition and Fee Revenue (Slide 1)

The FY12 tuition and fee budget is \$207.6M. Through September 15, 2011, the expected budget (YTD) is \$102.6M. Actual tuition and fee revenue is \$99.5M. This is down \$3.1M when compared to budget.

Investment Income Revenue (Slide 2)

The FY12 investment income budget is \$3.2M. Through September 15, 2011, the expected budget (YTD) is \$0.8M. Actual investment income revenue is (\$0.7M). This is down \$1.5M when compared to budget.

Total General Fund Revenue (Slide 3)

The FY12 total general fund revenue budget is \$283.1M. Through September 15, 2011, the expected budget (YTD) is \$106.2M. Actual general fund revenue is \$101.6M. This is down \$4.6M when compared to budget.

Total General Fund Expenses (Slide 4)

The FY12 total general fund expense budget is \$283.1M. Through September 15, 2011, the expected budget (YTD) is \$50.9M. Actual general fund expenses are \$50.9M. This is flat when compared to budget.

Total Auxiliaries Fund Operating Budget (Slide 5)

The FY12 total auxiliaries fund operating budget is \$40.7M. Through September 15, 2011, Revenues are \$2.3M, while expenses are \$4.3M. This is expected as the fall housing and dining revenue has not received as of September 15.

Grants and Contracts (Slide 6)

Through July 2011, \$0.2M grants and contracts have been awarded. This is down from July 2010 and 2009 when, \$1.0M and \$2.3M, respectively, had been awarded. The total awards for FY10 were \$16.0M. The total awards for FY11 were \$12.5M.

#### Fundraising (Cash and Gifts-in-kind) (Slide 7)

As of September 15, 2011, \$5.7M has been received compared to \$0.5M for the same frame last year. This is partially due to two large donations. The FY12 fundraising goal is \$9.5M. The FY11 fundraising total was \$5.1M.

#### Fundraising (Capital Campaign) (Slide 8)

As of September 15, 2011, \$48.3M of the \$50M goal has been received. The breakdown is \$37.6M in Cash and gift-in-kind, \$8.8M in revocable bequests, and \$1.9M in pledges.

#### Cash and Investments (Slide 9)

As of September 15, 2011, Eastern has \$87.4M in cash and investments. This is broken down into - \$32.1M or 37% in cash & short-term investments, \$15.0M or 17% in intermediate-term investments, and \$40.3M or 46% in long-term investments. In addition, the long-term pool is dispersed into - \$28.0M or 69% in fixed income, \$10.4M or 26% in domestic equities, and \$1.9M or 5% in international equities. This is all consistent with the University's investment policy.

#### Information Technology (Slide 10)

- Project Management System – Training is underway. The new projects will utilize the FlightPlan toolkit.
- Disaster Recovery Plan (DRP) – Revision are complete. Table-top exercise is scheduled for Jan. 2012.
- EagleMail – Final recommendation will be presented to the CIO this fall.
- Voice over Internet (VoIP) – Installation in Pray-Harrold is underway. Halle and Porter is schedule for FY12.
- Network Infrastructure Upgrades – Installation of the new switch equipment continues.
- Pray-Harrold Data Center – 5 new computer room air conditioners and new uninterruptible power supply are not operational.
- Residence hall wireless systems – Residents can now connect their personal wireless routers to the MEU residential network.
- Print release stations – Initial set of stations have been installed in the Eateries, Crossroads, McKinney and Porter. The remainder will be installed later this month.

#### Regular Agenda Items

##### **Section 19: Recommendation      Contract Extension with CMD Outsourcing Solutions, Inc. for financial aid call center services**

It is recommended that the Board of Regents approve a one-year extension of the contract with CMD Outsourcing Solutions, Inc. for financial aid call center services.

##### **Section 20: Recommendation      Contract with JPMorgan Chase Bank, N.A. for Student Center banking services and campus ATM locations**

It is recommended that the Board of Regents approve a five-year contract with JPMorgan Chase Bank, N.A. for Student Center banking services and campus ATM locations. Authorization to proceed on this proposal was provided by the Executive Committee of the Board on August 12, 2011.

Meeting was adjourned at 3:30 p.m.

Respectfully submitted

**BOARD OF REGENTS**  
**Eastern Michigan University**  
201 Welch Hall  
(734) 487-2410

Tuesday, October 18, 2011  
3:00 PM

**FINANCE AND AUDIT COMMITTEE**

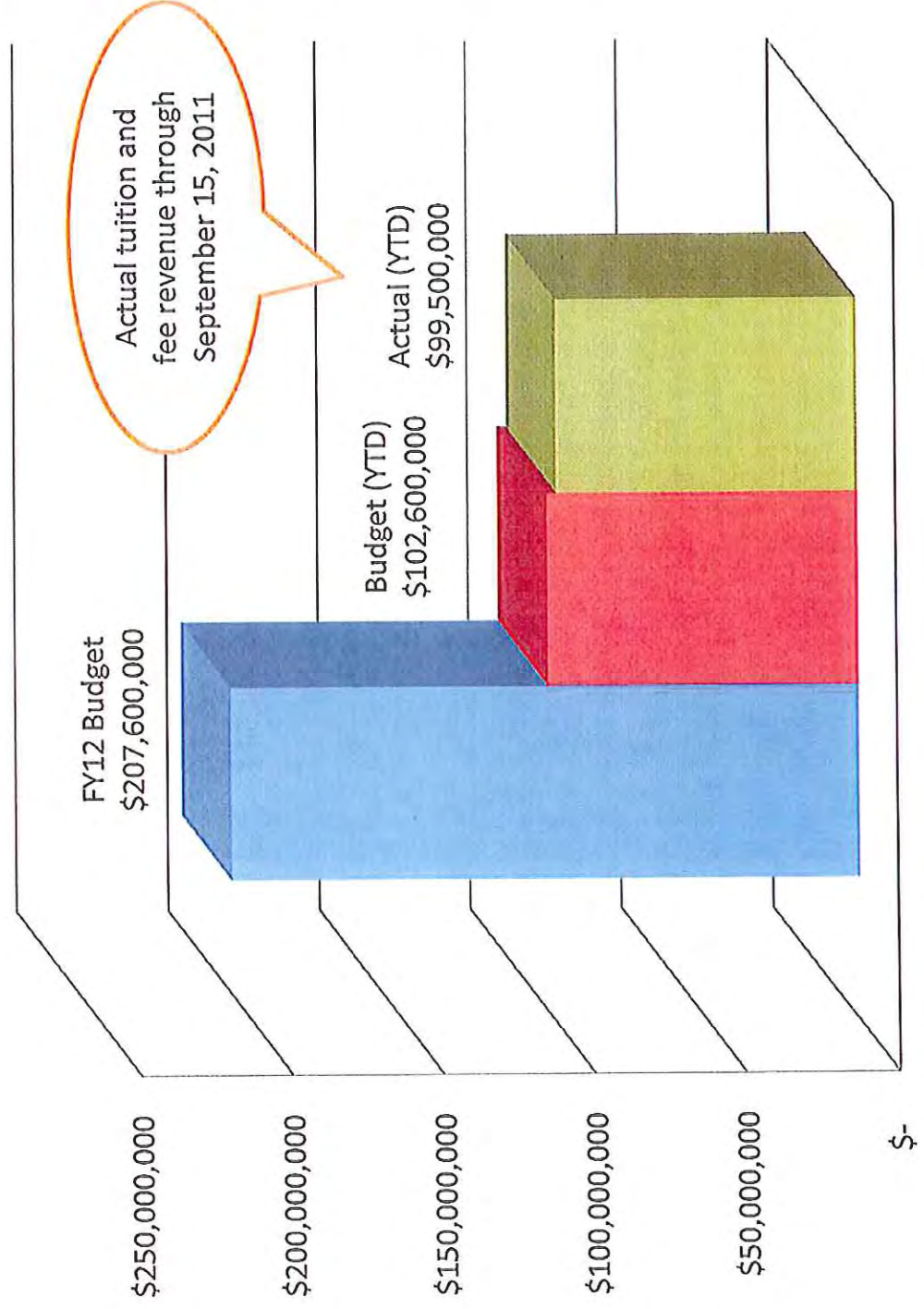
**REGULAR AGENDA**

- |          |                 |   |
|----------|-----------------|---|
| Section: | Recommendation  | Informational Reports and Financial Updates <ul style="list-style-type: none"><li>▪ Minutes from September 20, 2011</li><li>▪ October 18, 2011 Finance and Audit Committee Agenda</li></ul> |
| Section: | Recommendation: | Consolidated Financial Statements as of June 30, 2011 and Auditors Report.  |
| Section: | Recommendation: | FY2012-13 State Capital Outlay Request  |
| Section: | Recommendation: | FY2012-13 General Fund Scholarships, Awards, and Grants Request   |

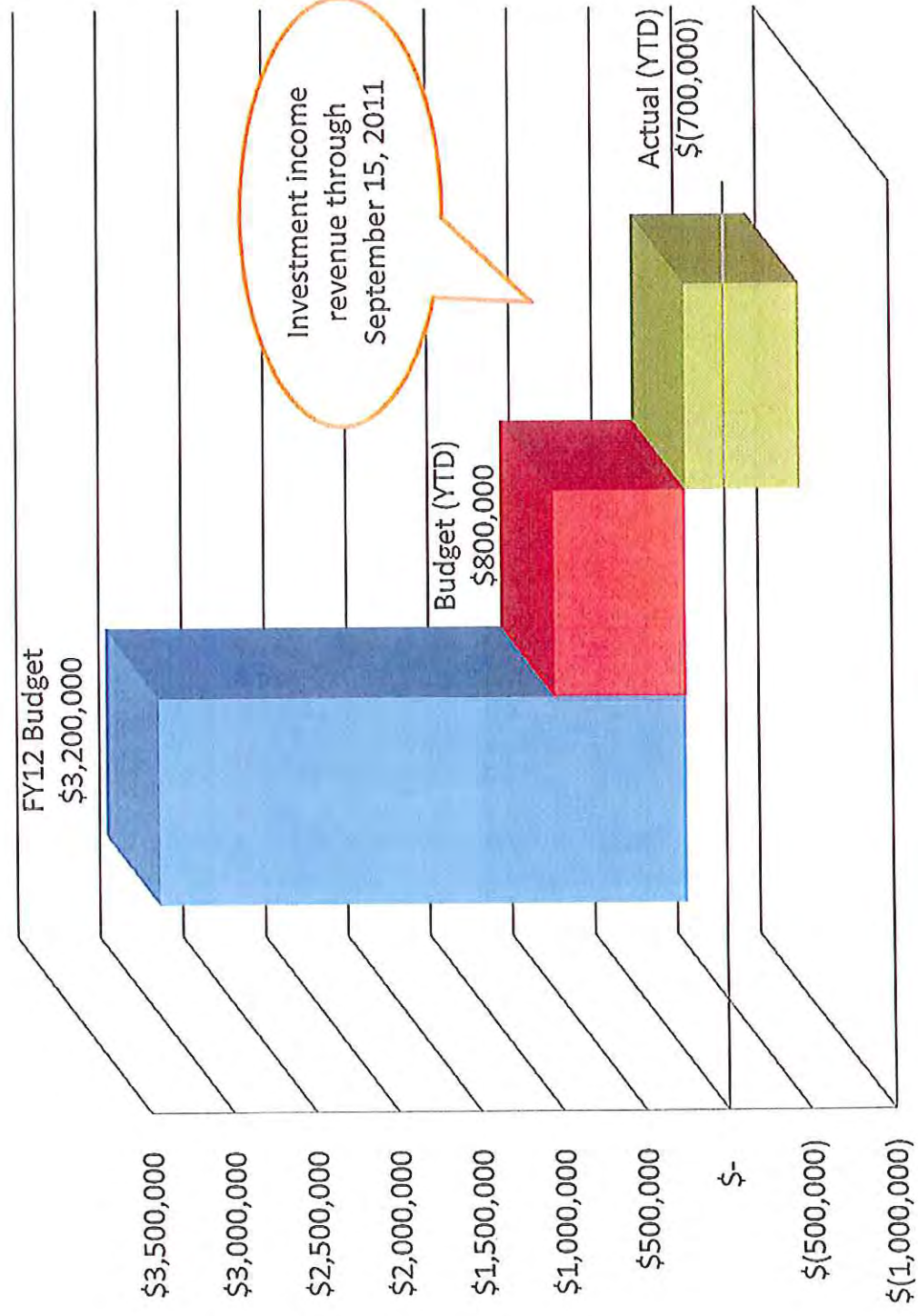
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Board of Regents  
Finance & Audit Committee Meeting  
Financial Update  
October 18, 2011

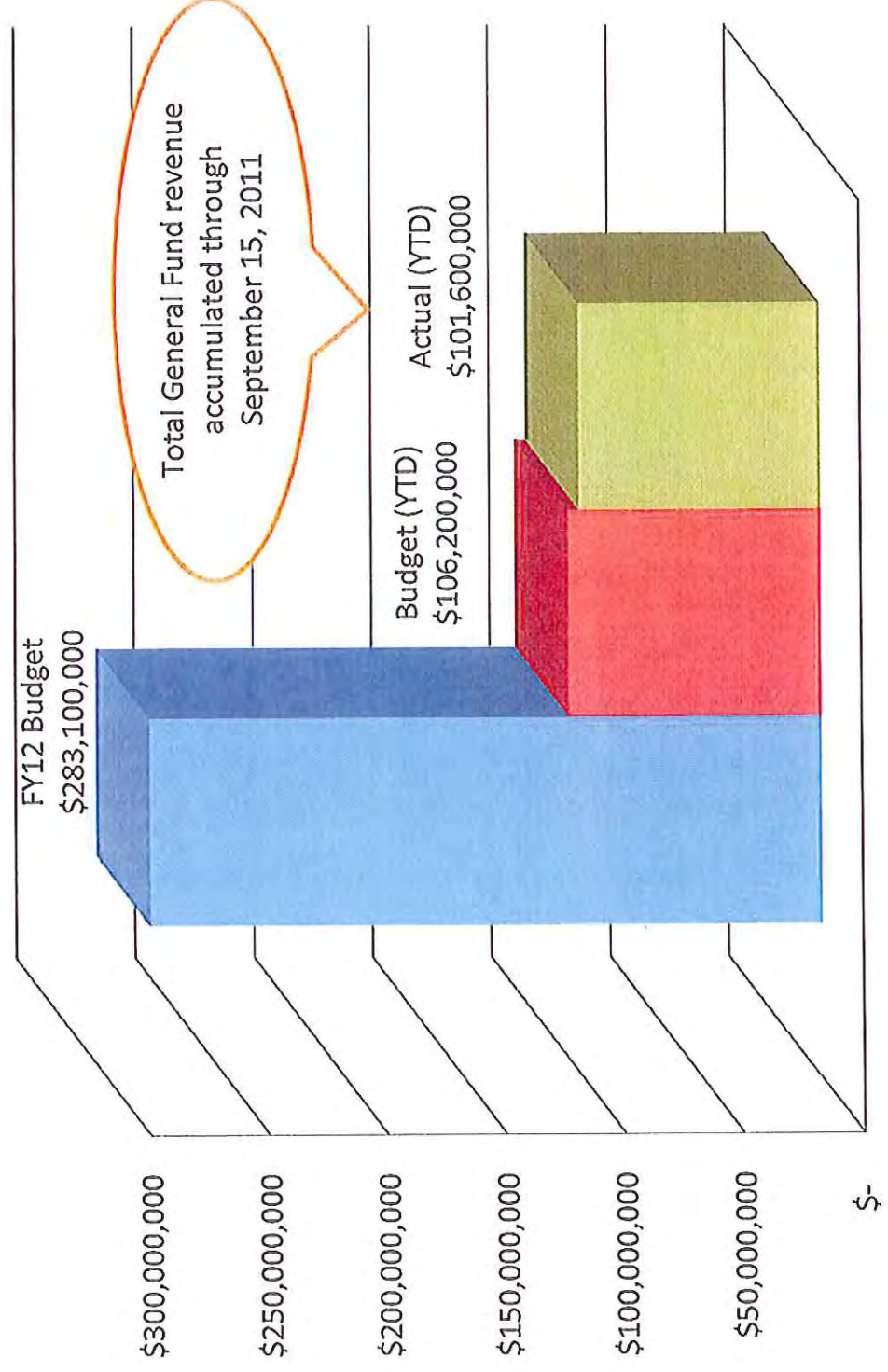
# Tuition and Fee Revenue



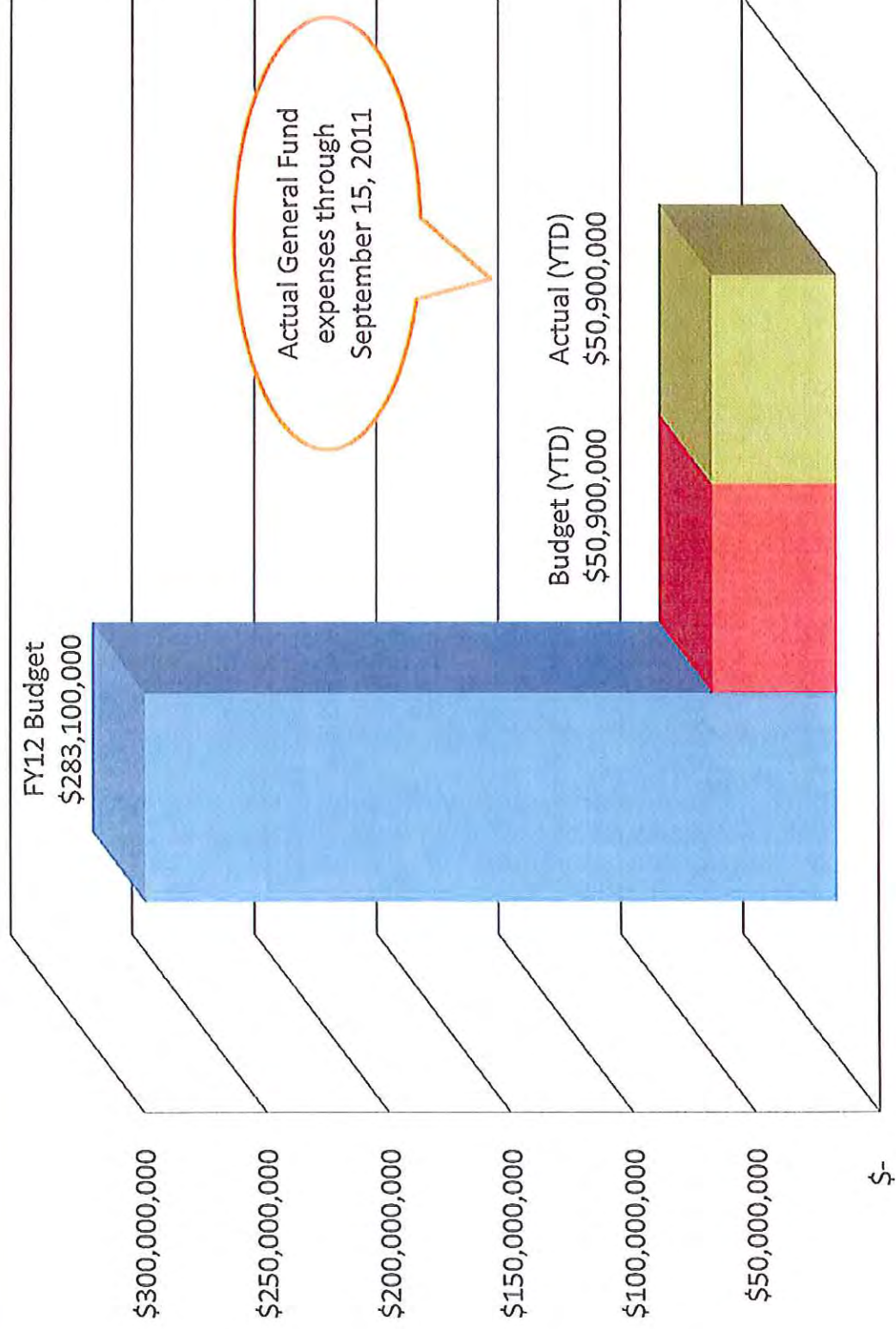
# Investment Income Revenue



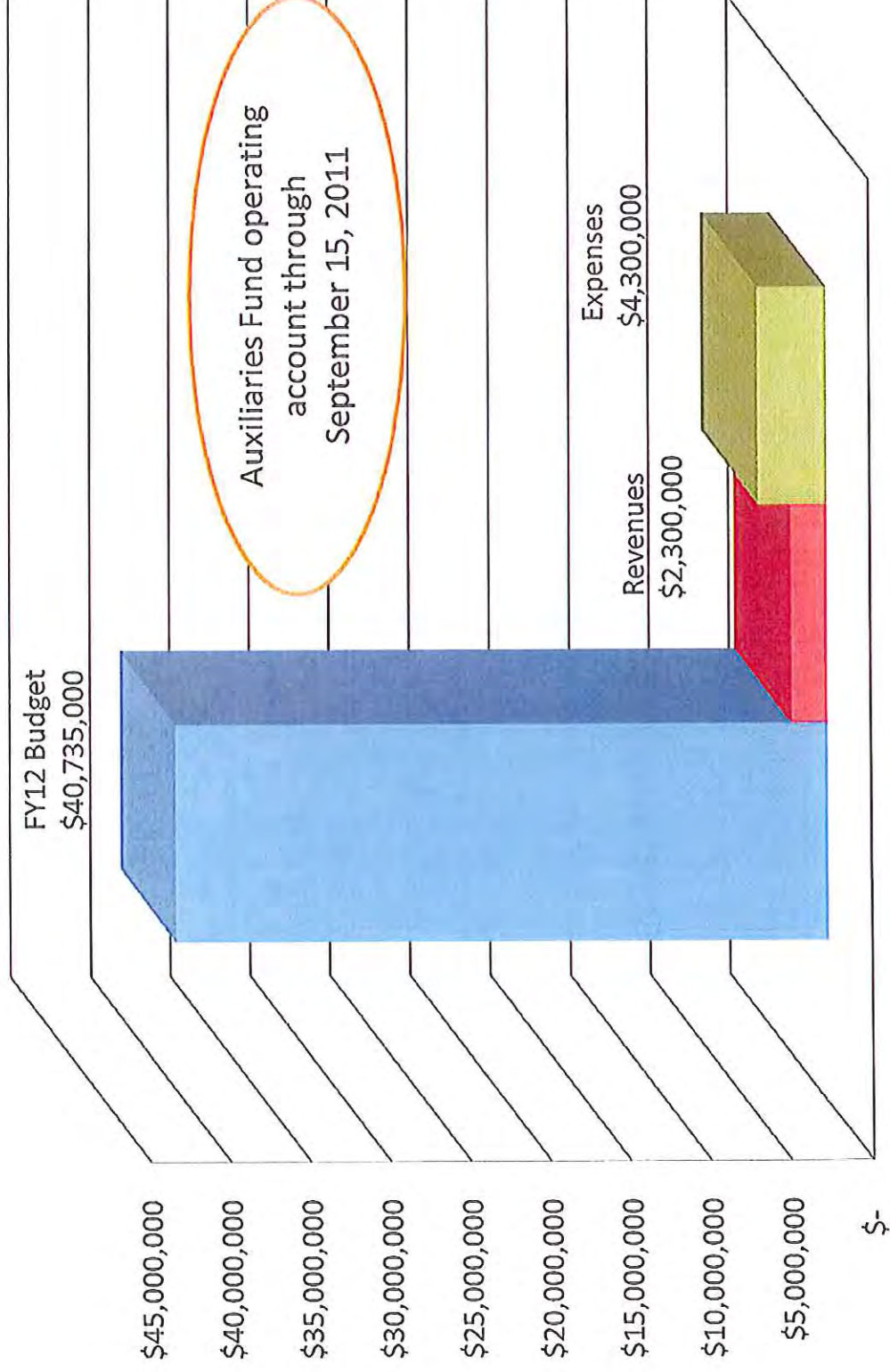
# Total General Fund Revenue (Incl. Approp. & Other Revenue)



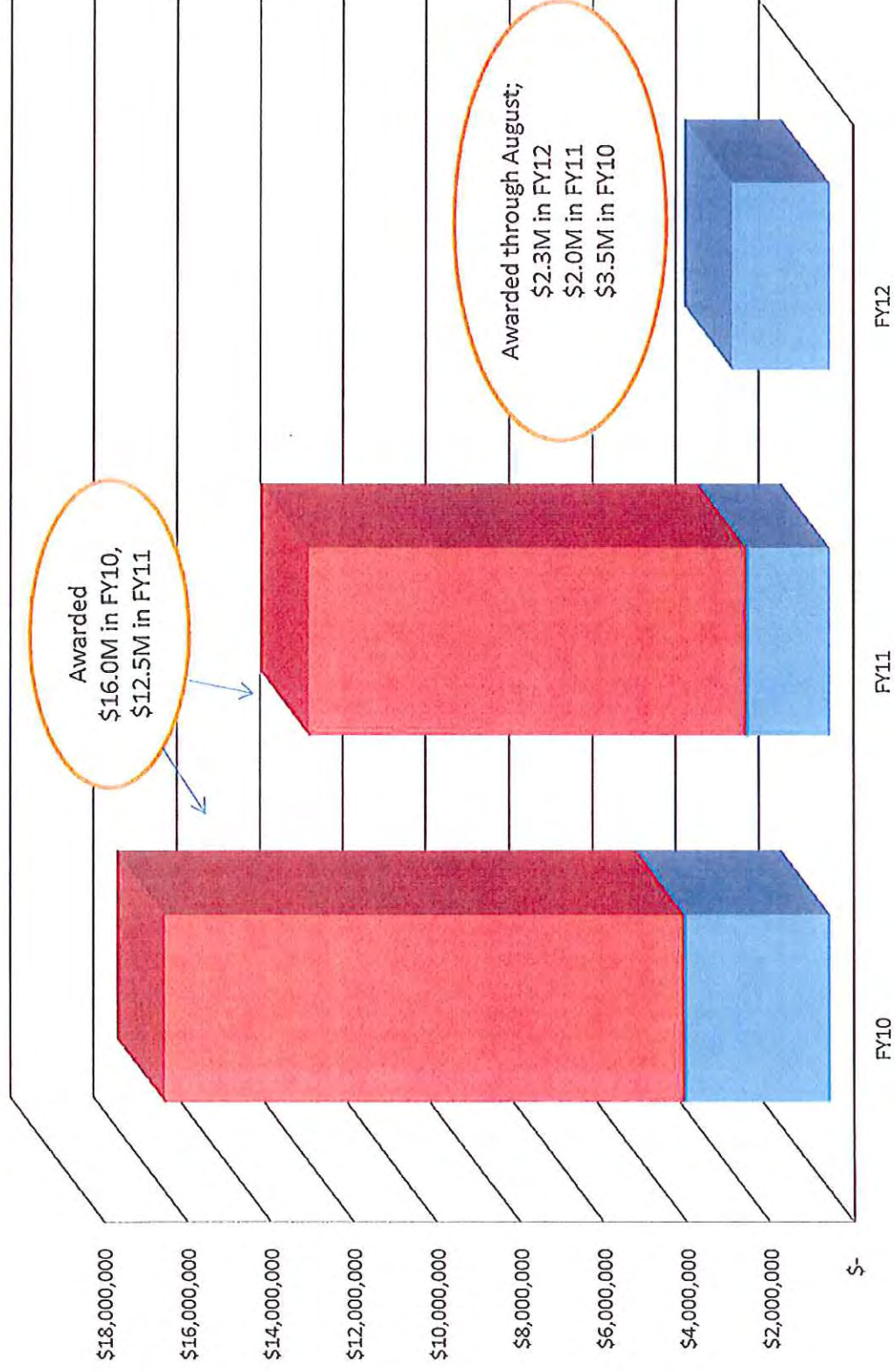
# Total General Fund Expenses



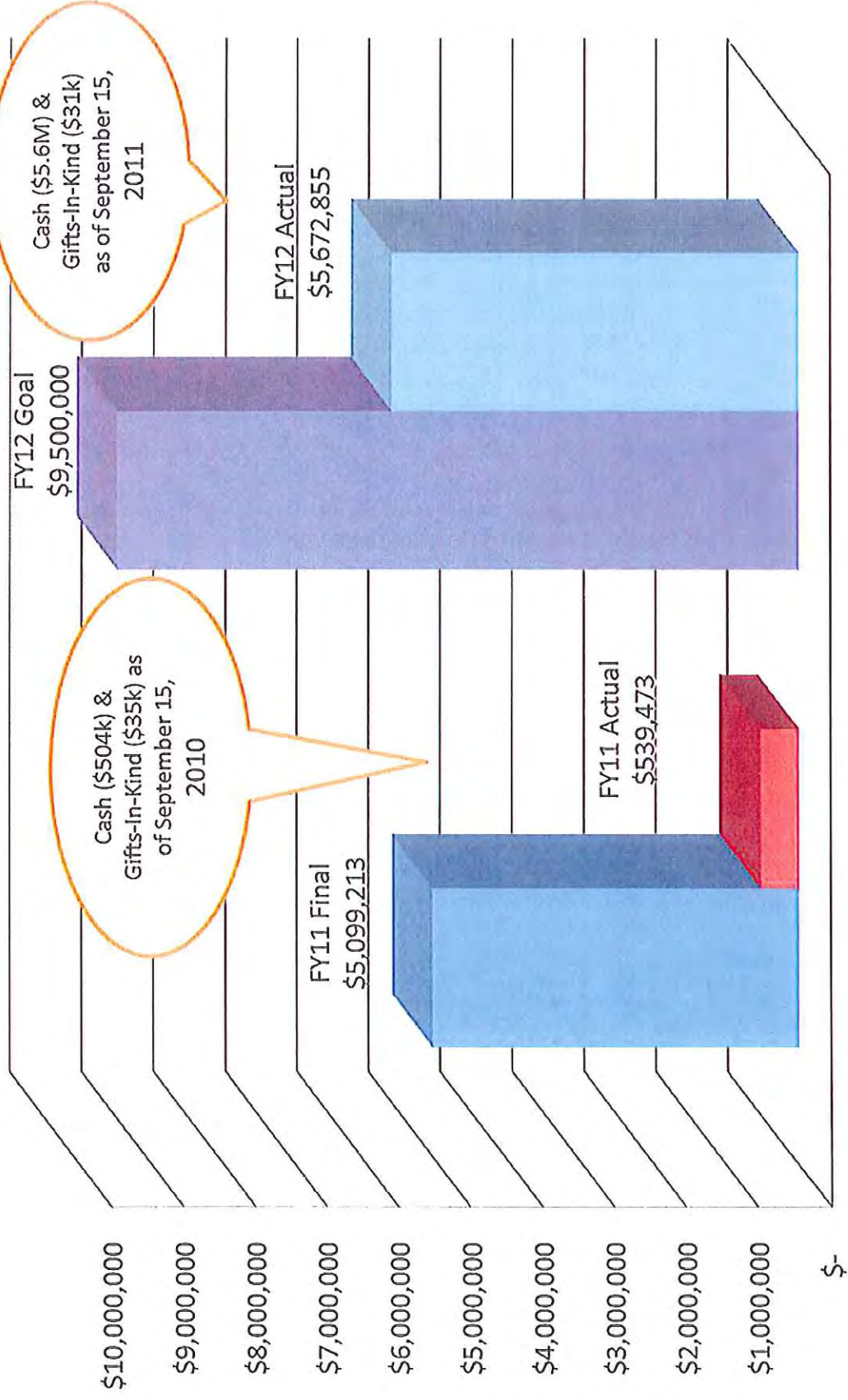
# Auxiliaries Fund Operating Budget



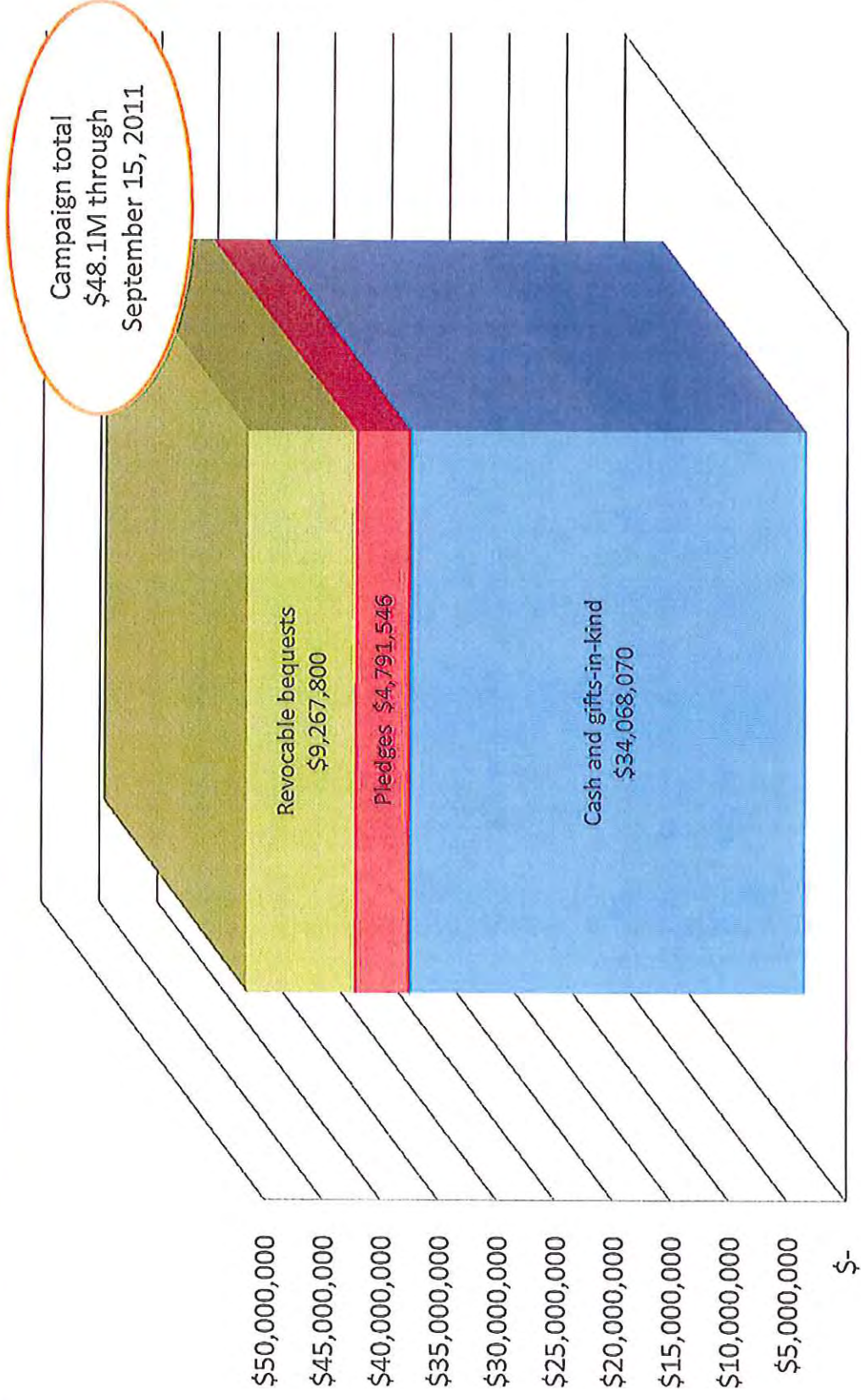
# Grants and Contracts Awarded



# Fundraising (Cash and Gifts-In-Kind)

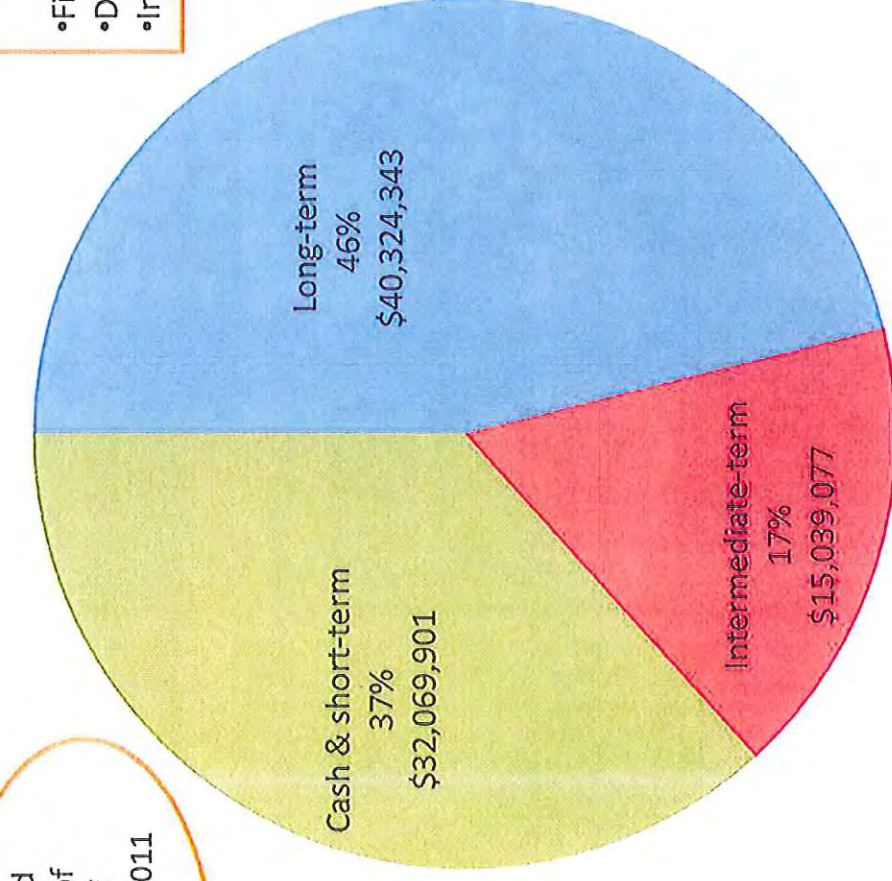


# Fundraising (Capital Campaign)



# Cash and Investments (excl. Bond Proceeds)

Total cash and  
investments of  
\$87.4M as of  
September 15, 2011



## Long-term Investments

- Fixed Income - \$28.0M, 69%
- Domestic Equities - \$10.4M, 26%
- Int'l Equities - \$1.9M, 5%

# Information Technology Report

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- IT Office in Pray-Harold
  - IT Staff has successfully moved back into Pray-Harold
- Project Management System
  - Training of IT staff on the new Project Management toolkit (FlightPlan) is complete
- Voice over Internet (VoIP)
  - Installation in P-H offices is complete. Halle & Porter scheduled for FY12
- Network Infrastructure Upgrades
  - Installation of new switch equipment in Physical Plant and Mark Jefferson (phase 2 renovation) are now complete
- Print Release Stations
  - Initial set of student-accessible Print Release Stations have been installed in the Eateries and Crossroads. Installation in McKenny and Porter in Sept. All remaining in Oct.
- JustOne Program
  - Limiting administrative employees to one computer device purchased by the University. This would include desktop, laptop, or tablet computer device funded by the University's General Fund. The program is intended to reduce the University's expenditure for "administrative" computers.



**GRANTS AND CONTRACTS**  
**FY 2012 PROGRESS REPORT**  
**October 18, 2011**

**TABLE I: PROPOSALS**

	FY2012 Activity through 8/31		FY2011 Activity through 8/31		FY2010 Activity through 8/31		FY2012 vs. FY2011 Actual to Date Var.	
	No. to Date	Dollar Value to Date	No. to Date	Dollar Value to Date	No. to Date	Dollar Value to Date	No. to Date	Dollar Value to Date
<b>Proposals by Activity:</b>								
Research & Development	16	\$3,697,669	20	\$4,261,374	11	\$26,097,683	(4)	(\$563,705)
Service	18	\$10,364,474	9	\$1,749,638	7	\$973,981	9	\$8,614,836
Corporate/Community Training	4	\$217,528	3	\$419,596	7	\$831,362	1	(\$202,068)
Instructional Support & Other	1	\$598,200	2	\$1,239,226	2	\$48,470	(1)	(\$641,026)
<b>Total Proposals</b>	<b>39</b>	<b>\$14,877,871</b>	<b>34</b>	<b>\$7,669,834</b>	<b>27</b>	<b>\$27,951,496</b>	<b>5</b>	<b>\$7,208,037</b>
<b>Proposals by Funding Source:</b>								
Federal	20	\$12,393,633	24	\$6,465,050	15	\$27,342,889	(4)	\$5,928,583
State	5	\$712,460	2	\$96,357	8	\$555,771	3	\$616,103
Foundations	3	\$82,973	3	\$155,533	1	\$10,403	0	(\$72,560)
Business & Industry	6	\$106,809	1	\$16,394	1	\$5,520	5	\$90,415
Local Govt. & Other Non-Profits	5	\$1,581,996	4	\$936,500	2	\$36,913	1	\$645,496
<b>Total Proposals</b>	<b>39</b>	<b>\$14,877,871</b>	<b>34</b>	<b>\$7,669,834</b>	<b>27</b>	<b>\$27,951,496</b>	<b>5</b>	<b>\$7,208,037</b>

**TABLE II: AWARDS**

	FY2012 Activity through 8/31		FY2011 Activity through 8/31		FY2010 Activity through 8/31		FY2012 vs. FY2011 Actual to Date Var.	
	No. to Date	Dollar Value to Date	No. to Date	Dollar Value to Date	No. to Date	Dollar Value to Date	No. to Date	Dollar Value to Date
<b>Awards by Activity:</b>								
Research & Development	5	\$190,745	8	\$357,206	6	\$1,138,086	(3)	(\$166,461)
Service	10	\$2,122,833	13	\$1,347,354	8	\$2,292,928	(3)	\$775,479
Corporate/Community Training	2	\$34,778	1	\$277,402	0	\$0	1	(\$242,624)
Instructional Support & Other	0	\$0	2	\$11,000	3	\$66,157	(2)	(\$11,000)
<b>Total Awards</b>	<b>17</b>	<b>\$2,348,356</b>	<b>24</b>	<b>\$1,992,962</b>	<b>17</b>	<b>\$3,497,171</b>	<b>(7)</b>	<b>\$355,394</b>
<b>Awards by Funding Source:</b>								
Federal	6	\$1,567,437	15	\$1,896,875	11	\$3,299,045	(9)	(\$329,438)
State	2	\$503,494	0	\$0	2	\$8,916	2	\$503,494
Foundations*	1	\$2,000	2	\$30,000	0	\$0	(1)	(\$28,000)
Business & Industry	3	\$37,290	4	\$60,087	1	\$5,520	(1)	(\$22,797)
Local Govt. & Other Non-Profits*	5	\$238,135	3	\$6,000	3	\$183,690	2	\$232,135
<b>Total Awards</b>	<b>17</b>	<b>\$2,348,356</b>	<b>24</b>	<b>\$1,992,962</b>	<b>17</b>	<b>\$3,497,171</b>	<b>(7)</b>	<b>\$355,394</b>

\*Grants reported jointly with the EMU Foundation:

Japan Foundation	\$2,000
New Urban Learning	\$66,135
<b>Total:</b>	<b>\$68,135</b>

# EASTERN MICHIGAN UNIVERSITY

## Summary of Grants and Contracts Received: August 1, 2011 - August 31, 2011

Report to the Board of Regents: October 18, 2011

Project Title	Funding Agency	Project Director	EMU Unit	3rd Party		EMU		Sponsor	Total
				In-kind		In-kind	Cash		
A Netting Survey for Bats at a Proposed Wind Farm, near Holland, Allegan County, Michigan	Western EcoSystems Technology, Inc. (WEST)	Allen Kurta	Biology					\$15,328	\$15,328
River Rouge High School - Digital Inclusion Program	River Rouge School District	Gerald Lawver	School of Technology Studies					\$21,000	\$21,000
A Netting Survey for Bats near Lake Odessa, Ionia County, Michigan, Supplement (added sites)	Golder Associates, Inc.	Allen Kurta	Biology					\$7,188	\$7,188
Small Business and Technology Development Center, Region 9 Host, 2011, Year 11 Cash Match Part 2	Grand Valley State University	Richard King	Office of the Dean of Business				\$84,000	\$0	\$84,000
Endangered Languages Catalog	National Science Foundation	Helen Aristar-Dry	ILIT			\$24,690		\$151,455	\$176,145
UPrep Opening Doors	New Urban Learning	Lynette Findley	Provost's Office					\$66,135	\$66,135
Service Agreement with Michigan Virtual University	Michigan Virtual University	Yichun Xie	IGRE					\$5,000	\$5,000
21st Century Community Learning Centers, Bright Futures at Middle and High Schools, Year 3 (Cohort F)	Michigan Department of Education	Lynn Malinoff	ISCFC					\$674,725	\$674,725
21st Century Community Learning Centers - Bright Futures Year 5 (cohort D)	Michigan Department of Education	Lynn Malinoff	ISCFC					\$674,725	\$674,725

Project Title	Funding Agency	Project Director	EMU Unit	3rd Party In-kind	EMU In-kind	EMU Cash	Sponsor	Total
Effectiveness of Japanese-English Dual Language Immersion Programs in U.S.—Phase I: Case Study—Japanese Language Curriculum and Its Outcomes	Japan Foundation	Hitomi Oktani	World Languages	\$210,000	\$61,691		\$2,000	\$273,691
Autism Collaborative Center: A Multidisciplinary Telehealth Model to Serve Children with Autism and Their Families	State of Michigan	Pamela Lemerand	School of Health Sciences				\$500,000	\$500,000
NUMBER OF AWARDS: 11				TOTAL:	\$210,000	\$86,381	\$84,000	\$2,117,556
								\$2,497,937