



Campus Update Forum

Tuesday, November 28, 2017



Agenda

- 1. Welcome**

Jim Smith, President

- 2. Strong Hall Update**

Facilities Planning & Construction Team

- 3. Budget Update**

Mike Valdes, Chief Financial Officer

- 4. Open Q&A**



Strong Hall Renovation

Introduction & Background

- Top priority since 2009
- Complete Building Renovation
- Project Budget: \$39.5M
 - State Appropriation: \$29.6M
 - EMU Local Match: \$9.9M
- Built: 1957 with no previous “significant” renovations since it was built



Introduction & Background

Project Team

Owner: State of Michigan/EMU

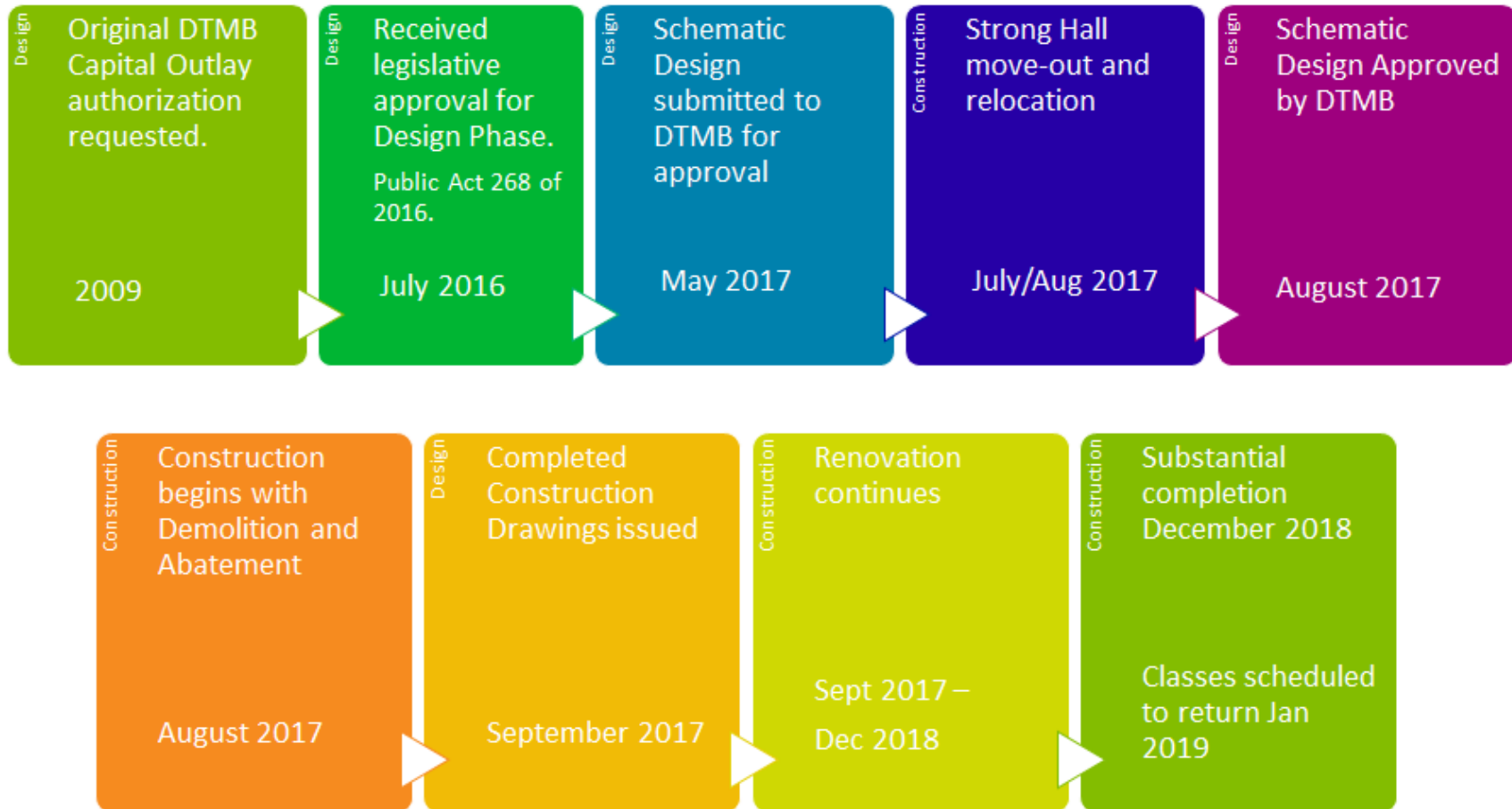
Architect: Stantec

Construction Manager: Clark Construction

Program Manager: AECOM



Timeline



Phased Program Function Relocation



Roosevelt Hall



Phased Program Function Relocation



Mark Jefferson

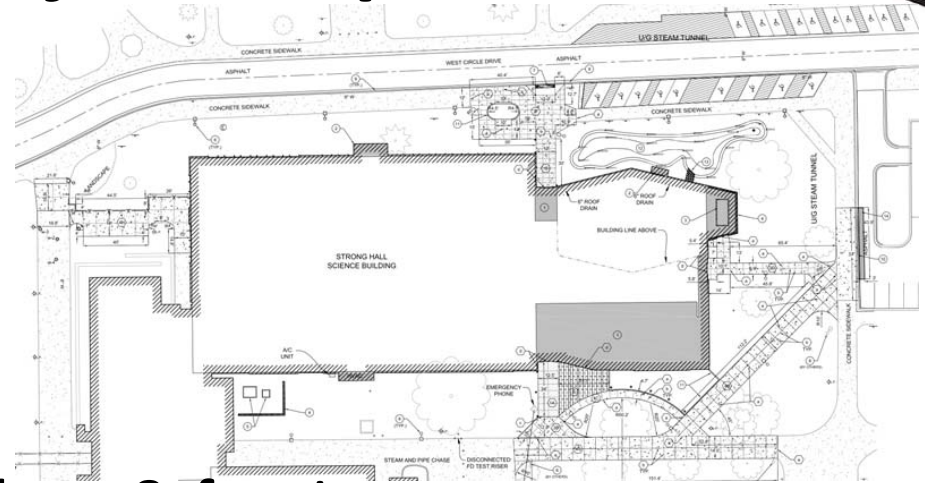
Design

Project Design Goals:

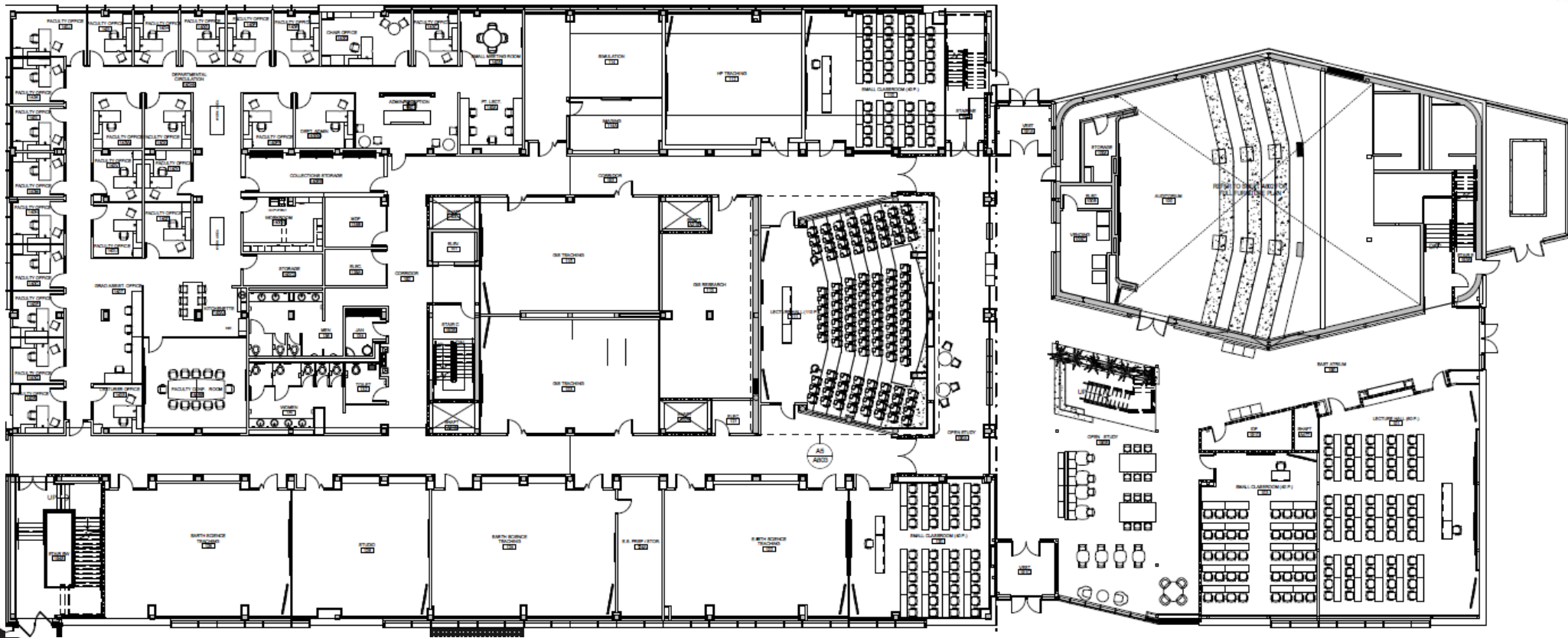
- Increase assignable space
- Improve program space efficiencies
- Increase student study and collaboration space
- Provide daylight into the center of the building
- Improve interior environment
- Improve thermal performance of the building
- Improved technology (Wi-Fi, data, and power)

Design - Project Scope

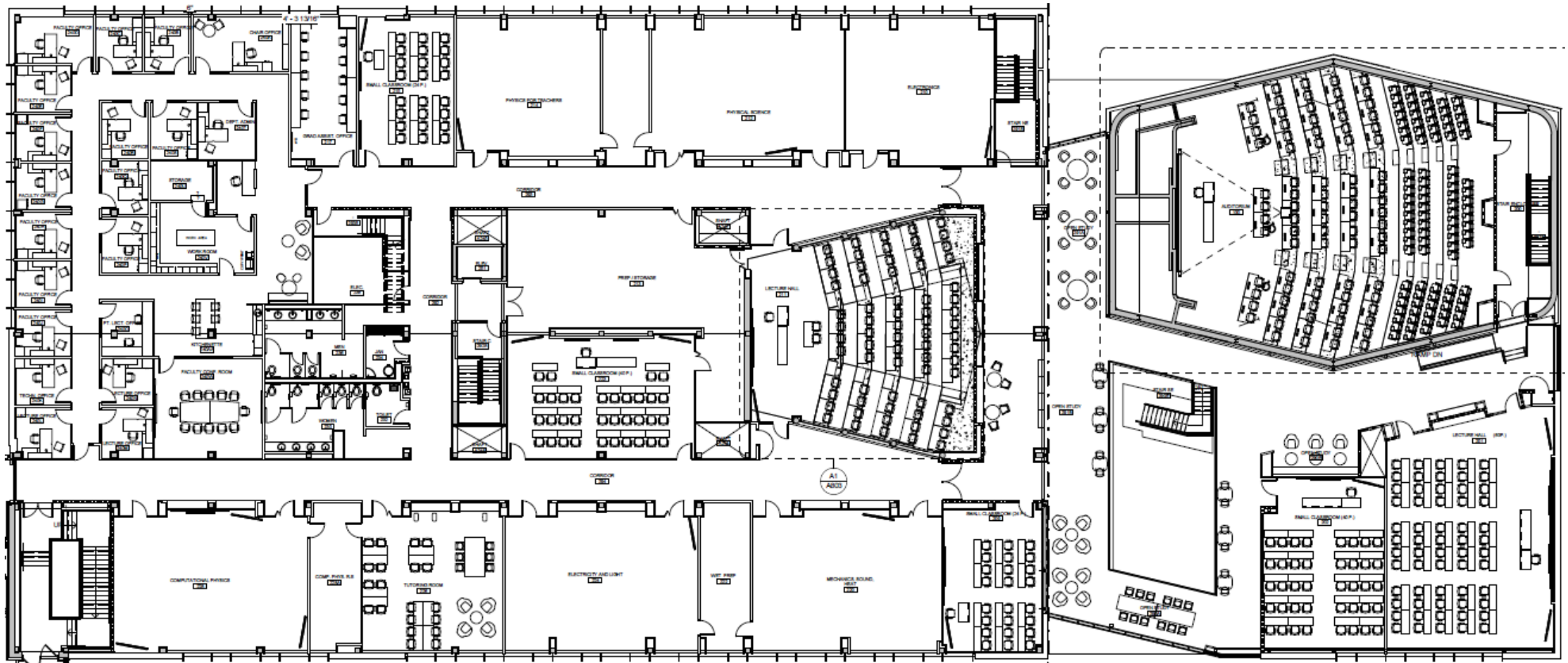
- Renovate the entire structure:
 - New building systems:
 - Mechanical & Plumbing
 - Electrical & Lighting
 - Building Envelope
 - New interior finishes, technology & furniture
 - 10,000 sf addition (south/east side)
- Enhanced Vertical Circulation and connectivity to MJSC
- Site improvements
 - Hardscape and Softscape around the structure
 - Bio-Swale



Design - First Level



Design - Second Level



Design - Sustainable Features

—LEED Certification

- LEED version 4
- Striving for Silver
- Bio —Swale
- Lighting Control Systems
- Heat Recovery
- Recycled & Renewable Content
- 35% Operating Cost Savings





Design

**Exterior
Improvements**



Design - Interior Improvements



Added classrooms & collaboration space



Natural lighting feature highlighting the programs

Design

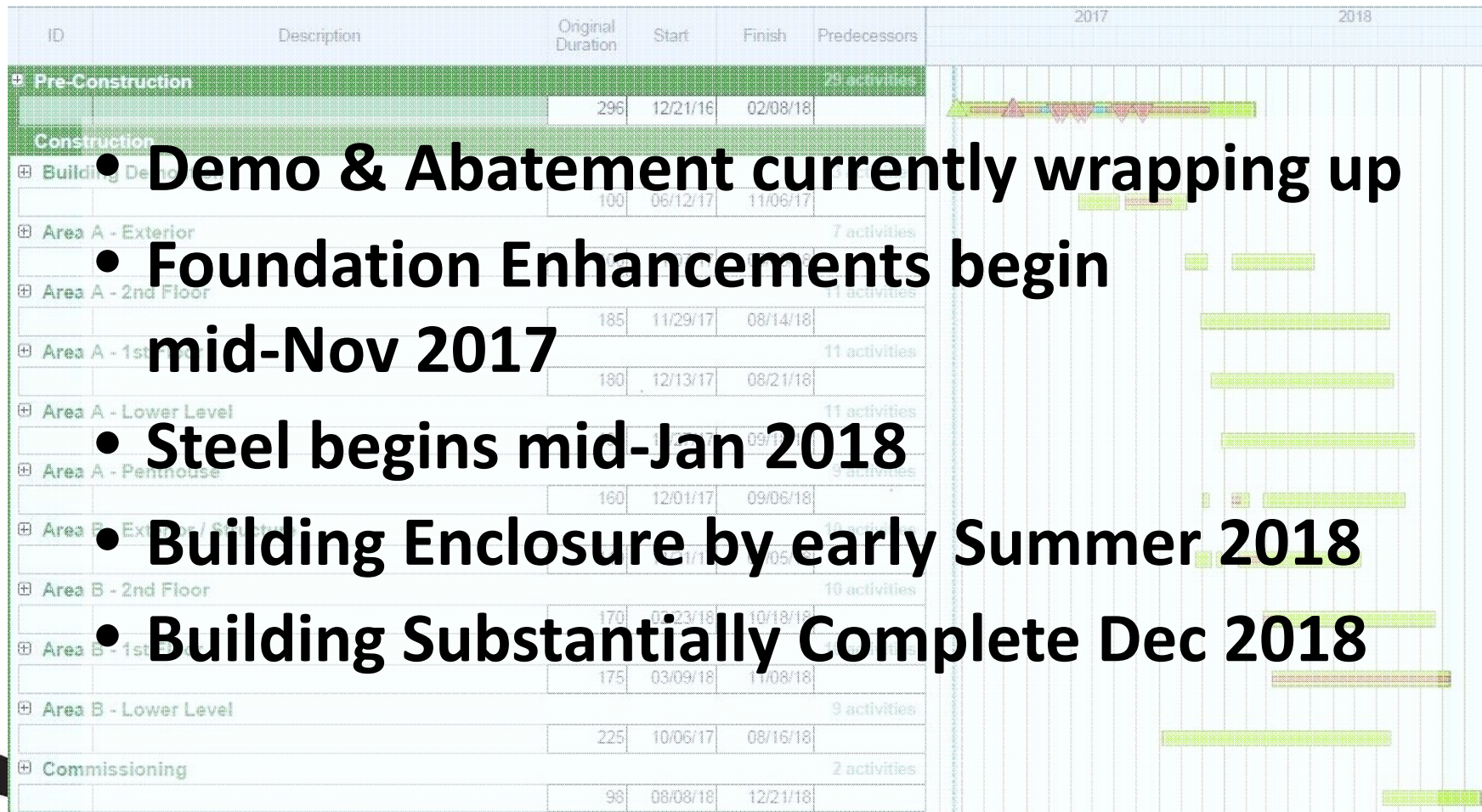


BEFORE

Interior Improvements

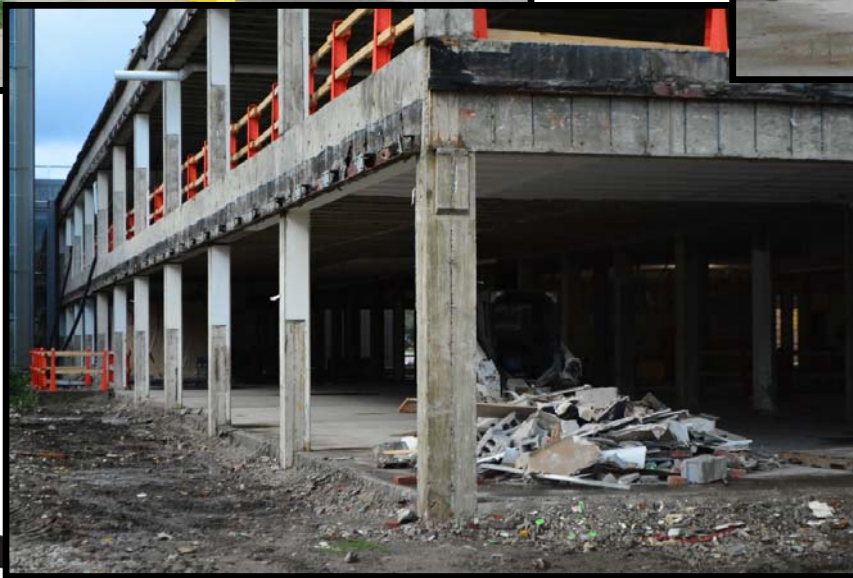


Construction - Schedule



- Demo & Abatement currently wrapping up
- Foundation Enhancements begin mid-Nov 2017
- Steel begins mid-Jan 2018
- Building Enclosure by early Summer 2018
- Building Substantially Complete Dec 2018

Construction – Progress Photos





Construction – Fun Facts

- 100,000 bricks will be placed on new building
- 12,000 sq.ft. of exterior glass to greatly increase natural light
- The new building will have 16 miles of electrical conduit and 49 miles of wire
- Employ 200 tradespeople with an average of 50 workers daily with a peak staffing of 95 onsite

Construction

Sustainability from Construction Perspective


- Recycled over 500 tons of material to date
- Reusing existing structure
- Locally sourced materials
- Onsite recycling & sorting





Construction Opportunities for Students

Partnering with College of Technology's Construction Management Department to provide:

- Internships
 - Learning opportunities outside classroom
 - Real-life experience through job shadowing in the field
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EASTERN
MICHIGAN UNIVERSITY

Questions?





Budget Update

Mike Valdes, Chief Financial Officer



FY 2018 Budget Goals

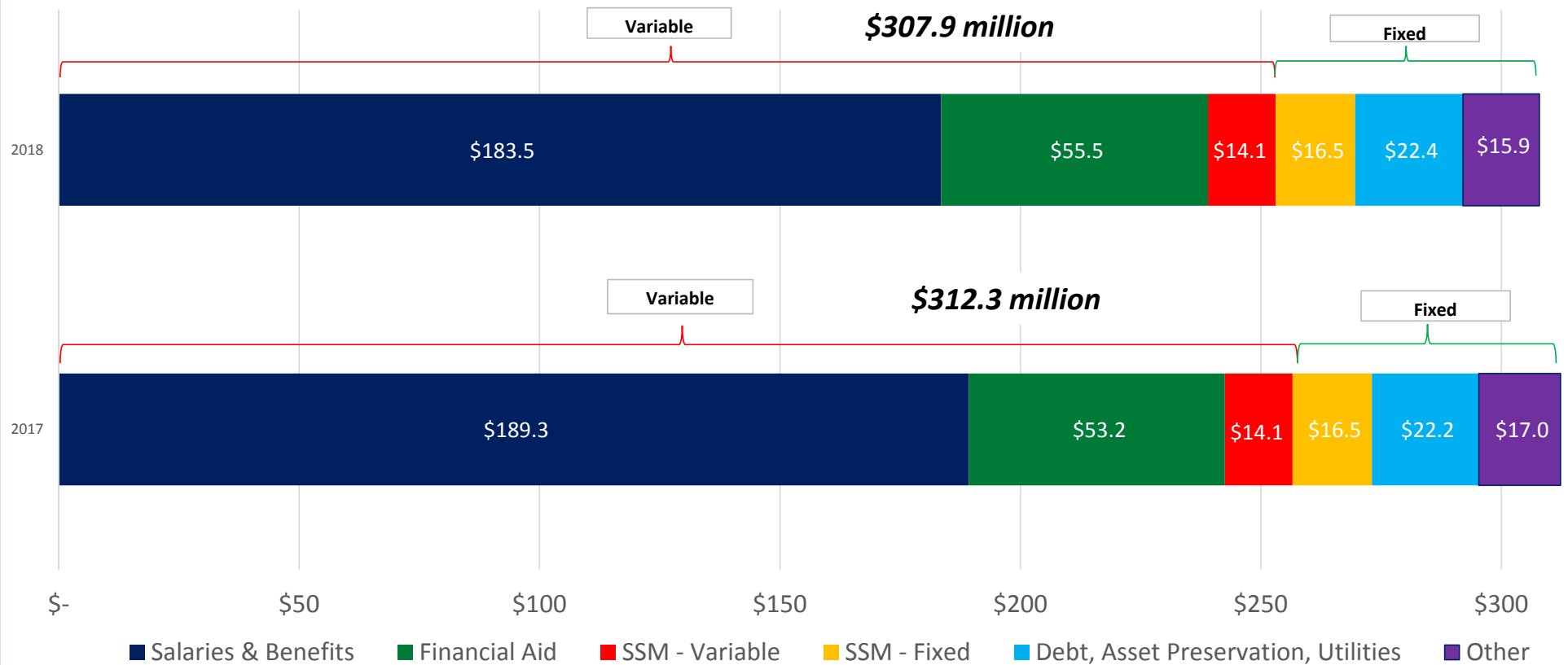
- Balanced budget
- Invest in student success
- Grow high-demand academic programs
- Minimize involuntary impacts on staffing
- Efficiency through organizational re-alignments
- Invest in facilities and infrastructure
- Increase third party revenue sources

FY 2018 Budget – General Fund Revenues

	May Budget Forum	Budget	Forecast/Actual
Total SCH	482,000	478,000	473,000
UG Tuition Increase	3.8%	3.91% (\$474 State Max)	3.91% (\$474 State Max)
GD Tuition Increase	5.0%	5.0%	5.0%
State Approp. Increase	1.9%	1.9%	1.9%
Other Revenues Increase	5.0%	5.0%	5.0%

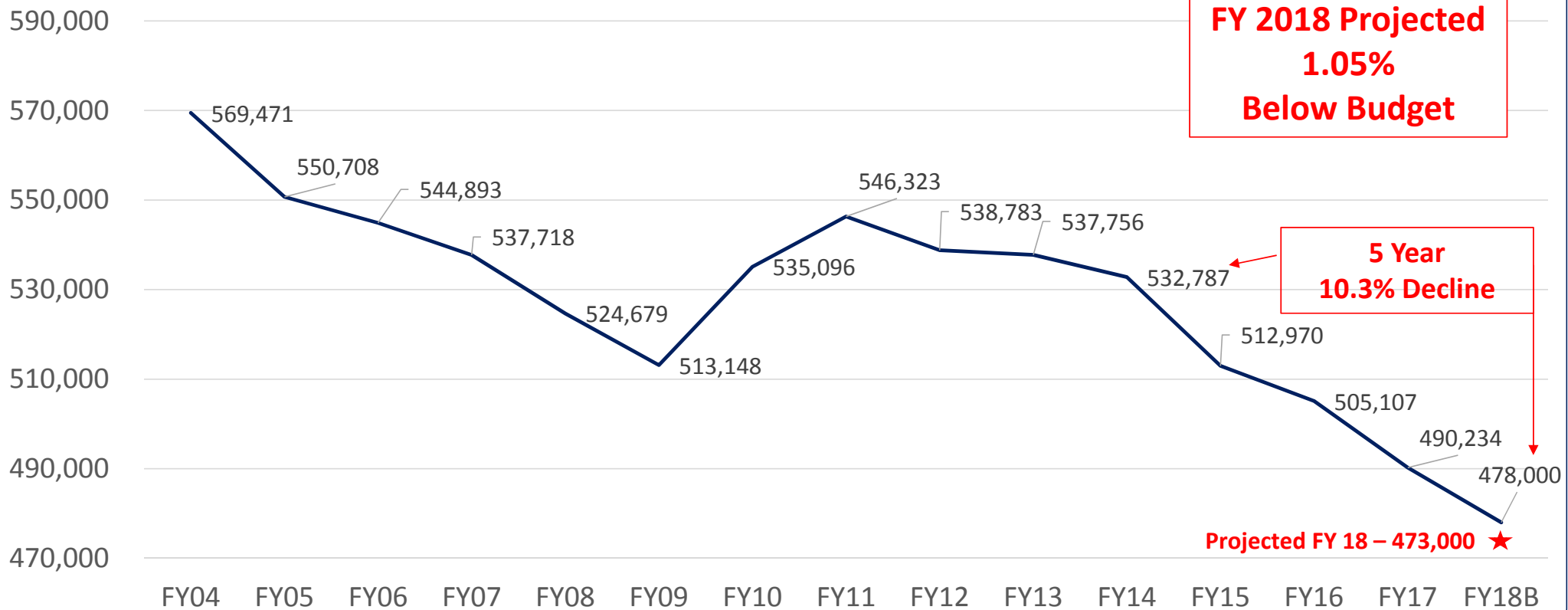
FY 2018 Budgeted Expenses

2017 vs. 2018 Budgeted Expenses

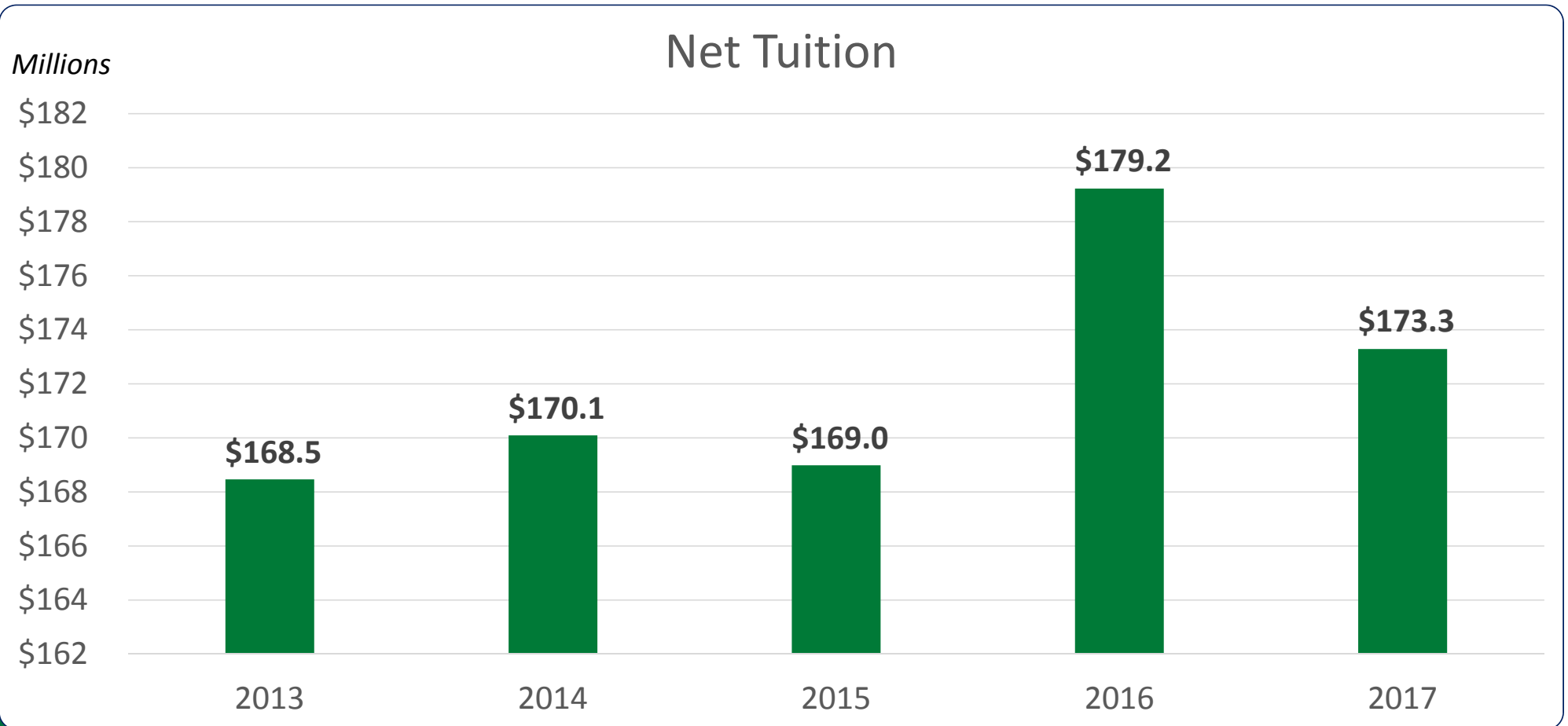


Student Credit Hours

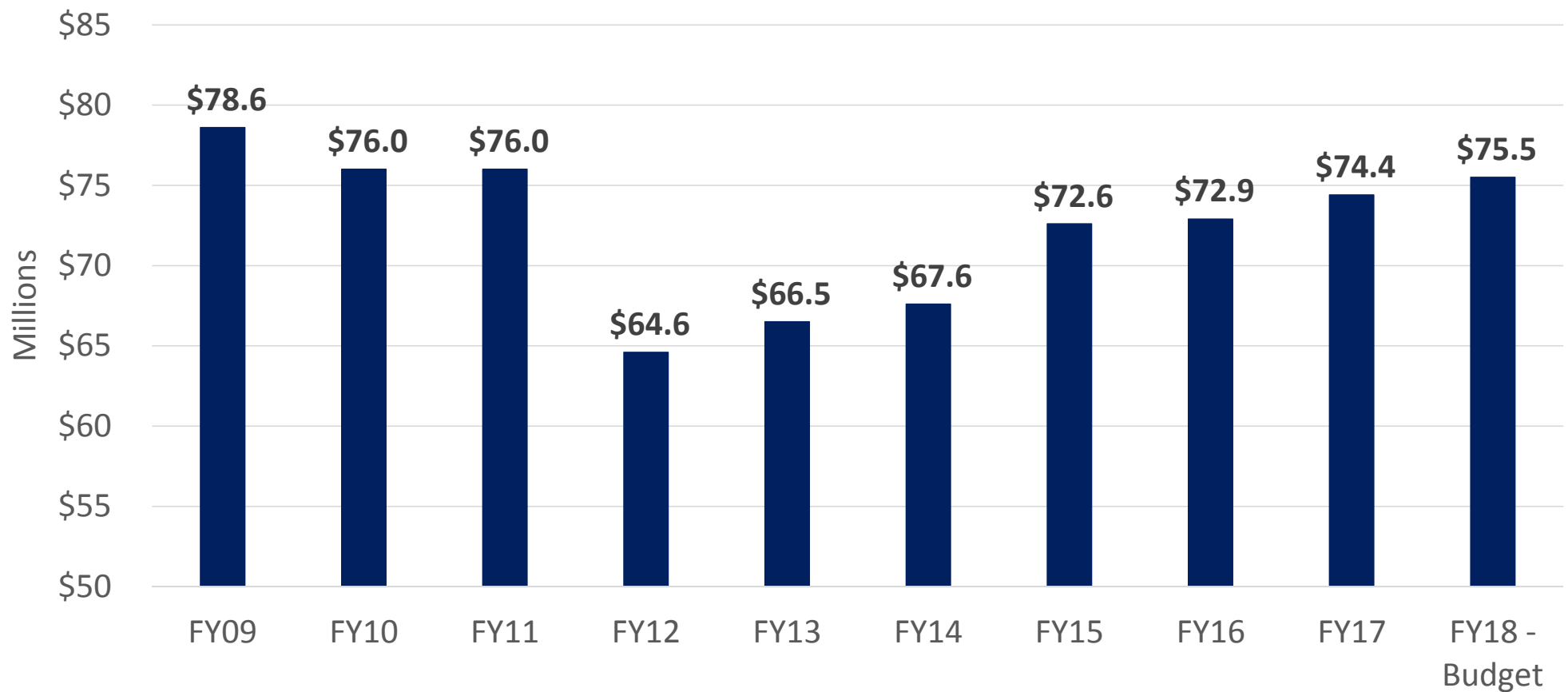
Student Credit Hours Per Academic Year



Net Tuition Trend

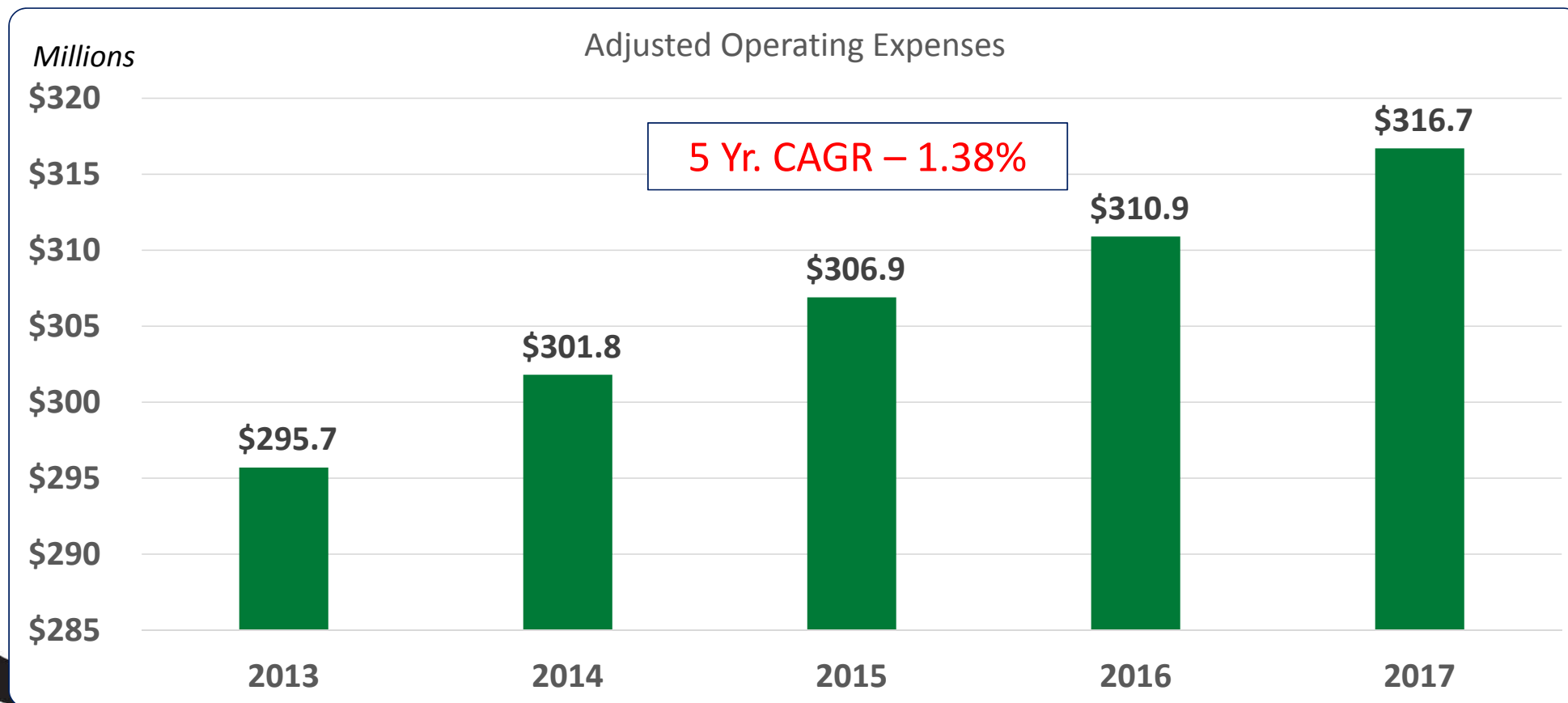


Revenue Challenges – State Appropriations



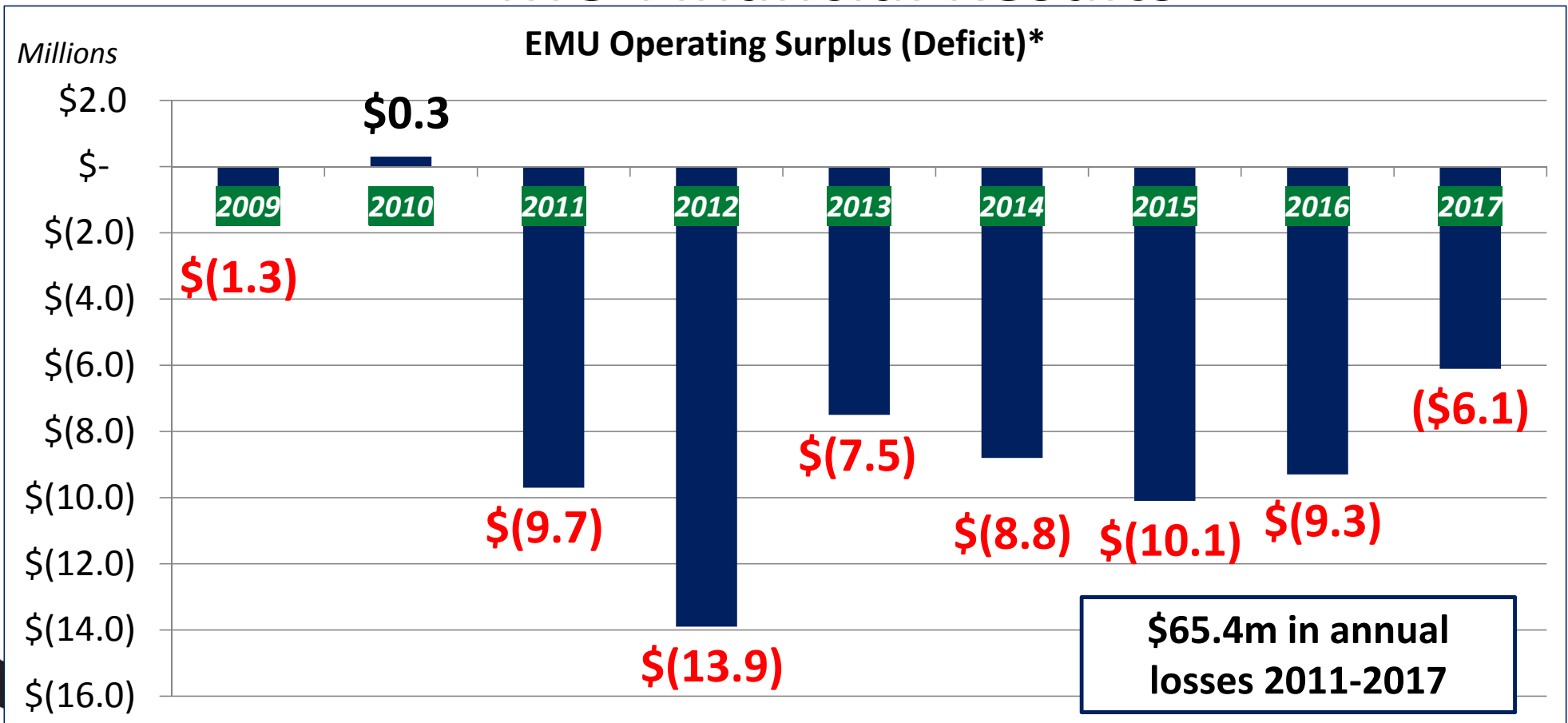
Lost appropriations revenues since 2009 levels - \$61.3m

Adjusted Operating Expenses Trend



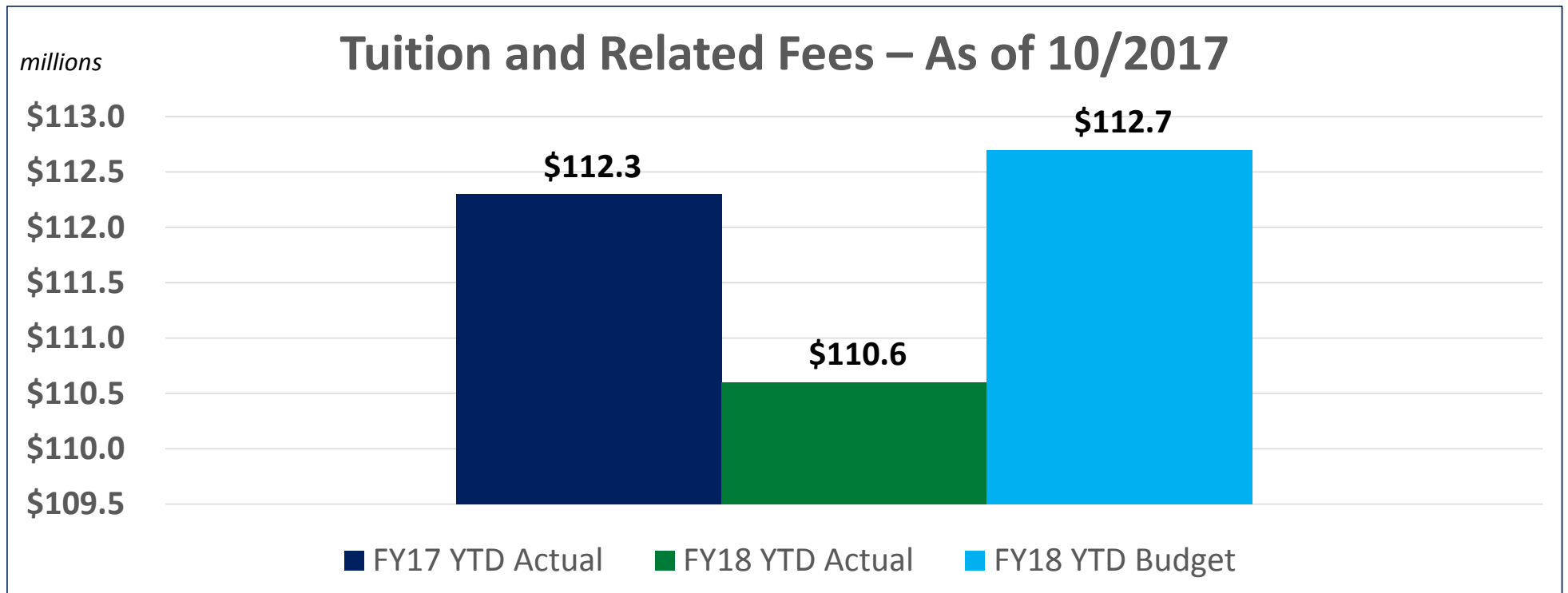
Operating Expenses adjusted for scholarships & fellowships expenses

EMU Financial Results



**Annual surplus/(deficit) adjusted for investment income, gain/loss on derivative valuations and capital appropriations*

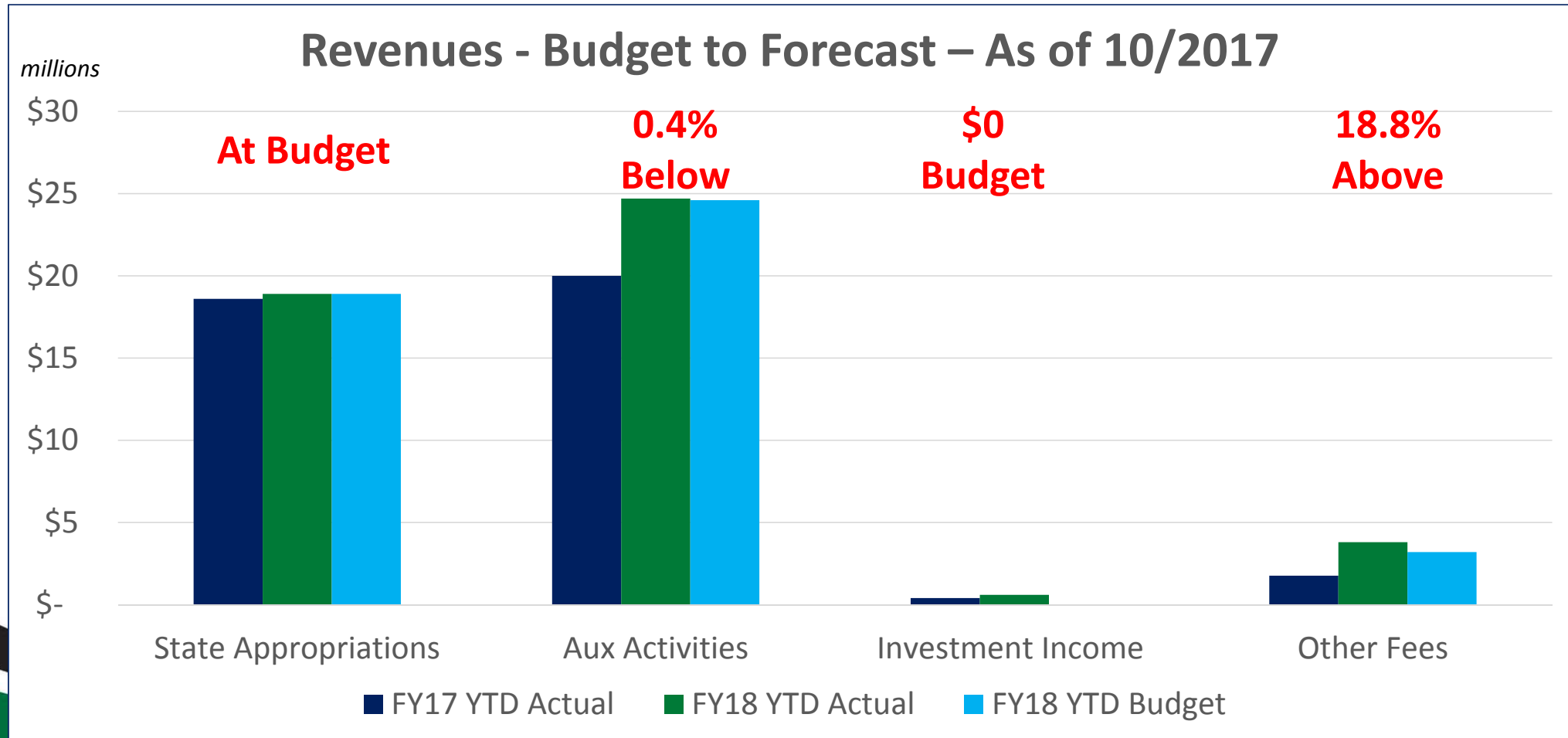
Revenue Budget to Actual



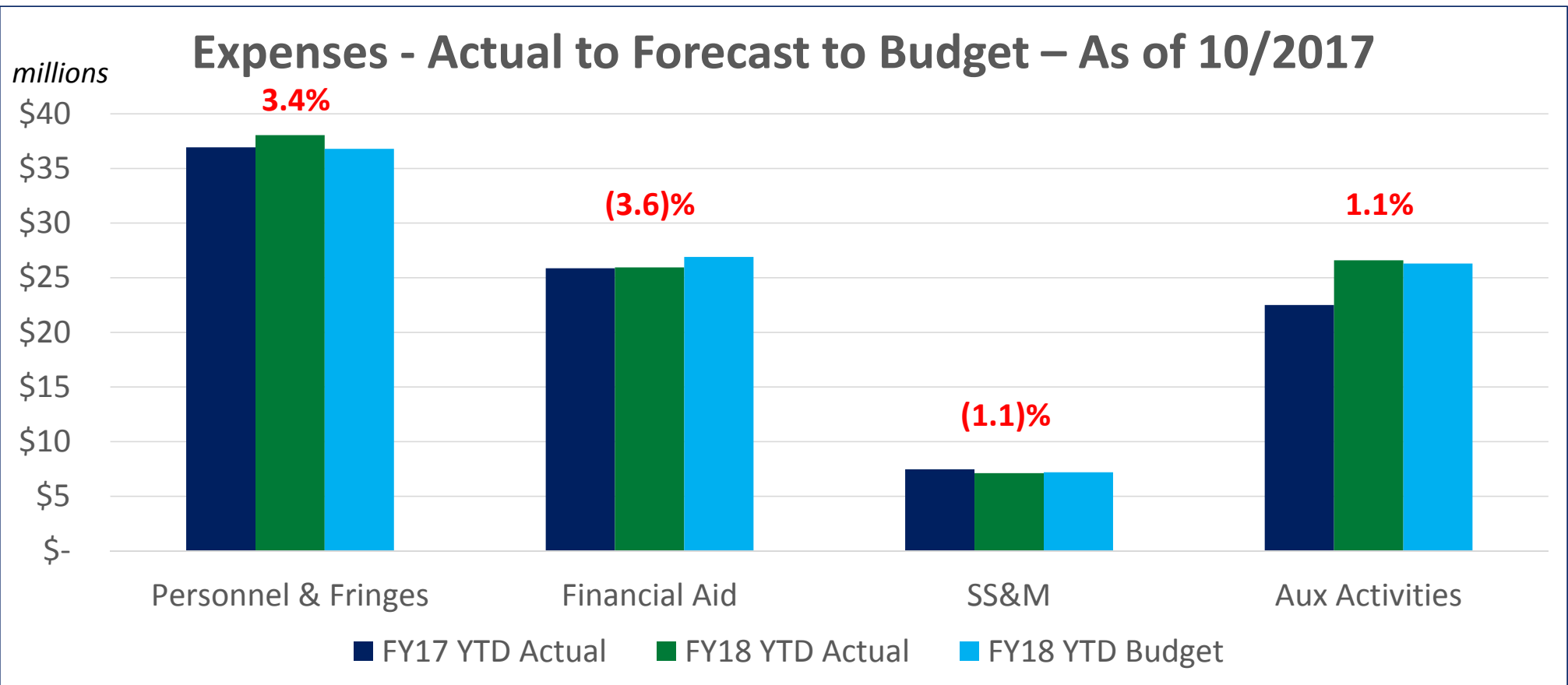
YoY – Down \$1.7m (1.5%)

Budget to Actual - Down \$2.1m (1.9%)

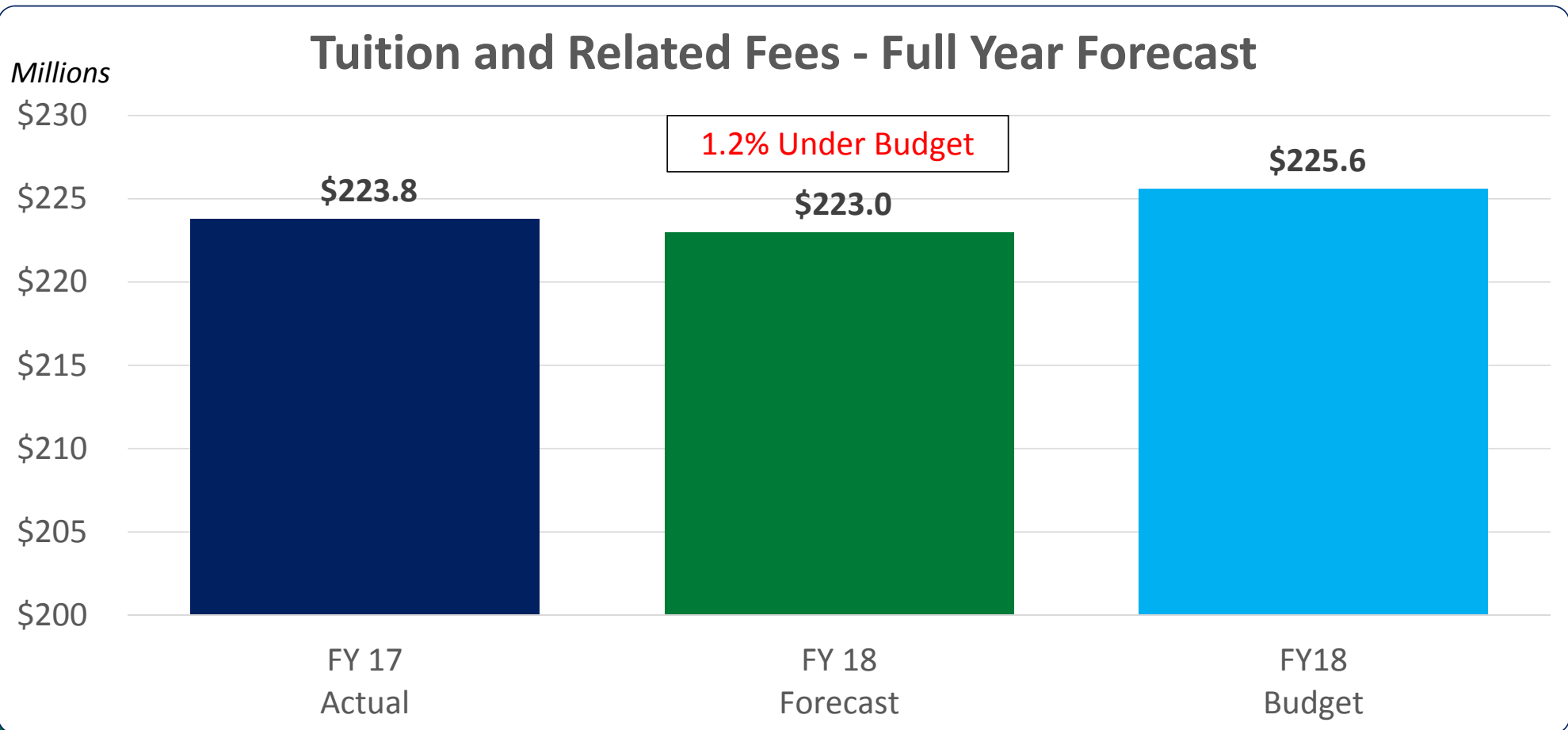
Revenue Budget to Actual



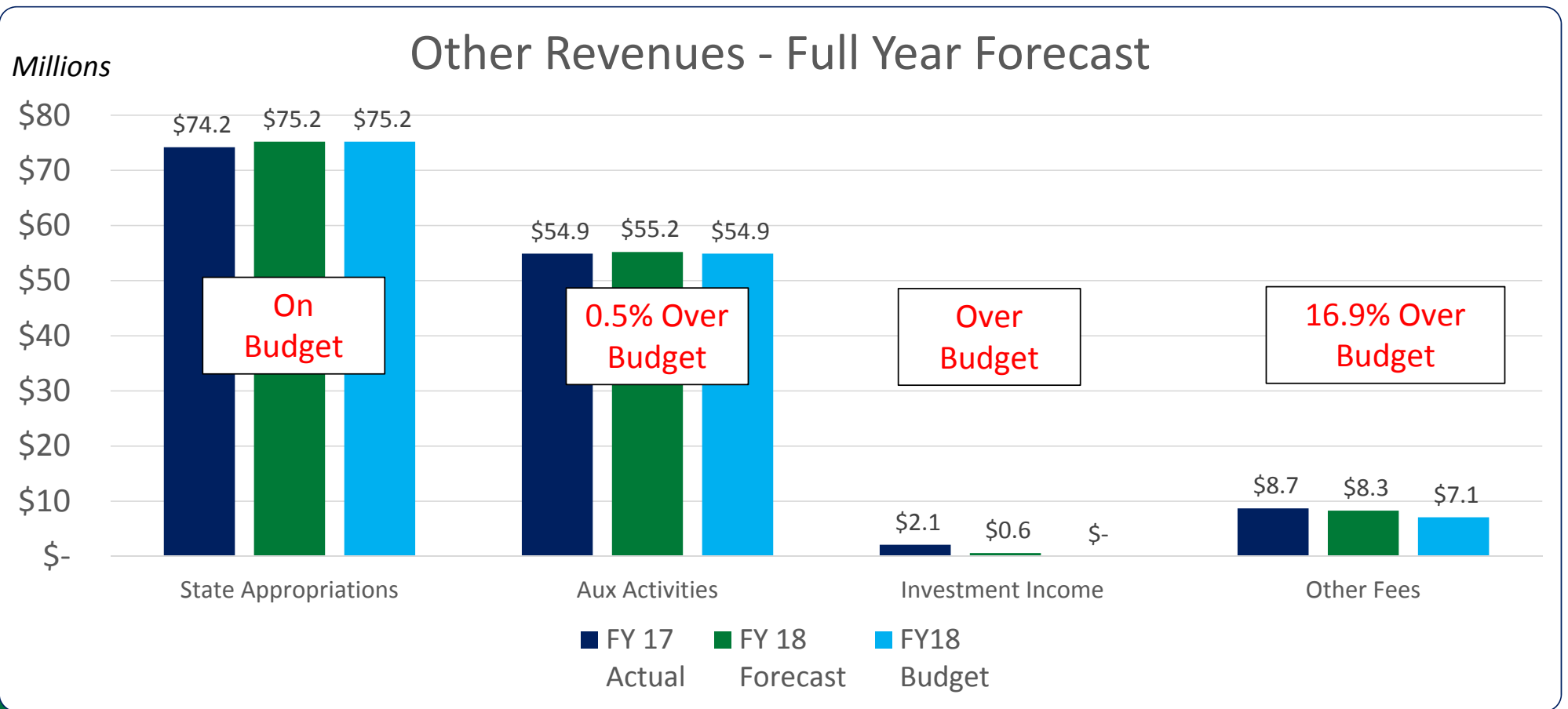
Expenses Budget to Actual



Full Year Budget to Forecast

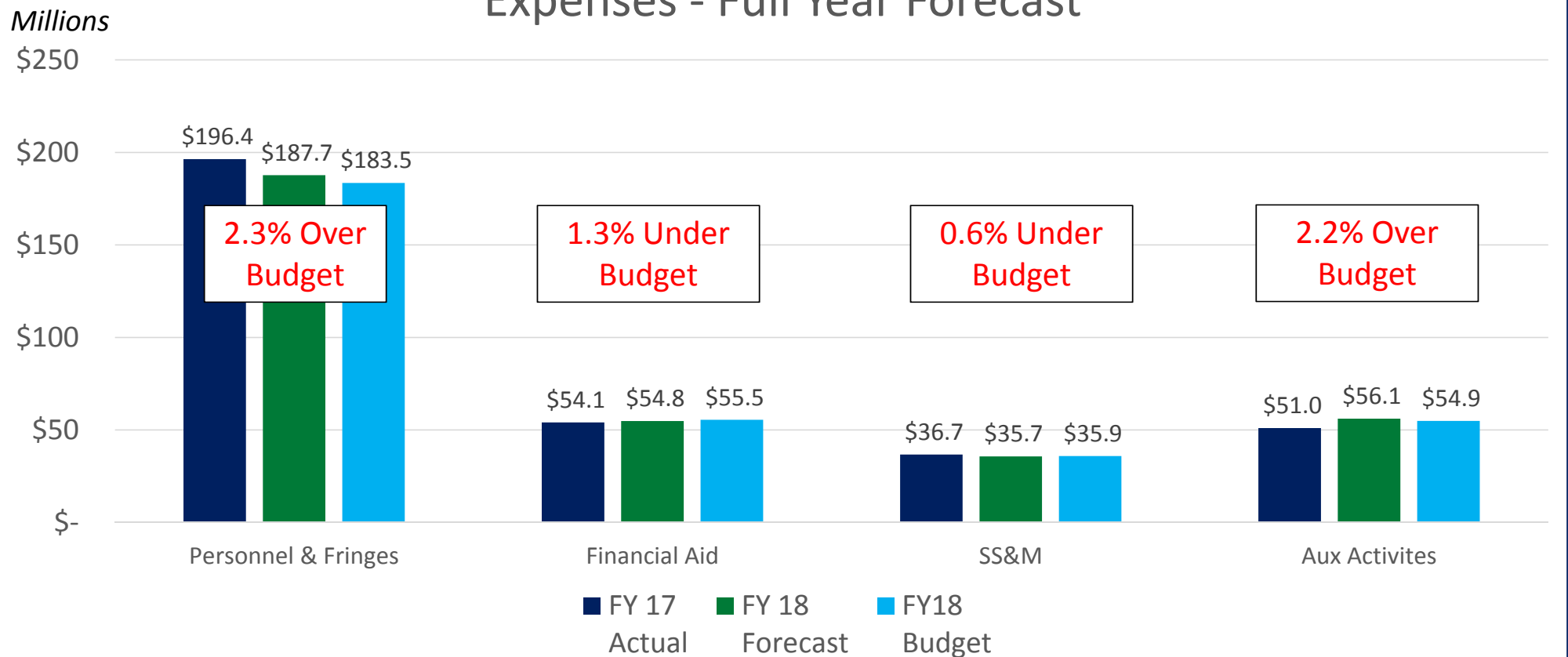


Full Year Budget to Forecast



Full Year Budget to Forecast

Expenses - Full Year Forecast



Next Steps

1. Voluntary Early Retirement Incentive Program (VERIP) yielded 34 retirees
2. Additional expense reductions required to balance
3. FY19 likely to have additional revenue decrease



Next Steps

- Increase Revenues
 - Online opportunities (nationally & internationally)
 - Optimize revenues from outside the University
- Decrease Expenses
 - Adjusted operations to reflect current activity level
 - Consolidate redundant operations



Questions?