

BOARD OF REGENTS

EASTERN MICHIGAN UNIVERSITY

SECTION: 13

DATE:
September 22, 2009

RECOMMENDATION

FINANCE AND AUDIT COMMITTEE

ACTION REQUESTED

It is recommended that the Board of Regents receive and place on file the minutes from the June 23, 2009 Finance and Audit Committee meeting, the Working Agenda for the September 22, 2009 meeting and the Informational Reports and Financial Updates.

STAFF SUMMARY

June 23, 2009 Meeting

Regular Agenda items discussed at the June 23, 2009 Finance and Audit Committee were Staff Separations/Retirements and Staff Appointments for period April 2 through June 4, 2009 as well as the Informational Reports and Financial Updates as of April 30, 2009. The Committee reviewed the recommendations to the Board for:

- 2009-10 General Operating, Auxiliary and Capital Budgets
- 2009-10 Tuition and Fees
- Authorizing the Purchase of Fletcher School Property

September 22, 2009 Meeting Agenda

Regular agenda items include Staff Separations/Retirements and Staff Appointments for period June 5, 2009 through August 31, 2009 as well as the Informational Reports and Financial Updates as of July 31, 2009. The Committee also will review recommendations to the Board for:

- Audited Fiscal Year 2008-09 Financial Statements
- Collective Bargaining Agreement Between Eastern Michigan University and the Police Officers Association of Michigan
- Collective Bargaining Agreement Between Eastern Michigan University and the EMU Federation of Teachers
- University Investment Policy
- Brighton Facility Lease Agreement

FISCAL IMPLICATIONS

None

ADMINISTRATIVE RECOMMENDATION

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

University Executive Officer

Date

**Eastern Michigan University
Finance and Audit Committee
Meeting Minutes
June 23, 2009**

Present: Regents J. Stapleton, P. Incarnati, F. Parker, R. Wilbanks, T. Sidlik, G. Hawks, F. Clack, J. Lumm

CONSENT AGENDA

Section 1: Recommendation Staff Appointments

The University recommended to the Board of Regents to approve 8 staff appointments for the reporting period of April 2, 2009 – June 4, 2009.

Section 2: Recommendation Staff Separations/Retirements

The University recommended to the Board of Regents to approve 14 staff separations and retirements for the reporting period of April 2, 2009 – June 4, 2009.

INFORMATIONAL REPORTS

**Section 20: Recommendation Monthly Reports – Finance and Audit Committee,
Informational Reports and Informational Presentations**

John Lumm noted that the Grants and Contracts report indicated that awards totaling \$643,000 were received during the period of April 1 through May 31. On a YTD basis through May 31, awards for fiscal year 2008-09 totaled \$11.7M, an increase of \$2.3M (24%) over the same period in 2007-08. YTD proposals submitted in 2008-09 totaled \$54.8M, a 75% increase compared with the dollar level of proposals a year ago. He also stated that based on the dollar value, 73% of the 2008-09 YTD awards were federal, 23% were from foundations and state/local governments, and 4% were from business and industry.

Lumm reported that under Strategic Initiatives Progress the second pilot of Phase 2 of the University's new e-mail system (EagleMail) was conducted in May. This month, the second set of collaboration and productivity tools (shared calendars and mobile device synchronization) will be rolled out University wide. As with prior EagleMail rollouts, demonstration and training session are offered. The Computer Refresh program for the year was completed in February with 550 systems ordered. Upgrades to the University's ERP systems (Banner and Oracle) are continuing. Planning continues for the next major Banner upgrade (version 8.0 in August 2010). Planning for the upgrade to version 4.0 of Luminus software is also continuing.

Financial Update – Balance Sheet (as of April 30, 2009)

Student accounts receivable totaled \$19.0M at April 30, down 4.3% from a year ago. Receivables in excess of 180 days past due were \$6.0M at April 30, up \$1.5M from April 2008. The University continues to monitor the receivables closely. The University's cash and investments balance on April 30 was \$88.4M, equivalent to 104 days cash on hand. The cash and investment levels remain consistent with budget. The University's YTD portfolio return through April 30 was 2.08%. Unrestricted net assets at April 30 were \$73.1M, consistent with budget. Total net assets at April 30 were \$250.6M, also consistent with budget.

Lumm reported that several university financing actions occurred recently. The University refinanced \$125M of variable rate debt, which was completed on May 12. The favorable rate impact of replacing Dexia Bank as the credit enhancer with Chase Bank was immediate. New borrowing (\$100M fixed rate)

was completed on May 28. A combination of conventional tax exempt and taxable Build America Bonds were issued at an all-in average rate of 4.75%.

Financial Updates for Operating Budgets (Eight months through February 28, 2009)

Revenues for the ten months of the fiscal year through April 30, 2009, in both the General (\$234.4M) and Auxiliary (\$33.9M) funds were generally consistent with budget. Investment income, previously mentioned as an income statement element underperforming budget, has improved. YTD General Fund expenditures through April were \$229.1M, 87.2% of the annual \$262.7M budget, consistent with the same period in 2007-08. Although General Fund expenditures YTD are generally in line with budget in total and for most cost elements, interest expense is significantly over budget reflecting the capital market challenges. Offsetting the unfavorable interest costs has been favorable performance to budget for fringe benefit costs, utilities and SS&M. YTD Auxiliary Fund expenditures through the first ten months were \$31.1M, equivalent to 87.5% of the full year expenditure budget. Full Year GF Forecast – the outlook has improved since February. Barring any significant unforeseen events, the University is projecting a General Fund surplus of about \$2M (0.8%) for the full fiscal year.

Revenues are forecasted to be about \$1M higher than budget, primarily in tuition and fees. Although the University will likely finish the year slightly below budget on student credit hours (513,000 vs. budget of 514,000), the mix of hours has been favorable to budget throughout the fiscal year. As noted, Investment income is now tracking better than budget. Expenditures are forecasted to be about \$1M below budget. Fringe benefits, utilities, SS&M, and equipment are all tracking below budget, more than offsetting the higher interest costs.

Student Credit Hours – 2008-09 Forecast/Current Status for Summer/Fall 2009

The present forecast (largely actual) for the 2008-09 fiscal year remains at 513,200 credit hours, down 2.1% from 2007-08 and down 9.9% from the peak in 2003-04. The 2008-09 budget, including the 5,000 credit hour challenge, is 514,000 hours. At the 513,200 level, the University will have achieved 84% (4,200 hours) of the credit hour challenge. As of June 4, student credit hours for Summer 2009 are down 356 hours (1.5%) from Summer 2008 and Fall 2009 credit hours of 144,036 are down 503 (0.3%) from Fall 2008.

The FY2009-10 budget recommendation presented today reflects 510,000 credit hours for the year, down 0.6% year-to-year. A top University priority is to achieve credit hour production in FY10 higher than FY09 and a 514,000 credit hour internal target has been established and cascaded. To date, Residence Hall occupancy is tracking higher than a year ago with 1,859 contracts signed through May 29 compared with 1,711 at the same time last year.

Section 21: Recommendation 2009-2010 General Operating, Auxiliary and Capital Budgets

It is recommended that the Board of Regents approve fiscal year 2009-2010 General Operating, Auxiliary, and Capital Budgets in the amounts of \$267.7 million, \$38.5 million and \$81.6 million respectively.

Lumm stated that the University has been mindful of the state's economic condition with the key objectives being to maintain excellence of education, affordability and accessibility.

Cost savings measures include; pay freezes for the 100 highest compensated AP staff; a 6-month deferral of merit increases to January 1, 2010 for the balance of the AP staff, and implementation of voluntary furlough program where, subject to management approval, employees could choose a reduced schedule and pay while maintaining full benefits. There were no staff reductions or layoffs related to budget.

Regent Stapleton noted that this year's budget preparations were the most collaborative efforts in his recollection. Regent Sidlik further noted that in his four years as a Regent member, this has been the best budget to date. Additionally, as the University proceeds with improving and renovating buildings across

campus, the university will be in a position to help the economy as much as possible with the \$175M in capital improvements. The University is conducting economic impact studies that will layout the total, favorable impact of these efforts.

Section 22: Recommendation 2009-2010 Tuition and Fees

It is recommended that the Board approve tuition and fee increases effective the Fall 2009 semester averaging 3.82%.

Section 23: Recommendation Authorization to Purchase Fletcher School and Property

It is recommended that the Board of Regents authorize the President to negotiate and purchase the Fletcher School and property from the Ypsilanti Public Schools (YPS) subject to approval of final terms by the Board's Executive Committee. The site will be used primarily for the Autism Clinic and Children's Institute.

Potential sale of the Cooper building was also discussed. President Martin will discuss possibilities and return with options to the Board.

Meeting was adjourned at 3:30 PM.

Respectfully Submitted,

Tammy Morle

BOARD OF REGENTS

EASTERN MICHIGAN UNIVERSITY
201 WELCH HALL
(734) 487-2410

Tuesday, September 22, 2009

FINANCE AND AUDIT COMMITTEE

BOARD CONSENT AGENDA

- Section 1: Recommendation: Staff Appointments Report
- Section 2: Recommendation: Staff Separations/Retirements Report

BOARD REGULAR AGENDA

- Section 13: Recommendation: Informational Reports and Financial Updates
- Minutes from June 23, 2009
 - September 22 Finance and Audit Committee Agenda
 - Executive Summary
 - Grants and Contracts
 - IT Strategic Initiatives Progress Report
 - Financial Reports
- Section 14: Recommendation: Audited Fiscal Year 2008-2009 Financial Statements
- Section 15: Recommendation: Collective Bargaining Agreement Between Eastern Michigan University and the Police Officers Association of Michigan
- Section 16: Recommendation: Collective Bargaining Agreement Between Eastern Michigan University and the EMU Federation of Teachers
- Section 17: Recommendation: Policy Revision: University Investment Policy
- Section 18: Recommendation: Brighton Lease Agreement

INFORMATIONAL PRESENTATIONS

- Section 19: Major Capital Project Update/Presentation (John Donegan)
- Section 20: Fall Enrollment Update/Presentation (Bernice Lindke)

Eastern Michigan University
Board of Regents – Finance and Audit Committee
Informational Reports and Financial Update
(Executive Summary)

Grants and Contracts (June 1, 2009 through August 31, 2009)

- Awards totaling \$4.3M were received during the June 1-August 31 period
- For the full 2008-09 fiscal year, grant and contract awards totaled \$13.1M, an increase of \$2.6M (24%) over 2007-08.
- Based on the dollar value, 75% of the 2008-09 awards were federal, 11% were local governments and foundations, 10% were state, and 4% were business and industry.
- For the first two months of fiscal year 2009-10, awards of \$3.5M have been received, up \$0.5M (16%) from the same period a year ago. Proposals totaling \$27.8M have been submitted in the first two months of 2009-10 compared with \$16.7M in July and August of last year.

Information Technology – Strategic Initiatives Progress Report

- Roll-out of EagleMail Phase 2 (shared calendars, mobile device synchronization) began in June and is continuing. Instant messaging tools will be selected and implemented during Fall term.
- Computer refresh program on track – ordering began early August and will continue through December.
- Planning for major Banner upgrade continues – project team formed, task scheduling commenced.
- Other upgrades/actions:
 - Banking transition completed in July
 - Analysis of wireless access in residence halls underway
 - Presently reviewing VoIP for Science Complex and Pray-Harrold

Financial Update(as of July 31, 2009)

- For July, the first month of the 2009-10 fiscal year, there were no out-of-budget conditions to note. Operating revenues and expenses for the month were consistent with both budget and July of last year and key University balance sheet accounts are also consistent with budget.
- General Fund expenditures in July were \$10.1M or 3.8% of the annual budget of \$267.7M, consistent with July of 2008. Auxiliary Fund expenditures in July were minimal (\$260K or 0.7% of the full year budget).
- EMU's cash and investments balance on July 31 was \$159.9M, including \$59.9M of normal operating and working capital (equivalent to 68 days cash on hand) and \$100M of bond proceeds borrowed in June for the Science Complex and other capital projects. These bond proceeds are accounted for and managed separately from the University's operating and working capital cash and investments.

- For the Quarter ending June 30, 2009, the University's operating and working capital investment portfolio earned 4.3%. A summary of investment performance by pool and by investment prepared by the University's investment advisor (Fund Evaluation Group) is included in the attached materials (a more detailed report covering the April 1, 2009 through June 30, 2009 period is also available). To summarize:
 - The short term pool returns were 0.1% for the Quarter, reflecting low short-term treasury yields
 - The intermediate term pool return was 8.0% for the Quarter, reflecting strong, above-index returns for both the PIMCO Low Duration and Western Asset Intermediate Duration bond funds.
 - The average portfolio return was 4.3% for the Quarter.
- FY 2009-10 Revenue Outlook
 - A detailed Fall Enrollment report will be presented by VP Lindke at the meeting.
 - The 2009-10 budget assumed 510,000 student credit hours for the year, down 3,000 hours (0.6%) from 2008-09.
 - Summer credit hours were about 1% over the Summer of 2008 and Fall credit hours are tracking about 2% ahead of Fall 2008. Each 1% change in credit hours represents about \$1.8M in annual revenue.
 - The 2009-10 budget reflected a 3% reduction (\$2.4M) in State appropriation. At this time, there have been no definitive indications from Lansing regarding the state budget or higher education funding to alter that assumption.

GRANTS AND CONTRACTS
FY 2009 PROGRESS REPORT - FINAL
 June 30, 2009

TABLE I: PROPOSALS

	FY2009 Activity through 06/30		FY2008 Activity through 06/30		FY2007 Activity through 06/30		FY2009 vs. FY2008 Actual to Date Var.	
	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date
Proposals by Activity:								
Research & Development	101	\$37,494,877	100	\$22,963,110	95	\$13,206,518	1	\$14,531,767
Service	73	\$20,891,506	79	\$6,764,264	62	\$6,861,958	(6)	\$14,127,242
Corporate/Community Training	12	\$1,446,621	54	\$1,227,263	170	\$6,574,101	(42)	\$219,358
Instructional Support & Other	33	\$8,424,843	19	\$2,886,216	24	\$3,141,101	14	\$5,538,627
Total Proposals	219	\$68,257,847	252	\$33,840,853	351	\$29,783,678	(33)	\$34,416,994
Proposals by Funding Source:								
Federal	115	\$49,060,356	94	\$27,381,832	97	\$24,501,946	21	\$21,678,524
State	28	\$6,773,116	17	\$849,614	18	\$510,355	11	\$5,923,502
Foundations	21	\$4,233,341	25	\$1,593,412	13	\$704,970	(4)	\$2,639,929
Business & Industry	16	\$534,620	73	\$1,452,570	154	\$2,539,866	(57)	(\$917,950)
Local Govt. & Other Non-Profits	39	\$7,656,414	43	\$2,563,425	69	\$1,526,541	(4)	\$5,092,989
Total Proposals	219	\$68,257,847	252	\$33,840,853	351	\$29,783,678	(33)	\$34,416,994

TABLE II: AWARDS

	FY2009 Activity through 06/30		FY2008 Activity through 06/30		FY2007 Activity through 06/30		FY2009 vs. FY2008 Actual to Date Var.	
	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date
Awards by Activity:								
Research & Development	44	\$5,520,605	63	\$4,117,923	50	\$4,532,160	(19)	\$1,402,682
Service	55	\$4,465,264	61	\$4,293,941	48	\$3,090,194	(6)	\$171,323
Corporate/Community Training	7	\$1,094,641	61	\$1,519,240	162	\$2,364,663	(54)	(\$424,599)
Instructional Support & Other	17	\$2,037,069	17	\$619,158	12	\$127,688	0	\$1,417,911
Total Awards	123	\$13,117,579	202	\$10,550,262	272	\$10,114,705	(79)	\$2,567,317
Awards by Funding Source:								
Federal	51	\$9,872,119	64	\$6,855,053	55	\$6,240,432	(13)	\$3,017,066
State	19	\$1,248,213	14	\$682,184	14	\$545,386	5	\$566,029
*Foundations	11	\$878,551	14	\$603,510	5	\$292,550	(3)	\$275,041
Business & Industry	17	\$541,259	70	\$1,552,091	147	\$2,381,796	(53)	(\$1,010,832)
*Local Govt. & Other Non-Profits	25	\$577,437	40	\$857,424	51	\$654,540	(15)	(\$279,987)
Total Awards	123	\$13,117,579	202	\$10,550,262	272	\$10,114,704	(79)	\$2,567,317

*Grants reported jointly with the EMU Foundation:

Michigan Women's Foundation	\$3,500	Fifth Third Foundation	\$10,000
Ann Arbor Area Community Foundation	\$76,350	Anonymous Foundation (supplement)	\$350,000
Anonymous Foundation	\$320,000	American Psychoanalytic Association	\$11,000
Community Foundation of Southeast Michigan	\$25,000	Detroit Edison Foundation	\$20,000
National League for Nursing	\$6,400	Society of Manufacturing Engineers	\$112,500
Ann Arbor Area Community Foundation	\$30,000	RNR Foundation	\$10,701
		TOTAL:	\$975,451

GRANTS AND CONTRACTS
FY 2010 PROGRESS REPORT
 September 22, 2009

TABLE I: PROPOSALS

	FY2010 Activity through 08/31		FY2009 Activity through 08/31		FY2008 Activity through 08/31		FY2010 vs. FY2009 Actual to Date Var.	
	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date
Proposals by Activity:								
Research & Development	11	\$26,184,116	23	\$14,219,318	17	\$4,649,825	(12)	\$11,964,798
Service	6	\$702,086	12	\$1,465,733	13	\$1,253,887	(6)	(\$763,647)
Corporate/Community Training	7	\$838,097	8	\$815,335	11	\$509,819	(1)	\$22,762
Instructional Support & Other	2	\$48,470	5	\$230,552	1	\$6,488	(3)	(\$182,082)
Total Proposals	26	\$27,772,769	48	\$16,730,938	42	\$6,420,019	(22)	\$11,041,831
Proposals by Funding Source:								
Federal	14	\$27,156,359	21	\$15,585,224	15	\$5,114,837	(7)	\$11,571,135
State	7	\$557,384	11	\$755,080	7	\$419,652	(4)	(\$197,696)
Foundations	2	\$16,593	1	\$41,545	3	\$138,963	1	(\$24,952)
Business & Industry	1	\$5,520	5	\$41,603	11	\$591,489	(4)	(\$36,083)
Local Govt. & Other Non-Profits	2	\$36,913	10	\$307,486	6	\$155,078	(8)	(\$270,573)
Total Proposals	26	\$27,772,769	48	\$16,730,938	42	\$6,420,019	(22)	\$11,041,831

TABLE II: AWARDS

	FY2010 Activity through 08/31		FY2009 Activity through 08/31		FY2008 Activity through 08/31		FY2010 vs. FY2009 Actual to Date Var.	
	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date	No.	Dollar Value to Date
Awards by Activity:								
Research & Development	6	\$1,138,086	9	\$1,797,568	10	\$1,367,594	(3)	(\$659,482)
Service	8	\$2,292,928	11	\$649,717	10	\$769,713	(3)	\$1,643,211
Corporate/Community Training	0	\$0	1	\$265,538	15	\$617,333	(1)	(\$265,538)
Instructional Support & Other	3	\$66,157	5	\$289,752	2	\$86,488	(2)	(\$223,595)
Total Awards	17	\$3,497,171	26	\$3,002,575	37	\$2,841,128	(9)	\$494,596
Awards by Funding Source:								
Federal	11	\$3,299,045	9	\$2,744,857	9	\$1,970,462	2	\$554,188
State	2	\$8,916	2	\$7,452	1	\$6,488	0	\$1,464
Foundations*	0	\$0	1	\$3,500	3	\$127,550	(1)	(\$3,500)
Business & Industry	1	\$5,520	5	\$64,442	16	\$518,519	(4)	(\$58,922)
Local Govt. & Other Non-Profits	3	\$183,690	9	\$182,324	8	\$218,109	(6)	\$1,366
Total Awards	17	\$3,497,171	26	\$3,002,575	37	\$2,841,128	(9)	\$494,596

*Grants reported jointly with the EMU Foundation:
 None

EASTERN MICHIGAN UNIVERSITY

Summary of Grants and Contracts Received: June 1, 2009 - August 31, 2009

Report to the Board of Regents: September 22, 2009

Project Title	Funding Agency	Project Director	EMU Unit	3rd Party		EMU		Sponsor	Total
				In-kind	In-kind	Cash	In-kind		
Family Relations and Aging: The Case of Lebanon	Doha International Institute for Family Studies & Development	Kristine Ajrouch	Sociology, Anthropology and Criminology			\$3,500		\$35,000	\$38,500
Course Development: Other Worlds	Michigan Space Grant Consortium	James Sheerin	Physics & Astronomy		\$4,628	\$1,970		\$5,000	\$11,598
Upward Bound - Renewal 2009-2010	U.S. Department of Education	Sandra Gonzales	Upward Bound Program		\$10,236			\$398,292	\$408,528
Self-Healing Polymers and Coatings	University of Michigan	Philip Rufe	School of Engineering Technology			\$6,063		\$19,993	\$26,056
Workforce Investment: Providing Higher Education for the Displaced Worker	U.S. Department of Labor	Lynette Findley	Retention Services		\$66,257	\$26,083		\$325,216	\$417,556
International Abroad Academic Service Learning	RNR Foundation	James Perren	World Languages					\$10,701	\$10,701
Michigan Space Grant Operating Support: 2009-2010	Michigan Space Grant Consortium	James Sheerin	Physics & Astronomy					\$2,100	\$2,100
TEAMED TIP Project #6: Patent Legal Fees for Protection of Technologies EMU0806.00 Plasminogen Activator Inhibitor-1 Inhibitors and Methods of Use thereof to Modulate Lipid Metabolism	Michigan Technological University	Brian Anderson	Office of Research Development	\$0		\$8,400	\$0	\$5,600	\$14,000
Sherwin Williams Exclusive Option Agreement for "Blends of Conventionally Sized Nanoparticle Latexes"	Sherwin Williams Company	Brian Anderson	Office of Research Development					\$20,000	\$20,000
Michigan Colorectal Cancer Campaign	Ann Arbor Chapter of the Oncology Nursing Society	Tsu-Yin Wu	School of Nursing					\$21,284	\$21,284
Energy: Charles McGee at Eighty-Five	Michigan Council for the Humanities	Julia Myers	Art	\$10,000			\$42,307	\$15,000	\$67,307
Lincoln: The Constitution and the Civil War	National Endowment for the Humanities	Robert Stevens	Haile Library					\$2,500	\$2,500

Project Title	Funding Agency	Project Director	EMU Unit	3rd Party In-kind	EMU In-kind	EMU Cash	Sponsor	Total
EMU School of Nursing Graduate Traineeship	Health Resources & Services Administration	Sandra Hines	School of Nursing				\$24,998	\$24,998
EMU Nurse Faculty Loan Program	Human Resources and Services Administration	Virginia Lan	School of Nursing		\$3,122		\$28,094	\$31,216
Michigan Business Professionals of America (BPA) - Competitive Renewal (Y3)	Michigan Department of Labor & Economic Growth-Career	Maurice Henderson	School of Technology Studies		\$242,420		\$67,500	\$309,920
Michigan Family, Career & Community Leaders of America (CCLA) - Competitive Renewal (Y3)	Michigan Department of Labor & Economic Growth-Career	David Wait	School of Technology Studies		\$114,451		\$49,500	\$163,951
Michigan DECA-Competitive Renewal	Michigan Department of Education	David Wait	School of Technology Studies		\$787,423		\$67,500	\$854,923
Michigan Skills USA-Competitive Renewal	Michigan Department of Education	David Wait	School of Technology Studies		\$175,241		\$67,500	\$242,741
MSF:Interop:LEGO Year 2: 2009-2010	National Science Foundation	Helen Aristar-Dry	ILIT				\$218,851	\$218,851
Give Giving Garden	Michigan Campus Compact	Robert Duke	History & Philosophy		\$2,025	\$990	\$2,965	\$5,980
ILLISH: Rendering Endangered Languages Lexicons Operable through Standards Harmonization	National Endowment for the Humanities	Helen Aristar-Dry	ILIT			\$10,080	\$160,793	\$170,873
Community-Based Model for Emergency Management	U.S. Department of Education	Kathryn Wilhoff	Health and Safety Office		\$63,449		\$490,517	\$553,966
RE Small Contracts Fund - Cost Proposal to Upgrade Corridor Keeper Application	Eight Mile Boulevard Association, Detroit MI	Yichun Xie	IGRE				\$3,000	\$3,000
21st Century Community Learning Centers - Brighter Futures Year 3 (cohort D)	Michigan Department of Education	Lynn Malinoff	ISCFC			\$2,900	\$749,694	\$752,594
Priority Teacher Preparation Program: DREAMS	U.S. Department of Education	Deborah Harmon	Office of the Dean of Education				\$285,000	\$285,000

Project Title	Funding Agency	Project Director	EMU Unit	3rd Party In-kind	EMU In-kind	EMU Cash	Sponsor	Total
Student Support for 3L International Summer School in Language Documentation and Description	National Science Foundation	Edward Garrett	English Language & Literature				\$14,799	\$14,799
Acoustic Monitoring of Bat Activity at a Proposed Wind Farm Huron County, Michigan	Applied Ecological Services, Inc.	Allen Kurta	Biology				\$5,520	\$5,520
Southeast Michigan Stewardship Coalition Continuation Proposal, 2009-2011	Great Lakes Fisheries Trust	Rebecca Martusewicz	Teacher Education	\$2,000	\$85,769		\$174,690	\$262,459
Michigan Space Grant Fellowships, 2009-2010	Michigan Space Grant Consortium	James Sheerin	Physics & Astronomy				\$12,500	\$12,500
Course Faculty Loan Program: American Recovery and Reinvestment Act (ARRA)	Human Resources and Services Administration	Virginia Lan	School of Nursing		\$5,301		\$47,706	\$53,007
Developmental Examination of Maternal Representations of the Mother-Infant Relationship	International Psychoanalytic Association	Alissa Huth-Bocks	Psychology				\$6,000	\$6,000
Unpublished Remote Sensing and Biological Monitoring of Invasive Plant Species and Their Impacts on the Detroit River International Wildlife Refuge (CRSBM-DRIWR)	National Oceanic and Atmospheric Administration	Steven Francoeur	Biology		\$18,000	\$40,000	\$633,350	\$691,350
After Care Services for Early On Toddlers: Voices from The Ranches	Clinton County RESA	John Palladino	Special Education				\$9,500	\$9,500
ward Bound - PROGRAM INCOME - 2008-2009	Michigan Department of Education	Sandra Gonzales	Upward Bound Program				\$5,951	\$5,951
F: ICE CREAM-Integrating Cartographic Elements:Creating Resources Emphasizing Arctic Materials	National Science Foundation	Helen Aristar-Dry	ILIT				\$322,923	\$322,923
NUMBER OF AWARDS: 35				TOTAL: \$12,000 \$1,620,629 \$99,986 \$4,309,537 \$6,042,152				

Division of Information Technology

STRATEGIC INITIATIVES PROGRESS REPORT

July-August 2009

(For September Board of Regents Meeting)

EagleMail Project

- The roll-out of the second set of collaboration and productivity tools began in June and continues. These include shared calendars and mobile device synchronization.
- Instant messaging (IM) tools will be selected and rolled out during the fall term.

Computer Refresh

- Planning for the 2009 Refresh Program began in April.
- The call for departmental rosters went out on June 23, 2009. Departments have through the end of August to submit their roster.
- Ordering for this year's program began on August 4, 2009. Department have through the end of December to place their orders.

Enterprise Resource Planning (ERP) System

Enterprise Resource Planning (ERP)

- Planning continues for an upgrade of Banner to version 8.0. The project team has been formed, and task scheduling is underway.
- Planning for the upgrade of Luminis software to version 4.0 continues as well. We are working with Sungard to finalize our respective responsibilities and timing for the project.
- Transition of our banking relationship from Comerica to JP Morgan Chase was completed successfully in July.
- The upgrade of Xtender Document Management was completed successfully in late June.
- Implementation of the fsaAtlas International Student Management software was completed successfully in July.

Technology Infrastructure

Wireless:

- Residence Halls: Analysis of providing wireless access in the residence halls is underway.
- Completed, planned and future installation locations are available at: <http://it.emich.edu/wireless/>

VoIP

- Implementation of VoIP in Mark Jefferson and Pray-Harrold is under review.

**EASTERN MICHIGAN
UNIVERSITY BUDGET STATUS REPORT FY 2010**
As of July 31, 2009

	Budget			Actual			Variance			Percentage Of Budget To Date		
	FY2009 General Fund Budget	FY2009 Auxiliary Budget	FY2009 Total Budget	FY2009 General Fund 07/31/09	FY2009 Auxiliary 07/31/09	FY2009 Total 07/31/09	FY2009 General Fund 07/31/09	FY2009 Auxiliary 07/31/09	FY2009 Total 07/31/09	FY2009 General Fund 07/31/09	FY2009 Auxiliary 07/31/09	FY2009 Total 07/31/09
Operating Revenues												
Student Tuition and Fees	\$ 184,840,000	\$	\$ 184,840,000	77,210,605	\$	77,210,605	\$ (107,629,395)	\$	(107,629,395)	41.77%		41.77%
Departmental Activities	1,706,192		1,706,192	167,893		167,893	(1,538,299)		(1,538,299)	9.48%		9.48%
Auxiliary		37,810,503	37,810,503	548,836		548,836	(37,261,667)		(37,261,667)	1.45%		1.45%
Grants and contracts	537,198		537,198	42,398		42,398	(494,799)		(494,799)	7.89%		7.89%
Indirect Cost Recovery	1,856,678		1,856,678	474,478		474,478	(1,382,197)		(1,382,197)	25.59%		25.59%
Other	118,003,065		118,003,065	77,895,346		77,895,346	(40,107,719)		(40,107,719)	41.21%		41.21%
Total Approved Funding												
Operating Expenditures												
Instruction	101,080,728		101,080,728	3,224,285		3,224,285	(97,856,444)		(97,856,444)	3.19%		3.19%
Research	1,365,735		1,365,735	82,540		82,540	(1,283,195)		(1,283,195)	6.04%		6.04%
Public service	3,641,861		3,641,861	188,889		188,889	(3,452,972)		(3,452,972)	5.19%		5.19%
Academic support	27,264,128		27,264,128	1,194,007		1,194,007	(26,070,121)		(26,070,121)	4.38%		4.38%
Student services	24,937,320		24,937,320	1,445,454		1,445,454	(23,491,866)		(23,491,866)	5.80%		5.80%
Institutional support	42,337,802		42,337,802	3,326,117		3,326,117	(39,011,685)		(39,011,685)	7.85%		7.85%
Scholarships and fellowships	25,443,147		25,443,147	46,505		46,505	(25,396,642)		(25,396,642)	0.18%		0.18%
Operation and maintenance	24,492,074		24,492,074	287,832		287,832	(24,204,242)		(24,204,242)	1.18%		1.18%
Auxiliary	2,332,100		2,332,100	211,193		211,193	(2,120,907)		(2,120,907)	9.07%		9.07%
Other(Capital Additions, not)	222,913,896		222,913,896	10,006,052		10,006,052	(212,907,844)		(212,907,844)	4.50%		4.50%
Total Operating Expense	(61,910,930)		(61,910,930)	(3,437,330)		(3,437,330)	(58,473,600)		(58,473,600)	-10.55%		-10.55%
Operating Income/Loss												
Nonoperating Revenues (Expenses)												
Appropriations	76,200,000		76,200,000	(7,141,074)		(7,141,074)	(83,341,074)		(83,341,074)	-8.57%		-8.57%
Gifts												
Investment Income	2,500,000		2,500,000	784,483		784,483	(1,715,517)		(1,715,517)	31.38%		31.38%
Fund Balance												
Net nonoperating revenues	78,700,000		78,700,000	(6,356,591)		(6,356,591)	(85,056,591)		(85,056,591)	-8.00%		-8.00%
Transfers In (Out)												
Debt Retirement	(11,533,288)		(11,533,288)									
Provision 2005 M1 PH	(4,400,000)		(4,400,000)									
Asset Preservation	(866,712)		(866,712)									
Other Funds and General Fee Obligations	2,111,530		2,111,530	(344,071)		(344,071)	(2,455,501)		(2,455,501)	-16.29%		-16.29%
Total Transfers	(14,788,470)		(14,788,470)	(344,071)		(344,071)	(14,444,399)		(14,444,399)	-2.33%		-2.33%
Total net nonoperating rev (exp)												
Increase (Decrease) in Net Assets												
Summarized												
Total Revenues	287,702,065		287,702,065	77,895,346		77,895,346	(210,806,719)		(210,806,719)	26.72%		26.72%
Total Expenditures	287,702,065		287,702,065	10,139,730		10,139,730	(277,562,335)		(277,562,335)	-3.79%		-3.79%
Increase (Decrease) in Net Assets												

EASTERN MICHIGAN UNIVERSITY
FY 2010 UNIVERSITY BUDGET STATUS REPORT
EXPENDITURES BY CATEGORY
 As of July 31, 2009

	Budget			Actual			Variance			Percentage Of Budget To Date		
	FY2009	FY2009	FY2009	FY2009	FY2009	FY2009	FY2009	FY2009	FY2009	FY2009	FY2009	FY2009
	General Fund	Auxiliary	Total	General Fund	Auxiliary	Total	General Fund	Auxiliary	Total	General Fund	Auxiliary	Total
	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09	07/31/09
Expenditures By Category												
Faculty Salaries	71,815,295	6,428,803	\$ 78,244,098	1,020,575	320,432	\$ 1,341,007	(68,894,720)	(8,109,371)	(76,994,091)	1.3%	2.54%	2.54%
Staff Salaries	22,091,558	271,790	22,363,348	3,253,328	5,916	3,259,244	(48,400,230)	(6,109,371)	(54,509,601)	14.5%	8.15%	14.5%
Other Personnel Services	2,595,742		2,595,742	181,106	5,916	187,022	(2,335,836)	(2,341,752)	(2,341,752)	7.22%	7.22%	7.22%
Student Help	7,095,684	3,192,750	10,288,434	181,200	73,348	254,548	(6,854,394)	(3,119,402)	(9,973,796)	2.58%	2.58%	2.58%
Benefits	48,595,405	2,865,307	51,460,712	1,684,241	125,538	1,809,779	(44,852,156)	(2,823,789)	(47,675,945)	3.52%	4.20%	3.52%
Sub-Total Compensation	110,555,684	12,848,650	123,404,334	7,120,450	527,234	7,647,684	(113,435,154)	(12,332,410)	(125,767,564)	6.16%	4.10%	6.16%
Cost of Goods Sold		4,967,000	4,967,000		61,057	61,057	(4,905,943)	(4,905,943)	(4,905,943)	0.00%	1.23%	1.23%
SS&M/Travel/Equipment	38,258,335	9,202,147	47,460,482	1,847,498	(4,650)	1,842,848	(36,510,837)	(9,202,147)	(45,712,984)	4.73%	-0.05%	4.68%
Utilities	7,389,077	2,070,000	9,459,077	(813,794)	(372,430)	(1,186,224)	(8,202,871)	(3,342,439)	(11,545,310)	-11.08%	-12.54%	-11.59%
Financial Aid	23,211,000	1,430,490	24,641,490	46,305		46,305	(23,164,685)	(1,430,490)	(24,595,175)	0.18%	0.00%	0.17%
Distribution to EMU Foundation	1,500,000		1,500,000	1,500,000		1,500,000				100.00%		100.00%
Transfers	14,788,470	6,774,854	21,563,324	344,071	52,688	396,759	(14,444,389)	(6,722,166)	(21,166,555)	2.33%	0.77%	1.84%
Sub-Total Operating Expense	87,146,832	26,344,471	113,491,303	3,019,260	(263,952)	2,755,308	(84,127,002)	(26,606,423)	(110,733,425)	3.46%	-1.04%	2.42%
Total Expenditures	267,702,465	38,194,121	305,896,587	10,139,710	263,282	10,403,022	(257,562,795)	(37,930,839)	(295,493,634)	3.79%	0.89%	3.40%

Expenditures By Category

Faculty Salaries

Staff Salaries

Other Personnel Services

Student Help

Benefits

Sub-Total Compensation

Cost of Goods Sold

SS&M/Travel/Equipment

Utilities

Financial Aid

Distribution to EMU Foundation

Transfers

Sub-Total Operating Expense

Total Expenditures

Eastern Michigan University
CASH AND INVESTMENTS
July 31, 2009

	Account Balance	
	Dollars	Pct. Total
Operating Cash and Investments		
Cash/Short-term Investments		
Chase Operating Account	\$5,072,480.91	8.37%
Comerica Checking Account	\$401,908.87	0.66%
Eagle Crest Citizen's Account	\$163,909.61	0.27%
Dreyfus Institutional Preferred Money Market Fund	\$3,517,237.66	5.81%
Vanguard Prime Money Market Fund	20,107,484.15	33.19%
Vanguard Short-Term Investment-Grade Fund	66,897.18	0.11%
Total Cash/Short-term investments	\$29,329,918.38	48.41%
Less: Outstanding checks and reconciliation items	\$(707,943.60)	
Total Cash/Short-term investments	\$28,621,974.78	
Intermediate Investments		
PIMCO Low Duration Institutional	\$15,444,307.91	25.49%
WESTERN Asset Intermediate	15,757,529.41	26.01%
U.S. Treasury Security Strips	54,881.00	0.09%
Total Intermediate Investments	\$31,256,718.32	51.59%
Total Operating Cash And Investments	\$59,878,693.10	
Bond Proceeds Investments		
United States Treasury Bills	\$100,008,999.90	
Total Operating Cash, Investments and Bond Proceeds	\$159,887,693.00	

Eastern Michigan University
Summary of Investment Performance
Report for Periods Ending June 30, 2009

	<u>Or-</u>	<u>Since</u> <u>Inception</u>	<u>(Date)</u>	<u>Market Value</u>
<u>Total Composite</u>	4.3%	4.3%	(3/09)	\$77,783,610
Target Weighted Index ¹	0.5	0.5		
<u>Short Term Investment Pool</u>	0.1	0.1	(3/09)	32,415,216
U.S. 91-Day Treasury Bills	0.0	0.0		
Dreyfus Institutional Preferred	0.0	0.0	(3/09)	12,248,630
U.S. 91-Day Treasury Bills	0.0	0.0		
Vanguard Prime Money Market	0.2	0.2	(3/09)	20,100,819
U.S. 91-Day Treasury Bills	0.0	0.0		
Vanguard Short Term Investment Grade	6.0	6.0	(3/09)	65,767
Barclays Capital US 1-5Yr Credit Index	4.7	4.7		
<u>Intermediate Term Investment Pool</u>	8.0	8.0	(3/09)	45,368,394
Balanced Index ²	1.0	1.0		
PIMCO Low Duration Fund	7.1	7.1	(3/09)	15,187,951
ML 1-3 Yr US Treasury Index	-0.1	-0.1		
Western Asset Int. Duration Fund	8.4	8.4	(3/09)	30,180,443
Barclays Capital Intern GV/CR Bond Index	1.7	1.7		

Footnotes:

* Performance returns are net of investment management fees.

* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.

* Manager and index data represent the most current available at the time of report publication.

* For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.

* The fiscal year ends in June.

1 Target Weighted Index is currently comprised of 40.0% Barclays Capital Intern GV/CR Bond Index, 40.0% U.S. 91-Day Treasury Bills, and 20.0% ML 1-3 Yr US Treasury Index. Please see Appendix for benchmark history.

2 Balanced Index is currently comprised of 67.0% Barclays Capital Intern GV/CR Bond Index and 33.0% ML 1-3 Yr US Treasury Index. Please see Appendix for benchmark history.



Eastern Michigan University
Schedule of Asset and Style Allocation
Report for Periods Ending June 30, 2009

Asset Class	Current Weight
Fixed Income	58.4%
Cash	41.6%
Total	100.0%

Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Fixed Income - Intermediate	PIMCO Low Duration Fund	100.0%	0.0%	\$15,187,951	19.5%
Fixed Income - Intermediate	Western Asset Int. Duration Fund	100.0%	0.0%	\$30,180,443	38.8%
Fixed Income - Short Term	Vanguard Short Term Investment Grade	100.0%	0.0%	\$65,767	0.1%
Cash - Cash	Dreyfus Institutional Preferred	0.0%	100.0%	\$12,248,630	15.7%
Cash - Cash	Vanguard Prime Money Market	0.0%	100.0%	\$20,100,819	25.8%
Sub-Total				\$77,783,610	100.0%
Cash - Cash	Checking Account			\$3,484,597	
Cash - Other	Eagle Crest			\$163,910	
Total				\$81,432,117	

