

Eastern Michigan University Alumni Association  
Board of Directors Meeting  
McKenny Hall  
Saturday, April 14, 2018



**Members present:** Tom Borg, Sue Bos, Tom Charboneau, Linda Edwards-Brown, Mary Jane Fallot (late), John Godre, Michael Gomez, Ruth Halsey, Alex Landen, Desmond Miller (late), Nino Monea, Jenita Moore, Matt Mortier, Paul Nucci, Jacqueline Page (late), Gabriela Salagean, Nik Schillack, Evan Sweet, Ebony Walls (late), Allen Williams, Claudia Young

**Members absent:** Sarah Fall (excused), Lucas Langdon (excused), Kevin McKay (excused)

**Ex-officio members present:** President Smith, Bill Shepard, Jill Hunsberger,

**Ex-officio members absent:** Miles Payne

**Emeritus member present:** Bill Malcolm, Fred Roberts (late),

**Emeritus member absent:** Vicki Reaume, Bud Schimmelpfenneg

**Others present:** Members of the wrestling and swimming alumni community

## **1. Call to Order & Roll Call**

Mr. Mortier called the meeting to order at 9:09am. He welcomed all of Board members and guests.

Ms. Halsey took attendance. The results of the roll call can be found at the top of the minutes. Quorum is met.

## **2. University Update**

### **PRESIDENT JAMES SMITH'S REPORT TO EASTERN MICHIGAN UNIVERSITY ALUMNI ASSOCIATION BOARD OF DIRECTORS**

#### **EMU's Budget: Investing in Our Future April 2018**

#### **Background**

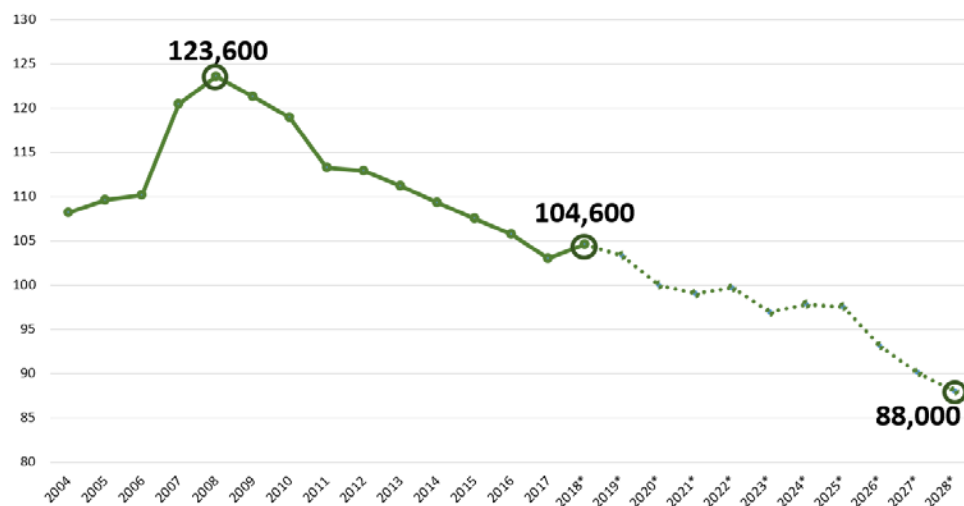
The last several months have been challenging for the EMU community. Higher education institutions – particularly regional public universities – in the United States face significant demographic and financial challenges; those challenges are particularly acute in Michigan, which has experienced a significant decline in both State funding and

high school graduates over the last ten years. The decisions we have made to eliminate positions and sports programs were difficult – even heart-wrenching – but, as outlined below, they were carefully developed as part of our plan to position EMU for a strong future.

## Changing Demographics

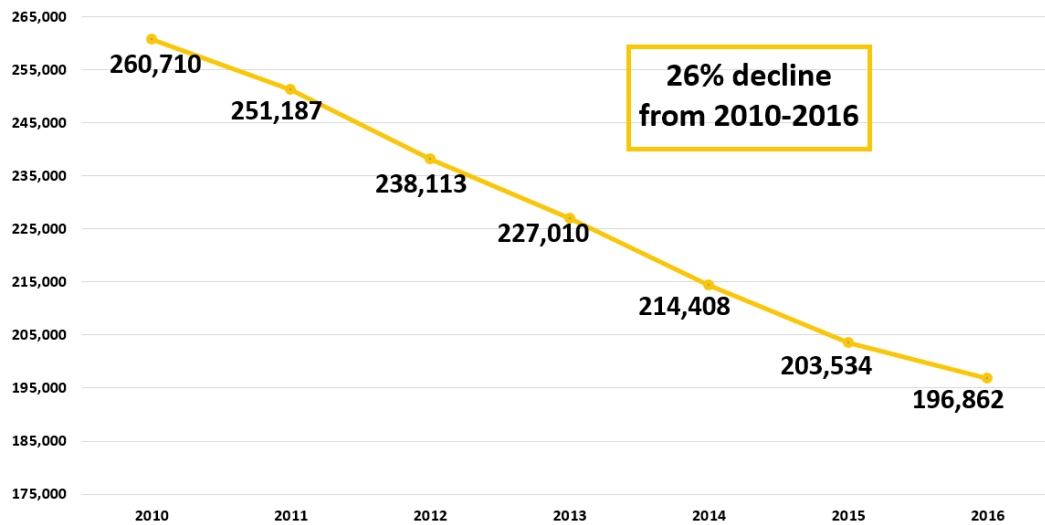
The landscape for higher education has changed dramatically in recent years and will continue to change for the foreseeable future. The number of high school graduates in Michigan has declined by 15.3% over the last ten years and is projected to decline by nearly 16% over the next ten years.

### Declining # of Michigan High School Graduates



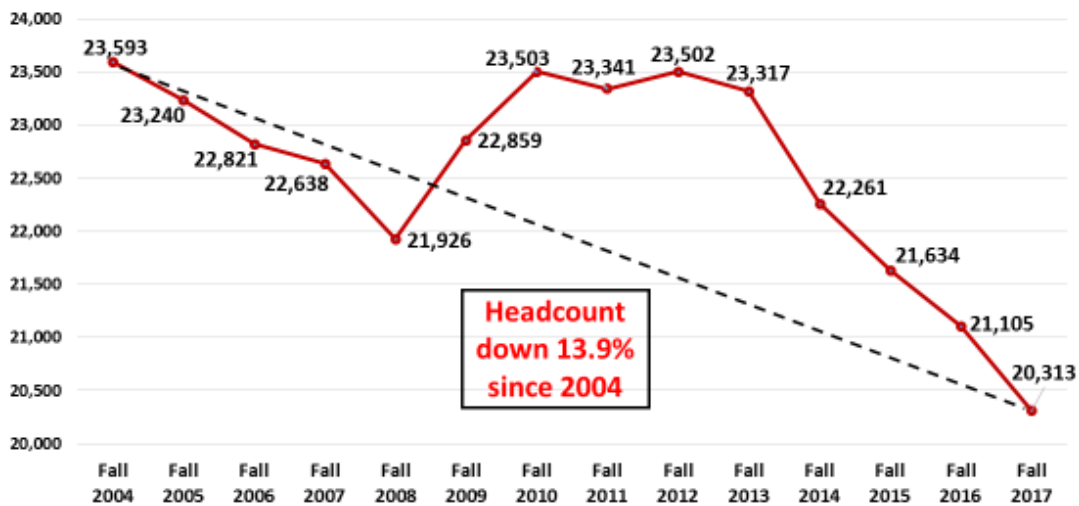
Enrollment has declined dramatically at Michigan community colleges, which are a key source of EMU transfer students.

## Declining Community College Enrollment

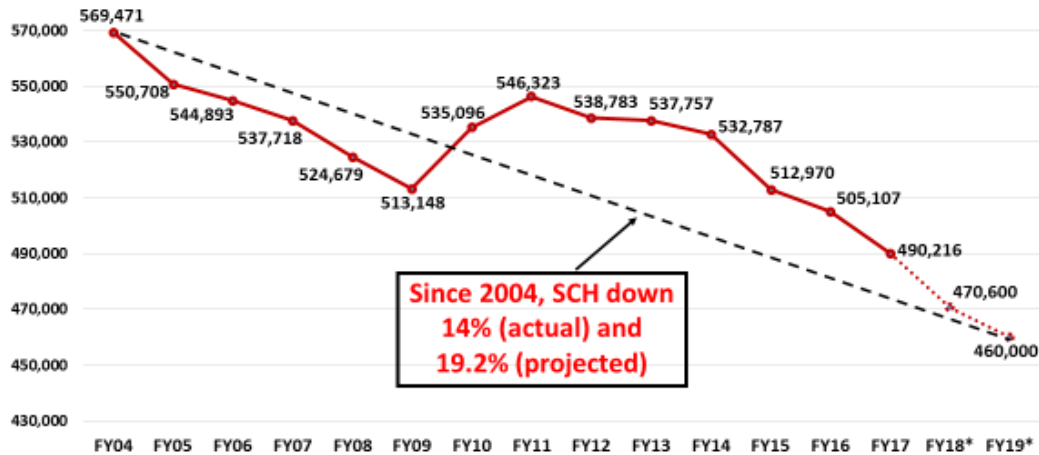


As a result of these changing demographics, enrollment and student credit hours (SCH) – EMU's primary source of revenue – have declined.

## EMU Student Headcount



## EMU Student Credit Hours

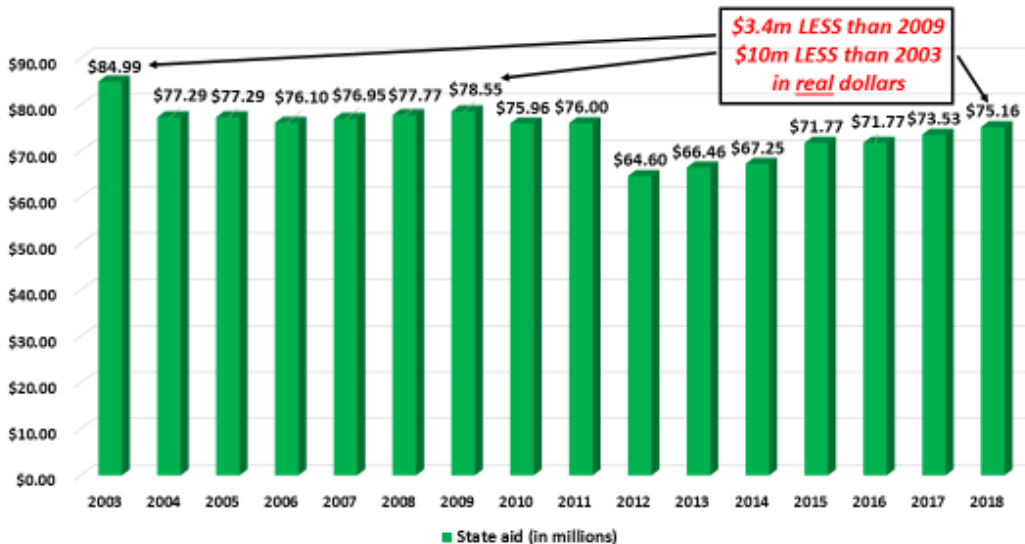


Enrollment has also declined at many of our peer institutions, including WMU, CMU, and FSU. Only GVSU and OU have experienced small recent increases in enrollment.

### Declining Federal and State Support

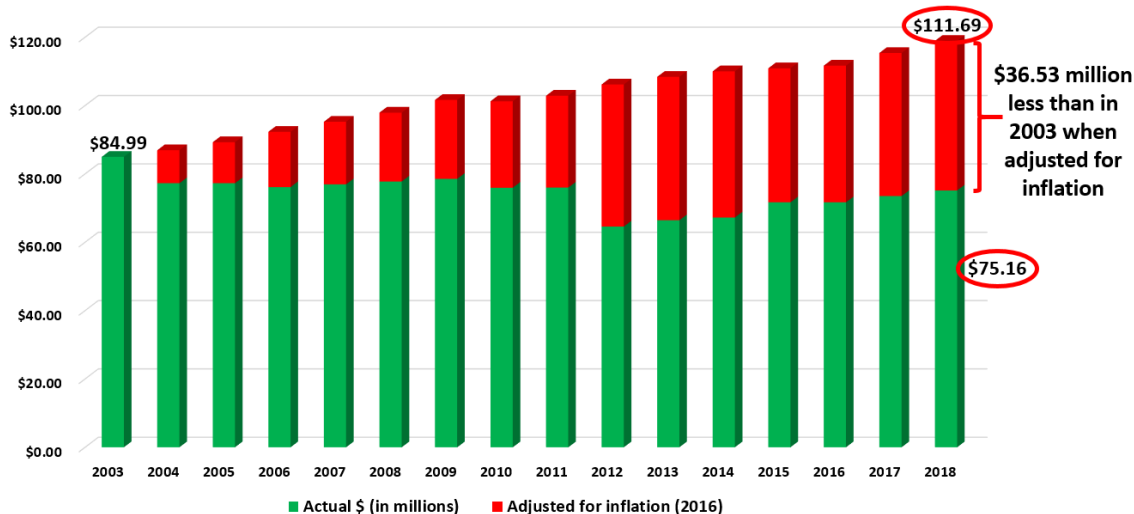
As enrollments have declined at regional public universities, support from the federal and state governments has been stagnant or declined. **EMU receives nearly \$10 million less per year today from the State of Michigan than we received in 2003.** These are actual dollars, before adjusting for inflation.

## Declining EMU State Appropriations



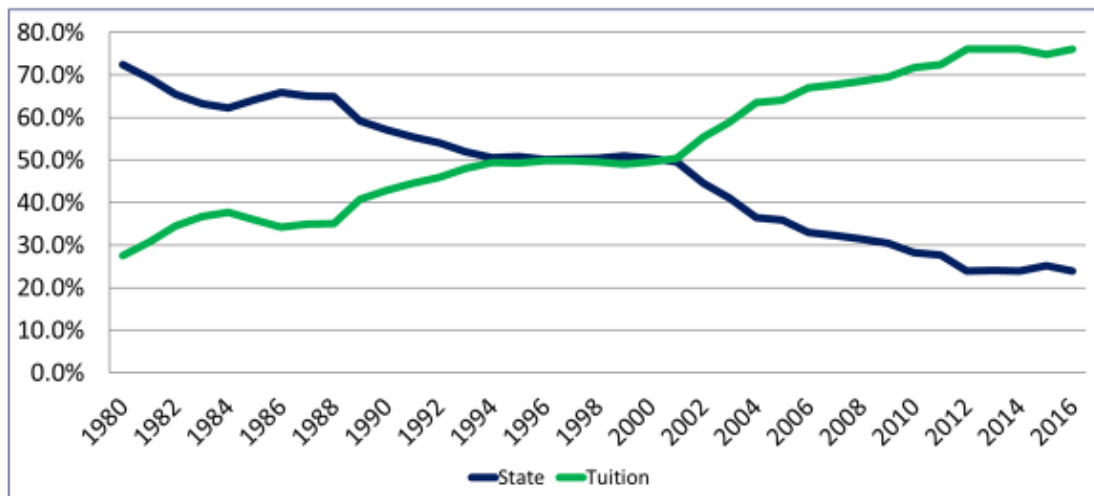
If State funding to EMU had been adjusted based on inflation since 2003 – without any additional increase – EMU would today receive an additional \$36.5 million in funding per year. That is 10x the size of our projected deficit for fiscal year 2018.

## Declining EMU State Appropriations: Adjusted for inflation



This dynamic reflects a disturbing but undisputable trend over three decades: **the State of Michigan has shifted the cost of higher education from taxpayers to students.**

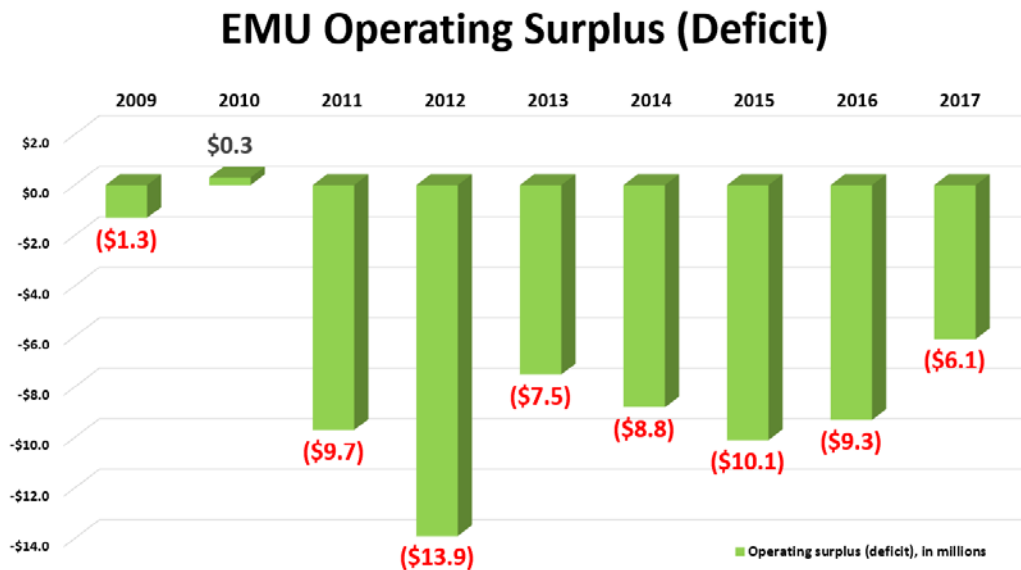
## Statewide Shift from State Aid to Student Tuition



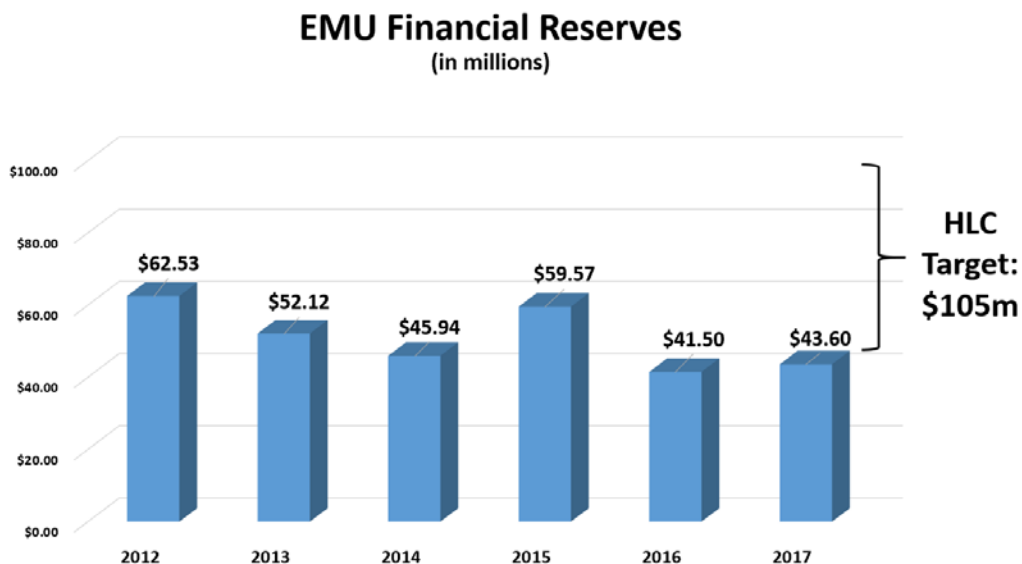
Meanwhile, Pell Grant awards have been nearly stagnant, having increased by less than 0.8% per year between 2011-2017. More than 40% of EMU's undergraduate students receive Pell Grants.

### The Financial Situation That Must Be Addressed

Although these demographic and financial trends have been coming for years, not enough was done to adjust the size of the University. Accordingly, EMU has incurred operating deficits in each of the last seven years:



As a result of these recurring deficits, EMU's financial reserves are too low.



The Higher Learning Commission (HLC), our primary accrediting agency, has directed the University to submit a financial recovery plan in December 2018 that includes a detailed update and roadmap for operating a balanced budget and growing our reserves.

### We Are Not Alone

EMU is not alone in facing these challenges. Regional public universities throughout Michigan, the Midwest, and the nation face similar – and often worse – financial challenges.

- **Central Michigan University** faced a \$10 million deficit in the middle of FY2017 and faced additional financial challenges for FY18.
- **Wright State University** in Ohio slashed \$30 million from its budget in June 2017 and announced this month that departments across the University must cut another \$10 million this fiscal year.
- The **University of Akron** has cut more than \$40 million in expenses in the last three years.
- **Eastern Kentucky University** announced this month it was eliminating more than 150 positions, eliminating two sports programs, closing a regional campus, and suspending several academic programs to close a “daunting” \$25 million budget deficit.
- 9 of the 14 institutions in the **Pennsylvania** state university system have experienced double-digit declines in enrollment since 2009. The system faced a \$70+ million deficit last year – despite cutting \$325 million over the last decade – and is considering closing campuses.
- The **Illinois** public university system has experienced significant enrollment declines (11% over five years) that was coupled with a state budget crisis. Western Illinois University, which is half the size of EMU, recently laid off 100 employees and another 59 employees took an early retirement.
- Two universities in the **University of Wisconsin** system have eliminated dozens of academic programs to reflect declining enrollments.

## The Future

Although these challenges are serious and are not isolated to EMU, we will nonetheless overcome them. EMU has a rich and proud history upon which to build, and our future is bright, but we must take action now to thrive in a rapidly-evolving technological, demographic, and financial landscape.

In recent months and years, we have launched new high-demand academic programs and announced plans to enhance facilities. (It is important to remember that EMU is the second-oldest public university in Michigan, and our facilities often show their age). In the coming months and years, we will continue those efforts and launch new initiatives to position EMU for the next chapter in our history.

- In the last 18 months, we have launched **new academic programs** in mechanical engineering, electrical and computer engineering, data science & analytics, teaching English to speakers of other languages, finance (master's degree), religious studies, and information technology. These programs are designed to meet the demands of both employers and prospective students.
- A **new health center** is being built on the northwest section of campus in partnership with St. Joseph Mercy Health System and Integrated Healthcare Associates. The center will serve students, employees, and the community with state-of-the-art care, enhanced technology, and expanded hours.
- The **Rec/IM** will undergo a significant renovation and expansion, thanks in large part to a dedicated student fee advocated by Student Government. A state-of-the-art Rec/IM is important to recruiting and retaining students.
- The **Student Center** has undergone significant renovations with the addition of new food venues and renovation of the food court. An Amazon store – the first of its kind on a college campus in Michigan – opened next to the Bookstore.
- We will update our **Strategic Plan** to identify specific institutional initiatives to, among other goals, improve retention, highlight and invest in high-demand academic programs, and expand experiential learning opportunities for students. This collaborative process will begin this fall.
- We will continue to develop and launch **online academic programs** to meet the skyrocketing demand for such programs from “Millennial Generation” students and non-traditional students who balance work, school, and family. Providing flexible learning opportunities must be a core component of our mission as an



institution of opportunity.

- We are committed to expanding **international enrollment and programs**. Our #YouAreWelcomeHere campaign won national acclaim, and we are launching a global engagement center to coordinate international opportunities and partnerships for students and faculty.
- We intend to launch our next **comprehensive fundraising campaign** in the coming months to lay the foundation for future decades of supporting students and faculty.

These initiatives are exciting and vital to our future. They also require resources. We must make difficult decisions now to ensure that the University has the resources available to invest in our future. Those steps include:

- We recently eliminated 60 staff and administrative positions, 16 of which were occupied and 34 of which were vacant. No instructional positions were eliminated. Prior to that action, we eliminated dozens of other positions through a voluntary early retirement program. Since January 2016, we have eliminated 10% of all staff and administrative positions.
- EMU eliminated four sports programs to reduce spending and align EMU with our peers in the Mid-American Conference (MAC) division; EMU previously offered 21 sports – the most of any MAC school. This was a difficult decision, but great care was taken to mitigate the impact, such as offering all impacted student-athletes their academic scholarship for as long as they remain at EMU and meet academic eligibility requirements. Contrary to what has been claimed in some media stories, the expenses for these sports programs exceed the revenues generated by these programs. Universities across the country are taking similar steps.
- EMU's partnership with Chartwells to manage Dining Services yielded positive financial returns and resulted in new capital and technology improvements. A recent survey of students showed that satisfaction improved in nearly every category since Chartwells began managing Dining Services.
- A new partnership for EMU's Parking Operations, announced in May 2017 and approved in December 2017, will result in a substantial one-time payment that will be deposited into EMU's reserves and support borrowing for important facility improvements. The partnership agreement includes new technology and capital investments, and limits parking rate increases to amounts that are smaller than increases imposed by EMU over the last six years.

## Conclusion

I am committed to ensuring that EMU remains a vibrant academic institution and community anchor for decades to come. Change is always difficult, but we must adapt to evolving trends including how students learn and how higher education is perceived and funded. Although we are not alone in facing these challenges, that cannot be an excuse for failing to address those challenges. Inaction is not an option. We have a bright future and I ask for your continued support as we develop and communicate that future to EMU's numerous stakeholders.

As always, I remain eager to hear from you, and work with you, as we undertake this endeavor.

Sincerely,

James M. Smith, Ph.D.  
President

President Smith addressed questions from board members.

### **3. Student Body Update**

No report

### **4. Division Update**

#### **Presentation by Carole Boom, Director of Annual Giving**

The \$18.72 Campaign (named for the year the Alumni Association was founded) officially launched online at [Donate.emich.edu](https://donate.emich.edu)

The purpose of this new Alumni Association fundraising effort is to work with alumni and students to support:

1. Meet Up Mondays - a monthly opportunity for students and alumni to network, share experience and career advice
2. #GIVINGTRUEDAY - the annual day of philanthropy that engages students and alumni in efforts to create their own meaningful EMU legacy
3. Campus activities that build EMU pride and engagement throughout the year like Homecoming

Our goal is to reach a participation rate of 200 donors by May 31, 2018 while raising as many dollars as possible. Individuals can give any amount with a suggested starting gift amount of \$18.72.

How you can help:

1. Make your gift at [donate.emich.edu](https://donate.emich.edu) – Your participation matters!
2. Use the social media or email links to share the Campaign with your network of alumni.

Crowdfunding is powered by everyone sharing and reaching out to their networks. We will succeed if we all share! You can visit the site at any time to monitor the real-time progress of the Campaign.

If you haven't received your Ambassador email invitation for the Campaign or have questions about sharing, please contact Carole Booms, director of annual giving, at 734-487-7682 or [cbooms@emich.edu](mailto:cbooms@emich.edu).

## **6. Guest Speaker**

Women in Philanthropy- Dr. Linda Pritchard, Emeritus Faculty

Strengthen, Educate, and Give to the EMU Community. The idea is simple: When you make a gift of up to \$1,000 you become a non-voting member. Voting members pledge at least \$1,000 per year and vote on the applications that they fund. All gifts go right back into the Eastern community as grants.

To be considered for as a grant recipient, applicants projects must do the following:

- Enhance learning for EMU faculty, staff, alumni and or students.
- Collaboratively improve the EMU climate
- Foster creativity and innovation as they relate to EMU
- Improve communication among diverse groups within the EMU community

Last year, WIP awarded \$45,000 to 11 projects.

Grant Opportunity:

- Annual competition 2018-19
  - *Workshops: Sept. 26-27, Oct. 1-2*
  - *Mon., Oct. 8 application deadline*
    - Awards Committee vets applications
    - Members vote – **democracy rules!**
    - Clarity, specificity, benefits to EMU & target population
  - Winners announced in November
  - Grant executed Jan. 1-Dec. 31, 2019

Maximum grant of \$5,000

To apply use the following link: [www.emich.edu/wip-emu](http://www.emich.edu/wip-emu)

## **7. Approval of Minutes – February 17, 2018 and April 29, 2017 Annual Meeting Minutes**

Ms. Edwards-Brown motioned to approve the February 17, 2018 and April 29, 2017 annual meeting minutes Ms. Young seconded the motion. Both sets of minutes approved.

## **8. Alumni Association President's Report**

Mr. Mortier thank Directors for their feedback over the last few months and our willingness to have conversations about our overall focus as a board. Mr. Mortier believes that there are opportunities for us

to realign our committees and charge them with exciting projects and initiatives we have been discussing. He also highlighted our tentative budget for 2018-2019 and what the executive committee was looking at as a focus for the new year.

#### **9. Alumni Association President-Elect's Report**

Mr. Schillack's President Elect report is combined with his Membership report. He highlighted our annual commitment and that it is due by the end of the fiscal year. If we have some issues making the donation, please let him know.

#### **10. Alumni Association Treasurer's Report**

Mr. Charbonneau shared some of the highlights from his report noting that our scholarship endowment is now over \$530,000. He also shared that he needs to reconcile some license plate information and will provide an updated report.

#### **11. Committee Reports**

Mr. Schillack presided over the reports of Committee.

##### **A. Awards and Recognition**

Mr. Borg shared a few highlights. The Alumni Awards dinner will be held Saturday, May 19, 2018.

##### **Outstanding Young Alumni Award**

Nicole Brown BS11, CAS – Communications

Jose Galinato BSN11, CHHS – Nursing

##### **Alumni Achievement Award**

Eric Brown BS03, CHHS – Health Administration

Craig Voll, Jr. BS93, COE – Sports Medicine, MS98 COE – Physical Education

##### **Distinguished Alumni Award**

PT Muldoon BS85, CAS – English, American Literature, and Language

Sally Young BS72, COE – Family Life Education, HDA15

Mr. Mortier highlighted the board challenge regarding the awards banquet attendance.

##### **B. Chapters Report**

Ms. Moore reported on the activity of our chapters and encourage chapters to attend the alumni awards dinner and ask that they place this activity as an item on the yearly calendars. She thanked the committee for all their hard work and dedication to the committee and asked that they please stay on the committee for continuity with chapters as liaisons.

### **C. Membership**

Mr. Schillack highlighted the committee's work and thanked them for their time and service as they continue to transition from an election process to an appointment system for director appointments and re-appointments. He presented our board challenge for filling tables at the Alumni Awards to the Foundation.

The committee has recommended the following six people to serve on the board with their term expiring in 2021:

Trudy Adler  
Tom Borg  
Molly Duggan  
Alex Landen  
Jenita Moore  
Anna Torres

### **D. Outreach & Community Service**

Mr. Gomez highlighted some of the events that members have participated in since our last meeting such as Meet Up Mondays, IMA Student Chapters, Forensic Alumni Dinner, Internship Fair and Moot Court Alumni Night. He thanked everyone for their participation.

### **E. Scholarship**

Ms. Young highlighted that a review of the current scholarship criteria was be discussed and that additional meeting have been planned for a thorough review with the Office of Financial Aid. The committee approved the timeline for the 2018-19 scholarship application process.

### **F. Ad-Hoc Bylaws**

Ms. Halsey highlighted a minor bylaw change that was submitted to the committee. Specifically, the Secretary should prepare Board meeting minutes within thirty (30) days, rather than two (2) weeks. This change was unanimously agreed upon by the Bylaws Committee and was supported by the Executive Committee. The board will vote on the change during the New Business agenda item.

## **12. Old Business**

None

## **13. New Business**

### **Approval of the bylaws change for meeting minutes**

Ms. Halsey gave a full overview of the changes presented in the meeting packet. Mr. Charboneau moved for approval and Mr. Miller second his motion. The changed was approved unanimously.

**Approval of New Directors**

Mr. Schillack moved that the following members be appointed and re-appointed to the board for a three-year term expiring in 2021:

Trudy Adler

Tom Borg

Molly Duggan

Alex Landen

Jenita Moore

Anna Torres

Mr. Williams seconded the motion. The directors were unanimously approved.

**Election of Secretary**

Ms. Moore is the current candidate for the position. Mr. Charbonaeu moved to close nomination for the position and vote. Mr. Landen seconded the motion. Reading the room, Mr. Mortier used a verbal vote. Ms. Moore was unanimously elected to the position.

**14. Open Discussion & Announcements**

Earned it shirts are available for board members courtesy of the EMU Marketing office.

Commencement is April 21, 2018 and volunteers are still needed. See Mr. Mortier if you can help.

Last meeting for outgoing member Paul Nucci and he provided parting words for the board. He was presented with a token our appreciation for his six years of service.

**15. Adjournment**

Mr. Mortier adjourned the meeting at 10:35am.