

Resolution of No Confidence in Chief Financial Officer Michael Valdes

Whereas Chief Financial Officer Michael Valdes, since becoming CFO in August, 2014, has facilitated the privatization of key elements of campus including dining (2016), student recruitment (AP, 2016), parking (2018), and is now rushing the evaluation of companies for the privatization of campus housing (to be completed in October, 2021). The sale of parking revenues for 35 years (for \$55 million) was justified as the only solution to the Higher Learning Commission report (2018) outlining concerns about the financial state of EMU. The sale was followed by borrowing \$76 million for capital spending on campus and a new athletic performance center. Now EMU is back in “the zone” (a negative financial state using the HLC’s index) as the Higher Learning Commission returns to campus this fall for an unusual four-year interim visit.

Whereas Chief Financial Officer Michael Valdes oversaw significant cuts to staff members and reduction in the number of faculty without seeking faculty input on these decisions.

Whereas Chief Financial Officer Michael Valdes recommended the approval of a letter of intent to sell the Owen building, which led the College of Business to be abruptly moved to central campus in the midst of a pandemic, before appropriate facilities were in place to ensure that teaching, learning and recruitment were not disrupted.

Whereas Chief Financial Officer Michael Valdes failed to develop budgeting practices and implement budgets that align with the strategic goals of the University.

Whereas Chief Financial Officer Michael Valdes failed to seek input from various stakeholders, particularly the Faculty Senate, when making budgeting decisions. Many of his decisions, from privatizing parts of campus to downsizing faculty and staff, are constructed and implemented without stakeholder input. All these decisions have significant and long-term effects on the financial health and viability for EMU.

Be it resolved that due to the failure to develop budgeting practices and budgets that align with the strategic goals of the university, the failure to consider input from stakeholders when making major budget decisions with long-term impacts on the financial viability of the University, the cuts to staff and faculty, and to the push to privatize numerous parts of Eastern Michigan University, the faculty have lost confidence in the leadership of Chief Financial Officer Michael Valdes, and request that President Smith take corrective action to resolve these issues or terminate his employment in this role.

Introduced by Faculty Senate Executive Board 9/14/21

Revised based on Forum feedback 10/4/21

Final Language Validated by Senate 11/17/21

Affirmed by Faculty Senate 12/1/21