

Administrative Leadership Meeting

Tuesday, July 10, 2018

Some Recent Hires

- Jeff Ammons, Associate General Counsel
- Ken Lord, Dean of the College of Business

New Employee Reception!

- Goals:
 - Introduce new employees to current employees
 - Give current employees a chance to learn about and meet new employees
- 1-hour informal event 3x per year
- Refreshments provided by Chartwells
- All employees welcome!
- First event: **August 29, 3:30 – 4:30pm in 348 McKenny**



Welcome!

Agenda

1. Welcome & Updates

Jim Smith, President

2. Budget Update

Mike Valdes, CFO

3. 2018 NBF Compensation

David Turner, Vice President for
University Human Resources

4. Parking Updates

Dieter Otto, Director of Buildings,
Grounds, and Parking

5. State Budget Recap

Vicki Reaume, Interim Vice
President for Gov't Relations &
Chad Wing, Director of State
Relations

6. Q&A



FY18 & FY19 Budget Updates

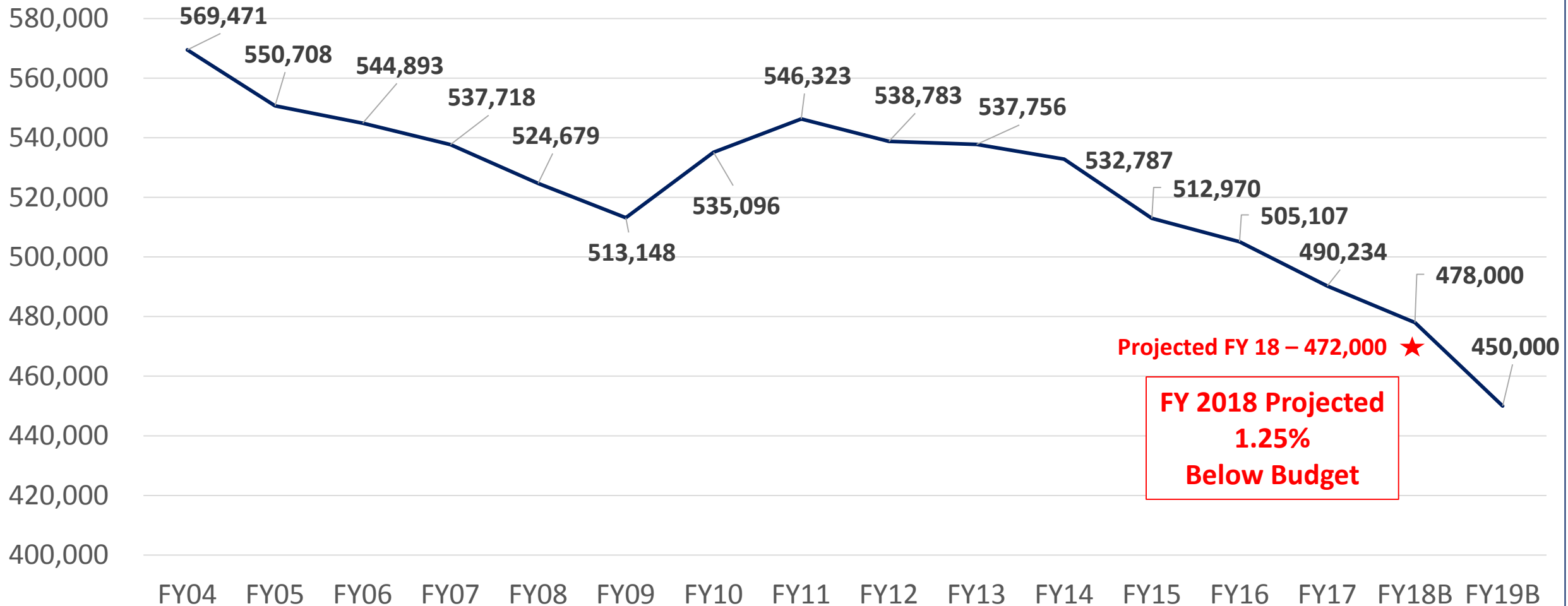
Mike Valdes, Chief Financial Officer

FY 2019 Budget Goals

- Balanced budget
- Invest in student success
- Support high-demand academic programs
- Minimize impacts on staff
- Efficiency through organizational re-alignments
- Invest in facilities and infrastructure
- Increase external revenue sources

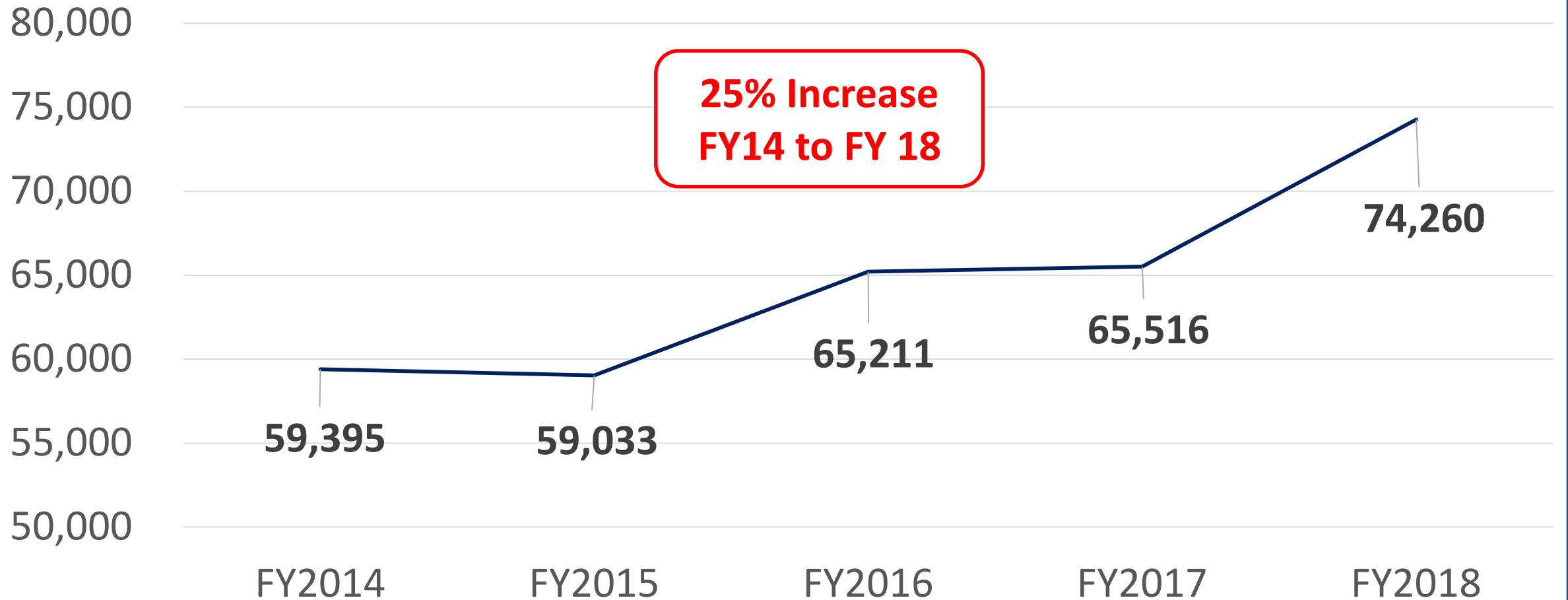
Student Credit Hours

Student Credit Hours Per Academic Year



Online Student Credit Hours

Online SCH 2014-2018



FY 18 Includes: Fall & Winter Actual + Summer Beg. Of Term

FY 2019 Budget – Baseline Revenue Assumptions

General Fund

- Total SCH – 450,000 at current mix (80% UG, 20% GD)
- UG Tuition – Within tuition restraint guidelines
- GD Tuition – 5.0% Increase
- State Appropriations – 2.4% Increase (2.0% statewide average)
- Implement in-state tuition rate for incoming international students (Fall 2018)

FY 2019 Budget – Baseline Expense Assumptions

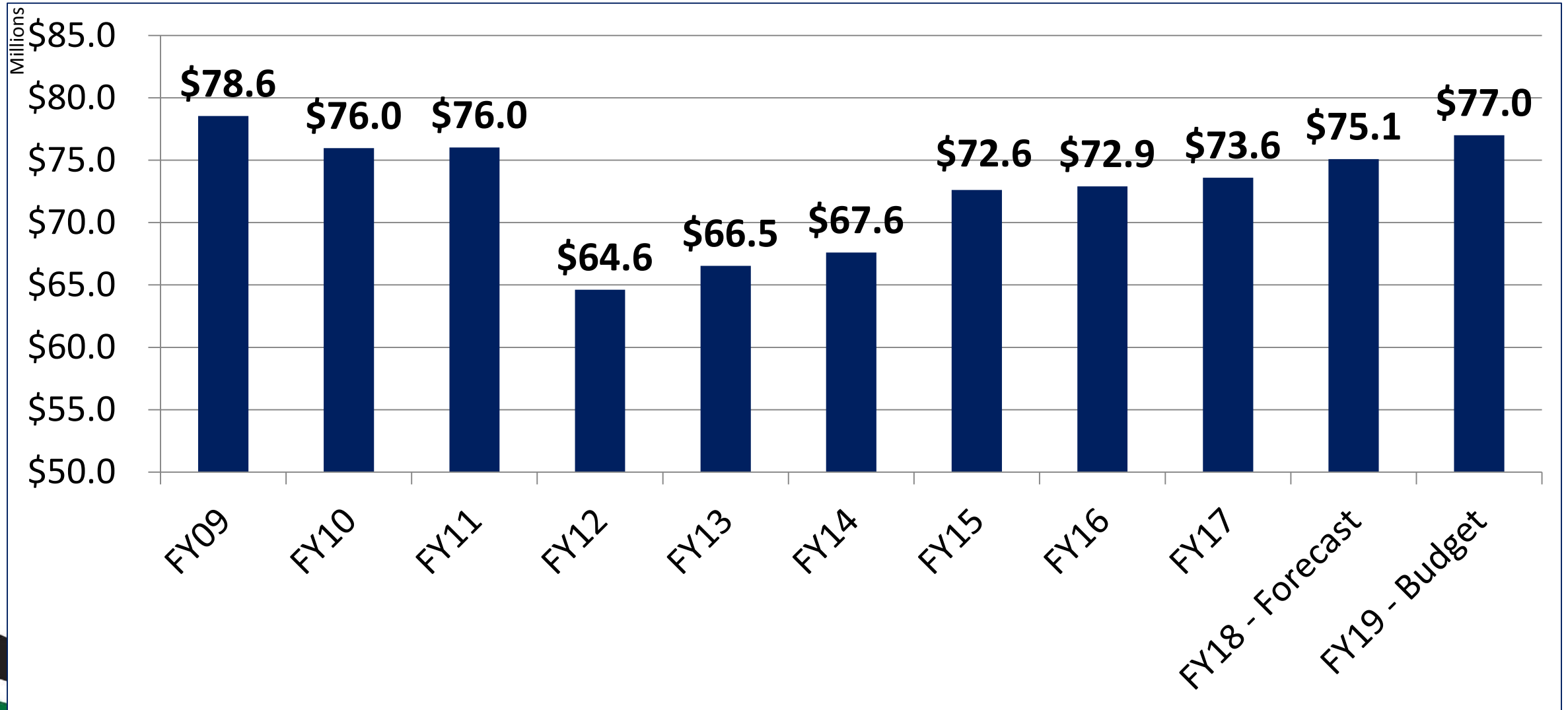
- Financial Aid – Below Board Authorization
 - \$53.8 million (\$1.7 million decrease from 2018)
- Utilities Savings – \$2.1 million decrease vs. 2018 (full year Co-Gen)
- Debt Service - \$3.2 million increase vs. 2018

FY 2019 Budget – General Fund Revenues

	FY 2017-18 Approved Budget	FY 2018-19 Recommended Budget
<div>Revenues</div> <div>(In millions)</div>		
Tuition	\$ 207.0	\$ 199.6
Mandatory Fees	\$ 3.0	\$ 2.2
Program Fees	\$ 5.4	\$ 5.4
Tuition and Fees	\$ 215.4	\$ 207.2
Academic Partnerships	\$ 2.0	\$ 4.7
Online/Hybrid Course Fees	\$ 4.2	\$ 6.6
State Appropriation	\$ 75.1	\$ 77.0
Engage@EMU	\$ 4.0	\$ 3.6
Investment Income	\$ -	\$ 3.0
Academic Related	\$ 1.5	\$ 1.5
Other Revenue	\$ 5.7	\$ 6.9
Total Revenue	\$ 307.9	\$ 310.5

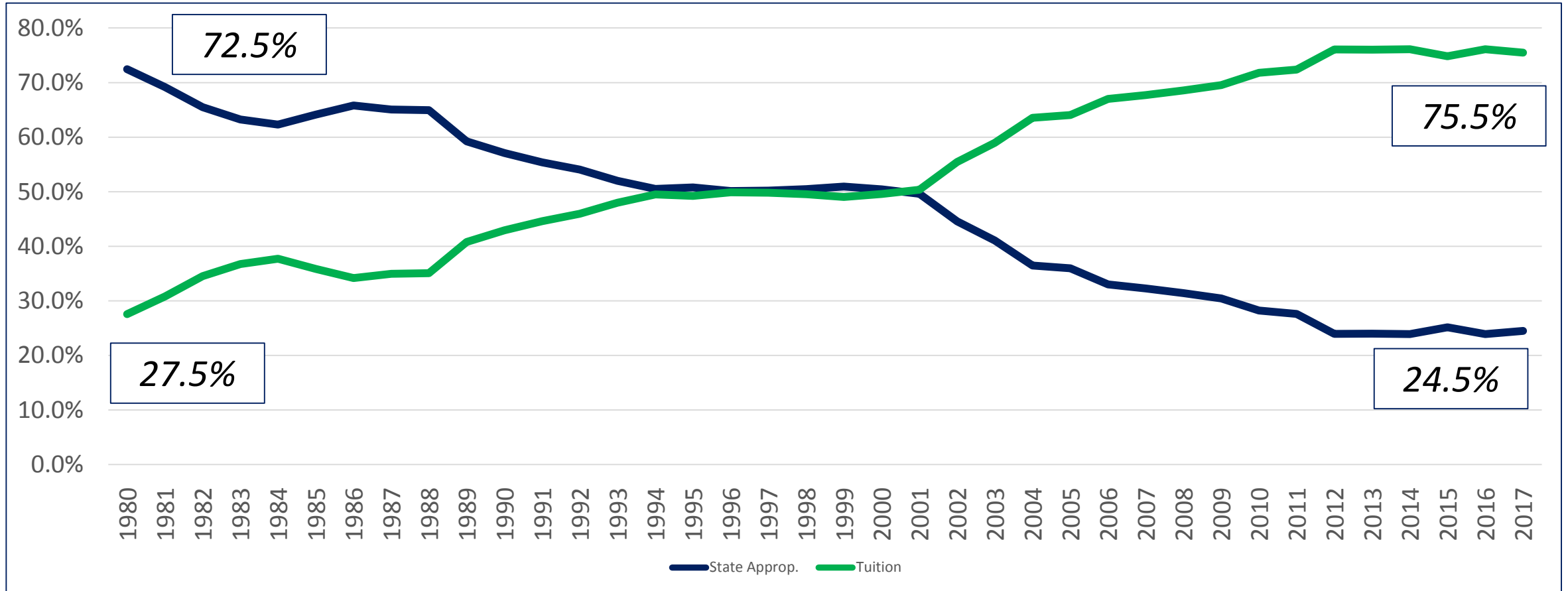
General Fund Revenue Challenges

State Appropriations



Lost appropriations revenues since 2009 levels - \$64m

State Appropriations vs. Tuition & Fees



FY 2019 Budget – General Fund Expenses

	FY 2017-18	FY 2018-19
	Approved Budget	Recommended Budget
<div>Expenditures</div> <div>(In millions)</div>		
Salaries	\$ 133.1	\$ 135.8
Benefits	\$ 50.4	\$ 50.4
Total Personnel Costs	\$ 183.5	\$ 186.2
Financial Aid	\$ 55.5	\$ 53.8
Services, Supplies and Materials	\$ 30.6	\$ 30.4
Utilities	\$ 5.3	\$ 3.2
Debt Service	\$ 8.8	\$ 12.0
Asset Preservation	\$ 8.3	\$ 9.9
Distributions to Foundation	\$ 1.5	\$ 1.5
Net transfers/Other /Contingency	\$ 14.4	\$ 13.5
Total Expenditures	\$ 307.9	\$ 310.5

FY 2019 Budget – Baseline Revenue Assumptions

Auxiliaries

- Housing – 2.95% Avg. increase at current occupancy, mix
- Dining – 2.75% Avg. Increase at current mix
- Parking – No revenues (or expenses) budgeted (P3)
- Rec/IM Opt-Out Fee – \$35/Semester (Est. \$1.4m total)

FY 2019 Budget – Auxiliary Fund Revenues

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
	Approved Budget	Recommended Budget
<div>Revenues, by Auxiliary</div> <div>(in millions)</div>		
Dining	\$ 15.6	\$ 15.4
Residence Halls/Apartments	\$ 19.6	\$ 19.0
Parking	\$ 4.7	\$ -
Athletics	\$ 6.4	\$ 5.0
All Other Auxiliary Activities	\$ 8.6	\$ 8.9
Total Revenue	\$ 54.9	\$ 48.3

FY 2019 Budget – Auxiliary Fund Expenses

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
	Approved Budget	Recommended Budget
<div>Expenses</div> <div>(in millions)</div>		
Salaries & Wages	\$ 13.3	\$ 10.6
Overtime/temps/EC	\$ 0.8	\$ 0.7
Student help/GA	\$ 3.2	\$ 2.7
Benefits	\$ 5.6	\$ 4.4
Total Personnel Costs	\$ 22.9	\$ 18.4
Financial Aid	\$ 1.7	\$ 1.5
SS&M	\$ 17.6	\$ 14.8
Debt Service	\$ 4.7	\$ 4.6
Cost of Goods Sold	\$ 9.6	\$ 9.7
Net Transfers	\$ (1.6)	\$ (0.7)
Total Expenditures	\$ 54.9	\$ 48.3

Expenses By Functional Area - Athletics

	FY18	FY 19 Budget	YoY Variance
Oper. Expenses (FY18 Budget)	\$ 18,100,000	\$ 16,800,000	\$ (1,300,000)
Financial Aid			
Athletic (FY18 Actual)	\$ 9,800,000	\$ 8,900,000	\$ (900,000)
Academic (FY18 Actual)	\$ 2,700,000	\$ 2,200,000	\$ (500,000)
Total Athletics Operating Budget Impact			\$ (2,700,000)

2018-2019 NBF Total Compensation

David Turner,
Vice President for University Human Resources

Agenda

- Modified Merit Program Eligibility Requirements applicable for **FY18**
- Employee Benefits: January 2019 – December 2019

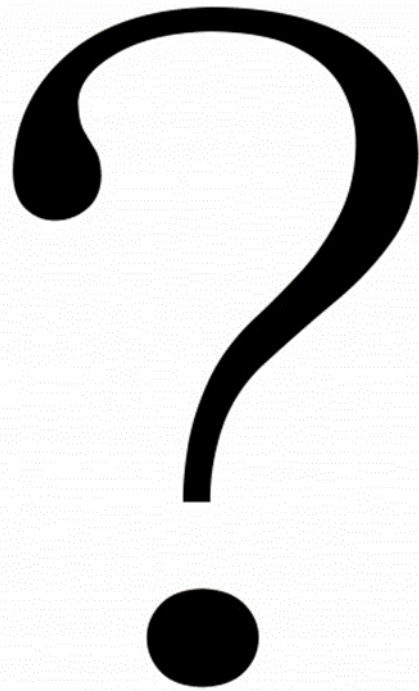


Eligibility for Merit Increases

- Satisfactory Performance Record
 - Overall performance review for FY18 is not “below requirements”
 - No formal discipline within past fiscal year (July 2017 – June 2018)
 - Not currently on performance improvement plan (PIP)
- Salary is currently \$80,000 and under (annualized) as of 7/1/18



Questions



2019 Open Enrollment



Monday, October 22, 2018 through
Wednesday, November 7, 2018

Watch for website updates and email communications in October

Online Open Enrollment: Benefitfocus



Welcome to Open Enrollment!

Once you log in, you will find an abundance of information and videos to help you learn more about your benefits and other topics of interest. Once you are ready, click the "Log In" button to get started.



Log in to your account

Due to inactivity, the system has automatically logged you out of the site to preserve the security of your information.

Username*

HRVICKYM

Password*

Log in

[Can't access your account? ▶](#)

Supported Browsers

[Learn about Officially Supported Browsers](#)

Employee Benefits Updates



Medical



Dental



HSA & FSA
Accounts

Eligibility Changes – Medical and Dental

Complete spousal exclusion applies for 2019 coverage
No secondary coverage allowed for medical/dental

- Spouses with access to subsidized employer medical and/or dental coverage must enroll in their employer's medical and dental coverage
- Such spouses are no longer eligible to enroll in any EMU medical and dental plans
 - Employee may need to provide proof of spousal coverage
 - Electronic Affidavit Statement must be completed at OE to retain or gain coverage
- If both spouses work at EMU, we will no longer allow separate contracts for medical and dental insurance coverage.
- If retired or self-employed, spouses can remain on EMU plans

Medical Plan Design: No Changes

Benefits	PPO Option 5 Community Blue	HSA Simply Blue w/HSA	HMO – Enhanced or Standard
Deductible	\$250 – employee \$500 – 2-person \$750 – family	\$1,350 – single deductible \$2,700 – 2 or more \$2600/\$5200- out-of-network	\$500 – employee/(\$1,500) \$1,000 – 2 or more /(\$3,000)
Fixed-dollar copays	\$20 for office visit* (*\$15 - chiropractic) \$20 urgent care \$50 emergency room	None (subject to plan provisions)	\$20 office* (*\$5 allergy injections) \$20 urgent care (\$35OV/\$50UC) \$100 emergency room (\$100)
Percent coinsurance (approved amounts after deductible)	90%/ 10% for most services	80%/ 20% for most services	80%/ 20% for most For some services 50%/ 50% includes lab, x-rays, inpatient and outpatient hospital (or 30%/50% Standard)
Annual Co- insurance max	\$1,000 – employee \$2,000 – 2 or more \$2500/\$5000- out-of-network	\$1250/ \$2500 in network \$2500/\$5000- out of network (includes deductible, fixed-dollar medical and Rx co-pays and coinsurance)	\$1,000 – employee \$2,000 – 2 or more (includes deductible, fixed-dollar medical co-pays, coins.) \$1500/\$3000 – out of network
Annual out-of- pocket maximum	\$6,600 – employee \$13,200 – 2 or more (includes deduct., RXs, coinsurance) \$13,200/\$26,400 out-of-network	\$2,500 – employee \$5,000 – 2 or more (incl. deductible, coinsurance) \$5000/10,000 out-of-network	\$6,600 – employee \$13,200 – 2 or more for Enhanced and Standard

BCBSM summaries will be posted online for detailed info, incl. out-of-network coverage

2019 IRS Limits - HSA

Contribution and Out-of-Pocket Limits for Health Savings Accounts and High-Deductible Health Plans	
	2018 and 2019 TBD(?)
HSA contribution limit (employer + employee)	Self-only: \$3,450 Family: \$6,900
HSA catch-up contributions (age 55 or older)*	\$1,000
HDHP minimum deductibles	Self-only: \$1,350 Family: \$2,700
HDHP maximum out-of-pocket (deductibles, co-payments and other amounts, but not premiums)	Self-only: \$6,650 Family: \$13,300
* Catch-up contributions can be made any time during the year in which the HSA participant turns 55.	

2019 Health Premiums

Coverage Category	<u>Per Pay: Semi-Monthly and Bi-Weekly Premiums</u> HEALTH CARE PLANS					
	BCBSM PPO Option 5		BCBSM PPO w/ HSA		BCN HMO	
	Current	2019	Current	2019	Current	2019
Single	\$37.79	\$41.00	\$27.88	\$31.75	\$9.29	\$10.63
Two Person	\$75.63	\$82.08	\$55.67	\$63.46	\$18.54	\$21.13
Family <i>(3-4 covered)</i>	\$90.75	\$98.46	\$69.54	\$79.29	\$23.17	\$26.38
Family Plus <i>(5+ covered)</i>	\$105.83	\$114.83	\$83.54	\$95.21	\$27.88	\$31.75

NBF Healthcare Opt-Out Credit

GROUP	BEGINS	HEALTHCARE WAIVER
AC, AH, AP & CA Employee Groups	January 1, 2019	\$2,000 OPT OUT CREDIT IS AVAILABLE*

**Opt out credit is not available if your medical coverage is through another EMU employee.*

2019 Dental Plan – No Changes

CLASS	SERVICE OFFERED
I	Basic services paid at 100% (exams, cleaning and x-rays)
II	Preventative services paid at 80% (oral surgery, crowns, root canals and fillings)
III	Restorative services paid at 50% (bridges, dentures and implants)
IV	Orthodontic services paid at 50% (braces); Lifetime Max of \$2,000

- New Annual Maximum: \$1,500 per member
- Premium cost is fully paid by EMU

2019 FSA Limit Increase (per IRS new limits)

FSA Maximum	2019 (TBD)
Health FSA Maximum:	\$2,600
Dependent Care Assistance Plans (Dependent Care FSA) (unless married filing separately)	\$5,000

If you happen to leave us...

- Benefit termination date upon departure from EMU is:
 - end of the month during which you end your employment
- This change applies to termination (except retirement) for all reasons:
 - voluntary or involuntary
- At retirement, medical & dental benefits coverage ceases at the end of the current quarter

Bereavement Leave

- An employee will be allowed three (3) working days off, with pay, for bereavement leave for immediate family.
- “Immediate family” refers to husband, wife, child, father, mother, sister, brother, father-in-law, mother-in-law, employee’s step-parents, brother-in-law, sister-in-law, daughter-in-law, son-in-law, grandparents, grandchildren, step children of a current spouse, and foster parents who were legal guardians.
- If attending a funeral or service for anyone outside of immediate family, you may take off one-half (1/2) day, with pay.

Wellness Programs



Fitness

- Rec/IM classes with a different classes featured monthly
 - Yoga
 - Strength & Stretch
- Lunch & Learns monthly
- Campus 5K preparation
- Wellness Campus Walks
- Tail'r made Summer Challenge
- Step Summer challenge
- Rec/IM Intro Day



Nutrition

- Monthly Cooking Classes
 - Led by Registered Dietitian
 - Food sampling
- ENS Services (Rackham Building)
 - Nutrition Counseling
 - Bioelectrical Impedance Analysis (BIA) body comp test
 - DEXA Scan – x-ray based bone density and body comp measurement
 - CSA Sign-Up w/ campus drop off



Relaxation

- Lunch & Learn Sessions
 - Financial Wellness
 - Tips on inflammation from a Chiropractor
- Ergonomic help and L&L
- Massages on Campus
- Sun & Safety presentation

Questions



Parking Update

Dieter Otto

Director of Buildings, Grounds, and Parking

Lyla Ellens

General Manager, ParkEMU

Parking Contacts

- Lyla Ellens, General Manager
 - lellens@LAZParking.com
- Anthony Leone, Director of Administration
 - anleone@LAZParking.com
- David Bell, Director of Operations
 - dbell@LAZParking.com

ParkEMU Key Players



- Provident Resources Group
 - Concessionaire
 - Holds concessions agreement with University
- LAZ Parking
 - Parking operator
 - Capital improvements
 - Employed by Provident Resources Group
- Eastern Michigan University
 - Joint Parking Advisory Committee
 - Appeals
 - Shuttle Service

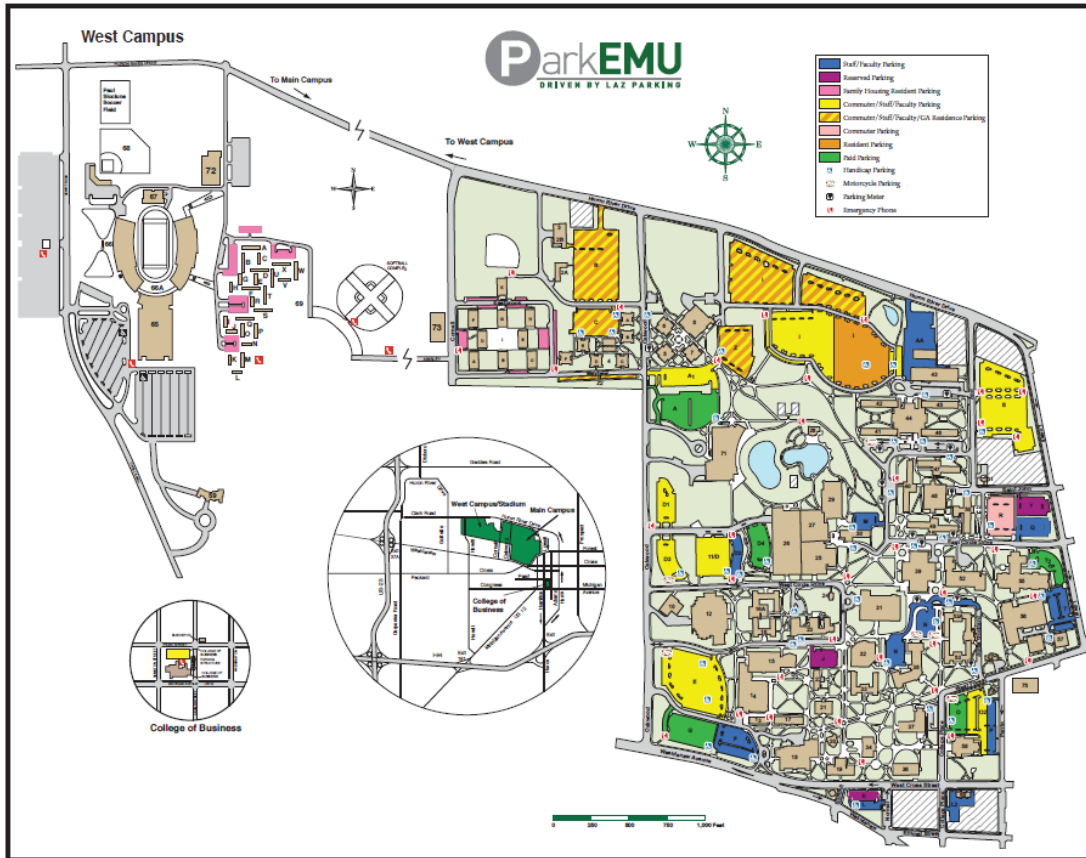


LAZ Parking

- Nearly four decades of experience
- 31 states
- Operations in following segments:
 - Hospitality/valet, medical/hospital, government/municipal, event parking, residential/buildings, campus and more
- Customer service approach
- Core values
 - Commitment to people
 - Respect
 - Honesty and integrity
 - Trust



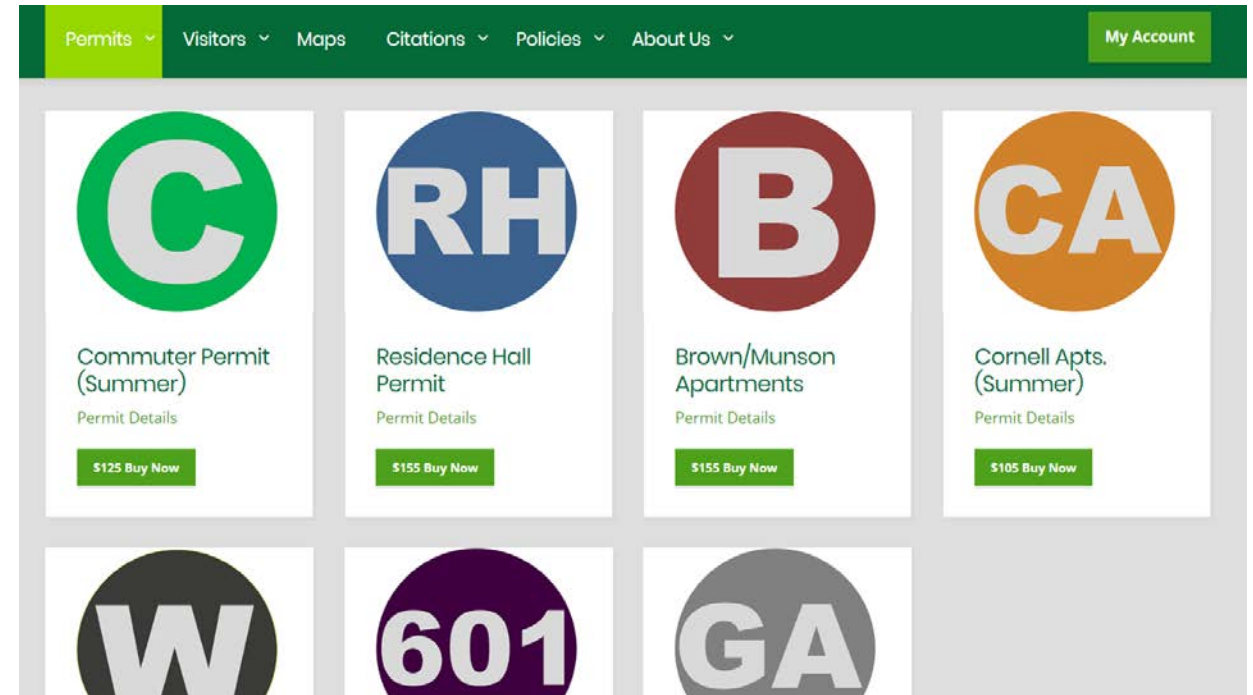
What Is Changing



- Parking registration
- Enforcement technology
- Capital improvements

Parking Registration- Permits

- Every parker must register
 - www.parkemu.com
- Integrated with emich system to determine e-class
- No hang tags
- Payroll deduction (pretax) available



Parking Registration- Premium Reserved Spaces

- Contact ParkEMU office for new registrations
- Auto-renewal for September
 - Cancellation request can be submitted to parkemuhelp@lazparking.com
- Reserved spaces must be submitted by September 30th
 - Confirmation form can be submitted to parkemuhelp@lazparking.com
- Payroll deduction (pretax) available

Enforcement Technology



- License Plate Recognition (LPR)
- No hang tags
- Self-managed accounts
 - Up to two vehicles per parker
 - Both vehicles must be driven by parker who purchased the permit

Capital Improvements

- Resurfacing several lots
 - May include Oakwood South, McKenny Paid Lot, Porter Circle, Normal Lots
- Partnering with EMU on Green Lot 1



Detailed Questions?

Join us at 10am for a group discussion

State Government Relations

Vicki Reaume,
Vice President and Secretary to the Board of Regents
Interim Vice President of Government Relations

Chad Wing,
Director of State Relations

Introduction

The Government Relations Office

207 Welch Hall



Summary: FY 2018-19 University Performance Funding Increases

University	Proportional to FY 2010-11			Performance Funding Proportional to Share of Total				Performance Funding Scored vs. National Carnegie Peers										*Total Performance Funding Increase	Proposed FY 2018-19 Appropriation	Percent Change			
	% of formula:	50.0%		11.1%		5.6%		33.3%															
	Funding per unit:	\$0.0101 per dollar		\$179.90 per completion		\$0.0011 per dollar		\$6.71 per weighted point															
	FY 2017-18 Year-to-Date Appropriation	FY 2010-11 Appropriation	Funding	Critical Skills Undergrad Completions	Funding	Research & Development Expenditures	Funding	6-year Grad Rate	Total Degrees	Instl. Support as % of Expend.	% Students Receiving Pell Grants	Total Points	Total FY 2016 Undergrad FYES	FYES- Weighted Points	Funding								
Michigan State	\$281,239,100	\$283,685,200	\$2,852,821	3,232	\$581,357	\$349,725,075	\$369,240	2	3	0	0	5	36,703	183,515	\$1,231,666	\$5,035,100	\$286,274,200	1.8%					
UM-Ann Arbor	314,589,100	\$316,254,500	3,180,347	3,159	568,224	\$857,589,000	905,443	3	3	2	0	8	28,671	229,371	1,539,429	\$6,193,300	320,782,400	2.0%					
Wayne State	199,169,800	\$214,171,400	2,153,770	961	172,797	\$181,378,000	191,499	2	2	0	3	7	14,375	100,622	675,324	3,193,400	202,363,200	1.6%					
Central	85,654,400	\$80,132,000	805,831	822	147,790	\$14,889,698	15,721	2	3	0	2	7	16,842	117,894	791,249	1,760,600	87,415,000	2.1%					
Michigan Tech	49,052,200	\$47,924,200	481,940	921	165,646	\$59,326,199	62,637	3	0	2	0	5	5,577	27,884	187,141	897,400	49,949,600	1.8%					
Western	109,376,800	\$109,615,100	1,102,321	1,173	210,936	\$22,801,658	24,074	0	2	0	2	4	16,272	65,087	436,835	1,774,200	111,151,000	1.6%					
Eastern	75,169,900	\$76,026,200	764,542	938	168,749	\$4,847,557	5,118	2	3	2	2	9	14,419	129,775	870,986	1,809,400	76,979,300	2.4%					
Oakland	51,235,900	\$50,761,300	510,470	1,348	242,509	\$12,609,712	13,313	2	2	2	2	8	15,216	121,728	816,981	1,583,300	52,819,200	3.1%					
Grand Valley	70,100,100	\$61,976,400	623,253	1,389	249,885			3	3	2	0	8	20,178	161,420	1,083,375	1,956,500	72,056,600	2.8%					
Saginaw Valley	29,766,100	\$27,720,700	278,767	495	88,962			2	2	2	2	8	7,341	58,726	394,140	761,900	30,528,000	2.6%					
UM-Dearborn	25,421,900	\$24,726,200	248,654	481	86,569			2	2	2	2	8	5,861	46,885	314,672	649,900	26,071,800	2.6%					
UM-Flint	23,061,800	\$20,898,000	210,156	610	109,651			2	2	0	2	6	5,062	30,372	203,840	523,600	23,585,400	2.3%					
Ferris	53,595,500	\$48,619,200	488,929	1,381	248,412			2	3	2	2	9	10,229	92,061	617,870	1,355,200	54,950,700	2.5%					
Northern	47,137,400	\$45,140,300	453,944	556	100,049			2	3	2	0	7	6,534	45,738	306,972	861,000	47,998,400	1.8%					
Lake Superior	13,775,000	\$12,694,200	127,657	181	32,552			2	2	0	0	4	1,929	7,716	51,786	212,000	13,987,000	1.5%					
TOTAL:	\$1,428,345,000	\$1,420,344,900	\$14,283,400	17,643	\$3,174,089	\$1,503,166,899	\$1,587,044	31	35	18	19	103	205,208	1,418,792	\$9,522,267	\$28,566,800	\$1,456,911,800	2.0%					

Title IX and Campus Security

- Title IX boilerplate
 - Internal team assembled to ensure EMU's compliance
- Campus security and Title IX legislation - two major issues addressed:
 1. Government Immunity
 2. Retroactivity



Other Legislation

- Education Legislation
 - Teacher prep packages
 - Basic Skills Exam elimination
- Capital Outlay Bill



EMU Day in Lansing

- Tuesday, March 6, 2018
- Faculty, staff, alumni, and students participated by advocating for EMU through meetings in Lansing with state legislators
- In total, at our 2018 event we had:
 - 47 meetings with state legislators and their staffs
 - 62 volunteers from EMU
- EMU Choir performed in the rotunda



Featured above is the EMU Choir, Choir Director Brandon Johnson, and President James Smith after the choir's performance during the EMU Day in Lansing Luncheon.

EMU Day in Lansing

- Talking points included:
 - Higher Education Funding, Community College Partnerships and Baccalaureate Degrees, Capital Outlay, Veterans, Information Assurance Program, and Campus Safety
- Join us for **EMU Day in Lansing in 2019!**



Staff member Malverne Winborne (Left), student Larry Borum (Center), Representative Ronnie Peterson (Right)



Student Alexa Cooley (Left) and Alumna Annette Johnson (Right)

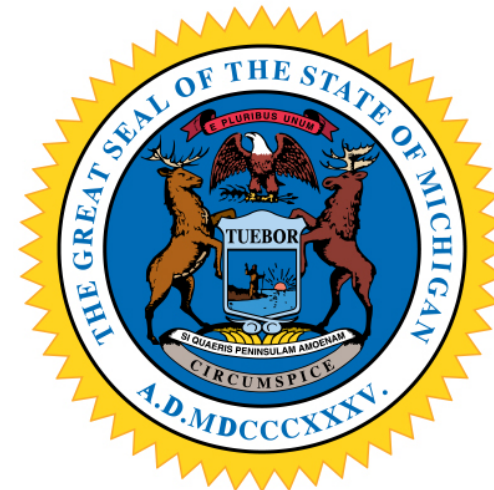
How You Can Help EMU in Government Relations Efforts

- Join the EMU Caucus
- Visits to Lansing
 - We would love to be involved to help you plan this for your department/area
- Reach out to your local legislator
- If you hear of legislation that you think EMU should be involved with, please let us know!
- Join us for EMU Day in Lansing in 2019



Conclusion

- Please let the Government Relations Office know if there is any way we can help you with efforts locally or in Lansing
- If you ever need help contacting elected officials, tell our office and we would be happy to help connect you



QUESTIONS

The Government Relations Office

734.487.7048

government.community@emich.edu

emich.edu/govrelations

Website:

emich.edu/president/communications/meetings.php

Upcoming Meetings:

Monday, August 27

Student Center Ballroom @ 8:30 a.m.