

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

RECOMMENDATION
FINANCE AND INVESTMENT COMMITTEE

SECTION: 22

DATE:
June 16, 2015

ACTION REQUESTED

It is recommended that the Board of Regents receive and place on file the minutes from the March 17, 2015 Finance and Investment Committee meeting and the Working Agenda for the June 16, 2015 meeting.

STAFF SUMMARY

March 17, 2015 Meeting Agenda

Agenda items include the following recommendations:

- WEMU-FM Financial Statements as of June 30, 2014 And Auditor's Report
- 2015-16 Room, Board and Apartment Rates
- Fiscal Year 2015-16 Capital Budget and Three Year Capital Projection
- Emeritus Staff Awards

June 16, 2015 Meeting Agenda

- 2015-16 Tuition and Fees Recommendation
- 2015-16 General Fund Operating Budget Recommendation
- 2015-16 Auxiliaries Fund Operating Budget Recommendation
- Approval of Purchase Agreement – 511 Forest Avenue
- Approval of Debt Financing
- Approval – Extension of University Beverage Rights
- Approval – Extension of University Apparel Rights
- Approval – Policy 12.1.1 – In-State Classification of Tuition
- Emeritus Staff Awards

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 Investment Committee
Meeting Minutes
March 17, 2015

The meeting was called to order by Regent Beth Fitzsimmons at 11:45 a.m.

A motion was made, seconded and approved to accept the minutes from the December 5, 2014 Finance and Investment Committee meeting.

The agenda includes 4 items.

Section 20: Recommendation: 2015-16 Room, Board and Apartment Rates

This proposal requests a 4% increase for all residence hall rates, and a 5% increase for meal plans and apartment rates. With the increased food cost and supplies as well as a significant amount of deferred maintenance expense, this recommended rate increase is required to meet all financial obligations and to set aside funds for future capital investment in the housing and dining facilities.

Section 21: Recommendation: Fiscal Year 2015-16 Capital Budget

The five years from fiscal year 2008-2009 through fiscal year 2013-2014 represented a period of unprecedented capital investment at Eastern. Over the period, capital spending exceeded \$220 million. Approximately two-thirds of the spending was invested in academic facility enhancements including the Science Complex addition/renovation and the Pray-Harold renovation.

The projects in the recommended \$8.9 million fiscal year 2015-2016 capital budget are listed on Attachment A and include significant investments supporting the growth in the School of Health and Human Services. This budget also reflects continuing investment in housing, safety and security and the Honors College.

The 2015-2016 Capital Budget represents a decrease from recent years, as operating results have been below budget target, resulting in a decrease in Net Reserves. It is anticipated that improvement in these results will enable the University to return to recent normalized levels in future years.

Section 22: Recommendation: WEMU-FM Financial Statements as of June 30, 2014

WEMU-FM, Eastern Michigan University's public radio station, is required as a condition of participation in the public broadcasting program to file an annual audited statement of financial operations. Plante & Moran, PLLC prepares this audit annually as part of its financial audit engagement with the University.

The financial report, statements and opinion are attached. Plante & Moran indicates that, in their opinion, the financial statements present fairly, and in accordance with generally accepted accounting principles, the financial position of the station as well as the changes in financial position and cash flows for the fiscal years 2012-13 and 2013-14.

During their review, Plante Moran did not identify any internal control material weaknesses or significant deficiencies.

Section 3: Recommendation: Emeritus Staff Status

It is recommended that the Board of Regents grant Emeritus Staff Status to One (1) staff member: Melody Reifel Werner, Associate Athletics Director, Office of Athletics, who retired on June 16, 2014.

The meeting was adjourned at 12:05 p.m.

Respectfully submitted,
Jada Wester
Executive Assistant to the
Chief Financial Officer