

**To:** SACUA

**From:** James Gulvas, Chair, Financial Affairs Advisory Committee

**Subject:** Report on Activities of Financial Affairs Advisory Committee for AY 22-23

**Members:** James Gulvas (Chair), Nancy Allee, Erhan Bayraktar, Francine Dolins, Daniel Nemser, Romesh Saigal, Ragini Vittal, Pamela Wong, Ya Sha (Alex) Yi, Riya Chakravarty (Undergraduate Student)

**SACUA Liaison:** Allen Liu (2022)

**Meeting Dates:** 10/26/22; 11/18/22; 2/22/23; 3/29/23; 4/26/23

### **Committee Charge**

1. Provide advisory consultation to review mechanisms/processes that ensure accountability and transparency in the use of academic resources: e.g., student fees, tuition revenue, endowments.
2. Discussing support for environmental sustainability.
3. Consider the impact of budget decisions on DEI initiatives.
4. Consider Building, Facilities, and Infrastructure issues as determined by the Vice President and the committee.

### **Committee Actions**

The Committee primarily focused on informational and educational sessions for the members. We met with various members of the CFO's office and financial leadership throughout the University and Ann Arbor Campus. The CFO did seek limited guidance on information relating to the 2034 vision and ideas around intercampus connectivity with particular interest between the South, Main and North Campus locations within Ann Arbor. No formal actions or consultation was provided by the committee.

### **Information Obtained**

The Administration is open to being as transparent as possible in regards to budgeting and the overall financial health of the University. Committee members appreciated further understanding of the endowment, investment strategies, interconnectedness of the medical and academic enterprises, and the three campus system. The committee would encourage further outreach around budget literacy throughout the entire University (Medical, Ann Arbor, Flint, Dearborn). As a committee, members asked learning questions from our various speakers but would like to advise in a more contributed model, either as a sounding board for the CFO's office, or going out to our other faculty colleagues to gather useful insights on how we can operate better together.



Primary topics covered each meeting:

*October:* What is the Budget?: Geoff Chatas, Executive Vice President and Chief Financial Officer

*November:* Sustainability & Carbon Neutrality: Drew Horning, Special Advisor to the President for Carbon Neutrality Strategy

*February:* Residence Life-housing needs on campus: Martino Harmon, Vice President for Student Life

*March:* UM investments and their management: Erik Lundberg, Chief Investment Officer

*April:* Ann Arbor Academic budget; Merit pay: Tom Finholt, Vice Provost for Academic and Budgetary Affairs, & Karen Zaruba, Assistant Vice Provost for Academic and Budgetary Affairs

**Recommendations**

- Continue dialogue with VP's office regarding all aspects of the committee's charge
  - Identify specific areas of focus
  - More accountability between CFO's office and the Chair is required
  - Being chair can feel purely ceremonial as guests and speakers change quickly and with limited notice all organized by the CFO's office.
- Cultivate budget priorities the faculty would like to see implemented for the following fiscal year
  - This could come up from the other committees, or be from the FAAC directly.
  - Present these to the CFO prior to making decisions on budget priorities (early spring?)