



Financial Affairs Advisory Committee (FAAC)

Minutes of Meeting: 11/19/25

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Present: Julie Boland, Vance Jackson, Emily Luxon, Becky Peterson (Chair), Sara Soderstrom, Gillian White, Jefferson Williams, Bobby Hewlett (EVP and CFO)

Absent: Stefanie Russman Block, Hsiao Sung, Dale Thomson, Kentaro Toyama (SACUA)

Guests:

Kim Kiernan, Vice President for Facilities and Operations

Christine Snyder, Director of Child and Family Care

Rich Holcomb, Associate Vice President for Human Resources

Faculty Senate Office: Eric Vandenberghe

9:01am-9:05am: Call to Order, Approval of Agenda and Minutes, Announcements

The agenda was approved. The minutes for the October FAAC meeting were approved. Guidelines for discussion are shared.

9:05am-9:10am: Updates on past action items; consideration of motion in support of the proposed Investment Values Committee

Summary: Chair Peterson informs the committee that a meeting has been set up in December between SACUA leadership and the CFO's Office to discuss CTP. A separate meeting to discuss Work Connections is currently being set up. FAAC membership will be invited to attend the meeting on Work Connections once it has been set. The Faculty Governance Coordinator will be in touch with further details once they are available.

Chair Peterson introduces a motion for committee consideration. The motion is to endorse the formation of the Investment Values Committee (IVC). Chair Peterson provides context for this proposed committee. Members further voice their support for this motion.

The full text of the motion can be found at the bottom of the document.

Chair Peterson moves to endorse the formation of the Investment Values Committee (IVC). Member Boland seconds the motion. The motion passes unanimously.

Action: Announcements; Endorsement of the formation of the Investment Values Committee (IVC)

9:10am-9:23am: CFO update

Summary: EVP Hewlett updates the committee that representatives from Moody's recently visited UM's campus. The result of the visit was a continued AAA and stable rating for the University.

The Investment Office recently confirmed that UM has the top performing endowment in the country.

EVP Hewlett and Provost McCauley send out an announcement on 11/12 that stated that they are "sunsetting the central hiring and non-payroll review processes. Effective Nov. 12, the requirement for presidential or executive vice president approval of job postings and non-payroll transactions will end." The Chair thanks EVP Hewlett for this. It is noted that this is a good example of shared governance.

Unit level budgets are discussed. Units manage their own budgets, and many are being conservative at this time.

The committee follows up on last month's discussion of the proposed change in policy regarding PCard and shortcode use for hosting expenses. The CFO's office is currently working with community stakeholders to ensure future changes to the system are helpful.

The committee briefly discusses proposed data centers; this item will be shifted to next month's meeting to align with the planned topics.

Action: Update

9:23am-10:15am: Topic of the day: Facilities and Operations, University Human Resources, including Benefits

Summary: VP Kiernan presents to the committee on Facilities and Operations. Her office has stewardship over 37 million square feet of building space. There are more than 1700 staff members. The Facilities Service Call Center is open 24/7 and handles over 50,000 calls per year. For service requests the phone number to call is 734-647-2059.

A question is asked about the facilities on the Flint and Dearborn campuses. Each campus has its own unit that has stewardship over facilities. The Ann Arbor Facilities team works closely with their counterparts on the other two campuses.

There are seven units under the umbrella of Facilities and Operations.

Architecture, Engineering & Construction (AEC) work with the campus space. They are responsible for planning, designing, and constructing buildings and infrastructure. They also lead strategic campus planning, and work to optimize space across campus.

Custodial & Grounds Services (CGS) provide grounds maintenance across campus. Their top priority is maintaining a clean and healthy campus. VP Kiernan shares innovations in this department, including autonomous floor scrubbers, as well as utilizing drones for building exterior assessment.



Environment, Health & Safety (EHS) is responsible for ensuring the university community is achieving environmental and regulatory compliance. Initiatives they are spearheading include campus research safety programming; emergency preparedness planning; safety trainings and educational outreach. The Senate Assembly's Research Advisory Committee (RAC) works closely with EHS.

Logistics, Transportation & Parking (LTP) includes campus bussing and other transportation needs around campus. The MGoPark app is discussed. It can provide real-time information regarding parking availability on campus. The committee requests that messaging on front plates be boosted.

Maintenance Services (MS) are responsible for maintaining the building systems across campuses. They also operate the 24/7 Facilities Service Call Center. A question is asked about how building maintenance priorities are determined. Examples are provided of building systems that have needed repair for some time. VP Kiernan asks that these issues be sent directly to her for follow-up. Prioritization of fixing systems across campus is done intentionally in a way meant to best meet the needs of the community within the constraints of the budget. While building depreciation is considered in assessment of U-M assets, U-M does not use a depreciation sinking fund. U-M is currently launching a deferred maintenance assessment. There is a backlog of \$1B in deferred maintenance. Further questions are answered on this subject.

Operational Support (OS) provides campus-wide services, as well as financial, human resources, training, events, and information services.

Utilities (Util) are responsible for all electrical, water, and other related systems on campus.

VP Kiernan is thanked for her presentation and engagement with the committee. University Human Resources (UHR) are discussed by AVP Holcomb.

The range of services provided by UHR is vast. They include the Benefits Office, Children's Centers, Talent Acquisition, among others. UHR serves over 55,000 faculty and staff. Further statistics are provided. The UHR team overview is shared.

AVP Holcomb provides insight into several units that are under UHR. Strategy, Planning & Operations provides strategic planning that guides and aligns all of UHR's departments toward long-term objectives. They also manage HR, and oversee budgets, among other duties. AVP Holcomb indicates that strategic planning on the use of artificial intelligence in the HR space is underway.

The Strategic Communications unit provides communication and marketing approaches for all UHR departments across a broad range of mediums.

Human Resource Services is the next unit presented. Their work with each of the labor unions is discussed. HR works with the Office of General Council on labor negotiations. UM is currently the #1 higher education landing page on Glassdoor.com – this was driven organically and not through paid advertising. Discussion ensues on the HR structure at UM.

The Benefits office is discussed next. UM is frequently benchmarking their benefits against others to ensure they are competitive. Discussion ensues. The committee had provided



advance questions about the Long Term Disability website and Plan Book description of long-term disability benefits for summer salary and salary top ups. AVP Holcomb relates that they are investigating the issues raised, and will ensure the information provided is accurate.

The meeting time was insufficient to discuss U-M's plans for childcare centers. The Chair and EVPCFO agree to add this topic to a future FAAC meeting agenda.

The guests are thanked for their time, and the meeting concludes.

Action: Discussion

10:15am: Adjournment

Respectfully submitted,

Eric Vandenberghe
Faculty Governance Coordinator
Faculty Senate Office



Motion to endorse the formation of the Investment Values Committee (IVC)

Whereas members of the University community frequently raise investment values concerns involving many issues, including matters such as promoting sustainability and green energy;

Whereas the University community lacks an institutional channel for sharing investment values concerns other than through activities such as sending mass emails to the Board of Regents, and the IVC would provide a constructive alternative;

Whereas the Investment Values Committee (IVC), proposed by SACUA's Ethical Investment Committee Summer Working Group, would be an advisory committee to the EVPCFO and would not be a body directly advising the Board of Regents or have any investment decision making authority;

Whereas the IVC would be diversely composed of faculty, staff, students, and alumni experts, with non-voting members that would include an Investment Team expert appointed by the EVPCFO and an expert on socially responsible investing selected jointly by the EVPCFO and the IVC chair;

Whereas the IVC, working with the EVPCFO and the Investment Office, could discuss investment values concerns and help educate and inform the University community regarding the complex issues involved when making investment decisions;

Whereas the EVPCFO may bring a matter discussed by the IVC to the attention of the Board of Regents, but the EVPCFO is under no obligation to do so;

Therefore, be it resolved that the Financial Affairs Advisory Committee (FAAC) endorses the formation of the Investment Values Committee (IVC), as being in the best interest of the University and strongly encourages the University of Michigan leadership to create and implement such a committee imminently.