



Report on Activities of the Financial Affairs Advisory Committee (FAAC) for 2025-2026

Overview:

- *From:* Becky Peterson, Chair, Financial Affairs Advisory Committee (FAAC)
- *Subject:* Report on Activities of the Financial Affairs Advisory Committee (FAAC) for 2025-2026
- *Committee Members:* Stefanie Russman Block, Julie Boland, Doug Burtch, Vance Jackson, Emily Luxon, Silvia Pedraza, Becky Peterson, Sara Soderstrom, Hsiao Sung, Dale Thomson, Gillian White, Jefferson Williams
- *SACUA Liaison:* Kentaro Toyama
- *Meeting Dates:*
 - Thur. 9/11 from 1-2pm (onboarding)
 - Wed. 9/17 from 9-10am
 - Thur. 10/9 from 4-5pm
 - Wed. 11/12 from 9-10am (Drop-in, optional)
 - Wed. 11/19 from 9-10am
 - Thur. 12/4 from 2:45-4pm
 - Wed. 1/14 from 9-10am
 - Thur. 1/22 from 1-2:15pm
 - Wed. 2/18 from 9-10am
 - Thur. 3/12 from 1-2pm (Drop-in, optional)
 - Wed. 3/18 from 8:45-10am
 - Thur. 4/9 from 12:45-2pm
 - Thur. 4/16 from 12:45-2pm
 - Wed. 5/20 from 9-10am (Drop-in, optional)

2025-2026 Committee Charges

1. Request and receive structured updates from the EVPCFO and his staff and, where appropriate, feed back information received to SACUA.
2. Continue discussing the Capital Council's processes and activities
3. Continue where helpful and appropriate to convene joint meetings with other Advisory Committees in areas where the FAAC's remit overlaps with other committees' field of work.
4. Continue discussing Campus Plan 2050 and begin discussing the new Look to Michigan Plan, following on from the concerns the committee pursued in 2024-25.



5. In partnership with the EVP Chatas and prior FAAC Chair Sara Soderstrom, discuss implementation of a new Investment Values Committee to advise the EVP-CFO about ethical standards of investment.
6. Discuss how to provide faculty guidance on financial affairs for UM Flint and UM Dearborn.
7. Discuss and provide advice on auxiliary fund flows (e.g. student athletics, student affairs).
8. Consider emergent issues or topics brought forward by FAAC committee members or Executive Vice President Chatas for discussion over the course of the year. The committee may also continue discussing any issues or topics raised in the committee's most recent annual committee report.

Committee Topics, Actions, and Accomplishments

The committee worked closely with the Executive Vice President Chief Financial Officer (EVP CFO) and his staff throughout the academic year. In October 2025, EVP CFO Geoff Chatas left U-M and Bobby Hewlett was named interim EVP CFO. Both Chatas and Hewlett, along with the CFO's staff were very engaged and open to dialogue with the FAAC. The FAAC thanks the EVP CFO for the collegial engagement and hopes to continue our productive interactions as we move forward.

1. Finance: Financial Operations, Treasurer's Office, EFPA, etc.

Then EVP CFO Geoff Chatas and Vice President for Finance Bobby Hewlett gave a presentation to the committee to explain the current financial operations of the university, structures and processes of the finance office, and university financial policies. The committee asked about the timeline for re-evaluation of the [requirement introduced in February 2025 for presidential or EVP review and approval of all U-M job postings and non-payroll expenditures over \\$50,000](#). Subsequently, [in November 2025, this review requirement was lifted](#).

2. Shared Services Center, incl. Procurement and Travel and Collegiate Travel Planners (CTP)

Pam Gabel, AVP, SSC and Special Advisor to the EVP CFO and Tally Thrasher, AVP and Chief Procurement Officer gave a presentation on the Shared Services Center. The committee used this opportunity to ask questions about the [new requirement](#) that, beginning 7/1/2025, all university travel must be booked through Collegiate Travel Planners (CTP).

SACUA's Collegiate Planners Task Force, led by SACUA member Jesse Capecelatro, conducted a survey to better understand faculty opinion on the obligation to use Collegiate Travel Planners when booking trips. [943 responses were documented and can be viewed here](#) and the [appendix can be found here](#). Results overwhelmingly showed that faculty find CTP requirements to be negative, inhibiting, and inconvenient.

Chair Peterson, Capecelatro, and SACUA Chair Derek Peterson set up a special meeting with EVP CFO Hewlett and AVP Thrasher to share the results of the survey and to request changes to the policy. Through these survey results and advocacy from the FAAC and CTP Task Force, the [university has now altered its CTP policy](#).

3. Facilities and Operations, University Human Resources, including Benefits



The committee met with Kim Kiernan, Vice President for Facilities and Operations to discuss Ann Arbor's Facilities and Operations. The committee met with Richard Holcomb, Associate Vice President for Human Resources, to discuss services offered by University Human Resources, including the Benefits Office, Children's Centers, Talent Acquisition and more.

Given [ongoing faculty concerns regarding Work Connections](#), FAAC asked the EVP CFO and his staff to provide information on what changes, if any, have been made to Work Connections in light of the [2021 Faculty Senate Resolution](#) and the Integrated Disability Management (IDM) Review Committee recommendations in 2022. A special meeting was held with Drew Smith, Interim Vice President of Finance; Heather Banules, Director of Insurance and Claims Administration, and the EVP CFO at which the CFO and his staff presented their response. FAAC invited Derek Peterson, SACUA Chair; Emmanuelle Marquis, Faculty Senate Member and former AAAC chair; and, Stefan Szymanski, CESWF Chair, to attend this meeting.

It was found that several of the recommendations have been implemented, including establishment of a process to allow employees to select an independent medical examiner among providers offered by the University, creation of a team specializing in delivery of services to faculty, implementation of a feedback survey, and collection of additional metrics. Other recommendations, including creation of an appeal process, training and documentation for academic leaders, a 5-day window for choice of independent medical examiners, and active engagement with an advisory committee dedicated to Work Connections have not been implemented.

The FAAC collaborated with CESWF Chair Stefan Szymanski to identify data to be collected from our peer institutions regarding how they handle disability and worker's compensation. The Faculty Senate Office conducted research and compiled this data. Next, the document will be reviewed and next steps determined

4. Capital Council, Look to Michigan, Campus Plan 2050, Planning and Strategic Initiatives

The committee invited Jen Vetter, Director of Executive Projects and Special Advisor; Keaten North, Director of Institutional Financial Planning and Analysis; and, Sven Sawin, Assistant Campus Planner to discuss Capital Council, Look to Michigan, Campus Plan 2050, and Planning and Strategic Initiatives.

5. Investment/Endowment update

The committee invited Erik Lundberg, Chief Investment Officer, to give an update on the university's endowment, the university's current investment strategy.

The committee passed a resolution endorsing the formation of the Investment Values Committee which had been proposed last year. Throughout the year, Chair Peterson and FAAC member Sara Soderstrom, in collaboration with SACUA Chair Derek Peterson and SACUA, met with university stakeholders to advocate for the continued development of the Investment Values Committee, including Regent Bernstein, Geoff Chatas, Bobby Hewlett, and Erik Lundberg to advocate for the IVC. Progress on the Investment Values Committee has been delayed due to changes in leadership.

6. Joint meeting with AAAC re: Provost budget

The FAAC held a joint meeting with the AAAC to learn more about the General Fund activity and changes in the last fiscal year. Tom Finholt, Senior Vice Provost for Academic and Budgetary Affairs; Karen Zaruba, Associate Vice Provost for Academic and Budgetary Affairs; and, Kimberly Brown, Executive Assistant to the Senior VP for



Academic Budgetary Affairs attended and gave a presentation.

7. Sponsored Programs

The committee spoke with Debora Talley, Assistant Vice President for Finance, and Drew Smith, Interim Vice President for Finance, to discuss Sponsored Programs, their process for supporting research, and their processes for allocating awards/funds.

8. Auxiliary Funds

The committee met with Eric Strucko, Chief Financial Officer of Michigan Medicine, to discuss the current financial status of Michigan Medicine as well as the current negotiations with Blue Cross Blue Shield. The committee also met with Andra Krievs, Chief Financial Officer for Athletics, to discuss the Athletics budget and ongoing financial pressures related to the revenue sharing settlement.

9. Campus Sustainability

The committee met with Shana Weber, AVP for Sustainability, to discuss Project Blue's initiatives and sustainability plans.

Ongoing Projects

1. Further improvement of travel policies and Collegiate Travel Planners (CTP)

The FAAC continues to have concerns about the implementation of travel policies and the function of CTP and the Lightning travel planning platform. These concerns include: lack of air ticket availability and non-competitive pricing for flights, especially for international travel but also for domestic flights; the complicated guidance regarding student travel which has led to faculty being financially responsible for mistaken student bookings; the new requirement to use PCards/Travel&Hosting cards (if CTP is not used), which does not align with business practices in many Schools/Colleges which do not allow faculty to have such cards; and the interfaces with other business programs such as Emburse. The FAAC will continue to work with the EVP CFO to represent these and other faculty concerns regarding travel policies.

2. Work Connections

The FAAC continues to be concerned about the lack of a transparent appeal process, the lack of training and documentation for academic leaders, the positioning of Work Connections within Insurance and Claims Administration, and the absorption of the Integrated Disability Management Advisory Committee into the Total Worker Health Advisory Committee. The FAAC will continue to raise these and other faculty concerns regarding Work Connections with the EVP CFO.

3. Mechanisms for community engagement on investment values

The University still lacks a mechanism by which the University community can provide input on the alignment between U-M investments and U-M's values and mission. Given that the President has numerous advisory committees on matters of broad importance to the University (labor standards and human rights, historical and honorific naming, etc.), the lack of such a mechanism regarding investments is an ongoing concern.

4. Sustainability in light of U-M's AI investments

The FAAC perceives a lack of consistency in the University's messaging and actions regarding AI and sustainability, given AI's large environmental footprint. This topic was discussed several times this year, but specific recommendations or data gathering has not yet been pursued by the FAAC.

5. Blue Cross Blue Shield and Michigan Medicine



The ongoing discussions between BCBS and Michigan Medicine are a potentially significant budgetary issue for Michigan Medicine, as well as a longer-term concern for U-M employee health insurance benefits. The FAAC will continue to track this issue.

Recommendations

Continuation of Ongoing Projects

The committee recommends continuing the five ongoing projects listed above.

Continuation of joint meetings with the AAAC re: the General Fund

The committee recommends continuing the tradition of an annual meeting joint with the AAAC to learn about the General Fund activity and updates. FAAC should consider whether this meeting should be held earlier in the academic year for greater engagement and follow-up.

Advisory oversight of Flint and Dearborn finances and business processes

The Faculty Senate and FAAC represent Flint and Dearborn in addition to the Ann Arbor campus. Similar to the joint AAAC and FAAC meetings regarding the General Fund, the committee perceives a need for additional meetings to gain greater insights into the finances and business processes of the Flint and Dearborn campuses. In the coming year, the FAAC recommends establishing an annual meeting with the CFOs of those campuses. These could be joint meetings with the Flint and Dearborn faculty government representatives. The FAAC also notes that the Flint and Dearborn budget reports that are made available are presented differently than those provided for the Ann Arbor campus.

Use of AI within U-M finance and business operations and websites

AI is being used to create and operate chat bots for a variety of U-M finance and business processes. FAAC would like to continue to learn more about the use of AI in these contexts and how U-M is ensuring information accuracy.

Evolving finances of U-M athletics

The finances of U-M athletics are rapidly evolving in the era of revenue sharing and NIL. This year, U-M athletics had a negative net revenue that had to be covered by other funds. The FAAC would like to see U-M athletics remain revenue neutral or revenue positive, and will continue monitoring this situation.

Overall Summary of Committee Work

The EVP CFO has a large remit that touches almost every aspect of U-M operations. In 2025-2026, the FAAC, EVP CFO, and his staff worked cooperatively to address issues of concern to the Faculty. This diligent engagement resulted in the roll back of the presidential or EVP review requirement for hiring and >\$50,000 purchases, and in an update to U-M travel policies to make CTP use optional. In addition, the FAAC learned about updates that have been made to Work Connections in response to prior Faculty Senate efforts, and the FAAC and AAAC continued their practice of meeting annually with the Provost's office to review General Fund activity and updates.