



Financial Affairs Advisory Committee (FAAC) Minutes for 9-16-26 Meeting

Meeting information:

Circulated: 10/14/26

Approved: 10/21/26

Members present: Becky Peterson (Chair), Michael Bohanon, Soumya Rangarajan (SACUA Liaison), Odessa Gonzalez Benson, Terri Friedline, Dale Thomson, Bobby Hewlett (EVP and CFO), Sara Soderstrom, Stefanie Russman Block, Silvia Pedraza

Members absent: Vance Jackson, Gillian White, Jefferson Williams

Guests present:

Tedi Engler- Director of Strategic Project Management

Pam Gabel- AVP, SSC and Special Advisor to the EVPCFO

Faculty Senate Office staff present: Eric Vandenberghe

Minutes:

12:05pm: Call to Order, Approval of Agenda and Minutes, Announcements

The agenda is approved. The notes for the April meeting are acknowledged. (No approval of the notes is necessary because there was not a quorum at the April meeting.). Brief introductions are made. The Chair shares the draft charge with the committee. The meeting schedule is shared with the list of topics. FAAC committee resources are reviewed. Considerations for dialogue are discussed.

12:15pm: CFO update

Summary: EVP Hewlett provides the committee with updates:

- UM has maintained its AAA rating. Last week U-M closed on a \$750M [bond issuance](#).
- [Wolverine Village](#) opened in August. This residential hall opened in time for the start of the Fall term and added 2300 beds to Central Campus.
- UM completed its [purchase of 4090 Geddes Ave. from Concordia University](#). The purchase adds approximately 140 acres to UM's portfolio. The Board of Regents approved a library repository project that will be housed on this property. Further projects will be considered for other parts of this property moving forward.
- [Renovation of Lorch Hall](#) is underway. EVP Hewlett provides details regarding the deferred maintenance being addresses, as well as how the renovation maintains the ongoing sustainability goals.
- Construction of the [University of Michigan Center for Innovation in Detroit](#) is continuing in a positive manner.
- UM has leased new space on M Street in Washington D.C. It is scheduled to open



- later this month and will serve as a multi-use facility for members of the UM community. An existing space near the Capitol building will be kept as well.
- [Open Enrollment](#) for employee benefits kicks off next month. Two new health plans are available for consideration.

Action: Discussion

12:30pm: Topic of the day: U-M Enterprise Resource Planning System replacement + discussion of community engagement

Summary: EVP Hewlett introduces the guests to the committee. The guests proceed to present to the committee the ongoing planning and community engagement for the Enterprise Resource Planning System replacement. The guests emphasize that this system modernization process will take time and that the team is working to ensure that the right foundation is being built. This is the beginning of the process.

The guests provide background. They let the committee know that “an ERP is a business management system, not just a database or accounting software.” This system houses all business data, creates continuity in the work completed by different departments, and reduces work duplication. The current system is MPathways. Examples are provided.

The current system is aging and is in need of an update. A reliance on aging technology can increase security risks. The current plan is for the University to transition to a cloud-based service. Including the regional healthcare system has increased the number of systems to three. The current institution-wide planning team for the ERP effort was shared with the committee. There is a need to consolidate those three down to one system.

A timeline for this update is shared. The process is currently in the pre-planning phase. The guests describe the vendor demonstrations that took place this past June. Over 900 unique individuals experienced the demonstrations and had the opportunity to offer feedback. Oracle and Workday are the two vendors being considered. They are the two primary leaders in this industry. The team anticipates completing the Request for Proposals (RFP) in November. Software vendor selection is tentatively expected for spring 2027. Implementation of the system is expected to take place between 2028-2031.

Project leaders are planning site visits to peer institutions for benchmarking and to learn about the strengths and weaknesses of the vendor software. Some peers have already been visited. Further vendor demonstrations will take place over the winter. The estimated cost of this system replacement is discussed.

Members proceed to ask the guests questions in response to their presentation. A member asks if the software is optimized for an institution of higher education. The guests indicate that it is and indicates it has been implemented at other peer institutions. In response to a member question, the guests confirm that leaders at all UM campuses are being consulted on this project. The guests talk about how AI will be integrated into the new system. A member suggests further focus testing on faculty, particularly engaging faculty governance bodies, such as the FAAC and SACUA.

Action: Presentation and discussion



1:03pm: Adjournment

Respectfully submitted,

Eric Vandenberghe
Faculty Governance Coordinator
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