

**FINANCE COMMITTEE
BOARD OF TRUSTEES
NORTHERN MICHIGAN UNIVERSITY
Report of meeting held December 10, 2015**

Committee Members Present:

Mr. Scott L. Holman, Chair
Mr. Robert E. Mahaney
Ms. Tami M. Seavoy
Dr. H. Sook Wilkinson

Others Present:

Mr. Richard M. Popp, Board of Trustees Member and ex officio
Mr. Steven M. Mitchell, Board of Trustees Member
Dr. Thomas H. Zurbuchen, Board of Trustees Member
Dr. Fritz J Erickson, President and ex officio
Mr. R. Gavin Leach, Vice President for Finance and Administration and Treasurer of the Board of Trustees
Ms. Sandy Haavisto, Controller
Ms. Jill M. Compton, Internal Auditor
Mr. David Wetzel, Senior Vice President, Fund Evaluation Group
Mr. Bill Sheltnow, Anderson, Tackman & Company, PLC

The meeting of the Finance Committee of the Board of Trustees was convened at 3:10 p.m.

Closed Agenda

Mr. Dave Wetzel and Mr. Leach provided the committee with an update on the performance and structure of the University's investments. The report was for information and no action is required.

The meeting was opened to the public at 3:30p.m.

Open Agenda

Ms. Compton reviewed the Audit Report and Proposed Audit Plan for fiscal year 2015 – 2016. The Committee approved the reports as written.

Ms. Haavisto presented the 2014 – 2015 Audited Financial Statements provided by Rehmann Robson. The Committee recommends approval of the Audited Financial Statements.

Mr. Sheltnow reviewed the draft audit of WNMU-TV and WNMU-FM Financial Statements for year ended June 30, 2015 and indicated that Anderson, Tackman & Company, PLC are issuing a clean, unqualified opinion.

Mr. Leach provided the committee with a revised general fund operating budget update and shared a report on Key Indicators. The Committee recommends approval of the updated budget. The report is for information and no action is required.

Mr. Leach presented the final copy of the Facilities Five-Year Master Plan. The report was for information only and no action was required.

Mr. Leach provided the Committee with an update on facilities projects. The report was for information and no action was required.

Mr. Leach provided the Committee with a report on the one-day liquor license application for special events being held on campus on April 15 and May 26, 2016. The Committee recommends that the Board approve the adoption of the resolution for the one-day special event liquor licenses. A copy of the resolution is on file with the Secretary of the Board of Trustees.

Special Action Item

Sale of 1100 Wright Street Property to the City of Marquette for Board of Trustees of Northern Michigan University approval, for a base amount of \$808,000 with the following conditions: 1) City of Marquette to provide NMU with up to \$600,000 to apply toward the purchase of 1820 Lincoln Avenue if said property becomes available within a two year acquisition period or 2) provide NMU the sum of \$441,000 plus 5% interest compounded annually following the acquisition period as noted in the Real Estate Sales Agreement dated November 6, 2015.

Prior to Committee discussion or vote, Trustee Seavoy disclosed that her law firm employer provided legal services to the City of Marquette regarding this transaction. Trustee Seavoy was not involved in the firm's representation and does not receive any benefit from the representation, however, in order to avoid even the appearance of a conflict of interest she elected to abstain from the discussion and vote on the recommendation of the Committee.

Mr. Leach provided the Committee with an update on the Bookstore RFP. The update was for information and no action was required.

The meeting was adjourned at 4:07 p.m.