

**FINANCE COMMITTEE
BOARD OF TRUSTEES
NORTHERN MICHIGAN UNIVERSITY
Report of meeting held April 28, 2016**

Committee Members Present:

Mr. Scott L. Holman, Chair
Mr. Robert E. Mahaney
Ms. Tami M. Seavoy

Others Present but not participating:

Dr. H. Sook Wilkinson, Board of Trustees Member and ex-officio
Mr. Richard M. Popp, Board of Trustees Member
Dr. L. Garnet Lewis, Board of Trustees Member
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
Ms. Kathy Richards, Associate Vice President, Engineering and Planning/Facilities
Mr. Jim Thams, Director, Facilities and Campus Planning
Mr. Jeff Korpi, Interim Director, Housing and Residence Life

The meeting of the Finance Committee of the Board of Trustees was convened at 1:20 p.m.

Open Agenda

Ms. Jill Compton reviewed the Audit Issues Report with the Committee. The Committee approved the report as written.

Mr. Leach provided the Committee with a copy of the Professional Services Plan and Engagement Letter for the fiscal year 2016-2017 financial audit to be performed by Rehmann Robson. The Professional Services Plan outlines the auditors' responsibilities in the financial statement audit and includes their responsibilities for testing and reporting on compliance with laws and regulations and internal controls over financial reporting. The Committee approved the Plan and Engagement Letter as written.

Mr. Leach reviewed with the Committee the 2016-2017 budget recommendations. They include:

- The Dining Services and Housing and Residence Life Rate Schedules
- The Auxiliary Operations Budget
- The Student Life Budget

The Committee recommends that the Board approve the 2016-2017 Dining Services and Housing and Residence Life Rate Schedules, Auxiliary Operations Budget, and the Student Life Budget. A copy of the recommendations are in the formals and on file with the Secretary of the Board of Trustees.

Since the University has not received its state appropriation, and tuition and fees have not been set for next fiscal year, the administration is recommending continuing budgets for the General Fund Base Budget and the Designated Fund Base Budget. The Committee recommends that the Board approve the General Fund and Designated Fund Continuation Budgets. A copy of the recommendations are in the formals and on file with the Secretary of the Board of Trustees.

Mr. Leach shared with the Committee a report on the Key Indicators. The report was for information and no action was required.

Mr. Leach provided the Committee with an update on the Housing Project and Facilities Projects and Capital Outlay. The Committee recommends that the Board adopt the resolution for the construction and operation of the new residential halls, and capital and long-term maintenance projects with a total cost over \$250,000. A copy of the recommendations are in the formals and on file with the Secretary of the Board of Trustees.

Mr. Leach provided the Committee with a report on the property exchange with the City of Marquette. A copy of the recommendation is included in the formals and is on file with the Secretary of the Board of Trustees. 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 and in the interest of avoiding even the appearance of impropriety, she excused herself from the Committee discussion regarding the project and will seek Board approval to abstain from voting in the Board of Trustees meeting.

Mr. Leach provided the Committee with a report on a one-day liquor license application for the Homecoming Game Day event being held on campus. The Committee is recommending that the Board approve the adoption of the resolution for the one-day special event liquor licenses for the event to be held on campus on September 24, 2016. A copy of the recommendation is included in the formals and is on file with the Secretary of the Board of Trustees.

Mr. Leach updated the Committee on the reporting structure for the Printing Services Department. The Committee recommends that the Board approve that the Printing Services reporting structure be moved from the Printing and Mail Services Department, Finance and Administration Division, to the Marketing and Communications Department, President's Division. A copy of the recommendation is in the formals and on file with the Secretary of the Board of Trustees.

Mr. Leach provided the Committee with an update on the Contract Signing Authority. The Committee recommends that the Board approve the updated Contract Signing Authority. A copy of the recommendation is in the formals and on file with the Secretary of the Board of Trustees.

Mr. Leach shared with the Committee a report on the Cross Country Skiing course fees being increased from \$4 to \$5 to cover the use of the Noquemanon Trail Network during class. Also presented was a course fee of \$10 to be charged to all students taking an on-campus 090, 100 or 200 math courses. The fee will cover the cost of the mathematics tutoring lab. The Committee recommends

that the Board approve the fees. A copy of the recommendations are in the formals and on file with the Secretary of the Board of Trustees.

Prior to Committee discussion or vote, Trustee Mahaney disclosed that he is on the Board for the Noquemanon Trail Network, and was advised by legal counsel it was unnecessary to abstain from participating or voting on the issue as there is no conflict of interest.

Mr. Leach provided the Committee with a report on the donation of old furniture being replaced in West Hall, with an approximate value of \$39,334 to the Marquette County Habitat for Humanity. A copy of the recommendation is in the formals and on file with the Secretary of the Board of Trustees.

The meeting was adjourned at 2:31 p.m.