

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Action Item

**Subject:** FY 2018-2019 Budgets

**Action**

**Requested:** Approval of Revenue and Expenditure Operating Budgets for FY 2018-2019

**Background and Summary:**

The three campuses of the University of Michigan have developed budgets for the 2018-2019 fiscal year. At this time, we are presenting summary revenue and expenditure budgets for the General Fund, Designated Fund, Auxiliary Activities, and Expendable Restricted Fund. These budgets conform to all University policies.

We recommend that the following summary revenue and expenditure budgets be approved effective July 1, 2018 for the period July 1, 2018 through June 30, 2019.

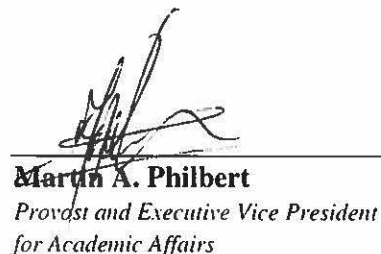
<u>Revenue Budget:</u>	<u>Ann Arbor</u>	<u>Dearborn</u>	<u>Flint</u>	<u>Total</u>
General Fund	\$ 2,181,076	\$ 155,356	\$ 115,510	\$ 2,451,942
Designated Fund	217,515	720	1,325	219,560
Auxiliary Activities	5,232,564	1,900	5,241	5,239,705
Expendable Restricted	1,315,880	21,425	21,780	1,359,085
<b>Totals</b>	<b>\$ 8,947,035</b>	<b>\$ 179,401</b>	<b>\$ 143,856</b>	<b>\$ 9,270,292</b>

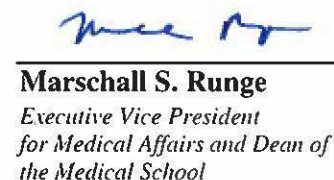
<u>Expenditure Budget:</u>	<u>Ann Arbor</u>	<u>Dearborn</u>	<u>Flint</u>	<u>Total</u>
General Fund	\$ 2,181,076	\$ 155,356	\$ 115,510	\$ 2,451,942
Designated Fund	217,515	720	1,325	219,560
Auxiliary Activities	5,292,120	1,900	5,241	5,299,261
Expendable Restricted	1,300,880	21,425	21,780	1,344,085
<b>Totals</b>	<b>\$ 8,991,590</b>	<b>\$ 179,401</b>	<b>\$ 143,856</b>	<b>\$ 9,314,847</b>

*Note: Budget amounts are shown in thousands. Detail may not add exactly to totals due to rounding.*

Respectfully Submitted,

  
**Kevin P. Hegarty**  
Executive Vice President  
and Chief Financial Officer

  
**Martin A. Philbert**  
Provost and Executive Vice President  
for Academic Affairs

  
**Marschall S. Runge**  
Executive Vice President  
for Medical Affairs and Dean of  
the Medical School

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

**Subject:** Proposed Ann Arbor fiscal year 2018-2019 General Fund  
Operating Budget and Student Tuition and Fee Rates

**Action Requested:** Approval

**Background:**

The attached document includes the fiscal year 2018-2019 General Fund budget proposal for the Ann Arbor campus. This budget proposal incorporates the proposed 2018-2019 student tuition and fee rates for the Ann Arbor campus as listed in the attached fee schedule.

It is recommended that the Board of Regents approve this General Fund operating budget effective July 1, 2018 for the period July 1, 2018 through June 30, 2019, and the schedule of tuition and required fees.

Respectfully submitted,



Martin A. Philbert  
Provost and Executive Vice President for Academic Affairs

June 21, 2018  
Attachments

## Executive Summary

The University of Michigan continues its focus on academic excellence and affordability in FY2019. The FY2019 budget recommendation seeks to leverage a modest state appropriation increase of 2.0 percent and our ongoing campuswide cost-containment to make targeted, strategic investments in academic excellence.

Academic Excellence. Our FY19 budget proposes key investments in the undergraduate experience, hiring and retention of faculty, in competitive pay for lecturers, and in additional priorities that increase excellence campuswide.

Accessibility. The budget recommendation allocates additional aid funds for the Go Blue Guarantee. It also continues our commitment to provide all in-state students with a financial aid package that meets 100 percent of demonstrated financial need, as well as our policy of meeting full demonstrated financial need for out-of-state students from families with incomes of up to about \$90,000 a year.

Fiscal Discipline. We continue our unrelenting focus on cost containment. In addition to finding low-priority areas to discontinue, we promote strategic use of philanthropy to relieve general fund expenses. We also support enhancing our streams of alternative revenue.

Our budgetary goals are attainable with a modest tuition increase. Our proposed tuition plan is as follows: An undergraduate tuition increase of 2.9 percent – \$436 a year in most cases – for in-state students. The increase for out-of-state undergraduate students would be 3.9 percent. Tuition for most graduate programs would increase 3.3 percent. A limited number of differential increases also are recommended for specific programs.

## Introduction & Context

The 2019 fiscal year general fund budget recommendation for University of Michigan-Ann Arbor maintains our longstanding focus on academic excellence, access and affordability, and fiscal discipline.

The context of the fiscal year 2019 budget is shaped by several factors:

FY19 State funding. We are grateful for expected state funding of 2 percent over FY18 levels; the increase helps the university to meet escalating mandatory cost increases and inflationary pressures on the cost of supplies.

Growth in enrollment. Enrollment in FY19 is projected to grow modestly at the undergraduate level. We also expect graduate enrollment to increase due to high demand. This growth requires some new investments to accommodate student needs.

The successful launch of the Go Blue Guarantee. The Go Blue Guarantee, which promised free tuition for students from families at or below the state median income, took

effect in January 2018 for current students. In fall 2018, UM will enroll its first new freshmen who applied under this promise.

Uncertainty about LEO contract costs. The most recent Lecturer Employee Organization (LEO) contract expired in May 2018 and the terms of the new contract are not yet settled. Current negotiations suggest the final approved contract will result in a substantial increase in compensation costs.

Ongoing caution about federal policies and funding. Research funding and the associated indirect cost recovery is projected to be up in FY19, but ongoing support for federal agencies continues to be a matter of contention in Washington. Federal policies related to visas and immigration also create potential vulnerabilities in our international enrollment.

Strategic funding for new initiatives. New investment remains a budget priority. We have identified key areas for new and increased funding that will continue our drive towards increasing levels of academic excellence. Units will continue to rely on their long practice of reallocating and finding alternative revenue to fund their highest priority initiatives.

### **Investments in Academic Excellence**

UM stands as one of the world's leading teaching and research universities and an exemplar public institution nationally. Each year our budget reflects the belief that we have a responsibility to preserve our stature by pursuing opportunities for strategic investment that foster excellence. In an era of increased focus on affordability, we may be more tightly focused in our priorities, but we do not back away from our commitment to innovate and pursue increasing levels of academic excellence and impact.

The FY2019 budget recommendation therefore includes resources for several major initiatives that further enhance the university's academic excellence. Foremost among them are:

- Investments in undergraduate education
- Additional faculty investments, including competitive compensation for lecturers
- Other critical investments in excellence

We discuss below the impetus for several initiatives and share examples of new and ongoing investments.

#### Investments in Undergraduate Education

Augmented, Virtual, and Mixed Reality (AVMR). One of the university's central investments is for Augmented, Virtual, and Mixed Reality (AVMR) in the curriculum. AVMR uses advanced technology to create immersive learning experiences. AVMR can give ideas and concepts shape and form, shifting the way that knowledge is captured and

taught. Students can hold a virtual molecule in their hand, fly through a simulated storm cell, or visit a recreated historical site from the ancient world. This initiative will design specific courses, develop evaluation models, and enable further expansion of the model across our curriculum.

Civil Discourse & Public Engagement. The Ford School of Public Policy is launching several new initiatives. Civil Discourse aims to promote principles of thoughtful intellectual discussion. Through coursework, events and training, students will increase their ability to engage respectfully, bridge divides, and reach common ground across the spectrum of political thought. The Public Engagement initiative will increase opportunities for students to directly apply their coursework to meet societal needs, including policy and advocacy, educational outreach, and media relations.

Quantitative/Computational Social Science (QCSS) Program. The College of Literature, Science, and the Arts is launching the QCSS program to develop student proficiency in data-intensive analysis. A fast-growing and high-demand area of scholarship, computational social science harnesses data to model, simulate, and analyze social phenomena. The program leverages the breadth and depth of the university's top-ranked social science departments. Coursework combined with co-curricular experiences will position graduate and undergraduate students for bright futures in data-intensive careers in academe or the public and private sectors.

Student Support. The university continues to offer a broad array of services to promote student success. They ensure students persist and graduate on time with a college experience that reflects involvement, personal and professional development, and academic accomplishments. These services include support for engaged learning experiences on- and off-campus, mentoring, career services, writing support, science learning, and services tailored to populations with specialized support needs such as international students, veterans, and those who are the first in their family to attend college. The university has made continued investments in successful programs such as the M-STEM Academy, that helps ensure students from under-resourced secondary schools make a successful transition to UM and reach their full potential in pursuit of their goals.

#### Investments in faculty

Faculty hiring to keep pace with growth. UM projects increased enrollment in FY19. This growth is driven by several factors, including the continuation of our larger freshman class (an increased target was approved in FY2017), and strong demand for masters programs. As enrollment grows, the university must also add to its faculty ranks to maintain appropriate class size. Six units will be adding faculty to contribute to the strength and vitality of scholarship on campus, maintain a favorable student-faculty ratio and preserve student access to the exceptional teaching, scholarship and mentoring they expect at UM.

Faculty retention. Our world-class faculty are key to UM's excellence. They are highly sought-after by other institutions, particularly in high-demand and high-growth areas like engineering and computer science. Increasingly we also compete with industry for top faculty scholars in these fields as well as in business and artificial intelligence. The university must maintain its competitive compensation and research facilities for faculty, and be prepared to offer strong retention packages as necessary.

Lecturer compensation. The university is currently in negotiations with LEO, the bargaining unit that represents the 1,065 lecturers on the Ann Arbor campus. Lecturers play an essential role in the university's educational mission, and we are pleased that the renewed contract will provide an opportunity for us to further align lecturer compensation with our commitment to excellence in teaching. The university is budgeting for a substantial increase in compensation costs. The final cost of the contract remains unknown at the time of this budget recommendation.

#### Other critical components of excellence

The proposed FY2019 budget includes additional investments in ongoing programs and initiatives that cross broad categories and are judged essential for our excellence.

Diversity, equity and inclusion (DEI). DEI is a core component of the university's strategy to achieve its overarching goal of academic excellence. We believe that a diverse and inclusive community is necessary to produce excellent scholarship, teach effectively, and enhance the public good. It is based on this strong belief, backed up by rigorous research both here and elsewhere, that we continue to make strategic, targeted investments in DEI programs and initiatives in FY19. For example, the College of Pharmacy is adopting a proven "Profiles for Success" program for attracting and preparing underrepresented students for professional health fields. We are also providing additional resources for student staff in the Program in Intergroup Relations. Their emphasis on cross-group dialogue and understanding extends its reach throughout campus through effective use of peer educators.

Library collections. Even in a constrained year for investment, we prioritize library collections because they are fundamental to scholarship and teaching. Our broad-reaching archives and collections, together with well-qualified librarians and curators, support and accelerate new discoveries. They also fulfill the essential mission of preserving our knowledge, our culture and the university's considerable intellectual heritage for future students and scholars. This year we provide \$1 million in additional investment for Collections. We are also allocating resources towards additional security equipment and personnel in central campus libraries to protect property and patrons.

Research infrastructure. Our \$1.5 billion in total research expenditures places UM as the top public research university in the nation. The FY2019 budget aims to make strategic, targeted investments across campus that provide key infrastructure to sustain UM's research strength into the future.

For example, in FY19 the university continues its commitment to interdisciplinary excellence in Bioscience research. The College of Engineering has allocated a combined \$2 million in FY19 for its Research Accelerator and “Blue Sky” Initiatives, designed to support the launch of mid-stage ideas and to advance transformational ideas. We will partner with ISR to allocate key supplementary support to the American National Election Study, and their nationally renowned Survey Research Center will invest \$100K toward data science projects related to social media use. The School of Environment and Sustainability is making investments in research incentives for interdisciplinary work.

### **Access and affordability**

The FY19 budget proposal supports the university’s unflagging commitment to making a UM education accessible to all, regardless of financial means.

Go Blue Guarantee. The budget includes continued funding for the Go-Blue Guarantee. Its aim is to convey clearly the university’s financial aid commitments: Free tuition for Michigan students who come from families with annual income of up to \$65,000, the state’s median. Our intention is to attract and enroll a greater number of students from that income range. The FY19 budget recommendation includes a 16.3 percent increase in the aid budget to ensure we can cover our aid commitments for all who qualify for the Go Blue Guarantee and other need-based aid.

Net Price. Many students pay less than the published cost of attendance. “Net price” captures what families pay after grant aid has been applied. In the last decade, our central financial aid budget has seen a compound annual growth rate of 12 percent, allowing us to reduce the net price for families with need.

The success of this investment, and our long-standing policy of meeting full demonstrated need for in-state students from all income levels, has had a striking effect on net price over time, making UM increasingly affordable. We have done this by replacing loan dollars – money that students must eventually repay – with grant dollars, which are not repaid, decreasing student debt.

We are not able to extend the same guarantee to all non-residents. However, this budget proposal includes sufficient funding to continue our policy of meeting full demonstrated financial need for out-of-state students from families with incomes of up to about \$90,000 a year. Out-of-state families with higher incomes may also qualify for aid, but the university is not able to meet 100 percent of their need.

Sticker Price. All in-state students, regardless of their aid status, qualify for a heavily discounted resident tuition rate. This makes the world-class UM experience a substantial bargain for Michigan families. Non-resident students are not entitled to the state-subsidized discount represented in our resident rates. However, the university weighs carefully the value of a UM degree and nonresident tuition rates compare favorably to private peers.

## **Fiscal discipline**

The goals of this budget plan could not be attained without ongoing fiscal discipline. The university typically faces unavoidable cost increases in areas such as compliance, insurance, health care benefits and supplies, and the FY2019 budget is no exception. However, UM mitigates these budget pressures with a focus on cost containment. By making strategic reductions in our operating costs, the university can meet increased costs and make new investments, without making the cost of a UM education unaffordable.

The FY2019 budget recommendation contains substantial savings realized through

- reductions and reallocations
- shifting general fund expenses to other sources of income
- cultivating new revenue streams

For example, in FY19 Information Technology plans to reduce hiring to replace departures and retired staff, for a savings of over \$500,000. The Rackham Graduate School has identified operating savings through streamlining tasks and increasing use of technology.

Philanthropic giving plays a critical role in providing units the flexibility to shift costs off the general fund. Gift funds help cover variety of costs, such as support for engaged learning opportunities and to increase aid that attracts the very best talent to UM's campus. The Law School will shift over \$650,000 in faculty salaries from the general fund onto gift funds in FY19. Units also continue their work in increasing revenue from a range of initiatives such as summer programs and online learning. The School of Information, for example, is using \$145,000 in MOOC revenues to seed the creation of new online courses.

The university cannot cut its way to excellence. However, through these strategic efforts schools, colleges, and units across the campus have identified \$25.7 million in funds to direct toward new, high-priority initiatives. Once implemented, these reductions will mean that since 2004, over \$400 million in recurring expenses will have been trimmed from the general fund budget, allowing resources to be reallocated to higher priorities and substantially reducing the pressure for higher tuition increases.

## **Budgeted 2019 General Fund Revenues**

Components of the General Fund. The general fund, through which the university pays for its academic mission, has three main sources: Tuition, the state appropriation, and indirect cost recovery on sponsored research. Indirect cost recovery pays specifically for the indirect costs of research, so it cannot be allocated for other uses. The university is planning on an FY2019 state appropriation of \$320.8 million, a 2.0 percent increase over FY2018 funding. In incremental terms, this provides an additional \$6.2 million in funds. We value this support and remain proud of our status as a public institution. However,



state funding has been in long-term decline when measured in real dollars. This has put increasing pressure on our other sources of funding, including tuition.

Tuition is, in most years, the last part of the budget to be determined. The university models expected tuition revenue based on projected enrollment and residency, and proposes the lowest tuition rate increases necessary to meet the university's priorities, to preserve its excellence, and maintain fiscal stability.

Moderate increases in tuition. The budget recommends a lower-division, undergraduate tuition increase of \$436 a year – 2.9 percent – for in-state students. The increase for out-of-state undergraduate students would be 3.9 percent. Tuition for most graduate programs would increase 3.3 percent. A limited number of differential increases also are recommended for specific programs. (See Tuition and Fee Schedule)

We note that while our tuition recommendation is driven by carefully calculated budgetary needs, we consider resident tuition rates in context of state governance, economic conditions, and families' ability to meet any increased cost of attendance. Our recommended in-state tuition increase is well below the state of Michigan's FY19 tuition restraint cap of 3.8 percent. It is also less than the three-year average annual growth rate in Michigan median family income of 3.4 percent. Our aid policies mean that most in-state undergraduates with need will experience no net increase in tuition costs; the Go Blue Guarantee of free tuition will also result in a \$0 increase for recipients.

## **Summary**

The budget recommendation for the Ann Arbor campus is a carefully balanced spending plan that provides the resources necessary to advance the academic excellence of a world-class institution while maintaining access for a wide range of students. The proposed FY19 budget leverages our revenue sources through our commitment to financial discipline, the accumulating benefits of cost containment, continuing to demand efficiency, and strategic development and use of new revenue streams.

The \$2.18 billion FY2019 general fund budget, detailed in Table 1, is based on a state appropriation of \$320.8 million, an incremental \$26 million in cost containment and reallocation and a recommended lower-division, undergraduate tuition increase of 2.9 percent for in-state students and 3.9 percent for out-of-state undergraduate students with an increase for most graduate programs of 3.3 percent.

**Table 1: FY 2019 Proposed General Fund Budget**

Table 1

**The University of Michigan - Ann Arbor  
Proposed General Fund Budget  
Fiscal Year 2018-19**

	FY 2018 Adjusted Budget **	Recommended Change	Proposed FY 2019 Budget	% Change	Average Annualized 3 Year % Change
<b>Revenue Budgets</b>					
State Appropriation	314,589,100	6,193,300	320,782,400	2.0%	2.3%
Tuition and Fees	1,490,041,306	107,212,218	1,597,253,524	7.2%	6.9%
Indirect Cost Recovery	239,049,970	14,144,855	253,194,825	5.9%	5.5%
Other Revenue	10,095,000	(250,000)	9,845,000	-2.5%	0.5%
<b>Total Revenues</b>	<b>2,053,775,376</b>	<b>127,300,373</b>	<b>2,181,075,749</b>	<b>6.2%</b>	<b>6.0%</b>
<b>Expenditure Budgets by Unit</b>					
A. Alfred Taubman College of Architecture & Urban Planning	22,239,481	(511,833)	21,727,648	-2.3%	0.8%
Penny W. Stamps School of Art & Design	12,830,422	1,028,437	13,858,859	8.0%	4.6%
Stephen M. Ross School of Business	103,885,792	12,528,373	116,414,165	12.1%	7.4%
School of Dentistry	34,817,662	1,405,188	36,222,850	4.0%	4.3%
School of Education	18,755,920	659,552	19,415,472	3.5%	0.2%
College of Engineering	225,919,663	12,375,599	238,295,262	5.5%	8.5%
School of Information	22,991,851	2,689,934	25,681,785	11.7%	12.9%
School of Kinesiology	16,460,843	2,174,948	18,635,791	13.2%	7.2%
Law School	44,523,911	5,185,496	49,709,407	11.6%	5.5%
College of Literature, Science and the Arts	403,679,310	19,563,426	423,242,736	4.8%	4.4%
Medical School	85,594,165	8,394,814	93,988,979	9.8%	6.9%
School of Music, Theatre & Dance	39,803,644	1,326,320	41,129,964	3.3%	4.5%
School for Environment and Sustainability	13,984,128	4,007,463	17,991,591	28.7%	12.1%
School of Nursing	19,496,397	3,012,627	22,509,024	15.5%	6.9%
College of Pharmacy	18,167,341	(426,881)	17,740,460	-2.3%	4.6%
School of Public Health	38,077,426	4,803,122	42,880,548	12.6%	8.0%
Gerald R. Ford School of Public Policy	13,239,937	1,999,436	15,239,373	15.1%	11.3%
School of Social Work	24,177,017	1,520,125	25,697,142	6.3%	6.2%
Horace H. Rackham School of Graduate Studies	9,832,434	469,503	10,301,937	4.8%	3.1%
University Academic Units	71,685,469	2,343,833	74,029,302	3.3%	3.1%
Research Units	2,913,336	(2,332,685)	580,651	-80.1%	-43.9%
Academic Program Support	95,542,380	(1,705,505)	93,836,875	-1.8%	11.7%
Capital Renewal Fund	49,127,719	1,104,338	50,232,057	2.2%	2.9%
<b>TOTAL ACADEMIC</b>	<b>1,387,746,248</b>	<b>81,615,630</b>	<b>1,469,361,878</b>	<b>5.9%</b>	<b>6.1%</b>
President	2,357,068	59,222	2,416,290	2.5%	2.6%
Provost & Executive Vice President for Academic Affairs	36,610,748	1,106,985	37,717,733	3.0%	4.0%
Executive Vice President & Chief Financial Officer	123,380,210	5,663,847	129,044,057	4.6%	3.9%
Division of Public Safety & Security	11,259,261	474,163	11,733,424	4.2%	4.4%
Vice President for Communications	7,447,699	322,789	7,770,488	4.3%	3.0%
Vice President & General Counsel	4,369,217	144,069	4,513,286	3.3%	6.9%
Vice President for Government Relations	2,134,853	188,264	2,323,117	8.8%	4.6%
Vice President for Information Technology & Chief Information Officer	54,232,254	1,261,135	55,493,389	2.3%	0.0%
Vice President for Research - Support Units	28,982,070	849,003	29,831,073	2.9%	5.9%
Vice President & Secretary of the University	829,070	32,313	861,383	3.9%	2.9%
Vice President for Student Life	20,383,236	601,570	20,984,806	3.0%	6.0%
<b>TOTAL EXECUTIVE OFFICER AND SERVICE UNITS</b>	<b>291,985,686</b>	<b>10,703,360</b>	<b>302,689,046</b>	<b>3.7%</b>	<b>4.2%</b>
General University Support	39,770,549	2,193,644	41,964,193	5.5%	4.2%
Rackham Financial Aid	54,710,985	1,805,463	56,516,448	3.3%	3.1%
Undergraduate Financial Aid	176,724,951	28,875,475	205,600,426	16.3%	12.2%
Utilities	67,833,881	(5,748)	67,828,133	0.0%	0.3%
Insurance	9,233,669	982,512	10,216,181	10.6%	3.0%
North Campus Research Complex	16,102,913	614,327	16,717,240	3.8%	0.5%
Legal and Professional Fees	369,031	0	369,031	0.0%	0.0%
Ceremonial and Presidential Events	797,463	15,710	813,173	2.0%	4.0%
Departmental Income	7,900,000	500,000	8,400,000	6.3%	6.3%
Staff Benefits Pool	600,000	0	600,000	0.0%	-9.1%
<b>UNIVERSITY ITEMS</b>	<b>374,043,442</b>	<b>34,981,383</b>	<b>409,024,825</b>	<b>9.4%</b>	<b>6.7%</b>
<b>Total Expenditures</b>	<b>2,053,775,376</b>	<b>127,300,373</b>	<b>2,181,075,749</b>	<b>6.2%</b>	<b>6.0%</b>

\*\* Transfers between units are incorporated in the FY 2018 Adjusted Budget

## **FY 2019 Student Tuition and Fee Rates**

**The University of Michigan- Ann Arbor  
Tuition and Fees Schedule**

	<b>Current Rates Per Term</b>	<b>Proposed Rates Per Term -- Fall 2018</b>		
	Total Tuition & Required Fees *	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
<b>UNDERGRADUATE RESIDENT</b>				
Lower Division **	\$7,413	\$7,631	\$218	2.9%
Stephen M. Ross School of Business	7,859	8,090	231	2.9%
Dentistry	7,550	7,772	222	2.9%
Engineering	7,928	8,161	233	2.9%
Kinesiology	7,819	8,049	230	2.9%
Music, Theatre and Dance	7,706	7,933	227	2.9%
Upper Division **	8,348	8,594	246	2.9%
Stephen M. Ross School of Business	9,913	10,205	292	2.9%
Dentistry	8,491	8,741	250	2.9%
Engineering	10,223	10,524	301	2.9%
Kinesiology	8,964	9,228	264	2.9%
Music, Theatre and Dance	8,640	8,894	254	2.9%
<b>UNDERGRADUATE NON-RESIDENT</b>				
Lower Division **	23,738	24,675	937	3.9%
Stephen M. Ross School of Business	24,139	25,092	953	3.9%
Dentistry	23,877	24,820	943	3.9%
Engineering	23,877	24,820	943	3.9%
Kinesiology	25,235	26,231	996	3.9%
Music, Theatre and Dance	24,053	25,003	950	3.9%
Upper Division **	25,404	26,407	1,003	3.9%
Stephen M. Ross School of Business	27,012	28,078	1,066	3.9%
Dentistry	25,549	26,558	1,009	3.9%
Engineering	26,794	27,852	1,058	3.9%
Kinesiology	27,560	28,648	1,088	3.9%
Music, Theatre and Dance	25,718	26,733	1,015	3.9%

\* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$198.62 (\$190.98 in Fall 2017); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

\*\* Includes A. Alfred Taubman College of Architecture & Urban Planning; Penny W. Stamps School of Art and Design; Literature Science, and the Arts; Nursing; and Pharmacy. For upper division only, includes Education; Information; Medicine; Gerald R. Ford School of Public Policy; and Public Health.

**The University of Michigan- Ann Arbor  
Tuition and Fees Schedule**

	Current Rates	Proposed Rates Per Term -- Fall 2018		
	Per Term			
<b>GRADUATE RESIDENT</b>				
	Total Tuition & Required Fees *	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
A. Alfred Taubman College of Architecture & Urban Planning				
Master of Architecture	\$14,741	\$15,234	\$493	3.3%
All other programs	14,741	15,234	493	3.3%
Penny W. Stamps School of Art and Design	11,566	11,953	387	3.3%
Stephen M. Ross School of Business				
M.B.A.	31,314	31,987	673	2.1%
Master's of Accounting	23,314	23,827	513	2.2%
Pre-candidate	11,823	12,219	396	3.3%
Dentistry				
D.D.S. Cohorts D2-D4	13,396	13,844	448	3.3%
D.D.S. Cohort D1	13,396	14,494	1,098	8.2%
Master's	8,621	8,909	288	3.3%
Pre-candidate	12,780	13,208	428	3.3%
Education	11,566	11,953	387	3.3%
Engineering				
Professional	13,251	13,694	443	3.3%
Pre-candidate	12,900	13,332	432	3.3%
Information	11,348	11,728	380	3.3%
Kinesiology	12,314	12,726	412	3.3%
Law	28,586	29,836	1,250	4.4%
Literature, Science & the Arts	11,348	11,728	380	3.3%
Medicine				
M.D.	18,040	18,934	894	5.0%
Master's of Health Professions Education**	8,342	8,621	279	3.3%
Pre-candidate	11,371	11,751	380	3.3%
Music, Theatre and Dance				
M.M. and Spec.M.	11,865	12,262	397	3.3%
M.A., M.F.A., and Pre-candidate	11,566	11,953	387	3.3%
Environment and Sustainability	11,200	11,575	375	3.3%
Nursing	11,697	12,088	391	3.3%
Pharmacy				
Pharm.D.	13,942	15,265	1,323	9.5%
Pre-candidate	11,348	11,728	380	3.3%
Public Health	14,082	14,553	471	3.3%
Gerald R. Ford School of Public Policy	12,833	13,404	571	4.4%
Rackham Interdepartmental Programs	11,348	11,728	380	3.3%
Social Work	13,583	14,038	455	3.3%

\* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$198.62 (\$190.98 in Fall 2017); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

\*\* This rate includes all fees listed above except Health Service at \$198.62 (\$190.98 in Fall 2017).

**The University of Michigan- Ann Arbor  
Tuition and Fees Schedule**

	Current Rates	Proposed Rates Per Term -- Fall 2018		
	Per Term			
GRADUATE NON-RESIDENT	Total Tuition & Required Fees *	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
A. Alfred Taubman College of Architecture & Urban Planning				
Master of Architecture	\$22,451	\$23,203	\$752	3.3%
All other programs	21,499	22,219	720	3.3%
Penny W. Stamps School of Art and Design	23,199	23,976	777	3.3%
Stephen M. Ross School of Business				
M.B.A.	33,814	34,487	673	2.0%
Master's of Accounting	25,814	26,327	513	2.0%
Pre-candidate	23,447	24,232	785	3.3%
Dentistry				
D.D.S. Cohorts D2-D4	20,855	21,553	698	3.3%
D.D.S. Cohort D1	20,855	21,553	698	3.3%
Master's	14,575	15,063	488	3.3%
Pre-candidate	23,281	24,060	779	3.3%
Education	23,199	23,976	777	3.3%
Engineering				
Professional	24,507	25,327	820	3.3%
Pre-candidate	24,111	24,918	807	3.3%
Information	22,742	23,503	761	3.3%
Kinesiology	24,850	25,682	832	3.3%
Law	30,209	31,336	1,127	3.7%
Literature, Science & the Arts	22,742	23,503	761	3.3%
Medicine				
M.D.	27,447	28,484	1,037	3.8%
Master's of Health Professions Education**	9,100	9,404	304	3.3%
Pre-candidate	22,788	23,551	763	3.3%
Music, Theatre and Dance				
M.M. and Spec.M.	23,499	24,286	787	3.3%
M.A., M.F.A., and Pre-candidate	23,199	23,976	777	3.3%
Environment and Sustainability	22,023	22,760	737	3.3%
Nursing	23,461	24,246	785	3.3%
Pharmacy				
Pharm.D.	19,701	18,333	-1,368	-6.9%
Pre-candidate	22,742	23,503	761	3.3%
Public Health	23,160	23,935	775	3.3%
Gerald R. Ford School of Public Policy	23,199	23,976	777	3.3%
Rackham Interdepartmental Programs	22,742	23,503	761	3.3%
Social Work	21,663	22,388	725	3.3%

\* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$198.62 (\$190.98 in Fall 2017); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

\*\* This rate includes all fees listed above except Health Service at \$198.62 (\$190.98 in Fall 2017).

**The University of Michigan- Ann Arbor  
Tuition and Fees Schedule**

	<b>Current Rates Per Term</b>	<b>Proposed Rates Per Term -- Fall 2018</b>		
<b>GRADUATE</b>				
<b>Candidate</b>	Total Tuition & Required Fees *	Total Tuition & Required Fees *	Total \$ Change in Tuition and All Required Fees	Total % Change in Tuition and All Required Fees
A. Alfred Taubman College of Architecture & Urban Planning	\$6,178	\$6,384	\$206	3.3%
Stephen M. Ross School of Business	6,451	6,667	216	3.3%
Dentistry	6,151	6,357	206	3.3%
Education	6,236	6,444	208	3.3%
Engineering				
D.Eng.	8,982	9,282	300	3.3%
Ph.D.	7,394	7,641	247	3.3%
Information	6,118	6,322	204	3.3%
Kinesiology	6,118	6,322	204	3.3%
Law	7,442	7,691	249	3.3%
Literature, Science & the Arts	6,118	6,322	204	3.3%
Medicine	6,249	6,458	209	3.3%
Music, Theatre and Dance				
A.Mus.D.	7,571	7,824	253	3.3%
Ph.D.	6,236	6,444	208	3.3%
Environment and Sustainability	6,041	6,243	202	3.3%
Nursing	6,236	6,444	208	3.3%
Pharmacy	6,118	6,322	204	3.3%
Public Health	6,230	6,438	208	3.3%
Rackham Interdepartmental Programs	6,118	6,322	204	3.3%

\* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$198.62 (\$190.98 in Fall 2017); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.



**The University of Michigan- Ann Arbor  
Tuition and Fees Schedule**

GRADUATE

**Other Programs**

	<b>Fall 2017 Cohort</b>	<b>Proposed Rates -- Fall 2018</b>		
	Total Tuition & Program Fees*	Total Tuition & Program Fees*	\$ Change	Total % Change in Tuition & Program Fees
Stephen M. Ross School of Business Executive MBA				
Resident	\$156,500	\$163,000	\$6,500	4.2%
Non-Resident	161,500	168,000	6,500	4.0%

	<b>Summer 2018 - Spring 2019 Cohort</b>	<b>Proposed Rates -- Summer 2019 through Spring 2020 Cohort</b>		
	Total Tuition & Program Fees**	Total Tuition & Program Fees**	\$ Change	Total % Change in Tuition & Program Fees
Stephen M. Ross School of Business Master's of Management				
Resident	\$46,723	\$48,263	\$1,540	3.3%
Non-Resident	51,723	53,263	1,540	3.0%

	<b>Summer 2018 - Spring 2019 Cohort</b>	<b>Proposed Rates -- Summer 2019 through Spring 2020 Cohort</b>		
	Total Tuition & Program Fees**	Total Tuition & Program Fees**	\$ Change	Total % Change in Tuition & Program Fees
Stephen M. Ross School of Business Master's of Supply Chain Management				
Resident	\$51,960	\$53,090	\$1,130	2.2%
Non-Resident	56,960	58,090	\$1,130	2.0%

**Distance Education**

	<b>Fall 2017 Rates per Credit Hour</b>	<b>Proposed Rates Per Credit Hour -- Fall 2018</b>		
	Total Tuition & Program Fees***	Total Tuition & Program Fees***	\$ Change	Total % Change in Tuition & Program Fees
Stephen M. Ross School of Business Part Time MBA Online				
Resident	n/a	\$1,930		
Non-Resident	n/a	\$2,105		
Engineering - Graduate				
Resident	\$1,525	\$1,525	\$0	0.0%
Non-Resident	1,671	1,671	0	0.0%

\* Program fee includes tuition and fees, housing, meals, books and other course materials, a laptop computer, and other miscellaneous items, all over the entire length of the program.

\*\* Rates per term include \$185.00 Infrastructure Maintenance Fee; Health Service Fee of \$198.62 (\$190.98 in Fall 2017); \$80.00 Registration Fee; \$65.00 University Unions and Recreational Sports Facility Improvement Fee; \$9.19 Central Student Government Fee; \$8.50 Student Legal Service Fee; and a School/College Government Fee of \$1.50.

\*\*\* Rates include all fees listed above except Health Service at \$198.62 (\$190.98 in Fall 2017).

The University of Michigan  
Regents Communication

Action Request

Subject: Approval of the 2018-2019 University Housing Residence Hall and Northwood Community Apartments Rates

Action Requested: Approval of the proposed University Housing rates for residence hall room and board and Northwood Community Apartments rentals. The proposed rate increases for residence halls, Northwood III, Martha Cook and Munger room and board is 3%. The proposed rent for Northwood Community Apartments (Northwood I, II, IV, and V) will have no change from the 2017-2018 levels.

Background:

University Housing developed the proposed rate increases for 2018-2019 with the collaboration and support of the Residence Halls Association as well as appropriate administrative staff within the university.

Included with this Action Request are the following attachments:

- Rate recommendations for residence halls for 2018-2019 (Attachment A), and
- Rate recommendations for Northwood Community Apartments for 2018-2019 (Attachment B)

Recommended Residence Hall, Northwood III, Munger and Martha Cook Rate Increase: The overall proposed room and board rate increase is 3%. The components of the proposed increase includes 1% for support of operations and 2% for facility upgrades. A summary of the rate recommendations is delineated by room type and is included as Attachment A.

Recommended Northwood Community Apartments (NW I, II, IV, and V) Rate: The proposed summary of the Northwood Community Apartments rate recommendations is delineated by apartment type and is included as Attachment B.

I recommend the Regents approve the rate recommendations for residence halls and Northwood Community Apartments for FY2019.

Respectfully Submitted,



E. Royster Harper  
Vice President for Student Life

June 2018

## Attachment A

### University Housing

#### 2018-2019 Residence Halls and Northwood III Room and Board Rate Recommendation

<b>Residence Halls</b>	<b>2017-2018 Rate</b>	<b>2018-2019 Rate</b>	<b>Increase (\$)</b>
Single	\$13,364	\$13,764	\$400
Double	\$11,198	\$11,534	\$336
Triple	\$9,900	\$10,196	\$296

### Martha Cook

#### 2018-2019 Residence Hall Room and Board Rate Recommendation

<b>Martha Cook</b>	<b>2017-2018 Rate</b>	<b>2018-2019 Rate</b>	<b>Increase (\$)</b>
Single Suite	\$13,540	\$13,946	\$406
Deluxe Double	\$13,038	\$13,429	\$391
Double	\$12,546	\$12,922	\$376

### Munger

#### 2018-2019 Residence Hall Room Rate Recommendation

<b>Munger</b>	<b>2017-2018 Monthly Rate</b>	<b>2018-2019 Monthly Rate</b>	<b>Increase (\$)</b>
1 Bedroom – 7 person suite	\$902	\$929	\$27
1 Bedroom – 6 person suite	\$955	\$984	\$29

## Attachment B

### University Housing 2018-2019 Northwood Community Apartments (NW I, II, IV, and V) Rate Recommendation

#### 12-Month Family and Graduate Apartment Rates

<b>Northwood Community Apartments</b>	<b>2017-2018 Monthly Rate</b>	<b>2018-2019 Monthly Rate</b>	<b>Increase (\$)</b>
1 – Bedroom	\$951	\$951	\$0
2 – Bedroom	\$1,154	\$1,154	\$0
3 – Bedroom	\$1,226	\$1,226	\$0

*Rates include utilities and high-speed internet. Student apartments with air conditioning are \$59 higher for a 1-bedroom, \$63 higher for a 2-bedroom, and \$68 higher for a 3-bedroom.*

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the Regents  
June 21, 2018

ACTION REQUEST

SUBJECT: 2018-2019 Fee Assessments for Central Student Government (CSG),  
Student Legal Services (SLS), and School/College Governments

ACTION REQUESTED: Approval of the following fee assessments:  
\$9.19 per student per term for CSG (*no change from 2017-18*);  
\$8.50 per student per term for SLS (*no change from 2017-18*); and  
\$1.50 per student per term for School/College governments (*no change  
from 2017-18*).

Background: At the June 2017 Regents' Meeting, the Regents authorized a fee of \$9.19 per student per term for CSG and \$1.50 per student per term for School/College governments. At the June 2017 Regents' Meeting, the Regents authorized a fee of \$8.50 per student per term for Student Legal Services.

CSG, SLS and School/College Government Fees: This year, Central Student Government believes that the current fee structure will provide adequate funding for the coming fiscal year (see attached memorandum). Student Life believes that Student Legal Services will have sufficient resources for 2018-2019 under the current fee structure. We believe the school and college government organizations are adequately funded. Therefore, no increase is being requested for CSG, SLS or the School/College Governments.

Recommendations: I recommend approval of the following fees for 2018-2019: \$9.19 per student per term for Central Student Government, \$8.50 per student per term for Student Legal Services, and \$1.50 per student per term for School/College governments.

Respectfully submitted,



E. Royster Harper  
Vice President for Student Life

Attachment  
June 2018

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Proposed 2018-2019 University Health Service Fee  
Action Requested: Approval of fee assessment of \$198.62 per student per term

Background: The University Health Service recommends a 4.00% (\$7.64) increase in the Health Service fee for FY19. The fee will increase to \$198.62 per student per term.

The projected cost increases for UHS for FY19 total \$1,444,000, including additional Medical Assistants for chaperone service during sensitive exams, a compensation adjustment to the salaries of clinical and support staff to retain and compete in the marketplace, salary and benefit program support, cost increases in specialized testing, and the rising cost of pharmaceuticals. These cost increases are offset by cost containment efforts that will generate \$360,000 in savings, and projected revenue growth for the Domestic Student Health Insurance Program and in enrollment revenue that will generate \$382,000, for an overall total need of \$702,000.

A summary of the Health Service budget is attached (Attachment 1).

Recommendation: We recommend that the Regents approve the Health Service fee of \$198.62 for FY19. A history of the Health Service Fee increases is attached (Attachment 2).

Respectfully submitted,



E. Royster Harper

Vice President for Student Life

Attachments

June 2018

# University Health Service FY19 proposed budget

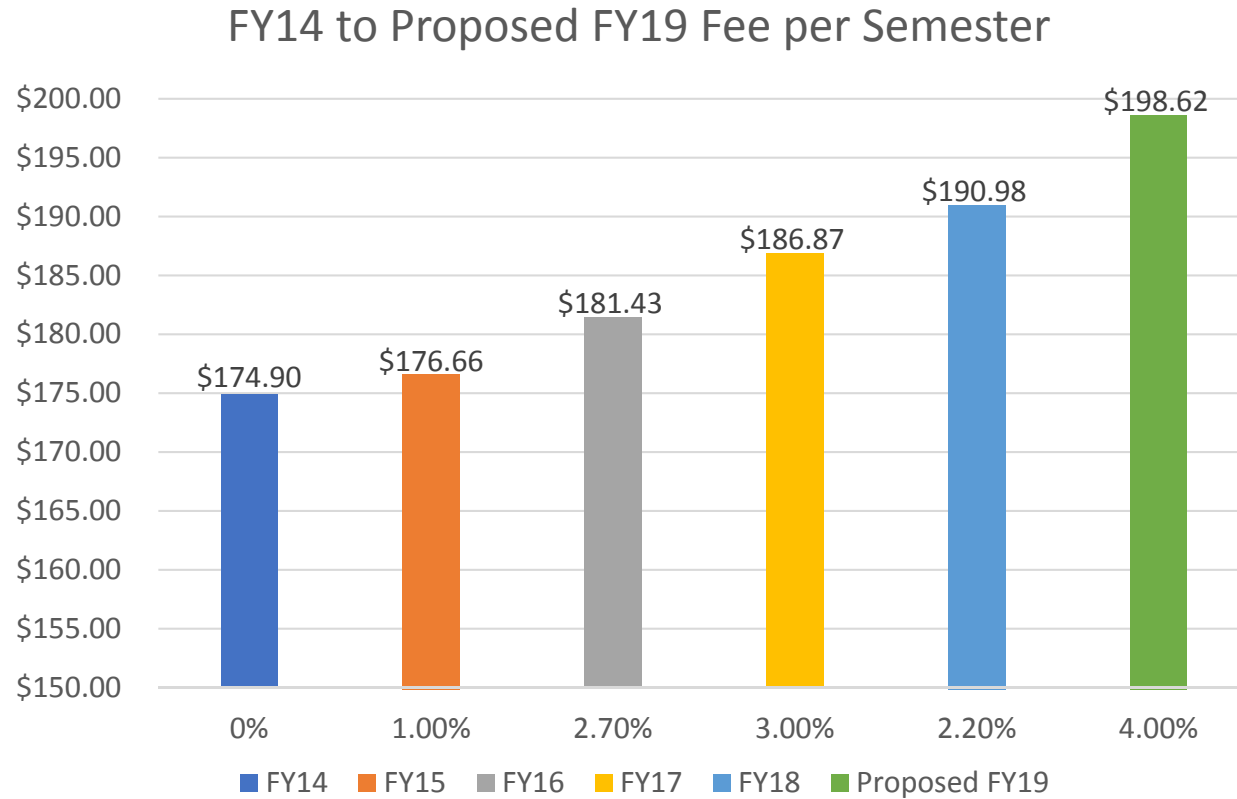
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		FY18 Projection	FY19 Proposed Budget	Variance
<b>Revenue</b>	Student Fee	\$17,193,358	\$18,236,730	\$1,043,372 <sup>1</sup>
	Clinical and Other	<u>\$4,823,700</u>	<u>\$5,094,700</u>	<u>\$271,000</u>
	Total Revenue	\$22,017,058	\$23,331,430	\$1,314,372
<b>Expense</b>	Salary	\$10,483,802	\$ 12,044,272	\$ 1,560,470
	Benefits	\$3,376,058	\$3,856,773	\$480,715
	Non-Salary Operating	<u>\$7,612,741</u>	<u>\$7,430,385</u>	<u>(\$182,356)</u>
	Total Expense	\$21,472,601	\$23,331,430	\$1,858,829
<b>Balance</b>		\$544,457	\$0	(\$544,457)

1. Student Fee increase based on initial FY19 projections from Office of Budget and Planning and 4.00% Fee Request

# 5 Year UHS Student Fee History

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Received by the Regents  
June 21, 2018

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION  
INFORMATION ITEM

SUBJECT: Central Student Government (CSG) Financial Report

Pursuant to the current action plan for improving financial controls of the Central Student Government, attached is the annual financial report for December 31, 2017 and December 31, 2016 prepared by University staff. The report includes detailed expenditures made from the Regentally approved CSG student fee.

Respectfully submitted,



E. Royster Harper  
Vice President for Student Life

Attachments

June 2018

CENTRAL STUDENT GOVERNMENT OF THE UNIVERSITY OF MICHIGAN, INC.  
(not-for-profit corporation)  
BALANCE SHEET  
DECEMBER 31, 2017 and 2016

	2017	2016
<b>Assets</b>		
University Cash Accounts	\$ 530,212	\$ 522,992
Accounts and Interest Receivable	-	-
Prepaid Expenses	-	-
	530,212	522,992
Total Current Assests	530,212	522,992
Property and Equipment - Net	-	283
	-	283
Total Assets	\$ 530,212	\$ 523,275
 <b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 41,586	\$ 50,113
Accrued Liabilities	5,514	6,602
Deferred Revenue	381,927	372,792
	429,027	429,507
Total Liabilities	429,027	429,507
 <b>Fund Balances</b>		
Unreserved	101,184	93,768
Reserved for Childcare Subsidy Program	-	-
	101,184	93,768
Total Fund Balances	101,184	93,768
Total Liabilities and Fund Balances	\$ 530,212	\$ 523,275

CENTRAL STUDENT GOVERNMENT OF THE UNIVERSITY OF MICHIGAN, INC.  
(not-for-profit corporation)  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 2017 and 2016

	2017			2016		
	General	Childcare	Total	General	Childcare	Total
Revenue						
Student Fees	\$ 737,876	\$ 129,310	\$ 867,186	\$ 715,467	\$ 125,383	\$ 840,850
Airbus	77,224		77,224	86,840		86,840
Gift Revenue	153		153	-		-
Interest	2,391		2,391	797		797
Other	14,200		14,200	-		-
	831,844	129,310	961,154	803,103	125,383	928,487
Total Revenue						
Expenses						
Allocations:						
Student Organizations	452,649		452,649	521,329		521,329
Payments to Affiliates	45,849		45,849	21,080		21,080
CSG Programs	39,181		39,181	30,653		30,653
Personnel	118,292		118,292	115,542		115,542
Child Care Subsidy Stipends	-	129,310	129,310	-	125,383	125,383
General:						
Advertising	3,768		3,768	1,727		1,727
Airbus	116,355		116,355	120,315		120,315
Equipment Rental	1,625		1,625	2,649		2,649
Depreciation	283		283	308		308
Supplies	5,956		5,956	3,525		3,525
Printing and Publications	4,743		4,743	5,118		5,118
Service of Others	7,901		7,901	4,507		4,507
Telephone	1,076		1,076	1,060		1,060
Travel, Hosting & Transportation	18,367		18,367	24,514		24,514
Donations	-		-	-		-
Other General Expenses	8,383		8,383	23,421		23,421
	824,427	129,310	953,738	875,749	125,383	1,001,132
Total Expenses						
Excess of Revenue Over Expenses	7,416		7,416	(72,646)		(72,646)
Fund Balances - Beginning	93,768	-	93,768	166,414	-	166,414
Fund Balances - Ending	\$ <u>101,184</u>	\$ <u>-</u>	\$ <u>101,184</u>	\$ <u>93,768</u>	\$ <u>-</u>	\$ <u>93,768</u>

**Central Student Government  
Student Organization Funding  
For the Year ended December 31, 2017**

Organization	Year 2017
Active Minds	841
African Student Association	4,800
Alpha Kappa Delta Phi	945
Alpha Kappa Psi	450
Alpha Phi Alpha Fraternity	1,031
Alternative Spring Break - DF	100
American Institute of Chemical Engineers (AIChE)	2,800
American Meteorological Society	400
American Nuclear Society	1,000
Angels on Call	1,750
Appreciate & Reciprocate - Society of LSA Scholars	927
Arab Student Association	380
Arabian Dance Ensemble	890
Archery Club	1,975
Art on the Diag	185
Asian American Association	399
Association for Chinese Economic Development	67
Association for Women in Science	1,235
Ballroom Dance Club	2,757
Best Buddies	815
Beta Upsilon Chi	1,782
Black Undergraduate Medical Association	300
Blue Model United Nations	10,150
Blueprints for Pangaea	5,580
Books for a Benefit	1,300
Brasilian Student Association	200
Cadence	2,700
Campus Orchestra Board	150
Chabad House	1,943
ChemE Car	200
Chinese Basketball Team UM	750
Chinese Soccer Team	1,200
Chinese Students and Scholars Association (CSSA)	12,550
Chinese Students Association	1,755
Christian Medical Association	980
Circle K -International	855
Club Golf at Michigan	2,240
College Republicans at U-M	290
Common Reading Experience SAB	3,750
Consider Magazine	400
Cooking Club	612
CURE - Michigan	136

**Central Student Government  
Student Organization Funding  
For the Year ended December 31, 2017**

Organization	Year 2017
Cycling Club at the University of Michigan	800
Dance Marathon	11,000
Delta Sigma Pi	200
Delta Sigma Theta	50
Detroit Partnership	6,500
Do Random Acts of Kindness	715
Doors of Opportunity	78
Economics and Global Affairs Alliance	373
Element 1	175
ENACTUS (ENTREPRENEURIAL ACTION US)	934
Engineering Global Leadership	2,115
Enspired	3,200
FEMMES: Females Excelling More In Math, Engineering and Science	4,500
Fencing Club	2,780
Flywheel Women's Ultimate Frisbee	8,485
Ford & SPPG Conference Committee	1,000
Fortnight Literary Press	820
Foundation for International Medical Relief of Children (FIMRC)	350
Friends of the Gargoyle	250
Global Bridges	61
Global Scholars Program	500
Good News Christian A Cappella	450
Goodness Day	50
GradTONES	700
Habitat for Humanity at the University of Michigan	3,827
Hillel's Leaders	1,240
Hindu Student Council	1,340
Hip Hop Congress	275
Indian American Student's Association	2,069
Indian Student Association	474
Intercollegiate Taiwanese American Student Association	1,400
Kappa Phi Lambda	2,600
K-Grams	789
Kid's Kitchen	111
Kopitonez	450
Korean Student Association	1,353
Lean In at the University of Michigan	2,665
Lebanese Students Association	1,215
Leim Irish Dance	200
MAASU 2017	4,500
Maize Collective	280
Maize Mirchi	200

**Central Student Government  
Student Organization Funding  
For the Year ended December 31, 2017**

Organization	Year 2017
Maize Rage	150
Malaysian Students Association	161
Mdraw	20
Men's Rugby	4,000
Men's Ultimate Frisbee	9,309
Men's Waterpolo Club	3,650
Mentality Magazine	28
M-Fly	1,000
Michigan Baseball & Sabermetrics Club	50
Michigan Bhangra Team	1,930
Michigan Business Women	183
Michigan Chess Club	700
Michigan Club Tennis	7,550
Michigan Health Engineered for All Lives (M-Heal)	300
Michigan Healthcare Executive Student Association	1,200
Michigan Izzat	200
Michigan Journal of International Affairs	1,000
Michigan Manzil	5,000
Michigan Mazaa	1,020
Michigan Men's Club Soccer	3,040
Michigan Men's Rowing Team	22,209
Michigan Nordic Ski Club	840
Michigan Pakistanis	1,180
Michigan Performance Outreach Workshop	1,400
Michigan Quidditch	3,239
Michigan Sailing Team	300
Michigan Taiwanese Student Association (MTSA)	400
Miscellania	300
Mock Trial Team	10,083
Moli Performing Art Ensemble	462
Mpowered Entrepreneurship	298
Mstars	300
Multicultural Greek Council	700
Music Matters	10,600
Muslim Students Association	1,000
Mystic Bronze Elegance	4,225
National Society of Black Engineers	1,750
National Society of Collegiate Scholars	243
Nexecon Consulting Group	600
Noir UM	2,800
Operation: Educate Children	1,000
Outrage Dance Group	1,240

**Central Student Government  
Student Organization Funding  
For the Year ended December 31, 2017**

Organization	Year 2017
Pakistani Students Association	2,600
Persian Students Assoc.	2,139
Phi Delta Chi	5,000
Physicians for Human Rights	749
Pi Alpha Phi	1,700
Project Flavor	421
Public Health Student Assembly	800
Pure Dance Xtreme	1,800
Raas Team	1,340
Raw Strength and Courage Kayak Club	830
Relay for Life	4,220
Releve Dance Company	900
Revolution	250
Righteous Movement	2,750
Salto Dance Company	1,400
Seventh Mile Music	7,182
Shei Magazine	2,300
She's the First Michigan	245
Sigma Sigma Rho Sorority	25
Sinaboro	500
Sister 2 Sister	320
Society of Hispanic Professional Engineers	1,000
Society of Women Engineers	4,126
Solar Car Team	1,300
South Asian Awareness Network (SAAN)	500
Special Youth Outreach	200
Student Alliance of Gay Engineers (oSTEM)	4,680
Student Athlete Advisory Council	150
Students for Choice	1,150
Students for Clean Energy	100
Students for Life	735
SWAM Club Swimming	1,080
Swing Ann Arbor	1,395
Synchronized Swimming Club	500
TAAL Dance Team	763
Taiwan Student Association	150
Taiwanese American Student Association	300
TEDx UofM	1,800
The RISE Program	2,000
Thus Spoke Ann Arbor	700
Timmy Global Health	905
Triathlon Club	2,075

**Central Student Government  
Student Organization Funding  
For the Year ended December 31, 2017**

Organization	Year 2017
Tzu Ching	36
UNICEF	299
United to Heal	120
University of Michigan Figure Skating Club	1,410
University of Michigan Rotaract Club	263
University of Michigan Waterski Team	400
University of Michigan Women's Glee Club	1,900
University Women Against Rape	400
Vietnamese Student Association	850
Volunteers Involved Every Week	20
Washtenaw County American Red Cross Club	72
What the F: Your Irregular Periodical	500
Wolverine Cuizine	1,143
Wolverine Rock Climbers	5,230
Women's Club Lacrosse	950
Women's Ice Hockey Club	11,060
Women's Rugby	1,185
Women's Soccer Club	952
Working to Educate Readers by Encouraging Active Development (WE READ)	874
Yoni Ki Baat	515
APhA-ASP (Academy of Student Pharmacists)	1,995
Synchronized Skating Team	4,675
Indian Classical Music and Dance Group	3,850
58 Greene A Capella	500
AIESEC	310
Alpha Phi Omega Gamma Pi	480
Multicultural Association of Prehealth Students	240
Cru	500
Men's D2 Club Ice Hockey	5,680
Dental School Student Council	500
Michigan G-Men (The Gentlement)	1,500
Inter-Cooperative Council	131
Japanese Student Association	270
Kinesiology Dept Student Government	150
Law School Student Senate	1,000
School of Information Master's Association	500
Model United Nations	1,500
Theta Tau Engineering Fraternity	490
Pharmacy Student Government Council	500
Pi Tau Sigma	60
Rackham Student Government	12,844
Social Work Student Union	750



**Central Student Government  
Student Organization Funding  
For the Year ended December 31, 2017**

Organization	Year 2017
Student National Pharmaceutical Association	3,000
Honesty, Eagrns, Determ Self (The H.E.A.D.S.)	1,954
University of Michigan Ballroom Dance Team	7,300
Society of Minority Engineers & Scientists	400
Michigan Running Club	8,578
Dance 2XS	883
Architectural Representative Committee	500
The Sopranos	100
Polish Student Association	6,211
Audio Engineering Society at University of Michigan	200
BBA Marketing Club	200
BOND Consulting Group	520
Out in Public	1,450
West Coast Forum	800
Invisible Children	2,000
German Club at the University of Michigan	800
University of Michigan Rifle Team	200
Michigan Field Hockey	400
University of Michigan Supermileage Team	800
Vibrance Dance Company	105
Badminton Club	1,620
Club Sports - Men's Club Ice Hockey	5,500
Women's Club Water Polo (Rec Sports DeptID)	4,150
Men's Club Volley Ball	520
DREAMS Council	997
Graduate Cricket Club	900
Mongolian Cultural Association	227
Student Initiative in Chinese Public Health	120
Photonox	200
Michign GIVERs	300
BLUElab Chaguiton	1,325
Wolverine Support Network	4,200
Adaptive Gymnastics	300
European Horizons	100
Global Medicine Missions Alliance	200
Kidney Disease Screening and Awareness Program	400
Pre-Surgical Club	107
CangaASo Capoeira-CordALo de Ouro	575
Alpha Kappa Alpha Sorority, Incorporated	540
Michigan Foreign Policy Council	100
LGBT Michigan	700
Phi Alpha Delta Pre-Law Fraternity	750

**Central Student Government  
Student Organization Funding  
For the Year ended December 31, 2017**

<b>Organization</b>	<b>Year 2017</b>
Syrian Orphans Sponsorship Association	823
College of Pharmacy Graduate Student Organization	300
HeForShe	105
Michigan Refugee Assistance Program	2,100
Project RISHI at University of Michigan	100
The Michigander	100
Michigan Is My Home	1,823
GRID	420
Generation Asian Pacific American	600
Brazilian Zouk Dance Club	600
Christians United for Israel at UM	53
Students for Syria	50
Design for America	724
Climate Blue	500
Michigan Accoustics	251
Prison Birth Project	997
Refugees to College	214
Termeh	2,500
WeListen at the University of Michigan	171
<b>Grand Total</b>	<b>452,649</b>

To: Board of Regents of the University of Michigan  
From: Central Student Government (CSG)  
Date: 29 May 2018

**Central Student Government - Financial Report**  
**Fiscal Year Ending December 31, 2017**

The financial report for the 2017 fiscal year reflects the continued additional funds Central Student Government (CSG) receives from the Board of Regents' approved 2014 Student Fee Increase, as well as an additional \$26,000 in funds, courtesy of increased student enrollment. Together, the student fee increase and rising enrollment revenue allowed CSG to disburse \$452,649, a \$68,600 decrease from CY2016, to registered student organizations, including Dance Marathon, the African Student Association, The Maize and Blue Cupboard, Shei Magazine, and the Student Alliance of Gay Engineers (oSTEM). CSG increased its allocation of funds to other UM Departments by \$24,700, which included contributing to the North Campus Wellness Zone with Counseling and Psychological Services (CAPS), funding the "take your professor to lunch" program, co-sponsoring the Spectrum Center's Michigan Pride, installing water bottle refill stations in the School of Music, and supporting SAPAC's Raise the Bar campaign. Ultimately, the benefits of the 2014 Student Fee Increase continue to benefit the Ann Arbor campus, and the Regents' generous support enabled CSG to better perpetuate an innovative and ambitious spirit amongst our University's leaders and best.

The increased revenue also enabled CSG to improve the direct services it provides the Michigan community. CSG utilized the student fee revenue to encourage student innovation and collaboration with INNOVATE, a new public service pitch competition, which had over 30 student teams to further their passions for public service and entrepreneurship. Additionally, CSG addressed student safety concerns with the Safe Travel Emergency Fund and by installing cell phone charging stations in the Undergraduate Shapiro Library (UGLi), ensuring students do not walk home with a dead phone late at night. CSG also established the Emergency Meal Fund (EMF) to address food insecurity. EMF permits food-insecure students six meal swipes while the students work with the Dean of Students Office to find a long-term solution. CSG also provided students with other services including piloting a free feminine hygiene product program, weekly information podcasts and resource videos, Meijer bus shuttles, Bicentennial programming, and student resource guides.

In the year to come, CSG seeks to continue its support of students' innovative ideas, academic endeavors, and pursuit of justice. Through its funding, CSG encourages the passions and initiatives of the Ann Arbor student body, and CSG hopes to better engage students' desires as student organization funding sources grow increasingly scarce. In the coming academic year, CSG will continue to grow its visibility through monthly town halls, an improved office hours

program for the legislature and executive team, and a student organization based CSG liaison program. Additionally, CSG will pursue projects including senior debt management workshops, improved on-campus transportation, textbook affordability programs, and funding for Raise The Bar. CSG also seeks to improve the inclusivity and accessibility of our campus by prioritizing programs that address mental health, sexual misconduct, food security, housing affordability, and campus climate.

Respectfully Submitted,



Daniel Greene  
President, Central Student Government

THE UNIVERSITY OF MICHIGAN-FLINT  
REGENTS COMMUNICATION

SUBJECT: Proposed Flint Campus FY 2018-2019 General Fund Operating Budget, Student Tuition and Fee Rates

ACTION REQUEST: Approval of FY 2018-2019 General Fund Operating Budget, Student Tuition and Fee Rates

BACKGROUND:

The proposed 2018-2019 General Fund budget for UM-Flint (attached) assumes a 2.3% increase in state funding. The proposed budget assumes a \$486 increase in combined tuition and fees for resident undergraduate students and a 4.3% increase for most graduate students for the 2018-2019 academic year. Further details on tuition and fee increases are included in the companion action item.

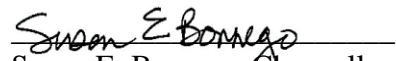
This budget proposal assumes:

- No change in undergraduate or graduate enrollment; and,
- 8.4% increase in institutional financial aid.

The proposed budget includes our state appropriation of approximately \$23.6 million.

We request approval of the Proposed Flint Campus FY2018-2019 General Fund Operating Budget with the accompanying Student Tuition and Fee Rates.

RECOMMENDED BY:

  
Susan E. Borrego, Chancellor  
University of Michigan-Flint

June 21, 2018  
Attachments

University of Michigan-Flint  
Proposed General Fund Revenue Budget  
Fiscal Year 2018-19

	<u>Budget for</u> <u>FY 2017 - 18</u>	<u>%</u> <u>of Total</u>	<u>\$ Change</u>	<u>Budget for</u> <u>FY 2018 - 19</u>	<u>%</u> <u>of Total</u>
State Appropriation	23,061,800	20.5%	523,600	23,585,400	20.4%
Student Tuition & Fees	88,494,400	78.8%	2,630,200	91,124,600	78.9%
Indirect Cost Recovery	100,000	0.1%	-	100,000	0.1%
Income from Investments	100,000	0.1%	-	100,000	0.1%
Department Activities	600,000	0.5%	-	600,000	0.5%
<b>Total Revenue</b>	<b><u>112,356,200</u></b>	<b><u>100.0%</u></b>	<b><u>3,153,800</u></b>	<b><u>115,510,000</u></b>	<b><u>100.0%</u></b>

University of Michigan-Flint  
Proposed General Fund Expenditure Budget  
Fiscal Year 2018-19

Area	Budget for FY 2017-18	Salary & Benefits	Student Aid	Fixed Costs	Academic & Support Programs	Reallocations	Budget for FY 2018-19
College of Arts & Sciences	25,846,532	641,807			55,000	661,640	27,204,979
School of Management	6,904,545	185,907			(65,000)	(249,055)	6,776,397
College of Health Sciences	8,433,480	186,462			6,000	(367,193)	8,258,749
Associate Provost & Graduate Programs	3,751,359	57,700			58,000	(21,724)	3,845,335
School of Education & Human Services	4,513,059	139,465			6,000	(181,209)	4,477,315
School of Nursing	6,778,147	185,429			12,000	321,815	7,297,391
<b>Subtotal - Academic Units</b>	<b>56,227,122</b>	<b>1,396,770</b>	<b>-</b>	<b>-</b>	<b>72,000</b>	<b>164,274</b>	<b>57,860,166</b>
Chancellor	2,455,072	35,989			-	(12,444)	2,478,617
Provost/Academic Affairs	5,200,168	72,732			-	(79,160)	5,193,740
Campus Inclusion & Student Life	4,956,063	67,326			(24,000)	(19,796)	4,979,593
Student Aid	8,893,842	-	750,000		-	-	9,643,842
Business & Finance	17,153,938	327,087			(13,000)	(46,477)	17,421,548
University Advancement	1,932,661	35,477			-	(16,942)	1,951,196
Enrollment Management	5,295,219	68,618			(48,420)	(17,834)	5,297,583
<b>Subtotal - Executive Officers</b>	<b>45,886,963</b>	<b>607,230</b>	<b>750,000</b>	<b>-</b>	<b>(85,420)</b>	<b>(192,654)</b>	<b>46,966,119</b>
Utilities	4,410,700			29,300			4,440,000
Central Support	862,000			25,000			887,000
Debt Service	330,000			-			330,000
General Administrative Services	4,221,415	83,800		53,500	250,000		4,608,715
General Administrative Reserve	418,000						418,000
<b>Subtotal - Other</b>	<b>10,242,115</b>	<b>83,800</b>	<b>-</b>	<b>107,800</b>	<b>250,000</b>	<b>-</b>	<b>10,683,715</b>
<b>Total Expenditures</b>	<b>112,356,200</b>	<b>2,087,800</b>	<b>750,000</b>	<b>107,800</b>	<b>236,580</b>	<b>(28,380)</b>	<b>115,510,000</b>

University of Michigan-Flint  
Proposed Tuition & Fee Rates  
Fiscal Year 2018-19

	Per Term Rate			
	2018-2019 Proposed	2017-2018 Tuition & Fees	\$ Change	% Change
<b><u>Resident</u></b>				
Undergraduate				
Lower Division	\$ 5,910	\$ 5,667	\$ 243	4.3%
Upper Division	5,982	5,739	243	4.2%
Nursing	6,837	6,594	243	3.7%
Nursing (RN/BSN)	5,982	5,739	243	4.2%
Respiratory Therapy	5,982	5,739	243	4.2%
Graduate				
School of Management	9,111	8,595	516	6.0%
Doctor of Education	8,199	7,863	336	4.3%
Doctor of Nurse Anesthesia (Professional)*	8,967	-	8,967	n/a
Doctor of Nurse Anesthesia (Post-Professional)	11,346	9,924	1,422	14.3%
MS Anesthesia	8,178	7,842	336	4.3%
Physical Therapy	8,346	7,569	777	10.3%
Nursing	8,046	7,431	615	8.3%
All Other Graduate Programs	7,464	7,158	306	4.3%
<b><u>Non-Resident</u></b>				
Undergraduate				
Lower Division	11,289	10,827	462	4.3%
Upper Division	11,442	10,974	468	4.3%
Nursing	13,155	12,687	468	3.7%
Nursing (RN/BSN)	6,561	6,285	276	4.4%
Respiratory Therapy**	6,561	-	6,561	n/a
Graduate				
School of Management	11,301	10,611	690	6.5%
Doctor of Education	11,064	10,611	453	4.3%
Doctor of Nurse Anesthesia (Professional)*	13,293	-	13,293	n/a
Doctor of Nurse Anesthesia (Post-Professional)	12,132	10,611	1,521	14.3%
MS Anesthesia	12,126	11,628	498	4.3%
Physical Therapy	12,372	11,220	1,152	10.3%
Nursing	11,931	11,019	912	8.3%
All Other Graduate Programs	11,064	10,611	453	4.3%

\*The Doctor of Nurse Anesthesia - Professional program is new in Fall 2018.

\*\*Beginning Fall 2018, students in the Respiratory Therapy program will be charged a non-resident differential of approximately 10%.



THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

SUBJECT: Proposed University of Michigan-Flint 2018-2019  
Residence Hall Rates

ACTION REQUEST: Approval of University of Michigan-Flint rates for  
residence hall rooms. The proposed rate increase is 5.0%.

BACKGROUND:

The proposed rate increases for FY19 were developed in consultation with the Vice Chancellor for Student Affairs and Vice Chancellor for Business and Finance as well as their respective management teams.

Included with this Action Request are the following attachments:

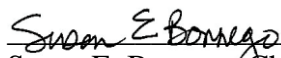
- The rate increase request for FY19 (Attachment A)
- A peer institution room and board rate comparison for 2016-2018 (Attachment B)

**Recommended Residence Hall Rate Increase:** The proposed room rate increase is 5.0%. This increase is commensurate with projected increases in the general cost of operations. Attachment A consists of a summary of the rate recommendations and is delineated by room type.

The rates at First Street include mandatory board with a proposed 2.0% increase for 2018-2019. The proposed room and board average rate increase is 3.9%.

I recommend the Regents approve the rate recommendations for FY19.

RECOMMENDED BY:

  
\_\_\_\_\_  
Susan E. Borrego, Chancellor  
University of Michigan-Flint

June 21, 2018  
Attachments

**University Housing  
Rate Increase Request for FY19  
University of Michigan-Flint**

Room Types	Fall/Winter Rates			
	FY18	FY19	Amount Increase	% Increase <sup>3</sup>
First Street (Room & Board; Meal Plans Mandatory) <sup>1</sup>				
4 person, double bedrooms (standard) <sup>2</sup>	\$8,437	\$8,769	\$332	3.9%
4 person, single bedrooms (suite) <sup>2</sup>	\$9,853	\$10,256	\$403	4.1%
2 person, single bedrooms (suite)	\$10,319	\$10,745	\$426	4.1%
Riverfront (Room Only; Meal Plans Not Mandatory)				
4 person, double bedrooms (standard)	\$5,437	\$5,709	\$272	5.0%
5 person, single bedrooms (suite)	\$5,870	\$6,164	\$294	5.0%
4 person, single bedrooms (suite)	\$6,853	\$7,196	\$343	5.0%
3 person, single (standard)	\$7,003	\$7,353	\$350	5.0%
3 person, single (premium – addt'l sq. ft)	\$7,234	\$7,596	\$362	5.0%
1 person, single (studio)	\$7,686	\$8,070	\$384	5.0%

<sup>1</sup> First Street rates reflects the highest value meal plan.

<sup>2</sup> First Street room types same cost as Riverfront. Difference in rates due to meal plan costs.

<sup>3</sup> Overall 5% increase in room costs for both buildings; however, First Street requires a meal plan which decreases the overall increase percentage.

**Rate Comparison to Michigan Public Universities  
FY 2016-2018**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
University of Michigan - Ann Arbor	10,554	10,872	11,198
Central Michigan University	10,450	10,816	11,196
Michigan Technological University	9,827	10,261	10,447
Northern Michigan University	9,070	9,340	10,078
Michigan State University	9,474	9,734	9,976
Oakland University	9,250	9,620	9,910
Ferris State University	9,734	9,952	9,894
Eastern Michigan University	9,344	9,592	9,854
Western Michigan University	9,011	9,326	9,606
Wayne State University	9,054	9,350	9,562
Lake Superior State University	9,201	9,350	9,537
Saginaw Valley State University	8,600	8,736	8,874
Grand Valley State University	8,360	8,400	8,600
<b>University of Michigan - Flint</b>	<b>8,178</b>	<b>8,178</b>	<b>8,437</b>

Source: Michigan Rate Survey 2017-18 MHDSOA

Attachment B

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

**ACTION ITEM**

SUBJECT: Proposed Dearborn Campus fiscal year 2018-19 General Fund Operating Budget, Student Tuition and Fee Rates

ACTION REQUEST: Approval of 2018-19 General Fund Operating Budget, Student Tuition and Fee Rates

BACKGROUND:

The proposed 2018-19 General Fund Budget for UM-Dearborn reflects a 2.6% increase in state funding. The recommended tuition and fee increase for undergraduate students is 3.7% for residents (an increase of \$229 per term for lower division) and 1.8% for non-residents (an increase of \$226 per term for lower division).

Our proposed budget is modeled with an expected 1.0% undergraduate and graduate enrollment increase. Also proposed are additional funds to support technology improvements, student engagement programs, and student financial aid.

We recommend the Regents approve the proposed 2018-19 General Fund Budget with the accompanying Student Tuition and Fees Rates.

Recommended by:



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Daniel Little, Chancellor  
University of Michigan-Dearborn

June 2018  
Attachments

**General Fund Revenue Budget  
Fiscal Year 2018-2019**

	<b>Budget for FY 2017-18</b>	<b>% of Total</b>	<b>Budget Changes</b>	<b>Budget for FY 2018-19</b>	<b>% of Total</b>
State Appropriations	\$ 25,421,900	17.1%	\$ 649,900	\$ 26,071,800	16.8%
Student Tuition & Fees	121,858,100	81.7%	5,551,200	127,409,300	82.0%
Indirect Cost Recovery	1,100,000	0.7%	-	1,100,000	0.7%
Income from Investments	100,000	0.1%	-	100,000	0.1%
Departmental Activities	620,000	0.4%	55,000	675,000	0.4%
<b>Total Revenue</b>	<b>\$ 149,100,000</b>	<b>100.0%</b>	<b>\$ 6,256,100</b>	<b>\$ 155,356,100</b>	<b>100.0%</b>

June 2018

Financial Services

**General Fund Expenditure Budget  
Fiscal Year 2018-2019**

<u>Area</u>	<u>Budget for FY 2017-18</u>	<u>Salary Program Total</u>	<u>Student Support</u>	<u>Academic Programs</u>	<u>Misc.</u>	<u>Budget for FY 2018-19</u>
Arts, Sciences & Letters	30,621,923	635,000	-	-	(556,923)	30,700,000
Education, Health & Human Services	5,311,027	133,300	-	-	(344,327)	5,100,000
Engineering	23,114,861	359,500	-	-	(1,074,361)	22,400,000
Business	15,287,224	299,400	-	-	(286,624)	15,300,000
<b>Academic Units</b>	<b>74,335,035</b>	<b>1,427,200</b>	<b>-</b>	<b>-</b>	<b>(2,262,235)</b>	<b>73,500,000</b>
Chancellor's Area	6,023,613	74,730	-	-	834,500	6,932,843
Academic Affairs	7,198,780	97,600	-	-	-	7,296,380
Business Affairs	13,182,759	164,000	-	-	500,774	13,847,533
Institutional Advancement	2,202,642	35,000	-	-	-	2,237,642
Enrollment Mgt & Student Life	8,712,342	138,000	264,700	-	-	9,115,042
External Relations	1,761,250	21,000	-	-	-	1,782,250
<b>Senior Officers</b>	<b>39,081,386</b>	<b>530,330</b>	<b>264,700</b>	<b>-</b>	<b>1,335,274</b>	<b>41,211,690</b>
Utilities	2,707,920	-	-	-	-	2,707,920
Infrastructure Maintenance	4,747,232	-	-	-	28,500	4,775,732
Fringe Benefits	7,496,831	346,931	-	-	-	7,843,762
Student Aid	16,187,326	-	2,485,400	-	-	18,672,726
Debt Service	4,544,270	-	-	-	2,100,000	6,644,270
<b>Other</b>	<b>35,683,579</b>	<b>346,931</b>	<b>2,485,400</b>	<b>-</b>	<b>2,128,500</b>	<b>40,644,410</b>
<b>Total Expenditures</b>	<b>\$ 149,100,000</b>	<b>\$ 2,304,461</b>	<b>\$ 2,750,100</b>	<b>\$ -</b>	<b>\$ 1,201,539</b>	<b>\$ 155,356,100</b>

**Proposed Student Tuition and Fee Rates  
2018 - 2019**

	<b>Per Term Rate</b>		<b>Per Term Increase</b>	<b>Percent Increase</b>
	<b>2018-2019 Proposed</b>	<b>2017-2018 Approved</b>		
<b>RESIDENT</b>				
Undergraduate:				
Lower Division	\$ 6,465	\$ 6,236	\$ 229	3.7%
Upper Division	6,645	6,401	244	3.8%
Business	8,715	8,486	229	2.7%
Engineering & Computer Science	7,665	7,226	439	6.1%
Web-based Programs:				
Arts, Sciences & Letters	7,235	6,971	264	3.8%
Graduate:				
Business	10,078	9,809	269	2.7%
Engineering & Computer Science	9,838	8,669	1,169	13.5%
All Other Programs	7,678	7,409	269	3.6%
Web-based Programs:				
Arts, Sciences & Letters	8,150	7,865	285	3.6%
Engineering & Computer Science	9,838	10,253	(415)	-4.0%
Doctorate:				
Education	7,678	7,409	269	3.6%
Engineering & Computer Science	9,838	8,669	1,169	13.5%
<b>NON-RESIDENT</b>				
Undergraduate:				
Lower Division	\$ 12,579	\$ 12,353	\$ 226	1.8%
Upper Division	12,759	12,518	241	1.9%
Business	14,829	14,603	226	1.5%
Engineering & Computer Science	13,779	13,343	436	3.3%
Web-based Programs:				
Arts, Sciences & Letters	13,349	13,088	261	2.0%
Graduate:				
Business	15,478	15,241	237	1.6%
Engineering & Computer Science	15,238	14,101	1,137	8.1%
All Other Programs	13,078	12,841	237	1.8%
Web-based Programs:				
Arts, Sciences & Letters	13,550	13,297	253	1.9%
Education, Health & Human Services	9,502	9,005	497	5.5%
Engineering & Computer Science	11,662	11,501	161	1.4%
Doctorate:				
Education	7,678	7,409	269	3.6%
Engineering & Computer Science	9,838	8,669	1,169	13.5%

Approved by the Regents  
June 21, 2018

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Proposed FY 2019 University of Michigan Health System & UM Health  
Operating Budgets

Action

Requested: Approval

Background:

For FY 2019, Consolidated UMHS and UM Health are targeting a 7.8% operating cash flow margin and 2.8% operating margin.

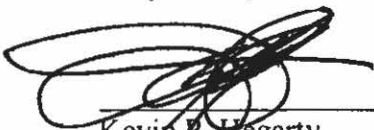
The proposed UMHS FY 2019 budget is predicated on several key assumptions:

- A. Accurate assumptions and successful activation of Brighton Health Center and the stabilization related to the relocation of certain Pathology functions to the North Campus Research Complex.
- B. Continued capacity management through existing inpatient and outpatient operations.
- C. Improved efficiency in cost per unit of service
- D. Revenue per case growth constrained by continued Federal and State funding changes and increased options for consumer-driven choices.
- E. The ongoing deployment of UM Health strategic initiatives designed to increase the scope of services as well as enhance the care provided to patients.

The proposed financial performance aligns with the long-term plan to continuously improve the financial strength of UMHS, to levels necessary to support future strategic and routine capital investments.

We recommend the Regents approve the proposed consolidated FY 2019 University of Michigan Health System & UM Health Operating Budgets.

Respectfully submitted,



Kevin P. Hegarty  
Executive Vice President and  
Chief Financial Officer



Marschall S. Runge, M.D., Ph.D.  
Executive Vice President  
for Medical Affairs and Dean of the  
Medical School

June 21, 2018



**UNIVERSITY OF MICHIGAN HEALTH SYSTEM (Including UM Health)  
FY 2019 OPERATING BUDGET**

**Consolidated Clinical Enterprise and UM Health Financials**

<b>(Amounts in Millions)</b>	<b>FY19 Plan</b>		<b>FY18 Estimated Actual</b>	
	<b>Operating Revenue</b>	<b>\$4,582.8</b>	<b>6.6%</b>	<b>\$4,297.7</b>
<b>Operating Expenses</b>	<b>\$4,453.3</b>	<b>6.2%</b>	<b>\$4,194.4</b>	<b>7.5%</b>
<b>Operating Margin</b>	<b>\$129.5</b>		<b>\$103.3</b>	
Margin %	2.8%		2.4%	
<b>Operating Cash Flow Margin</b>	<b>\$356.3</b>		<b>\$321.4</b>	
Margin %	7.8%		7.5%	

## Clinical Enterprise Financials

(Amounts in Millions)

	FY19 Plan		FY18 Estimated Actual	
<b>Operating Revenue</b>	<b>\$4,129.9</b>	<b>6.5%</b>	<b>\$3,878.6</b>	<b>3.6%</b>
<b>Operating Expenses</b>	<b>\$4,007.9</b>	<b>6.2%</b>	<b>\$3,774.5</b>	<b>7.3%</b>
<b>Operating Margin</b> Margin %	<b>\$122.0</b> 3.0%		<b>\$104.1</b> 2.7%	
<b>Operating Cash Flow Margin</b> Margin %	<b>\$323.7</b> 7.8%		<b>\$299.3</b> 7.7%	

## UM Health Financials

(Amounts in Millions)

	FY19 Plan		FY18 Estimated Actual	
<b>Operating Revenue</b>	<b>\$452.9</b>	<b>8.1%</b>	<b>\$419.1</b>	<b>11.3%</b>
<b>Operating Expenses</b>	<b>\$445.4</b>	<b>6.1%</b>	<b>\$419.9</b>	<b>9.0%</b>
<b>Operating Margin</b> Margin %	<b>\$7.5</b> 1.6%		<b>(\$0.8)</b> -0.2%	
<b>Operating Cash Flow Margin</b> Margin %	<b>\$32.6</b> 7.2%		<b>\$22.1</b> 5.3%	

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Item for Information

SUBJECT: FY 2019 Athletic Department Operating Budget

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For the proposed FY 2019 operating budget described on the following pages, the Athletic Department projects an operating surplus of \$2.5 million based on operating revenues of \$187.8 million and operating expenses of \$185.3 million. Highlights of the operating budget are as follows:

- The FY19 budget reflects a seven home game football schedule as compared to a six home game football schedule in FY18.
- Other revenues are projected to decrease to \$7.9 million in FY19 from \$15.8 million in FY18 as a result of no neutral site football game or football video series in FY19.
- Total operating expenses are projected to remain flat between FY18 and FY19.
- Included in operating expenses is a \$3.0 million transfer to a deferred maintenance fund. The deferred maintenance fund is used as a means to provide for major repair and rehabilitation projects for athletic facilities. The Athletic Department expects to continue to set aside additional funds in future years for this purpose.

Based on preliminary results, the Athletic Department has a projected operating surplus of approximately \$2.5 million for FY18. The favorable operating outcome is primarily due to higher than anticipated preferred seating contributions, revenues related to football video series, and licensing revenues.

Respectfully submitted,



Warde J. Manuel  
Donald R. Shepherd Director of Athletics



Andra Krievs  
Chief Financial Officer

June, 2018

**Michigan Athletic Department**  
**FY 2019 Operating Budget**  
(amounts in 000's)

	Fiscal Year 2018			Budget FY 2019	+ / -
	Budget	Projection	+ / -		
<u>Revenues</u>					
Spectator admissions	\$ 46,390	\$ 46,475	\$ 85	\$ 52,389	\$ 5,914
Conference distributions	51,060	51,060	-	52,119	1,059
Preferred seating contributions	30,127	32,127	2,000	30,267	(1,860)
Expendable gifts	7,350	6,000	(1,350)	7,500	1,500
Corporate sponsorship	17,825	18,325	500	18,028	(297)
Licensing royalties	9,006	10,000	994	8,961	(1,039)
Facility revenues	4,689	4,689	-	6,693	2,004
Concessions and parking	3,636	3,636	-	3,913	277
Other	12,759	15,825	3,066	7,927	(7,898)
Total operating revenues	182,842	188,137	5,295	187,797	(340)
<u>Expenses</u>					
Salaries, wages & benefits	67,135	67,900	765	70,800	2,900
Financial aid to students	26,300	26,500	200	27,800	1,300
Team and game expense	33,751	36,000	2,249	34,440	(1,560)
Other operating and admin. exp.	14,945	14,374	(571)	15,607	1,233
Transfer to University	7,375	9,100	1,725	5,800	(3,300)
Facilities expenses	10,073	9,500	(573)	10,386	886
Deferred maintenance fund transfer	4,000	5,000	1,000	3,000	(2,000)
Debt service transfer to plant fund	17,263	17,263	-	17,464	201
Total operating expenses	180,842	185,637	4,795	185,297	(340)
Operating surplus	\$ 2,000	\$ 2,500	\$ 500	\$ 2,500	\$ -

**University of Michigan Athletic Department  
2018 – 2019 Budget Notes and Assumptions  
(dollar amounts in 000's)**

**Basis for accounting:** The University of Michigan Athletic Department manages its financial activity through the use of four different types of funds: the Operating Fund; the Endowment Funds; the Other Post-Employment Benefit Fund, and the Plant Funds. The Operating Fund budget is presented herein. A consolidated financial statement is prepared annually and audited by PricewaterhouseCoopers LLP.

The Operating Fund budget includes most of the revenues and expenditures of the Athletic Department, with the exception of endowment gifts and associated market value adjustments (which are recorded in the Endowment Funds), capital gifts and depreciation (which are recorded in the Plant Funds), and an allocation of the University's actuarially determined annual other postemployment benefits expense and liability (which is recorded in the Other Post-Employment Benefit Fund).

1. **Spectator admissions:** Spectator admissions consist of the following:

	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>
	<b><u>FY 17</u></b>	<b><u>FY 18</u></b>	<b><u>FY 19</u></b>
Football	\$ 49,013	\$ 39,838	\$ 45,628
Men's Basketball	3,880	4,100	4,250
Ice Hockey	1,669	1,800	1,775
Other	<u>777</u>	<u>737</u>	<u>736</u>
Total	\$ 55,339	\$ 46,475	\$ 52,389

*Memo:*

Home football games	8	6	7
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2. **Conference distributions:** Expected Big 10 conference distributions primarily consist of conference television revenue, conference football bowl game distributions, and NCAA distributions.
3. **Preferred seating contributions:** Preferred seating contributions represent an annual seating program for men's football, basketball, and ice hockey, with seat location linked to contribution levels. Expected preferred seating contributions are as follows:

	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>
	<b><u>FY 17</u></b>	<b><u>FY 18</u></b>	<b><u>FY 19</u></b>
Football	\$ 28,032	\$ 29,685	\$ 27,825
Men's Basketball	2,034	2,001	2,001
Ice Hockey	<u>447</u>	<u>441</u>	<u>441</u>
Total	\$ 30,513	\$ 32,127	\$ 30,267

Preferred seating contributions are recorded in the year in which they are received. Revenue from collected ticket sales associated with premium areas is deferred at year end and is recorded in spectator admissions revenue in the fiscal year in which the associated games are played.

4. **Expendable gifts:** Expendable gifts represent private gifts for other than capital and endowment purposes.
5. **Licensing royalties:** Licensing royalties are primarily from apparel and product licensees that use the University's mark in merchandising operations. In addition to being impacted by on-field performance, licensing royalty revenue can be cyclical based on fashion trends, industry, and economic factors.

**University of Michigan Athletic Department  
2018 – 2019 Budget Notes and Assumptions  
(dollar amounts in 000's)**

6. **Concessions and parking:** Concessions and parking income includes game-day food and merchandise concession commissions and game-day parking revenue.
7. **Facilities:** Facility income includes fee and rental revenue from Michigan Stadium, Golf Courses, the Varsity Tennis Center, Yost Ice Arena, and the various other Athletic Department facilities.
8. **Other income:** Other income consists of guarantee payments received for away games, investment income, ticket handling fees, and other miscellaneous income.
9. **Compensation expense:** The Athletic Department has approximately 390 full time employees, including those that have joint appointments with other University units, and various part time employees. Compensation expense includes full-time salaries and wages, temporary payroll, and fringe benefits for coaches, direct team support, administrative departments, and facilities.
10. **Financial aid to students:** The Athletic Department grants the maximum NCAA allowable scholarships to all varsity sports. The total maximum allowable scholarships for FY 2019 is 360.9, with an estimated in-state to out-of-state ratio of 25%/75%.
11. **Team and game expense:** Team and game expense is comprised of the following:

	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>
	<b><u>FY 17</u></b>	<b><u>FY 18</u></b>	<b><u>FY 19</u></b>
Team travel (includes net post season)	\$ 10,653	\$ 11,680	\$ 11,447
Training table, vacation board and medical	4,290	5,780	5,626
Equipment and supplies	6,002	6,310	5,483
Home game expenses	4,539	4,080	4,430
Non-conference guarantee payments	4,902	4,040	3,383
Recruiting	3,022	2,780	2,754
Other sport program expenses	1,248	1,330	1,317
Total	\$ 34,656	\$ 36,000	\$ 34,440

12. **Facilities expenses:** Facilities expenses consist primarily of repairs and maintenance, utilities, supplies and equipment, and other facilities expenses.
13. **Deferred maintenance fund transfer:** In 2002 the Athletic Department established a Deferred Maintenance Fund as a means to provide for repair and rehabilitation projects for the athletic physical plant. Transfers from the Operating Fund to the Deferred Maintenance Fund are reflected as operating expenses in this presentation. In FY 2019, the budgeted transfer to the Deferred Maintenance Fund is \$3.0 million.

**University of Michigan Athletic Department  
2018 – 2019 Budget Notes and Assumptions  
(dollar amounts in 000's)**

14. **Other operating and administrative expenses:** Other operating and administrative expenses consist of the following:

	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>
	<b><u>FY 17</u></b>	<b><u>FY 18</u></b>	<b><u>FY 19</u></b>
Insurance, IT, telephone, postage, supplies	\$ 3,619	\$ 4,410	\$ 4,160
Credit card fees	1,889	1,750	1,950
Hosting, food, and special events	1,714	1,610	2,280
University re-charges	1,177	1,190	1,240
Professional travel and conference dues	1,182	1,130	1,400
Marketing, promotions, and ticketing	1,186	1,250	1,350
Contract labor/services and consulting	1,006	1,200	1,220
Printing, publications, and photo expenses	683	700	720
Other expenses	<u>1,383</u>	<u>1,134</u>	<u>1,287</u>
Total	\$ 13,839	\$ 14,374	\$ 15,607

15. **Transfer to University:** Transfer to University consists primarily of an allocation of the Athletic Department's annual television distribution received from the Big Ten Conference and transfers related to recreational sports funding agreements.

16. **Debt service:** The debt service expense for FY 2019 consists of the following:

	<b>FY 2019 Budget</b>		
	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Total Debt Service</u></b>
Stadium project	\$ 5,478	\$ 3,840	\$ 9,318
Crisler Center projects	1,916	1,400	3,316
South Campus	2,323	750	3,073
Glick Family Fieldhouse	447	290	737
Stadium concrete	257	225	482
Hartwig renovation	110	85	195
Softball renovation	137	110	247
Rowing facility	<u>6</u>	<u>90</u>	<u>96</u>
Total	\$ 10,674	\$ 6,790	\$ 17,464