Executive Vice President
and
Chief Financial Officer

Position Description

February 2021
The Opportunity

The University of Michigan (U-M), one of the world’s preeminent research universities, is seeking its next executive vice president and chief financial officer (EVP CFO).

Now operating in its third century, U-M continues its mission to serve the public through preeminence in creating, communicating, preserving and applying knowledge, art, and academic values. Currently, the main campus in Ann Arbor, comprised of 3,200 acres, has approximately 44,000 faculty and staff and an enrollment of 48,000 students, about a third of whom are in graduate and professional studies. U-M is consistently ranked among the top institutions of higher education globally with 102 graduate programs ranked in the top 10 nationally. The total operating budget for the Ann Arbor campus is approximately $10 billion for fiscal year 2021, including about $5 billion for the university health system.

The EVP CFO is a position of broad leadership for U-M, serving as one of three executive vice presidents reporting to the university’s president. This position’s portfolio includes U-M’s investment office, finance and accounting, facilities and campus operations, human resources, and shared services, as well as serving as the president’s chief advisor on financial matters. The EVP CFO is an executive officer of the institution and a member of the president’s executive leadership team. Within the portfolio of the position’s responsibilities, the EVP CFO has oversight responsibility that is inclusive of UM’s health system and academic medical center and its campuses in Dearborn and Flint, Michigan.

The University of Michigan: An Overview

The University of Michigan is one of the great public research universities in the nation and the world. Since the nineteenth century, it has served as a national model of a complex, diverse, and comprehensive public institution of higher learning that supports excellence in research, provides outstanding undergraduate, graduate, and professional education, and demonstrates commitment to public service and engagement.

The university was chartered in 1817 by the Michigan territorial legislature and was initially located in Detroit. In 1837, after Michigan had been admitted to the Union, the State of Michigan renewed the charter and relocated the university to Ann Arbor, where classes were first held in 1841. Today, the main campus is located in Ann Arbor, 35 miles west of Detroit, with regional campuses located in the cities of Dearborn and Flint.

The university is governed by the Board of Regents of the university, consisting of eight members elected at large in biennial state elections, and the president of the university, who serves as an ex officio member. The regents serve without compensation for overlapping terms of eight years. According to the Michigan Constitution of 1963, the regents are responsible for “general supervision” of the institution and “the control and direction of all expenditures from the institution’s funds.” The regents meet periodically in formal public sessions as well as in informal sessions.

Since 2014, the university has been led by President Mark S. Schlissel. Dr. Schlissel, a physician-scientist, is also a professor of microbiology and immunology and professor of internal medicine.
in the Medical School and professor of cell and development biology in U-M’s College of Literature, Science, and the Arts. During his almost seven-year tenure at U-M, his major areas of focus have included advancing academic excellence at U-M through large-scale multi-disciplinary efforts that leverage the academic breadth of the campus; advancing diversity, equity, and inclusion; increasing access to and affordability of a U-M education; and promoting public engagement and service. Prior to becoming U-M’s 14th president, Dr. Schlissel was provost at Brown University and professor of biochemistry and dean for the biological sciences at the University of California-Berkeley’s College of Letters & Science.

U-M’s position of excellence in higher education rests on the outstanding scholarly and creative contributions of its faculty and on the intellectual quality, vitality, and passion of its students — undergraduate, graduate, and professional. Its 19 schools and colleges, as well as its centers, institutes, and libraries, are nationally and internationally recognized. U-M is a founding member of the Association of American Universities (AAU).

U-M sustains top programs in the arts and humanities, social sciences, natural sciences, and engineering, and in all of the major professional schools. It is the home of one of the largest and leading academic medical centers in the world. U-M is also recognized for its outstanding interdisciplinary institutes and centers, such as the Institute for Social Research, the Life Sciences Institute, and the Institute for Healthcare Policy and Innovation. Overall, there are approximately 3,172 tenured and tenure-track faculty on the Ann Arbor campus, and an additional 4,160 individuals in instructional and research faculty roles such as clinical instructional faculty, research faculty, lecturers, and supplemental instructional staff.

The Ann Arbor campus currently enrolls approximately 31,000 undergraduates and 17,000 graduate and professional students. Its undergraduate students come from Michigan as well as from all 50 states and from more than one hundred countries. Today, U-M has more than 600,000 living alumni around the globe. The campus is supported by approximately 15,000 staff members (not including the medical center staff).

The campus covers about 3,200 acres in and near Ann Arbor. Other holdings include about 18,000 additional acres in regional campuses, field stations, and other properties for research and teaching. In addition to classrooms, laboratories, and specialized research facilities, the university community makes use of a vast array of resources, including libraries, concert halls, art museums, and galleries, an arboretum, botanical gardens, and athletic and recreational facilities. The university calendar offers a prodigious diversity of events and activities. Many thousands of conferences, symposia, speeches, workshops, concerts, performances, recitals, films, readings, and athletic events take place each year. As well, over 1,000 clubs and organizations provide innumerable opportunities for faculty, staff, and students to take part in the university community.

As a public institution, the revenues and expenditures of U-M are maintained in accordance with the governmental accounting principles of fund accounting. The total operating budget for the Ann Arbor campus is approximately $10 billion for fiscal year 2021, including about $5 billion for the university health system. For FY 2021, the budget for the academic operations of the Ann Arbor campus totals approximately $4 billion (for more detailed information on the university’s finances, please see the FY20 Annual Report). U-M operates in a relatively decentralized manner, employing a hybrid budget model consisting of responsibility center budgeting, incremental
budgeting, and centralized/initiative budgeting.

As a public university, U-M is dedicated to service in the larger world. Faculty research addresses a large range of critical issues — health care, robotics, the environment, social interventions, education reform and improvement, poverty solutions, human mobility, and many others. By extending fundamental understandings and advancing technological innovations, university scientists and engineers contribute to remarkable advances that are transforming life and contributing to building the economy of the state, region, and nation. University scholars in the humanities and the arts advance societal understanding around the most pressing and challenging problems facing the world today. Students take part in research alongside faculty in research labs, libraries, and community-based service and learning projects. The university collaborates with other universities, colleges, and K-12 schools, and provides research and other services for a variety of state and private agencies.

From its status as one of the first universities in the nation to admit women in 1870, to its historic defense of race-conscious admission policies at the United States Supreme Court in 2003, U-M continues to lead the way in making higher education accessible to all. In the fall of 2016, after a year of intense planning, U-M launched its five-year strategic plan for diversity, equity, and inclusion, which signified a renewed pledge for developing a diverse university community while creating an inclusive and equitable campus climate. In 2018, U-M launched the Go Blue Guarantee, a program for in-state students on the Ann Arbor campus that guarantees four years of free tuition for most undergraduate students from families with annual incomes of $65,000 or less.

Office of Business & Finance at the University of Michigan

The U-M Office of Business & Finance (B&F) consists of more than 45 organizations that provide essential infrastructure services to support the students, faculty, and staff of the U-M enterprise. There are nearly 2,700 staff responsible for architecture, construction, operations, and maintenance of 37 million gross square feet of facilities, parking, and transportation; occupational safety and environmental health; utilities; human resources; financial operations; and more than $14 billion in investments.

The B&F organization has made a deep commitment to building a positive and inclusive work environment for staff and to support them in providing extraordinary service to university partners. Foundational to this commitment is fostering exceptional and inclusive leadership practices across B&F, such as connecting teams to a sense of purpose; building trusting relationships; recognizing and appreciating the contributions of staff; championing diversity, equity, and inclusion; and modeling a healthy work-life balance. As a result of these efforts, B&F has seen significant increases in key climate measures and has achieved employee engagement scores in the top 25 percent nationally.

The EVPCFO oversees a diverse portfolio of functions and employees, which includes five major departments and several additional offices:

- **Investment Office**: The Investment Office oversees the investments of the university’s financial assets, including the university’s endowment, valued at $12.5 billion as of June
This diversified, multi-asset class portfolio supports the university’s student scholarships, academic and research programs, professorships, and libraries.

- **Finance**: Finance offers a wide variety of key business and financial services to the university community. These services include accounting, budgeting and recharge reporting, cash management, debt issuance, financial reporting, internal controls, payroll, post-award accounting for sponsored programs, procurement, risk management, student financial services, and tax management.

- **Facilities & Operations**: Facilities & Operations (F&O) has primary responsibility for the stewardship of the university’s physical properties, including 37 million square feet of building space. The office is responsible for sophisticated and complex academic, research, and clinical facilities, as well as associated environmental stewardship and regulatory compliance. F&O staff strive to optimize resources in order to support the university’s commitment to academic excellence and cost containment.

- **University Human Resources**: University Human Resources (UHR) provides services that attract, sustain, and inspire excellence in faculty and staff of the university. UHR provides comprehensive services to the U-M community that include human resources policy and strategy, competitive benefits, health and well-being programs and initiatives, employment services, data and information services, and professional development.

- **Shared Services Center**: The U-M Shared Services Center offers select finance and human resources transactional services to the entire institution. It combines these transactional services from colleges, schools, and administrative units into one operation that offers high-quality customer service as part of an overall strategy that focuses on the optimal use of university resources.

- **Office of Enterprise Strategic Risk Management**: Enterprise Strategic Risk Management (ESRM) was established to integrate risk analysis in operational and strategic planning and develop capabilities in risk-informed decision making across the enterprise. ESRM drives processes to reduce uncertainties and enable greater resilience in an uncertain environment.

- **Office of the Staff Ombuds**: The Staff Ombuds promotes a civil and inclusive university community by providing independent, confidential, impartial, and informal conflict resolution services to all non-bargained-for staff on the Ann Arbor campus and at Michigan Medicine.

- **Office of Organizational Culture and Strategy**: The Office of Organizational Culture and Strategy works closely with the EVPCFO and the B&F leadership team to implement strategies across B&F designed to foster a positive and inclusive work environment, achieve goals related to diversity, equity and inclusion, and drive related strategic planning and measurement processes.

**The Position**

The EVPCFO is the president’s strategic partner in developing and maintaining a sustainable financial model for the university. They work closely together with respect to all financial and operational affairs, in efforts to increase the efficiency of university operations and strengthen the financial resources available to achieve the mission of the university in both the short and long term.
term. As an executive officer of the university, the EVPCFO serves as a member of the president’s executive team. The position oversees nearly 2,700 staff members in Business & Finance and an annual budget of approximately $609.9 million.

The position interacts regularly and extensively with the Board of Regents. The EVPCFO attends all formal public sessions of the Board of Regents and relevant informal sessions, and works closely with the regents throughout the year on a broad range of issues within the scope of their responsibilities. The fiscal stability and integrity of the university’s operations are significantly dependent on the professionalism, leadership, and vision of the person who holds the position. The EVPCFO must consistently exercise independent judgment and analysis in providing relevant and reliable financial, operational, and policy information and guidance to the board.

The position has a close working relationship with the provost, who is the chief budgetary officer of the university. In support of the academic mission of the university, the EVPCFO also has ongoing collaborative relationships with the deans of the 19 schools and colleges, each of which has its own priorities academically, administratively, operationally, and financially.

The EVPCFO has extensive interaction with the executive vice president for medical affairs and dean of the Medical School, who oversees Michigan Medicine which is comprised of U-M’s health system and academic medical center. The EVPCFO serves on the U-M Health System Board, which advises the Board of Regents and UMHS leadership on the strategic direction and operating performance of the health system. The EVPCFO also serves on the Board of the Michigan Health Corporation, a 501(c)(3) organization wholly owned by the Board of Regents, and the board of the university’s self-insurance corporation, Veritas.

The EVPCFO advises the president with respect to financial matters for the Dearborn and Flint campuses and works closely with their chancellors and vice chancellors in developing and implementing financial, capital, and operational plans for the campuses. The financial and operational affairs of the Dearborn and Flint campuses are directly managed by vice chancellors reporting to their chancellors.

The EVPCFO is advised by the Senate Assembly Advisory Committee on Financial Affairs, a group composed of faculty members. In addition, external advice regarding the university’s investment strategy has been encouraged and welcomed, as evidenced by the investment advisory committee which is chaired by the chief investment officer and whose membership includes individuals who have achieved national prominence for their business and investment acumen.

**Priorities for the Role**

President Mark Schlissel has highlighted the following priorities for the university and for the EVPCFO. The university is in sound financial health due largely to wise stewardship of funds and aggressive efforts over many years to create efficiencies and curtail costs. Short-term cost increases and revenue losses due to the COVID-19 pandemic are being managed using temporary stringent financial controls, reserves, and internal loans. The pressures on the fundamental business model of higher education, however, are acute and potentially disruptive. State support for higher education is near an all-time low, federal research funding is no longer growing rapidly, and increased tuition revenue can no longer be relied upon to make up for these resource shortfalls. In
addition, the COVID-19 pandemic is currently impacting the higher education landscape and will result in long-term changes of an uncertain nature.

Together with colleagues from across the institution, the EVPCFO will be charged with working collaboratively, strategically, and holistically to respond to these pressures and position the university for the future. One aspect of the strategy will be to continue the university’s efforts in cost containment while at the same time ensuring that students, faculty, and staff are in a position to do their best work. Another will be to explore the creative application of principles used in other sectors of the economy (remote work and the application of artificial intelligence, for example) to increase the efficiency of university operations, enabling U-M to invest as many resources as possible in its mission of teaching, research, and service. In addition, the EVPCFO will work closely with the president and provost in determining the ideal balance between centralized and decentralized university functions. As the university continues to respond to the challenges of climate change, the EVPCFO will also play an important leadership role in the university’s efforts to achieve carbon neutrality both through the university’s efforts to reduce carbon emissions in its operations and in developing a financial model that enables the university to reach its goals while continuing to invest in its overall mission.

**Required Qualifications**

Candidates for the EVPCFO position will possess the following qualifications:

- **Role expertise / technical competence** - Significant professional experience in leading and managing the financial, investment, human resource, and/or operational affairs of a large, complex organization. Few candidates will have had experience leading all of the functions under this role’s scope: All candidates must have exceptionally strong strategic finance experience, and most will have led at least one of the additional functions.

- **Sector expertise** - The university will welcome senior leaders from industries outside academia, whether public or private, such as professional & financial services, life sciences, multi-lateral organizations, and others. A combination of public sector and private sector experience is desirable. An understanding of the research university environment and medical centers or hospitals - though not mandatory - will be considered a plus.

- **Influencing skills** - Significant experience in leading and managing change in an organization with multiple senior stakeholders. U-M is a particularly decentralized organization, where initiatives often require communication and collaboration with multiple influential stakeholders.

- **People leadership skills** - Proven experience in leading functionally diverse teams of substantial size. Recruitment and management of senior level leadership and a demonstrated commitment to professional growth and development in self and others is critical. An understanding of the nature of the issues present in a unionized environment will be important. A track record of promoting diversity, equity, and inclusion in the workplace and of commitment to equal employment opportunity is essential.

- Bachelor’s degree, with more advanced or professional degree or certifications preferred.

The successful candidate will also possess the following qualities and competencies:

- Personal and professional ethics and integrity to the highest degree.
• Demonstrated understanding of and commitment to diversity, equity, and inclusion.
• Ability to lead effectively within a non-hierarchical, de-centralized, and highly collaborative campus community.
• Good political acumen with a keen sense of how and when to engage the participation of different constituencies and the ability to build productive alliances.
• Skill in working with all campus stakeholders in a climate of openness and transparency, integrity, trust, mutual respect, and collaborative problem solving.
• Understanding of and commitment to the academic, research, and service missions of a leading residential public university.
• Outstanding oral and written communications skills with an ability to speak to a variety of audiences, transform ambiguity into clarity, and articulate campus needs with persuasiveness and conviction; excellent listening skills; and the capacity and willingness to engage in intellectual debate and discussion.
• High degree of energy, initiative, and organization; self-confidence, creativity, and willingness to take risks and to develop and evaluate new programs with knowledge of national best practices, including the ability to use research, data, and assessment to guide decision-making.
• Demonstrated ability to work alongside colleagues, at all levels, respectfully and inclusively to foster a positive environment that promotes employee engagement and recognizes their contributions.
• Ability to model a commitment to personal growth and development, and to nurturing the talents of others through strong mentoring, coaching, and team building.
• Approachable, optimistic, and intellectually curious with personal warmth, generosity of spirit, a can-do attitude, and strong resilience in the face of criticism.

Procedure for Candidacy

Inquiries, nominations, and applications are invited. For fullest consideration, applicant materials should be received by March 29, 2021. Review of applications will continue until the position is filled. Candidates should provide a resume or curriculum vitae and a letter of application that addresses the candidate’s experience and qualifications relative to the responsibilities and requirements described. Candidate confidentiality will be respected to the highest degree allowable under the laws of the State of Michigan. Application materials may be submitted via the Spelman Johnson website at http://www.spelmanjohnson.com/open-positions. Nominations for this position may be emailed to Mark Hall at mah@spelmanjohnson.com or Heather Larabee at hjl@spelmanjohnson.com. Applicants needing reasonable accommodation to participate in the application process should contact Spelman Johnson at 413-529-2895.

The University of Michigan is an affirmative action/equal opportunity employer.
Business and Finance
Executive Vice President

Business and Finance
Executive Vice President and Chief Financial Officer
Kevin Hegarty

Executive Assistant to the Executive Vice President
Jane Lakeway

Associate Vice President for Facilities and Operations
Hank Baier
-Operational Support
-Maintenance Auxiliaries & Central Shops
-Maintenance Regions
-Custodial and Grounds Services
-Logistics, Transportation, & Parking
-Real Estate
-Architecture, Engineering & Construction
-Environment, Health, & Safety
-Campus Sustainability
-Utilities

Executive Director Shared Services Center
Pam Gabel
-Accounting Customer Service
-Accounts Payable & Receivable Services
-Travel Expense Management
-Statement of Activity/Cross Pay Recon
-Benefits Transaction Processing & Maintenance
-Employment Services
-Time & Leave Administration

Associate Vice President For Finance
Brian Smith
-Procurement Services
-Financial Operations & Payroll
-Financial Analysis
-Treasury Operations
-Risk Management
-Capital Planning
-Internal Controls
-Sponsored Programs
-Tax Management & Compliance
-Executive Business Services

Associate Vice President and Chief Human Resource Officer
Rich Holcomb
-Benefits Strategy
-Human Resources Faculty & Staff Services
-Mental & Well-Being Services

Chief Investment Officer
Erik Lundberg
-Investment Strategy
-Endowment Funds
-Warung Capital Funds

Senior Director of Organizational Culture & Strategy
Amy Bunch
-HE/DE Lead
-Organization Development
-Leadership Development
-Strategic Planning

Director Enterprise Strategic Risk Management
Lorraine Currie
-Strategic Risk
-Identification
-Prioritization
-Analysis and Review
-Communication, Facilitation & Reporting
-Documentation and Tracking

University Staff Ombuds
Jacqueline Bowman
-Informal conflict resolution services
-Explore problem-solving options for staff
-Assist staff with conflict management skills and difficult conversations
-Confidential resource to empower staff

Executive Director for Information Quest*
Vijay Thiruvengadam
-Data as a Service
-Business Intelligence
-Big Data
-Data Quality
-Data Conversion & Integration
-Data Governance
-Data Architecture

*Dual report to the Vice President for Information Technology & Chief Information Officer