

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Subject: Fiscal Year 2005 Capital Outlay Submission  
All Campuses

Background:

In November 2003, the University submitted to the State the annual Capital Outlay Request and Five-Year Master Plan for the Ann Arbor, Dearborn, and the Flint Campuses for fiscal year 2005. The five-year plan includes information on the University's mission, instructional programming, staffing and enrollment data, facility condition assessment, master planning, and major projects anticipated over the next five years. Each year, the University has the opportunity to update information and amend the plan as needs and priorities change.

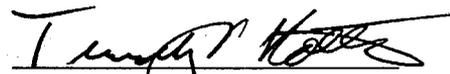
The Capital Outlay Requests this year focused on the University's ongoing commitment to renew aging teaching and research facilities. The Ann Arbor Campus submitted four projects to be considered for State funding: Henry S. Frieze Building renovations, E. H. Kraus Natural Science Building renovations, Ruthven Museum renovations, and Hatcher Graduate Library renovations. The top priority for the campus is the Frieze Building renovation project. The Frieze Building, built in 1906, requires numerous repairs and substantial upgrades. An evaluation will be made early in the programming phase as to the return on investment of renovating the building versus replacing portions of the existing structure with a new facility. The project is estimated at \$70 million.

The Dearborn Campus submitted the renewal of the original campus buildings as their highest priority. The School of Education Building, the Science Building, and the Engineering Laboratory Building were completed in 1959, and are fully utilized by the campus. All of the buildings are in need of substantial renovation to best serve the students, faculty, and staff. In addition, an appropriate building for the Early Childhood Education Program is needed. The estimated cost to renovate the three facilities and to construct adequate space for the Early Childhood Education Program is \$28 million.

The Flint Campus did not request any Capital Outlay funding this cycle.

Over the years, the State has made significant and strategic investments through the Capital Outlay program at all three University of Michigan campuses. Although this budget year will be especially challenging, the submittal of the Capital Outlay and Five-Year Master Plan is one of many avenues where we provide information intended to further our partnership with the State.

Respectfully submitted,



Timothy P. Slotow  
Executive Vice President and  
Chief Financial Officer

December 2003