

Winter 2009

Business Plan Center for Historic Preservation

Jenna Reed Walker

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EASTERN MICHIGAN UNIVERSITY

Business Plan

Center for Historic Preservation

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Historic Preservation Program
Winter 2009

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1.0 Executive Summary

Eastern Michigan University allows for the creation and support of Centers and Institutes in order to be of service to the community. This service must be a serious need, and the Center must provide a unique service to meet the identified need. The Center for Historic Preservation does just that. Such a Center is important in a variety of ways. First, it allows the faculty, staff and students to work with communities and clients to help them reach their preservation goals. Many of these goals will not be fulfilled if the clients have only the choice to work with traditional preservation consultants. This is unfortunate, but in economic times such as these, the fees are too high for communities to pay. Utilizing students, faculty and staff, the Center will be able to keep fees at a minimum, thus providing services to clients that will otherwise have nowhere to turn. Secondly, students will expand their educational experience by working on real world projects with the supervision of the Center staff. Thirdly, the projects will bring in much needed funds for the program and the University. There is a very dire need, both regionally and in the State of Michigan for such services. Many communities are looking for economic revitalization, and historic preservation planning can play a key role in its success.

1.1 Mission

The Center for Historic Preservation at Eastern Michigan University is the research and outreach arm that provides professional services to underrepresented groups including federal, state, and local governments, private citizen groups and nonprofits.

1.2 Objectives

1.2.1 Project volumes that allow the Center to operate independently of University funding by the second quarter of the second operating year.

1.2.2 Employ at least one Graduate Assistant per academic year.

1.2.3 Contribute to an increase in historic preservation-related activities within the State of Michigan and greater Midwest region.

1.3 Keys to Success

1.3.1 Capitalize on reputation and alumni network of the EMU Historic Preservation Program to encourage support and to generate client base

1.3.2 Increase project capacity to require the hiring of an additional full-time staff member and minimum of two Graduate Assistants by end of third operating year

1.3.3 Focus on the State of Michigan and the greater Midwest Region where economic times are hard and projects are at risk

2.0 Center Summary

The Center for Historic Preservation at Eastern Michigan University will work as the outreach arm for the Historic Preservation Program. Located in Ypsilanti, Michigan, the Center will focus efforts within the State of Michigan and the adjacent Midwest Region. In addition to the main campus in Ypsilanti, an ongoing partnership exists with Northwestern Michigan College in Traverse City.

2.1 Center Ownership

The Center for Historic Preservation is an academic research and service center operating under the corporate umbrella of Eastern Michigan University.

2.2 Center History

The Historic Preservation Graduate Degree Program is located within the Department of Geography and Geology within the College of Arts & Sciences at Eastern Michigan University. The Program was established in 1979, funded with a grant from the Preservation Education Fund of the National Trust for Historic Preservation. As early as the first year of the program, students began working with clients on real-world projects. The process to establish a separate outreach and research Center to manage the vast amount of potential projects began in 2008.

2.3 Center Location

The Center for Historic Preservation will be located within Strong Hall, on the main campus of Eastern Michigan University. Included will be faculty, staff and student office space as well as a resource area.

3.0 Services

The Center for Historic Preservation will provide a variety of services related to historic preservation efforts. In addition to traditional preservation efforts, focus will be given to preservation as an economic development tool, component in community revitalization, and as a contributing component of sustainability. Projects will integrate into the curriculum, be assigned as independent and final projects for graduate students, or be completed by staff and faculty members. In addition, the Center will actively pursue grant-funding for qualifying projects.

3.1 Service Description

Administration of Local, State, and Federal Historic Preservation and Heritage Development Programs

Advocacy

Analysis of Historic Materials (i.e. Plaster, Mortar, Paint)

Archaeological Inventories

Architectural Inventories

Collections

Community Revitalization Consultation

Cultural Conservation Consultation

Design Guideline Assistance

Field School

Heritage Education

Heritage Tourism Consultation

Historic American Building Survey (HABS)/Historic American Engineering Record (HAER)/ Historic American Landscape Survey (HALS)

Historic Preservation Planning

Historic Structures Reports

Local Histories

Main Street Technical Assistance

Measured Documentation Drawings of Historic Structures and Sites

Michigan Historic (Above Ground) Reconnaissance and Intensive Level surveys
Museum Exhibits
National Register Nomination Forms
Photographic Documentation of Historic Structures and Landscapes
Publications
Research
Section 106 Review Assistance

3.2 Competitive Comparison

The Center will provide services similar to other Centers and Institutes of this nature, as well as of independently operating consultants and firms. The Center, through the work of graduate student assistants, faculty, and staff, will work to stay at the forefront of the industry, while keeping fees to a minimum.

3.3 Sales Literature

Brochures, advertisements, direct mail, and a website will provide information to potential clients. EMU's Historic Preservation Graduate Degree Program will provide information on the center in its literature as well. The program faculty attends many seminars and conferences throughout the year for promotion and networking. The Center will join them at future events. Example literature and websites have been included in the appendix to illustrate the promotional efforts of similar Centers and Institutes around the country.

3.4 Fulfillment

Project work will be conducted by skilled staff, faculty, and graduate student assistants.

3.5 Technology

Staff, faculty, and students will have access to University computer systems for internet access and email communication, and will utilize necessary software (including Adobe Creative Suite, Microsoft Office, ArcGIS, and AutoCAD) to perform project and business operating tasks. In addition, the Center will have a website on the University server, showcasing project capabilities and allowing current and prospective clients easy access for contacting the Center staff.

3.6 Future Services

Future services will be an expansion on the initial offerings. As time marches forward, a focus on the recent past (post-1950) will become one of the leading issues in the preservation field. As finite resources are exhausted further, many communities will be looking for revitalization and reuse of their existing infrastructure and resources. As the state government continues to struggle with budget shortfalls, the Center is poised to take over some of the state supported programs to ensure their continuation in to the future. Potential partnerships with other EMU programs will expand the services offered through the center. As an example, the Urban & Regional Planning Department compliments the mission of the Center, and would be beneficial partners in this venture, especially in community revitalization efforts.

4.0 Market Analysis Summary

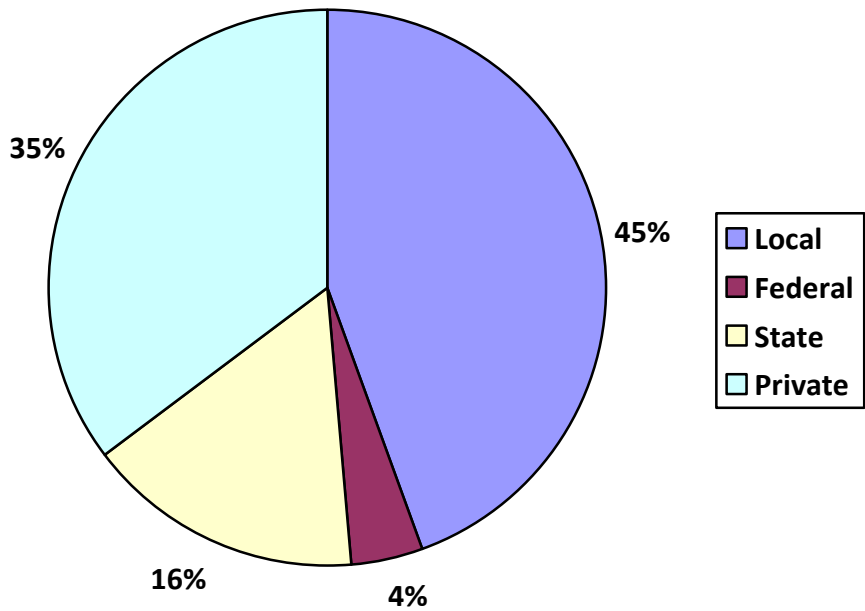
The Center for Historic Preservation will provide services to clients, including federal, state and local governments, citizen groups, nonprofit organizations, and property owners. The Center does not aim to compete with traditional preservation consultants, but rather provide low to no cost services to clients who would otherwise be unable to complete projects. Clients will receive professional services from Center staff, faculty of the Historic Preservation Program, and supervised graduate level students working closely with staff and faculty. The availability of real world experience through the Center will also work to attract students to the affiliated graduate degree program, knowing that the experience will lead to better prepared professionals as they embark into the workplace.

4.1 Market Segmentation

The client types that the Center will deal with include local municipalities, federal government, state government, and private clients, including citizen groups, property owners, nonprofit organizations, and businesses.

Historic Preservation Graduate Degree Program records show the percentage breakdown of past project client types, illustrating that local municipalities and private clients make up the vast majority of the current and past project load. There is potential for the percentage of state projects to increase as budget restrictions tighten, state departments are shifted, and program funding is cut. One such program is the Michigan's Historical Marker Program. This program is currently at risk of being cut by the state government, and the State Historic Preservation Office (SHPO) has approached the Program about assuming responsibility. This program would easily be conducted through the Center.

Chart 1: Past Project Distribution by Client Type



4.2 Target Market Segment Strategy

There are many needs and trends in the current market that are driving the strategy to focus on government and private clients.

4.2.1 Market Needs

Government clients at all levels are in need of services as budgets are slashed during the current recession. Many “non-essential” programs are being cut, and thus governments are looking to move programs to the outside to continue administration of these programs. Historic Preservation often works as an economic development tool, creating jobs within communities.

Private clients are feeling the same crunch as the government clients. Funding can be difficult to obtain, and grassroots efforts exist to maintain the at-risk resources. The costs of traditional preservation consultants can deter clients from proceeding with otherwise feasible projects.

4.2.2 Market Trends

Many current trends in the market are positive for the field of historic preservation. There is a migration back to developed communities, primarily urban centers, which are home to many of the country's historic resources. The creative class, the largest emerging group of workers, embrace the historic context of traditional urban cores, thus creating a revival in many areas long downtrodden. Urban sprawl opponents realize the negative effects of the ever growing suburban culture and are reinvesting in densely developed areas. The knowledge that finite resources are dwindling has led to a growing cultural shift that is moving away from waste generation and instead looks to reinvest and reuse existing resources and infrastructure. The current economy has created an excess of existing properties on the market, reducing the need for new construction. Legislation and policies are being investigated to encourage reinvestment in existing properties, not only for government entities, but for other public and private ventures as well.

4.3 Industry Analysis

The historic preservation industry consists of professionals and grassroots organizations that engage in a variety of related activities. Small scale projects may be conducted by individual property owners, while larger projects may involve many levels of professionals.

4.3.1 Industry Participants

The primary professional participants in the industry are university and College programs, cultural resource management firms, architectural firms, non-profit organizations, craftspeople, contractors, and government entities at federal, state and local levels.

4.3.2 Distribution Patterns

Historic Preservation is a multilayered industry, with national, state, and local government, as well as citizen group and individual efforts.

The National Parks Service is responsible for federal level preservation efforts. A sample amongst the variety of history-based programs, the NPS engage in the Certified Local Government Program, Cultural Resources GIS Facility, Federal Historic Preservation Tax Incentives, HABS/HAER/HALS, National Center for Preservation Technology and Training, National Heritage Areas Program, National Register of Historic Places, and Technical Preservation Services for Historic Buildings.

On a State level, Michigan's State Historic Preservation Office (SHPO), established in 1966 as a requirement of the federally mandated National Historic Preservation Act, works as the liaison for municipalities and citizens within the state. Programs include local assistance with the National Register of Historic Places, National Historic Landmarks in Michigan, Historic Resources Survey Program, Michigan's Historical Marker Program, Michigan Main Street Program, The Michigan Lighthouse Program, Cultural Resource Protection – Section 106 Reviews, Local Historic Preservation enabling, State of Michigan Historic Preservation Financial Incentives (grants, tax credits), Annual Governor's Awards for Historic Preservation, and Michigan State Historic Preservation Review Board.

The strength of the industry lies within the legislation of local municipalities, and the majority of the work is done on this level. Historic preservation is also important to many community groups and private citizens. Many communities have locally designated Historic Districts, Design Guidelines, or other such measures that work to maintain a sense

of place within the historic context of their community. In addition to private citizens and property owners, there are many community and advocacy groups that support preservation activities around the country.

4.3.3 Factors of Competition

The primary factors in competition in the industry are reputation, experience, service and cost. It is important that projects are conducted by skilled professionals with proper training and experience. Some projects, especially those within the government realm, focus on cost, as tight budgets and harsh economic times create difficulty in all that is done on the government's tab. The Center will provide a lower cost alternative, to fill the gap to ensure these underrepresented groups are not ignored.

4.3.4 Main Competitors

Due to the nature of the Center's focus, the main competition would be other Centers & Institutes that similarly operate to work with clients who, without the assistance from the Center, would be unlikely to engage in preservation related initiatives. Below are the Centers & Institutes that are currently in operation at other Universities.

Ball State University

The Center for Historic Preservation

Strengths: Location, affiliated architecture program

Weaknesses: Small program without the strong alumni network of EMU

Heidelberg University

The Center for Historic & Military Archaeology

Strengths: Location, Reputation

Weaknesses: Focuses on Military and Battlefield Archaeology only

Michigan State University

Land Policy Institute

Strengths: Location, great reputation, possible partnership on projects to combine strengths.

Weaknesses: Focuses primarily on policy concerning land use, planning, and some community revitalization efforts.

Middle Tennessee State University

Center for Historic Preservation

Strengths: Excellent model for State and Federal partnerships, large staff

Weaknesses: Location

University of Delaware

Center for Historic Architecture & Design

Strengths: Strong program, 12-15 students, lab for analysis of cultural materials

Weaknesses: Location

University of Florida

The Center for World Heritage Research & Stewardship

Strengths: Great reputation, ever expanding region of influence (including international)

Weaknesses: Location

University of Kentucky

Center for Historic Architecture & Preservation

Strengths: Department of Design – architecture, interior design, landscape architecture, engineering

Weaknesses: Location

University of Mary Washington

The Center for Historic Preservation

Strengths: reputation, offers public educational programs, large library collection

Weaknesses: Location, undergraduate only

5.0 Strategy & Implementation Summary

The primary strategy of the Center is to operate similarly to successful models that currently exist at Universities in other regions. Fostering strong relationships with key partners will enable a constant flow of projects into the Center.

5.1 Value Proposition

The ability to offer professional historic preservation related services, while keeping fees low will allow the Center for Historic Preservation to reach clients that may otherwise not be able to obtain such services.

5.2 Competitive Edge

Eastern Michigan University has the only Historic Preservation degree program in the State of Michigan, creating a geographic region in need of services. As the largest program in the country, the Historic Preservation Graduate Degree Program has an excellent, far-reaching reputation. In addition to the staff, faculty, and students, southeast Michigan has a strong historic preservation-focused architectural community, with many resources available to the Center.

5.3 Marketing Strategy

The Center will focus on state, local and private clients in need of services. The Center will focus on Historic Preservation initiatives that create economic, environmental and/or social/cultural benefits to their communities. Projects that have the potential to be integrated into curriculum or completed by supervised Graduate Assistants will take priority.

5.3.1 Positioning Statement

For clients who are in need of historic preservation-related professional services, the Center will provide excellent service and results while maintaining low fees to ensure that help is available to all.

5.3.2 Pricing Strategy

A below-market fee structure will be provided to clients whose projects would otherwise not be at risk due to financial constraints.

5.3.3 Promotion Strategy

The Center will utilize the strengths of the affiliated Historic Preservation Graduate Degree Program in order to promote the services through its wide network of alumni, friends, and key strategic partnerships (such as Michigan SHPO, Michigan Historic Preservation Network, Preservation Wayne, and others). In addition, staff, students and faculty will promote the center at conferences, seminars and industry events. A website and promotional literature will be created and sent out to potential clients to spread the word to communities and citizens on the services available.

5.4 Sales Strategy

Contracts will be negotiated on a per project basis. A set hourly fee structure will be created for the variety of project types. Student projects will cost less than those done by professional staff and faculty, although they will still oversee all student work to ensure quality, accuracy, and completeness. Information will be sent out to past, current and prospective clients once the Center is established. As projects come into the Center, they will be prioritized and it will be decided if they will be integrated into upcoming curriculum, taken on by staff, graduate assistants and faculty members, or given to students as independent study or final projects. Faculty will be given compensation bonuses for the hours logged on Center projects. Graduate Assistants will receive tuition assistance and/or hourly pay. Staff will be salaried. Clients will be required to pay full or partial payment at inception of the project, and balance will be due prior to final resulting work being released.

Sales Programs will include:

- Direct Mail: Brochures and information on Center capabilities
- Website: Easily accessed through EMU's Historic Preservation Program site
- Networking: Seminar and Conferences, as well as fostering key relationships with Michigan Historic Preservation Network, Michigan's State Historic Preservation Office (SHPO), and other key partnerships

5.5 Milestones

Milestone	Responsible Party	Planned Date	Budget
Report to EMU Leadership	Ligibel	Fall 2009	\$
Establishment of Center	Ligibel, University Leadership	Fall 2010	\$
Hire Staff	Ligibel	Fall 2010	\$
Creation of Promotional Literature and Website	Walker	Fall 2010	\$
Graduate Assistant	Ligibel/Walker	Winter 2011	\$

6.0 Management Summary

The Center will be housed under the corporate umbrella of Eastern Michigan University, and affiliated with the Historic Preservation Graduate Degree Program. Program faculty will support the activities of the Center, with full-time dedicated Center staff responsible for administrative duties in addition to project responsibilities and overseeing Graduate Assistants. Initially, the Center will have one full time staff member, and one graduate assistant. Faculty and volunteers (both students and professionals) will work to grow the capacity of the Center.

6.1 Management Team

Full-time Faculty

Ted J. Ligibel, Ph.D., Director of Eastern Michigan University's Historic Preservation programs, began a profession in Historic Preservation in 1974 and has continued in that career path to the present day having worked with the Ohio Historic Preservation Office (SHPO), Bowling Green State University, and the University of Toledo. In 1991 he joined the faculty of Eastern Michigan University, becoming director of the Historic Preservation program in 1999. He is a frequent lecturer throughout the nation, and has been active in a variety of local, state, and national preservation and conservation organizations. He is an Advisor Emeritus to the National Trust for Historic Preservation and the Michigan Historic Preservation Network, and currently serves as Chair of the National Council for Preservation Education. He was invited to participate in two Roundtable Discussions on neighborhood revitalization and historic preservation for the Clinton Administration, and in 2008 was asked to meet with the Secretary of the Interior concerning the significance of a War of 1812 battlefield in Michigan. He has written several award-winning works on regional history and architecture, including, Lights Along the River: Landmark Architecture of the Maumee River Valley (1983); Island Heritage: A Guided Tour to Lake Erie's Bass Islands (1987); Clark Lake: Images of a Michigan Tradition (1991), and The Toledo Zoo's First 100 Years: A Century of Adventure (1999). His

most recent work, Historic Preservation: An Introduction to its History, Principles, and Practice, co-authored with architects Norman and Ilene Tyler, was published in 2009 and has become the best-selling preservation textbook in the nation. Ted Ligibel holds M.A. and Ph.D. degrees in American Studies from Bowling Green State University. He is a member of the national honorary societies of Phi Kappa Phi and Sigma Pi Kappa.

Danny J. Bonenberger joined Eastern Michigan University as assistant professor of historic preservation, in the department of geography and geology in August 2008. With a background in sponsored research, administration and teaching, he has held various positions in the field. Bonenberger most recently was president of National Road Alliance, Inc., in Cambridge City, Ind., from 2006-2008, also holding positions of Chair, Preservation Committee and Board of Directors member since 1999. He also was a graduate research assistant at West Virginia University from 2005-2008, and was associate director of WVU's Institute for the History of Technology and Industrial Archaeology from 2000-2005. Research interests include historic and cultural landscapes, virtual heritage and humanities GIS, GIS and society/critical GIS, phenomenology in heritage interpretation, 19th Century urban historical geography, 19th Century transportation and industry, and industrial archaeology. In addition, he has written, contributed to, created and presented dozens of publications, papers, reports, maps and illustrations. Bonenberger received his master's degree in history and his bachelor's degree geography, both from West Virginia University. He anticipates completion of a Ph.D. in Geography from West Virginia University in August 2010.

Administrative Staff

Jenna Reed Walker, M.S., LEED AP will serve as manager of the Center, responsible for administrative duties in addition to support on project related responsibilities. She is a 2009 graduate of the Historic Preservation Graduate

Degree Program at EMU. Her emphasis in the field of preservation lies in the realm of sustainability and community revitalization, capitalizing on historic preservation as a tool with economic, environmental, and cultural/social benefits. She has over seven years of experience in the field of architectural design, and became a LEED Accredited Professional in September 2008. In addition, skills in project management, writing, graphic design, computer-aided design, and GIS will contribute to the diverse project types to be conducted through the center.

Graduate Assistants

Number varies by academic year and funding, minimum one student employed by the Center as a Graduate Assistant. Additional students may volunteer with the Center to receive credit for independent study and final project courses.

6.2 Management Team Gaps

The Center has the benefit of being a part of the larger Eastern Michigan University umbrella, and therefore will have access to many specialized departments to help train Center staff in areas where experience is limited. The foremost area of concern is accounting and finance. As the Center grows to maturity, the addition of an accounting specialist may be necessary.

6.3 Personnel Plan

	2010	2011	2012
Manager	\$	\$	\$
Graduate Assistants	\$	\$	\$
Full Time Faculty	\$	\$	\$
Adjunct Faculty	\$	\$	\$
Other	\$	\$	\$
Total	\$	\$	\$

7.0 Financial Plan

The Financial Plan is important, as it will provide the necessary assumptions and projections to illustrate the viability of the Center's profitability to the University. The following charts are key financial considerations and need to be developed in detail.

All tables are derived from examples found in Tim Berry's "Hurdle: The Book on Business Planning: Workbook."

7.1 Important Assumptions

The following financial plan depends on key assumptions that are used as a basis for all other calculations.

7.1.1 Little to slow-growth economy over the next 5 years

7.1.2 Conference/Seminar attendance will be the same as what has previously been attended by program faculty

Item	2010 Q1	2010 Q2	2010 Q3	2010 Q4
Advertising	\$	\$	\$	\$
Website Development	\$	\$0	\$0	\$0
Website Maintenance	\$0	\$	\$	\$
Travel	\$	\$	\$	\$
Conferences & Seminars	\$	\$	\$	\$
Continuing Education	\$	\$	\$	\$
Training	\$	\$	\$	\$
Equipment	\$	\$	\$	\$
Software	\$	\$	\$	\$
Rent	\$	\$	\$	\$
Utilities	\$	\$	\$	\$
Payroll	\$	\$	\$	\$
Total Expenses	\$	\$	\$	\$

7.2 Key Financial Indicators

The review of past project loads in addition to the projects that have not be completed because they could not fit into curriculum will allow for baseline projections on initial project loads. A survey of potential clients will be used to calculate additional work garnered from advertising efforts of the available services.

7.3 Break-even Analysis

Break-even Analysis:	
Monthly Units Break-even	#
Monthly Sales Break-even	\$
Assumptions:	
Average Per Unit Revenue	\$
Average Per-Unit Variable Cost	\$
Estimated Monthly Fixed Cost	\$

7.4 Projected Profit and Loss

	Month 1	Month 2	Month 3
Sales	\$	\$	\$
Cost of Sales	\$	\$	\$
Other	\$	\$	\$
Total Cost of Sales	\$	\$	\$
Gross margin	\$	\$	\$
Gross margin percent	%	%	%
Operating expenses	\$	\$	\$
Advertising/promotion	\$	\$	\$
PR	\$	\$	\$
Travel	\$	\$	\$
Misc.	\$	\$	\$
Payroll Expenses	\$	\$	\$
Leased equipment	\$	\$	\$
Utilities	\$	\$	\$
Insurance	\$	\$	\$
Rent	\$	\$	\$
Depreciation	\$	\$	\$
Payroll Burden	\$	\$	\$
Contract/consultants	\$	\$	\$
Other	\$	\$	\$
Total Operating Expenses	\$	\$	\$
Earnings Before Interest & Tax	\$	\$	\$
Interest expense short-term	\$	\$	\$
Interest expense long-term	\$	\$	\$
Taxes Incurred	\$	\$	\$
Net Profit	\$	\$	\$
Net Profit/Sales	%	%	%

7.5 Projected Cash Flow

Cash Received	Month 1	Month 2	Month 3
Cash Sales	\$	\$	\$
From Receivables	\$	\$	\$
From Sale of Inventory	\$	\$	\$
From Sale of Other Current Assets	\$	\$	\$
From Sale of Capital Assets	\$	\$	\$
From New Capital	\$	\$	\$
New Short-term Loans	\$	\$	\$
New Long-term Loans	\$	\$	\$
New Other Liabilities (taxes, etc)	\$	\$	\$
Subtotal	\$	\$	\$
Cash Expenditures	Month 1	Month 2	Month 3
Pay Accounts Payable	\$	\$	\$
Payroll and Payroll Burden	\$	\$	\$
Cash Payments	\$	\$	\$
Inventory Paid in Cash	\$	\$	\$
Principle Payments Short-term Debt	\$	\$	\$
Principle Payments Other Liabilities	\$	\$	\$
Principle Payments Long-term Debt	\$	\$	\$
Purchase of Short-term Assets	\$	\$	\$
Purchase of Capital Assets	\$	\$	\$
Payments of Dividends or Draw	\$	\$	\$
Subtotal	\$	\$	\$
Net Cash Flow	\$	\$	\$
Cash Balance	\$	\$	\$

7.6 Projected Balance Sheet

Assets	Start	Month 1	Month 2	Month 3
Current Assets				
Bank Balance	\$	\$	\$	\$
Accounts Receivable	\$	\$	\$	\$
Inventory	\$	\$	\$	\$
Total Assets	\$	\$	\$	\$
Liabilities	\$	\$	\$	\$
Accounts Payable	\$	\$	\$	\$
Short-term Debt	\$	\$	\$	\$
Total Liabilities	\$	\$	\$	\$
Capital	\$	\$	\$	\$
Paid-in capital	\$	\$	\$	\$
Earnings	\$	\$	\$	\$
Total Capital	\$	\$	\$	\$
Capital & Liabilities	\$	\$	\$	\$

7.7 Business Ratios


Profitability Ratios:	Year 1	Year 2	Year 3
Gross Margin			
Net Profit Margin			
Return on Assets			
Return on Equity			
Activity Ratios:			
AR Turnover			
Collection Days			
Inventory Turnover			
Accounts Payable Turnover			
Total Asset Turnover			
Debt Ratios:			
Debt to Net Worth			
Short-term Liab. to Liab.			
Liquidity Ratios:			
Current Ratio			
Quick Ratio			
Net Working Capital			
Interest Coverage			
Additional Ratios:			
Assets to Sales			
Debt/Assets			
Current Debt/Total Assets			
Acid Test			
Asset Turnover			
Sales/Net Worth			
Dividend Payout			

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9.0 Appendix A: EMU Board Policies

Creation and Operation of Centers and Institutes

Effective Date		Date of Revision			Policies, Rules And Regulations
8-16-78					
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It shall be the policy of the University to encourage the development and operation of a limited number of academic research or academic service centers and institutes whenever there is a proven capacity at the University to provide a unique service. All centers should complement the educational mission of the University and should focus on a major demonstrated need. When the above conditions are met and are within the limits of available resources, the University will consider a subsidy for the operation of a center during the start-up phase of its development. As a general rule, centers will be expected to finance their operations through external grants or from special legislative appropriations. Whenever there is no longer a compelling need for the services which a center provides or whenever external funding support is no longer forthcoming, the center will cease to operate unless otherwise directed by the Board of Regents.

Operational Procedures

The establishment and operation of centers will be governed by the following guidelines:

1. Individuals or groups desiring to establish a center should discuss the idea with appropriate department heads and deans. It is helpful at this early state to develop a concept paper which documents the need, the operational methodology, the resource requirements and the anticipated availability of external funding.
2. The proposal should then be discussed with the appropriate vice-president. In most instances, this will be the vice-president for academic affairs. The vice-president should undertake a careful evaluation of the proposal, including its relation to the overall mission of the University, the present and future need for such a center, and the potential availability of funds.
3. If the vice-president decides to support the creation of such a center, a decision should be reached as to how much University financial support, if any, would be available during the developmental phase. Such a subsidy should be minimal. It is not intended that University support should go beyond the first or second year of operation, except to the extent discussed in #9 below.
4. The vice-president then will seek funding for any initial University subsidy as a part of the regular budget request process.
5. Such a request will be reviewed and tentatively approved or disapproved for funding at the time that the next fiscal year's budget is being developed.
6. A proposal which is tentatively approved will be recommended for final Board of Regents approval at the time that the Board adopts the next fiscal year's operational budget.

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7. The operation of such a center will follow established University policies and procedures in a manner similar to other University activities. In particular, a center will be subject to the same personnel, accounting, budgeting and auditing policies.
8. Non-EMU faculty staff members who are hired by such a center will not be given automatic tenure track appointments but may be granted adjunct professorial status outside of the regular tenure track.
9. When a center has complex administrative requirements and/or when additional support is necessary for the promotion of its work and the acquisition of additional external funding, the University may provide direct support in an amount equivalent to 15% of the center's annual revenue.
10. An EMU faculty member granted release time to function as the director of a center may receive additional compensation--consistent with University compensation policies--for serving in an administrative capacity. The amount of the additional stipend will depend upon the percentage of time assigned and the size and complexity of the center but may not exceed \$250 per month. If the responsibility for directing a center extends into spring or summer periods, compensation will be based on the appropriate percentage of established faculty spring/summer salary schedules.
11. When a project funded through a center has significant administrative responsibilities, the director of the project may receive additional compensation if the funding agency permits an administrative stipend to be charged to the project. In such cases, the rate and structure for compensation will be the same as for center directors except that the maximum administrative stipend will be \$200 per month.
12. At the time that a center is approved, the exact organizational location of the center will be determined. While it is desirable for a center to have sufficient autonomy to achieve its objective, it is imperative that it be treated as are other administrative/program activities at the University. Administrative reporting relationships should be clearly delineated.
13. It is expected that centers will be located on campus within University facilities.
14. The director of a center will prepare an annual report for the appropriate vice-president. In turn, the vice-president will evaluate the center's annual operation to ascertain whether or not it is meeting its aims and objectives. If the center is unable to meet its program goals or to obtain necessary external funding, it will be put on an orderly phase-out schedule. Therefore, an annual evaluation of a center's operation is of major importance.

Authority for Creation or Revision
Minutes of the Board of Regents, August 16, 1978; para. .1973M.

10.0 Appendix B: Examples of Center Literature and Websites

Ball State University *The Center for Historic Preservation*

Website

Heidelberg University *The Center for Historic & Military Archaeology*

Website

Michigan State University *Land Policy Institute*

Website

Middle Tennessee State University *Center for Historic Preservation*

2008-09 Annual Report

Program Literature- Heritage Center, Center for Historic

Preservation, TN Civil War National Heritage Area, Library of

Congress Teaching with Primary Sources, Century Farms,

Common Bond Newsletters

Traveler's Guide to Log Architecture

Restoration Guide for Historic Log Houses

TN Civil War National Heritage Area Annual Reports 07-08, 08-09

Getting Started with Heritage Areas (National Trust Publication)

Website

University of Delaware *Center for Historic Architecture & Design*

Website

University of Florida *The Center for World Heritage Research & Stewardship*

Website

University of Kentucky *Center for Historic Architecture & Preservation*

Website

University of Mary Washington *The Center for Historic Preservation*

Website