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The university

Established 1899
Public university
360 acre campus
David Haynes, 14th president
Employees: 1,191
180 degree options - diplomas through master’s
Second most affordable tuition
    in Michigan (since 2000)
Average financial aid package: $10,433
    - from all sources (grants, scholarships, loans)
Students receiving financial aid: 83%
13 varsity teams
U.S. Olympic training site on campus

Our students

Enrollment 9,200
Graduate students: 700
Out of state students: 20%
Male/Female: 47%/53%
Minorities: 8%
International: 1%
GPA incoming freshmen: 3.14
ACT average: 22.8
Admittance rate: 72%
Most popular majors (in order):
    • art and design
    • nursing
    • criminal justice
    • elementary education
    • construction management
65,000+ alumni
In May 2012, I was honored to be chosen to lead this institution. While I'm new to this position at NMU, my association with the university spans nearly 30 years, first as a student ('72 graduate), then through my government relations work and for the past six years as a faculty member.

I believe Northern is a world-class institution. Day after day, our faculty and staff work side by side with students to produce groundbreaking research and expand upon partnerships with regional leaders such as Pioneer Surgical, Ironwood Plastics, Marquette General Health System, Upper Peninsula Power Company and Cliffs Natural Resources, as well as national and global innovators such as Intel, the Mayo Clinic and Lenovo. Our campus trains Olympic competitors and is helping to move medical science closer to cancer solutions. We supply classrooms with exceptional teachers and staff hospitals and clinics around the world with highly-skilled health-care professionals. We place graduates in the country's most prestigious programs for medicine, law and the arts, and develop new instructional methods and student enrichment options that offer models for other universities around the globe.

NMU is making a difference – and being recognized for our work. For instance, 41 Wildcats received 2012 Michigan Campus Compact Awards recognizing them for their time, effort and personal commitment to their community; graduate biology student Ben Ayotte was named a National Institute of Health Clinic Center outstanding summer intern for his cancer research being done at the NIH for the past two summers; and English professor Jaspal Singh received a Fulbright Teaching and Research Award for 2012-13 for research she’s doing in India regarding Sikh literature.

You will find Northern is impressive in that we have the courage to experiment, to act decisively and to compete with creativity and confidence. I hope that the forthcoming pages will provide you a good understanding of the outstanding learning taking place here and how it shapes the success of our graduates.

2011-12 Overview

One goal of Northern’s strategic plan is to continue to broaden the reputation of the university on a global scale. Each year, we have made progress in doing so, including in 2011-12. For example:

• The Honors College and College of Business have grown in size, scope and reputation to the point that they were the co-recipients of the largest donor gift ($5 million) in the university’s history.

• Several NMU programs have been recognized by external organizations as among the best in the state and/or nation, including: broadcasting, business, computer science/art and design, education, English-creative writing, furniture design, human-centered design and nursing.

• NMU was named a “veteran-friendly” university for a fourth consecutive year. In 2011-12, the university created the NMU Veterans Scholarship, which guarantees in-state tuition for all veterans, regardless of home state.

Focus on 2012-13

In all areas of the university, I’ve asked the faculty and staff to “renew, rethink and reconnect.” We want to renew and reinvigorate our many partnerships. We want to rethink how we deliver services. And, we want to reconnect with key stakeholders such as our alumni and donors. Top priorities of 2012-13 are to strategically address pressing enrollment challenges, complete construction of two new and major campus facilities and grow our endowment.

Enrollment

A university has a limited number of revenue sources. Tuition makes up the largest portion of funding and universities are continually more reliant upon it. Northern is committed to rethinking how and where we are reaching out to potential students. The national demographics
of the traditional-aged college freshman have and will continue to decline, and a rural institution such as Northern is certainly impacted by this trend. However, declining with the demography is not inevitable. We have done a good job of bringing more students to NMU from around the Midwest, but now we must increase numbers of students from around the nation and the world. In particular, we will implement new initiatives directed at attracting additional graduate, international and veteran students, as well students from specially targeted U.S. geographical areas.

New Facilities
Northern broke ground on its new renewable energy plant in the spring. When the facility is completed it will produce up to 87% of the campus steam consumption and 16% of the university’s electricity needs. In spring 2012, Northern received state capital outlay funding for a new academic building. This LEED-qualified venue will replace the current Jamrich Hall, where about 40% of all NMU classes are held. Construction will begin in spring 2013 and is expected to be done by fall 2014.

Endowment Growth
At NMU, we believe every student deserves the opportunity to concentrate fully on his or her studies and to graduate in a timely manner, with minimal debt, in the best possible position to find a job and prosper. One key to reaching these goals is to increase private financial support. Today, students and their families face economic challenges not seen in decades. Eighty percent of NMI students rely on some sort of financial aid while more than 40% hold down a job while taking classes. NMU is committed to creating a dynamic, competitive portfolio of financial resources, so that we not only help ease the financial burdens of our students and families, but also so we can attract more outstanding faculty and high-achieving students by rewarding excellence, innovation and service.

David S. Haynes
Northern Michigan University President

Graduation Rates
Baccalaureate six-year graduation rates
University of Michigan-Ann Arbor 89.7%
Michigan State University 77.2%
Michigan Technological University 65.7%
Grand Valley State University 61.1%
Central Michigan University 54.3%
Western Michigan University 52.2%
University of Michigan-Dearborn 51.8%
Northern Michigan University 48.1%
Ferris State University 47.8%
Saginaw Valley State University 42.7%
Oakland University 39.7%
University of Michigan-Flint 38.8%
Lake Superior State University 38.6%
Eastern Michigan University 37.7%
Wayne State University 30.9%

Source: IPEDS, Fall 2004 cohort

Tuition and Fee Rates
Fiscal year 2011-12

Source: State of Michigan HEIDI database
A smart investment

Northern Michigan University is committed to its longstanding tradition of offering an outstanding education at an affordable price. In 2011-12, NMU’s tuition and fees remained the second lowest of the state’s 15 public universities. This includes a value-added technology package of a ThinkPad® or MacBook® notebook computer, top-end software and campus- and community-wide broadband Internet access—ensuring that all graduates are tech-savvy as well as versed in their chosen field.

For students

Anatomy class with biology professor Robert Belton. His research interests are in the communication between cells during embryonic development, and the miscommunication that results in diseases such as cancer.
For donors

At Northern, the investment in students goes beyond intellectual training (though that is always at the forefront). Our faculty, staff, alumni and donors consistently demonstrate that they believe in the amazing potential of NMU students, by supporting them through annual gifts and endowed scholarships. The NMU Foundation awarded nearly $325,000 in NMU scholarships last year to 262 students.

▶ John ’71 and Shirley Berry committed $5 million to the NMU Foundation in 2011 to attract high achieving students to NMU’s honors program and College of Business.

▶ More than one-third of NMU faculty and staff donate to the NMU Foundation annual fund.

For taxpayers

NMU has the best overall staffing efficiency ratios of the Michigan public universities.

▶ Productivity (student-to-staff ratio): 31.7% greater than state peers’ average

▶ Highly efficient operations—low administrative costs (Top 20% performance compared to national peers)

▶ Our highly efficient use of technology to streamline the university’s business operations, which are largely conducted online, has resulted in significant operational savings, estimated at $25 million since 2004.

▶ A leader in sustainability, Northern’s new academic building will be eligible for Leadership and Energy in Environmental Design (LEED) certification, joining the four certified NMU residence halls.
A world-class academic environment

Professors on a mission…

▶ Rob Winn (biology), to discover the mechanisms of cancerous brain tumors and how they evade the immune system at the Upper Michigan Brain Tumor Center on NMU’s campus.

▶ Adam Prus (psychology), to develop new treatments for schizophrenia, addressing its negative effects on memory and attention in order to improve employment rates and reduce hospitalization, working in collaboration with Mayo Clinic.

▶ Tawni Ferrarini, to spread economics education around the globe. Representing the NMU Center for Economic Education and Entrepreneurship, she was invited to Japan to present a workshop attended by thirty K-12 teachers. She also is co-author of the second edition of Common Sense Economics: What Everyone Should Know About Wealth and Prosperity.

▶ Brian Gnauck and Sam Graci (business), to examine the importance of strategic planning for a start-up business.

Ashley Schmeling
Psychology—grad school preparation major

“I have been fortunate to work in the neuropsychopharmacology lab with Dr. Adam Prus for the past two years. I began my own research project this year. The aims of my study are to evaluate preclinical memory models and potential cognitive-enhancing drugs for schizophrenia.”
Psychology students Katelin Matazel and Kristoffer Rusch work with rats in the psychology lab’s radial arm maze to research more effective treatments for mental illness and memory problems. Students presented their research at the 2011 Neuroscience Society meeting, the largest gathering of neuroscientists in the world.

Judy Puncochar (Education) earned the 2012 Michigan Campus Compact Faculty/Staff Community Service-Learning Award. Her students apply educational theories and research to real-world experiences outside their typical comfort zones, in after-school programs in a low-income housing area and tutoring at the Hannahville Indian Community’s K-12 Academy.
Active learning

Seventeen NMU human-centered design students from NMU’s School of Art and Design were invited to Milan, Italy, in 2011 to participate in one of the world’s most prestigious furniture design shows, SaloneSatellite. Only 17 design schools in the world were invited to exhibit to the audience of approximately 400,000 designers, architects, gallery owners, manufacturers and industry media.

Keeping it real

Immersion into real-world workplace settings and activities is not only the best way to enhance classroom learning, but also get a jump start on careers. Hands-on is a hallmark of a Northern education.

- Students with innovative business plans compete for $10,000 each year in NMU’s New Business Venture Competition
- In the Intel lab on campus, students are testing next-generation technologies and creating apps for mobile devices. The company is also using NMU as a recruitment site for interns and prospective employees.

In a directed study project, Kaitlin conducted research on exporting practices and opportunities for Upper Peninsula businesses. “Any sort of moving products outside the U.P. is positive,” she said. “It promoted growth, which provides jobs, and it builds international relations, which is very important in a globalizing world.”

Kaitlin McDonald ’12 BS
International Studies

Up and coming

Seventeen NMU human-centered design students from NMU’s School of Art and Design were invited to Milan, Italy, in 2011 to participate in one of the world’s most prestigious furniture design shows, SaloneSatellite. Only 17 design schools in the world were invited to exhibit to the audience of approximately 400,000 designers, architects, gallery owners, manufacturers and industry media.
Criminal justice and chemistry majors are using high performance liquid chromatography to detect explosives using techniques similar to those of the FBI, and work on actual cold-case files with the Marquette Police Department.

Students in Charles Ganzert’s Communications and Performance Studies class put theory into action filming and editing a documentary of Quebec folk group Mauvais Sort, which aired on PBS.
Commitment to community

Corey Engelhart
’11 BS and current NMU MBA student

“Frankly, when I began Superior Edge, I wasn’t expecting to complete the Leadership Edge. I don’t plan to run for office, teach high school or lead a revolutionary coup anytime soon. But when I arrived in Ghana, I quickly realized that I would immediately become someone that plays a leadership role. I have learned to appreciate the multi-dimensional art of leadership. As a follower, it is very easy to criticize your leaders. But when you’re a leader, you quickly realize that it is very, very hard.”

Lending a hand

NMU’s Volunteer Center is exclusively responsible for planning Make a Difference Day for Marquette County. Each year, an average of 1,200 volunteers, including members of more than 100 student groups, rake leaves or perform other household chores for senior citizens and individuals with disabilities in five local cities.
Future leaders and good neighbors

About one third of NMU students are actively involved in service and leadership, racking up around 300,000 volunteer hours every year in the community. With more than 300 student organizations, it’s apparent that Northern coeds care to make a difference.

► In Northern’s award-winning Student Leader Fellowship Program, students take a course in leadership and apply the skills they develop in a yearlong community service internship.

► In NMU’s other popular leadership program, Superior Edge, students design their own involvement in community engagement, diversity awareness, leadership development and real-world experience activities, volunteering between 100 to 400 hours—helping the Lions Club with eyeglass donations, working with hospice programs, building parks and more.

Supporting and enhancing local business and industry

► In response to regional employer needs, NMU and community partners have developed programs to train electrical line, electrical power and computer numerical control technicians and welders. This year, NMU reinstated its licensed practical nursing (LPN) program to meet anticipated demand from the area’s new health-care partnership with Duke LifePoint.

► The Continuing Education and Workforce Development office provides courses, customized training and skills upgrading and testing to workers from such organizations as Cliffs Natural Resources and Pioneer Surgical Technology as well as to school bus drivers and real estate appraisers.

► NMU’s contribution to Northern Initiatives, a community development corporation assisting rural entrepreneurs, helps them to leverage more than $3 million in additional capital and operating support, a leverage of over 30:1.
The truly awesome Lake Superior environment surrounding campus is embraced by the NMU community as a place to recreate, relax, reimagine and research. The area’s history of Native Americans and the timber, mining and shipping industries that attracted immigrant settlers is as rich as its natural resources. All of this becomes an extended classroom.

▶ Biology department researchers are studying dwindling coaster brook trout populations and beginning the first comprehensive genetic sequencing of the threatened common loon.

▶ Students in the Outdoor Recreation Leadership and Management major develop skills that may translate into sports and tourism businesses or careers in park and natural resource management.

▶ Northern’s Center for Native American Studies works to keep the Anishinaabe language alive and to build awareness among youth of the plight of pollinator bees, while creating crucial habitat.

▶ In service exchanges with students from Detroit and campus visit days from Northern’s downstate charter schools, lower Michigan youth—many who have never traveled beyond their own county—are transformed by the experience of the Upper Peninsula and their own broadened horizons.
Rural revelations

Life in a remote location (300 miles from Milwaukee, Wis.; 460 miles from Detroit) comes with unique challenges as well as opportunities. The Center for Rural Community and Economic Development at NMU was formed in 2011 to combine research, public service, education and training to enhance the quality of life, support economic development and improve the delivery of services in the Upper Peninsula and surrounding region. The center also works hand in hand with local government, non-profit and private sector leaders to develop innovative solutions to complex policy issues.

Sunrise over Lake Superior as seen from Sugarloaf Mountain, a favorite hiking spot near campus.
An economic driver

As the third largest employer in Marquette County and with a student enrollment that equals nearly half the population of the city, the positive economic impact of Northern Michigan University extends across the Upper Peninsula.

► NMU’s total economic impact on the U.P. is estimated to be in excess of $311 million, generating over 4,500 jobs in the region, which represents about 1 in 33 jobs in the U.P. and 1 in 6 in Marquette County.
► NMU students spend a total of approximately $53 million in the U.P. each year, with an economic impact of $74 million.
► NMU students occupy approximately 43% of Marquette City rental housing stock.
► Northern Michigan University brings approximately 123,600 visitors to the university annually, who would not otherwise visit the area.
► These visitors spend approximately $6 million while in Marquette County, with an economic impact of over $9 million.
'Cats pride in 2011-12

▶ Erik Soderman won the NCAA 10k freestyle title while Kjell-Christian Markset and Marie Helen Soderman also earned All-America honors at the national meet where NMU finished 11th.

▶ Also earning All-America status at their respective national meets were track and field performers Bailey Franklin, Sherice Hewett and Jamie Roberts, garnering the honor in both indoor and outdoor NCAA competition, and backstroke swimmer Gaby Alzaga. Emily Brennan (individual medley, breaststroke) also competed at the NCAA meet. The Wildcat track and field team finished 20th at the NCAA Outdoor Championships.

▶ Five Wildcat teams cracked the Top 25 rankings during the 2011-12 season: football, hockey, soccer, indoor and outdoor track and field and volleyball. The soccer team rose as high as No. 13 and the indoor track team reached No. 14.

▶ Five NMU squads were honored by their respective national governing bodies as All-American Academic teams: cross country, soccer, swimming and diving, track and field, and volleyball. NMU athletes boast a 3.12 grade point average, for winter 2012 which tops the general student body’s 2.84 average.

▶ Senior center Jared Benson became the 29th player in NMU men’s basketball history to reach the 1,000 point mark. Benson concluded his Wildcat career with 1,026 points, placing him 27th on the career points list.

▶ Five former United States Olympic Education Center Greco-Roman wrestlers—Spenser Mango, Ellis Coleman, Justin (Harry) Lester, Ben Provisor and Chas Betts—competed at the London Olympic Games, comprising all but one member of Team USA. Also competing at the Games was former USOEC weight lifter Sarah Robles, who finished seventh in the 75+ kilogram weight class.
Management's Discussion and Analysis

Financial Highlights

Net assets for the year ended June 30, 2012 of $228.6 million increased by $3.5 million from the prior year and included recognition of $38.4 million in State appropriation revenue.

Operating revenues for the year ended June 30, 2012 of $102.3 million increased by $5.0 million from the prior year. Student tuition and fees totaling $61.1 million is the largest component of operating revenue and increased by $5.1 million over the prior year. Residential life totaling $19.3 million increased by $1.7 million and all other operating revenues of $21.9 million decreased by $1.8 million. Nonoperating revenues totaling $56.2 million decreased by $10.7 million from the prior year. The largest components of this decrease were a $8.1 million decrease in state appropriations and state fiscal stabilization funds and a $1.9 million decrease in investment income.

Operating revenues for the year ended June 30, 2011 of $97.2 million increased by $0.9 million from the prior year. Student tuition and fees totaling $56.0 million is the largest component of operating revenue and increased by $0.8 million over the prior year. During 2011, the university used $1.3 million in stimulus funds to reduce tuition for Michigan residents. All other operating revenues of $41.1 million netted to a $0.1 million increase. Nonoperating revenues totaling $66.9 million increased by $3.9 million from the prior year. The largest components of this increase were a $1.5 million increase in investment income, a $1.3 million increase in Pell grant revenues, and receipt of $1.3 million in State fiscal stabilization funds.

Operating and nonoperating expenses of $155.2 million for the year ended June 30, 2012 decreased by $1.9 million and includes a $2.8 million decrease in salaries, wages, and benefits, a $2.5 million increase in supplies and support services, a $0.1 million decrease in utilities, a $1.1 million decrease in student aid, a $0.2 million decrease in interest on capital asset-related debt, and a $0.2 million decrease in depreciation. On a functional basis, instructional expenses increased $0.3 million, operations and maintenance of plant decreased $0.3 million, interest on capital asset related debt decreased $0.2 million, student aid decreased $0.5 million, and other costs decreased $1.6 million.

Operating and nonoperating expenses of $157.0 million for the year ended June 30, 2011 increased by $3.5 million and includes a $0.3 million increase in salaries, wages, and benefits, a $0.3 million decrease in utilities, a $0.5 million increase in student aid, a $0.2 million decrease in interest on capital asset-related debt, a $3.3 million increase in supplies and support services of which $2.3 million was for performance contracting. On a functional basis, instructional expenses increased $1.1 million, operations and maintenance of plant decreased $2.1 million, interest on capital asset related debt decreased $0.2 million, student aid decreased $0.5 million and other costs remained level with the prior year.
## Condensed Statements of Net Assets

For fiscal years ending June 30

<table>
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<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td>$47,924,292</td>
<td>$66,898,399</td>
<td>$68,509,560</td>
</tr>
<tr>
<td>Noncurrent Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>227,784,807</td>
<td>223,637,005</td>
<td>230,140,131</td>
</tr>
<tr>
<td>Other</td>
<td>89,916,136</td>
<td>57,971,656</td>
<td>55,739,100</td>
</tr>
<tr>
<td>Total Noncurrent Assets</td>
<td>317,700,943</td>
<td>281,608,661</td>
<td>285,879,231</td>
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<tr>
<td>Total Assets</td>
<td>365,625,235</td>
<td>348,507,060</td>
<td>354,388,791</td>
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<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>26,408,572</td>
<td>22,717,164</td>
<td>25,577,754</td>
</tr>
<tr>
<td>Noncurrent Liabilities</td>
<td>110,521,627</td>
<td>100,654,065</td>
<td>109,533,707</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>136,930,199</td>
<td>123,371,229</td>
<td>135,111,461</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in Capital Assets, Net of Related Debt</td>
<td>121,462,410</td>
<td>128,103,561</td>
<td>126,147,763</td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonexpendable</td>
<td>741,644</td>
<td>783,998</td>
<td>674,024</td>
</tr>
<tr>
<td>Expendable</td>
<td>17,323,716</td>
<td>4,197,186</td>
<td>3,955,680</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>89,105,618</td>
<td>92,051,086</td>
<td>88,499,863</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>$228,633,388</td>
<td>$225,135,831</td>
<td>$219,277,330</td>
</tr>
</tbody>
</table>
Condensed Financial Information

Current assets totaled $47.9 million at June 30, 2012 and $66.9 million at June 30, 2011. The ratio of current assets to current liabilities was 1.8 for the year ended June 30, 2012, and 2.9 for the year ended June 30, 2011. The current ratio decreased due to the purchase of investments with maturities greater than one year. Cash and investments of $110.8 million increased by $14.5 million over the prior year total of $96.3 million and includes $10.7 million of unspent bond funds that will be used for construction.

Bonds and Notes Payable is the largest liability totaling $106.3 million on June 30, 2012 and includes $18.2 million of 2012 General Revenue Fixed Rate bonds issued during the current fiscal year, $89.2 million of 2008 General Revenue Fixed Rate Bonds issued during the fiscal year ended June 30, 2008, and remaining unamortized deferred costs and premiums of ($1.1) million. Bonds and notes payable totaled $95.5 million at June 30, 2011, and included $92.2 million of 2008 General Revenue Fixed Rate Bonds, $5.8 million of the 1998 General Revenue Fixed Rate Bonds and remaining unamortized deferred costs and premiums of ($2.5) million. The 1998 Bonds were paid off during the current fiscal year.

The State appropriations receivable totaled $7.0 million at June 30, 2012 and $8.2 million at June 30, 2011.

Long-term debt including notes and bonds payable is the largest liability totaling $106.3 million at June 30, 2012, and $95.5 million at June 30, 2011.

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Discussion and Analysis continued
## Condensed Statements of Revenues, Expenses and Changes in Net Assets

<table>
<thead>
<tr>
<th>For fiscal years ending June 30</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees, net</td>
<td>$61,114,827</td>
<td>$56,047,514</td>
<td>$55,246,297</td>
</tr>
<tr>
<td>Grants and Contracts</td>
<td>6,238,100</td>
<td>7,964,124</td>
<td>7,654,918</td>
</tr>
<tr>
<td>Auxiliary Enterprises, net</td>
<td>25,857,193</td>
<td>24,239,679</td>
<td>24,245,045</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>9,044,468</td>
<td>8,956,319</td>
<td>9,123,355</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>102,254,588</td>
<td>97,207,636</td>
<td>96,269,615</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(150,391,902)</td>
<td>(152,118,826)</td>
<td>(148,336,311)</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>(48,137,314)</td>
<td>(54,911,190)</td>
<td>(52,066,696)</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues (Expenses)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Appropriations</td>
<td>38,357,900</td>
<td>45,127,868</td>
<td>45,148,900</td>
</tr>
<tr>
<td>Pell Grant Revenue</td>
<td>14,202,460</td>
<td>15,126,978</td>
<td>13,874,985</td>
</tr>
<tr>
<td>Other Nonoperating Revenues (Expenses) - net</td>
<td>(1,122,950)</td>
<td>1,654,968</td>
<td>(1,203,845)</td>
</tr>
<tr>
<td>Net Nonoperating Revenues and Expenses</td>
<td>51,437,410</td>
<td>61,909,814</td>
<td>57,820,040</td>
</tr>
<tr>
<td>Income (Loss) before Other Revenues</td>
<td>3,300,096</td>
<td>6,998,624</td>
<td>5,753,344</td>
</tr>
<tr>
<td>Capital Grants and Gift</td>
<td>205,092</td>
<td>299,963</td>
<td>(34,667)</td>
</tr>
<tr>
<td>Loss on Asset Disposal</td>
<td>(7,631)</td>
<td>(1,440,086)</td>
<td>(34,667)</td>
</tr>
<tr>
<td><strong>Total Other (Expenses) Revenues</strong></td>
<td>197,461</td>
<td>(1,140,123)</td>
<td>(34,667)</td>
</tr>
<tr>
<td><strong>Total Increase (Decrease) in Net Assets</strong></td>
<td>3,497,557</td>
<td>5,858,501</td>
<td>5,718,677</td>
</tr>
<tr>
<td>Net assets – beginning of year</td>
<td>225,135,831</td>
<td>219,277,330</td>
<td>213,558,653</td>
</tr>
<tr>
<td>Net assets – end of year</td>
<td>$228,633,388</td>
<td>$225,135,831</td>
<td>$219,277,330</td>
</tr>
</tbody>
</table>
**University leadership**

**NMU Board of Trustees**

**Brian D. Cloyd, Chair**
Grand Rapids
Vice President of Global Corporate Relations for Steelcase Inc.
Term expires December 2012

**Jon G. LaSalle,**
Vice Chair, NMU ’71 BS
Marquette
Retired Field Representative for the Michigan Building and Construction Trades Council
Term expires December 2012

**Stephen F. Adamini**
Marquette
Senior Member of Kendricks, Bordeau, Adamini, Chilman & Greenlee, P.C.
Term expires December 2014

**L. Garnet Lewis, NMU ’86 MAE**
Lansing
Director of the Joint Legislative Campaign
Term expires December 2016

**Rick Popp, NMU ’88 BS, ’90 MPA**
Northville
Director of Employee Benefits at Ford Motor Company
Term expires December 2018

**H. Sook Wilkinson**
Bloomfield Hills
Licensed Clinical Psychologist in private practice and Consultant at the Center for Human Development of William Beaumont Hospital
Term expires December 2016

**Gilbert L. Ziegler, NMU ’60 BS**
Charlevoix
President of Alken-Ziegler
Term expires December 2014

**NMU Leadership Team**

**David S. Haynes, NMU ’72 BS**
President

**Paul L. Lang**
Vice President, Academic Affairs and Provost

**R. Gavin Leach, NMU ’85 BS, ’99 MPA**
Vice President, Finance and Administration and Treasurer of the Board of Trustees

**Martha B. Haynes**
Vice President, Advancement
In March 2008, Northern Michigan University implemented its new strategic plan, The Road Map to 2015. With just three years left until the end of this strategic journey, NMU has made significant progress on many of its goals. In developing the road map goals, the university community took three framing themes into consideration: NMU’s already cutting edge information technology capabilities, the potential for international opportunity growth and NMU’s special geographical location.

The goals of the road map fall into four categories:

**Innovation**
Northern is reinvigorating the standards and processes that sustain successful programs, creating new ones, eliminating programs with declining enrollment and reflecting the creativity of campus talents. These actions ensure that the curriculum remains relevant and meaningful, and NMU’s teaching contemporary and effective.

**Meaningful lives**
The personal, social and intellectual maturity of NMU students is the ultimate benchmark of the achievement of NMU’s mission. A high-quality university education creates lifelong learners, contributing citizens and thoughtful neighbors. Northern is developing programs and practices that maximize the opportunity for students to lead productive, meaningful lives.

**Campus attributes**
The attractiveness of the NMU campus in the beautiful natural environment of the Upper Peninsula of Michigan is a unique asset that plays a prominent role in NMU’s portfolio of academic programs, its research agenda and the efficiency with which the campus operates.

**Community engagement**
Acknowledgement and use of the rich learning environment outside the campus energizes the faculty-student relationship and creates an essential bridge from theory to practice. As a community-engaged campus, NMU collaborates with its larger communities (local, state, regional, national and global) for the mutually beneficial exchange of knowledge and resources in a context of partnership and reciprocity. The impact on students is that they learn the broad context in which they live, work, play and grow.

**Recent honors for NMU alumni**

- Howard Schultz ’75 BS, Starbucks CEO, Fortune magazine’s 2011 Business Person of the Year.
- Frederick Nelson ’73 BS, part of the Intergovernmental Panel on Climate Change that was awarded the 2007 Nobel Peace Prize.
- Lisa Trotter ’88 BS, First person certified to scuba dive in the Antarctic.
- Tricia Rose ’05 BS, 2011 U.S. Small Business Administration’s Wisconsin Young Entrepreneur of the Year.
- Brian Rasmussen ’06 BS, recipient of the prestigious Farrington Daniels Award for the best paper on radiation dosimetry published in the journal Medical Physics in 2011, awarded by the American Association of Physicists in Medicine.
- Erik Coursey ’10 BFA, winner of the 25th Annual Doug Mockett & Company design competition.
NMU’s Mission

Northern Michigan University challenges its students and employees to think independently and critically, develop lifelong learning habits, acquire career skills, embrace diversity and become productive citizens in the regional and global community.

NMU’s Vision

Northern Michigan University will become the university of choice in the Midwest for students seeking a quality academic program with individualized attention in a high-tech learning environment.

NMU’s Commitment to Diversity

Northern Michigan University strives to be an inclusive community where differences are recognized as assets of the institution, respected attributes of the person and a valuable part of the university experience.