OFFICE OF THE PROVOST
UNIVERSITY OF MICHIGAN

Quick Reference Guide: Best Practices for Establishing a New Center or Institute at U-M

University of Michigan

Best Practices for Institutes and Centers

Renewal

Assessing Need

Sunset/Closure

Strategic Evaluation and Adjustment

Formation/Approval

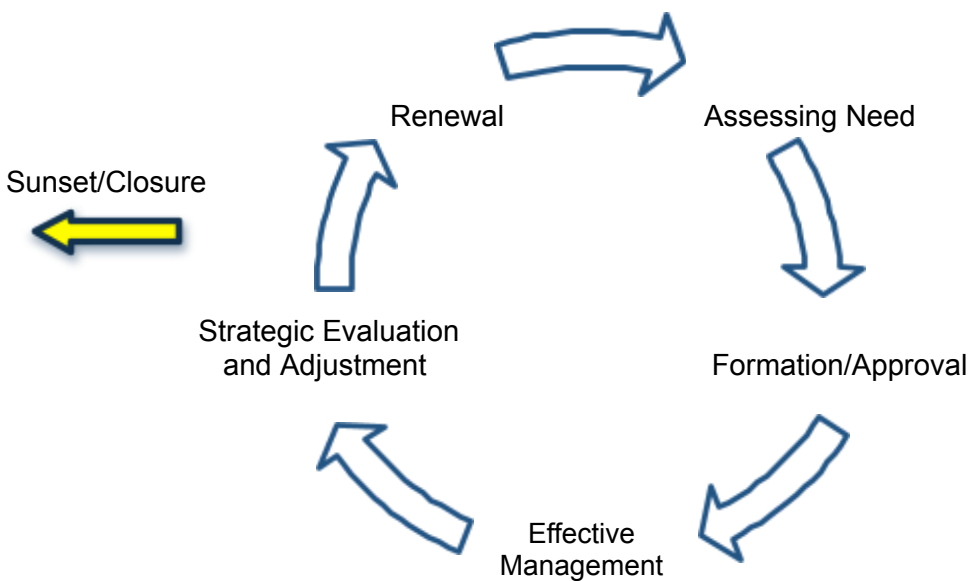Effective Management

Assessing the Need and Proposed Policy

Faculty members should thoroughly discuss the idea of creating a new center or institute with their dean(s) and other relevant senior administrators at the University. They should be prepared to provide comprehensive documentation, including:

- **Detailed Mission and Goals**: Clearly articulate the mission and specific goals of the proposed unit, highlighting which objectives would be achieved that cannot be accomplished within existing structures.
- **Strategic Alignment**: Demonstrate how the proposed unit aligns with the strategic direction of the school/college and University.
- **Faculty Leadership**: Identify a group of committed faculty members who will provide leadership.
- **Financial Strategy**: Include a robust strategy for securing external financial support (e.g., philanthropy, sponsored activities).
- **Positioning**: Explain how the unit will position the school/college and University in an emerging field of inquiry.
- **Interdisciplinary Approach**: For units involving faculty from multiple schools/colleges, establish an agreed-upon governance model.
- **Internal Support**: Confirm the commitment of internal support until external funding is realized.

Once preliminary approval is obtained, faculty can proceed with a full proposal to the dean(s).

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NOTE: The structure for interdisciplinary activity should be the minimal structure required to meet its scholarly and/or service objectives. This could include research colloquia, joint research projects, establishment of an incubator unit, growing into an externally funded center, and eventually the establishment of a formal division, center, or institute.

Definition of Institutes, Centers, Programs, and Initiatives

An organization located within or alongside the traditional academic hierarchy of a school/college and department, created to pursue a specific intellectual area of inquiry through teaching, research, and/or service activities. Centers and institutes typically bring together faculty and often students and can be focused within a discipline or be interdisciplinary, involving faculty from one or more departments, schools/colleges, or multiple units. The organization may be freestanding or within a department or school/college.

Suggested Process for the Formation of Centers or Institutes

Criteria considerations for the proposed unit:

- **Alignment with Strategic Direction**: Ensure the proposed unit aligns with the strategic direction of the School/College/University.
- **Unmet Need**: Address a need not already met by existing entities within the School/College/University.
- **Leadership**: Ensure there is a group of faculty who are ready and able to provide leadership.
- **Funding Strategy**: Have a clear strategy for external support, including specific funding levels (philanthropy or sponsored activity).
- **Positioning**: Position the School/College/University in an important emerging field of inquiry.
- **Governance Model**: Include faculty from more than one School/College and establish a governance model.
- **Internal and External Support**: Have a commitment of internal support until external support is achieved.
- **School/College Leadership Support**: Secure the support of the School/College leadership for the faculty involved.

Required Documentation:
- **U-M New Institutes and Centers Form**
- **Business Plan Template** *(see pages 11-22 of this document)*
- **Bylaws Template** *(see pages 23-24 of this document)*

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Establishment of Regentally Approved Centers or Institutes

The establishment of a center or institute by action of the Board of Regents is based on several factors, including budget, size, scope, and implications for the University community. To determine if your center or institute requires the U-M President or the Board of Regents' approval, please contact the Office of the Provost at provost@umich.edu.

Also see the relevant Regents Bylaw, Sec. 6.03. Institutes and Centers (revised April 1995)

Institutes and Centers may be established on the recommendation of the president:

Institutes:

- For conducting teaching, research, or service activities. They are accountable to a major unit of the university.
- Leadership: Director and executive committee
- Appointment: Appointed by the president
- Accountability: Responsible to a member of the president's leadership team

Centers:

- To support interdisciplinary research, publication, and training within a school or college
- Leadership: Director and executive committee
- Appointment: Appointed by the president or other Executive Vice President (EVP)
- Accountability: Responsible to the dean and executive committee of the relevant school and college

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Effective Management and Annual Reports for Units

Once a unit is created, it is normally approved for a five-year period. The unit's director holds primary responsibility for management according to the policies and practices of the responsible school, college or other oversight body, in compliance with university rules and policies. Each school/college is responsible for regularly reviewing its units.The general process involves preparing an annual report and undergoing periodic formal reviews. Units can raise this topic as needed during their annual budget meetings with the Provost. Although specific criteria and required documentation may differ by school/college, they typically include the following:

- A brief assessment of the unit's annual successes and challenges
- Fulfilling the unit's mission for which it was established
- Current budget details, (total GF, Research & Endowment funds), goals and metrics/measures** for the next 2-3 years
- Listing center/institution grants and other external funding sources
- Reporting current unit space occupancy (square footage)
- Providing a Center/Institute Organizational Chart
- Listing staffing FTE (Direct and Indirect)
- Detailing Center/Institute Faculty engaged in activities and corresponding departments
- Listing publications and honors/awards for the Center/Institute

** Examples of possible metrics:
- ✓ Funding
  - o Total Indirect Cost Recovery (ICR)
  - o ICR/Total Grant Expenditures
  - o ICR/General Fund (GF) support
  - o GF Support as Percentage of Total Operational Expenditures
  - o Revenue Raised/Administrative Costs
  - o Faculty Support (Grant and GF)
  - o GF Budget
  - o Total Space (Square Footage)
  - o Infrastructure/Equipment (Invested Capital)
  - o Fund Balances
- ✓ Operational Effectiveness
  - o Total Full-Time Equivalents (FTEs), Staff FTEs
  - o Administrative Structure with Titles
  - o Administrative Costs/Total Costs
  - o Shared Staff FTEs
  - o Faculty Workload
  - o Utilization of Space (Time Used/Time Available)
  - o Administrative Audit Results
  - o Faculty Retention

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- ✓ Teaching & Educational Impact (Where Applicable)
  - o Enrollment
  - o Student to Faculty Ratio
  - o Degrees (Certificates) Awarded
  - o Student Credit Hours (SCH) Taught
  - o Course Access or Availability
  - o Class Sizes
  - o Waitlists
  - o Student Advising
  - o Student Satisfaction
  - o Number of Students Participating in Research
  - o Learning Assessments
  - o Standard Test Scores
  - o Job Placements
  - o Graduation Rates
- ✓ Research Effectiveness
  - o Grants awarded/Grants submitted
  - o Publications per year
  - o Faculty teaching load (effort of salary to teaching)
  - o "Participation index" based on teaching load
  - o Faculty tenure rate
- ✓ Visibility & Impact
  - o Mention of unit in media
  - o Faculty recruitment
  - o Program ranking
  - o Number of units participating

Tracking Centers, Institutes, and Initiatives

U-M is interested in tracking organizations that are labeled as "institute", "center", and "initiative," as well as other identifiers such as "program." For simplicity, we will refer to them collectively as "centers." These organizations should be tracked via a financial identifier to compile regular statistics without burdening unit administrators.

Other organizations that do not require a financial identifier should be tracked using a simple inventory, including their name and contact information, to report on the overall scope of such activity at U-M.

The categories below are designed to help group organizations meaningfully. Categories 1 and 2 are those the provost would like to track using a financial identifier. Categories 3 and 4 are those the provost would like to include in our inventory (along with Categories 1 and 2) without requiring a financial identifier. Categories 5 and 6 describe organizations whose existence we will track in our U-M inventory for completeness. Below are the categories, along with questions to determine whether a given organization fits a particular category.

Download U-M Category Definitions (Institutes - Centers) [PDF]

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Category 1: University Center or Institute

Definition: A University Center or Institute is an entity that extends beyond a single unit within the university, focusing on interdisciplinary, interdepartmental, and often inter-institutional collaboration for teaching, research, and service activities.

Criteria:

- **Interdisciplinary Reach**: Involves faculty participation from multiple schools or colleges.
- **Central Oversight**: Administrative and financial oversight is centrally located, often at the university or provost level.
- **Diverse Funding Sources**: Receives funding from multiple units within the university and/or external sources.
- **University Mission Alignment**: Aligns and supports the strategic goals of the university.
- **Significant Impact**: Demonstrates substantial impact on research, education, or service at a broad university level.
- **Governance Structure**: Has a governance model approved by university leadership, often reporting to a central administrative unit.

Category 2: School/College Center

Definition: A School/College Center operates within a single school or college, focusing on specific academic or research areas pertinent to that unit's integrated strategy.

Criteria:

- **Departmental Integration**: Activities are limited to the faculty and departments within a single school or college.
- **Strategic Role**: Plays a significant role in the school's or college's academic strategy.
- **Funding Agreements**: Generally has medium or long-term funding agreements within the school/college budget.
- **Leadership Roles**: Led by more than one individual over time or concurrently within the school/college.
- **Operational Independence**: Manages its own budget and potentially its own administrative space within the school or college.
- **Typical Support**: Often supported by the school's leadership financially and administratively.
- **Ongoing Impac**t: Unit's activities are vital to the academic mission and would continue even if the center ceased to exist.

Category 3: Sponsored Research Center

Definition: A Sponsored Research Center is primarily funded by external research grants or contracts, focusing on specific research objectives tied to these funding sources. While it primarily receives Sponsored Research funding, it may also receive supplementary cost sharing from non-sponsored sources.

Criteria:

- **External Funding**: Operates primarily on sponsored research funding or associated cost-sharing from non-sponsored sources.
- **Funding Dependen**t: Existence is contingent on the continuation of such external funding.
- **Research Focus**: Directed towards specific research goals dictated by grant or contract stipulations.
- **Limited Longevity**: Operates for the duration of the grants or contracts received.
- **Reporting Requirements**: Required to submit regular reports to funding agencies and comply with their guidelines and oversight.

Category 4: Faculty Member Center

Definition: A Faculty Member Center revolves around the expertise, research, or service program specifically associated with an individual faculty member typically set up as part of recruitment or retention.

Criteria:

- Personal Association: Directly tied to the work, research, or service program of a specific faculty member.
- Recruitment/Retention: Often established as part of a recruitment or retention package for a faculty member.
- Limited Scope: Activities and relevance often limited to the scope of the faculty member's work or interest.
- Dependent Continuity: The center's existence is highly dependent on the faculty member's continued association with the university.
- Autonomy in Activities: Operates with high autonomy but often under the faculty member's department or college

Category 5: Administrative Center

Definition:

An Administrative Center focuses on supporting and enhancing teaching and/or research activities without conducting its own independent research.

Criteria:

- Support Role: Primarily enhances and supports research and teaching activities rather than conducting original research.
- Non-Research Activity: Faculty involvement is generally in non-research roles or administrative capacities.
- Non-Faculty Membership: Membership and leadership are mainly administrative, non-faculty personnel.
- Operational Focus: Enhances operational efficiency within certain academic or service areas.
- Financial Tracking: Often does not require financial identifiers for research funding but needs operational budget tracking.

Category 6: Agency Center

Definition:

An Agency Center is an organization affiliated with the university but primarily operates under the leadership and standards of an external, non-university agency.

Criteria:

- External Affiliation: While the center may have university affiliation, leadership and primary accountability lie with an external non-university body.
- No University Funding: The center does not receive funding from the university.
- Reporting Structures: Often reports to their respective external organizations rather than university leadership.
- Independent Operations: Operates independently in terms of governance, compliance, and strategic direction.

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Comprehensive Reviews

It is a best practice to conduct a formal review of each unit approximately every five years. Typically, the Dean's Office initiates this by contacting the unit director to begin an internal review of the unit. The review committee is composed of University of Michigan faculty. However, if needed, external reviewers may be included for their expertise or to provide an external perspective on the unit's reputation. The review committee's final report is typically advisory to the Dean.

Reviews generally focus on Five Key Objectives:

1. **Mandate Fulfillment**: Has the Center / Institute / Program met its original mandate for which it was established? This provides an opportunity to reassess the organization's direction, goals, strengths, and weaknesses in relation to the School/College's mission.
2. **Mission Relevance**: Is the Center / Institute / Program still relevant to the mission of the School / College?
3. **Financial Stewardship**: Has the Center / Institute / Program managed its resources responsibly? This assists in determining the present and future needs for personnel and other resources.
4. **Current Format Evaluation**: Should the Center / Institute / Program maintain its current structure, undergo changes, or take a new approach. If changes are needed, what should the future course be?
5. **Leadership Performance**: How is the current leadership performing? Reviews provide a mechanism for members of the Center / Institute / Program to express their views on leadership.

Sunsetting/Closing/Discontinuance of a Center

General standards for consideration:

- The center cannot sustain itself financially, either through external or internal funds.
- The scholarly quality of work performed by the center falls below U-M norms.
- The original interdisciplinary nature of the center has disappeared, perhaps because it has been absorbed into a mainstream discipline.
- The center is unable to attract new faculty, students, or dedicated leadership.

Manifestations of Sunsetting:

- **Transfer**: Move the center intact to a new home within a school or college, if its interests align completely within a single school or college.
- **Resource Redistribution**: Distribute center resources and transfer some or all to other units.
- **Spin-off**: Transform into an entity separate from the University.
- **Liquidation**: Reallocate resources and return assets to the original stakeholders

Sunsetting Process and Procedures:

- Completion of remaining grant/contract obligations.
- Provision of bridging support for students appointed to the center.
- Determination of IT transition plans for the website, databases, servers, and IRB/clinical patient secure data (HIPAA-compliant).
- Allocation of bridging or other transition funds for displaced staff.
- Assistance in placement, relocation or outsource activities for affected staff.
- Coverage of tenure obligations to academic faculty partially appointed to the center.
- Decommissioning of facilities, especially specialized laboratories.
- Transfer of facilities and space back to original stakeholders.

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Sunsetting Process by Category:

Category 1 (University Center or Institute):
- **Strategic Importance**: Conduct an in-depth analysis of the center's alignment with university-wide strategic goals before initiating sunsetting.
- **Financial Dependencies**: Evaluate external funding sources and explore opportunities to redistribute resources within the university.
- **Stakeholder Engagement**: Engage extensively with multiple schools/colleges, faculty, and other stakeholders to manage transitions smoothly and minimize impact.

Category 2 (School/College Center):
- **Strategic Importance**: Assess how sunsetting aligns with the strategic objectives of the particular school or college.
- **Financial Dependencies**: Ensure internal funding commitments are reassigned effectively within the school or college.
- **Stakeholder Engagement**: Communicate and coordinate closely with the involved departments and faculty to support affected programs or initiatives.

Category 3 (Sponsored Research Center):
- **Strategic Importance**: Consider how discontinuance will affect ongoing research commitments and obligations.
- **Financial Dependencies**: Focus on winding down external grants and contracts, ensuring compliance with sponsor requirements.
- **Stakeholder Engagement**: Collaborate with funding agencies and research partners to handle obligations and redistribute resources.

Category 4 (Faculty Member Center):
- **Strategic Importance**: Evaluate the center's alignment with the faculty member's ongoing work or potential reassignment within the university.
- **Financial Dependencies**: Resolve any funding linked specifically to the faculty member's projects.
- **Stakeholder Engagement**: Work closely with the faculty member and their department to facilitate a smooth transition.

Category 5 (Administrative Center):
- **Strategic Importance**: Assess the role of the center in supporting broader university operations and determine alternative support mechanisms if needed.
- **Financial Dependencies**: Analyze operational budgets and reassign resources efficiently.
- **Stakeholder Engagement**: Coordinate with administrative staff and related departments to ensure continuity of supported functions.

Category 6 (Agency Center):
- **Strategic Importance**: Review the partnership's value and its alignment with university goals.
- **Financial Dependencies**: Address any financial commitments or shared resources between the university and the external organization.
- **Stakeholder Engagement**: Communicate with the external agency and define clear guidelines for winding down joint initiatives or responsibilities.

Helping each other and sharing best practices

For additional information or inquiries not addressed in this toolkit, or to share best practices with the broader university community, please email provost@umich.edu. We will update this document as appropriate.

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INSTITUTE/CENTER BUSINESS PLAN TABLE OF CONTENTS

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PROPOSAL TEMPLATE

Proposal for the Establishment of CENTER/INSTITUTE X

at the University of Michigan, School of / College of _____

University of Michigan

Prepared by

XXXX
Department of XXXX

Dean's Office Staff Assistance:
xxxxxxx

INSTITUTE/CENTER BUSINESS PLAN
PART A – EXECUTIVE SUMMARY & PROPOSAL

Part I – Executive Summary

The Executive Summary should provide a concise and cohesive overview of the proposal, enabling readers to fully understand its purpose and implications without needing to review the entire document. This section should be no longer than two pages and include the following key components:

Overview of the Proposal

Rationale and Impact

Resource Utilization and Sustainability

Value and Support

Addressing Risks and Barriers

---

1. **Overview of the Proposal**
    a. Clearly describe what is being proposed
    b. Specify the action being requested and identify the responsible parties

2. **Rationale and Impact**
    a. Explain the program's purpose and its anticipated impact on the University of Michigan community

3. **Resource Utilization and Sustainability**
    a. Detail how requested resources will be allocated to support the program's independence and long-term sustainability

4. **Value and Support**
    a. Present compelling reasons for supporting the proposal, highlighting the value it will create

5. **Addressing Risks and Barriers**
    a. If applicable, briefly identify any risks or barriers and outline strategies to mitigate them

INSTITUTE/CENTER BUSINESS PLAN
PART B - STRATEGIC FRAMEWORK & IMPLEMENTATION

1.0 STRATEGIC VISION

Strategic Vision

This section should provide a comprehensive understanding of the Center/Institute's long-term aspirations and its
role within the broader research and clinical enterprise at Michigan. Clearly describe how it aligns with
the University's mission, including its three core components—education, research, and service/patient care,
as applicable.

A well-conceived Center/Institute Proposal should:

Rationally integrate existing programs.

Engage faculty from diverse disciplines whose research aligns with or complements the
Center/Institute's mission and goals.

Long-Term Vision
Conclude this section by clearly articulating the Center/Institute's long-term vision. Emphasize how
this vision aligns with U-M's strategic priorities and outlines the broader impact the center/institute
seeks to achieve.

Subsections to include:
Mission
Goals
Integration

1.1 Mission

- Present a concise and compelling mission statement that defines the purpose, priorities, and aspirations of the Institute/Center

1.2 Goals

- List specific objectives using the SMART framework (Specific, Measurable, Achievable, Relevant and Time-bound)

1.3 Integration

- Detail how the Institute/Center's initiatives and programs will integrate with existing university resources, academic units, and strategic priorities

INSTITUTE/CENTER BUSINESS PLAN

PART B - STRATEGIC FRAMEWORK & IMPLEMENTATION

2.0 INITIATIVES/CENTER / PROGRAMS

 Center/Institute Initiatives and Programs

  Begin this section with a concise overview of the major initiatives and programs (e.g., research, education, core services) that will define the Center's identity and distinguish its contributions. Ensure that programs are interconnected and contribute to the Center's broader goals, avoiding a collection of siloed initiatives.

  Guidelines for Subsections
  Use subsections to provide detailed descriptions of each program, ensuring the following elements are addressed:

    Program Summary
    Objectives
    Coordination and Importance
    Implementation Timeline
    Resource Dependencies

2.1   Institute/Center/Program

- **Program Summary**: Provide a brief and precise description of the program's purpose and focus
- **Objectives**: Clearly outline the program's short-term and long-term goals
- **Coordination and Importance**: Describe how the program integrates with and supports the Institute/Center's overall mission, ensuring alignment and collaboration rather than operating as an isolated initiative
- **Implementation Timeline**: Present the key phases, expected milestones, and timing for implementation. **Reference Appendix 1.1** for additional details, if applicable
- **Resource Dependencies:** Identify any critical resources required to ensure the program's success, including funding, personnel, or facilities

Example Subsection
- Program Summary: [Insert concise description]
- Objectives
  - Short-term: [Insert specific goals]
  - Long-term: [Insert specific goals]
- Coordination and Importance: [Explain how the program aligns with and strengthens the Institute/Center's mission]
- Implementation Timeline: [Provide timing details and reference Appendix 1.1.]
- Resource Dependencies: [List critical resources needed]

INSTITUTE/CENTER BUSINESS PLAN
PART B - STRATEGIC FRAMEWORK & IMPLEMENTATION

3.0 ACADEMIC PEER ASSESSMENT

Academic Peer Assessment

In this section, provide an overview of how the Institute/Center fits within the broader landscape of its primary field. Offer a concise evaluation of similar programs at other institutions, including their level of success and the precedents they establish. Highlight the unique features and competitive advantages that will distinguish the University of Michigan and its Center from peers.

Describe the process for academic peer assessment, including criteria for evaluation and frequency of reviews.

> **Evaluation Criteria**
> **Review Frequency**
> **Process Description**

Process for Academic Peer Assessment

- **Evaluation Criteria:** Define the specific criteria that will be used to assess the Institute/Center's performance and impact. These may include research output, educational contributions, service initiatives, or other relevant metrics

- **Review Frequency:** Outline how often academic peer assessments will be conducted (e.g., annually, biannually)

- **Process Description**
    - Describe the methodology for the assessment, such as external reviews, benchmarking, or surveys
    - Specify who will conduct the assessments (e.g., an external advisory board, faculty committee)
    - Detail how feedback will be collected, analyzed, and applied to improve the Institute/Center's programs and initiatives

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INSTITUTE/CENTER BUSINESS PLAN
PART B - STRATEGIC FRAMEWORK & IMPLEMENTATION

4.0 ADMINISTRATION, GOVERNANCE & KEY FACULTY

Administration, Governance & Key Faculty
The University recognizes the success of a Center/Institute depends on a strong, cohesive, and committed leadership team
with the following attributes:

Complementary strengths and expertise
A shared vision and the ability to collaborate effectively as a team
Professional experience and staying power to sustain long-term goals
Strong relationships with the reporting authority

Refer to the **Bylaws Template** for additional guidance

Overview
Center/Institute proposals should clearly define the roles of key managers, scientific/operational advisors, and governance structures. Include a preliminary **organizational chart** to illustrate the distribution of authority and responsibilities.

Administration
Governance
Key Faculty

4.1 Administration
- Detail the Institute/Center's administrative structure
- Define key roles and responsibilities, including leadership positions and operational support
- Highlight how administrative processes will ensure efficient operation and decision-making

4.2 Governance
- Provide an outline of the governance framework, including the composition and functions of committees or advisory boards.
- Describe the decision-making processes and mechanisms for accountability within the Institute/Center

4.3 Key Faculty
- **Faculty Association**: Explain how faculty will be associated with the Institute/Center (e.g., appointments, affiliations, participation in projects)
- **Participation Rules**: Specify the general rules or expectations for faculty involvement, such as eligibility criteria or time commitments
- **Interdisciplinary Contributions**: Detail how the Institute/Center will recognize and credit contributions to interdisciplinary programs, ensuring equitable acknowledgment of effort
- **Key Faculty Profiles**: Highlight the expertise and roles of key faculty members, emphasizing how their skills align with the Institute/Center's mission and goals.

INSTITUTE/CENTER BUSINESS PLAN
PART B - STRATEGIC FRAMEWORK & IMPLEMENTATION

5.0 MILESTONES & TIMELINE

Milestones & Timeline

This section should provide an overview of the planned rollout of programs and initiatives, emphasizing the timing of major milestones critical to the Center's development. It should align closely with the **Required Resources** and **Financial Planning** sections to ensure a cohesive proposal.

Key Components: Highlight the following milestones

Initial Governance & Administration Kick-Off: Establishing the leadership team, governance structures, and administrative processes

New Initiative / Program Launches: Timelines for starting key research, education, or service programs

Major Faculty Hires: Identification and onboarding of key personnel essential to the Center's mission

Significant Space Requirements: Addressing facility needs and their timing in the Center's growth

5.1 Milestones
Provide a detailed list of significant milestones, including
- Short-term goals (e.g., initial hires, program design)
- Medium-term goals (e.g., pilot programs, securing resources)
- Long-term goals (e.g., achieving self-sustainability, full-scale operations)

5.2 Timeline
Present a high-level timeline that illustrates key activities and milestones
- Use a clear, visual format (e.g., Gantt chart or table) to depict phases and their duration
- Include interdependencies between milestones where applicable

Institute/Center Business Plan
Part B - Strategic framework & implementation

6.0 Resources Required

Resources Required

This section outlines the key resources needed to transition the Center from its launch phase to full operational capacity. Identify specific requirements for space, staffing, and equipment, as well as commitments or agreements with departments and other stakeholders.

       Administrative Management: Include arrangements for finance, human resources, and grant administration support.

       Space Management: Specify space allocation agreements or commitments.

       Recruitment Costs: Outline cost-sharing arrangements for recruiting faculty and staff.

       Joint Agreements: Detail any collaborations or joint agreements with departments or other stakeholders

This section should align closely with the **Timeline and Financial Planning sections** to ensure consistency

6.1 Departmental Support
- Describe the types of support required from university departments, such as financial oversight, administrative assistance, or technical support
- Highlight existing commitments or agreements with relevant units

6.2 Space Requirements
- Specify the physical space needed for the Institute/Center, including locations, facilities, and any planned expansions
- Address whether the space requirements align with university priorities and policies

6.3 Faculty & Staff
- Provide a detailed list of faculty and staff positions required to support the Institute/Center
- Include a description of roles and responsibilities for each position

6.4 Equipment & Other Resources
- Identify any specialized equipment, technology, or other resources critical for the Institute/Center's operations
- Address resource-sharing opportunities or potential collaborations for equipment use

INSTITUTE/CENTER BUSINESS PLAN
PART B - STRATEGIC FRAMEWORK & IMPLEMENTATION

7.0 FINANCIAL PLANNING

Financial Planning

This section outlines the short- and long-term strategies for securing funding to ensure the Center achieves financial independence and sustainability. It should provide a comprehensive view of the Institute/Center's financial needs, projected costs, and revenue sources, with alignment to the **Timeline and Required Resources sections.**

Key Components

3–5-Year Financial Forecast: Include detailed projections of direct costs (e.g., staffing, equipment, facilities) and revenues (e.g., grants, departmental support, program income).

Departmental Commitments: Clarify funding commitments from departments and the funds flow relationships.

Sources and Uses of Funds: Identify how funds will be acquired (e.g., grants, donations) and allocated to support the Center's operations and growth.

7.1 Financial Overview
- Summarize the financial outlook, highlighting key funding sources and their anticipated contributions to the Institute/Center
- Briefly explain the Institute/Center's financial strategy and its alignment with sustainability goals

7.2 Financial Projections
- Provide a detailed breakdown of projected revenues and expenses over the next 3–5 years
- Include annual estimates for major cost categories (e.g., personnel, facilities, programs) and revenue streams
- Highlight any anticipated changes or key milestones that could impact the financial outlook

INSTITUTE/CENTER BUSINESS PLAN
PART B - STRATEGIC FRAMEWORK & IMPLEMENTATION

8.0 METRICS OF SUSTAINABILITY & SUCCESS

Metrics of Sustainability & Success

To ensure long-term viability, Centers must aim for independent sustainability while demonstrating measurable progress and success. This section should outline clear performance metrics to assess the Institute/Center's achievements and include provisions for eventual sunsetting, as needed.

Key Considerations

Centers should define benchmarks for sustainability, aligned with the goals and financial strategy

Performance measurements must be specific, actionable, and tied to the Center's mission and objectives

Include conditions for sunsetting the Center as part of its business plan to address scenarios where goals are no longer viable or relevant

*(Refer to the **Best Practices Guide** for examples of metrics.)*

8.1 Metrics for Sustainability

- *Define specific indicators that evaluate the Institute/Center's ability to maintain financial independence, such as:*
    - Revenue generation (e.g., grants, program income, philanthropic support)
    - Efficient resource utilization (e.g., cost per program output)
    - Partnerships and stakeholder engagement

8.2 Metrics for Success

- *Identify measures that demonstrate progress toward the Center's mission, such as:*
    - Research productivity (e.g., publications, citations, patents)
    - Educational outcomes (e.g., students trained, curricula developed)
    - Service impact (e.g., community engagement, patient outcomes)
    - Cross-disciplinary collaboration and innovation

8.3 Sunsetting Conditions
- Outline criteria and processes for sunsetting the Institute/Center, ensuring transparency and alignment with university priorities
- Address how the decision to close or transition programs will be communicated and managed

INSTITUTE/CENTER BUSINESS PLAN
PART C - APPENDICES

APPENDIX 1.0: X

1.1 <u>X</u>

APPENDIX 2.0: X

2.1 <u>X</u>

2.2 <u>X</u>

Quick Reference Guide: Best Practices for Establishing a New Center or Institute at U-M

BYLAWS TEMPLATE

Article 1.   NAME AND AFFILIATION

1.1   *Name*. The name of this organization shall be [Institute/Center Name], University of Michigan ("the Institute/Center")

1.2   *Affiliation*. The Institute/Center is a constituent entity of [relevant School /College] at the University of Michigan

Article 2.   GOAL AND MISSION

2.1   *Goal.* The goal of the Institute/Center is to [state goal succinctly]

2.2   *Mission*. The mission of the Institute/Center is to:

- Facilitate interdisciplinary research and teaching related to [specify focus area]
- [State additional mission point]
- [State additional mission point]

Article 3.   PARTICIPATION

3.1   *Affiliates.* The Institute/Center may designate individuals, particularly members of the University of Michigan faculty, as "Affiliates" who are expected to contribute [specify contributions, e.g., research, teaching, service]

3.2   *Associates.* Selected Affiliates who commit to [specify terms, e.g., leadership roles or long-term contributions] may be designated as "Associates"

Article 4.   GOVERNANCE AND OPERATION

4.1   *Reporting Structure.* The Institute/Center shall report to the Dean, the Center Director, and the Steering Committee

4.2   *Steering Committee*.

- **Composition**: The Steering Committee shall consist of a Chair and [XX to YY] members, appointed by [appointing authority] for [X-year terms]. Appointments may be renewed up to [X times] and initially staggered to facilitate smooth rotations.
- **Responsibilities**: The Steering Committee shall adopt bylaws, approve policies, elect the Executive Committee, and oversee the Center's management.
- **Meetings**: The Committee shall convene at least twice each semester, led by [specify authority].

4.3   *Executive Committee.* The Steering Committee will select an Executive Committee, composed of the Chair and [XX to YY] members, representative of the university's major units.

4.4   *Director*. The Director, appointed by the Dean in consultation with the Steering Committee, will serve as an ex officio member of both the Steering Committee and the Executive Committee.

4.5   *Subsidiary Bodies.* The Steering Committee may create subcommittees, advisory boards, working groups, and other subsidiary bodies as necessary to advance the Institute/Center's objectives.

Article 5.   AMENDMENT OF THE BYLAWS

5.1   *Amendment Procedure.* These bylaws may be amended or repealed by a majority vote of the Steering Committee, provided the proposed amendment has been circulated at least one week prior to the meeting.

5.2   *Severability.* If any provision of these bylaws is deemed illegal, unenforceable, or inconsistent with University policies, it will be severed, and the remaining bylaws will remain in full effect.