

UNIVERSITY OF MAINE SYSTEM
Board of Trustees Meeting

at the University of Maine at Farmington
September 17 & 18, 2017

Board of Trustees Meeting

Present: James Erwin, Chair; Norman Fournier, Vice Chair; Samuel Collins, Jason Coombs, James Donnelly, Lisa Eames, Mark Gardner, Michelle Hood (by phone), Gregory Johnson, Kelly Martin, and Shawn Moody. **Chancellor:** James Page. **Faculty Representatives:** Ray Albert, Uriah Anderson, Lisa Leduc, Patti Miles, Clyde Mitchell, and Elizabeth Turesky. **Student Representatives:** Duane Belanger, Samuel Borer, Austin Cyr, Alex DesRuisseaux, Anthony Guimond, Jay Knowlton, Issac Michaud, Kimberly Miner, and Dylan Reynolds. **University Presidents:** Glenn Cummings, Kathryn Foster, Susan Hunter, Ray Rice, John Short, and Rebecca Wyke. **System Staff:** Tracy Bigney, Dan Demeritt, David Demers, Ellen Doughty, Tracy Elliott, Chip Gavin, Carol Kim, Ryan Low, Tamara Mitchell, Robert Neely, Robert Placido, Rosa Redonnett, Mark Schmelz, James Thelen, Vendean Vafiades, Samantha Warren, and Miriam White.

Absent: Robert Hasson and Karl Turner.

Sunday, September 17, 2017

Trustee Erwin, Chair, called the meeting to order.

CHAIR'S REMARKS

Trustee Erwin stated that Trustee Michelle Hood would be participating in the meeting by phone. Trustee Erwin thanked President Kathryn Foster and the staff at the University of Maine at Farmington (UMF) for hosting the Board of Trustees meeting. He welcomed Ms. Lisa Laflin, Chair of the UMF Board of Visitors (BOV) and thanked her for joining the Trustees at the Board table.

ACCEPTANCE OF MINUTES

On a motion by Trustee Fournier, which was seconded by Trustee Collins, the minutes from the following meetings were unanimously approved as presented:

- July 17, 2017 - Board of Trustees Meeting
- August 21, 2017 – Human Resources/Labor Relations Committee Meeting
- September 1, 2017 – Finance/Facilities/Technology Committee Meeting
- September 5, 2017 – Academic & Student Affairs Committee Meeting

COMMITTEE REPORTS

Academic & Student Affairs Committee. Trustee Johnson reported that the Committee met on September 5, 2017. The following items were approved by the Committee to be forwarded to the Consent Agenda at the September 17-18, 2017 Board of Trustees meeting: Programs for Examination, and Strategic Resource Allocation Plan. The Committee received updates on the timeline for Early College and Cybersecurity Transition.

Finance/Facilities/Technology Committee. Trustee Fournier reported that the Committee met on September 1, 2017. The following items were approved by the Committee to be forwarded to the Consent Agenda at the September 17-18, 2017 Board of Trustees meeting: Schematic Design Engineering Education and Design Center at UM, Property Removal Northern Road Duplexes at

UMPI, and Master Lease Financing Services. The Committee received an update on the Information Technology Projects with a value of \$250,000 or greater and the Capital Projects Status Report. The Committee reviewed the annual Lease and Real Estate Report.

Human Resources & Labor Relations Committee. Trustee Erwin reported that the Committee met on August 21, 2017. The Committee reviewed the proposed change to Board of Trustee Policy 206 – Ethics Code and Conflict of Interest. An Executive Session was held at the end of the meeting to discuss planning for negotiations and communications with AFUM, Police, PATFA, and Service and Maintenance Units.

UM Presidential Search Committee. Trustee Johnson reported that the UM Presidential Search Committee has been appointed, the search consultant hired and the Committee had its first meeting on September 15, 2017. The consultant engaged for the search is Storbeck and Pimental with Shelly Storbeck as the lead consultant, assisted by Ethan Dubow. The Committee is very close to having a package ready to be presented to the public which will advertise the position. The Committee has also approved a timeline for interviewing and is looking to have a hiring decision towards the end of February.

Task Force on Risk Oversight and Board Governance. Trustee Hood reported that the Committee has met twice by phone. The first meeting was spent reviewing the charge statement and discussing next steps. The second meeting included briefings from Chip Gavin, Chief General Services Officer, and Adam Green, University System Risk Manager, and focused on collaboration, insurance, consultative services and claims resolution. The Committee is expected to have two additional meetings before the November Board meeting.

DISCUSSION ITEMS

UMM Head of Campus Search Update. University of Maine and University of Maine at Machias President Susan Hunter, provided an update on the University of Maine at Machias (UMM) Head of Campus search. The members of the UMM Head of Campus search committee are: Jim Settele and William Otto as co-chairs, Dan Gardner, Emily Haddad, Rosemarie Mondville, Sherie Sprangers, Marianne Thibodeau, and Marjorie Withers.

The search is going extremely well and ahead of schedule. Nearly 100 applications were received with 87 qualified applicants. The co-chairs considered 77 applicants and 57 were reviewed by the search committee. The search committee will meet the week of September 18th to refine the list down to between five and eight candidates who will be invited for Skype interviews the week of October 16th. UM and UMM campus interviews are scheduled for early to mid-November.

The search committee hopes to make an offer before Christmas and have the successful candidate onboard by the end of May or early June to overlap with the current Head of Campus.

Most importantly, everyone who has seen the applications are overwhelmed with the quality of the individuals. They come from all over the country and represent a diversity of institutions and backgrounds.

Proposed Change to Board of Trustee Policy 206 – Ethics Code and Conflict of Interest. Trustee Erwin reviewed the proposed change to Board of Trustee Policy 206 – Ethics Code and Conflict of Interest. In 2009, the Board amended the Policy to restrict Trustees from applying for or holding employment with UMS for one year following the end of their service as a member of the Board.

The one-year restriction affects the Student Trustee, who serves only a single two-year term, and the Commissioner of Education, who serves in an ex officio capacity only so long as he or she is Commissioner. The proposed amendment to Board Policy 206 – Code of Ethics and Conflict of Interest would provide that the one-year restriction on employment following service as a Trustee would not apply to the Student Trustee and the Commissioner of Education. However, individuals filling those particular Trustee seats would remain subject to the Board’s Conflict of Interest policies and requirements during his/her service as a Trustee, just as all other Trustees are.

The revised Policy was reviewed by the Human Resources and Labor Relations Committee which recommended the Policy change be presented for discussion to the Board of Trustees at the September 17-18, 2017 Board meeting and considered for approval at the November 19-20, 2017 Board of Trustees meeting

Mr. Aaron Chadbourne, Senior Policy Advisor for the Governor, was present at the Board meeting and spoke about the policy’s impact on the Commissioner of Education, who is appointed by the Governor.

On behalf of the Governor of the State of Maine, Paul LePage, Mr. Chadbourne thanked the Trustees for their service and time commitment in serving on the Board of Trustees for the University of Maine System. The Governor’s office is recommending that the Board Policy be revisited to encourage the full participation from the Commissioner of Education and also that the policy be revisited as it pertains to the appointed Student Trustee.

BOT/BOV MEETING. The UMF BOV met with the members of the Board of Trustees. The following members of the UMF BOV were present: Lisa Laflin, Chair; Sven Bartholomew, Erika Burns, Matt Gilbert, Valerie Huebner, David Levesque, Betty-Jane Meader, Chris McKee, Mark Shibles, and Marge Medd.

Monday, September 18, 2017

Trustee Erwin, Chair, called the meeting order.

CITIZEN COMMENT

Citizen Comment is a time regularly set aside for comments from the public. The following individual spoke during the Citizen Comment period:

Jim McClymer – Programs for Examination

CHAIR’S REPORT.

Trustee Erwin read the certificate of appreciation for Cathleen McAnney to thank her for her dedication and leadership as the UMF Faculty Representative.

Trustee Erwin read the certificate of appreciation for Terry Colby to thank her for her dedication and leadership as the UMA Faculty Representative.

Trustee Erwin read the certificate of appreciation for Keith Arvantis to thank him for his dedication and leadership as the UMA Student Representative.

Trustee Erwin invited President Rebecca Wyke to introduce Anthony Guimond who will be the Student Representative for University of Maine at Augusta.

Trustee Erwin thanked Ángel Loredó, Director of Higher Education and Support Services for the Maine Department of Education, for attending on behalf of Commissioner of Education Robert Hasson.

Trustee Erwin provided clarification surrounding establishing the Strategic Resource Allocation Plan (SRAP) Key Performance Indicators (KPIs). At the July Board of Trustees meeting the Academic and Student Affairs Committee was tasked with reviewing and finalizing SRAP KPIs. After a long discussion by the Academic and Student Affairs Committee, it was determined that the best course of action would be to bring the task of establishing the KPIs back to a subgroup of Trustees representing the Academic and Student Affairs Committee, Finance, Facilities and Technology Committee, and Human Resources and Labor Relations Committee. This subgroup of Trustees will be meeting with Chancellor James Page, Vice Chancellor Robert Neely, Vice Chancellor Ryan Low, and Chief of Staff and General Counsel James Thelen to work out a final version of KPIs related to SRAP. These KPIs will be presented at the November Board of Trustees meeting

Trustee Erwin reminded the Board of Trustees that the Maine Development Foundation and Educate Maine are co-hosting a summit on September 28, 2017 and encouraged Trustee participation.

CHANCELLOR'S REPORT.

Chancellor Page thanked President Foster for hosting the Board of Trustees meeting and as well as the reception and dinner on Sunday night.

Legislative Update. Chancellor Page asked Ms. Samantha Warren, Director of Community and Government Relations to provide a brief update on legislative activities.

Ms. Warren explained that securing bipartisan support to send an infrastructure investment general obligation bond to voters is a top priority. This bond would fund a System-wide infrastructure investment planned for at least \$50 million. Another priority is improving legislative and public perception of the University of Maine System's relevance and value to tuition and tax payers and educating legislators of the importance of investing in public higher education. Ms. Warren explained that this is ongoing work and thanked everyone who is in contact with legislators for their efforts.

Maine Center Update. Chancellor Page explained that Mr. Eliot Cutler has completed his assignment as Chief Executive Officer. Mr. George Campbell, President and Chief Executive Officer for the University of Southern Maine Foundation, has taken over as interim Chief Executive Officer for Maine Center Ventures. Mr. Campbell will be invited to address the Board of Trustees with an update on the Maine Center at a future Board of Trustees meeting.

Chancellor Page explained that later in the day a presentation will be given on workforce development. This very important topic is part of an ongoing conversation about the future. Included in the meeting materials is a comprehensive inventory of workforce development related programs in place across the System.

VICE CHANCELLOR FOR FINANCE AND ADMINISTRATION & TREASURER'S REPORT.

Financial Update. Mr. Ryan Low, Vice Chancellor for Finance and Administration & Treasurer, provided the following financial update.

Managed Investment Pool (including Endowment Fund). The Managed Investment Pool (MIP), with a market value of \$302 million, returned 1.4% for the month of July. UMS closed out FY2017 with a return of 11.4% for the fiscal year and 7.2% for the trailing 5 years. Changes in market value for the MIP, besides market fluctuations, include participant contributions and distributions including UMS contributions to the Other Post Employment Benefits (OPEB) Trust, the Maine Maritime Academy's participation in the Fund since January 2009, and the UM School of Law Foundation's participation in the MIP since July 2012.

Pension Fund. The Pension Plan, with a market value of \$31 million, returned 0.7% for the month of July. FY2017 saw a return of 7.2% and a trailing five year return of 6.3%.

Operating Fund. The Operating Funds, with a market value of \$237 million, returned 0.5% for the month of July for excess returns over budget for the month of \$904 thousand. Returns for FY2017 were 3.6% resulting in net investment income for the year of \$9.3 million. As the System budgets \$3.2 million in annual income for the Operating Fund, investment results for FY2017 were \$6.1 million over budget.

Unified Budget Update. Mr. Low provided an update on the Unified Budget implementation plan. Mr. Low briefly reviewed the focus of several implementation teams. The auxiliary team has met several time to discuss opportunities and challenges. The auxiliary team is looking at 3rd party service providers to help consolidate various services across campuses. The financial aid team is focusing on defining a discount rate with consistent methodology that can be reviewed and used by each campus. The student financials team is focusing on how to consolidate student health insurance, banking, credit card processing and other services including residency appeals to ensure consistency. The funding allocation model team is working on replacing the current allocation model which is 50 years old. Once the final campus peers have been determined for each institution, the team will start working with Hanover to gather the needed financial data before visiting and soliciting feedback from each campus.

Hanover Peer Project. Vice Chancellor Low provided an update on the Hanover Peer Project. This project is entering the home phase. The implementation team has finalized all of the edits to the model and has turned over the models to each campus for feedback. The campuses have until October 13, 2017 to finalize the list of peers. Once the peers are finalized a 30 day comment period will begin before a final set of peers is rolled out at the November Board of Trustees meeting.

ACADEMIC AFFAIRS' UPDATE. Dr. Robert Neely, Vice Chancellor for Academic Affairs (VCAA), provided an update on Academic Affairs.

Program Innovation Fund. Vice Chancellor Neely reviewed this year's program innovation effort which was communicated last week and will focus on career readiness in addition to last year's initiatives. The Chief Academic Officers Council (CAOC) is seeking proposals that continue to foster collaboration and enrollment growth, as well as proposals that cross disciplinary boundaries to provide students with unique combinations of skills, knowledge, and experiences (i.e., cross-fertilization of technical and liberal arts knowledge) for success in the labor force. Pre-proposals

should be submitted by October 16, 2017. After that date, selected pre-proposals will be invited to write formal proposals.

Academic Program Integration Teams. Vice Chancellor Neely provided an update on the status of the Academic Program Integration teams. The CAOC reviewed all of the teams in August 2017. Based on that review, six teams were selected for continuation. Nine teams were placed into a recess status until further administrative progress can be made. One new team was added with the option of adding additional teams as needed.

Administrative Program Integration Teams. Vice Chancellor Neely explained that progress on an administrative front is slow moving. The student issues and financial teams are working together to pilot a cross-listing of courses. The library team has been successfully launched and work is underway to build a plan for a common catalog across the System and equal access to all electronic reserves and databases across all campuses. Various teams have been tasked with reviewing and revising the 2015 Guideline for Administration of Multi-campus Degree programs.

Mission Differentiation. Vice Chancellor Neely and University of Maine at Farmington President Foster are co-chairing a team which is currently in the launch phase. The team is planning to have a white paper ready to deliver to Chancellor Page by November 17, 2017.

Task Force: Multi-campus Program Proposals Innovation Fund. Vice Chancellor Neely explained that this task force is a new effort and is expected to have a fairly quick turnaround time of about two months. The task force is charged with formulating a methodology for an approval structure for multi-campus program proposals that is time efficient.

Maine Nursing Summit. Vice Chancellor Neely explained that the Maine Nursing Summit will be held on October 27, 2017. The summit will be a day for discussion and to brainstorm solutions. In attendance will be a variety of participants including heads of healthcare and legislators. Vice Chancellor Neely would like the outcome to be walking away with four to five items to advocate for or implement so that everyone can move forward in a State-wide effort.

UMS Response to Maine Engineering Shortage. Vice Chancellor Neely provided an update on the response to the engineering shortage in Maine. A core planning team has been convened to look at strategies to increase the number of job ready engineering students that the System has. This team will draft a plan to be presented to campus leadership this semester which will then be reviewed by focus groups before being presented to the Presidents of University of Maine and the University of Southern Maine.

ACTION ITEM

Confirmation of Faculty Representative to the Board of Trustees. The following nomination was brought forward by President Foster to the Board of Trustees for approval.

On a motion by Trustee Collins, which was seconded by Trustee Donnelly, the Board of Trustees approved the appointment of the following Faculty Representative to the Board of Trustees:

Faculty Representative:
Clyde Mitchell, UMF - September 2017 to May 2020

DISCUSSION ITEMS

University of Maine and University of Maine at Machias Primary Partnership Update. President of the University of Maine (UM) and the University of Maine at Machias (UMM) Susan Hunter provided a detailed update on the partnership between UM and UMM. President Hunter reviewed the headcount for UMM and student credit hours, gave an update on faculty related projects, and reviewed the status of enrollment management and student affairs.

Strategic Resource Allocation Plan Update. Vice Chancellor Robert Neely, Vice Chancellor Ryan Low, and Chief Student Affairs Officer Ms. Rosa Redonnett provided an update on the Strategic Resource Allocation Plan.

Small Campus Enrollment Management. Ms. Redonnett explained that the University of Maine at Presque Isle and the University of Maine at Fort Kent are proceeding with a search for a shared enrollment management position which is slated to begin in the spring. The University of Maine at Farmington and the University of Maine at Machias have plans to add an additional admissions counselor with out-of-State focus. The University of Maine at Augusta has recently hired a new Vice President for Enrollment Management.

Early Alert System. Ms. Redonnett explained that the University of Maine, the University of Maine at Augusta, and the University of Maine at Presque Isle will be piloting the new predictive analytics early warning tool.

Institutional Research & Personnel. Vice Chancellor Neely explained that within the SRAP plan was funding for four positions, three senior institutional research analysts and an Associate Vice Chancellor for Academic Affairs. At present two analyst have been hired and the search is still in progress for the third. Vice Chancellor Neely introduced Dr. Robert Placido who was recently appointed as Associate Vice Chancellor for Academic Affairs.

Vice Chancellor Ryan Low explained that the group is still working with Trustees to finalize the metrics for key performance indicators and once finalized dashboards will be created to track these metrics.

Peer to Peer Financial Literacy. President Foster announced that the University of Maine System has been awarded a 5 year \$901 thousand grant to extend a peer to peer financial literacy program to students throughout the System. This program will be led by the University of Maine at Farmington but available System wide.

CONSENT AGENDA

On a motion by Trustee Fournier, which was seconded by Trustee Donnelly, the items on the Consent Agenda were unanimously approved by the Board of Trustees as follows:

The Board of Trustees reviewed the following agenda items as forwarded by the Finance, Facilities, and Technology Committee to the Consent Agenda from its meeting on September 1, 2017:

Schematic Design Engineering Education and Design Center, UM. The Board of Trustees approved the recommendation of the Finance, Facilities and Technology Committee to expend up to \$1 million to begin the Schematic Design of the Engineering Education and Design Center at the University of Maine with funding to be identified by the University Treasurer.

Property Removal, Northern Road Duplexes, UMPI. The Board of Trustees approved the recommendation of the Finance, Facilities and Technology Committee authorizing the University of Maine System acting through the University of Maine at Presque Isle to dispose of three housing units located at 17, 19, 21, 23, 25 and 27 Northern Road, Presque Isle, Maine, subject to review and approval by General Counsel and the University Treasurer of the final terms and conditions.

Furthermore, per the USDOE's request, that the Board of Trustees authorized Chip Gavin, Chief Facilities and General Services Officer, to be the sole individual empowered to carry out the intent of this resolution, including the authority to make payments as necessary to secure the abrogation.

Master Lease Financing Services. The Board of Trustees approved the recommendation of the Finance, Facilities and Technology Committee authorizing the University of Maine System to execute and deliver a Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp, as lessor, and separate schedules thereto for the acquisition, purchase, financing and leasing of certain equipment pursuant to the negotiated contract terms resulting from Request for Proposal #069-2017; authorizing the execution and delivery of other documents required in connection therewith; and authorizing all other actions necessary to the consummation of the transactions contemplated by this resolution.

The Board of Trustees reviewed the following agenda items as forwarded by the Academic & Student Affairs Committee to the Consent Agenda from its meeting on September 5, 2017:

Programs for Examination. The Board of Trustees endorsed the recommendation of the Academic and Student Affairs Committee that the procedure for "Programs for Consideration" as outlined on April 17, 2017 by the Chief Academic Officers Council be codified in the academic administrative procedures accompanying the Board of Trustee Policy 305.1 Program approval, Review and Elimination.

Strategic Resource Allocation Plan (SRAP). The Board of Trustees approved the recommendation of the Academic and Student Affairs Committee to amend the motion passed at the July 2017 Board meeting to include the three years necessary to operationalize the investments identified and direct the Treasurer to effect the transfer of funds, as appropriate, and incorporate into the FY2018-FY2020 Operating Budget for the University of Maine System the following expenditure of funds. These investments are related to personnel or software contracts that require the three year commitment; these investments are those contained within the SRAP final report.

- Enrollment Management for Small Campuses, \$375,000 in FY2018, \$375,000 in FY2019 and \$375,000 in FY2020
- Institutional Research & Reporting Team, \$684,164 in FY2018, \$701,268 in FY2019 and \$718,798 in FY2020
- Student Success Early Warning Tool, \$183,000 in FY2018, \$115,000 in FY2019 and \$115,000 in FY2020

DISCUSSION ITEMS

Workforce Development. Chancellor Page introduced the topic of workforce development. Trustee Erwin introduced and thanked Mr. David Daigler, Vice President and Chief Financial Officer for

Maine Community College System, and several local and State legislators for attending this session of the Board of Trustees meeting.

Mr. John Dorrer, Maine Community College Systems Chief Workforce Strategist, and Mr. Matthew Sigelman, Chief Executive Officer of Burning Glass Technologies, were invited by Chancellor Page to give presentations surrounding workforce development.

The Board of Trustees had a comprehensive discussion with the presenters surrounding workforce development.

INFORMATION ITEMS

The following items were included in the agenda for information only:

Agenda Calendar

FY2018 Committee Work Plans

Academic & Student Affairs Committee

Audit Committee

Finance, Facilities & Technology Committee

Human Resources & Labor Relations Committee

Investment Committee

Attachments & Reports

Proposed Change to Board of Trustee Policy 206 - Ethics Code and Conflict of Interest

Financial Update - Flash Reports

Managed Investments Pool

Pension Fund

Operating Fund

Master Lease Financing Services Contract

Named Chairs and Professorships Annual Report

Capital Projects Status Report

Annual Report on Real Estate and Lease Activity

Workforce Development Inventory

EXECUTIVE SESSION

On a motion by Trustee Fournier, which was seconded by Trustee Gardner and by unanimous vote of Trustees present, the Board of Trustees meeting went into Executive Session under the following provisions:

- 1 MRSA Section 405 6-A to discuss the evaluation of personnel and the consideration and discussion of appointments, employment and duties.
- 1 MRSA Section 405 6-C to discuss or consider economic development only if premature disclosure of the information would prejudice the competitive or bargaining position of the System
- 1 MRSA Section 405 6-D to discuss planning for negotiations and communications with AFUM, UMPA, ACSUM, Police, PATFA, and Service and Maintenance Units.
- 1 MRSA Section 405 6-E to have consultation with legal counsel concerning matters where premature general public knowledge would clearly place the System at a substantial disadvantage.

On a motion by Trustee Johnson, which was seconded by Trustee Coombs, the Board of Trustees concluded the Executive Session.

Action Item

University of Maine Presidential Search Criteria.

On a motion by Trustee Martin, which was seconded by Trustee Fournier, the Board of Trustees adopted the criteria for the President of the University of Maine as discussed. Chancellor James H. Page will forward the Board of Trustee's criteria to the search committee and search consultant for use in describing the position and guiding the work of selecting the President.

DATE OF NEXT MEETING

The next meeting of the Board of Trustees will be held on November 19 & 20, 2017 at the University of Maine.

Adjournment

Elissa Ivey for

Ellen N. Doughty, Interim Clerk