

University of Maine System
Board of Trustees
at the University of Maine System

December 7, 2017

**Executive Committee
Conference call**

Present: **Committee Members:** James Erwin; Chair; Samuel Collins, Norman Fournier, Mark Gardner, Michelle Hood, Gregory Johnson, Kelly Martin, Shawn Moody, and Karl Turner. **Other Trustees:** Lisa Eames. **Chancellor:** James Page. **Presidents:** Susan Hunter. **Staff:** Ellen Doughty, and Robert Neely, and James Thelen.

Absent: None.

Trustee Erwin called the Executive Committee to order and thanked everyone for participating.

Establishment of the Graduate School of Business as a new school within the University of Maine Business School. Chancellor James Page and University of Maine President Susan Hunter reviewed the proposed reorganization of the Maine Business School. The University of Maine proposes reorganizing the Maine Business School to be comprised of two schools: the Graduate School of Business and the Undergraduate School of Business. Both academic units will be housed within the Maine Business School. The Graduate School of Business will house UMaine's MBA program; the USM MBA program will be phased out and be included within the UMaine MBA degree program. The Graduate School of Business will be led by a new dean who will be located in Portland, report to the UMaine provost, and work closely with the undergraduate business deans.

The Graduate School of Business will be part of the Maine Center for Graduate and Professional Studies consortium, along with the University of Maine Law School degree programs and USM's Masters of Public Health and Masters of Public Policy & Management programs.

The creation of the Graduate School of Business will result in significant growth of the Business faculty in at least two ways. First, qualified Business faculty from USM will have appointments on the Graduate School of Business faculty. Second, with the assistance of a private foundation, three faculty members (one of whom will serve as dean) will be added to the Graduate School of Business faculty.

There are many benefits to expanding the UMaine Business faculty in this way, including: curricular innovation, delivery innovation, research collaboration, program development, greater business engagement, and expanded student experience. Opportunities for student internships and faculty-industry collaborations especially will increase by expanding the footprint of Maine's MBA program into Portland.

On a motion by Trustee Fournier, which was seconded by Trustee Johnson, the Executive Committee on behalf of the Board of Trustees, in accord with existing UMS and University policies and contractual requirements, authorized the establishment of the Graduate School of Business as a new school within the Maine Business School at the University of Maine.

Ratification of Corporate Actions and Authorization for Maine Center Ventures Board to Act. Chancellor Page and General Counsel James Thelen reviewed the request for ratification of corporate actions and authorization for Maine Center Ventures (MCV). At its October 23, 2016 meeting, the

UMS Board of Trustees authorized by resolution an initial two-stage process to begin developing the Maine Center for Graduate Professional Studies (“Maine Center”). At the March 8, 2017 meeting of the Board’s Executive Committee, the Board authorized then Chair Collins to execute Articles of Incorporation to form Maine Center Ventures, a non-profit entity to be governed by the UMS Board. The purposes of Maine Center Ventures are to:

- (1) encourage and support new academic offerings among the professional and graduate programs in the Maine Center;
- (2) act as a liaison to develop new experiential education opportunities for students and to expand executive education and other entrepreneurial programs for Maine business;
- (3) act as a liaison between the academy and the business and professional communities to advance Maine Center objectives;
- (4) act as a liaison to increase the focus of academic and non-academic programs and services on economic development opportunities of importance to Maine; and
- (5) be organized exclusively for charitable, religious, educational, or scientific purposes under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

On March 21, 2017, UMS staff filed Articles of Incorporation for Maine Center Ventures and, on March 31, 2017, submitted to the IRS a Form 1023, seeking federal 501(c)(3) status for MCV’s activities as a supporting organization of the University of Maine System. On September 7, 2017, the IRS granted 501(c)(3) status for MCV retroactive to its March 21, 2017 incorporation.

At its November 19-20, 2017 meeting in Orono, the Board received an update from interim MCV CEO George Campbell regarding MCV’s initial activities regarding executive education, business incubation, and fundraising and outreach.

Although it will act under and with the authority of the UMS Board, the MCV Board has not to date been fully formed or held an organizational meeting to adopt bylaws and take other corporate actions in furtherance of its legal purposes and in support of the Maine Center and UMS. The UMS Board is asked to ratify MCV actions taken to date and authorize the MCV Board to form and begin taking corporate actions in its own name.

A motion was made by Trustee Johnson and seconded by Trustee Turner to approve the resolution. The Committee had a brief discussion to clarify the purposes of MCV which resulted in a motion by Trustee Fournier, which was seconded by Trustee Johnson to amend the purposes of MCV. The proposed updates are underlined in the above minutes.

The Executive Committee acting on behalf of the Board of Trustees:

- Ratified:
 - The March 21, 2017 filing of MCV’s Articles of Incorporation; and
 - The March 31, 2017 submission of Form 1023 to the IRS to seek federal 501(c)(3) status for MCV as a public charity under Section 509(a)(3) of the IRS Code and a Type 1 supporting organization for the University of Maine System; and
- Authorized the formation of a MCV Board comprised of:
 - Three UMS Trustees to be named by the UMS Board Chair
 - UMS Chancellor
 - University of Maine President

- University of Southern Maine President
- Up to five or more external members, selected and appointed by the UMS Board Chair upon recommendation of the UMS Chancellor, representing the Maine business, legal, and government/public policy sectors; and
- Authorizes the MCV Board, so constituted, to hold an organizational meeting to adopt bylaws, make such amendments to its Articles of Incorporation as may be necessary to conform to this resolution, and take further actions in furtherance of its charitable and supporting purposes.

Executive Session

On a motion by Trustee Turner, which was seconded by Trustee Gardner, and approved by all members present, the Executive Committee agreed to go into Executive Session under the provisions of:

- 1 MRSA Section 405 6-C to discuss the condition, acquisition or disposition of real property or economic development if premature disclosure of the information would prejudice the competitive or bargaining position of the university.
- 1 MRSA Section 405 6-E to consult with General Counsel regarding legal rights and duties of the Board.

On a motion by Trustee Collins, which was seconded by Trustee Fournier, and approved by all members present, the Executive Committee concluded the Executive Session.

Adjournment

Elissa Ivey for
Ellen N. Doughty
Interim Clerk of the Board