

UNIVERSITY OF MAINE SYSTEM  
Board of Trustees Meeting

hosted by the University of Maine System, at the University of Maine  
July 15, 2019

**Board of Trustees Meeting**

**Present:** James Erwin, Chair; Kelly Martin, Vice Chair; Samuel Collins, Lisa Eames, Timothy Doak, Patrica Riley, Gregory Johnson, Karl Turner, James Donnelly, Trevor Hustus, David MacMahon, Sven Bartholomew, Michael Michaud, Mark Gardner and Betsey Timm. **Chancellor:** Dannel Malloy. **Faculty Representatives:** Heather Ball, Gary Page (on behalf of Timothy Surette), Clyde Mitchell, and Patti Miles. **Student Representative:** Hunter Chesley. **University Presidents:** Glenn Cummings, Joan Ferrini-Mundy, Ray Rice, Tex Boggs, Edward Serna, and Rebecca Wyke. **System Staff:** Robert Neely, Dan Demeritt, David Demers, Ellen Doughty, Chip Gavin, Ryan Low, Kim Jenkins, Kay Kimball, Tracy Elliott, Robert Placido, Rosa Redonnett, James Thelen, Sam Warren and Chris Lindstrom.

**Absent:** Pender Makin.

**Monday, July 15, 2019**

Trustee Erwin, Chair, welcomed everyone and called the Executive Session to order.

**EXECUTIVE SESSION**

On a motion by Trustee Michaud, which was seconded by Trustee Hustus, and approved by all members 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, UMPSA, 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 Donnelly, which was seconded by Trustee Johnson, and approved by all members present, the Board of Trustees concluded the Executive Session.

Trustee Erwin, Chair, reconvened the meeting and welcomed everyone.

**CITIZEN COMMENT**

Citizen Comment is a time regularly set aside for comments from the public. The following individuals spoke during the Citizen Comment period: None.

**CHAIR'S REPORT.** Trustee James Erwin introduced new UMS Trustees, Ms. Patricia Riley and Mr. Timothy Doak. He welcomed them both to the Board and thanked them for participating. Chair Erwin

then welcomed the new UMS Chancellor, Dannel Malloy to the Board table and asked Chancellor Malloy to give a brief self-introduction.

### One University and Accreditation

Chair Erwin expressed that in order for UMS to move forward with the strategic goals from the 2018 Strategic Declaration, UMS needs to be able to deliver significantly more collaborative, cross-campus programming. UMS's current model of separate university accreditations makes it difficult to develop and deliver such programming at the scope and scale UMS students need, where and when they need it. There have been discussions with UMS accreditors about this issue. Chair Erwin asked Chancellor Malloy to do an initial review of what would be involved in pursuing other accreditation options to enable UMS to better achieve the Trustees' strategic goals. Chancellor Malloy will report back to the Board at the September 2019 Board of Trustees meeting.

### Trustee Committee Assignments

Chair Erwin stated that with the exception of one Board Committee, committee assignments have been determined and that information will be released shortly.

## **DISCUSSION ITEMS**

### **Governor's Economic Development Plan**

Maine Department of Economic and Community Development Commissioner, Ms. Heather Johnson thanked the Trustees for time on the agenda to talk about Governor Mills' Economic Development plan. She thanked UM/UMM President Joan Ferrini-Mundy, Chief Executive Officer of the Finance Authority of Maine (FAME), Mr. Bruce Wagner, and all of the development work team for their efforts in developing the plan.

Mr. Wagner provided information on Maine's strategic planning mission to create an inclusive, data driven roadmap to bring prosperity to all Maine people in an environment where all can live, work, and learn in every region of the state. Maine's population in 2018 was around 1,338,000, making Maine the 42nd largest state in the U.S. From 2010 to 2018, Maine's population increased 0.8%, which also ranks 42nd in the U.S. The median age in 2017 was 44.7 years, which is the oldest in the U.S. and has been for a few years now. Not coincidentally, Maine also has the highest share of Baby Boomers in the population of any state in the U.S. One of the side effects of having so many Baby Boomers in Maine's population is the fact that Maine has reached natural population decline: there are more deaths in a year than births. So the only way Maine can grow its population is through migration, both international and domestic.

Mr. Wagner provided the work teams findings from the preliminary Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis. Additionally, he explained the State's strategic goals, critical success factors, and the schedule for developing and deploying the Governor's Economic Development plan.

### **The Report of the Committee to Advise on the Future Direction of the Law School**

UMS Chief of Staff & General Counsel, Mr. James Thelen provided information about an ad hoc Committee to Advise on the Future Direction of the Law School, chartered by UMS Board Chair James Erwin and then-Chancellor James Page in February 2019. Mr. Thelen explained that the Committee's charge was to consider how an innovative and properly resourced School of Law can be best positioned within the System's One University framework, including specifically the University of Maine Center for Graduate and Professional Studies, to play a lead role in how legal education serves students and State of Maine stakeholders. The Committee is comprised of twelve respected business community members and is supported by several UMS staff members. Ms. Deirdre Smith, a Professor of Law at the University of

Maine School of Law and Director of the Cumberland Legal Aid Clinic; along with Mr. Kurt Adams, President & Chief Executive Officer of Summit Utilities, co-chair the Committee. Ms. Smith provided a brief update on the progress of the Committee, summarized key recommendations orally for the Board, and stated that a full written report with the Committee's recommendations would be released publicly to the Board later in the week.

UMS Board Chair James Erwin thanked the Law School Committee for their time and efforts in developing the report for the Board. He stated that he appointed Trustee Lisa Eames, UMS Chancellor Malloy, and UMS Vice Chancellor for Finance & Administration, Mr. Ryan Low to form an oversight group to work with the Law School Committee going forward and to report back to the Board periodically, starting with the September 2019 Board of Trustees meeting.

### **CHANCELLOR'S REPORT.**

#### **Budget and Legislative Update**

UMS Director of Community and Government Relations, Ms. Samantha Warren provided a legislative update for the Board. She stated the UMS has been heavily engaged in the legislature throughout this session and UMS representatives had testified on nearly 50 different pieces of legislation. Ms. Warren stated that over 35 UMS faculty and staff members have been engaged with the legislature this session and she thanked them all for taking time from their busy schedule in order to represent the System at the legislature. UMS received a 3.35% increase to its base appropriation for its E&G budget in the first year of the biennium; however, this amount will remain flat for the second year of the biennium. UMS received a \$2 million investment for Early College and a \$3 million investment for Adult Degree Completion over the biennium. The Maine Community College System and Maine Maritime Academy also received a 3.35% increase in year one and flat funding in year two of the biennium. The Maine Economic Improvement Fund received flat funding through the biennium. Also included in the State budget was the debt service commitment to support the new Engineering and Design Center at UM. This commitment will provide \$5 million over the next 9 years, ultimately ending with a total investment of \$50 million. Additionally, the Maine State Grant Program received \$3 million over the biennium, which will help adult learners outside of the normal application cycle. Outside of the budget the most significant win for the UMS was the debt ceiling being raised from \$220 million to \$350 million. UMS' debt ceiling has not increased since 2005. Another significant advancement for UMS was the creation of a task force to study ways of producing more sustainable infrastructure funding for Maine post-secondary education institutions. UMS has been charged to report back to the next legislative session on three topics: findings of the sustainable infrastructure task force, the State's foster-care tuition waiver program initiative, and the adjunct professor equalized pay initiative.

#### **UMFK Presidential Search**

Chancellor Malloy stated that the UMFK Presidential Search will be formally discussed at the September 2019 Board of Trustees meeting. He explained that UMS Special Assistant for Executive Employment, Ms. Tamara Mitchell will be the Staff to the Committee for the search. By the September 2019 Board meeting the Chancellor hopes to have Trustee Committee members selected, the search firm selection process started, and a definite decision on whether the job posting will be for a Presidential position or a President/Provost position.

#### **UM Offshore Wind Project Update**

UM/UMM President Joan Ferrini-Mundy and UMS Chief of Staff & General Counsel, Mr. James Thelen provided a brief update on the UM Offshore Wind Project. Since 2008 UM Professor of Civil Engineering, Dr. Habib Dagher and his colleagues at the UM Advance Structures and Composite Center have been acclaimed for their work in Offshore Wind Technologies. The UM Offshore Wind project is in

its third phase, which will provide a full scale model of the floating offshore wind turbine and prove out the technology of the turbine. This phase of the project is called Maine Aqua Ventus and has been supported by almost \$40 million in grants from the U.S. Department of Energy. Governor Mills signed a bill in June 2019 which requires Maine's Public Utilities Commission to approve the Power Purchase Agreement (PPA) for the UM Maine Aqua Ventus project. Once the PPA has been approved, it will provide the necessary funding to move to the operational phase of the project where the turbine will be constructed by a commercial developer yet to be identified, which will also invest in the development of the project. This will be the first floating offshore wind turbine in the U.S.

#### Chancellor Remarks

Chancellor Malloy explained that he is pleased to announce that he has visited all of the UMS campuses with the exception of UMM, which he will be visiting on July 29, 2019. He thanked all of the campuses for their hospitality and stated that he enjoyed his time getting to know everyone and discovering the uniqueness of each campus.

#### **VICE CHANCELLOR FOR FINANCE, ADMINISTRATION, AND TREASURER'S REPORT.**

Vice Chancellor for Finance and Administration & Treasurer Mr. Ryan Low provided the following financial update. The Managed Investment Pool has a current market value of \$332 million. It saw a loss of 3.3% for the month of May, bringing the fiscal year to date loss to 1.1%. The Pension Plan has a current market value of \$26 million. It lost 1.3% for the month of May, bringing the fiscal year to date return total to 1.8%. The Operating Fund has a current market value of \$287 million. It lost 0.3% for the month of May. Preliminary results for June show a gain of 1.5%, yielding a return of 4.1% for FY2019. In dollar terms, that is an estimated \$10.6 million in net investment income or \$6.2 million in excess of budget.

#### FY2020 Budget Process Change

Vice Chancellor Low, his team, and UMS campus Chief Business Officers (CBOs) & Presidents have developed a new process in order more accurately reflect budget variance once the budget has been approved. Going forward the CBOs will be able to provide Vice Chancellor Low with more accurate numbers once they have received their initial enrollment figures for the Fall. This will provide Vice Chancellor Low's team an opportunity to fine-tune the budget to more closely reflect actual numbers. The CBOs will have until the end of July to provide any changes. Once the budget has been adjusted it will move forward to the Finance, Facilities, & Technology (FFT) Committee meeting in August. If approved at the FFT Committee level, it will move forward to the September Board of Trustees meeting for full Board approval.

#### FY2021 Budget Process Update

Vice Chancellor Low reminded the Trustees that building the UMS budget is approximately a 10 month process that starts in July each year. Vice Chancellor Low's team has already begun the compensation assumptions phase of development for the FY2021 budget. This starts the 10-month cycle that will end with Board approval of the FY2021 budget at the May 17-18, 2020 Board of Trustees meeting.

**VICE CHANCELLOR FOR ACADEMIC AFFAIRS' UPDATE.** Vice Chancellor for Academic Affairs (VCAA) Dr. Robert Neely provided an update on several Academic Affairs items.

#### Programs for Examination

With the first year of the new Programs for Examination (PFE) process concluding and as a continuation of UMS Provost presentations from the May, 2019 UMS Board of Trustees meeting, UM Senior Associate Provost for Academic Affairs, Dr. Jeffrey St. John; USM Provost & Vice President for

Academic Affairs, Dr. Jeannine Uzzi; UMM Vice President & Head of Campus, Mr. Andy Egan; and UMPI President & Provost, Dr. Ray Rice; presented information summarizing their experience with the PFE process. The information provided included communication strategies, action steps, and specific program recommendations from each of their campuses.

#### Academic Partnerships (AP) Update

UMS Associate Vice Chancellor for Academic Affairs, Dr. Robert Placido stated that Academic and Administrative leaders from UMFK, UMPI, and USM report they are on track to launch their new AP programs in less than two months and that marketing for the program has already started. In addition to all the course scheduling and development that has been completed, the Universities have hosted many days of faculty workshops to improve course design and online teaching pedagogy. In accordance with AP's suggestion, the UMS has purchased a System-wide license agreement with Quality Matters, which is a company that helps educators design and develop quality online learning courses. The first seven courses will launch this fall followed by another eight courses over the next year to 18 months.

#### **ACTION ITEMS**

##### **Acceptance of Minutes**

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

May 3, 2019 – Finance, Facilities, Technology Committee Meeting

May 15, 2019 – Academic & Student Affairs Committee Meeting

May 15, 2019 – Finance, Facilities, Technology Committee Meeting

May 19-20, 2019 – Board of Trustees Meeting

May 28, 2019 – Investment Committee Meeting

May 29, 2019 – Audit Committee Meeting

May 30, 2019 – Special Board of Trustees Meeting

June 26, 2019 – Finance, Facilities, Technology Committee Meeting

##### **Approval of Proposed Revisions to Board of Trustees Policy 305.1 Program Approval, Review & Elimination Procedures**

Vice Chancellor Neely provided information on his recommendation of revisions to Board of Trustees (BOT) Policy, Section 305.1 and its associated administrative procedures to meet the deliverable in the BOT's Declaration of Strategic Priorities "to work with senior academic leadership to propose appropriate approval process(es), procedures, and structure that foster rapid, responsible program development, deployment, and evaluation." The administrative procedures to Section 305.1 took effect in 1987 and were last revised in 2010; additionally, the accompanying program proposal form has not been updated since 2001.

On a motion by Trustee Donnelly, which was seconded by Trustee Turner, the Board of Trustees approved the recommended revisions to Board Policy 305.1 and its administrative procedures for Program Approval, Review and Elimination as outlined by the Vice Chancellor for Academic Affairs at the July 15, 2019 meeting of the UMS Board of Trustees.

##### **Approval of Collective Bargaining Agreement ASCUM**

On a motion by Trustee Collins, which was seconded by Trustee Gardner, the Board of Trustees authorized the Chancellor to execute the collective bargaining agreement with the Associated C.O.L.T. Staff of the Universities of Maine (MEA/NEA) (ACSUM) upon notice that the agreement has been ratified.

**Approval of Collective Bargaining Agreement UMPSA**

On a motion by Trustee Collins, which was seconded by Trustee Gardner, the Board of Trustees authorized the Chancellor to execute the collective bargaining agreement with the Universities of Maine Professional Staff Association (MEA/NEA) (UMPSA), upon notice that the agreement has been ratified.

**Approval of Collective Bargaining Agreement Fraternal Order of Police, Lodge #100**

On a motion by Trustee Collins, which was seconded by Trustee Gardner, the Board of Trustees authorized the Chancellor to execute the collective bargaining agreement with the Fraternal Order of Police, Lodge #100 upon notice that the agreement has been ratified by the union.

**Approval of FY2020 - FY2021 Compensation & Benefits Changes for Non- Represented Salary and Hourly Employees**

On a motion by Trustee Collins, which was seconded by Trustee Gardner, the Board of Trustees approved the Non-represented compensation and benefit changes for FY2020 and FY2021 as presented.

**CONSENT AGENDA**

On a motion by Trustee Martin, which was seconded by Trustee Michaud, 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, & Technology Committee to the Consent Agenda from its meeting on June 26, 2019:

**Short-Term Housing Amendment, UMA**

The Board of Trustees approved the recommendation of the Finance, Facilities and Technology Committee and authorized the University of Maine System acting through the University of Maine at Augusta to enter a lease amendment for approximately 16,400 additional square feet of student residential space with Mastway Development, LLC or its successor organization for a duration in the range of five years and a cost of up to \$2,044,800 subject to review and approval of the final terms and conditions by the University's General Counsel and Treasurer.

**Lease Renewal Request, UMA**

The Board of Trustees approved the recommendation of the Finance, Facilities and Technology Committee and authorized the University of Maine System acting through the University of Maine at Augusta to enter into a lease for the UMA Rockland Center located in the Breakwater Marketplace in Rockport for a term of up to 9 years including discretionary renewals and cost of up to approximately \$1.865 million over the full term, subject to review and approval of the final terms and conditions by the University's General Counsel and Treasurer.

**Update on Public, Private Partnership Dining Hall Investment, USM**

The Board of Trustees approved the recommendation of the Finance, Facilities and Technology Committee and authorized the University of Maine System acting through the University of Southern Maine to increase the total project authorization for the PPP Dining Hall Investment project at Brooks Hall by \$456,000, bringing the project to a new total budget of \$2.456 million, from funds to be determined by the University of Southern Maine Chief Business Officer and the University of Maine System Treasurer.

**Machine Tool Lab Budget Increase, UM**

The Board of Trustees approved the recommendation of the Finance, Facilities and Technology Committee and authorized the University of Maine System acting through the University of Maine

to expend up to \$2.855 million from funds already authorized for the EEDC project to construct a new facility to house the relocated Machine Tool Lab program.

Additional information about the meeting can be found on the Board of Trustees website:  
<http://staticweb.maine.edu/wp-content/uploads/2019/07/MtgMat-BOT-July-2019-website-rev071219.pdf?0fa197>

**DATE OF NEXT MEETING**

The next meeting of the Board of Trustees will be held on September 15-16, 2019, hosted by the University of Maine at Fort Kent.

Adjournment

Heather A. Massey for  
Ellen N. Doughty, Clerk