

**UNIVERSITY OF MASSACHUSETTS
AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER•UMASSONLINE**

**MINUTES OF THE MEETING OF THE
COMMITTEE ON ADMINISTRATION AND FINANCE**

Wednesday, September 10, 2014; 8:00 a.m.

**Amherst Room
225 Franklin Street – 33rd Floor
Boston, Massachusetts**

Committee Members Present: Chair Woolridge; Vice Chair Collins; Trustees Buonomo, Fubini, Lee, Miller, Mullan, O'Brien; Chairman Thomas

Committee Members Absent: Trustees Campbell, Furman, Johnston, King-Shaw, Jr., Malone and Peters

University Administration: President Caret; Senior Vice President Wilda; General Counsel Heatwole; Chancellors Subbaswamy, Motley, Grossman, Meehan and Collins; Ms. Filippone, Executive Director, UMass Building Authority

Faculty Representatives: Ms. Billings, UMass Amherst; Professor Tirrell, UMass Boston

Documents Used:

- Meeting Minutes, June 11, 2014
- Establishment of Endowed Professorships, UMass Lowell (Doc. T14-068)
- Updates to University Policies (Doc. T92-031, Appendix A, as amended)
- Fiscal Year 2016 State Budget Request Authorization (Doc. T14-069)
- Amendment to Capital Projects (Doc. T13-077, as amended)

Chair Woolridge convened the meeting at 8:17 a.m. and stated that due to a full Board agenda and the need to keep the meeting moving forward in a constructive manner, any members of the Committee or others who wish to speak must do so through the Chair, and all speakers will be limited to three minutes. He noted that Board of Trustees meeting guidelines restrict comments to specific agenda items and not straying into other areas that are not part of the agenda.

Chair Woolridge stated that the Committee had been provided with draft minutes of the June 11, 2014 meeting and asked for any corrections. With no corrections, the minutes were approved.

Reports:

Chair's Report:

Chair Woolridge provided an update on the latest tax revenue collections reported by the State's Department of Revenue. He also described work being done to develop financial metric

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dashboards, and added that he is working with Senior Vice President Wilda to determine the data mix. Chair Woolridge then reviewed the day's agenda.

President's Report:

President Caret began his remarks by describing the achievement of the 50/50 funding plan for the second year in a row, enabling the University to freeze fees and increase its base funding by \$100 million over two years. He noted that the request for tuition retention was not granted. President Caret added that collective bargaining remained a challenge and described the current state, including the expiration of all contracts, ongoing negotiations and the need for supplemental funding.

President Caret reported on state funding for the Springfield Center, the ATMC (Advanced Technology and Manufacturing Center), and three bond bills with \$192 million in earmarks for the University. He also commented on recent federal legislation enabling veterans and their families to attend any university at in-state rates. President Caret then commented on private fundraising, which increased 12 percent over the past year and had 21,000 new donors. The endowment grew to \$757 million and returned \$18 million to the campuses. President Caret noted the system-wide capital campaign.

Action Items:

Chair Woolridge requested the approval of the **Establishment of Endowed Professorships, UMass Lowell**. He indicated that the Committee had a chance to review the background materials that were provided and asked for questions or discussion. It was moved and seconded.

To recommend that the Board take the following action:

In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws to establish the Robert & Gail Ward Endowed Professorship in Chemical Engineering at the University of Massachusetts Lowell.

And Further,

In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws to establish the David & Frances Pernick Endowed Nanotechnology Professorship in Plastics Engineering at the University of Massachusetts Lowell.

And Further,

In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws to establish the Howard Foley Endowed Professorship in the College of Engineering at the University of Massachusetts Lowell.

The Chair asked for a vote and the motion passed unanimously.

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Chair Woolridge requested the approval of the **Updates to University Policies**. He indicated that the Committee had a chance to review the background materials that were provided and asked for questions or discussion.

Senior Vice President Wilda reviewed the changes in the policy, highlighting new threshold standards for contracts.

There was discussion regarding the changes including questions about changes in delegation. There was also discussion about the threshold limits and efficiencies as well as the implementation of Buyways.

It was moved and seconded.

To recommend that the Board take the following action:

To approve the revisions to the Procurement Policy, Doc. T92-031, Appendix A, as amended

The Chair asked for a vote and the motion passed unanimously.

Chair Woolridge requested the approval of the **Fiscal Year 2016 State Budget Request Authorization**. He indicated that the Committee had a chance to review the background materials that were provided and asked for questions or discussion. It was moved and seconded.

To recommend that the Board take the following action:

To authorize the President to prepare and submit the University's Fiscal Year 2016 State Budget request and to submit the State funding formula pursuant to Section 7 of Chapter 75 and Section 15B of Chapter 15A of the General Laws.

The Chair asked for a vote and the motion passed unanimously.

Chair Woolridge requested the approval of the **Amendments to Capital Projects**. He indicated that the Committee had a chance to review the background materials that were provided and asked for questions or discussion.

Budget Director Pasquini reviewed the project requiring approval for the preliminary campus estimate as well as the one project requiring full project approval. Director Pasquini described the Tsongas Center expansion as well as the acquisition of the ATMC. There was a discussion about the unique nature of the ATMC acquisition and the accompanying state funding, and the timeline and history of the purchase. Chancellor Grossman commented on its alignment in the campus' strategic plan.

Director Pasquini then provided updates on the new approval process and reviewed the projects by project phase. There was discussion about funding for projects and unfunded projects included in the plan. Trustee Mullan urged the Board to work towards restraining the capital

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plan. Senior Vice President Wilda noted that the December Committee of the Whole meeting would focus on a system-wide assessment of deferred maintenance needs.

It was moved and seconded.

To recommend that the Board take the following action:

Pursuant to Trustee Policy T93-122, to approve the following projects be added to the approved project list under the first vote or “Preliminary Campus Estimate”:

<u>Campus:</u>	<u>Project Name:</u>	<u>Preliminary Campus Estimate – September 2014</u>
Lowell	Tsongas Center Expansion	\$ 35,000,000

And further,

Pursuant to Trustee Policy T93-122, as amended to approve the following projects under the second vote or “Full Project Approval”:

<u>Campus:</u>	<u>Project Name:</u>	<u>Full Project Approval – September 2014</u>
Dartmouth	ATMC Acquisition	\$ 11,400,000

Chair Woolridge then asked for a motion to put the above matters on a Consent Agenda for the Board meeting and explained that the Board can approve all these items by a single vote, and that no discussion will be permitted.

It was moved and seconded to place the above matters on a Consent Agenda. The Chair asked for a vote and the motion passed unanimously.

Discussion Items:

Interim Executive Director Filippone provided the **Building Authority Update**, which included an update to the Board on recent initiatives and the status of projects.

Chair Woolridge noted that the **Report on the University’s Sustainability Efforts** was posted on BoardVantage.

There was then a discussion on sharing the draft metrics for the dashboard. Trustee Fubini also suggested viewing the data compared to peers and across campuses.

Trustee Mullan commended the progress on the capital process but noted his concern about the shortfall.

Chair Woolridge then asked the Committee to vote to enter into **Executive Session** to discuss strategy as permitted under Chapter 30A, section 21(a) (3), since it has been determined that a

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discussion in open session would have a detrimental effect on the University's negotiating position. He then stated that the Committee will not reconvene in open session.

It was moved and seconded and the Secretary called the roll with each Trustee asked to vote yes or no to enter into Executive Session for those purposes listed. Chair Woolridge voted for the motion as did Vice Chair Collins; Trustees Buonomo, Fubini, Lee, Mullan; and Chairman Thomas

The time was 9:38 a.m.

Kate Wilkinson
Staff Assistant