

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES**

Thursday, December 11, 2008; 8:30 a.m.

University of Massachusetts

Faculty Conference Room

55 Lake Avenue North

Worcester, Massachusetts

Trustees Present: Chairman Manning; Trustees Boyle, Braceras, Carlin, Collins, DiBiaggio, Endich, Gerson, Johnston, Koffman, Kulenovic, Lawton, MacAfee, McCluskey, Rego, Reville, Pearl and Thomas

Trustees Absent: Vice Chairs Karam and King-Shaw; Trustees Osterhaus-Houle and Tocco

University Administration: President Wilson; General Counsel Bench; Chancellors Holub, Motley, MacCormack, Meehan and Collins; Executive Vice President Julian; Senior Vice President Williams; Vice Presidents Connolly, Gray, Lenhardt and Smith

Faculty Representatives: Ms. Gibbs, UMass Dartmouth

Chairman Manning convened the meeting at 8:37 a.m. and asked for the **Approval of the Minutes of the Previous Meeting of the Board.**

It was moved, seconded and

VOTED: To approve the minutes of the September 26, 2008 meeting of the Board.

The next item on the agenda was the **Chair's Report.** Chairman Manning thanked Chancellor Collins and his staff for welcoming everyone to the Worcester campus.

Chairman Manning then asked for the **Student Trustee Report.** Trustee Gerson welcomed everyone to the University of Massachusetts Medical School, home to the School of Medicine, the Graduate School of Biomedical Sciences, and the School of Nursing. Trustee Gerson then remembered a fellow student who tragically lost her life following a car accident on Tuesday night. Jennifer Songer was a 4th year PhD student in the Graduate School of Biomedical Sciences pursuing thesis research in the laboratory of Dr. Mary Munson. Her husband, Travis, a passenger in the vehicle, remains in critical condition here at UMass Memorial Hospital.

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In the words of Dr. Tony Carruthers, Dean of the Graduate School of Biomedical Sciences, "Jen lived life fully and with enthusiasm. She touched our lives in countless ways and has enriched our school immeasurably. Our thoughts and prayers are with her husband Travis, with her family, and with all of her friends. The faculty, students and staff of the GSBS are heartbroken by her passing."

Trustee Gerson reported that despite the economic conditions facing our Commonwealth and our nation, our educational programs continue to thrive. The Commonwealth needs more doctors and nurses to provide care to people, and more scientists to fuel the engine of discovery with which we will eventually ride out this economic downturn.

Our campus is meeting these needs with increased enrollment in all three schools and new programs including the Masters in Clinical Investigation and the Doctorate in Nursing Practice, as we meet the challenge of creating the future leaders of our Commonwealth's healthcare and scientific workforce.

With this growth comes integration. The strategic plan developed over the past year ensures synergies and shared priorities between the clinical system and the Medical School. As visions of the curriculum across all three schools continue to evolve, there will undoubtedly be more opportunities for cooperation and shared mission between the GSBS, the GSN, and the Medical School.

Student communication between the schools has also improved, with the establishment of governance and advisory groups that include representation from all three schools, as well as the participation of all three schools in the election of the Student Trustee.

Our students are truly committed to their campus and the educational experience provided here; this commitment should be a source of pride to the people of our Commonwealth. One recent example of this commitment is the participation of over 40 students from the Medical School in the development and implementation of Learning Communities, an innovative approach that integrates students from across all four years into peer groups for teaching, mentoring, networking, and professional development.

Former Student Trustee Bharath Nath was one of the chief architects of this initiative. We truly see this as part of a philosophy of teamwork and mutual respect that extends to all of our students, and across all our schools.

Not only do initiatives like this positively impact our lifelong connection to our campus, but they are also exemplary of the values that we will encourage in one another as the compassionate, cooperative, team-oriented caregivers of the future.

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Even as initiatives like Learning Communities enhance our student life, our achievements in science and research continue to garner the attention of an international audience. Since arriving as an MD/PhD student in 2006, I have watched as some of our truly outstanding scientists have achieved the most prestigious scientific awards:

Dr. Mello's Nobel Prize in Medicine in 2006, the 2008 Lasker Award to Victor Ambros, and the naming of Philip Zamore as our fifth Howard Hughes Medical Investigator, joining Melissa Moore, Roger Davis, Michael Green, and Craig Mello.

At the same time that the University is prospering, students note with sadness the retirement of a beloved educator Dr. Aldo Rossini, Professor of Medicine and Director of the Division of Diabetes. His contributions to medical education and mentorship of students are legendary, and his example of dedication to students, patients, and science is second to none, on this campus or anywhere. He will be missed.

As a Board, we should note the continued involvement and success of our students and graduates, and we should take pride in this, the strongest testament to the wonderful culture of the University of Massachusetts.

There was then a round of applause.

The next item was the **Resolution for Trustee William T. O'Shea**. Chairman Manning thanked outgoing Trustee Bill O'Shea for his dedication to the University and stated that he will continue to serve as part of the UMass family.

It was moved, seconded, and

VOTED: WHEREAS, William T. O'Shea served on the Board of Trustees from 2003 to 2008 as an established alumnus with a Bachelor's Degree from Lowell Technological Institute now UMass Lowell, bringing to the Board a special perspective; and

WHEREAS, Bill served with enthusiasm as Chair of the Committee on Administration and Finance, involving himself actively in every aspect of the Committee's broad range of concerns, bringing a unique combination of executive and financial experience; and

WHEREAS, Bill served as a member of the Task Force on Science and Technology, the precursor to the Committee on Science, Technology and Research, on which he also served, and as a member of the Audit Committee. He previously served as Chair of the Development Committee and as a member of

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the Trustee Governance Committee. He also served as Vice Chair of the Committee on Administration and Finance; and

WHEREAS, Bill's leadership as Chair of the UMass Lowell Search Committee resulted in the appointment of Chancellor Martin Meehan; and

WHEREAS, Bill never said no to any request to aid this Board and University and helped us to a clearer view of this institution's responsibilities; and

WHEREAS, Bill commuted from his home in New Jersey to attend Committee and Board meetings; therefore

BE IT RESOLVED, that the Board of Trustees of the University of Massachusetts, in a meeting assembled this eleventh day of December, two thousand and eight does hereby express its sincere and abiding appreciation for the contributions Bill O'Shea has made to the betterment of this institution; and

BE IT FURTHER RESOLVED, that Bill will continue to provide the University his counsel and friendship for many years to come.

Chairman Manning then called on Trustee Reville, Secretary of Education, who first commended President Wilson for working collaboratively to meet the fiscal challenges that lie ahead.

Trustee Reville reported that the Board of Higher Education has recommended Dr. Richard Freeland as Commissioner of Higher Education and Charles Desmond has been appointed Chair of the Board of Higher Education replacing Fred Clark.

The Governor recently visited Washington D.C. to discuss the stimulus package that is expected to be signed by President-elect Obama and the impact the package will have on education related issues. Special Advisor for Education, Dr. Dana Mohler-Faria, continues his work studying the many issues facing the Commonwealth today with regards to public higher education.

Trustee Reville announced that later today he will be visiting the Amherst campus followed by a visit to the Lowell campus on Monday.

Following the Secretary's Report, Chairman Manning offered remarks on the financial issues the University will be facing and the need to prepare for revenue resources continuing to decline. The demand for the "UMass" product will continue to go up; we must continue to protect the interests of low income students and invest in our infrastructure. We face difficult decisions that we will face as a team.

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The next item was the **President's Report**. President Wilson first thanked the Chairman for his optimism, Chancellor Collins for hosting today's meeting and Bill O'Shea for his work as a Trustee. He then thanked Steven O'Riordan, Budget Director for the University; Steve is leaving the President's Office to work in the office of Administration and Finance on the Lowell campus. Steve had been an integral part of the President's Office working with numbers, power point presentations and institutional research.

President Wilson commended Secretary Reville; there was a meeting this past week with the Governor discussing the stimulus bill; we hope to take some of the maintenance items and turn them into infrastructure items as we will be facing a \$100 million hole as of July 1st. Mr. O'Riordan could not be here today because he is working on these pressing issues.

President Wilson then provided an **Overview of Fiscal Year 2008**. Some of the highlights included:

- A talented team of Chancellors are in place to lead each campus;
- Support from the State includes \$1 billion in capital support and \$1 billion to support life sciences research;
- We must solve the collective bargaining issues;
- We are facing a budget challenge of over 17% for next year; 23% with impact on fringe benefits;
- There is a potential loss of investment income and a budget challenge of over \$100 million;
- The UMass total budget is over \$2.46 billion;
- The FY2009 State Appropriation is \$495 million;
- We expect further 9C budget authorizations to the Governor, resulting in additional reductions in state support.

The overall strategy for addressing these issues includes:

- Preserving the student experience, maintaining quality and momentum of the institution, providing increased funding for financial aid, hiring faculty and building the buildings we need;
- No mid-year fee increase, managing investments and cash flow, adjusting expenditures to meet reduced revenues; borrowing \$200 million for the capital program, reducing expenses in the President's Office, eliminating programs;
- The Building Authority refinancing debt and monitoring markets for additional opportunities;
- Closing most of the Boston office by moving to the facility in Shrewsbury; reduction in force, furloughs for senior leadership leading to a savings target of over \$2,100,000.

President Wilson also presented some peer information in regard to tuition, mandatory fees, room and board.

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President Wilson then called on each of the Chancellors for their input on the budget situation. Chancellor Holub reported that the Amherst campus is contemplating \$11 million in cuts by reducing library acquisitions, postponing 50 new faculty hires, reducing merit aid; developing a long range faculty deployment strategy, an energy usage task force, and an expanding budget planning task force.

Chancellor Motley reported that there will be a \$2,750,000 shift of personnel expenses to trust funds, \$500,000 in budget adjustments, \$300,000 savings by delaying the hiring for vacant positions, \$100,000 savings from the delay of several new program initiatives, staff salaries shifted from state funding to trust funds, a reduction in temporary, non-benefited employees and reducing the use of overtime as well as reduction in energy production.

Chancellor MacCormack reported the Dartmouth campus will leave vacant dozens of unfilled positions, reduce operating budgets and increase the spring enrollment by 100 in response to a \$5.5 million cut in state funding. The campus will reduce the utility budget and close the campus from December 20 to January 4, and eliminate budgeted pay increases.

Chancellor Meehan reported that the Lowell campus will eliminate 52 full time and 20 part time positions, reduce overtime, reduce K-12 partnerships, cancel the Sunrise Public Affairs morning radio program, make cuts in postage, cell phones and travel, reduce the Chancellor's administrative areas and partially close the campus during the holiday season.

Chancellor Collins reported that the Medical School will trim its budget by \$1.8 million by withholding the hiring of new positions, increase use of development funds for capital operations, govern campus energy conservation, reduce normal maintenance costs, maintenance contracts, renegotiate vendor contracts and consolidate critical management functions within Commonwealth Medicine.

Chairman Manning then asked the Board for questions and comments. Trustee Johnston stated his belief that during each budget crisis, the poor and the students are the first ones to be cut and we should take the position that cuts to local aid should be on the table. Secretary Reville indicated that the Governor is committed to the interests of education. Trustee Johnston suggested offering a motion on the subject; it was decided that letters to the various parties involved would suffice.

Trustee Collins stressed the need to use caution when reducing local aid as all communities are affected differently when these cuts are made. Trustee Carlin noted that as enrollment increases we must find solutions to keep up and consider shorter summers for the faculty, become more efficient and ask alums and Trustees to donate their time.

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While Chancellor Holub indicated that everything is on the table, Trustee DiBiaggio stated that the University is underfunded as it is and that part time teachers would not address the needs of a great University. We must continue to focus on access and excellence. Chancellor Meehan indicated that there are classes held on Friday afternoons and classes during the summer are enrolled to capacity as are classes online.

The next item was the **Report of the Committee on Administration and Finance**. Trustee Rego reported that the Administration and Finance Committee met on November 19th. The Committee heard reports from Chair Karam, President Wilson and Vice President Lenhardt. All their comments and those from the Chancellors focused on the challenges the University and campuses are confronting now and in the next few years related to revenue losses. Vice President Lenhardt also reviewed the University's investment profile.

David MacKenzie, Executive Director of the Building Authority updated the Committee on on-going building activity and the impact of the current markets on UMBA bonds.

The Committee then discussed and reviewed with management the results of the Audited Financial Statement for FY2008. There was a full update on how the results compared to last year's targets. The Committee was also provided with five years of results for the key indicators of financial health by Vice President Lenhardt and University Controller Wilda.

Action items included: approval to refinance some UMass Building Authority variable bonds; a new policy on "red flag" issues related to identity theft; approval to submit the FY2010 State budget request and the acceptance of a new endowed Chair at the Medical School.

The first item for action was **Refunding of University of Massachusetts Building Authority Variable Rate Bonds**.

It was moved, seconded and

VOTED: That the issuance by the University of Massachusetts Building Authority (the "Authority") of bonds (in one or more series) for the purpose of refunding all or a portion of the Authority's bonds bearing interest at variable rates, including the Authority's Project Revenue Bonds, Senior Series 2008-1, Facilities Revenue Bonds, Senior Series 2008-A, Refunding Revenue Bonds, Senior Series 2008-3 and Refunding Revenue Bonds, Senior Series 2008-4, is hereby approved, and the President of the University of Massachusetts (the "University"), and the Vice President for Management and Fiscal Affairs, Treasurer and Deputy Chief Operating Officer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized in the name and on behalf of the Trustees of the University (the "Trustees") to approve in writing the issuance by the Authority of bonds (in one or more series) for such purpose.

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And further,

That the President of the University, and the Vice President for Management and Fiscal Affairs, Treasurer and Deputy Chief Operating Officer of the University, each acting alone, and each other officer of the University, acting alone, are hereby authorized to do all other things and to take all other such action as the officer or officers so doing or acting shall, as conclusively evidenced by the doing of the things or the taking of the action hereby authorized, deem necessary or desirable to carry into effect the matters hereby authorized, including without limitation the execution, sealing and delivery on behalf of The Commonwealth of Massachusetts (the "Commonwealth"), the Trustees or the University, of contracts including without limitation, contracts entered into by the Commonwealth, acting by and through the Trustees, with the Authority (to which the Trustees may not need be a party) for state financial assistance in the form of a guaranty by the Commonwealth of bonds (in one or more series) of the Authority or for management and services with respect to projects financed or refinanced by bonds of the Authority, all as provided in and permitted by Chapter 773 of the Acts of 1960, as amended (the "Enabling Act"), or any other applicable provision of law, each such contract to have such provisions as are approved by the signer thereof on behalf of the Commonwealth, the Trustees or the University, the execution of any such contract is authorized by this resolution and the approval by such signer of the provisions thereof.

And further,

That in addition to the authorizations granted by this resolution to the President of the University, and the Vice President for Management and Fiscal Affairs, Treasurer and Deputy Chief Operating Officer of the University and each other officer of the University, and without limiting any such authorizations, the Trustees, pursuant to Chapter 75, Section 3A of the Massachusetts General Laws and every other authority thereunto the Trustees enabling, hereby delegate to the President of the University and the Vice President for Management for Management and Fiscal Affairs, Treasurer and Deputy Chief Operating Officer of the University, each acting alone, and each other officer of the University, acting alone, the power to do all acts and things and exercise powers each officer of the University is authorized by this resolution to do or exercise, such delegations being intended to be commensurate with the authorizations granted to each such officer by this resolution, and such delegation being in the judgment of the Trustees necessary or desirable.

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And further,

That this vote shall take effect immediately upon passage. (Doc. T08-103)

The next item was the **Identity Theft Prevention Program**. It was moved, seconded, and

VOTED: To comply with the provisions of the Fair and Accurate Credit Transactions Act (FACT Act) and its “Red Flag” rules, and take the following actions:

- Approve an initial Identity Theft Prevention “Red Flags” program (“Program”), set forth below.
- To delegate to the President the authority to designate a senior University official with responsibility to oversee the development, implementation, and maintenance of the Program. (Doc. T08-109)

The next item was the **Authorization to Prepare and Submit the FY2010 State Budget Request**.

It was moved, seconded, and

VOTED: To authorize the President to prepare and submit the University’s Fiscal Year 2010 State Appropriation request consistent with the University’s funding formula pursuant to Section 7 of Chapter 75 and Section 15B of Chapter 15A of the General Laws. (Doc. T08-110)

The next item was the **Establishment of the Silverman Chair in Natural Sciences**.

It was moved, seconded, and

VOTED: In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws, to establish an endowed professorship to support Investigative Molecular Medicine Research at the University of Massachusetts Worcester to be known as the Silverman Chair in Natural Sciences. (Doc. T08-112)

The next item on the agenda was the **Report of the Committee on Academic and Student Affairs**. Trustee Thomas, Chair of the Committee reported that the Committee had met on November 14th and had one action item, one discussion item, and four items for Executive Session including tenure appointments, awards, transfer and honorary degree nominations.

The action item was the **B.A. in Asian Studies, UMass Boston**. Dr. Donna Kuizenga, Dean of the College of Liberal Arts, stated that she hopes the major will prepare students to work in a

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variety of settings and industries. The major will have two tracks, one in East Asia and one in South Asia. The East Asian track exists as a minor already. The South Asia track will be implemented in the fall of 2011. There are no new resources needed.

It was moved, seconded, and

VOTED: To approve the B.A. in Asian Studies at the University of Massachusetts Boston as contained in Doc. T08-090.

The next item for Discussion was Academic Assessment and Accountability. The discussion item focused on academic assessment and accountability using the two tools of Academic Quality Assessment and Development (AQAD) and Periodic Multi-year Review (PMYR), which serve as both assessment and accountability means. The panel consisted of Executive Deputy Chancellor and Provost Terence Flotte, Christine McCormick, Dean of Education, UMass Amherst; Roberta Wollons, Chair of the History Department, UMass Boston; Robert Peck, Dean of Engineering, UMass Dartmouth, and Jie Wang, Chair of Computer Science, UMass Lowell. The panel shared their experiences as academic administrators with AQAD and PMYR. AQAD allows for a full examination of the departmental offerings, ensuring quality and currency of curriculum and offering the opportunity for changing and refining the program offerings. PMYR provides a time for discussing future goals and expectations of a faculty member and the best allocation of the faculty member's workload. Changes in curriculum, allocation of faculty lines and re-directing of faculty workload have all resulted from these accountability measures.

The Committee also received the Fall 2008 Enrollment and Admissions Preliminary Report.

Following the Committee meeting, Committee members received by mail a request for an **Appointment to the Silverman Chair in Natural Sciences, UMass Worcester** to appoint Victor R. Ambros as the first holder of the Silverman Chair. The endowed Silverman Chair was approved by the Committee on Administration and Finance. Dr. Ambrose is the co-recipient of the 2008 Lasker Award for Basic Medical Research and a deserving inaugural holder of the Silverman Chair.

It was moved, seconded, and

VOTED: To concur with the President in the appointment of Victor Ambros to the Silverman Chair in Natural Sciences at the University of Massachusetts Worcester. (Doc. T08-113)

The remaining items were taken up in Executive Session.

Trustee Lawton gave the **Report of the Advancement Committee**. On behalf of the Committee on University Advancement, he wished everyone Happy Holidays, a Merry

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Christmas and a prosperous New Year with philanthropy continuing to grow at the University of Massachusetts.

This past year, the University witnessed the tremendous results of a University Advancement system that has employed technology that has and will continue to drive advancement activities. We have seen the implementation of the Internet with UMass On-line and how the online community has reached out to students and alumni. The On-line connection to alumni is an effective means to generate passionate interest in and support of the mission, strategy and goals of the University.

The University of Massachusetts has also undertaken an Advancement strategy that focuses on the cooperation and collaboration of the Development Offices of each campus to participate in a University-wide strategic plan. Although each campus is separately managed, the collaboration and spirit of comparing metrics, current issues and sharing best practices in higher education fundraising and development has led to a positive spirit that will resonate with our successors. Those that take our places will be able to stand on the tall shoulders of the Development professionals at the University of Massachusetts, to build upon what has been learned and to realize fundraising goals that we could not envision.

The University of Massachusetts had a fundraising goal in 2008 of \$84 million dollars and exceeded that goal by raising \$94.2 million dollars. Despite the devastating collapse in domestic and world markets and an abysmal economic environment, the campuses reported an increase in fundraising in 2009. The campuses maintain their 2009 goal of \$95.1 million dollars. However, we do not labor under the delusion that philanthropy will successfully weather this significant economic downturn on its own. Our leadership in President Wilson's office, the UMass Foundation and its Vice President Katherine Smith and her staff and each of the Vice Chancellors and their staffs has worked hard to develop and sustain the relationships that cultivate philanthropic support and have been stewarding donors from alumni, friends, corporations, foundations, planned giving, and more. The campuses have put together well managed fundraising programs that address the landscape of their individual campuses. Despite a tough economic environment to deal with, the Vice Chancellors, at the November 14th meeting expressed their commitment to step up their activity and to continue to spread the good news of their campuses as they look forward to generous support in the future.

In addition to the tangible improvements made within the system, the campuses have begun to support the student alumni initiative that was designed to improve the students' experience with the University of Massachusetts. Scheduled speakers hosted by the student Trustees and the Development Office are slated to begin in early 2009. Distinguished alumni and other accomplished individuals will speak to students, which will also serve as a mentoring program on campus. The planned speaker forums are another sure way to create a positive experience for our students and a desire to become actively involved in alumni events and with their campus after graduation.

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Trustee Lawton thanked the Board for its support of the Committee's aggressive agenda and focus to continually improve.

The next item was the **Report of the Audit Committee**. Trustee Boyle, Chair of the Committee, reported that the Committee met on November 19th. The agenda included a briefing on current audit activities and discussion and acceptance of five audit reports. Committee guests included PricewaterhouseCoopers' Paul Hanley and Zenaida Guarin.

The Committee heard a report from Mr. Harrison, Director of Internal Audit. He began by offering the Committee a re-cap of this year's activities by our general audit firm, PricewaterhouseCoopers (PwC), noting first that required updates were held with the State Comptroller with Trustees Boyle, Manning, Tocco and Collins participating. He noted the reports were planned, completed, and brought to the Committee earlier than had been the case for many years. Mr. Harrison also reported that the three-year audit contract with PwC has concluded; he will seek the Chair's comments on taking advantage of a two-year extension option, and also discussed the PwC partner rotation requirement due to Mr. Hanley serving seven years as the day-to-day engagement partner.

Mr. Harrison then briefed the Committee on three internal memorandums dealing with employee payroll overpayments and said his office will initiate a study to determine if similar situations exist at other locations. He provided the Committee with Draft documents describing plans to seek input to the Long-range Audit Plan, and will distribute a request for input to all Board members, executive management from all campuses, the President's Office, and all audit liaisons. A copy of the department's first newsletter, "AUDIT Newscast", was provided, and Mr. Harrison stated that he has received enough positive feedback and will look into distributing the newsletter again, possibly bi-annually. The Chair asked that the newsletter be distributed to all University employees, preferably by email.

Mr. Harrison spoke about current audit activity throughout the University System referencing his Quarterly Activity Summary, with a brief discussion on the departments' involvement in state, federal, and internal audits, as well as managing contracted reviews.

The Committee also heard details on the internal audit project dealing with Information Technology General Controls for various departments at UMass Amherst. Six key areas will be reviewed with the project before moving to other campuses. Mr. Harrison then highlighted the completed review at the Police Department.

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It was moved, seconded, and

VOTED: To accept the following Audit Report:

Internal Audit Report – Information Technology Controls Review – UMass Amherst Police Department (Doc. T08-101)

The Committee then heard from PricewaterhouseCoopers. Mr. Hanley and Ms. Guarin provided the Committee with an update on the status of their audit deliverables. Mr. Hanley stated that there were four reports that PwC provides during the course of the year: The report of independent auditors on the University's external financial statements, the report on compliance over federal programs, the report on compliance with state student financial aid, and the PwC letter of comments and recommendations. With regard to each of these reports, Mr. Hanley reported:

- All of the audits were issued with a 'clean' or unqualified opinion and for the Annual Financial Report, in PwC's opinion the financial statements are presented in accordance with generally accepted accounting principles.
- Mr. Hanley discussed the auditor's Required Communications, which denote the financial statements are presented in a format consistent with the prior year, that any adjustments to the statements are deemed to be immaterial as a whole, there were no significant deficiencies or material weaknesses noted in the University's system of internal control over financial reporting, no instances of fraud or irregularities noted in their audit, and that PwC was independent of the University (and its component units).

Ms. Guarin reviewed the Management Letter, noting that the items therein were not considered significant deficiencies or material weaknesses, but were intended to assist the University in improving its overall system of internal control. They also noted that the A-133 Federal audit and the OSFA State audit only presented instances of immaterial non-compliance and again were issued 'clean' opinions.

It was then moved, seconded and

VOTED: To accept the following Audit Reports:

1. The University of Massachusetts FY2008 Annual Financial Report (Doc. T08-097)
2. The Report on Federal Financial Assistance Programs in Accordance with OMB Circular A-133 (Doc. T08-098)

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3. The Massachusetts Office of Student Financial Assistance Compliance Attestation Reports for the Boston and Lowell Campuses (Doc. T08-099)
4. The Annual Letter of Comments and Recommendations with Respect to Accounting and Operating Controls and Procedures (Doc. T08-100)

Trustee Pearl then gave the **Report of the Committee on Science, Technology and Research**. The Committee had another productive meeting on November 14th. President Wilson opened the meeting by highlighting the status of three key initiatives – the life sciences, clean energy and higher education capital funding. While all new initiatives are affected by the state’s fiscal challenges, we learned that each of these is moving forward, albeit with some funding reductions and at a somewhat slower rate than originally planned.

The Committee then received a comprehensive report on the University’s Research and Development enterprise for FY 2007, which analyzed R&D expenditures, both over time and in comparison to other institutions. While this data had been shared with Trustees in previous years, this was the first time Trustees had been given a detailed presentation and had the opportunity for an in-depth discussion of the University’s overall research enterprise.

The University’s research enterprise is now approaching \$400 million annually. That ranks us 3rd in Massachusetts, 4th in New England and about 40th among universities in the US. We have been growing steadily over the past decade, at about the national average, but with a somewhat higher growth rate in the past three years.

In spite of a positive track record, it was encouraging to learn that all of the campuses are working hard to strengthen their R&D performance. A panel of campus academic leaders outlined a variety of strategies, which included efforts at recruiting excellent faculty; building new R&D facilities; developing new organizational models to promote and manage research; providing seed funds and matching grants to stimulate new research; benchmarking the University’s performance vs. other universities; and developing new research collaborations among the campuses. The presentations generated a rich discussion, and Trustees were impressed by the creative work going on across the system.

The Committee also heard three updates on topics the University has been tracking for months. Chancellor Collins briefed the Committee on Life Sciences activities, including the establishment of a Center for Clinical and Translational Science, creation of a \$1 million Life Sciences Moment Fund, and organization of a Life Sciences Talent Initiative Working Group; Vice Chancellor Kosteki reviewed new State legislation in clean energy, and plans for a major partnership event with Secretary Bowles of the Executive Office of Energy and Environmental Affairs; and Trustee Lawton gave a brief update on the work of the Nuclear Science and Technology Task Force. The Task Force is examining ways to capitalize on the nuclear capabilities of the Lowell campus to meet a variety of workforce and research needs.

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The Committee thanked President Wilson, the Chancellors, faculty and staff for the exciting progress being made on many fronts in science, technology and research.

The next item under **Other Business** was **Amendment to the By-Laws**.

It was moved, seconded, and

VOTED: To approve the following amendment to the By-Laws of the University of Massachusetts:

Article II, MEETINGS OF THE BOARD OF TRUSTEES

Section 1. Annual Meeting, Regular and Special Meetings are hereby amended as follows:

By striking the word “March” in subsection (b) *Regular Meetings* and inserting in place thereof: -- February. (T91-100, as amended)

Chairman Manning then announced the Board would enter **Executive Session** to consider **Appointments with Tenure, UMass Amherst** and **Awards of Tenure, UMass Amherst, UMass Worcester** and **Transfer of Tenure, UMass Amherst, UMass Boston** and **Honorary Degrees, UMass Amherst, UMass Boston, UMass Dartmouth, UMass Lowell, UMass Worcester**.

The Board will not reconvene in Open Session. The Secretary will call the Roll; Trustees are requested to state yes or no.

It was moved, seconded and

VOTED: To enter Executive Session to consider **Appointments with Tenure, UMass Amherst** and **Awards of Tenure, UMass Amherst, UMass Worcester** and **Transfer of Tenure, UMass Amherst, UMass Boston** and **Honorary Degrees, UMass Amherst, UMass Boston, UMass Dartmouth, UMass Lowell, UMass Worcester**.

Chairman Manning voted for the motion as did Trustees Boyle, Braceras, Collins, DiBiaggio, Endich, Johnston, Kulenovic, Lawton, MacAfee, Rego, Reville, Pearl and Thomas.

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The time was 10:47 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees