

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

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

**Wednesday, June 9, 2010; 9:00 a.m.
University of Massachusetts Lowell
Inn and Conference Center
First Floor Ballroom
50 Warren Street
Lowell, Massachusetts**

Trustees Present: Chairman Manning; Vice Chairs Karam and King-Shaw; Trustees Bloch, Boyle, DiBiaggio, Furman, Johnston, Lawton, Osterhaus-Houle, Peters, Reville, Thomas and Tocco

Trustees Absent: Trustees Braceras, Collins, MacAfee and Woolridge

University Administration: President Wilson; General Counsel Heatwole; Chancellors Holub, Motley, MacCormack, Meehan and Collins; Executive Vice President Julian; Senior Vice Presidents Gray and Williams; Vice Presidents Chmura, Connolly and Smith; Dr. Udas, CEO, UMassOnline

Faculty Representatives: Professors Adrion and May, UMass Amherst; Professor Tirrell; UMass Boston; Ms. Gibbs, UMass Dartmouth; Professor Carter, UMass Lowell

Guest: Mr. David Koffman, Former Trustee

Chairman Manning convened the meeting at 9:00 a.m. and thanked Chancellor Meehan and his staff for hosting the event held the night before and listed the many accomplishments of the Lowell campus including the Allen House, improved residential facilities, an improved sports facility and a recreational facility; more importantly is the academic quality of the institution.

Chairman Manning then 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 February 24, 2010 meeting of the Board, as amended.

Chairman Manning acknowledged Trustee Bloch from the Amherst campus. This is her last meeting and he thanked her for her service and wished her luck for the future. There was a round of applause.

Board of Trustees
June 9, 2010

Chairman Manning announced the membership for the Governance Committee: Trustee King-Shaw, Chair, Trustee Johnston, Vice Chair and Trustee Karam. The Committee will meet over the summer and report their findings at the September Board meeting.

The next item was the **Secretary's Report**. Trustee Reville, Secretary of Education reported on the funds from FMAP, which are under consideration in Congress; these funds are part of the American Recover and Reinvestment Act (ARRA) that has provided significant relief to help states restore fiscal shortfalls. If the money fails to come through we estimate a cut to the state budget of \$800 million dollars. Any assistance the Board can provide in making our Representatives aware of how critically important this is; this will have a significant impact on the University as it will across the board in education.

Secretary Reville commended the University and President Wilson for their participation in Commissioner Freeland's vision project which is an attempt to identify a set of public indicators to track progress over time focusing on strategies for improvement.

In the area of K-12, the state has filed a second application for the Race To The Top, an award for a new set of strategies moving forward. We are hopeful and will learn the outcome by the first of September. Massachusetts has the top K-12 standards in the country.

The Readiness Centers are up and running in six areas; this is an effort to provide high quality professional development within the education sector including early childhood, K-12, and higher education, improving curriculum instruction at all levels.

The Innovation Schools provide another opportunity for the University to partner with local schools districts to offer innovative in-district charter schools that fall under the local school committee.

This summer there will be a Retreat of our P20 Council with Chairs, Presidents and Commissioners of all our Boards of Education. This is an opportunity for us to come together and realize the Governor's vision of an integrated, interconnected system of public education pre-K through higher education in Massachusetts that gives every child the support that he or she needs to be successful.

At the conclusion of the Secretary's Report, Chairman Manning thanked Trustee Reville for his dedication. He and the Governor have been great advocates for the University helping with stimulus money and thinking of creative ways to bridge the revenue gaps. Secretary Reville thanked Chairman Manning for his leadership.

Under the **Student Trustee Report, Former Trustee David Koffman, UMass Lowell** reported on the incredible transformation of the Lowell campus despite the economic climate in the country and the Commonwealth. The Tsongas Center fulfills the campus' dedication to

**Board of Trustees
June 9, 2010**

students on the Lowell campus. Yesterday we had the groundbreaking for the Emerging Technologies and Innovation Center which will provide resources for a world class institution.

Last night there was a great event at the renovated Bellegarde Boathouse. The newly renovated Conference Center will be a way to raise revenue and house students, connecting them to the cultural downtown center which is very crucial to student life.

Chancellor Meehan has worked to improve the Lowell campus as part of its capital plan and dedication to improving academics, research, student life on campus; retention rates are at an all time high. Enrollment continues to sky rocket as many realize how valuable a UMass education is. We are bringing in world class faculty, world class endowed scholarships and research; more and more money is being invested in our clubs.

Mr. Koffman noted that the changes at UMass Lowell have had a major effect on his personal involvement; the push for student clubs got him interested in student government. His role as a Student Trustee brought his level of student service to a higher level. He enjoyed his time spent with this Board and appreciates all the advice that has been given. He acknowledged his successor, Michael Reid who will continue the commitment all Trustees have towards the betterment of the University community.

Mr. Koffman concluded his report by stating that UMass Lowell continues to produce world class people that we want in the Commonwealth and the country. He thanked UMass for this opportunity, his Mother and everyone here for providing this opportunity.

Following a round of applause, Chairman Manning noted that David Koffman is one of the best Board members he's ever been associated with; his emotional intelligence, his ability to listen and to put the interest of the University first. As an alum of this campus he expressed his pride toward David and wished his opponents good luck in the future.

The next item was the **President's Report**. President Wilson thanked Chancellor Meehan and his staff for the warm welcome we have received. It was a wonderful day yesterday with the groundbreaking for the Emerging Technologies and Innovation Center, which will be an important new facility for this campus and underscores UMass Lowell's status as a major scientific research center and as a campus that works closely with industry and has a keen economic-development mindset. UMass Lowell is serious about its role as an economic-development engine for the Merrimack Valley and for the entire Commonwealth.

Other highlights included:

**Board of Trustees
June 9, 2010**

UMASS LOWELL:

- Student success as defined by improved enrollment, retention, diversity and campus-life measures has increased significantly at UMass Lowell.
- Early this year, the campus purchased the 6,500-seat Tsongas Arena and surrounding grounds and has created the Tsongas Center at UMass Lowell.
- At its recent Commencement, UMass Lowell graduated its largest class ever, 2,390 students. The Commencement Eve Celebration, which featured a conversation with Dick and Doris Goodwin, moderated by former Congressman Joseph Kennedy, as well as a reception for keynote speaker Roger Goodell, honorary degree recipients, and the distinguished alumna and student award winner raised over \$500,000 dollars for scholarships.
- Campus research expenditures for the past fiscal year increased to \$56.7 million dollars, up from \$40 million dollars – a 38.6 percent increase.

SCIENCE, TECHNOLOGY AND RESEARCH:

- There was a good and detailed discussion at our recent Science, Technology and Research meeting.
- We are seeing success on so many fronts, with research expenditures throughout the UMass system growing to \$489 million dollars in Fiscal 2009, a 12.4 percent increase.
- Research funding at UMass is growing at a rate that well exceeds the national average.
- We rank third in research expenditures in Massachusetts and fourth in New England.
- Our success in this area is the result of the hard and pioneering work of our faculty and the deft, strategic leadership that we have seen from the Chancellors and their teams. We are well poised to continue to move forward in this area, which is good for our students, good for our economy and yields real benefits for mankind.

ACADEMIC AFFAIRS:

- We have just concluded our Commencement season and as usual, it is hard not to be moved, impressed and inspired by the sight of our terrific, accomplished students completing their degrees and moving on to the next phases of their lives.
- This is a big moment in the lives of our students and their families but it is also a moment of great import for the Commonwealth itself, to see more than 12,000 students receiving their degrees and recognizing that the majority of these students are going to remain in Massachusetts and are going to build their careers and raise their families in this state. When you look at a University of Massachusetts Commencement, you see the future of the Commonwealth of Massachusetts.
- As one group of students moves on, a new group of students arrives and we are heartened to see that applications were up on all of our campuses – we saw an 8 percent increase system-wide – and we are expecting that the freshman class that arrives in the Fall will be one of our largest and will set new standards in terms of academic credentials and accomplishments.

**Board of Trustees
June 9, 2010**

STUDENT CHARGES:

- At the Administration and Finance Committee meeting last week, our recommendation is to keep tuition and mandatory fee rates unchanged in the 2010-2011 academic year.
- This is the best approach at this time for our students and their families.
- We take this course understanding that fiscal circumstances for next year remain uncertain and that two key variables – our level of state funding and the amount of federal stimulus funding that we will receive – have yet to be defined.
- If sufficient funding does not materialize, the University would have to weigh the possibilities of an emergency fee increase and additional cuts.
- Vice Chair Karam said last week now is the time for everyone connected to the University to be advocating for the highest possible level of funding for UMass, as key funding decisions are being made at the State House.

ADVANCEMENT:

- Trustee Lawton will expand upon fundraising results in his report. I commend the Chancellors and their teams for all of the hard work with alumni and development programs that have contributed to these results ... and I hope to have an equally positive report for the close of the year.
- I am pleased to report that our Foundation Investment Committee continues to deliver extraordinary performance again in an exceedingly volatile year.
- Through the third quarter of Fiscal Year 2010, performance for the UMass Foundation endowment is at plus 15.8 percent. The portfolio return was fueled by the rebound in the world-wide financial markets. Looking ahead, there continues to be market uncertainty due to European sovereign debt concerns, trillion dollar deficits and persistent double-digit unemployment. To protect the endowment portfolio from market volatility, the Investment Committee employs a long-term asset allocation model that provides diversification across asset classes. As of March 31, 2010, the market value of the endowment stood at \$469 million dollars.

SPORTS ACHIEVEMENTS:

We talk a lot about our students' academic achievements, but as we all know, our students excel on the playing fields as well.

- The UMass Boston Beacons baseball team recently appeared in the Division 3 College World Series, a remarkable achievement for that hard-working group of players whose exploits were well chronicled and whose accomplishments will claim a chapter in the University's sports history.
- The UMass Amherst softball team ranked in the nation's Top 25 throughout the season, won the A-10 Championship for the sixth-straight year and made its 16th-straight NCAA Tournament appearance.
- UMass Dartmouth had baseball and field hockey players win All-America honors.

The Lowell campus sent nine athletes to the NCAA Track and Field Championship, with senior Jacqui Barrett winning the national championship in the shot put with an epic toss of 50-

**Board of Trustees
June 9, 2010**

feet, 8.25-inches. The only apparent problem with the athletes travelling to North Carolina for the NCAA Championship was that four members of the team were seniors and missed commencement as a result. Chancellor Meehan solved the problem by holding a special mid-week graduation ceremony for the athletes and their families which they very much appreciated.

Trustee Johnston inquired about the federal money that was mentioned earlier. Both Secretary Reville and President Wilson stressed the importance of receiving these funds and that we should contact our elected officials.

Trustee DiBiaggio then noted the commitment to diversity during President Wilson's term which has been remarkable; the accomplishments in this regard are commendable and the University should be congratulated.

Trustee Reville reported that he was this year's speaker at the Southern New England School of Law Commencement. It was a very moving graduation and spoke of the inspiring stories he has heard and the sense of hope and promise for the future.

The next item on the agenda was the **Report of the Committee on Academic and Student Affairs**. Trustee Thomas, Chair of the Committee first spoke of his attendance at four of the five Commencements this year and the precision of how each campus ran their graduations and the joy of the graduates. He recommended Trustees attend at least one Commencement every year.

Trustee Thomas reported that the Committee had met on May 26th and had four action items, one informational item and two items for Executive Session which were Appointments with and Awards of Tenure.

The first action item was a **Proposal to Establish University College at UMass Boston**. Provost Langley noted that the campus needed a modified form to allow for a more coherent division of labor. The attempt to create University College is to allow for that division of labor in part. What is being sought through the new unit is an effort to allow experimental laboratory where new degree programs of which we are not entirely certain due to rapid changes in need. There would also be revenue generated through this college which could be used for assistantships, undergraduate research support and start up costs in other academic areas.

It was moved, seconded and

VOTED: To approve the creation of University College at the University of Massachusetts Boston. (Doc. T10-026)

The next action item was the **Approval of a MS/EdD/PhD in Educational Leadership and Policy Studies at UMass Dartmouth**. Chancellor MacCormack reminded the Committee that the concept of this degree was included in a proposal to establish the School of Education, Public Policy and Civic Engagement (SEPPCE.) Provost Garro and Dean Ismael Ramirez-Soto noted

**Board of Trustees
June 9, 2010**

in 2007 the campus undertook a planning process to determine how it could position itself to meet K-12 needs regionally and nationally. Three goals were laid out in a proposal for the new school (SEPPCC): to develop programs in STEM, to address broad needs of better preparation of K-12 teachers, and to create a program to train leaders of K-12 education. This new program has come out of a year and half of work to address the third goal.

It was moved, seconded and

VOTED: To approve the MS/EdD/PhD in Educational Leadership and Policy Studies at the University of Massachusetts Dartmouth as contained in Doc. T10-025.

The third item was the **Appointment of Professor Yeonhwa Park to the Frederick J. Francis Chair in Food Science at the University of Massachusetts, Amherst; the Appointment of Professor Michael Czech to the Isadore and Fannie Foxman Chair in Cancer Research at the University of Massachusetts Worcester; and the Appointment of Professor Terence R. Flotte as the Celia and Isaac Haidak Distinguished Professor of Medical Education at the University of Massachusetts Worcester.**

It was moved, seconded and

VOTED: To concur with the President in the appointment of Professor Yeonhwa Park to the Frederick J. Francis Chair in Food Science at the University of Massachusetts Amherst.

And further, To concur with the President in the appointment of Professor Michael Czech to the Isadore and Fannie Foxman Chair in Cancer Research at the University of Massachusetts Worcester.

And further, To concur with the President in the appointment of Professor Terence R. Flotte as the Celia and Isaac Haidak Distinguished Professor of Medical Education at the University of Massachusetts Worcester. (Doc. T10-016)

The last item was the **Appointment of Professor Michael L. Blute as the First Holder of the Mary C. DeFeudis Chair in Cancer Care and Research at the University of Massachusetts, Worcester.**

It was then moved, seconded and

VOTED: To concur with the President in the appointment of Professor Michael L. Blute as the first holder of the Mary C. DeFeudis Chair in Cancer Care and Research at the University of Massachusetts Worcester, of the Mary C. DeFeudis Chair in Cancer Care and Research at the University of Massachusetts Worcester. (Doc. T10-027)

**Board of Trustees
June 9, 2010**

Chancellor MacCormack then provided an update on ongoing implementation of the Law School. There has been an overwhelming positive response. They have exceeded application targets, with close to 600 applications for fall 2010 and almost 1000 for next year. They expect this fall's class to be 140 -150. There has been a focus on improving the profile of students while maintaining diversity. LSAT is up about 4 points. Approximately 31% of the incoming class is minority. Twenty-three students are coming from UMass but other institutions include BU, Hofstra, Skidmore, Providence College, and URI. Dealing with other transition issues is well underway and scheduled to be completed by start of the year.

The remaining items will be taken up in Executive Session.

The next item was the **Report of the Committee on Administration and Finance**. Vice Chair Karam, Chair of the Committee reported that the Committee had met on June 2nd. The Committee continues to monitor closely state economic conditions, as they exert considerable influence on the University's financial prospects for FY11 and beyond.

President Wilson in his report outlined the incredible progress the University has made toward achieving its strategic goals in the face of the worst economic climate any of us has lived through. The University has experienced record admissions applications while improving the academic profile of its student body. Federally funded research has soared thanks to the infusion of over \$102 million in ARRA research funds supporting 220 grants. Thanks to the financial stability engendered by the infusion of \$150 million in stimulus funds, the University was able to maintain its commitment to access and affordability. However, the President warned that the expected ratcheting down of Federal stimulus funds coupled with uncertainty about state appropriations could leave the University with a sizeable funding gap in FY11. President Wilson noted that the University's FY11 budget projections are built on the Governor's Budget recommendation of \$49 million in stimulus funds. This is a key to our being able to hold the line on mandatory fee rates for the new academic year.

In his report, Senior Vice President Gray summarized the solid financial condition of the University as we near the close of FY10. He pointed out that a combination of tough budgetary decisions and innovative programs such as energy saving systems and system-wide printer contracts have contributed to the University's stable financial posture. As we look to FY11, Senior Vice President Gray cited the significant impact that fringe benefit rate increases passed through from the state will have on the campuses. It is also expected that state funding, for many years the University's primary revenue source, will only rank 4th in FY11.

The first item was **Establishment of Mandatory Tuition and Fee Rates and Housing and Food Service Charges for Academic Year 2010-2011**. The Committee also took action to **Approve the FY11 Operating Budget**, to **Authorize the President to Allocate the FY11 State Appropriation to the Campuses and Central Administration**, to **Establish an Endowed Chair in Cancer Research at the Worcester Campus**, and to **Establish a Task Force to Consider Cost Efficiency Initiatives** and report back to the Committee in the fall.

**Board of Trustees
June 9, 2010**

Vice Chair Karam reported that after reviewing the Committee's recommendations, he stated his belief that the Board consider increasing the mandatory fees set for non-resident students. This action is necessary so that these fees more fully reflect the increased cost of education.

There was then a motion to propose an amendment to the vote of the Committee. This amendment increases all mandatory fees for non-resident undergraduate and graduate students, except the Law School by 3%. There are no changes to the rates for tuition or housing and food services.

Trustee Bloch asked for clarification that non-resident students mean out-of-state students, not students that live off campus; Chairman Manning stated that that is correct.

Vice Chair King-Shaw had a question about non-resident students versus international students. Some schools consider them separate unlike the University of Massachusetts and requested more information about international students. Vice Chair King-Shaw suggested we add this to a future agenda as an option as our economic situation worsens.

It was moved, seconded and

VOTED: To amend Doc. T10-033 as follows:

1. In accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve tuition at the following maximum rates for the Amherst, Boston, Dartmouth and Lowell campuses for academic year 2010-2011:

<u>Tuition</u>	<u>Amherst</u>	<u>Boston</u>	<u>Dartmouth</u>	<u>Lowell</u>
Undergraduate (resident)	\$1,714	\$1,714	\$1,417	\$1,454
Undergraduate (non-resident)	\$9,937	\$9,758	\$8,099	\$8,567
Graduate (resident)	\$2,640	\$2,590	\$2,071	\$1,637 *
Graduate (non-resident)	\$9,937	\$9,758	\$8,099	\$6,425 *
Graduate Law School (resident)			\$2,071	
Graduate Law School (non-resident)			\$8,099	

*Per 9 credit load

2. And further, in accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve the following maximum mandatory fee rates for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2010-2011:

**Board of Trustees
June 9, 2010**

Total Mandatory Fees (Curriculum & Other Mandatory Charges)

	<u>Amherst</u>	<u>Boston</u>	<u>Dartmouth</u>	<u>Lowell</u>	
Undergraduate (resident)	\$10,018	\$8,897	\$8,941	\$9,052	
Undergraduate (non-resident)	\$13,691	\$13,430	\$12,321	\$14,378	
Graduate (resident)	\$8,286	\$9,387	\$9,446	\$8,362	*
Graduate (non-resident)	\$11,836	\$13,443	\$12,321	\$12,674	*
Graduate Law School (resident)			\$21,019		
Graduate Law School (non-resident)			\$22,635		

*Per 9 credit load

3. And further, in accordance with Policy T92-031, Appendix E, to authorize the President to approve, no later than June 30, 2010, the individual rates for mandatory charges, providing that total mandatory student charges shall not exceed the total rates as outlined below for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2010-2011:

Total Mandatory Student Charges

	<u>Amherst</u>	<u>Boston</u>	<u>Dartmouth</u>	<u>Lowell</u>	
Undergraduate (resident)	\$11,732	\$10,611	\$10,358	\$10,506	
Undergraduate (non-resident)	\$23,628	\$23,188	\$20,420	\$22,945	
Graduate (resident)	\$10,926	\$11,977	\$11,517	\$9,999	*
Graduate (non-resident)	\$21,773	\$23,201	\$20,420	\$19,099	*
Graduate Law School (resident)			\$23,090		
Graduate Law School (non-resident)			\$30,735		

*Per 9 credit load

4. And further, in accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve the following tuition and maximum mandatory fee rates for the Worcester campus for academic year 2010-2011:

<u>Medical School</u>	<u>Tuition</u>	<u>Mandatory Fees</u>	<u>Total Student Charges</u>
Medical School (resident)	\$8,352	\$7,386	\$15,738
Ph.D./MD (resident)	\$2,640	\$22,041	\$24,681
Ph.D./MD Years 1-2 (non-resident)	\$9,856	\$38,152	\$48,008
Ph.D./MD Years 3+ (non-resident)	\$9,856	\$28,001	\$37,857
Graduate School of Nursing (resident)	\$2,640	\$7,288	\$9,928

**Board of Trustees
June 9, 2010**

Graduate School of Nursing (non-resident)	\$9,856	\$7,288	\$17,144
Grad. School of Biomedical Science (resident)	\$2,640	\$4,010	\$6,650
Grad. School of Biomedical Science (non-resident)	\$9,856	\$4,010	\$13,866

5. And further, in accordance with Section 1A of Chapter 75 of the General Laws and T92-031 (Appendix E), to authorize the President to approve, no later than June 30, 2010, final student housing rent and food service charges providing that the average total charge to undergraduate Massachusetts resident students shall not exceed the average rates as outlined below for academic year 2010-2011:

	<u>Amherst</u>	<u>Boston</u>	<u>Dartmouth</u>	<u>Lowell</u>
<u>Room & Board (average rate)</u>	\$8,814	N/A	\$9,883	\$9,067

6. And further, to authorize the President to approve, no later than June 30, 2010, the full schedule of rent and food service charges for all other classifications of students, room options and meal plans for academic year 2010-2011.
7. And further, to authorize the President to approve, no later than June 30, 2010, individual fee rates for other student fees and student fee/revenue based operations charges not already approved by the Board for academic year 2010-2011. (Doc. T10-033, as amended)

Trustee Tocco as a point of order asked if we had to go back and vote on the original motion concerning fees and tuition? General Counsel explained that the vote was to amend the original vote so that the vote before the Board became the amended language and a second vote is not necessary.

It was then moved, seconded and

VOTED: To approve the FY2011 University Operating Budget as contained in Doc. T10-034 and to approve the statements of trust contained in Appendix A of said Doc. T10-034.

And further,

VOTED: To direct the President to allocate the amount appropriated for the University in Line Item 7100-0200 of the state appropriation act for Fiscal Year 2011 to the campuses and the central administration of the University, and to notify the Board of Trustees and the House and Senate Committee on Ways and means of said allocations. (Doc. T10-035)

**Board of Trustees
June 9, 2010**

And further,

VOTED: In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws to establish an endowed chair in Cancer Care and Research at the University of Massachusetts Medical School to be known as the Mary C. DeFeudis Chair. (Doc. T10-036)

And further,

VOTED: To establish a Task Force made up of Trustees and University officials from the President's Office and the campuses to consider cost efficiency initiatives throughout the University system.

The Task Force will initially focus on Procurement and ProCard Review, and will determine what further areas to review.

The Task Force will report their findings to the Committee on Administration and Finance in the Fall of 2010. (Doc. T10-040)

The next item was the **Report of the Audit Committee**. Trustee Furman, Chair of the Committee reported that the Committee had met on June 2nd.

The agenda included a briefing on System-wide audit activities, a discussion and acceptance of several internal audit reports, a briefing on the FY2010 external audit services plan, and an Executive Session.

In addition to our Internal Audit Director Robert Harrison, presenters included Senior Auditors Brian McCormick and Chris Galica, and PricewaterhouseCoopers Partner Glenn Williams and Managers Brian Huggins and Jewel Cornelius.

Mr. Harrison began with the regular **Audit Briefing** and referenced several items sent to the Committee members in a separate mailing, including two internal audit memorandums dealing with anonymous allegations and personnel issues that required executive session discussion, and four State Auditor's Office reports. All of these reports were for informational purposes, not requiring a Committee vote, and the applicable campuses responded with adequate action plans to address all comments.

Discussion on the Director's **Quarterly Activity Summary** began with an update to the Committee's interest in follow-up audit results. Mr. Harrison noted that several actions have been initiated as to follow-ups, including closure of a most important follow-up on the prior audit of Disaster Recovery, and follow-ups in process on Time and Labor Controls at Amherst and the System-wide Background Checks.

Board of Trustees
June 9, 2010

In addition, Internal Audit will be sending correspondence follow-ups to over a dozen reports requesting that campus management attest to the completion of prior stated action plan responses to audit recommendations. The Committee reiterated their interest in receiving results of these attestations and in holding responsible persons accountable as to compliance with audit findings. This project is expected to send all requests out this summer, with a full report back to the Committee when completed.

Three other projects were also highlighted for the Committee – the first is a system-wide risk assessment on the subject of Student Payroll. The practices and populations for all campuses are being studied and these assessments will determine if there are areas needing an in-depth review.

The six chief executive officers of the University will have a limited scope compliance review; Mr. Harrison noted this was added to the annual audit plan after the Chancellor Transitional Reviews performed during the Fiscal Year 2008 period. The office will be initiating these reviews this summer.

The Committee also heard updates as to Requests for Bid proposals, one being a multi-year Internal Audit Support Services request for all-inclusive fixed hourly rates from CPA firms, internal audit consultants, and risk advisory firms. Mr. Harrison explained this bid was used frequently prior to staffing the department and it continues to be an excellent source of very favorable rates for demand work. He intends on sharing the rate schedule results with all campuses for their potential non-audit plan use for services. The rate schedule will also be shared with other public higher education schools.

The Committee next heard details on completed reports. Mr. Harrison briefed us on two Boston information technology reviews at the Library Services Division and the Computer Sciences Department, noted two similar reviews now in progress at Dartmouth, and a new approach for Lowell involving conducting reviews of 18 campus departments.

Auditor Chris Galica provided highlights of the Amherst Campus Procurement Function review, this being the last of the detailed studies of the purchasing function at all five campuses and the President's Office. Mr. Harrison noted that the department has now completed system-wide reviews on three key business processes, that of purchasing, time and labor, and cash handling locations, with a plan to start the fourth key business function this summer on Asset Management.

Auditor Brian McCormick then provided highlights of the Disaster Recovery/Business Continuity Planning report, a follow-up to the 2006 original audit. There was a brief exchange of comments between the Committee members and the auditors as to coordination progress and future attention needs of this important subject.

**Board of Trustees
June 9, 2010**

Lastly, the independent Quality Assessment Review of the Internal Audit Department was presented with discussion lead by Vice Chair Woolridge as to high points and a request of Mr. Harrison to provide the Committee members with his comments on certain suggestions made in the report. The Committee also asked Mr. Harrison to study the possibility of revising written report protocol by submitting only brief summaries to the Committee with specific detailed report narratives available if requested.

Chair Furman reported on the Administration and Finance Committee discussion on setting up a Task Force to study procurement and purchase credit card program issues.

The Committee next heard from Mr. Glenn Williams and his team from PricewaterhouseCoopers. Mr. Williams highlighted his detailed document containing the FY 2010 audit services plan, including the annual financial statement audit and the OMB Circular A-133 Federal Financial Assistance audit. He noted that the UMass Building Authority is now a part of this service plan. Mr. Williams also noted areas of emphasis this year will include disaster recovery/business continuity efforts, grant revenues, and American Recovery and Reinvestment Act stimulus funds. A brief discussion ensued as to sampling size and audit coverage. The Committee will receive all PricewaterhouseCoopers reports and hear from the team at the December 1st meeting.

The Committee then entered an Executive Session for the purpose of considering audit items that related to Personnel and Employee Disciplinary Matters.

It was then moved, seconded and

VOTED: To accept the following Audit Reports:

1. Procurement Operations Review, UMass Amherst (Doc. T10-020)
2. Information Technology Controls Review, UMass Boston Computer Sciences (Doc. T10-022)
3. Information Technology Controls Review, UMass Boston Library Services (Doc. T10-021)
4. Disaster Recovery/Business Continuity Planning (Doc. T10-023)
5. Internal Audit Quality Assessment (Doc. T10-024)

Trustee Furman thanked Mr. Harrison and his team for all that they do.

Trustee Tocco had a question about an issue he had inquired about in the past – the system-wide response to a crisis/disaster event. He stated that there are federal funds available for such a system and he would like to see a system-wide exercise that could save lives sometime in the future.

Board of Trustees
June 9, 2010

Vice Chair Karam indicated that Trustee Furman as Chair of the Audit Committee intends to address the disaster recovery plan on each campus as it does appear to be uniform across the University.

Senior Vice President Gray responded that a couple of years ago there was a system-wide exercise involving all campus leadership teams. Right now we are in the process of overhauling our Risk Management Council for the University and we are conducting a search for an Emergency Response Coordinator; this will help move us toward a more comprehensive exercise.

The next item was the **Report of the Advancement Committee**. Trustee Lawton reported that the Committee met on May 26. The Committee heard reports on advancement activities that have taken place through the third quarter of the year and those planned to take place during the balance of the year. We also heard from the campuses about their fundraising performance for the first three quarters of fiscal year 2010.

President Wilson noted that fundraising performance across the five campuses continues to rebound. The five campuses combined raised \$68.4 million in new commitments as of the third quarter of the calendar year. This is the best overall third-quarter performance achieved in any of the last five years.

Cash received from both undergraduate and graduate alumni is at the highest it has been for any of the last five years third quarters. New Commitments from corporations and foundations is also at a five-year Q3 high.

Trustee Lawton was excited to see larger and more frequent University-wide alumni events unfolding and resources being shared. It is clear from alumni response to the events that President Wilson mentioned that we are making progress in building momentum and participation among UMass alumni and look forward to continuing this good work over the course of the year and to hearing reports of continued progress over the course of the coming months.

Vice Chairman Karam asked at the last meeting for a report on participation. Vice President Smith and the Vice Chancellors give a brief presentation on broad based programs that can help to engage alumni to participate early and often.

At UMass Amherst—Cash from individuals is up over this time last year by almost 50% -- from \$6.5M to \$9M. Cash receipts are up by better than 30% percent.

At UMass Boston—Participation has been a focus and the number of individuals making commitments to the campus is up by almost 30% percent (from 7275 to 9167) as of this time last year. The number of gifts from organizations has almost doubled from 216 to 394.

**Board of Trustees
June 9, 2010**

At UMass Dartmouth—The campus has seen numbers of individual donors increase by 20% over this point last year. They have also achieved the highest level of dollars committed in any of the last five years as of this point.

At UMass Lowell—Commitments overall are up by 10% percent. Cash from alumni is up by almost 80% percent.

UMass Worcester continues to have tremendous success with private foundations and is on track to have one of its best years ever with new pledges tracking at almost three times last year's achievement at this time. Overall, new commitments are up by almost 20%.

The CRM conversions and data mart work progress, with two more campuses slated to go live before the end of the calendar year. The campuses are to be congratulated for working together so collegially to agree on business rules towards the end of creating infrastructure and learning that can be shared. Trustee Lawton thanked the Medical School team especially as much of the learning that will be shared has been earned with their effort.

Trustee Lawton then thanked Vice President Katherine Smith for her work at the University. Together they had embarked on a challenge that supported the President's mission of looking at the strength of the University as a whole and to get the University to work to promote power rankings as a world class research University.

Vice President Smith provided leadership bringing all of the campuses together in a collaborative way, bringing state-of-the art technology and best practices to the University. We have a world class team working together, fundraising Vice Chancellors and alums continuing to build philanthropy efforts.

Trustee Lawton wished Vice President Smith luck in her future endeavors and asked for a round of applause.

President Wilson also offered his gratitude to Vice President Smith for professionalizing the advancement function at the University. He seconded everything Trustee Lawton said and thanked her for all her hard work.

The next item was the **Report of the Committee on Science, Technology and Research**. Trustee Johnston reported that the Committee had met on May 26. President Wilson provided us with an overview of the University's emergence as a top-tier research University and an agenda of what it will take for us to continue on our impressive growth path. Donna Ambrosino, Executive Director of the Mass Biologics Lab, highlighted the exciting work of this "hidden jewel" of the UMass system in developing new therapeutic products.

President Wilson highlighted the University's emergence as a top-tier public research University. While all of us are aware of UMass's role in providing high quality, affordable

**Board of Trustees
June 9, 2010**

education, there is not the same appreciation of UMass's emergence as one of the nation's top public research universities. President Wilson provided a clear picture of UMass's development as a major R&D player. Last year our R&D expenditures approached \$1/2 B and grew at an impressive 12.4 % growth rate, more than double the national average. We have been exceeding the national growth rate on a regular basis for several years.

The University now ranks #36 among all research universities – public and private – in R&D expenditures. We also rank #13 among all universities in technology licensing income. The data and trends clearly show our progress toward top-tier research university status. The President did not just focus on data. He highlighted the key factors underlying the strategy that got us to this point – a clear focus by university leadership ... a variety of organizational changes (including creation of the first-ever trustee committee focused on R&D) ... strategic faculty hiring ... seed investments in new S&T programs ... massive investments in capital facilities ... effective advocacy for state S&T investments ... enhanced collaborations with industry and private universities ... and an emphasis on entrepreneurship and commercialization.

President Wilson suggested that maintaining this growth rate and leadership position will require a continued emphasis on these factors in the future – especially firming up state S&T support, capitalizing on new federal opportunities in translational research/commercialization ... increasing industry funding ... and supporting the growth of more UMass start-up companies. The Committee very much appreciated the President's overview and believes we need to focus more of the University's communications strategy on highlighting our successes in this area.

Trustee Johnston thanked President Wilson for the presentation; the University's growth as a major research University during your tenure will sure be one of your greatest and most lasting legacies.

Following President Wilson's overview, we learned more about a specific R&D unit that is helping UMass develop as a major research university – the Mass Biologics Lab (MBL), a unit of UMass Medical School. The MBL represents one of the University's most exciting, but perhaps least known, R&D groups. This is a unique facility, based in Mattapan that works to discover and develop products that will significantly improve public health.

Dr. Donna Ambrosino, Executive Director of MBL, described the distinguished 116-year history of the labs, which had an impressive record as a pioneer in the development of vaccines, antitoxins, etc. while it was part of the state Department of Public Health. The MBL was transferred to the Medical School by legislative action in 1997. Since then, it has developed a highly successful focus on therapeutic monoclonal antibodies. Among its current products under development are treatments for C Difficile (a serious kind of hospital infection), Hepatitis C and rabies (the latter in partnership with the Serum Institute of India). Today, the MBL operates the only bio-manufacturing plant at a university in the country. And, last year, it generated over \$50M in licensing income for the University.

**Board of Trustees
June 9, 2010**

The first item under **Other Business** was the Department of Defense.

It was moved, seconded and

VOTED: WHEREAS, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, the President, the Secretary, and the designated Facility Security Officer meet the personnel clearance requirements established for a contractor's facility clearance; and

WHEREAS, said Department of Defense Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Trustees and other officers, provided that this action is recorded in the minutes.

NOW, THEREFORE, BE IT DECLARED that the Chairman of the Board, the President, the Secretary and the designated Facility Security Officer at the present time do possess, or will be processed for, the required security clearance; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, the President, the Secretary or the designated Facility Security Officer, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following members of the Board of Trustees and other officers shall not have, and can be effectively excluded from access to all classified information in the possession of the corporation and do not occupy positions that would enable them to affect adversely policies or practices in the performance of classified contracts for the Department of Defense or the User Agencies of its Industrial Security Program:

<u>NAME</u>	<u>TITLE</u>
Lawrence F. Boyle	Trustee
Emily Bloch	Trustee
Jennifer C. Braceras	Trustee
Edward W. Collins, Jr.	Trustee
John A. DiBiaggio	Trustee
Maria D. Furman	Trustee
Philip W. Johnston	Trustee
James J. Karam	Trustee
Ruben J. King-Shaw, Jr.	Trustee
Richard J. Lawton	Trustee
Kenneth A. MacAfee, II	Trustee
Kerri Osterhaus-Houle	Trustee
R. Norman Peters	Trustee

**Board of Trustees
June 9, 2010**

Paul Reville	Trustee
Henry M. Thomas, III	Trustee
Stephen P. Tocco	Trustee
Victor Woolridge	Trustee

(Doc. T10-032)

The next item was the **Approval of the President's Search Committee.**

It was moved, seconded and

VOTED: Notwithstanding any other policy, procedure or past practice to the contrary,

To ratify the appointment by the Chairman of the Board of Trustees of the following members to the President's Search Committee:

James J. Karam, Chair
Henry M. Thomas, III, Vice Chair
Michael Carter
Mari Castañeda
Edward W. Collins, Jr.
Edward H. D'Alelio
John A. DiBiaggio
Maria D. Furman
Robyn Hannigan
Charles J. Hoff
Philip W. Johnston
Laura King
Ruben J. King-Shaw, Jr.
Winston Langley
Robert J. Manning
Craig C. Mello
Kathy Miraglia
Kerri E. Osterhaus-Houle
Paul Reville
Mark E. Russell
Robert K. Sheridan
Stephen P. Tocco
Marcellette G. Williams

(Doc. T10-028)

Chairman Manning then asked Vice Chair Karam to report on the **Status of the President's Search Committee.**

**Board of Trustees
June 9, 2010**

Chairman Manning gave the Committee its official charge. The Committee is a very distinguished group including faculty, a student, Trustees and business people.

Since the first Search Committee meeting, we have formed two initial Task Forces to address a few pressing issues; the first Task Force headed by Trustee Tocco, drafted the official advertisement for the position. The second Task Group headed by Trustee Furman, interviewed a number of national search firms. Trustee Furman is ready to make a recommendation to the Committee at its meeting on Monday, June 14th.

The Search Committee will be on this campus and on the other four campuses when the new academic year begins, meeting with students, faculty, staff, community and business leaders and assembling as much input as it possibly can to help guide its activities and deliberations.

Vice Chair Karam concluded his report by stating that we still are in the early stage of the Search, but is pleased with the progress we have made and feel that we are on track and will end up with a great result.

Chairman Manning then announced the Board would enter **Executive Session** to consider **Appointments with Tenure, UMass Boston, Dartmouth, Lowell and Awards of Tenure, UMass Amherst, Boston, Dartmouth, Lowell and 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 into **Executive Session** for the purpose of considering **Appointments with Tenure, UMass Boston, Dartmouth, Lowell and Awards of Tenure, UMass Amherst, Boston, Dartmouth, Lowell and Worcester.**

Chairman Manning voted for the motion as did Vice Chairs Karam, King-Shaw, Trustees Boyle, DiBiaggio, Furman, Johnston, Lawton, Osterhaus-Houle, Peters, Reville, Thomas and Tocco.

The time was 10: 26 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees