

**UNIVERSITY OF MASSACHUSETTS**

**AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER**

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

**Monday, September 19, 2011; 8:00 a.m.  
Amherst Room  
225 Franklin Street – 33rd Floor  
Boston, Massachusetts**

**Committee Members Present:** Chair Woolridge; Trustees Baldassarre, Furman, Johnston, Kennedy, King-Shaw, Peters and Schock; Chairman Karam

**Committee Members Absent:** Vice Chair Collins; Trustee Reville

**University Administration:** President Caret; Senior Vice President Gray and Williams; Chancellors Holub, Motley, MacCormack, Meehan and Collins

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

**Documents Used:** Building Authority Update, Doc T11-070;  
Status Report on the Information Technology Services and a Progress Report  
on Procurement Reform Efforts, Doc. T11-071;  
Update on the Law School, Doc. T11-072.

Chair Woolridge convened the meeting at 8:05 a.m. and asked for a motion to **Consider the Minutes of the Prior Meeting of the Committee.**

It was moved, seconded and

**VOTED:** To approve the minutes of the June 1, 2011 meeting of the Committee.

Chair Woolridge welcomed each of the four new student Trustees. He noted that this was the first Committee on Administration and Finance meeting for President Caret. Chair Woolridge then reported that while the Massachusetts economy did better than other states, the University continues to plan accordingly.

The Chair asked the President for his remarks. President Caret noted that the economy is having an adverse effect on the University, the unemployment situation is grave and not improving. Over the past ten years \$2.5 billion have been spent on our campuses; 85% has come from the system.

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President Caret stated that many buildings need to be repaired and replaced and indicated that he has met with the Legislature to talk about these problems; we are currently looking at the state procurement laws and public/private partnerships.

Senior Vice President Gray reported that the University is in the process of refinancing two bonds issues, currently there are low interest rates. This is the first time that the University has received an AA- Bond Rating from all three of the major ratings agencies. He also noted that the System Office will be hosting an Emergency Preparedness Event this week.

Executive Director MacKenzie then provided a **Building Authority Update** (Doc T11-070) which included an update on many of the construction projects currently underway across the system. The two bonds issued in June to refund two outstanding bonds through Wells Fargo and Citibank saving \$700,000.

Senior Vice President Gray and Trustee Furman provided a **Status Report on the Information Technology Services and a Progress Report on Procurement Reform Efforts** (Doc. T11-071). The Task Force is working with the Huron Group reviewing the data center, student data, etc. They are also discussing ways to organize the five IT organizations and are discussing the creation of a high level committee.

The Task Force is making progress on procurement; the new Director of Strategic Procurement Enterprises was introduced, Mr. John Healey.

Chancellor MacCormack provided an **Update on the Law School** (Doc. T11-072). Enrollment projections are close to what was anticipated in the original proposal. The School is honing in on student success in anticipation of being accredited by the ABA this Fall.

The Law School received in-state tuition retention which was unexpected. Members of the Committee requested more data pertaining to the Law School's projections and if they were met; more quantifiable data was requested.

The first action item was the **FY2012-2016 Capital Plan**. Chair Woolridge asked for questions or discussion and it was moved, seconded and

**VOTED:** To recommend that the Board take the following action:

Pursuant to Trustee policy T93-122, to approve the following new capital projects:

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**New Projects for Board of Trustee Approval**

**Cost Estimate  
Aug-11**

**Amherst Campus**

|  |                      |
|--|----------------------|
| McGuirk Stadium Improvements                         | \$30,000,000         |
| Physical Sciences Building                           | \$80,000,000         |
| Integrated Sciences Building fitout                  | \$2,000,000          |
| Biomass Facility                                     | \$20,000,000         |
| Marks Meadow/Furcolo Renovations                     | \$17,500,000         |
| Fine Arts Center renovations                         | \$9,000,000          |
| New Africa House renovations                         | \$1,700,000          |
| Hills replacement/Land Arch                          | \$25,800,000         |
| New Faculty Hire Renovations                         | \$9,000,000          |
| Physical Plant deferred maintenance & renovations    | \$7,500,000          |
| Bartlett Replacement Building                        | \$50,000,000         |
| Hampshire DC renovations                             | \$15,000,000         |
| Lincoln Campus Center Concourse Improvements         | \$11,000,000         |
| Chilled Water Loop                                   | \$3,000,000          |
| Research Affairs relocation                          | \$5,000,000          |
| Auditorium Renovations                               | \$7,500,000          |
| New Faculty Hire Renovations                         | \$12,000,000         |
| Instructional Lab Renovations                        | \$7,500,000          |
| Chilled Water Loop                                   | \$5,000,000          |
| Goessmann backfill renovations                       | \$13,000,000         |
| New Laboratory Science Building backfill renovations | \$18,000,000         |
| Campus Infrastructure                                | \$20,000,000         |
| University Health Services Renovations               | \$35,000,000         |
| Housing Renovations and Repairs                      | \$25,000,000         |
| <i>subtotal Amherst</i>                              | <b>\$429,500,000</b> |

**Boston Campus**

|   |              |
|---|--------------|
| Clark Athletic Center: Replace/Repair East Curtain Wall                   | \$2,000,000  |
| Healey Library: Roof and Building Envelope Repairs                        | \$2,000,000  |
| Service and Supply Building: Roof and Building Envelope Repairs           | \$1,750,000  |
| Nantucket Field Station: Repairs to Field Station Buildings               | \$1,400,000  |
| Campus-wide: Telephone System Upgrades                                    | \$1,300,000  |
| Fox Point Docks: Upgrades and ADA Accessibility                           | \$1,500,000  |
| Campus Wide: One Card System  | \$1,000,000  |
| Quinn Administration Building: Renovations to improve Building Efficiency | \$10,000,000 |

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|--|----------------------|
| Relocate Department of Public Safety due to construction of bridge between the ISC and Quinn   | \$4,000,000          |
| Master Plan Phase I: Utility Plant Upgrades related to pumps, controls, heat exchangers and Utility Corridor Reconfiguration   | \$7,000,000          |
| Master Plan Phase I: Relocate College of Science and Mathematics Machine Shop due to the demolition of the Science Center  | \$1,000,000          |
| Master Plan Phase I: <u>Study</u> Replacement of Catwalk/Enclosed Campus Walkway System and Connections to GAB 1   | \$1,000,000          |
| Master Plan Phase I: <u>Study</u> new LL/UL Facades at Campus Center, Healey Library, McCormack Hall, Quinn Administration Building and Wheatley Hall and Access to Buildings from Grade | \$2,000,000          |
| Master Plan Phase I: Central Quad Landscaping  | \$7,500,000          |
| Master Plan Phase I: Acquisition of Real Estate  | \$10,000,000         |
| Master Plan Phase I: Build Out Shell Space in Campus Center UL (currently parking)   | \$5,000,000          |
| Master Plan Phase II: General Academic Building III  | \$150,000,000        |
| Master Plan Phase I: Construct +/- 1,200 Vehicle Parking Garage East   | \$35,000,000         |
| Healey Library: Renovations to create Learning Commons and Improve IT and Study Spaces   | \$20,000,000         |
| <b><i>subtotal Boston</i></b>  | <b>\$263,450,000</b> |

**Dartmouth Campus**

|                                  |                     |
|----------------------------------|---------------------|
| Update Campus Master Plan        | \$1,500,000         |
| Research Laboratory Improvements | \$11,500,000        |
| <b><i>subtotal Dartmouth</i></b> | <b>\$13,000,000</b> |

**Lowell Campus**

|   |                      |
|---|----------------------|
| ETIC - Phase 2 - Floors 3 &4                                | \$12,200,000         |
| Univ. Crossing Student Life, Student Services & Admin Serv. | \$50,000,000         |
| Univ. Crossing 250 beds                                     | \$31,000,000         |
| Univ. Crossing bookstore & cafe                             | \$10,400,000         |
| Science & Engineering Master Plan-Engineering Bld. Renewal  | \$25,000,000         |
| Science & Engineering Master Plan-Olsen Renovations         | \$45,000,000         |
| Leitch & Bourgeois Res Hall Renovations                     | \$20,000,000         |
| South Campus Master Plan & Initial Space Revisions          | \$20,000,000         |
| Science & Engineering Master Plan-North Campus Quad Renew   | \$31,300,000         |
| Science & Engineering Master Plan-Olney Renovations         | \$55,000,000         |
| <b><i>subtotal Lowell</i></b>                               | <b>\$299,900,000</b> |

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**Medical School**

|   |                     |
|---|---------------------|
| South Street Refinance                        | \$25,000,000        |
| Enhance Chilled Water Loop Pump / Controls    | \$3,000,000         |
| Expansion of Childcare Center                 | \$1,500,000         |
| Install new Low Pressure Boilers              | \$5,000,000         |
| HVAC Terminal Box and Exhaust Fan Replacement | \$8,000,000         |
| <i>subtotal Medical School</i>                | <b>\$42,500,000</b> |

|                               |                        |
|-------------------------------|------------------------|
| <i>Total all new projects</i> | <b>\$1,048,350,000</b> |
|-------------------------------|------------------------|

And further, To approve the following revised project cost estimates for previously approved capital projects:

| <b>Project Name</b>                  | <b>Initial TPC</b> | <b>Revised TPC</b> |
|--------------------------------------|--------------------|--------------------|
| <b>Lowell Campus</b>                 |                    |                    |
| Property Acquisitions                | \$20,000,000       | \$10,000,000       |
| College of Management Building       | \$45,000,000       | \$30,000,000       |
| Capital renewal/deferred maintenance | \$39.3M - \$86M    | \$115,000,000      |

And further, To approve the FY2012 to FY2016 University Capital Plan as described in Doc. T11-073.

And further, With respect to any or all of the projects identified in the said University Capital Plan as described in Doc. T11-073, to authorize the President of the University and such other officers of the University as he may designate (the President and each such other officer referred to herein as an "Authorized Officer"), each acting singly, in the name and on behalf of the trustees, the University or the Commonwealth, as appropriate, (a) to effectuate the financing of one or more or all of such projects by such means as such Authorized Officer shall deem advisable, including without limitation by requesting in writing the University of Massachusetts Building Authority, the Massachusetts Health and Educational Facilities Authority, the Massachusetts Development Finance Agency or any other statutorily qualified issuer in the Commonwealth to issue debt therefor, or to request the Worcester City Campus Corporation to effectuate the financing thereof through any such issuer of debt, so long as the estimated

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total project cost does not exceed the estimated total project cost listed in Doc. T10-055 by more than 20% (exclusive of capitalized interest, debt service reserve funds, cost of issuance of the obligations, costs of bond insurance or other credit enhancement and other cost of the financing), and, (b) in connection with any such financing, to take such actions (including without limitation the execution of the guaranty of the Commonwealth on any obligation guaranteed by the Commonwealth), secure such governmental approvals, execute such agreements (including without limitation contracts for financial assistance, management and services, contracts for management and services or leases or subleases) containing such provisions and provide for such terms and sources of repayment, all as such Authorized Officer shall deem advisable and as may be required or permitted by law, including without limitation St. 1960, c. 773, §\_19A, as amended, and St. 1992, c. 138, §\_15A, as inserted by St. 2000, c. 159, §\_303. (Doc. T11-073)

The next item was **Resolution Authorizing Requests for Initiation by University of Massachusetts Building Authority of University Projects and Related Matters.** Chair Woolridge asked for questions or discussion and it was moved, seconded and

**VOTED:** To recommend that the Board take the following action:

WHEREAS, the University of Massachusetts Building Authority is a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts (the “Commonwealth”) created to aid and contribute to the performance of the education and other purposes of the University of Massachusetts (the “University”) by providing dormitories, dining commons and other buildings and structures for the use of the University, its students, staff and their dependents and for lease to or use by an organization or association, in any form, of students or others the activities of which are a part of the activities at the University and subject to regulation by the Board of Trustees of the University (the “Trustees”);

WHEREAS, pursuant to the Building Authority’s enabling act, the Building Authority may issue bonds to finance projects undertaken by the Building Authority at the request of the Trustees, or, with the approval of the Trustees, issue refunding bonds, all of which bonds are secured, in part, by revenues from the Building Authority, the University and the Commonwealth, as authorized by the Trustees on behalf of the University and the Commonwealth;

WHEREAS, in the judgment of the Trustees it is in the best interests of the University, its students, staff and their dependents and said organizations that the Building Authority undertake projects and finance such projects as described

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below;

WHEREAS, in the judgment of the Trustees it is in the best interest of the University for the Building Authority to refund bonds when market conditions are favorable; and

WHEREAS, the Building Authority's enabling act authorizes the Trustees, on behalf of the Commonwealth, to provide a Commonwealth guaranty of not to exceed \$200,000,000 outstanding principal amount of Building Authority Bonds;

NOW, THEREFORE,

1. Each of the President and the Senior Vice President for Administration, Finance and Technology and Treasurer of the University, acting alone, be and each, acting alone, (each, an "Authorized Officer") hereby is authorized in the name and on behalf of the Trustees to make a written request of the Building Authority that the Building Authority initiate and undertake:
  - (a) Any or all of the projects set forth in the University of Massachusetts FY2012 to 2016 University Capital Plan (Trustee Document T11-073); and
  - (b) Any other construction of or respecting or renovation, repair, remodeling or other work in or upon or respecting any building or structure owned or used by the University or the Building Authority, or the provision, installation, renovation, repair or remodeling of or other work upon or respecting any furnishings, furniture, machinery, equipment or facilities with respect to any such building or structure, all as may be requested of the Building Authority in writing from time to time by an Authorized Officer, the making of any such request being hereby authorized.
2. The projects to be initiated by the Building Authority in accordance with any request authorized to be made in Section 1 of this resolution may in the discretion of the Building Authority be undertaken separately or together for financing purposes.
3. The issuance of refunding bonds by the Building Authority is hereby approved, in such amount and on such terms as shall be approved in writing by an Authorized Officer.
4. Each Authorized Officer hereby is authorized to execute and deliver on behalf of the University and the Commonwealth one or more contracts for financial assistance, management and services with respect to the projects financed or refinanced by the Building Authority and the Building Authority bonds issued in

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connection therewith, including any refunding bonds. Each such contract may include the Commonwealth guaranty of all or a portion of such bonds, as determined by an Authorized Officer and within the limits prescribed by the Building Authority's enabling act.

5. Each Authorized Officer is hereby authorized to take such other action as deemed necessary or desirable to be done or taken to effectuate the matters hereby authorized, as conclusively evidenced by their doing the things or taking the action hereby authorized. (Doc. T11-074)

The next item was **Resolution Authorizing the Refinancing of Existing Debt to Capitalize on Current Low Interest Rate Environment.** Chair Woolridge asked for questions or discussion and it was moved, seconded and

It was moved, seconded and

**VOTED:** To recommend that the Board take the following action:

With respect to all or a part of the following bond issuances (collectively, the "Bond Issuances"):

University of Massachusetts:

Massachusetts Health and Educational Facilities Authority Revenue Bonds, University of Massachusetts Issue, Series C, dated June 1, 2002, issued for the University of Massachusetts, for the purpose of financing construction of a campus center located on the Boston campus and related costs.

Worcester City Campus Corporation:

Massachusetts Health and Educational Facilities Authority Revenue Bonds, Worcester City Campus Corporation Issue (University of Massachusetts Project), Series B, dated June 1, 2001, issued for the Worcester City Campus Corporation as part of the Massachusetts Health and Educational Facilities Authority Revenue Bonds, University of Massachusetts Issues, for the purpose of Worcester City Campus Corporation's acquisition of Two Biotech Park in Worcester, the acquisition, renovation and equipment of which was originally financed by a bond issuance in 1992 to The University of Massachusetts Foundation, Inc., and the construction of a parking garage at the Worcester campus of the University and the acquisition of capital equipment for a new research building on the Worcester campus of the University.



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To authorize each of the President, the Senior Vice President for Administration, Finance and Technology and Treasurer (each an “Authorized Officer”), each acting singly, in the name of and on behalf of the Trustees or the University, as appropriate, (a) to effectuate the financing and refinancing, including refunding, of all or any portion of one or both of the Bond Issuances, by such means as any such Authorized Officer shall deem advisable, including, without limitation, by requesting in writing the Massachusetts Development Finance Agency or any other statutorily qualified issuer in the Commonwealth to issue debt therefore and related costs, and/or by utilizing such funds and revenues of the University as any such Authorized Officer shall deem appropriate and as may be permitted by law, including, without limitation, St. 1960, chapter 773, section 19A, as amended, and/or to request the Worcester City Campus Corporation to effectuate such financing and refinancing, including refunding, with respect to all or any portion of one or both of the Bond Issuances issued for the benefit of Worcester City Campus Corporation through any such issuer of debt, which foregoing actions may include the entering into arrangements in conjunction with the Worcester City Campus Corporation for any such financing or refinancing issued through one or more qualified issuers in the Commonwealth; and (b) in connection with any such financing and refinancing, including refunding, to take such actions, secure such governmental approvals, execute such agreements (including, without limitation, contracts for financial assistance, management and services, or leases or subleases) containing such provisions and provide for such terms and sources of repayment, all as any such Authorized Officer shall deem advisable and as may be required or permitted by law, including, without limitation, St. 1960, chapter 773, section 19A, as amended, and St. 1992, chapter 138, section 15A, as inserted by St. 2000, chapter 159, section 303. (Doc. T11-081)

The next item was **Establishment of the Andrew Glyn Professorship in Economic, UMass Amherst.** Professor Glyn was considered to be one of Britain’s most prominent economists and brilliant teacher.

It was moved, seconded and

**VOTED:** 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 an endowed professorship to be known as the Andrew Glyn Professor of Economics in the College of Social and Behavioral Sciences at UMass Amherst. (Doc. T11-075)

The next item was **Naming of the College of Management: the Robert J. Manning School of Business, UMass Lowell.** Chancellor Meehan reported that former Chairman Manning indicated his intention to stay involved with the project.

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Chair Woolridge asked for additional questions or discussion and it was moved, seconded and

**VOTED**: To recommend that the Board take the following action:

To name the College of Management at the University of Massachusetts Lowell, the Robert J. Manning School of Business, and to accept with sincere gratitude the generous gift of Robert J. Manning. (Doc. T11-076)

The next item was **Dissolution of the Group Practice Plan, UMass Worcester**. This action will complete the merger of the Medical School's Teaching Hospital and clinical faculty into the UMass Memorial Health Center system begin in 1997.

It was moved, seconded and

**VOTED**: To recommend that the Board take the following action:

WHEREAS, the clinical division of the University of Massachusetts Medical School has been combined into the entity now known as UMass Memorial Health Care, Inc., pursuant to the provisions of Chapter 163 of the Acts of 1997; and

WHEREAS, the ten-year period of protection of the pension rights of certain clinical division employees who were members of the University Group Practice Plan has expired; and

WHEREAS, the execution of the provisions of said Chapter 167 of the Acts of 1997 has rendered the continuing operation and existence of the University Group Practice Plan unnecessary;

NOW THEREFORE BE IT RESOLVED that the Group Practice Plan established pursuant to the provisions of Chapter 773 of the Acts of 1974 be and it hereby is dissolved, and that all Rules and Regulations for the governance of said Plan be and they hereby are repealed. The Chancellor of the University of Massachusetts Worcester is directed to make appropriate provisions for the employment terms and benefits of affected employees under the authority of sections 14 and 35 of Chapter 75 of the General Laws and any other applicable. (Doc. T11-077)

The meeting adjourned at 9:19 a.m.

Barbara F. DeVico  
Secretary to the Board of Trustees