

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

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

Wednesday, September 28, 2011; 9:00 a.m.

**University of Massachusetts
Massachusetts Room – Third Floor
Mullins Center
200 Commonwealth Avenue
Amherst, Massachusetts**

Trustees Present: Chairman Karam; Vice Chair Thomas; Trustees Baldassarre, Campbell, Carpman, Collins, DiBiaggio, Furman, Gomez, Johnston, Kennedy, Lee, Mullan, Osterhaus-Houle, Peters, Reville, Schock, Tarr, Weismann, Woolridge and Xifaras

Absent: Vice Chair King-Shaw (listened via conference call)

University Administration: President Caret; Chancellors Holub, Motley, MacCormack, Meehan and Collins

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

Chairman Karam convened the meeting at 9:01 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 June 8, 2011 meeting of the Board.

The next item was the **Chair's Report.** Chairman Karam commented that it was a pleasure to be back on the Amherst campus, which is already engaged in preparations to celebrate its 150th Anniversary a little over a year from now. He thanked Chancellor Holub and his staff for their hospitality and welcomed six new Trustees to the Board: Richard Campbell, Lawrence Carpman, Zoila Gomez, Alyce Lee, Jeffrey Mullan and Margaret Xifaras. Trustee Xifaras is the former Chair of the Southern New England School of Law Board of Trustees, and was a strong partner in creating a public law school for the citizens of the Commonwealth.

The Chair stated that the Governor deserves a great deal of credit in making these appointments as all of our new colleagues are highly successful, deeply experienced, strongly committed people who come here with one interest—to help advance the University of

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Massachusetts in its mission of service to the Commonwealth. Five of the new Trustees are graduates of the University.

Chair Karam also welcomed the five new student Trustees to the Board: Christina Kennedy from UMass Amherst; Bianca Baldassarre from UMass Boston, Peter Schock from UMass Dartmouth, James Tarr from UMass Lowell and Cara Weismann from the Medical School.

The Chair welcomed President Caret to his first Board meeting since assuming the presidency, and indicated that it has been an eventful three months of “telling and selling” the University’s story. The President has been working closely with the Chancellors to align Campus-and-System goals.

It was noted that President Caret’s Inauguration will take place on November 1st at the JFK Library in Boston.

The Chair announced that the UMass Amherst Chancellor Search Committee will hold its first meeting later today. The 18-member Search Committee is diverse and representative of the University as a whole. The Committee includes six members of the Amherst faculty along with students and alumni and is chaired by Trustee Johnston, who is a graduate of this campus. The Chair said the search will be thorough and transparent, culminating with a very strong result.

Under the **Student Trustee Report**, Trustee Kennedy welcomed the Board to the Amherst campus and thanked Chancellor Holub for the hospitality offered. She offered a challenge to work together to increase state funding for the system and offered her help and that of the students.

Trustee Kennedy stated her intention to work with the Board to bring back the campus to the students who study here. “We are UMass”.

There was a round of applause.

The next item was the **President’s Report**. President Caret commented that he is delighted to be at his first Board meeting as President and feels a sense of appropriateness that this meeting is taking place in Amherst, where, as the Chairman noted, this University was founded nearly 150 years ago. The original mission of the Massachusetts Agricultural College, a mission of service to students and citizens and a mission of service to the Commonwealth is as vital today as it was then.

President Caret expressed his gratitude to Chancellor Holub and his team and welcomed the eleven new members of this Board, five new student members and six Trustees recently appointed by Governor Patrick.

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The President noted that despite our challenges, many positive things are happening at the University of Massachusetts. Enrollment now stands at a record 69,773 students and applications for this year's class rose to a record 67,818 applications. Research funding is at record levels and the credentials of our incoming class are at an all-time high.

The President noted the following about the Amherst campus:

- It ranks among the best public universities in the country, achieving its highest standing since 2004, according to the 2012 edition of *Best Colleges*, released by *U.S. News & World Report*.
- It welcomed its largest-ever and most academically accomplished first-year class this month. The entering class of 4,700 students is at an historic high and represents an increase of more than 200 students compared to last year.
- UMass Amherst has received a five-year, \$20 million grant from the National Science Foundation to support its Center for Hierarchical Manufacturing. This is the second round of NSF funding for the center.
- UMass Amherst computer scientist Rick Adrion and geoscientist Christopher Hill of MIT have received a \$250,000, two-year award from the NSF that will ensure that students in the Holyoke and Springfield schools benefit from the High Performance Computing Center being built in Holyoke.
- 111 UMass Amherst student-athletes have been named to the Atlantic 10 Conference Commissioner's Honor Roll.

The President described his upcoming activities:

- Media roundtables across the state—three have been held so far: Amherst, Dartmouth and Lowell, and two more are on tap.
- Bus tour will take place next month—will visit Springfield, Holyoke, Amherst, Worcester, Lowell, New Bedford, Fall River and Boston.
- Recently participated in the taping, in Springfield, of a very special episode of the television show “Extreme Makeover, Home Edition.” The show was supporting the Walker family—Carl Walker-Hoover was a victim of bullying. The University is offering scholarships to his two young siblings, Charles and Gloria. The show will air in December.
- The Presidential Inauguration will take place on November 1st. Chancellor Brit Kirwan of Maryland has agreed to serve as the keynote speaker.
- Chancellor searches in Amherst and in Dartmouth; the Amherst Search Committee will hold its first meeting this morning.
- He is seeking to develop a UMass report card similar to the report card we employed at Towson.
- He has developed six focal areas derived from the priorities developed by the Board of Trustees: Student Success; Producing an Educated and Engaged Citizenry; World Class Research Enterprise; Enhancing the Social Well Being; Good Stewards of State Resources; and Telling and Selling the Story.

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The next item on the agenda was the **Report of the Committee on Academic and Student Affairs**. Vice Chair Thomas reported that the Committee on Academic and Student Affairs considered three action items, one information item, and two items for Executive Session which were appointments with tenure and awards of tenure.

The first action item was to recommend, in concurrence with President Caret, the appointment of Professor Leonce Ndikumana as the **First Holder of the Andrew Glyn Professorship, UMass Amherst**.

It was moved, seconded and

VOTED: To concur with the President in the appointment of Professor Leonce Ndikumana as the First Holder of the Andrew Glyn Professorship in Economics at the University of Massachusetts Amherst. (Doc. T11-060)

The second action item was to recommend, in concurrence with President Caret, the **Appointments to Named Professorships, UMass Lowell, UMass Worcester**.

It was moved, seconded and

VOTED: To concur with the President in the appointment of Professor Arno Rafael Minkkinen to the Nancy Donahue Professorship in the Arts at the University of Massachusetts Lowell.

And further, To concur with the President in the appointment of Professor Julia Andrieni to the Joy McCann Professorship for Women in Medicine at the University of Massachusetts Worcester.

And further, To concur with the President in the appointment of Professor Jeremy Luban to the David J. Frelander Memorial Professorship in AIDS Research at the University of Massachusetts Worcester.

And further, To concur with the President in the appointment of Professor Melissa J. Moore to the Eleanor Eustis Farrington Chair in Cancer Research at the University of Massachusetts Worcester. (Doc. T11-064)

Provost Terence Flotte presented the third action item which was **Revisions to the Graduate Medical Education Personnel Policy, UMass Worcester** to permit students transferring into year 3 to satisfy the USMLE Step 3 requirement within 6 months of program entry.

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It was moved, seconded and

VOTED: To approve the revisions to the Graduate Medical Education Personnel Policy at the University of Massachusetts Worcester as contained in Doc. T00-024, as amended.

Campus representatives as a panel briefed the Committee on one informational item, namely an update on campus “Alcohol Initiatives” around the prevention of misuse, education about responsible drinking, and appropriate response plans when violations occur. These initiatives are described in Doc. T11-010. Overall, each campus deals with a specific environment of student and community demographics in a tailored way, including mandatory education, student life programming, support services, and best practices implementations.

The remaining items will be taken up in Executive Session.

Under the **Secretary’s Report**, Trustee Reville welcomed President Caret, new Trustees and students on behalf of Governor Patrick. It was noted that the Governor designated September as education month and he plans to underline his commitment to education. The Education Summit scheduled for October 26 has been cancelled, and a new date for the summit will be sent in the near future.

This is a new year in public education and the Governor is committed and believes education is a great investment.

The next item on the agenda was the **Report of the Committee on Administration and Finance**. Trustee Woolridge reported the lackluster global economic environment continues to color planning and operations at all levels and locations of the University. Continued economic stagnation and reduced state support are partially responsible for the University assuming such a large share of its capital requirements. This situation has placed strains on our operating budget and the Board must call upon the state to restore a better balance to our capital funding equation.

Senior Vice President David Gray outlined the beneficial impact of the historically low interest rate environment on some of the University’s outstanding debt. Two bond issues are before the Board for refinancing, which will allow the University to realize \$4.1 million in savings. Mr. Gray also noted the favorable impact of a recent credit rating upgrade of the University by Standard & Poor’s, moving the University’s rating to AA-. He concluded by noting that University operating budget conditions for FY12 remain stable.

Executive Director David MacKenzie reported on the activities of the UMass Building Authority. He advised that the refunding of two outstanding bond issues in June yielded aggregate annual savings of approximately \$900,000. Mr. MacKenzie also provided updates on building project activity on each of the five campuses.

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Trustee Furman and David Gray provided a brief update on the University's Efficiency Improvement Initiative. They introduced John Healey who was recently hired as the University new Senior Director for Enterprise Procurement.

Chancellor Jean MacCormack provided an update on the status of the UMass Dartmouth School of Law. She noted that the law school's enrollment projections and budget performance were in accordance with or ahead of their original plan. They are planning to host a visit from an ABA accreditation team in November as part of their plan to first achieve provisional and subsequently full ABA accreditation.

The Committee then turned to consideration of six action items. The first item was approval of the FY 2012 – 2016 Capital Plan. Two capital finance resolutions were approved, as were the establishment of an endowed professorship at the Amherst campus and the naming of the College of Management at UMass Lowell after former Board chairperson, Robert Manning. Finally, the Committee voted to approve the dissolution of the Group Practice Plan at UMass Worcester.

The first action item was Approval of the FY2012-2016 Capital Plan. Chair Karam thanked Senior Vice President Gray and Mr. MacKenzie for their unbelievable work.

It was moved, seconded and

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

	<u>Cost Estimate</u> <u>Aug-11</u>
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

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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
subtotal Amherst	\$429,500,000

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
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: Study Replacement of Catwalk/Enclosed Campus Walkway System and Connections to GAB 1	\$1,000,000
Master Plan Phase I: Study 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
subtotal Boston	\$263,450,000

Dartmouth Campus

Update Campus Master Plan	\$1,500,000
Research Laboratory Improvements	\$11,500,000
subtotal Dartmouth	\$13,000,000

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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
<i>subtotal Lowell</i>	\$299,900,000

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>	\$42,500,000

<i>Total all new projects</i>	\$1,048,350,000
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And further, To approve the following revised project cost estimates for previously approved capital projects:

Project Name	Initial TPC	Revised TPC
Lowell Campus		
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.

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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 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.**

It was moved, seconded and

VOTED: 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”);

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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 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.

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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 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.

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.**

It was moved, seconded and

VOTED: 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 Economics, UMass Amherst.**

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 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 the **Naming of the College of Management: the Robert J. Manning School of Business, UMass Lowell.** Chair Karam thanked former Chairman, Robert Manning for his contribution. Chancellor Meehan commented that Rob is actively engaged on the Lowell campus and will be a major asset moving forward.

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It was moved, seconded and

VOTED: 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.**

It was moved, seconded and

VOTED: 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 next item was the **Report of the Audit Committee.** Trustee Furman reported that the Audit Committee met and reviewed the Internal Audit Director's Quarterly Report.

The Internal Audit Director's report included a summary of internal and external audit engagements, including the status of various federal and state audits in process. His report also included a summary and status of Internal Audit's audit universe and action plan follow-up projects.

The Audit Committee made inquiries and comments regarding Internal Audit's resources and the manner in which the Audit Plan and the results of the action plan follow-up project will be reported to the Audit Committee.

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The next item was the **Report of the Advancement Committee**. Trustee DiBiaggio reported that President Caret presented the Committee with an overview of the University's Advancement efforts since June 30, 2011 and the Vice Chancellor's for Advancement from each of the campuses presented their reports for fundraising for FY'11. President Caret indicated that he would look to increase cash gifts and alumni support during his tenure.

The University had a good fundraising year in this very difficult economy. The fundraising goal for the year was \$100,300,000. During the fiscal year, the University received new commitments totaling \$110,300,000. This is the second year in a row in which the total of new fundraising commitments to the University exceeded \$100,000,000. In addition to the dollar commitments, the University received gifts from over 77,000 individual donors and 4351 organizations. These numbers represent an increase in individual donors of 40% and organizational donors of 43% over the last five years.

Under the leadership of Chairman Ed D'Alelio, the Committee achieved an investment return of 15.73%. This is the second best investment return in the history of the endowment. During the fiscal year, the endowment grew from \$459,000,000 to \$527,000,000. In the last 15 years the endowment has grown from \$45,000,000 to \$527,000,000, an increase of almost 1100%.

The Committee adopted the **Policy for Trustee Report on Fundraising Results**, which adopts changes in the fundraising reports submitted by the campuses to the Advancement Committee. These changes will place an increased emphasis on cash gifts in these reports and will streamline the reports so that they contain about half the pages that we have historically been receiving.

It was moved, seconded and

VOTED: To adopt the Policy for Trustee Report on Fundraising Results contained in Doc. T11-069.

Trustee DiBiaggio commended former Trustee Rick Lawton for his outstanding leadership of the Advancement Committee over the last several years.

The next item was the **Report of the Committee on Science, Technology and Research**. Trustee Johnston reported that President Caret described to the Committee how he has moved aggressively to develop relationships with key organizations important to UMass's research mission and had begun advocating for strategic resources to be invested in UMass. He has joined the boards of the Life Sciences Center, the Clean Energy Center, the Mass Technology Collaborative, the Mass Business Roundtable, and the Mass Green High Performance Computing Center.

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In addition, he has begun to advocate for legislation that would provide \$100M in capital funds for R&D matching grants that would help our faculty in pursuing major federal R&D projects, as well as for other strategic capital investments in campus research facilities.

Finally, he noted some recent successes: the University reported earnings of \$36.5M in FY 2011 from licensing university technology; the new UMass Innovation Institute for applied R&D has gotten off to a great start at Amherst with 4 new research agreements totaling \$1.3M already completed and another \$1M in final negotiations; and the Mass Green High Performance Computing Center is now under construction in nearby Holyoke.

Vice President Thomas Chmura provided the Committee with an overview of the growth of the University's research enterprise. UMass reported R&D expenditures of \$543M in FY 2010. This is an 11% increase over the previous year and the first time in history that we broke the \$1/2B mark on R&D. This is the 6th consecutive year in which we have exceeded the national average on R&D growth.

A panel of chief research officers from the campuses discussed the strategies they are pursuing to ensure that we continue to "hold our own" in R&D spending. These included efforts to support the R&D matching grant legislation noted by President Caret; attract industry R&D thru the new UMass Innovation Institute; pursue opportunities with private foundations; expand efforts in international R&D; and increase collaboration, both among UMass campuses and with private universities, to pursue major new R&D opportunities.

UMass Dartmouth Chancellor Jean MacCormack introduced a panel of university officials and industry partners who described the development of a bio-manufacturing center in the city of Fall River. The center is being designed as a resource for companies making the transition from R&D into bio-manufacturing. It will also serve as an education and training center and a facility for bio-manufacturing research. This will boost the South Coast's economic future by helping attract life sciences companies to the region.

The next item was the **Report of the Governance Committee**. Trustee Johnston reported that the Governance Committee met on September 19 and discussed the Committee Chairs, Vice Chairs and the Officers for 2011-2012.

Rick Lawton's term on the Board ended leaving a vacancy on the Advancement Committee Chairmanship which will be filled by Trustee Norm Peters. The Committee also discussed Committee assignments and changes to potential meetings schedules – issues to be discussed at a future meeting.

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It was moved, seconded and

VOTED: To confirm and approve the Officers and Committee Chairs of the Board of Trustees set forth in Doc. T10-079, all to serve until the next annual meeting of the Board.

The next item was **Other Business: Department of Defense, Exclusion from Personnel Clearance Requirements.** This is a routine item adding new Trustees to the Exclusion List.
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>
Bianca L. Baldassarre	Trustee
Richard P. Campbell	Trustee
Lawrence M. Carpman	Trustee
Edward W. Collins, Jr.	Trustee
John A. DiBiaggio	Trustee
Maria D. Furman	Trustee
Zoila M. Gomez	Trustee

**Board of Trustees
September 28, 2011**

Philip W. Johnston	Trustee
Christina Kennedy	Trustee
Ruben J. King-Shaw, Jr.	Trustee
Alyce J. Lee	Trustee
Jeffrey B. Mullan	Trustee
Kerri Osterhaus-Houle	Trustee
R. Norman Peters	Trustee
Paul Reville	Trustee
Peter T. Schock	Trustee
James A. Tarr	Trustee
Henry M. Thomas, III	Trustee
Cara Weismann	Trustee
Victor Woolridge	Trustee
Margaret D. Xifaras	Trustee

(Doc. T11-080)

Chairman Karam then announced the Board would enter **Executive Session** pursuant to Massachusetts General Law, Chapter 75, Section 4, for the purpose of considering **Appointments with Tenure, UMass Amherst, UMass Boston, UMass Worcester, Awards of Tenure, UMass Amherst, UMass Worcester,** and **Approval of the Executive Session Minutes of the Previous Meeting of the Board.**

It was moved and seconded.

The Secretary called the roll with each Trustee asked to vote yes or no to an Executive Session for those purposes as listed: Chairman Karam voted for the motion as did Vice Chair Thomas, Trustees Campbell, Carpman, Collins, DiBiaggio, Furman, Gomez, Johnston, Lee, Mullan, Osterhaus-Houle, Peters, Reville, Schock, Tarr, Woolridge and Xifaras

The time was 10:14 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees