

UNIVERSITY OF MASSACHUSETTS

AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER

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

Tuesday, February 7, 2012; 9:00 a.m.

Alumni Lounge, Second Floor

University of Massachusetts

100 Morrissey Boulevard

Boston, 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

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 Carter, UMass Lowell; Professor Weinstein, UMass Worcester

Chairman Karam convened the meeting at 9:05 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 December 14, 2011 meeting of the Board and the Executive Session Minutes from September 28, 2011 and December 14, 2011.

Reports:

Chair's Report: Chairman Karam thanked Chancellor Motley and his team for the welcome the Board has received. With an enrollment of 16,000 students, up from a little over 12,000 students only five years ago, and a research portfolio that has grown considerably, people continue to learn of the campus' quality and achievements and why its reputation has never been greater.

The location of this meeting was changed based on the advice of the campus officials that are committed to having a meeting that proceeds in a professional, orderly and business-like fashion.

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Members of this voluntary Board have either been appointed by the Governor or elected by the student bodies on the five campuses and have a duty to meet and discuss the important issues facing the University.

This week's Super Bowl had a strong UMass connection with two UMass graduates, James Ihedigbo and Victor Cruz. The University is very proud of their accomplishments and of the University that produced them. The UMass Amherst basketball team has also helped to shine a spotlight on the University and with UMass football stepping up a division and having selected a great new coach. Congratulations to the entire UMass Amherst community in leading the system with these achievements.

Chairman Karam discussed Governor Patrick's new state budget and noted that he has proposed a 6% budget increase for the University. He stated his appreciation that the Governor and his team are doing what they can in these challenging fiscal times. We have had a Governor who understands the power of education and supports public education at all levels, but has been forced to deal with the effects of what has been a punishing recession. As our funding eroding slightly during the past decade, enrollment has shot up, compounding our challenges. The rising level of student debt is a major concern and President Caret is right to flag this as a serious issue in our system and across this nation as part of his OP/Ed recently published in the Boston Globe. We all need to work hard to push for appropriate levels of funding so that quality and affordability will remain the hallmark of our deliberations on this Board.

Secretary Reville's Report: Trustee Reville reported that United States Education Chief Arne Duncan and Senator John Kerry joined thirteen college Presidents and students from across the area for a wide-ranging discussion that emphasized the need to keep higher education affordable. Governor Patrick has proposed standardizing the curriculum and academic programs at the Community Colleges that could prove to have many benefits. The Administration continues to find way to bridge the achievement gap that still exists for many students while we continue to address the state finances. In regards to maintaining quality and affordability, the Governor is eager to consider the 50/50 model – the state commits 50 percent of funding for education – student fees providing the remaining 50 percent.

Chairman Karam thanked the Governor and the Secretary for their move to the 50/50 model. He then asked Chancellor Holub to comment on the near riot on the Amherst campus following the Super Bowl loss. Chancellor Holub reported that the trouble was contained in the area of Southwest. Several news trucks showed up in anticipation of something happening. The event was comprised of a small number of students with no property damage. Victor Cruz was enlisted to create a video that told the students they should celebrate in a responsible way. Trustee Kennedy reported that student leaders had informed students of their responsibilities and that this small group did not represent all of the students.

There was a question about an official University protocol with these situations and it was indicated that it was different from campus to campus. Chairman Karam stated that this is a

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good subject for a future meeting that would include information on campus security. There had been a task force on this subject several years ago that showed impressive security on every campus.

Student Trustee Report: Trustee Baldassarre first thanked Chancellor Motley for all his support. She reported on the opportunities the Boston campus provides housing eight unique colleges. The new Integrated Science Building will be a state of the art research building; the Kennedy Institute will provide an unlimited amount of programs related to government. She stated the lack of residence halls on the Boston campus provides hardship for some students who have to work multiple jobs to support the rising costs of higher education and looks forward to more dialogue on this issue.

President's Report: President Caret thanked Chancellor Motley and his team for today's events. He noted the excitement building for the Integrated Sciences Complex which will greatly enhance UMass Boston's research capacity and will serve as the new front door for the campus. The campus is becoming a model for urban research universities with professors teaming up with the likes of NASA to refine weather satellite technology and data interpretation, working with the Dana Farber-Harvard Cancer Center to become a national model for addressing health disparities. There are new graduate and undergraduate programs to meet the growing demands of increasing enrollment; nearly 16,000 students are enrolled for the fall semester. The recent Boston Globe story about UMass Boston's new scholarship program for Boston Public Schools graduates; a \$2.1 million commitment over 15 years that is expected to help 1000 city youths complete their college degrees. Chancellor Motley is also in the process of reviewing a report compiling public feedback around ideas for the redevelopment of the 20 acre Bayside Exposition property which will help further mission and objectives of this campus.

The President highlighted some activities on other campuses UMass Amherst: faculty have received international recognition and competitive grants for research, scholarship, and engagement. The School of Education received a six-year, \$3 million National Science Foundation grant to provide fellowships to qualified professionals who hold a bachelor's degree or the equivalent in science, technology, engineering, or mathematics, and who want to become teachers.

UMass Dartmouth: the Massachusetts Life Sciences Center formally announced \$14.6 million in funding for UMass Dartmouth's new Biomanufacturing Center. The \$28 million center will provide emerging companies with a place to prove the feasibility of their products to investors, and it will anchor the new 300-acre SouthCoast Life Science and Technology Park in Fall River.

UMass Lowell: has developed the Multi-remote Sensing System, which is a low-cost, automated and efficient method for checking critical bridge components. The research was funded by a \$1.3 million grant from the Department of Transportation and Innovative Technology Administration.

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UMass Worcester: President Ellen Johnson-Sirleaf of Liberia, who recently won the Nobel Prize, will be the Medical School commencement speaker. We are doubly honored since faculty researchers from the Medical School's Center for Global Health are largely responsible for nearly \$8 million in grants for medical capacity building in Liberia.

The President commented on the recent Board Retreat. President Caret thanked Chancellor Meehan for making the UMass Lowell Inn and Conference Center available to the participants. There was discussion on an array of things, ranging from Board meetings and how the Board meeting cycle can be improved to fiscal issues, to communications and marketing, to ways in which we can organize ourselves to be more efficient and effective and make an even greater contribution to the citizens of the Commonwealth.

President Caret reported that the searches for Amherst and Dartmouth are moving along well and both have a strong pool of candidates. Interviews will occur throughout upcoming months. President Caret thanked Trustee Johnston for chairing the Amherst search and to Trustees Mullan and Trustee Collins for serving on that Committee and Trustee Furman for chairing the Dartmouth search and to Vice Chairs Thomas and King-Shaw for serving on the Committee.

A formal review process for Chancellor Michael Collins has begun based on Board policy; President Caret thanked Trustee Peters for chairing the review along with Trustees Mullan and Weismann for serving on the review. There will be an update at the next meeting on the review process.

President Caret reported on his plans regarding the position of Senior Vice President of Administration, Finance and Technology, and Treasurer. Christine Wilda will assume the role of Interim Vice President of Administration and Finance and Treasurer while we conduct a national search for that position. Our CIO Robert Solis will assume David's IT leadership responsibilities, reporting directly to the President, as had been the model when David was first hired. This will allow a deeper engagement in both the Procurement reform and the IT Services efficiency efforts, both of which are of critical importance to the University. He expressed his appreciation that both of them are willing to step forward, and confident the University's work will continue unabated. The hope is to complete a search for the Vice President of Administration and Finance in the next few months.

Governor Patrick recently submitted his proposed budget. We continue to try to make progress toward our goal of having 50 percent of our education budget coming from the state, while keeping student charges as low as possible. The Governor proposed \$455 million for us, an increase of 6 percent. The budget includes \$25.5 million to pay for bargained increases in contracts with union employees.

The University has been working hard to provide the financial aid needed during these challenging times. The good news is that UMass is directing a record \$158 million of its own funds toward student financial aid during the current year, more than double the amount that the

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University provided just five years ago. In total, University of Massachusetts students are receiving \$736 million in all forms of financial aid during the current year. Additionally, UMass students are having an estimated 91.8 percent of their demonstrated need met through financial aid this year.

President Caret announced that for the second year in a row UMass placed in the Top 15 in generating income from the licensing of faculty-derived discoveries and products. The University is one of only two New England universities to place in the Top 15 – MIT being the other University. The ability to generate \$40 million from faculty discovery and innovation is a testament to the great quality of our faculty on all five campuses and shows that we are extremely focused on obtaining our fair share of the proceeds when products reach the marketplace.

Report of the Committee on Academic and Student Affairs. Vice Chair Thomas reported that at its recent meeting the Committee on Academic and Student Affairs considered three action items, one discussion item, and three items for Executive Session which were appointments with tenure, UMass Boston, UMass Lowell, award of tenure, UMass Worcester and transfer of tenure, UMass Lowell.

Action Items:

- **Approval of the Graduate Student Senate Constitution, UMass Amherst.**

Vice Chair Thomas asked for a motion, and it was moved, seconded and

VOTED: To approve the Graduate Student Senate Constitution of the University of Massachusetts Amherst as contained in Doc. T12-001.

- **M.S. in Information Technology (MSIT), UMass Lowell.**

Vice Chair Thomas asked for a motion, and it was moved, seconded and

VOTED: To approve the M.S. in Information Technology (MSIT) at the University of Massachusetts Lowell as contained in Doc. T12-003.

- **B.S. in Communication, UMass Boston.**

Vice Chair Thomas asked for a motion, and it was moved, seconded and

VOTED: To approve the B.A. in Communication at the University of Massachusetts Boston as contained in Doc. T12-008.

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Discussion Item:

Vice Chair Thomas reported that the Committee heard a panel presentation and discussion regarding Student Life: Health, Wellness and Support Issues and Initiatives. The Chancellors and their Student Affairs Personnel made brief presentations about services to support students' health and well-being with an emphasis on challenging circumstances. Students reflect national patterns in terms of stress and the need for counseling and other support services. Each campus has deployed its resources as best suits the student body. General themes include prevention, shared responsibilities and education and awareness.

The Committee agreed to return to this subject in the near future to hear initiatives from the Worcester campus and more time for questions from members of the Committee.

The remaining items will be taken up in Executive Session.

Report of the Committee on Administration and Finance. Trustee Woolridge reported that at yesterday's meeting the Committee on Administration and Finance considered three action items and five discussion items. The Trustees reviewed a number of reports regarding important topics such as financial aid, financial indicator analyses, and our construction projects underway.

President Caret in his report highlighted some of the significant and troubling shifts in the higher education financing picture that have taken shape over the past decade or so. As states shift higher education costs away from their general funds to direct student charges, an overreliance on student debt has been one of the most alarming consequences.

Chancellor MacCormack briefed the Board on the progress of the University of Massachusetts School of Law at Dartmouth.

UMass Building Authority Executive Director Katherine Craven provided the Board with an update on the work of the Authority, her first update since she joined the Authority a few months ago. The Building Authority is undertaking an impressive array of projects that will transform the University's physical plant and is providing much needed regional economic stimulus in the short and for the long-term.

University Controller Christine Wilda provided an overview of the University FY2011 financial performance as compared to our peer University systems. Overall, the University exhibited a strong performance in the face of a challenging economy.

Interim Budget Director Naughton shared an analysis of the University's budget circumstances, including an update on the state budget. The Governor's budget offers a positive first step for the University's level of state support, and there is hope that the Legislature takes it a step further, particularly as the University implements the collective bargaining agreements that the state ratified.

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Interim Senior Vice President Douglas updated the Board on the University's Financial Aid program. The report provided further evidence of the University's strong and demonstrated commitment to institutional financial aid and to affordability, but it also shows the increasing strain on our students, including in the form of indebtedness.

Action Items:

- **Change in Name and Purpose of the Randolph W. Bromery Scholarship Fund, UMass Amherst.**

Trustee Woolridge asked for a motion and it was moved, seconded, and

VOTED: To dissolve the Randolph Bromery Scholarship Fund, UMass Amherst, created by vote of the Board of Trustees on June 8, 1983 (Doc. T83-051) and consolidate it with two other endowments created personally by Dr. Randolph Bromery and Cecile Bromery in order to establish a new endowment fund entitled the "Randolph and Cecile Bromery Endowment Fund for the Du Bois Center." (Doc. T12-014)

- **Naming of the Business School Building, UMass Lowell.**

Trustee Woolridge asked for a motion and it was moved, seconded and

VOTED: To name the Business School Building at the University of Massachusetts Lowell, the Pulichino/Tong Business Building and to accept with sincere gratitude the generous gift of John Pulichino and Joy Tong. (Doc. T12-015)

Chairman Karam thanked former Chairman Robert Manning and Chancellor Meehan for their work with this building.

- **Naming of the Engineering Facility, UMass Lowell.**

Trustee Woolridge asked for a motion and it was moved, seconded and

VOTED: To name the Engineering Facility at the University of Massachusetts Lowell, Perry Hall, and further, to accept with sincere gratitude the generous gift of Barry Perry. (Doc. T12-016)

Report of the Audit Committee. Trustee Furman reported that at its recent meeting the Audit Committee heard a report from Mr. David, the Director of Internal Audit. He highlighted the results of the UMass Amherst Intercollegiate Athletic Department review and the financial statement audits of WFCR-FM, combined WFCR-FM and WFCR Foundation, Inc., UMass

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Foundation, UMass Building Authority, Dartmouth Foundation and Worcester City Campus Corporation and entered executive session for an update on an internal personnel investigation.

Mr. David noted that there were no errors or omissions reported regarding the Athletic Department review and that each of the financial statement audits resulted in an unqualified auditor opinion which confirms that the financial statements present fairly the financial position of the entity with no material misstatements. Furthermore, he remarked that the engagements went smoothly and the external auditors have complimented Management on the assistance they received from Campus and President's Office personnel.

Action Items:

• **Approval of Audit Reports.**

Trustee Furman asked for a motion and it was moved, seconded and

VOTED: To accept the following Audit Reports:

1. Intercollegiate Athletic Department Report, UMass Amherst (Doc. T12-009)
2. WFCR-FM Audit Report, UMass Amherst (Doc. T12-010)
3. Combine WFCR-FM and WFCR Foundation, Inc. Audit Reports, UMass Amherst (Doc. T12-011)

The next item was the **Report of the Committee on Science, Technology & Research.** Trustee Johnston reported that President Caret began the meeting with an upbeat report about his work in developing linkages with the business community and state government. He described for us how he has moved aggressively to develop relationships with key organizations important to UMASS's research mission and begun advocating for strategic resources to be invested in UMASS.

Among the highlights of his presentation were:

- Negotiations with the Mass Life Sciences Center to release about \$65 M of capital funds earmarked to UMASS campuses over the next 2-3 years.
- Approval of \$14.5 M of Life Sciences Center funds to support development of a UMASS Dartmouth bio-manufacturing center in Fall River
- UMASS being ranked #13 in the US and #2 in New England for the amount of income generated from licensing its technology in FY 2010 – about \$40 M
- The Mass Green High Performance Computing Center continued to develop its facility on time and on budget with a successful “topping off” ceremony with the Governor and Congressman Neal in late November

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Following President Caret, Amherst Vice Chancellor for Research Malone and Lowell Vice Provost for Research Chen – two of our outstanding research leaders – briefed the Committee on the status of proposed legislation that would provide \$100 M in capital funding to support state matching grants that would make Massachusetts universities more competitive in pursuing federal and private R&D funding.

Chancellor Collins introduced a very impressive panel of senior administrators – led by Dean and Provost Flotte and Vice Provost for Research Sullivan – and an outstanding team of faculty to provide an overview of the Albert Sherman Center, now under construction at the Med School. This is an historic \$400 million, 500,000 sq. ft. project that represents the next phase of growth and development of the UMASS Medical School, the Commonwealth's first and only public medical school. This unique facility will strengthen the Medical School's ability to carry out its special research and educational missions.

The next item was the **Report of the Compensations Committee**. Trustee DiBiaggio reported that the Committee met to review former President Jack Wilson's Contract and Transition Arrangements with the University. The Compensation Committee found that transition arrangements in place with former President Wilson are consistent with University practice and with standard practice in the world of higher education. It was the view of the Committee that former President Wilson brought a lifetime of experience to the University and ended his presidency with the University's standing stronger because of his service.

The Compensation Committee reached their findings after being briefed by a national expert on higher education compensation, Raymond Cotton, a legal adviser to the University and a partner in the law firm of Mintz Levin. Based on the expert testimony of Mr. Cotton and a review of his report and the Nolan Group study, Committee members affirmed their review that President Wilson's arrangements are consistent with higher education practices.

Trustee Reville stated that the review had been very helpful and said it is important that in the instances where the Chair of the Board or the Compensation Committee are asked to conduct negotiations, that the final results are reported back to the full Board.

Trustee Reville had asked that the Board receive confirmation of former President Wilson's salary going forward. Chairman Karam informed the Board that former President Wilson's salary will be \$260,000.

There was a question about a list of University salaries that had been distributed. Chairman Karam responded that that was a topic of discussion for another day but that all state salaries are posted on-line. Trustee Carpman requested that future compensation packages show comparison with other peer groups.

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

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with Tenure, UMass Boston, UMass Lowell, Awards of Tenure, UMass Worcester and Transfer of Tenure, UMass Lowell.

It was moved and seconded.

The Secretary called the roll with each Trustee asked to vote yes or no. 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, Tarr, Schock, Woolridge and Xifaras.

The time was 10:50 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees