

**UNIVERSITY OF MASSACHUSETTS  
AMHERST•BOSTON•DARTMOUTH•LOWELL•MEDICAL SCHOOL•UMASSONLINE**

**MINUTES OF THE MEETING OF THE  
COMMITTEE OF THE WHOLE**

**Tuesday, April 12, 2016; 4:00 p.m.  
University of Massachusetts Dartmouth  
Woodland Commons  
285 Old Westport Road  
North Dartmouth, Massachusetts**

**Trustees Present:** Chair Woolridge; Trustees Buonomo, Campbell, Collins, Lee, Manning, Miller, Mullan, O'Brien, O'Neil, Osterhaus-Houle, Peters, Peyser, Robinson and Xifaras

**Trustees Absent:** Vice Chair Furman; Trustees Carpman, Epstein, Fubini, Johnston, Roh and Thomas

**University Administration:** President Meehan; General Counsel Heatwole; Senior Vice President Wilda; Chancellors Subbaswamy, Motley, Helm, Moloney and Collins

**Faculty Representatives:** Professor Whitbourne, UMass Amherst; Professor Buzawa, UMass Lowell

**Sightlines:** Jim Kadamus, Senior Advisor; Jonathan King, Associate Director; Brendon Martin, Account Manager

**Documents Used:** -Meeting Minutes: December 8, 2015  
-Deferred Maintenance Presentation, Doc. T16-020

Trustee Lee convened the meeting at 4:18 p.m. on behalf of Chair Woolridge who arrived late. She stated that the Committee was provided with the draft minutes of the December 8, 2015 meeting and asked for any corrections. With no corrections, the minutes were approved.

**Reports:**

**Chair's Report**

Trustee Lee provided the Chair's Report. She thanked Chancellor Helm for hosting the Board on the UMass Dartmouth campus and welcomed him to his first Board meeting. She stated that the day's discussion was on the University's capital planning and the status of the University's deferred maintenance needs.

**President's Report**

President Meehan began his report with a video clip of a Channel 5 news story regarding the University's spending plan. He then expressed his disagreement of the story and stated that the

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University has invested more than \$4 billion in the UMass campuses over the past 20 years, and has managed its investments responsibly and in a fiscally prudent manner.

President Meehan commented on the University's strategic decision in the early 90's, to invest in the infrastructure of its campuses despite being faced with a growing backlog in deferred maintenance and limited capital investments from the state. UMass has engaged in system-wide construction and renovation efforts to meet the needs of the Commonwealth and the students. Enrollment is up more than 40% over the past two decades and the University was recently named of the *Most Innovative Universities in the World*.

President Meehan stated that in building new academic and research facilities, the University also recognizes the need to invest in repairing existing facilities. President Meehan illustrated that new construction is a major strategy in addressing deferred maintenance with an example from UMass Amherst. The campus has reduced its backlog from \$2 billion to about \$1.5 billion from 2009 to 2015 by investing significant capital in existing buildings according to work done by Sightlines. This translates to the campus reducing its backlog 25% over a six-year period. President Meehan credited Chancellor Subbaswamy and his administration, the Board, and the Commonwealth for achieving this outcome.

President Meehan emphasized that every campus, as well as the System office is paying close attention to deferred maintenance. He attributed the University's progress and success to the efforts made by the University's leadership over the years. He stated that the University has transformed in recent years due to strategic capital investments.

President Meehan then stated that the Committee was provided with a copy of his letter to Legislators and the Administration describing the University's progress in addressing deferred maintenance and the University's careful approach to every expenditure of every capital dollar. President Meehan ensured that the University operates the capital program that adheres to industry best-practices, the Commonwealth's policies, a preference for a "fix-it-first" approach, and to the Board of Trustees guidelines.

**Discussion Items:**

**Sightlines**

Senior Vice President Wilda commented on the progress that the University has made on deferred maintenance. She stated that the University's capital program is crucial to allowing the University to emerge as a great public University, the curriculum is making a significant impact, the University's ratings are high and enrollments have soared by more than 40% over the past two decades, the University's construction and renovation efforts have employed thousands and has contributed to the \$6 billion annual economic impact the University provides across the Commonwealth.

Senior Vice President Wilda noted that the University sought guidance from one of the top facilities management firms, Sightlines, a firm that works with more than 400 colleges and universities across the nation and in Canada.

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Mr. Kadamus reported on the UMass Building Portfolios for FY15. He stated that the majority of the University's buildings were built between 1965 to the 1980's and they were post-war, low quality construction. At 50 years old, 60% of the buildings built were due for full gut renovation. He noted that there was a missed opportunity for cost savings because these buildings had not been renovated in the 1990's or the 2000's when they were due for renovation. Mr. Kadamus noted that other institutions are also facing this similar situation.

Mr. Kadamus stated that enrollment continues to outpace square footage growth. A strategic plan indicates that obtaining fiscal resources to meet the growing education and training needs of the Commonwealth is a critical issue. Mr. Kadamus commented on the alternatives funding strategies which include privatization of funding sources, and donation of land and buildings. He informed the Committee of reports which indicated that UMass Amherst has achieved a 25% decrease in its projected backlog in 6 years; one of the few universities in the nation to achieve this in such a short period of time.

Sightlines reports indicate that the UMass System is on course to reduce its current \$1.45 billion in deferred maintenance by nearly 40% to \$900 million by FY2019, when the University's current Capital Plan is scheduled to end. Mr. Kadamus stated that UMass is on the right path and doing great things with regard to decreasing its backlog.

**University's Five-Year Forecast**

Senior Vice President Wilda provided a brief follow-up of the University's Five-Year Forecast from the April 6<sup>th</sup> Administration & Finance Committee meeting. She stated that the forecast allows the University to communicate with all constituencies about the needs yearly and also demonstrates the drivers of those needs. She reported that the forecast is updated annually to reflect actuals and changes in the assumptions. She introduced the Future Perfect financial modeling tool, which allows the campuses to develop a local model that is consistent with how they gather and report centralized and campus-specific data, and allows for multiple scenarios modeling as well as a consolidated view and enhanced reporting.

Senior Vice President Wilda then provided a budget overview, stating that the budgeted revenue for FY16 totals \$3.1 billion, of which \$860 million or 28% is Medical School revenue, and the remaining \$2.2 billion or 72% is for the Amherst, Boston, Dartmouth, and Lowell campuses. She also reviewed the FY17 budget assumptions used to develop and submit the FY17 budget request to the state for an additional \$81.65 million. Expense drivers that contributed to that request include collective bargaining, capital-related costs and financial aid. Senior Vice President Wilda reported on the assumptions by campus and on the FY17 assumptions for a balanced approach. The FY17 project need is \$110,651,292; the total FY17 requested need out of the projected need is \$595,957,373.

There being no further business, the meeting adjourned at 5:56 p.m.

Christina Kelley  
Assistant Secretary to the Board