

**UNIVERSITY OF MASSACHUSETTS  
AMHERST•BOSTON•DARTMOUTH•LOWELL•MEDICAL•LAW•ONLINE**

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

**Wednesday, April 7, 2021; 9:00 a.m.**

**Remote Meeting**

**Pursuant to the Governor's Order Suspending Certain Provisions of the  
Open Meeting Law, G.L. c.30A, §20 dated March 12, 2020**

**Committee Members Present:** Chair Karam; Vice Chair O'Brien; Trustees Callahan, Epstein, Kunda, Patel, Peyser, Scalona, Woolridge and Wu

**Other Trustees:** Trustees Paris Jeffries, Ramos Gagliardi and Scheibel

**Committee Members Absent:** Trustees Cruz-Gordillo and Tolman

**University Administration:** President Meehan; General Counsel Leone; Senior Vice President Calise; Chancellors Subbaswamy, Suárez-Orozco, Fuller (Interim), Moloney and Collins

**Faculty Representatives:** Professor Hoagland, UMass Amherst, Professor Koren, UMass Lowell

**Documents Used:**

- Meeting Minutes: December 9, 2020 (Open & Executive Session)
- Authorization for the University to enter into a Working Capital Line of Credit, Doc. T21-015
- Tuition and Mandatory Charges and Authorization to Approve Other Charges for Academic Year 2021-2022, UMass Amherst, Boston, Dartmouth, Lowell, Medical School, Doc. T21-002
- Changes to the Approved Capital Projects List: first and second vote to approve the demolition of dormitories at UMass Dartmouth, Doc. T18-064, as amended
- Legislative Report: Impact Through Excellence, Innovation, and Resilience: How UMass is Positioned to Lead a Post-Pandemic Recovery
- FY21 Q2 Report
- Enterprise Risk Management (ERM) Report
- 2017-2019 Annual Clery Report
- FY21 Financial Aid Report

Chair Karam convened the meeting at 9:02 a.m. and stated that as a public body, the UMass Board of Trustees could meet remotely under the Governor of Massachusetts' executive order issued on March 12, 2020, which was effective immediately, and will remain in place until it is rescinded or the state of emergency that was declared is terminated.

Under the Emergency Order, All members of the Board may participate by remote virtual means, without affording public access to the physical meeting locations, as long as they engage with adequate and alternative means of access available. Any member of the public wishing to address the Board regarding an agenda item or issue related to the agenda, or to make an audio or video

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recording of the open public session of the Board meeting, was provided notice by the Secretary of the Board through a posting indicating that such written requests needed to be received no later than 24 hours prior to the meeting. Under the law, the Chair has complete discretion in granting or denying the request to speak, and may limit the duration that the public has to address the Board. The Chair stated that he received no requests to speak, make an audio or videotape of the meeting.

Associate VP and Deputy Chief Information Officer Milligan provided the instructions for zoom.

**Consideration of Minutes of the Prior Meeting of the Committee**

Chair Karam stated that the Committee was provided with the draft minutes of the December 9<sup>th</sup> meeting and asked for any corrections. With no corrections, the minutes were approved.

The minutes regarding the December 9, 2020 Executive Session will remain confidential and will be withheld from disclosure to the public in their entirety under subclause (a) of clause twenty-sixth of section 7 of MGL c. 4, because Mass. General Laws Chapter 30A, Section 22(f), allows for withholding the publication of meeting minutes if releasing them would defeat the lawful purposes of the executive session, and I have so found, in light of MGL c. 30A, section 21(a)(4). Management periodically reviews Executive Session minutes to determine if continued non-disclosure is warranted.

**President's Report**

President Meehan welcomed Interim Chancellor Mark Fuller and Student Trustee Narcisse Kunda from UMass Dartmouth to the Committee. He then noted that Senior Vice President and Treasurer Lisa Calise will provide an update on the University's finances. He noted the one-year anniversary of the University moving to remote learning and work due to the pandemic and noted that like last spring, the University will graduate 18,000 students.

He reported that the major bond rating agencies acknowledged the leadership, affirming the University's bond ratings at pre-pandemic levels. Moody's cited the University's significant research activity, its growing net tuition revenue, and disciplined budget management. Fitch cited the University's rigorous attention to managing cash flow needs in support of its material capital improvement program, its strong long-term credit profile, and its ample reserves in support of its modest self-liquidity obligations. Fitch further projected that the financial and operating profile will remain resilient, with steady enrollment and a commitment to preserving a structural operating balance through the pressures of the pandemic in fiscal year 2021 and into fiscal year 2022. Standard & Poor's cited the University's leading role in Massachusetts' public higher education system, historically healthy support by the Commonwealth of Massachusetts, consistently positive operating performance, steady trend of enrollment growth, comprehensive program offerings, and an experienced management team.

He thanked the Biden Administration and Congress, with advocacy from the Massachusetts Congressional delegation, for recognizing the importance of higher education, especially public higher education, in the recent relief legislation. Particularly, he thanked Congressman Richard Neal for allowing him to make the case for why UMass needs assistance.

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He noted the recommendation before the Board to freeze in-state undergraduate and graduate tuition at the Amherst, Boston, Dartmouth, and Lowell campuses for the second straight year to ease the financial burden on the students and their families due to the impacts of the COVID-19 crisis.

**Chair's Report**

Chair Karam acknowledged the work being done by members of the Committee, President Meehan, Senior Vice President Calise, the Chancellors, and the system and campus teams for their ongoing efforts to keep the University community safe and on solid financial footing during what has been a very challenging year. He noted the work that Senior Vice President Calise and her team have done to put in place the University's financial accountability framework.

He reported that the action items are consistent with the type of proactive management that has been enabled by the accountability framework and recognized by the rating agencies. He then announced the meeting's agenda: a vote to authorize Senior Vice President Calise, on behalf of the University, to enter into a working capital line of credit, a vote on tuition and fees for the coming academic year; and a vote to approve the demolition of the old freshman dormitories at UMass Dartmouth.

He noted that there would be an update on the work taking place across the University to ensure that it is operating as efficiently as possible. Chair Karam stated that as a member of the Advisory Working Group responsible for the creation of UPST (the Unified Purchasing Services Team), he could not be more pleased with the success that has been achieved in such a short time. Since it launched in January of 2020, UPST has saved the University \$26.9 million, surpassing its target of \$16.5 million. Chair Karam asked that similar progress be made to improve the University's payroll processes to ensure compliance, increase efficiency, and reduce risk.

Chair Karam noted that a number of informational items were posted for the Committee's review and stated that collectively, the reports demonstrate the University's commitment to transparency. The reports included: the Legislative Report which was filed with the legislature on March 15<sup>th</sup>; the annual Financial Aid Report; the annual ERM Report; the annual Crime Statistics Report; and the annual E&E Report.

**Senior Vice President's Report**

Senior Vice President Calise provided a comprehensive overview of the FY21 and FY22 state budget request and planning process. The University requested a budget totaling just over \$588M, a 4.9% increase over the FY21 budget. Included in the requests is funding for the continued support of student mental health services and funding for financial aid. The Governor's budget was released in January and provided level funding for the University. The house version of that budget is expected in mid-April and will be followed by the Senate version. Additionally, she highlighted and discussed enrollment actuals and challenges, UPST cost savings of almost \$27M, continuous improvement of payroll shared services, federal stimulus help, FY21 Q2 projection which is currently showing a surplus at the University level.

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She highlighted 4 recently completed reports: the Legislative Report, which is required by statute and demonstrates the stewardship that the University is using to stay financially strong; the Efficiency and Effectiveness Report, which demonstrates the University's savings achieved over multiple years and totaling just under \$100M and also documents the savings achieved through the Unified Procurement Services Team; the Enterprise Risk Management Report, which shows the University's maturity level in conducting enterprise risk management across the University; and the Financial Aid Report.

Senior Vice President Calise provided a summary of the Line of Credit and the FY22 tuition and mandatory fees vote. State legislation passed in November allows the University to have a line of credit which requires approval by the UMass Board and the Secretary of Administration & Finance. UMass has been negotiating a line of credit with Bank of America in the amount of \$150M. The tuition vote calls for a freeze on in-state undergraduate and graduate tuition for the Amherst, Boston, Dartmouth and Lowell campuses; out-of-state undergraduate and graduate tuition freezes for Boston, Dartmouth and Lowell, and modest increases of 1.5% for Amherst and the Medical School.

Chair Karam asked Chancellor Fuller for an update on enrollment given the recent challenges at UMass Dartmouth. Chancellor Fuller reported on efforts underway including building a brand, rebuilding the campus' position in the state and in the region, working to improve retention issues, and a search for a new enrollment management professional.

Trustee Wu inquired about a vaccination policy for the campuses. General Counsel Leone commented that the General Counsel's Office continually assesses the matter and spoke to discussions with the Chancellors and efforts underway to address the matter.

**Action Item #1: Approval to Authorize the University to enter into a Working Capital Line of Credit, Doc. T21-015**

Chair Karam requested the Approval to Authorize the University to enter into a Working Capital Line of Credit. He indicated that the Committee had a chance to review the background materials that were provided and asked for questions or discussion. It was moved by Trustee Woolridge and seconded by Trustee Wu.

To recommend that the Board take the following action:

Pursuant to Section 7 of Chapter 201 of the Acts of 2020, which amended Section 2 of Chapter 75 of the General Laws authorizing the University of Massachusetts (the "University") to enter into a working capital line of credit, the Board hereby authorizes the Senior Vice President for Administration and Finance and University Treasurer, subject to written approval from the Secretary of A&F, to initiate a line of credit to be applied to working capital expenses in furtherance of the purposes of the University or to refinance such borrowing, and such borrowing may include without limitation the ability to pledge or assign or create security interests in funds or revenues of the University to pay or secure such working capital borrowings; provided that, the Senior Vice President for Administration and Finance and University Treasurer, acting singly, is hereby authorized to do all acts and things and to execute

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and deliver any and all documents, certificates and other instruments necessary or desirable in connection with the University's entering into such working capital line of credit.

The Secretary then called the roll with each Trustee asked to vote yes or no. Chair Karam voted for the motion as did Vice Chair O'Brien; Trustees Epstein, Patel, Peyser, Scalona, Woolridge and Wu.

**Action Item #2: Approval of Tuition and Mandatory Charges and Authorization to Approve Other Charges for Academic Year 2021-2022, UMass Amherst, Boston, Dartmouth, Lowell, Medical School, Doc. T21-002**

Chair Karam requested the Approval of Tuition and Mandatory Charges and Authorization to Approve Other Charges for Academic Year 2021-2022, UMass Amherst, Boston, Dartmouth, Lowell, Medical School. He indicated that the Committee had a chance to review the background materials that were provided and asked for questions or discussion. It was moved by Trustee Epstein and seconded by Trustee Woolridge.

To recommend that the Board take the following action:

1. In accordance with Section 1A of Chapter 75 of the General Laws, and Policy T92-031, Appendix E, as amended to authorize the President to approve the individual Tuition for the Amherst, Boston, Dartmouth, and Lowell campuses that will include freezing in-state undergraduate tuition at the FY21 rates. Based on the 0% increase to in-state undergraduate tuition, the Tuition and Mandatory Fees at each campus is as outlined below for academic year 2021-22:

<b><u>Tuition &amp; Mandatory Fees</u></b>	<b><u>Amherst</u></b>	<b><u>Boston</u></b>	<b><u>Dartmouth</u></b>	<b><u>Lowell</u></b>
Undergraduate (in-state)	\$16,439	\$14,697	\$14,408	\$15,698
Undergraduate (regional)	\$30,027	\$25,337	\$19,556	\$27,238
Undergraduate (out-of-state)	\$36,964	\$35,159	\$30,153	\$33,624
Graduate (in-state)	\$17,011	\$18,938	\$16,965	\$15,210
Graduate (regional)	\$30,452	\$32,763	\$21,460	\$23,021
Graduate (out-of-state)	\$35,769	\$36,485	\$30,153	\$26,990
Graduate Law School (in-state)			\$29,236	
Graduate Law School (regional)			\$31,162	
Graduate Law School (out-of-state)			\$38,144	

2. In accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve the following Tuition and Mandatory Fee rates for the Medical School's graduate-only programs for academic year 2021-2022:

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<b><u>Tuition &amp; Mandatory Fees</u></b>	<b><u>FY22</u></b>
Medical School - (in-state)	\$39,250
Medical School (out-of-state)	\$65,962
Graduate School of Nursing (in-state)	\$15,900
Graduate School of Nursing (NE regional)	\$19,382
Graduate School of Nursing (out-of-state)	\$21,222
GSN Graduate Entry Program (in-state)	\$46,590
GSN Graduate Entry Program (NE regional)	\$53,054
GSN Graduate Entry Program (out-of-state)	\$59,516
Grad. School of Biomedical Science (in-state)	\$16,018
Grad. School of Biomedical Science(out-of-state)	\$33,898

3. And further, in accordance with Section 1A of Chapter 75 of the General Laws and T92-031 Appendix E, to authorize the President to approve final student housing rent and food service charges for academic year 2021-22.

<b><u>Room and Board</u></b>	<b><u>Amherst</u></b>	<b><u>Boston*</u></b>	<b><u>Dartmouth</u></b>	<b><u>Lowell</u></b>
Room	\$7,611	\$10,525	\$10,397	\$8,500
Board	\$5,984	\$5,830	\$5,428	\$5,070

*\*Board Only*

4. And further, to authorize the President to approve individual fee rates for other fees and fee/revenue based operations charges for all campuses.

The Secretary then called the roll with each Trustee asked to vote yes or no. Trustees Epstein, Patel, Peyser, Woolridge and Wu voted for the motion. Chair Karam and Vice Chair O’Brien abstained. They disclosed having a child who attends the University. Trustee Scalona voted against the motion.

**Action Item #3: Approval of Changes to the Capital Projects List (related to the FY2019–FY2023 Capital Plan), UMass Dartmouth, Doc. T18-064, as amended**

Chair Karam requested the Approval of Changes to the Capital Projects List (related to the FY2019–FY2023 Capital Plan), UMass Dartmouth. He indicated that the Committee had a chance to review the background materials that were provided and asked for questions or discussion. It was moved by Trustee Epstein and seconded by Trustee Patel.

To recommend that the Board take the following action:

Pursuant to Trustee Policy T93-122, as amended, to approve the demolition of dormitories at UMass Dartmouth subject to the receipt of funding from the anticipated sale of broadband licenses. Said approval shall satisfy Board policy requirements for both a first and second vote and no further votes are needed to proceed with the demolition project. The adoption of this vote hereby satisfies the University’s written request that the University of Massachusetts Building Authority (the “Authority”) undertake the following project to the extent permitted

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by Trustee Policy T93-122, as amended, and Board vote T18-064. The Authority is hereby authorized to study the feasibility of renovating two of the four dormitories and to provide the A&F Committee of the Board with a cost benefit analysis which will include, but not be limited to an assessment of space needs campus operations, by May 17, 2021. Provided further, that no work, beyond that related to the demolition of the dormitories, shall commence without a second vote of the A&F Committee of the Board.

Campus	Project Name	Preliminary Campus Estimate	Funding Sources				P3
			Local Funding	External Funding	Borrowed Funding	State Funding	
UMD	Traditional First Year Residence Hall Demolition	\$18,000,000	\$18,000,000	-	-	-	-

Associate Vice President Gorzkowicz provided the update on the capital projects. There are 69 projects totaling \$1.6B in the current capital plan including both Board and President-approved projects. He provided the breakdown of project phases and highlighted project spending. He provided the background for the vote to authorize the demolition of the residence halls at the Dartmouth campus and a feasibility study to be completed by May 17th; recommendations based on the study, other than demolition, will require a second vote of the A&F Committee.

The Secretary then called the roll with each Trustee asked to vote yes or no. Chair Karam voted for the motion as did Vice Chair O’Brien; Trustees Epstein, Patel, Peyser, Scalona, Woolridge and Wu.

**Consent Agenda**

Chair Karam then asked for a motion to place Action Items #s 1, 2 & 3 on a Consent Agenda for the full Board meeting. It was moved by Trustee Patel and seconded by Trustee Woolridge.

The Secretary then called the roll with each Trustee asked to vote yes or no. Chair Karam voted for the motion as did Vice Chair O’Brien; Trustees Epstein, Patel, Peyser, Scalona, Woolridge and Wu.

Chair Karam acknowledged Chief information Officer John Letchford who will be departing the University. He thanked him for his work and the advances with IT strategies, cybersecurity, and digital transformation.

The time was 10:17 a.m.

Zunilka Barrett  
 Secretary to the Board of Trustees