

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

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

Wednesday, April 3, 2024; 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, and subsequently updated
and extended by the Governor and their staff**

Committee Members Present: Chair O'Brien; Vice Chair Scheibel; Trustees Brady, Colella, Dooley, Epstein, Tolman, Worthy and Wu

Other Trustees Present: Vice Chair Burns; Trustee Paris Jeffries (joined at 9:24 a.m., left at 10:05 a.m.)

Committee Members Absent: Trustees Brunelle and Tutwiler

University Administration: President Meehan; Senior Vice Presidents Calise and Subbaswamy; General Counsel Lowy; Chancellors Reyes, Suárez-Orozco, Fuller, Chen and Collins; Vice Chancellors Mangels, Kirleis, Doyle, Yestramski and Lindstedt

Faculty Representatives: Professors Hoagland, UMass Amherst, Haroon, UMass Boston, and Hurwitz, UMass Lowell

Documents Used:

- Naming of the Bhupen and Ramika Shah Leadership Academy and Moloney Performing Arts Center, UMass Lowell, Doc. T24-017
- Approval of Changes to the Capital Projects List (related to the FY2024–FY2028 Capital Plan)
 - Traditional Project Vote 2: Curry Hicks Cage Renovation, UMass Amherst; LARTS HVAC Renovation/Upgrade, UMass Dartmouth; Clinical Wing Substations, Risers and Electrical Room Replacements, UMass Chan Medical School, Doc. T23-047, as amended
- Approval of Changes to the Capital Projects List (related to the FY2024-FY2028 Capital Plan)
 - Cost Change: Basic Wing Substations, Risers and Electrical Room Replacements, UMass Chan Medical School, Doc. T23-047, as amended
- Approval of Tuition and Mandatory Charges and Authorization to Approve Other Charges for Academic Year 2024-2025, Doc. T24-007
- Financial Aid Report, Doc. T24-008
- Legislative Report, Doc. T24-001

Chair O'Brien convened the meeting at 9:02 a.m. and reminded the Committee that the Governor of Massachusetts issued an executive order on March 12, 2020, which had been extended until March 31, 2025.

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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 Committee regarding an agenda item or issue related to the agenda, or to make an audio or video recording of the open public session of the Committee 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.

Chair O'Brien reminded the Committee members to unmute themselves and state their name when moving or seconding the action items.

Chair's Report

Chair O'Brien reported that the Administration and Finance team would present the tuition rates for the upcoming academic year. The increases will help support fixed cost increases for financial aid, fringe benefit, capital costs, etc. In recent years, the vote moved to the April meeting to provide transparency to students and families as they make decisions for the coming year, and also to allow the campuses to plan their budgets more accurately.

Campuses are actively assessing enrollment assumptions and implementing strategies – both to increase new student enrollment and improve retention. Tuition setting and enrollment are only part of the planning equation but all assumptions including, state funding and staffing levels are being assessed. Chair O'Brien noted that Senior Vice President Calise would provide an overview of the challenges that the campuses continue to operate within.

Transparency will be critical to understanding the budget, tracking against those plans and adjusting as more real time information becomes available. This work drives the financial performance we have experienced to date and will allow us to meet our 2% operating margin.

President's Report

President Meehan discussed need based financial aid and investment in financial aid over the last decade. UMass increased university generated financial aid to a record \$409M; an 82% increase over the last 10 years. This investment in University-funded aid is made possible by the active and skilled management of the Chancellors and their teams, and approximately \$120M in savings over the last few years through the shared services initiative.

President Meehan reminded the Committee that the University also took on an 8% wage increase. Although our employees deserve these increases, with the highest inflation in 40 years, these financial efficiencies are more important than ever. The Commonwealth, thanks to the leadership of the Healey-Driscoll Administration and the Legislature, stepped up with a major infusion of financial aid, including \$32M for UMass students through the MASSGrant Plus expansion, and the results of these actions are tangible. The percentage of UMass students graduating with debt has declined eight points over the last decade. The average debt at graduation has remained stable but when you adjust for inflation, it has declined significantly.

UMass is taking other innovative measures to keep a UMass education within financial reach. Financial aid is important part of it, but in the recent State of the University message, President

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Meehan highlighted early college initiatives which deliver UMass courses to hundreds of high school students in Boston gateway cities such as Lowell, Fall River, Taunton, New Bedford, and Brockton. This initiative is funded by the state and private foundations and is free to students, giving them a head start on their college education.

President Meehan reported that Senior Vice President Calise would make a presentation which includes a 2.5% increase in tuition. He reported that last week, three Massachusetts private universities announced tuition will be going to \$90,000 per year.

Senior Vice President's Report

Senior Vice President Calise reviewed the A&F Committee meeting calendar, FY24 Q2 Projections, and FY25 Planning including enrollment and admission tracking for the upcoming fall. She highlighted key information within the 5th Annual Financial Report to the Legislature, which was filed on February 1, 2024.

For the upcoming fiscal year, the University is tracking favorable against plan (\$34M) with a projected operating margin of 2.6%, which now reflects the collective bargaining parameters that were received from the Commonwealth (8% in total – 4% in July and 4% in January), and also the Commonwealth support for partial cost associated with collective bargaining. Enrollment remains the University's number one risk. The total undergraduate population was down slightly, while graduate enrollment was up 3.4%. Senior Vice President Calise also highlighted some of the data looking ahead to FY25.

Action Item #1: Naming of the Bhupen and Ramika Shah Leadership Academy and Maloney Performing Arts Center, UMass Lowell, Doc. T24-017

Chair O'Brien asked for a motion for the Naming of the Bhupen and Ramika Shah Leadership Academy and Moloney Performing Arts Center, UMass Lowell, Doc. T24-017. The motion was moved by Trustee Wu and seconded by Vice Chair Scheibel.

To recommend that the Board take the following action:

To name the leadership academy within the Francis College of Engineering at the University of Massachusetts Lowell as the Bhupen and Ramika Shah Leadership Academy.

And further,

To re-name Durgin Hall at the University of Massachusetts Lowell as the Moloney Performing Arts Center.

Chancellor Chen spoke to the action item.

Chair O'Brien asked for questions or comments. With none, the Secretary called the roll with each Trustee asked to vote yes or no. Chair O'Brien voted for the motion as did Vice Chair Scheibel and Trustees Colella, Dooley, Epstein, Tolman, Worthy and Wu.

Action Item #2a: Approval of Changes to the Capital Projects List (related to the FY2024-FY2028 Capital Plan), Traditional Project Vote 2: Curry Hicks Cage Renovation, UMass Amherst; LARTS HVAC Renovation/Upgrade, UMass Dartmouth; Criminal Wing Substations, Risers and Electrical Room Replacements, UMass Chan Medical School, Doc. T23-047, as amended

Chair O'Brien asked for a motion for the Approval of Changes to the Capital Projects List (related to the FY2024-FY2028 Capital Plan), Traditional Project Vote 2: Curry Hicks Cage Renovation, UMass Amherst; LARTS HVAC Renovation/Upgrade, UMass Dartmouth; Criminal Wing Substations, Risers and Electrical Room Replacements, UMass Chan Medical School, Doc. T23-047, as amended. The motion was moved by Vice Chair Scheibel and seconded by Trustee Tolman.

Pursuant to Trustee Policy T93-122, as amended, to authorize the following projects under the **second vote**; the adoption of such vote hereby satisfies the University's written request that the University of Massachusetts Building Authority undertake the following projects to the extent permitted by Trustee Policy T93-122, as amended:

Campus	Project Name	Building	Total Building DM	Vote 1	Vote 2	Funding Sources			
						Local Funding	External Funding	Borrowed Funding	State Funding
Amherst	Curry Hicks Cage Renovation	Athletic Center	\$1,504,203	\$8,000,000	\$11,600,000	6,600,000	5,000,000	-	-
Dartmouth	LARTS HVAC Renovation/Upgrade	LARTS	\$82,645,898	\$73,000,000	\$99,900,000	-	-	13,000,000	86,900,000
UMass Chan	Clinical Wing Substations, Risers and Electrical Room Replacements	Medical School	\$272,462,586	\$6,000,000	\$11,358,762	8,058,762	-	-	3,300,000
TOTAL			\$356,612,688	\$87,000,000	\$122,858,762	\$14,658,762	\$5,000,000	\$13,000,000	\$90,200,000

Associate Vice President Pasquini spoke to the action item.

Chair O'Brien asked for questions or comments. With none, the Secretary called the roll with each Trustee asked to vote yes or no. Chair O'Brien voted for the motion as did Vice Chair Scheibel and Trustees Colella, Dooley, Epstein, Tolman, Worthy and Wu.

Action Item #2b: Approval of Changes to the Capital Projects List (related to the FY2024-FY2028 Capital Plan), Cost Change: Basic Wing Substations, Risers and Electrical Room Replacements, UMass Chan Medical School, Doc. T23-047, as amended

Chair O'Brien asked for a motion for the Approval of Changes to the Capital Projects List (related to the FY2024-FY2028 Capital Plan), Cost Change: Basic Wing Substations, Risers and Electrical Room Replacements, UMass Chan Medical School, Doc. T23-047, as amended. The motion was moved by Trustee Epstein and seconded by Trustee Tolman.

Pursuant to Trustee Policy T93-122, as amended to approve the following project that exceeded the Approved Project cost by more than 10% and to satisfy the University's written request that the UMass Building Authority undertake projects in accordance with Board of Trustees vote T23-047, as amended:

Campus	Project Name	Building	Total Building DM	Vote 1	Vote 2	Adjusted Cost	Funding Sources	
							Local Funding	State Funding
UMass Chan	Basic Wing Substations, Risers and Electrical Room Replacements	Medical School	\$272,462,586	\$6,000,000	\$13,533,930	\$17,715,884	\$14,415,884	\$3,300,000
TOTAL				\$6,000,000	\$13,533,930	\$17,715,884	\$14,415,884	\$3,300,000

Associate Vice President Pasquini spoke to the action item.

Chair O'Brien asked for questions or comments. With none, the Secretary called the roll with each Trustee asked to vote yes or no. Chair O'Brien voted for the motion as did Vice Chair Scheibel and Trustees Colella, Dooley, Epstein, Tolman, Worthy and Wu.

Action Item #3: Approval of Tuition and Mandatory Charges and Authorization to Approve Other Charges for Academic Year 2024-2025, Doc. T24-007

Chair O'Brien asked for a motion for the Approval of Tuition and Mandatory Charges and Authorization to Approve Other Charges for Academic Year 2024-2025, Doc. T24-007. The motion was moved by Trustee Tolman and seconded by Trustee Colella.

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 and Mandatory Fee rates for the Amherst, Boston, Dartmouth, and Lowell campuses; provided that the Mandatory Student Activities Fees are pending student body approval and are subject to change. The Tuition and Mandatory Fees at each campus are as outlined below for academic year 2024-25:

<u>Tuition & Mandatory Fees</u>	<u>Amherst</u>	<u>Boston</u>	<u>Dartmouth</u>	<u>Lowell</u>
Undergraduate (in-state)	\$17,772	\$15,908	\$15,612	\$16,966
Undergraduate (regional)	\$33,512	\$27,363	\$21,155	\$29,878
Undergraduate (out-of-state)	\$40,449	\$38,125	\$32,567	\$36,264
Graduate (in-state)	\$18,222	\$15,493	\$17,269	\$16,434
Graduate (regional)	\$33,635	\$26,659	\$21,809	\$25,150
Graduate (out-of-state)	\$38,952	\$29,665	\$30,589	\$29,118
Graduate Law School (in-state)			\$31,407	
Graduate Law School (regional)			\$33,488	
Graduate Law School (out-of-state)			\$40,874	

*Amherst graduate rate based on 12 credits; Boston, Dartmouth, and Lowell graduate rate based on 9 credits.

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 UMass Chan Medical School's graduate-only programs for academic year 202-2025:

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<u>Tuition & Mandatory Fees</u>	<u>FY25</u>
T.H. Chan School of Medicine (in-state)	\$42,734
T.H. Chan School of Medicine (out-of-state)	\$71,780
Tan Chingfen Graduate School of Nursing (in-state)	\$17,286
Tan Chingfen Graduate School of Nursing (NE regional)	\$21,075
Tan Chingfen Graduate School of Nursing (out-of-state)	\$23,074
Tan Chingfen Graduate School of Nursing Graduate Entry Program (in-state)	\$50,660
Tan Chingfen Graduate School of Nursing Graduate Entry Program (NE regional)	\$57,690
Tan Chingfen Graduate School of Nursing Graduate Entry Program (out-of-state)	\$64,716
Morningside Graduate School of Biomedical Sciences (in-state)	\$17,416
Morningside Graduate School of Biomedical Sciences (out-of-state)	\$36,862

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 2024-25:

<u>Room and Board</u>	<u>Amherst</u>	<u>Boston*</u>	<u>Dartmouth</u>	<u>Lowell</u>
Room	\$8,480	\$11,560	\$11,239	\$9,240
Board	\$7,648	\$6,360	\$5,932	\$5,600

**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.

Associate Vice President Pasquini spoke to the action item.

Trustee Epstein recommended increasing tuition by 3.5% or 4%. Trustee Wu agreed, noting an additional increase is still reasonable and allows the University to keep up with inflation. Trustee Epstein made a motion to increase tuition by 3.5%, instead of the proposed 2.5%. Trustee Wu seconded the motion. Trustee Scheibel requested to hear from President Meehan on the motion.

President Meehan commented that he does not disagree with Trustees Epstein and Wu's proposal, and shared that he meets with the Chancellors every year to evaluate tuition and they try to keep increases as low as possible, which is what they are proposing. Senior Vice President Calise commented on the sophisticated cycle of planning processes, and noted that the five-year forecast that was presented in December had the assumptions reflected in there at the 2.5%. The campuses are well underway with their financial planning and will come back to the Committee next month with the budget. She suggested the Administration pushing itself in the planning process for next year's update to the forecast, which will start in September.

Discussion ensued. Chair O'Brien withdrew the motion on the floor with the promise that the Committee work with the administration early in the planning process to review tuition increases in 2025 and beyond. Trustee Epstein and Trustee Wu supported this.

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Chair O'Brien asked for questions or comments. With none, the Secretary called the roll with each Trustee asked to vote yes or no. Chair O'Brien voted for the motion as did Vice Chair Scheibel and Trustees Colella, Dooley, Epstein, Tolman, Worthy and Wu.

Informational Item

Chair O'Brien reported that two informational items were included in the materials – the Financial Aid Report, Doc. T24-008 and the Legislative Report, Doc. T24-001.

Consent Agenda

Chair O'Brien asked for a motion to place Action Items 1-3 on the Consent Agenda for the full Board meeting on April 10, 2024. The motion was moved by Vice Chair Scheibel and seconded by Trustee Tolman.

Chair O'Brien asked for questions or comments. With none, the Secretary called the roll with each Trustee asked to vote yes or no. Chair O'Brien voted for the motion as did Vice Chair Scheibel and Trustees Colella, Dooley, Epstein, Tolman, Worthy and Wu.

Executive Session Announcement

Chair O'Brien asked the Committee for a roll call vote to enter into Executive Session to consider the purchase, exchange, lease or value of real property, including proposed and ongoing projects, as permitted under Massachusetts General Law, Chapter 30A, Section 21a, Purpose (6); AND to comply with, or act under the authority of, any general or special law necessitating confidentiality, as permitted under Massachusetts General Law, Chapter 30, Section 21a, Purpose (7), See MGL c. 4, Section 7 Clause 26, subclauses: (d) and (g)- since an open meeting may compromise the purpose for which the executive session is being called and have a detrimental effect on the University.

Chair O'Brien stated that the Committee meeting would not reconvene in open session and asked for a motion. It was moved by Trustee Wu and seconded by Trustee Tolman.

The Secretary called the roll. Chair O'Brien voted for the motion as did Vice Chair Scheibel and Trustees Colella, Dooley, Epstein, Tolman, Worthy and Wu.

The meeting adjourned at 10:45 a.m.

Chelsey L. Burke
Assistant Secretary to the Board