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

MINUTES OF THE MEETING OF THE
COMMITTEE ON ADMINISTRATION AND FINANCE

Wednesday, June 1, 2022; 9:00 a.m.
Remote Meeting
Pursuant to the Governor’s Order Suspending Certain Provisions of the
Open Meeting Law, G.L. c.30A, s.20 dated March 12, 2020

Committee Members Present: Chair Karam; Vice Chair O’Brien (departed at 9:55 a.m.);
Trustees Bates, Epstein, Kunda, Peyser and Woolridge

Other Trustees Present: Trustees Burns, Kelleher, Ramos Gagliardi and Scheibel

Committee Members Absent: Trustees Bhandari, Dyer, Houle, Tolman and Wu

University Administration: President Meehan; General Counsel Leone; Senior Vice President
Calise; Chancellors Subbaswamy, Suárez-Orozco, Fuller, Moloney and Collins; Vice Chancellors
Mangels, Gingerella, O’Riordan and Lindstedt; Associate Vice Chancellor Giuliani

Faculty Representatives: Professors Hoagland, UMass Amherst; Kim, UMass Boston

Documents Used:
• Meeting Minutes, April 6, 2022
• Establishment of an Endowed Chair and Dean, UMass Lowell, Chan Medical School, Doc.
  T22-027
• Quarterly Capital Project Update and Amendments to the University’s Capital Plan, Doc. T21-
  048, as amended
• Approval of the University’s FY23 Operating Budget, Doc. T22-017
• Authorization to Allocate the Fiscal Year 2023 State Appropriation, Doc. T22-018
• Campus Affirmative Action Reports, Doc. T22-019
• Enterprise Risk Management (ERM) Report, Doc. T22-020
• FY23 Tuition & Fee Schedules, Doc. T22-036

Chair Karam convened the meeting at 9:03 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, and has been extended to July 15, 2022.

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
Committee on Administration and Finance  
June 1, 2022

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 Karam provided instructions for the meeting.

**Consideration of Minutes of the Prior Meeting of the Committee**  
Chair Karam stated that the Committee was provided with the draft minutes of the April 6, 2022 meeting and asked for comments or corrections. With none, the minutes were approved.

**Chair’s Report**  
Chair Karam thanked the Student Trustees for their service to the Committee and wish them well in their future endeavors. He noted that it was their last meeting.

Chair Karam reported on the meeting’s agenda: updates by Senior Vice President Calise and her team on the third quarter results, the FY23 budget which will reflect some challenges that will need to be managed throughout the next fiscal year, UMass Global FY23 budget which will be presented in September, and a review of the University’s fiscal health score card.

Chair Karam commented on the third quarter results and cautioned everyone about the operating margin across the System. He also spoke to the State’s support of the University’s FY23 budget, and the need to monitor the capital program. He noted the Advisory Working Group on Financial Planning efforts with the SPARC Dashboard (Strategic Planning Analytics & Reporting for Campuses).

**President’s Report**  
President Meehan reported that the Committee will receive an update on the present and future of the University’s financial condition. He commended the Chancellors and their teams for their skillful management through this academic year. He thanked Governor Baker, Senate President Spilka, and House Speaker Mariano and their colleagues in the Massachusetts Legislature for their support of the University. He reported that while there are some differences in the House and Senate versions of the budget, the University’s base appropriation ($648 million) is the same in both the House and the Senate. The FY23 budget process will be closely monitored until finalized.

The President commented on ending the academic year in a stable financial condition and spoke to the efforts needed to re-evaluate how the needs and aspirations of the students and the expectations of the communities are met, and efforts to closely look at how revenue is generated and spent, to look at cost savings, to strengthen the capability to analyze and act upon enrollment data and other critical metrics to ensure the long-term financial stability of the University.

Chair Karam announced four action items on the agenda and reminded the Committee members to unmute themselves and state their name when motioning or seconding the action items.
Action Item #1: Establishment of Endowed Chair and Dean, UMass Lowell, Chan Medical School, Doc. T22-027
Chair Karam asked for a motion to approve the Establishment of an Endowed Chair and Dean at the University of Massachusetts Lowell and the University of Massachusetts Chan Medical School. It was moved by Trustee Woolridge and seconded by Trustee Epstein.

To recommend that the Board take the following action:

In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws to establish the following:

Establishment of the Rist Family Foundation Endowed Deanship in the Manning School of Business at the University of Massachusetts Lowell.

And further,

Establishment of the Our Danny Cancer Fund Chair in Biomedical Research II at the University of Massachusetts Chan Medical School.

Chancellors Moloney and Collins spoke to the item and thanked Chairman Manning for his support. President Meehan acknowledged Chancellor Moloney and her team for their work with Mr. Rist.

The Secretary called the roll. Chair Karam voted for the motion as did Vice Chair O’Brien; Trustees Epstein, Kunda, Peyser and Woolridge.

Action Item #2: Quarterly Capital Project Update and Amendments to the University’s Capital Plan, Doc. T21-048, as amended
Chair Karam asked for a motion to approve the Quarterly Capital Project Update and Amendments to the University’s Capital Plan. It was moved by Trustee Woolridge and seconded by Trustee Epstein.

To recommend that the Board take the following action:

Pursuant to Trustee Policy T93-122, as amended, to authorize the following projects under the first 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 and Board vote T21-048:

<table>
<thead>
<tr>
<th>Campus</th>
<th>Project Name</th>
<th>Preliminary Campus Estimate</th>
<th>Local Funding</th>
<th>External Funding</th>
<th>Borrowed Funding</th>
<th>State Funding</th>
<th>Alternative Finance &amp; Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dartmouth</td>
<td>LARTS HVAC Renovation/Upgrade</td>
<td>$73,000,000</td>
<td></td>
<td>-</td>
<td>-</td>
<td>$73,000,000</td>
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</tr>
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Assistant Vice President Pasquini provided the fourth quarterly report of the FY22-26 Capital Plan. There are 2 new projects (1 project requiring Board authorization, and 1 project at UMass Lowell
requiring the President’s authorization). Five projects are completed resulting in a net decrease of $96 million of the overall capital plan. She highlighted project phases which included both Board and President authorized projects for traditional projects, and the Funding Sources dashboard which displays the total amount of the approved capital plan by the respective funding sources (74% of the Capital Plan is funded by University resources, and 15% is funded by the State. Funding sources vary by campus). There is one traditional project (LARTS renovations/upgrade project) for Board approval seeking a first vote at UMass Dartmouth. The $73 million project is completely funded by the state.

Chancellor Fuller and Chair Karam commended the efforts for the project. President Meehan acknowledged Governor Baker and Lieutenant Governor Polito for supporting the project at UMass Dartmouth. Chancellor Fuller thanked Secretary Peyser for his support.

The Secretary called the roll. Chair Karam voted for the motion as did Vice Chair O’Brien; Trustees Epstein, Kunda, Peyser and Woolridge.

**Action Item #3: Approval of the University’s FY23 Operating Budget, Doc. T22-017**

Chair Karam asked for a motion to approve the University’s FY23 Operating Budget. It was moved by Trustee Woolridge and seconded by Trustee Epstein.

To recommend that the Board take the following action:

To approve the University’s Fiscal Year 2023 Operating Budget and to authorize the President to approve changes, as needed, based on the final General Appropriations Act for Fiscal Year 2023 and any changes made to it during the fiscal year.

Senior Vice President Calise reviewed the Financial Accountability Framework’s A&F Roadmap highlighting financial reporting, financial sustainability, Advisory Working Group, risk management, insurance, and shared services activity. She noted that the semi-annual Affirmative Action Reports were included in the information items. She provided an update on EY-Parthenon’s enrollment assessment recommendations that have been implemented and are reflected in the FY23 budget.

Senior Vice President Calise provided an update on the FY22 3rd quarter budget highlighting a 1.9% positive operating margin projection for the University. She reviewed FY22 3rd quarter projections for UMass Global noting a projected loss of $15.6 million. She provided an update on collective bargaining for contract period FY21-FY23; on the Federal stimulus funds received by the University ($260 million); and on UPST ($86.4 million in cost savings across the System).

Senior Vice President Calise provided a high-level overview of the FY23 budget which totals $3.8 billion and reflects a 0.7% operating margin or $28.5 million, the tuition vote approved in April, state appropriation of $648 million, a 0.5% increase in enrollment (65,090 student FTEs), and employment growth levels of 3.2%.

Trustee Epstein asked that the Committee be updated on the budget issues at UMass Global at a future meeting and commented on the importance for the Board to understand the problem and
Committee on Administration and Finance  
June 1, 2022

risks. Trustee Woolridge spoke to UMass Global’s initial projections and work to address the problem. Chair Karam noted an update planned for the Committee’s September meeting.

Assistant Vice President Pasquini provided an overview of the FY23 budget. She highlighted the quarterly reporting schedule and discussed the budget assumptions (for tuition and fees, state appropriation, enrollment, collective bargaining, and staffing). She noted the next steps related the FY23 budget which includes approval of the University’s FY23 Operating Budget and approval to authorize the President to allocate the FY23 State appropriation, work with the campuses to continue active management to meet budgeted operating margin, continue to track enrollment and occupancy to budget, present UMass Global budget at the Committee’s September meeting and update the University’s enrollment and occupancy.

Assistant Vice President Pasquini informed the Committee that additional details on the budget presentation are posted on Boardvantage for their information.

Trustee Kelleher acknowledged and commended Senior Vice President Calise and her team for their work.

The Secretary called the roll. Chair Karam voted for the motion as did Trustees Epstein, Kunda, Peyser and Woolridge. Vice Chair O’Brien had departed the meeting and was absent for the vote.

**Action Item #4: Authorization to Allocate the FY23 State Appropriation, Doc. T22-018**

Chair Karam asked for a motion to approve the Authorization to Allocate the FY23 State Appropriation. It was moved by Trustee Woolridge and seconded by Trustee Epstein.

To recommend that the Board take the following action:

To direct the President to allocate the amount appropriated for the University of Massachusetts in Line Item 7100-0200 of the General Appropriation Act for Fiscal Year 2023 to the campuses.

Senior Vice President Calise reported that the item was an annual vote required by the Board’s Governance Policy to allow the President to allocate the state’s appropriation.

The Secretary called the roll. Chair Karam voted for the motion as did Trustees Epstein, Kunda, Peyser and Woolridge.

**Consent Agenda**

Chair Karam then asked for a motion to place Action Items #1-4 on a Consent Agenda for the full meeting of the Board. It was moved by Trustee Epstein and seconded by Trustee Woolridge.

The Secretary called the roll. Chair Karam voted for the motion as did Trustees Epstein, Kunda, Peyser and Woolridge.
Information Items: Affirmative Action Reports; Enterprise Risk Management Report; Tuition & Fee Schedules
Chair Karam reported that three reports and schedules were posted for their information. The Affirmative Action Reports which Board of Trustee policy requires the University’s Affirmative Action Officers submit their Campus Affirmative Action Plans to the Board every two or three years. The Enterprise Risk Management Report which was also presented by Christine Packard at the Audit Committee earlier today. The Tuition & Fee Schedules which Board policy requires posting of the full tuition and fee schedules that were voted in April along with those fees which the President is delegated to approve.

Executive Session Announcement
Chair Karm asked the Committee for a roll call vote to enter into Executive Session pursuant to Massachusetts General Law, Chapter 30A, Section 21a(6), to consider the purchase, exchange, lease or value of real property, as permitted under, since an open meeting may have a detrimental effect on the negotiating position of the University and the Chair declares that an open meeting will have a detrimental effect in obtaining qualified proposals. He stated that the Committee will not reconvene in open session. It was moved by Trustee Woolridge and seconded by Trustee Epstein.

The Secretary called the roll. Chair Karam voted for the motion as did Trustees Epstein, Kunda, Peyser and Woolridge.

Chair Karam noted that those participating in the Executive Session will join that Zoom meeting with the specific link provided.

The time was 10:08 a.m.

Zunilka Barrett
Secretary to the Board