Chair Buonomo convened the meeting at 9:13 a.m.

Consideration of Minutes of the prior meeting of the Committee
Chair Buonomo stated that the Committee was provided with draft minutes of the November 29, 2017 meeting and asked for any corrections. With no corrections, the minutes were approved.

President’s Report
President Meehan reported that research expenditures in FY17 reached a record high of $670 million, up $37 million over the previous year and the second largest single year increase in research funding for the University in nearly a decade. He stated that research at the Medical School grew by more than 10%; UMass Boston grew by nearly 10%, UMass Amherst grew by 2.5%, and expenditures at UMass Lowell have also grown. UMass remains the third largest research university in Massachusetts trailing Harvard and MIT and the fourth largest in all of New England.
He provided a preview of the day’s agenda, stating that the committee would hear an update from the Administration and Finance department regarding the University’s annual Financial Aid report as well as an update on the draft Reserve Policy with an emphasis on collective bargaining.

President Meehan stated that the Governor released his budget in January, recommending a 1% increase for the University which would include a reserve to fund the state’s share of collective bargaining obligations. However, the caveat is that the Governor’s budget only funds the annualized cost of the FY18 salary increases for state funded employees, it does not fund the additional 2% increase for FY19 set by the administration. The University will thereby be forced to self-fund an additional $14 million in salary increases to employees who are state funded which over the 3-year contract would result in a $28 million shortfall.

President Meehan stated that he will continue to make the case to the legislative leaders regarding the importance of funding collective bargaining.

**Chair’s Report**
Chair Buonomo provided an update on the State’s revenue collections for fiscal year 2018 through February. Year-to-date revenue collections through February totaled $17.160 billion, up $1.309 million or 8.3% more than the state took in last year at this time. The State revenues through February are running $725 million above the benchmarks used in developing the State’s FY18 budget. Chair Buonomo reviewed the breakdown of the February tax revenue reporting. The revenues for February totaled $1.268 billion, which were $78 million below the benchmark for the month and income collections are $75 million below the benchmark. All other tax collections are $24 million above the benchmark for the year. He stated that even with February’s below benchmark performance the state remains ahead of the annual benchmark by $725 million which is expected to normalize over the coming months.

Chair Buonomo provided an overview of the day’s agenda

Chair Buonomo stated that one of the biggest challenges that the University currently faces is determining how much it can afford to spend annually in support of the capital program. The Administration and Finance team is working to draft a reserve policy and review the University’s capital policy in an effort to define capital needs and set targets for how the University maintains its assets going forward.

He reiterated President Meehan’s remarks regarding collective bargaining. He stated that the University’s ongoing struggle is to get the State to fund collective bargaining costs. He expressed his concerns about the level of state support that the University can achieve and the impact it might have on future tuition increases.

**Senior Vice President Report**
Senior Vice President Calise provided an overview of progress on the A&F Roadmap and highlighted several strategic and operational improvements including Employee FTE reporting, Student reporting of enrollment data, a status update on the development of the University’s reserve policy and the first ever quarterly financial close process to increase transparency and quality of projections to address audit deficiency and to streamline the year end close process.
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She also provided highlights of the current status of the collective bargaining negotiations. Senior Vice President Calise reminded the committee of the elements considered in negotiations. There being 30 bargaining units across the four campuses (excluding the Medical School), representing 90% of the University’s benefited workforce. She explained that it is also imperative to understand that the State’s Administration establishes the parameters in the form of salary increase percentages and that negotiations with the campuses are only conducted using the economic parameters established by the state along with University’s Initiatives.

Discussion ensued.

Public Speakers:
Thomas Kane, a member of the Professional Staff Union at UMass Boston, vouched for funding for the UMass Boston William Joiner Institute. He stated that the center’s funding was reduced by 60% and as of July 1st functioning with a significantly low operating budget. He attested that the Center is a vibrant interval of the UMass Boston community and its commitment to veterans. He asked the board to consider supporting a decision to make the University core funders of the William Joiner Institute.

Janelle Quarles, a member of the Classified Staff Union from UMass Boston shared her concerns surrounding employee morale on the Boston campus. She stated that workloads have increased and students have transferred due to inaccessibility. She voiced her frustrations with the parking increases and alleged that the Board is in violation of the Classified Staff Union contract. She asked that the Board be better advocates for the staff.

Action Item #1: Establishment of the James P. O’Connell Endowed Professorship, UMass Amherst, Doc. T18-014
Chair Buonomo requested the approval of the Establishment of the James P. O’Connell Endowed Professorship, UMass Amherst. 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 and seconded.

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 James P. O’Connell Endowed Professorship at the Isenberg School of Management, University of Massachusetts Amherst.

Chancellor Subbaswamy provided a brief background for the purpose of the action item.

The Chair then asked for a vote and the motion passed unanimously.
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Action Item #2: Establishment of the Li Weibo Endowed Chair in Biomedical Research, UMass Medical School, Doc. T18-015

Chair Buonomo requested the approval of the Establishment of the Li Weibo Endowed Chair in Biomedical Research, UMass 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 and seconded.

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 Li Weibo Endowed Chair in Biomedical Research at the University of Massachusetts Medical School.

Chancellor Collins briefly discussed the contributions of Mr. Li Weibo to the Medical School and the purpose for the establishment of the endowed chair.

The Chair then asked for a vote and the motion passed unanimously.

Action Item #3: Approval of Changes to the Capital Projects List (related to the FY2017 – FY2021 Capital Plan), Doc. T16-067, as amended

Chair Buonomo requested the Approval of Changes to the Capital Projects List (related to the FY2017 – FY2021 Capital Plan. 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 and seconded.

To recommend that the Board take the following action:

Pursuant to Trustee Policy T93-122, as amended, to approve the following project under the first vote or “Preliminary Campus Estimate”:

<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>P3</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMA</td>
<td>Student Union Building</td>
<td>$55,000,000</td>
<td>-</td>
<td>-</td>
<td>$55,000,000</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

And provided further; pursuant to Trustee Policy T93-122, as amended, to approve the following project under the first vote or “Preliminary Campus Estimate”:

<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>P3</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMD</td>
<td>New Housing / Dining Facility</td>
<td>$133,900,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

Assistant Vice President Pasquini provided an update of the quarterly capital projects list which included a first vote for the Student Union Building at UMass Amherst and a first vote for UMass Dartmouth’s new housing/dining facility.
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Associate Vice President Gorzkowicz provided an overview of the capital plan for fiscal year 2017-2021. He discussed capital spending in context including the University’s history and recapped the process for capital project approval.

The Chair then asked for a vote and the motion passed unanimously.

**Consent Agenda**
Chair Buonomo asked for a vote to place Action Items #1-3 on a Consent Agenda for the Board meeting. It was moved and seconded to place the Action Items on a Consent Agenda.

The Chair then asked for a vote and the motion passed unanimously.

**Discussion Item: Review of the University’s Annual Financial Aid Report**
Assistant Vice President Pasquini provided a high level overview of the University’s Annual Financial Aid report indicating that FY17 total financial aid from all sources of funds increased 5% to $893 million. She reported that University funded aid represents 35% of the total financial aid to student and primarily in the form of scholarships and grants. In FY17, University Funded Aid totaled $316 million, representing a 10% growth over FY16. The University’s funded financial aid is projected to grow another 4.5% to $329.6 million for FY1 from continued investments in scholarships. Federal aid represents 48% of total financial aid, state aid represents 3% of financial aid. The average percentage of undergraduates graduating with debt increased by 2% in FY17 and the University continues to invest in financial literacy across all campuses.

Assistant Vice President Pasquini noted that UMass’ net price is still below its peers. For FY17, the net price was $17,131 vs. other public universities average net price is $19,541. Average net price for Massachusetts private institutions is $28,196. Reaffirming the University’s commitment to access and affordability given fiscal strains.

There being no further business, the meeting adjourned at 11:33 a.m.

Christina A. Kelley
Assistant Secretary to the Board