Chair Dubilo convened the meeting at 8:07 a.m. The first item on the agenda was **Consideration of Minutes of the Prior Meeting of the Committee**.

It was moved, seconded and **VOTED**: To approve the minutes of the February 8, 2006 meeting of the Committee.

The next item on the agenda was the **Chair’s Report**. Chair Dubilo began his report by summarizing the agenda items and pledged the Committee’s commitment to having the resources necessary to operate a quality institution and to make sure we are doing as much as possible to ensure access in light of students personal circumstances.

Our strategic priorities define the responsibilities of the Trustees to provide a high quality education that is affordable and accessible. The Trustees want to provide as much
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financial aid as is necessary to assure student charges are counter balanced and have asked each campus to make sure this happens.

Chair Dubilo noted that this is his last meeting as Chair of this Committee as his term will be up later in the year. He thanked Chancellor Hogan who is stepping down in July for his exemplary service to the University. He also thanked the Chancellors, the members of the faculty who have attended these meetings, former Chairs Robert Karam and Grace Fey and current Chair, James Karam as well as his fellow Trustees.

Chair Dubilo singled out Vice President Lenhardt and his team for their dedication through some trying times. There have been many conversations with the Vice President over the years dealing with budget matters and the Vice President was always available to provide information and answers to the many issues that arose over the years.

The next item was the President’s Report. President Wilson thanked Chair Dubilo for his work over the years. There remains optimism with the budget, the economic stimulus bill, the supplemental budget items and the collective bargaining agreements. The relationship with the business community is strong; the High Technology Advisory Council met last week and its members are looking for ways to support the University.

UMassOnline has been a great success generating $20 million in revenue. There was a groundbreaking in Amherst this past week for a new Power Plant. We are doing very well with our financial aid program to be discussed at this meeting; we have the highest level of support for our students but will strive to do better, especially with student debt.

President Wilson again thanked Trustee Dubilo for his years of service to the Committee and the University.

Chair Karam thanked Trustee Dubilo for his dedication to the University and to this Committee and thanked Chancellor Hogan for his years of service.

The next item was the Vice President’s Report. Vice President Lenhardt thanked Chancellor Hogan for his support and work over the years. The Chancellor embraced and implemented the many initiatives we are talking about today.

Vice President Lenhardt thanked Trustee Dubilo for his chairmanship on this Committee having worked so hard to make the University a better place.

The next item was an Update on the FY2006 Financial Aid Report. Vice President Lenhardt introduced Mr. O’Riordan, Budget Director to give the report. Some of the highlights included:
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• In FY06 students from UMASS will receive approximately $366.5 million in need-based and other financial assistance – this amount is over $21 million or 6% more than FY05 and 68% or $148 million more than FY01;
  • In FY06, $126 million or 67% of all need-based aid will come from federal programs such as Pell Grants and subsidized loans – in addition to need-based aid, the University will administer about $180 million in non-need based aid;
  • Loans represent about 62% of all aid distributed and 48% of all need-based aid awarded – work study represents another 7% of aid awarded to UMASS students;
  • In FY06 it is estimated that the University will award over $65 million in institutional funds to students in the form of scholarships and grants, fee waivers and work-study opportunities;
  • 70% (or 23,590) out of 33,600 Massachusetts undergraduate students attending UMASS in FY06 applied for financial aid; 18,600 or 79% of applicants were determined to have financial need;
  • On average, UMASS is able to meet 91% of financial need for enrolled in-state students;
  • Between 49% and 66% of undergraduate students graduating from UMASS graduate with some debt; the average ranges between $14,700 and $22,800.

It was noted that the University is doing better than our New England Public University counterparts in meeting the financial needs of students.

Vice President Lenhardt then introduced Christine Wilda, University Controller, to give the FY2005 System Peer Financial Ratio Analysis and FY2006-2011 Financial Indicator Report. Some of the highlights included:

• Operating Margin: in FY05, the University’s margin exceeded that of many of the peer systems; the University anticipates a 1.0% operating surplus in the current fiscal year;
  • Financial Cushion: in FY05, the University had a cushion of 21.5% which is within the range for peer systems of 5.3% to 35.0%;
  • Debt Service to Operations: this ratio is projected to increase over the next several years reflecting capital borrowing for the University’s capital program;
  • Endowment per Student: all campuses are projecting increases in their endowment per student in the next five years; the University continues to be behind peers – all campuses expect improvements in this area;
  • Private Funds Raised Annually: Amherst, Lowell and Worcester expect moderate annual increases in private funds raised – Boston expects significant annual growth rates; it is expected the University will increase funds raised from $52.7 million in FY05 to $110.7 million in FY11;
  • Age of Facilities Ratio: continuous investments in building renovations, infrastructure improvements and new construction all add to improve the capital assets of the University.
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The Report sent to the Board also included campus Financial Indicators Reports. This five year and peer perspective is helpful to the Board in assessing the overall fiscal condition and progress. There are some minor concerns but overall the results are very positive.

Chair Karam inquired as to where the University is heading in terms of targets.

The next item was the **FY2007 University Operating Budget**. Vice President Lenhardt again asked Mr. O’Riordan to give the Report. The total University budget projects an increase in both revenues and expenditures. These increases are driven by increased Commonwealth Medicine and auxiliary service activities as well as research and debt service spending. Other factors included:

- The University’s revenues and expenditures are projected to exceed $2.1 billion and $2.093 billion in FY2007; this is a 5.1% increase from FY06 to $103.5 million – the change in revenue is attributed to the Medical School’s Commonwealth Medicine activity;
- The state appropriation represents 26% of all University revenues and should increase by 2.8% over the current level of appropriation; grant and contract revenues represent 22% of all revenues are projected to increase $21.4 million over FY07 to $469.5 million.

The University will continue to look for ways to improve its financial condition seeking revenues from non-state sources. We will also continue to reduce and reallocate spending to further the University’s public service mission.

It was moved, seconded and

**VOTED**: To recommend that the Board take the following action:

To approve the FY2007 University Operating Budget, as contained in Doc. T06-029.

The next item was **Fiscal Year 2007 Allocation of State Funds**. This is an annual delegation to the President to allocate the state funds for the fiscal year.

It was moved, seconded and

**VOTED**: To recommend that the Board take the following action:

To direct the President to allocate the amount appropriated for the University in Line Item 7100-0200 of the state appropriation act for fiscal
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year 2007 to the campuses and the central administration of the University, and to notify the Board of Trustees and the House and Senate Committees on Ways and Means of said allocations. (Doc. T06-030)

The next item was University Policy on Investments in New Companies Based on University Technologies. Vice President Lenhardt reported that the Investment Subcommittee has proposed a new policy that will provide a means for the University to invest in new companies that are based on technologies developed by University faculty. Chair Karam thanked the Subcommittee for their efforts.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

To adopt the University Policy on Investments in New Companies Based on University Technologies as contained in Doc. T92-031, Appendix G.

The next item was Approval of Membership, Campus Councils. Vice President Lenhardt reported that the campuses are required by statute, to have campus councils with broad representation of the community, alumni and students to serve as advisory groups for the Chancellors. The individuals serving on the Councils are listed in the vote. In addition, the Board is being asked to delegate to the President the authority to appoint new members as vacancies occur.

Chancellor Collins asked for a substitution to his list.

It was moved, seconded and

VOTED: To recommend that the Board take the following action:

Pursuant to Section 14B of Chapter 75 of the General Laws, to approve the appointment of the following individuals to campus councils.

**Amherst**  
Thomas Ackerman  
John A. Armstrong  
Henry L. Barr  
Douglas A. Berthiaume  
Randolph W. "Bill" Bromery  
George "Trigger" Burke  
Paul J. Carney  
Douglas Cliggott  
Cheryl M. Cronin
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Patricia H. Crosson
Peter F. DiGiammarino
Paul S. Doherty
George Eppsteiner
Kenneth R. Feinberg
Grace K. Fey
Maureen Flanagan
David Fubini
Beth C. Gamel
Dorothy Dunklee Gavin
Dev V. Gupta
Melvin Howard
Eugene M. "Gene" Isenberg
Pamela M. Jacobs
James Arthur Jemison
James "Jess" Kane
Gilbert A. Leveille
Matthew O. Littlefield
Gordon N. Oakes Jr.
Nancy Rosen
Andrew T. Rudd
Earl W. Stafford
Matthew F. Sutton
Lieselle Trinidad
Herbert L. Tyson

Boston
Noushin Ashrafi, PhD, CM
Leah P. Bailey
Darrell Byers
Robert Chen, PhD
Caroline Coscia
Patricia Flaherty
Lisa Gonsalves, Ed.D.
Donald Holthaus
Donna Kuizenga, PhD
Alexsander Kulenovic
Margaret Lynch
Michael Metzgar
Julie Sanabria
James E. Smith
William Walczak

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Dartmouth
Gloria Craven
Tamara Endich
Michael Gagne
Mary Lynn Lenz
Gerald Mauretti
Bobby Watkins

Lowell
Mehmed Ali
Edward Davis
Matthew Donahue
George Duncan
Stephen Gendron
Francis Mckone
Marjorie Miller
George Ramirez
Paulette Renault-Caragianes
Sophy Theam
Van Tooch
William Traynor
Justin Daigle
Kevin Allenberg
Steve Holstrom
Nancy Tran

Worcester
Nancy Feldman
Thomas J. Fitzgerald
Barbara Greenberg
Norman Peters, Esq.
Shirley Siff, Ph.D.

And further, to delegate to the President the authority to approve future appointments to campus councils. (Doc. T06-031)

The next item was Establishment of the Jerome M. Paros Endowed Professorship in Measurement Sciences, UMASS Amherst. Chancellor Lombardi reported that the Professorship was established by Mr. Paros with a gift of one million dollars. The Professorship will focus on multi-use sensor networks combining new discoveries with existing monitoring applications.
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It was moved, seconded and

VOTED: 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 an endowed professorship measurement sciences at the University of Massachusetts Amherst to be known as the Jerome M. Paros Endowed Professorship in Measurement Sciences. (Doc. T06-032)

The meeting adjourned at 9:45 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees