Chair Woolridge convened the meeting at 8:05 a.m. and asked for a motion to Consider the Minutes of the Prior Meeting of the Committee.

It was moved, seconded and

VOTED: To approve the minutes of the February 14, 2011 meeting of the Committee.

The first item on the agenda was the Chair’s Report. Chair Woolridge acknowledged that this is President Wilson’s last Committee meeting and thanked him for his dedication and years of service.

Chair Woolridge reported that the economic situation in the state and nation continues to improve although very slowly. State leading economic indicators are pointed upward and investments in the University will continue to drive innovation and job growth in the Commonwealth. We must find a way to reverse the trend of lagging State support for the University if we are to preserve access to an excellent research university education.
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As part of the President’s Report, President Wilson noted the importance of finding a balance between commitment to affordable access and quality. The President reminded the Committee that the University has upheld its commitment by cutting over $68 million from the budget over the past three years, with over 645 positions eliminated. Looking towards FY12, he noted that an additional 370 positions will be eliminated, which when combined with the procurement reform efforts and other reductions, will yield more than $46 million in additional savings.

Regarding student charges, the University’s commitment to student financial aid since FY03 has dramatically helped to offset fee increases for the most economically vulnerable students; the University continues to meet more than 90% of our students’ financial need.

Senior Vice President Gray’s Report was next – he first recognized Vice Chancellor Hatch who will be retiring after many years of dedicated service. There was a round of applause.

President Wilson first presented some upcoming fee/tuition increase comparisons from our peer institutions.

Senior Vice President Gray reported that the state appropriation outlook has been largely unchanged for several months, which means the University’s projected funding gap of $54.5 million remains intact. The proposed 7.5% tuition and fee increase will yield $26.1 million in net new fee revenue. This figure is net of a substantial commitment of $14.9 million in new institutional student aid dollars, or 29% of the new fee revenue. The combination of the revenue from the fee increase and budget cuts will contribute roughly equally in closing the $54.5 million gap.

Senior Vice President Gray noted that there will be significant challenges with the University’s deferred maintenance backlog.

With the fee increases and cuts to the budget we will be able to balance the FY12 Budget; there will be significant challenges in FY13, and beyond and we will have to come up with solutions to our long-term challenges.

Trustee King-Shaw asked what the fee increase would need to be if there were no cuts – the answer was approximately 15%.

Each of the Chancellors provided a brief overview of their budget stabilization plans for their campuses in the upcoming fiscal year. Adjustments and cuts will continue even with the proposed fee increases.

Following Chancellor Holub’s presentation, Trustee Reville had several questions about the cuts to the campus. He stated the need to strike a balance between preserving quality on the one hand and preserving access on the other.
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Trustee King-Shaw asked how we are maintaining quality with these kinds of cuts. Chancellor Holub responded – we are generating revenues to help to maintain quality and access. It was agreed that a 15% percent increase in tuition and fees would help to avoid such cuts.

Chairman Karam noted that the budget cuts do not have to mean less quality. These issues will be discussed in the future with President-Elect Caret and at a Retreat in the near future.

President Wilson stressed the point that while the University struggles with budget shortfalls, the quality of an education at the University remains high which is a tribute to the faculty, the staff, and because of the strategies we’ve come up with to generate additional revenue.

Trustee Tocco asked about cuts on the campuses and stressed that the cuts should happen as a system. We need a strategy to reorganize and downsize and indicated he will not be supporting this fee and tuition increase. Once students graduate, they are not staying in Massachusetts and we need to manage the debt the students incur once graduating.

Following Chancellor Motley’s presentation, Trustee King-Shaw asked again about revenue growth and what it will mean for the future. Chair Woolridge agreed that the Board will need to study and consider formulas for the future to preserve the quality of education at the University.

Trustee King-Shaw noted that the state has never funded the University and it never will; the only way to bring financial solvency to meet the quality expectations is to raise student tuition and fees higher than the recommended seven percent. Chair Woolridge responded that this is a first step; going forward we will need to factor in all expense components of what our revenue base should be and work towards that as a goal.

Trustee Reville responded that the public mission is to keep the University affordable and accessible.

Following the presentations by Chancellors MacCormack, Meehan and Collins, Chair Woolridge asked the Committee to consider Establishment of Mandatory Tuition and Fee Rates and Housing and Food Service Charges for Academic Year 2011-2012.

The motion was moved, seconded. The Committee members engaged in a full and spirited discussion regarding the proposal to increase tuition and fees.

Trustee Boyle stated his intention to vote against the motion. The increase is excessive and students cannot afford this increase. Trustee Lampert agreed - students are currently graduating with too much debt.

Trustee King-Shaw stated his intention to vote for the motion and indicated that it was not enough; to continue to provide a quality education, the fees must be increased.

-3-
Secretary Reville stated the need to try to find a balance, a public mission of accessibility and the need to run a quality institution. He requested more information about the financial impact of these cuts but will be supporting the motion.

Chair Woolridge indicated it was time to vote on the motion and asked for a show of hands.

Trustee Tocco first asked to speak to the motion. This is an important topic so that anyone that wishes to comment on the increase should be allowed to speak.

Trustee Peters asked for motion to close the debate. Chairman Woolridge asked for a second; hearing none, Chair Woolridge asked that the discussion continue.

Trustee Tocco again stated his intention to vote against the motion. This will have a critical effect on families and will impact on access.

Following more discussion among the Trustees about the need to continue to search for ways to provide high quality access, Chair Woolridge called the question and it was:

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

1. In accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve tuition at the following maximum rates for the Amherst, Boston, Dartmouth and Lowell campuses for academic year 2011-2012:

<table>
<thead>
<tr>
<th></th>
<th>Amherst</th>
<th>Boston</th>
<th>Dartmouth</th>
<th>Lowell</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate (resident)</td>
<td>$1,714</td>
<td>$1,714</td>
<td>$1,417</td>
<td>$1,454</td>
</tr>
<tr>
<td>Undergraduate (non-resident)</td>
<td>$9,937</td>
<td>$9,758</td>
<td>$8,099</td>
<td>$8,567</td>
</tr>
<tr>
<td>Graduate (resident)</td>
<td>$2,640</td>
<td>$2,590</td>
<td>$2,071</td>
<td>$1,637 *</td>
</tr>
<tr>
<td>Graduate (non-resident)</td>
<td>$9,937</td>
<td>$9,758</td>
<td>$8,099</td>
<td>$6,425 *</td>
</tr>
<tr>
<td>Graduate Law School (resident)</td>
<td>$2,071</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Law School (non-resident)</td>
<td></td>
<td></td>
<td></td>
<td>$8,099</td>
</tr>
</tbody>
</table>

*Per 9 credit load

2. And further, in accordance with Section 1A of Chapter 75 of the General Laws, to establish and approve the following maximum mandatory fee rates for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2011-2012:
3. And further, in accordance with Policy T92-031, Appendix E, to authorize the President to approve, no later than June 30, 2011, the individual rates for mandatory charges, providing that total mandatory student charges shall not exceed the total rates as outlined below for the Amherst, Boston, Dartmouth, and Lowell campuses for academic year 2011-2012:

<table>
<thead>
<tr>
<th></th>
<th>Amherst</th>
<th>Boston</th>
<th>Dartmouth</th>
<th>Lowell</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate (resident)</td>
<td>$10,898</td>
<td>$9,693</td>
<td>$9,718</td>
<td>$9,843</td>
</tr>
<tr>
<td>Undergraduate (non-resident)</td>
<td>$15,463</td>
<td>$15,169</td>
<td>$13,955</td>
<td>$15,169</td>
</tr>
<tr>
<td>Graduate (resident)</td>
<td>$9,597</td>
<td>$10,285</td>
<td>$10,367</td>
<td>$9,067</td>
</tr>
<tr>
<td>Graduate (non-resident)</td>
<td>$14,449</td>
<td>$15,183</td>
<td>$13,955</td>
<td>$13,379</td>
</tr>
<tr>
<td>Graduate Law School (resident)</td>
<td></td>
<td></td>
<td>$21,631</td>
<td></td>
</tr>
<tr>
<td>Graduate Law School (non-resident)</td>
<td></td>
<td></td>
<td>$23,295</td>
<td></td>
</tr>
</tbody>
</table>

*Per 9 credit load

4. And further, in accordance with Section IA of Chapter 75 of the General Laws, to establish and approve the following tuition and maximum mandatory fee rates for the Worcester campus for academic year 2011-2012:

<table>
<thead>
<tr>
<th></th>
<th>Tuition</th>
<th>Mandatory Fees</th>
<th>Total Student Charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical School (resident)</td>
<td>$8,352</td>
<td>$10,241</td>
<td>$18,593</td>
</tr>
<tr>
<td>Ph.D./MD (resident)</td>
<td>$2,640</td>
<td>$22,041</td>
<td>$24,681</td>
</tr>
<tr>
<td>Ph.D./MD Years 1-2 (non-resident)</td>
<td>$9,856</td>
<td>$37,041</td>
<td>$46,897</td>
</tr>
<tr>
<td>Ph.D./MD Years 3+ (non-resident)</td>
<td>$9,856</td>
<td>$27,185</td>
<td>$37,041</td>
</tr>
<tr>
<td>Graduate School of Nursing (resident)</td>
<td>$2,640</td>
<td>$7,368</td>
<td>$10,008</td>
</tr>
<tr>
<td>Graduate School of Nursing (non-resident)</td>
<td>$9,856</td>
<td>$7,368</td>
<td>$17,224</td>
</tr>
</tbody>
</table>
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Grad. School of Biomedical Science (resident) $2,640 $4,010 $6,650
Grad. School of Biomedical Science (non-resident) $9,856 $4,010 $13,866

5. And further, in accordance with Section IA of Chapter 75 of the General Laws and T92-031 (Appendix E), to authorize the President to approve, no later than June 30, 2011, final student housing rent and food service charges providing that the average total charge to undergraduate Massachusetts resident students shall not exceed the average rates as outlined below for academic year 2011-2012:

<table>
<thead>
<tr>
<th>Room &amp; Board (average rate)</th>
<th>Amherst</th>
<th>Boston</th>
<th>Dartmouth</th>
<th>Lowell</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$9,512</td>
<td>N/A</td>
<td>$10,179</td>
<td>$9,520</td>
</tr>
</tbody>
</table>

6. And further, to authorize the President to approve, no later than June 30, 2011, the full schedule of rent and food service charges for all other classifications of students, room options and meal plans for academic year 2011-2012.

7. And further, to authorize the President to approve, no later than June 30, 2011, individual fee rates for other student fees and student fee/revenue based operations charges not already approved by the Board for academic year 2011-2012. (Doc. T11-055)

The motion passed by a vote of 6-4.

The next item was the **Efficiency Task Force Report on Procurement Reform**. Trustee Furman, Chair of the Task Force, reported the findings of the Task Force including recommendations that could provide a savings opportunity of $11-19 million. The Task Force had established the goal to increase efficiencies and cost-savings in the procurement process by utilizing multi-campus and system-wide procurements when appropriate.

Chair Karam thanked Trustees Furman and Woolridge for their work with the Task Force which will result in enormous savings to the University.

It was moved, seconded and

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

To accept the Efficiency Task Force Report on Procurement Reform and instruct the President to implement the recommendations so as to achieve the maximum possible savings for the benefit of the University. (Doc. T11-054)

The next item was **Revisions to the Purchasing Policy, Appendix A and the Consultant Services Policy, Appendix D, of the Management of Funds Policy**. Senior Vice President Gray reported that the Purchasing Council met with the Office of the General Counsel to
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consider clarifying the Purchasing and Consultant policies and has combined them into one policy which will enable more efficient procurement.

It was moved, seconded and

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

To accept the revisions to the Management of Funds Policy, Doc. T92-031, by revising Appendix A and deleting Appendix D, as contained in Doc. T92-031, as amended.

Mr. Douglas, University Budget Director reported on the FY2012 University Operating Budget and the challenges the University will face this year including the uncertainty of state funding, supporting the capital investment program, increasing student financial aid and investing in new technology.

It was moved, seconded and

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

To approve the FY2012 University Operating Budget as contained in Doc. T11-056, and to approve the Statements of Trust contained in Appendix A of said Doc. T11-056.

Trustee Tocco abstained from the vote.

The next item was Authorization to Allocate FY2012 State Appropriation. This is a routine vote required every year at this time.

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 Year 2012 to the campuses and the Central Administration of the University, and to notify the Board of Trustees and the House and Senate Committee on Ways and Means of said allocations. (Doc. T11-057)

The next item was Acceptance of Real Property, UMass Lowell. Chancellor Meehan provided some background information – the Boathouse location attracts many activities and events. The Boathouse is shared between the Athletics Department and the Facilities Department. A special Appropriation of $1 million allowed the University to renovate the
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building; this vote will affect the transfer of the Boathouse to the care and control of the University.

It was moved, seconded and

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

To authorize the Chair of the Board to sign agreements with the Department of Conservation and Recreation and the Division of Capital Asset Management and Maintenance as may be necessary for the University to accept responsibility for the care, control, management and maintenance of state public park property in the City of Lowell known as the “Bellegarde Boathouse”; and to agree that if the University fails to meet its obligations as set forth in these agreements, that the property shall revert to the care, control, management and maintenance of the Department of Conservation and Recreation. (Doc. T11-051)

The next item was Building Authority Update. Mr. MacKenzie reported on the current bond issue. The Building Authority expects to re-fund two outstanding variable rate demand bonds issues in 2008; these agreements were re-funded with Bank of America and will expire on June 10, 2011. Following a bid process, the decision is to issue the 2011-1 bonds with a Wells Fargo liquidity facility and the 2011-2 bonds using a Window Bonds product.

Chair Woolridge then announced that the Committee would enter into Executive Session pursuant to MGL Chapter 30A, s. 21(6), to consider Real Estate Issues, UMass Boston.

The Committee will not reconvene in Open Session; the Secretary will call the Roll.

It was moved, seconded and

VOTED: To enter into Executive Session pursuant to MGL Chapter 30A, s. 21(6), for the purpose of considering Real Estate Issues, UMass Boston.

Chair Woolridge voted for the motion as did Vice Chair Collins, Trustees Fox, Furman, Lampert and Tocco; Chairman Karam.

The time was 10:43 a.m.

Barbara F. DeVico
Secretary to the Board of Trustees