Vice Chair Collins convened the meeting at 2:05 p.m. and asked for a motion to Consider the Minutes of the Prior Meeting of the Committee. The Assistant Secretary called the roll with each Trustee asked to vote yes or no. Vice Chair Collins voted for the motion as did Trustees Furman, Gomez, Lee, Mullan, Peters, Schock and Tarr; Ms. Lee, Secretary Reville’s Representative.

Vice Chair Collins then read the following statement: Trustee Lee can participate remotely today as permitted under 940 CMR 29.10, as adopted by the Board of Trustees, due to illness as permitted under Section 29.10 (5)(a) since that would make it unreasonably difficult for her to attend in person today.
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It was moved, seconded and

**VOTED:** To approve the minutes of the November 30, 2011 meeting of the Committee.

**President’s Report:**
President Caret in his report highlighted some of the significant and troubling shifts in the higher education financing picture that have taken shape over the past decade. As states shift higher education costs away from their general funds to direct student charges, an overreliance on student debt has been one of the most alarming consequences.

The President cited the greater than $1 trillion in student loan indebtedness that now burdens many generations of college students. In Massachusetts, the state’s share of the UMass budget has shrunk from 63% ten years ago to 45% today. The President called on the state to do more while at the same time committing the University to expand its ongoing efficiency improvement efforts into the academic realm.

**Chair’s Report:**
Chair Woolridge discussed the role of Trustees as fiduciaries of this University. We must find a careful balance between the needs of our students, the interests of all citizens of the Commonwealth and the long-term health and strength of this great institution.

Recent regional and national economic indicators suggest a generally positive trajectory for the economy. We must continue to set long term strategies reflecting our unique role in the Commonwealth.

The FY2013 state budget process is underway. State leaders have voiced support for the University and have expressed interest in increasing funding but the state’s projected revenues for FY2013 have exceeded their projected expenditures.

Committee members stressed their desire to be informed of upcoming budget issues; President Caret promised to keep them updated.

**Discussion Items:**
Chancellor MacCormack reported on the Law School’s Progress Towards its Multi-Year Plan. The Law School appears to be headed in the right direction and there are currently no concerns about finances. There was a question about the Accreditation Report which will remain confidential but Trustees will have access. The search for a new Dean continues; it was suggested that the new Chancellor meet the finalists for that position.

Executive Director Craven provided a Building Authority Update. The Building Authority is undertaking many projects that will transform the University’s physical plan and will provide much needed regional economic stimulus in the short and long term future. Some of the current
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projects include Amherst: the demolition of the Power Plan at Amherst, the Commonwealth Honors College Residence; Boston: the Edward M. Kennedy Institute, Harborwalk; Dartmouth: Bioprocessing Facility, SMAST construction; Lowell: Emerging Technology and Innovation Center, North Campus Power Plant; Worcester: Albert Sherman Center, Power Plant.

Chair Karam congratulated Ms. Craven and her staff for the volume of work being done. There was a question about a standard format of project costs; Ms. Craven stated that she would devise such a format in the future.

University Controller Wilda reported on the UMass Financial Indicator Peer Comparison. The report included information on the operating margin; the University increased its net assets to $172 million in FY2011, debt service to operations, the financial cushion (the University is just below peer average of 24%), endowment per student (the peer group average excluding California is $13,158 per student). Overall the University exhibited a strong performance in the face of a challenging economy. Chair Karam asked for a breakdown on quasi-endowment funds and stated that the Chancellors are doing a good job managing their campuses.

Interim Budget Director Naughton reported on the University Budget and shared an analysis of the circumstances including an update on the state budget. The University is seeking allocation from the Higher Education Bond Bill totaling $650 million over the next five years. The Life Sciences Bond Bill could provide as much as $110 million for University projects. The Governor’s budget offers a positive first step for the University’s level of state support. Upcoming challenges include collective bargaining funding and to receive inflationary increases in the House and Senate cycles. During the FY2012 budget cycle, the state appropriation proposal became the University’s final budget. Enrollment continues to surge and the University estimates to meet 92% of need for resident undergraduate students.

Interim Senior Vice President Douglas presented the 2012 Financial Aid Report. The report showed the University’s strong and demonstrated commitment to institutional financial aid and to affordability. Some of the highlights: financial aid expenditures increased by 8.2%; 79% of Massachusetts resident students enrolled at UMass applied for financial aid, 98% of those with need received some need-based financial aid. Students attending UMass are utilizing the federal tax credit program. While UMass meets more need than New England peers and graduate with less debt than more peers students continue to show strain in the form of indebtedness. Chair Karam stated that comparing UMass debt with private school debt would prove to be a good marketing tool.

Action Items:

Chancellor Holub requested the Change in Name and Purpose of the Randolph W. Bromery Scholarship Fund, UMass Amherst. Chair Woolridge asked for questions or discussion and it was moved, seconded and
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**VOTED:** To recommend that the Board take the following action:

To dissolve the Randolph Bromery Scholarship Fund, UMass Amherst, created by vote of the Board of Trustees on June 8, 1983 (Doc. T83-051) and consolidate it with two other endowments created personally by Dr. Randolph Bromery and Cecile Bromery in order to establish a new endowment fund entitled the “Randolph and Cecile Bromery Endowment Fund for the Du Bois Center.” (Doc. T12-014)

Vice Chancellor Yestramski requested the *Naming of the Business School Building, UMass Lowell*. Chair Woolridge asked for questions or discussion and it was moved, seconded and

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

To name the Business School Building at the University of Massachusetts Lowell, the Pulichino/Tong Business Building, and to accept with sincere gratitude the generous gift of John Pulichino and Joy Tong. (Doc. T12-015)

Vice Chancellor Yestramski requested the Naming of the Engineering Facility, UMass Lowell. Chair Woolridge asked for questions or discussion and it was moved, seconded and

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

To name the Engineering Facility at the University of Massachusetts Lowell, Perry Hall, and further to accept with sincere gratitude the generous gift of Barry Perry. (Doc. T12-016)

There being no other business the meeting adjourned at 4:24 p.m.

Barbara F. DeVico  
Secretary to the Board of Trustees