UNIVERSITY OF MAINE SYSTEM  
Board of Trustees  

University of Maine at Presque Isle  
September 24, 2001  

Board of Trustees Meeting  

PRESENT:  James Mullen, Chair; Gregory Cyr, Vice Chair pro tem; Ryan Anderson, Judith Andrucki,  
John DiMatteo, Edward Fox, Albert Glickman, Wick Johnson, Barry McCrum, Sandra Prescott, Wickham  
Skinner, and Meg Weston.  Absent: Duke Albanese, James Dowe.  Faculty Representatives Richard Asam,  
Grace Denison, Luisa Deprez, Bruno Hicks, Dana Humphrey, Gillian Jordan, and Sherrie Sprangers.  Student  

Trustee James Mullen, Chair, convened the meeting and was presented by UM President Peter Hoff with a  
gavel made of compressed wood.  Two similar gavels were given to the Governor and the Speaker of the  
House.  

1. Citizen Comment.  Citizen Comment is a time regularly set aside for comments from the public.  No  
one had signed up to speak at the September meeting.  

2. Acceptance of Minutes.  On motion of Trustee Ryan Anderson, which was seconded by Trustee Judith  
Andrucki, the minutes for July 9 and August 2, 2001 were unanimously accepted as written.  

3. Chair’s Remarks and Agenda  

Trustee Mullen thanked President Hensel and her staff for their hospitality in hosting the Board of  
Trustees meeting.  Following are the Chair’s remarks:  

“As I mentioned yesterday at the beginning of our meetings, we all remain in shock from the terrible  
events that unfolded two weeks ago tomorrow in New York, Washington, and Pennsylvania.  As new  
challenges and further uncertainties rise from the ashes of this devastation, our universities will also  
face more opportunities for learning, understanding, discussing, debating, and reacting.  But amidst all  
of this, in these very uncertain times, we must remember that our number one priority remains that of  
isinsuring the safety and well being of our students, our employees, our visitors, and our guests.  Nothing  
can be more important than that and we must remain vigilant to insure so.  Certainly our  
deepest sympathies go out to the victims, to their families, their friends, and their co-workers.”  

“For those of you who are attending your first meeting, you will no doubt be amazed at the speed at  
which we dispatch today’s agenda, and that is because most of our deliberations have gone on over the  
course of the last two days in our committees.  Our Interim Chancellor Don McDowell has done an  
excellent job in leading us through these very interesting discussions particularly as it relates to  
continuing to provide quality education in the face of more demands than ever before being placed on  
our resources.  We have also begun the process of searching for a new chancellor, an important project  
for our System, that will carry us through the Fall.  We’ve had an intriguing presentation on University  
College, reviewed our inventory of academic programming, entertained a major new information  
system proposal, and reviewed our enrollment management process.  I thank everyone who has put so  
much effort into this work to insure that we focus on the important issues before us in an organized and  
effective manner.  Unless we have a clear focus and a well defined set of objectives and priorities, we  
cannot expect to meet the needs of our State in these very challenging times.”  

“In the mid-1970s, the legislature of Maine passed the University of Maine Labor Relations Acts  
which set the stage for University employees to elect representation for the purposes of collective  
bargaining.  As University employees began to explore the implications of collective bargaining, the
University System recognized the need for professional expertise and experience to lead the System labor relations function. A nation-wide search for an Associate Vice Chancellor for Employee Relations turned up an energetic professional with experience in the Seafarer’s Union at City University of New York and a degree from the Industrial Labor Relations School of Cornell. Sam D’Amico had arrived. Sam helped to establish the policies and procedures that led to the University System through the years of unit determinations, bargaining agent elections, and negotiation of initial contracts. Between the mid-70s and the late 80s, six employee groups elected representation, including both full and part-time faculty, as well as professional, clerical, technical, service and maintenance, and police staff. For twenty-five years, Sam has directed the System’s labor relations function negotiating contracts, managing the grievance process, and responding to actions for the Maine Labor Relations Board. For most of this period, Sam has also served as the System’s chief human resources officer overseeing benefits, equal opportunity, compensation, staff development, and all facets of human resource management. Along the way, Sam also served for a period as liaison to the Legislature. It was this assignment that initially led to the relocation of Sam’s office from Bangor to the south. Sam has the distinction of having inhabited more offices than any other senior University administrator--having been in Bangor, Augusta in at least three locations, Gorham--two more locations, then Portland--two or three. Throughout the years, University Trustees and employees as diverse as chancellors, faculty, and board staff have come to know and respect Sam for his frank statements, his sense of humor, his unflagging support of University goals, and his concern for each employee for their contributions to the System and as individuals. Sam has heaved a great sigh of relief, now that his successor is on the scene. Sam can now look forward to his Halloween retirement date knowing that someone is on board to man the shop. The University of Maine System Board of Trustees extends our appreciation to Sam D’Amico for his service to higher education in Maine and wishes him much happiness in retirement. Congratulations, Sam.”


Interim Chancellor Donald McDowell added his congratulations on Mr. D’Amico’s retirement. He also thanked President Hensel and her staff for hosting the Board meeting.

The Chancellor reported that the universities opened successfully for the Fall semester. Although enrollment figures are not firm, the administration is confident that enrollment in the entire System will exceed that of last year. He also announced that in addition to the search for a new Chancellor, the search process has been initiated for two university presidents, one at the University of Maine at Augusta and one at the University of Maine at Fort Kent. The Chancellor spoke briefly about the bond issue that will be on the ballot in November. He encouraged everyone to vote, saying that the administration is in the process of trying to convince people in the State that it is worthwhile. He said an advertising campaign will hopefully sell that to the State, even though the System is the sixth bond issue of six on the ballot. He suggested that people start voting from the bottom up on the bonds so that the System will be first.

Chancellor McDowell then asked the university presidents to briefly report on their campuses.

UMFK. Interim President Donald Zillman reported that the month was remarkable in its highs and lows due to the national tragedy which produced some moving moments on campus. On campus, Nadeau Hall was dedicated with Trustee Gregory Cyr in attendance. He said it is a marvelous facility and thanked the Trustees for making it possible. The President said that enrollment presented a mixed bag. Credit hours are down slightly, but enrollment is up in the vicinity of 12% to 15% in freshmen admissions.

UMM. President John Joseph reported that enrollment is strong. Despite a decrease in associate degree new freshmen, the campus has increased freshmen in four-year programs up 45%. It is expected that FTE and credit hours will be up 7%. The university has the highest head count in history and President Joseph said he is very pleased. One of two dormitories was renovated over the summer and the student reaction is very positive. Two weeks ago, the campus hosted a Board
of Visitors and staff retreat at Roosevelt/Campobello Park to begin a strategic planning process and it was very successful.

**UMF.** President Theodora Kalikow reported that even though Farmington has an enrollment cap there is a target for new students which was met this year. *U.S. News and World Report* magazine has named the University of Maine at Farmington one of America’s best colleges for the fifth year in a row and the President said she was very pleased.

**UM.** President Peter Hoff reported that UM’s enrollment for the fourth straight year has increased by about 400 students over last year. The Princeton Review rankings, which come out at this time every year ranking 331 colleges and universities based on reviewers who visit each of those institutions, came back ranking UM sixth in the nation in the quality of campus life. He said the university had been trying to integrate students into campus life over time and had obviously succeeded.

**UMPI.** President Nancy Hensel reported an enrollment increase of about 11% in the first-year class and the administration is pleased because that is where they have been directing their efforts. There was also an increase in students from the County. The Houlton Center opened the end of August. The President said she is pleased with the building and what it will do for the Houlton area. She reported that there has also been an enrollment increase there, which is to be expected. A partnership is also going on there with Northern Maine Technical College and Women, Work, and Community and University College. A survey was done of students at UMPI and it is still being analyzed, but one of the things that the administration is pleased about is the student response to faculty, who have exceeded the national norms in the ratio of faculty to students. The students are pleased with the amount of contact they have with their faculty through e-mail, visiting outside of class, etc.

**USM.** President Richard Pattenaude reported that he was proud of the way in which the faculty, staff, and students responded to the events of September 11th. The new residence hall was opened in Gorham with 224 beds and it is full. The new hall will be called the Harlan Philippi Residence Hall. Dr. Philippi was originally Dean of Education, Acting Vice Chancellor, Acting Chancellor, and Acting President, and the Founding Dean of Lewiston-Auburn College. In enrollment, the institution went over 11,000 for the first time in its history. He said there are a record number of full-time students, and the highest quality freshman class that has ever entered.

**UMA.** Interim President Charles Lyons remarked that the UMA campus is pleased with the Trustees’ endorsement of the construction and renovations at University College-Bangor and it is very much appreciated. Enrollment is mixed. The first report was of an increase of 5%, but then the report was of a 4% loss. President Lyons discovered that the campus has a history of losing students in the first six weeks of the new semester. After opening a call center to reach students, the projection now is that enrollment is off 1%, similar to last year. The plan is to hold those who would otherwise have been lost. A visit from an enrollment management consultant firm, who has been successful on other campuses, is set for October 10th and the hope is to get enrollment on a better course.

Chancellor McDowell reported that the quality of the university presidents is outstanding and he thanked them for their work.

5. **Committee Matters/Action.**

**Academic Affairs.** Trustee Wickham Skinner, Chair of the Academic Affairs Committee, commented briefly on the presentation on University College heard earlier. He said the sites and centers are now organized with a clear set of responsibilities. He said Dr. Lyons likened University College to a distributor of product from the campuses to a whole new set of students who would not otherwise have access to college courses. The Committee was also presented with an annual review of academic programs.
Investment. Trustee Wick Johnson, Chair of the Investment Committee, reported on a recent meeting whereby the Committee reviewed the Annual Endowment and Pension Funds. The endowment account decreased in value 7.9% during the previous year. The pension fund increased in value 6%. He said that over the last four or five years, people have been talking about the high levels of performance. During the past year, the Committee has been looking toward equity preservation rather than equity growth due to significant market changes. The Committee has done some rebalancing of the portfolio. It has moved from generic management of domestic equity with Commonfund to using more specific fund managers. The Committee will continue to monitor the funds.

Finance/Facilities. Trustee John DiMatteo, Chair of the Finance/Facilities Committee, reported that an Enterprise Resources Planning System (ERP) will require $10 million and that is an action item included in the consent agenda. He said the data will be entered once into the system and then can be used in various departments such as Human Resources, Finance, Admissions, Development, and Student Information so that there can be a comprehensive information system. The project will take approximately five years to implement. He said it is an expensive, long-range program with important informational results.

Through the Effectiveness/Efficiency Committee, energy cost savings were identified. A System-wide initiative was begun to find ways in which monies could be invested to capture energy savings. The University of Maine is looking at a co-generation gas-fired steam system, improvements in heating control, and heating system operating efficiency. The University of Southern Maine is also investigating energy conservation measures.

Efficiency/Effectiveness Committee. Interim Chancellor McDowell reported that the Committee had met in August and talked about the areas where efficiencies could be gleaned and they also talked with the Presidents individually. Many of the projects discussed have begun and there has been direction from the Committee. The areas looked at were as diverse as the business services of the institution, looking for more consolidation, looking for more opportunities to enhance the central services to save money, energy, as just discussed, and development opportunities. The Committee hopes to report at every Board meeting.

Student Affairs. Trustee Sandra Prescott, Chair of the Student Affairs Committee, reported that the Committee heard from the University of Maine at Presque Isle and the University of Maine as to their enrollment and marketing practices and some activities. She said it was an exciting opportunity to learn the differences in what the campuses are doing. The Committee also agreed upon its agenda for the coming year.

6. Consent Agenda. On motion of Trustee Cyr, which was seconded by Trustee Anderson, the following resolutions were unanimously approved by the Board, as presented:

University College. The Board of Trustees approved the following:

Whereas, for the last two years the University of Maine System has worked to establish an instructional mode that will deliver the courses of its seven universities to communities across Maine and to make higher education readily accessible to every resident of our State; 
Whereas, these efforts include the establishment of ten University College Centers, the development of the Community College Partnership, the reorganization of the University System Network (UNET), and the appointment of Dr. Charles M. Lyons as the Vice Chancellor for University College Outreach; and

Whereas, the University College Centers have developed CollegeSTART Maine opening the doors of college for the many residents of our State who have not had access to postsecondary education.

Therefore, the Trustees of the University of Maine System enthusiastically accept
University College as the System’s principal access point to a broad array of distance educational opportunities that employ both live on site instruction and electronic delivery with responsibility to:

- assist faculty at the System’s seven universities to develop distance learning opportunities;
- disseminate instruction developed by the faculty to the University College Centers and Sites; and
- provide support services to students enrolled at the University College Centers and Sites.

**Appointments for Trustee Approval.** The Board of Trustees approved the appointments to positions at or above the level of Dean or equivalent as recommended by the Chancellor, as follows:

Margaret Danielson, Interim Dean, College of Arts and Humanities, UMA
Joshua Nadel, Executive Vice President and Provost, UMA
Heather Almquist, Associate Vice President for Research, UM
Mark W. Anderson, Interim Chief Financial Officer, UM
Katherne Yardley, Interim Dean of the College of Education, Health and Rehabilitation, UMF
Craig Hutchinson, Vice President for Student Development, USM
Judy Ryan, Executive Assistant to the President, USM

**Compensation Adjustment and Benefit Changes for Non-represented Employees.** The Board of Trustees approved the recommendations of the Chancellor for wage and salary adjustments and changes in benefits for non-represented employees.

**Proposal for Implementation of Enterprise Resource Planning System (ERP).** The Board of Trustees authorized a maximum of $10 million for an Enterprise Resource Planning System (ERP) for the University of Maine System, with funding to come from University revenue bonds to be issued in the summer of 2002, and with internal resources to fund the project until issuance of the bonds; and, the Board approved the Reimbursement Resolution, which follows, and authorized the Treasurer to issue bonds in the summer of 2002.

**Reimbursement Resolution**

Be it resolved that, for the purposes of Treasury Regulation §1.150-2, the University of Maine System reasonably expects to (1) incur debt to reimburse expenditures (including expenditures made within the last 60 days) temporarily advanced from unrestricted funds, such expenditures to be made to pay the cost, or a portion of the cost, of implementing an Enterprise Resource Planning System over the next five years, and (2) that the maximum principal amount of debt to be issued for this project including for reimbursement purposes is Ten Million Dollars ($10,000,000).

**Facilities Improvement Projects, UC-B.** The Board of Trustees authorized facility improvements at the University College of Bangor for up to $2.5 million, with funding to come from the one-time State appropriation received in FY01, revenue bonds to be sold in Summer 2002, and/or proceeds from the sale of Capehart property. The Board also approved the Reimbursement Resolution, which follows, and authorized the Treasurer to issue bonds in the Summer of 2002.

**Reimbursement Resolution**
Facility Improvement Projects
University College of Bangor
Be it resolved that, for the purposes of Treasury Regulation §1.150-2, the University of Maine System reasonably expects to (1) incur debt to reimburse expenditures (including expenditures made within the last 60 days) temporarily advanced from current unrestricted funds, such expenditures to be made to pay the cost, or a portion of the cost, of Facility Improvement Projects at the University College of Bangor and (2) that the maximum principal amount of debt to be issued for such expenditure including for reimbursement purposes is One Million Dollars ($1,000,000).

Transfer of Properties between UMS and the City of Bangor. The Board of Trustees authorized the exchange of properties between the University of Maine System and the City of Bangor, subject to consultation with System staff and review and approval by University Counsel.

Purchase of Real Estate, Farmington. The Board of Trustees authorized the purchase of 3.34 acres of property in Farmington from Billings and Janet Hannaford for $10,000, with funding being provided from UMF plant funds, subject to review and approval by University Counsel.

Purchase of 134 School Street, USM--Gorham. The Board of Trustees authorized the purchase of property located at 134 School Street in Gorham from Eugene P.A. Schleh for $191,500, with funding from campus reserves, subject to review and approval by University Counsel.

Acceptance of Gifts, Grants, and Awards. The Board of Trustees accepted with gratitude all gifts, grants and awards received since the last Board meeting.

7. Date of Next Meeting. The next meeting of the Board of Trustees will be held at the University of Maine at Farmington on November 4-5, 2001.

On motion of Trustee Anderson, which was seconded by Trustee Andrucki, the meeting was adjourned.

Sandra F. Johnson for
Mary Ann Haas, Clerk