Board of Trustees Meeting


Trustee Johnson, Chair, convened the meeting and welcomed everyone.

Citizen Comment. Citizen Comment is a time regularly set aside for comments from the public. The following people spoke during the citizen comment period:

Judy Kuhns Hastings
Jim McClamier
Ron Mosley

Mary Ellen Symamski
Steve Kahl
Jim Horan

Acceptance of Minutes. On a motion by Trustee Mullen, which was seconded by Trustee McCrum, the minutes from the April 30 – Audit Committee meeting, May 23-24 - Committee meetings and Board meeting, and the May 26 – Investment Committee meeting as amended, were unanimously approved as presented.

Chair’s Agenda and Report. Trustee Johnson thanked everyone for the time and work that has been dedicated to the Strategic Planning Process. The Trustees will reflect on the comments compiled during the public comment period. As we put the vision forth for a new strategic plan, we knew there would be elements that would be controversial. One of the major issues raised at every campus is they wanted the Trustee to listen and hear what was being said. We will now take a hard look at the comments received. One of the key items on the agenda today was a presentation and discussion about managing change, having ownership in the Strategic Plan and moving forward to be successful. The ERP project has a new name: Project Enterprise. This project is another area of substantial change for the entire System. Trustee Johnson stated that the Trustees are pleased with the process made so far with Project Enterprise. Other items on the agenda were revisions to the Board of Trustees Policy 706 – Acceptance of Gifts, Development Activities and Fund Raising Campaigns; the purchase of property at UMF; and the construction of the Child Care Center at USM in Gorham.
Appoint ment of Standing Committees. Trustee Johnson confirmed the Trustee appointments to Standing Committees as follows:

**Academic Affairs Committee:** Wickham Skinner, Chair; Judith Andrucki, Susan Gendron, William Johnson, Margaret Weston, and Lyndel Wishcamper.

**Audit Committee:** James Dowe, Chair; William Johnson, Barry McCrum, Paul Mitchell, and Lyndel Wishcamper.

**Finance/Facilities Committee:** Barry McCrum, Chair; Gregory Cyr, Donald McDowell, Paul Mitchell, Margaret Weston, and Lyndel Wishcamper.

**Human Resources and Labor Relations Committee:** Margaret Weston, Chair; Judith Andrucki, James Dowe, Jean Flahive, Victoria Murphy, and Matthew Rodrigue.

**Investment Committee:** Lyndel Wishcamper, Chair; Gregory Cyr, James Dowe, Barry McCrum, Donald McDowell, and James Mullen.

**Student Affairs Committee:** William Johnson, Chair; Judith Andrucki, Gregory Cyr, Jean Flahive, Victoria Murphy, and Matthew Rodrigue.

**Chancellor’s Agenda and Reports.**

**President Hoff.** Chancellor Westphal thanked President Hoff for his seven years of service to the University of Maine and the State of Maine. He has been a strong voice for higher education in Maine. During his role as President he has helped position UMaine to undertake new responsibilities and opportunities as identified in the strategic plan: a nationally and internationally renowned teaching and research university, a magnet for high achieving faculty as well as top students in Maine and across the nation, and new partnerships with the public and private sectors. He has accepted a position as University of Maine System Professor granted by the Board of Trustees. This role will allow him to continue to contribute to the University of Maine, the UMS, and the State. We thank President Hoff and wish him great success in his new role.

**Acting President, UMPI.** Chancellor Westphal introduced William Shields, Acting President of the University of Maine at Presque Isle.

**Davis Education Foundation Grant.** The Davis Education Foundation has notified us that it has approved the $290,000 grant proposal that we submitted to them earlier this year. This is a grant to support development of a statewide student financial aid strategy for our system. Financial aid is one of the most complex and important functions that we perform as a University System. As we move to implement our ERP project and we continue to work on strategic planning for the future, it is important that we understand the role of financial aid and how policy and management of this function can be improved. We would like to thank the David Foundation, specifically its founders, Stanton and Elisabeth Davis, who set up the foundation after Mr. Davis retired as
chairman of Shaw’s Supermarkets. We would also like to thank our Vice Chancellor, Dr. Nuñez, and our Chief Financial Officer, Ms. Yestramski, for their efforts in preparing and submitted this grant proposal.

Strategic Plan Update. Chancellor Westphal stated that we have just finished three months of public comment and since mid-April the Board and Senior Staff have taken part in over 100 hours of formal meetings at each university, University College outreach centers, and through interactive TV and video conferences. The UMS has received many letters and emails, and have read dozens of postings of the System’s strategic planning electronic bulletin board. The feedback has been extremely helpful and it has varied on topic, tone and position. Most of it focused on what the University community believes is in the best interests of our students, our university system, and the State. A summary is being compiled of the concerns and suggestions that have been expressed orally and in writing over the past three months and this information will be posted by the end of the week on the Strategic Planning web page.

The final Strategic Plan will be posted on the web page on September 7th. This plan is a strategy for thinking about the future and meeting the challenges ahead, which is to be part of our ongoing decision making process. The UMS is working closely with the Community College System to align ourselves better and think about the long-term future of the State and post-secondary education and we are eager participants in the Governor’s K-20 efforts to include graduate education.

Faculty Summit. On July 29th and 30th a two-day faculty summit has been scheduled for the purpose of gathering input on the Draft Plan and specifically its eight strategic directions. The Chancellor thanked Professors Lucinda Cole and Dana Humphrey for their leadership in developing this summit. Each of our seven universities will be sending four faculty members to participate in the summit.

Executive Order. Chancellor Westphal distributed the Executive Order from the Governor which is an order establishing the task force to create a seamless pre-kindergarten through sixteen grade educational systems. The task force will submit a final report to the Governor by January 15, 2005.

Congressional Delegation. Chancellor Westphal expressed his thanks to Maine’s congressional delegation for their efforts for the proposed Army Center of Excellence at UMaine in the areas of composites and sensors. Senators Collins and Snowe and Congress Michaud are committed to helping with this effort and we thank them for their leadership.

ERP Project. The ERP project has a new name: Project Enterprise – connecting people and information.
Committee Reports/Action.

Finance/Facilities Committee – Trustee McCrum, Chair, reported that the Committee agreed to forward to the full Board for approval four action items which were a new policy on acceptance of gifts, development activities, and fund raising campaigns; purchase of property at UMF; construction of the Child Care Center at USM at Gorham; and the Sigma Alpha Epsilon Fraternity House Loan Guarantee.

Investment Committee – Trustee Dowe stated that it has been a pleasure to serve as the Chair of the Investment Committee and thanked Ms. Yestramski and system staff for their assistance. Trustee Wishcamper is the new Chair of the Committee.

Student Affairs Committee – Trustee William Johnson reported that the Committee received presentations on the Lifelong Learning Accounts (LiLAs) and ERP: Academic Structure. The new name for the ERP project is “Project Enterprise – connected people and information”.

Human Resources and Labor Relations Committee – Trustee Weston, Chair, reported that the Committee agreed to forward to the full Board for approval the recommendation confirming the appointment of Dr. William Shields as the Acting President of UMPI, and three appointments for Trustee approval: Robert Hansen, Executive Director, Division of Community and Professional Education at USM; Peter Hoff, University of Maine System Professor; and Robert Kennedy, Interim President of UMaine. The Committee engaged in a very productive discussion on leading and managing change.

Consent Agenda. On a motion by Trustee Skinner, which was seconded by Trustee Cyr, the following recommendations were unanimously approved by the Board:

Resolution for Exclusion of Certain Directors or Officers. That the Board of Trustees approved the Resolution for Exclusion of Certain Directors or Officers as follows:

Whereas, current Department of Defense directives contain a provision making it mandatory that the Chair of the Board and all principal officers (such as President, Senior Vice President, Secretary, Treasurer, and those occupying similar positions) meet the personnel security clearances requirements established for a contractor’s facility security clearance; and

Whereas, said Department of Defense Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Trustees and other officers, provided that this action is recorded in corporate minutes.

Now Therefore Be it Declared that the Chair of the Board, at least an official quorum of the Board of Directors (the executive committee of six members of the Board of Directors), and all principal officers (such as, President, Senior Vice President, Secretary, Treasurer, and those occupying similar positions) at the present time do possess, or shall be processed for, the required security clearance; and

Be It Resolved that in the future, when any individual enters upon any duties as Chair of the Board, as a replacement for one of the cleared quorum of the Board, or as one of the principal officers of this corporation (such as President, Senior Vice President, Secretary, Treasurer, and
Be It Resolved Further that the following members of the Board of Trustees and other officers
shall not require, shall not have, and can be effectively excluded from access to CLASSIFIED
information in the possession of the University and do not occupy positions that would enable them
to affect adversely University policies of practices in the performance of classified contracts for the
Department of Defense or the User Agencies of its Industrial Security Program: Judith W.
Andrucki, Gregory G. Cyr, P. James Dowe, Jean M. Flahive, Susan A. Gendron, Charles L.
Johnson III, William D. Johnson, Barry D. McCrum, Donald L. McDowell, Paul J. Mitchell, James
D. Mullen, Victoria M. Murphy, Matthew C. Rodrigue, Wickham Skinner, Margaret A. Weston,
Lyndel J. Wishcamper; Chancellor, Joseph W. Westphal; Chief Financial Officer and Treasurer,
Joanne L. Yestramksi; Clerk of the Board, J. Kelley Wiltbank; Executive Vice President and
Provost, Robert Kennedy; and Vice President for Research, Michael Eckardt.

Confirm Appointment of Acting President of the University of Maine at Presque Isle.
That the Board of Trustees confirmed the appointment of William A. Shields as Acting
President of the University of Maine at Presque Isle for a one-year term effective August
1, 2004.

Appointments for Trustee Approval. That 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:
   Robert Hansen, Executive Director, Division of Community and Professional
       Education, USM
   Peter Hoff, University of Maine System Professor
   Robert Kennedy, Interim President, UM

New Policy on Acceptance of Gifts, Development Activities, and Fund Raising
Campaigns. That the Board of Trustees approved the proposed new Policy 706,
Acceptance of Gifts, Development Activities, and Fund Raising Campaigns, as amended

Purchase of Property, UMF. That the Board of Trustees authorized the purchase of land
and buildings at 125 Lincoln Street, Farmington, from Edward and Janice David for a
purchase price of $207,000 from the existing plant fund account, contingent upon
successful completion of an environmental audit and approval of all documents by
University Counsel.

Construction of Child Care Center, USM Gorham. That the Board of Trustees approved
the construction of the University of Southern Maine Child Care Center on the Gorham
campus in the amount of $1.5 million and tax-exempt revenue bonds for $1.2 million to
be repaid through the Child Care Center’s annual operating budget. An internal loan will
be utilized during the construction phase. The reimbursement resolution relating to this
project is as follows:

Be it resolved that, for purposes of Treasury Regulation §1.150-2, the University of Maine System
reasonably expects (1) to incur debt to reimburse expenditures (including expenditures made within
the last 60 days) temporarily advanced from funds currently held in the Plant Fund, such
expenditures to be made to pay the cost, or a portion of the cost, of constructing a child care center
at the University of Southern Maine, Gorham and (2) that the maximum principal amount of debt to be issued for such construction, including for reimbursement purposes is One Million, Two Hundred Thousand Dollars ($1,200,000).

Sigma Alpha Epsilon Fraternity House Loan Guarantee. That the Board of Trustees authorized the approval for the University of Maine System to guarantee a loan in the amount of $210,000 with the University of Maine Credit Union for the Minerva Housing Corporation (owners of the Sigma Alpha Epsilon fraternity), an increase of $60,000 over the current guaranteed amount, as amended.

Information Items. The following items were included in the agenda for information only:

- Appointment of Standing Committees
- Annual Report on Named Chairs and Professorships
- Leading and Managing Change in the University of Maine System
- Lifelong Learning Account (LiLA) Presentation
- ERP: Academic Structure Presentation
- Agenda Calendar
- Summary of Current Statistics

Date of Next Meeting. The next meeting of the Board of Trustees will be held on September 19-20, 2004, at the University of Maine.

Adjournment.

Ellen Doughty for
J. Kelley Wiltbank, Clerk