Trustee Fournier, Chair, called the meeting to order and welcomed everyone.

FINANCE ISSUES

Approval of UMA 50th Anniversary Fund Campaign. UMA President Allyson Handley and Mr. Robert Stein, Executive Director of External Relations, provided an overview of the proposed UMA 50th Anniversary Fund Campaign. President Handley explained that 2015 marks the 50th anniversary of the founding of the University of Maine at Augusta. A 50th anniversary only comes once and affords a unique opportunity for substantial fundraising within the campus community and more importantly outside of it. Further, with cutbacks now taking place across the University System, this could not be a more opportune time to take advantage of this important anniversary milestone to generate major new revenue to fund high priorities for UMA. For the past six months, UMA has been developing its 50th Anniversary plan. To date, we have:

- Put together a draft campaign case that outlines the rationale and scope for the campaign. The case's focus aligns well with both UMA and System priorities, most especially enhancing learning opportunities for the adult and distant learner. The case is compelling and differentiates UMA's campaign from other higher education campaigns.
- Set a fundraising goal of between $5 million and $7.5 million, with a breakdown for where the money would go and how it would be used.
- Established a two to three year timeline, which includes an advance phase that concludes this spring, a leadership phase and major gifts phase that would run through this calendar year, followed by a public campaign that would begin in calendar year 2015.
- Created a governance and operating structure for the campaign that includes a Campaign Board, an Advisory Council, and six operational committees. It also includes important representation and input from our Board of Visitors.
- Identified campaign leadership. Several chairs have already been successfully recruited and recruitment efforts are ongoing.
- Developed a tentative budget for the campaign.
• Shared the draft case with UMA leadership, alumni representatives, and key community and business leaders, including UMA's Board of Visitors and members of the UMA Foundation.
• Held one-on-one meetings with key prospective financial donors and campaign leaders, with more planned for later this month.
• Conducted research and identified grant opportunities that align with the campaign goals of the 50th Anniversary Fund.
• Sent out an RFP for consulting services and now reviewing proposals. Pending Board of Trustee approval, a consultant would begin in April. The consultant's first step would be to augment our internal feasibility efforts with an enhanced study. Through these efforts, UMA would set its final fundraising goal, finalize its case and other materials, and launch its campaign later this spring.

Based on the work so far, the steady growth of UMA’s development apparatus that included the successful $3 million renovation of our dental hygiene clinic, President Handley’s own successful fundraising experience with similar campaigns at other institutions, and the favorable and encouraging response that has been received from key leaders and prospective donors in the community, UMA believes the 50th Anniversary Campaign is poised for success.

On a motion by Trustee Turner, which was seconded by Trustee Murphy, the Finance/Facilities/Technology Committee agreed to forward to the Consent Agenda at the March 23-24, 2014 Board of Trustee meeting approval of the plan for the UMA 50th Anniversary Fund Campaign as presented.

**Update on Block Tuition, UMFK.** UMFK President Wilson Hess provided an update of the block tuition pilot program implemented at UMFK for fiscal year 2012-2013. Below are the highlights of the program:

**Intended Outcomes:**
- Decrease time to graduation to approach 4 years.
- Increase the "rate of flow" of students to a bachelor's degree.
- Increase average credit hour load to approach 15 credit hours.
- To enhance the student educational experience by encouraging exploration of electives.

**How Block Tuition works:**
- Full time students may take a range of 12-18 credits at a fixed tuition rate. The tuition rate is set at the equivalent of 15 credits.
- The rate is intended to incentivize increasing the "rate of flow" of students toward a bachelor's degree in four years.
- The rate also minimizes incentive built into the financial aid Congressional methodology to encourage students on a "pay per credit" system to minimize their tuition expenses, thus maximizing their discretionary use of aid.

**Observations from two years’ experience with Block Tuition**
- Average Credit hour load of full time students has increased from 14.2 to 14.8 credit hours per semester
- Trend Line analysis demonstrates a change from distribution of student workload weighted towards the low end of the credit hour load to a balanced distribution of student credit hour load
- There have been marked decreases (-40%) in the number of students at the low end (12 credits) of the workload spectrum.
• There have been marked increases (544%) in the number of students at the high end (18 credits) of the workload spectrum.

Findings

Outcome 1: After two years’ experience, it is too soon to statistically demonstrate that graduation outcomes will be met, but results are encouraging.

Outcome 2: The “rate of flow” has demonstrably increased for students at the lowest (reduced from 24% to 14% of the full time student population) and highest (increased from 2% to 10% of the full time student population) ends of the student workload spectrum.

Outcome 3: The average student credit hour load has closely approached 15 credit hours.

Outcome 4: Anecdotal evidence suggests a rise in elective course selections.

FACILITIES ISSUES

Advanced Structures and Composites Center Expansion Increase, UM. Ms. Janet Waldron, Vice President for Finance & Administration and Mr. Larry Parent, Assistant Director of the Composites Center at UMaine, explained that the University of Maine is requesting to increase the scope and approval of the maximum expenditure for the existing Advanced Structures and Composites Center Expansion by about 25% or $1.6 million to a new total of $8 million. In November of 2012, Trustees approved a project of $6.4 million. The costs currently are funded by a grant from the Economic Development Administration (EDA) and a State bond. The project is presently in the bid phase with a planned construction start date of June, 2014. Construction is expected to be complete by early 2015. As of the current report approximately $450,000 has been spent.

The current request reflects the University’s intent to include funding and scope from a new equipment grant through the National Science Foundation (NSF-MRI) which was received in October of 2013 as well as to make revisions to the project budget necessitated by the recent approval of the grant re-scope by the EDA. The NSF grant includes funding for research and development of equipment to be utilized in the new facility. The award of the NSF equipment grant gives the university the opportunity to focus more of the original project budget on the building. NSF grant and required match funding total approximately $900,000. EDA project re-scope approval was received in January of 2014. The revised budget identified by the EDA did not allow for expenditure of funds deemed “unallowable” by the EDA and increased the university’s funding match from 50% to 54% of their budget. The net additional funding to be covered by bond is approximately $700,000. The funding breakdown is as follows: $3.00 million - EDA Grant, $0.51 million - NSF-MRI Grant, and $4.49 million - Wind Energy Bond

On a motion by Trustee Collins, which was seconded by Trustee Johnson, the Finance/Facilities/ Technology Committee agreed to forward to the Consent Agenda at the March 23-24, 2014 Board of Trustees meeting authorization for the University of Maine to update the scope of the Advanced Structures and Composites Center Expansion project and to expend an additional $1.6 million to be funded by grant and bond money.

Memorial Gym and Fieldhouse Complex Increase, UM. Ms. Waldron explained that due to the availability of additional resources and efficiency of maximizing the resources involved in the project currently underway, the University of Maine is requesting to increase the scope and approval of the maximum expenditure for the existing Memorial Gym and Fieldhouse Complex by $565,000. Additionally, the University requested to modify the approved budget and scope by $100,000 to include improvements to the Reserve Officers’ Training Corps (ROTC) space located within the Field House. The details of the funding source for this portion of the work are being worked out between ROTC and
the administration prior to final expenditure. The total request is to increase the project expenditure by approximately 4.3% to a new total of $15.665 million.

In November of 2011 Trustees approved a project of $14 million. In March of 2013 Trustees approved an increase of $1 million. The costs currently are primarily funded by state revenue bond and gifts. The project is presently in construction and is expected to be completed in time for the fall, 2014 season. As of the current report approximately $8,000,000 has been spent.

The current request reflects the University’s intent to augment the current project funding and scope to allow for additional improvements that would have been funded and completed with money set aside on an annual basis for improvements to the general building, including ADA. The scope of the work primarily involves improvements to portions of the building which were not included in the main project such as locker rooms for teams other than basketball and the ROTC space. Funding for the project is broken down as follows: $7.000 million - University Revenue Bonds, $7.000 million – Gifts, $1.000 million - E&G Funds, $0.565 million - Maintenance Funds, and $0.100 million - Details to be determined with ROTC.

On a motion by Trustee Turner, which was seconded by Trustee Murphy, the Finance/Facilities/Technology Committee on behalf of the Board of Trustees authorized the University of Maine to update the scope of the Memorial Gym and Fieldhouse Complex project and to expend an additional $665,000 for a new maximum total of $15,665,000 upon its completion.

**Proposed Relocation of University College-Saco Center, UMA.** UMA President Handley and Ms. Bonnie Sparks, Executive Director of University College, explained by that the University of Maine at Augusta/University College (UMA/UC) is requesting approval of the Board of Trustees to lease 4,023 square feet of space in the Saco Valley Shopping Center in order to relocate the University College-Saco Center from its present location on Saco Island when the current lease expires at the end of August 2014. Started in 1973, the University College-Saco Center has been successfully serving the needs of students in the Saco-Biddeford region by offering live, interactive television, video-conference and web-based courses and providing academic and student support services for more than four decades. The Saco-Biddeford region of York County has been identified by the State Planning Office as one of the growth areas for the State of Maine. In FY2013 the Center reported total headcount of 499 students who attended classes during the fall, spring or summer semesters. The Center offers academic programs and courses from the seven Universities.

In May 2013 the University System Board of Trustees authorized the UMA/UC to issue an RFP for space to house the University College-Saco Center. University College has been systematically reviewing its space requirements for each of the Centers; as leases expire University College will be reducing the size of Centers where possible. Currently the University is leasing 8,718 on Saco Island at an annual rent of $73,476, plus utilities. The lease for this space expires on August 31, 2014. UMA/UC is seeking Trustee approval to enter into a new five-year lease, with a renewal term for an additional five years, for 4,023 sq. feet of space in the Saco Valley Shopping Center. The proposed location is 4,695 feet smaller (a reduction of approximately 54%) than the present location. The initial rental cost per square foot for the new location is $8.75. The rent will increase to $9.25 in year 3 and increase to $9.75 in year 5. In addition to the rent, the University will pay common charges of $3.42 per square foot to cover property taxes, insurance, maintenance, snow removal, and parking. The total annual cost will be $48,960 (rent plus common charges), an annual reduction in rent of $24,516. The new location will require renovation to meet the University’s classroom, collaborative learning, and office needs. The property owner will contribute $50,000 towards the cost of renovations; the University will spend
Finance/Facilities/Technology Committee
March 23, 2014

$150,000 from its reserves to cover renovation costs and an additional $50,000 to cover other costs associated with the relocation such as telecommunication system installation, moving and other costs associated with the relocation of the Center.

With the move, the Center will be located in a more desirable location in a busy shopping center with ample, well lit parking. The location is adjacent to public transportation and will be easily accessible from Route 1. The size of the Center will be reduced by more than 50%, operating costs will be reduced, and the needs of the students attending the Saco Center will be better met.

On a motion by Trustee Collins, which was seconded by Trustee Murphy, the Finance/ Facilities/ Technology Committee agreed to forward to the Consent Agenda at the March 23-24, 2014 Board of Trustees meeting approval of the lease of 4,023 square feet of space in the Saco Valley Shopping Center in order to relocate the University College-Saco Center, University of Maine at Augusta, from its present location on Saco Island.

Dearborn Gymnasium Renovation, UMF: UMF President Kate Foster, explained that the University of Maine at Farmington is requesting approval for the expenditure of up to $1.2 million to renovate Dearborn Gymnasium, update and relocate the HVAC system, and replace the electrical supply service to the building. Dearborn Gymnasium is home to the UMF Athletics Department and consists of 15,000 square feet on each of two floors, totaling approximately 30,000 gross square feet. Programmatically, the Athletics Department has 18 varsity sport offerings. The gymnasium area is also used by a number of club and intramural sports, various classes, large campus events (e.g., Convocation), various summer conferences and occasional campus/community performances. Built in 1962, it remains virtually as it was initially designed with only a few upgrades that have been made since that time.

A feasibility study was conducted in March 2011 by PDT Architects for a complete facility renovation and expansion to better accommodate the present day number of varsity, club, recreation and related academic programs. The recommendations were determined at that time to be cost prohibitive. Since the study, UMF has continued to maintain the main gymnasium to the best of its ability; however, the wooden floor and wooden bleachers are original to the building and are at the end of their useful life.

The performance (practice/competition) game floor is more than 50 years old. A normal lifecycle for a wood gym floor with limited use and exceptional care is 30-40 years. Due to its age and condition, the floor can no longer be maintained and is a potential liability. The worst areas have been addressed with spot sanding and/or chipping out wood and filling the holes with sawdust compounds as temporary measures. The substructure has also been compromised; presumably some of the flexible structure below the surface has cracked/broken, resulting in multiple dead spots within the competitive court area. These conditions cause inconsistent bounces of game balls, which is not acceptable for a competitive intercollegiate floor. While the floor has been well cared for and resuscitated several times, it is no longer viable.

The renovation will relocate the bleachers to one side of the gymnasium resulting in a shift of the basketball courts. It will increase the seating capacity and make the venue perform better in a multitude of ways. The plan also includes updated emergency lighting, replacement and relocation of the HVAC units (to the roof), conversion of the air handlers to hot water from steam and an upgrade of the electrical service to the facility.

The bleachers systems on each side of the court are in very poor condition. The substructure/braces and locking systems are repaired often and some do not function correctly. The condition of the bleachers poses several serious hazards. The bleachers are out of date with regard to numerous codes/standards.
If fully extended, the front row is too close to the competitive floor, leaving inadequate walking space for spectators. The bleachers do not meet current ADA regulations and have no aisle or safety hand/side guard rails. The bleachers prohibit normal game functions, such as the inclusion of scorers’ tables and game filming. The gym is host to approximately 24 basketball games per year with crowds of around 400. The proposed new system and configuration would accommodate nearly 100 more spectators, safely, in compliance with ADA and applicable codes. Also, it would accommodate a central filming platform for game and webcast filming requirements. For other campus events (like Convocation), the new configuration will allow for significantly improved staging. The current system is made up of 10 separate sections that are labor intensive to open and close. The proposed system would be motorized and would open and close as one unit.

In order to install the new floor and bleachers, the current HVAC units, which are at the end of their lifecycle, must be replaced and relocated to the roof. This is messy work that could damage a new floor and bleachers if not done prior to their installment. A new HVAC system will be much more energy efficient and reliable. Location of the new unit/s outside will significantly decrease the noise of motors, providing for less strained teaching/coaching conditions and greatly improved public address/sound system performance and spectator/audience experience.

UMF has been planning for this project for a number of years by accumulating the funds necessary to support it. During this time, $1.2 million has been earmarked for this purpose – $750,000 from Capital Planning Reserve and $450,000 from E&G Reserve. This project is slated for completion in calendar year 2014 with most of the construction occurring during the summer.

On a motion by Trustee Johnson, which was seconded by Trustee Murphy, the Finance/Facilities/Technology Committee agreed to forward to the Consent Agenda at the March 23-24, 2014 Board of Trustees meeting approval of the expenditure of up to $1.2 million for the Dearborn Gymnasium Renovation at the University of Maine at Farmington.

**Folsom/Pullen Science Classroom and Laboratory Upgrade, UMPI.** UMPI President Linda Schott explained that the University of Maine at Presque Isle requested approval to proceed with the Folsom/Pullen Science Classroom and Laboratory Upgrade with funds from the general obligation bonds approved by voters in November 2013. This project is seeking approval to expend up to $654,475 for equipment to enhance the research and teaching facilities plus an additional $75,500 for design work, $346,000 construction, $4,025 for art and a $120,000 contingency; totaling $1,200,000.

Folsom Hall was built in 1966 and renovated in 2008. Pullen Hall was built in 1968 and underwent a renovation in 2011. The total square foot of the attached buildings is 46,967. Folsom Hall houses lecture halls, a campus store, student lounge, computer classrooms, teaching classrooms, research laboratories and chemical storage. Pullen Hall includes an art studio, new media, classrooms and offices.

This project is directed to improvements and renovations of the research and teaching laboratories, chemical storage renovation, laboratory equipment, fume hoods and other improvements.

On a motion by Trustee Medd, which was seconded by Trustee Johnson, the Finance/Facilities/Technology Committee agreed to forward to the Consent Agenda at the March 23-24, 2014 Board of Trustees meeting approval of the expenditure of up to $1,200,000 for the Folsom/Pullen Science Classroom and Laboratory Upgrade at the University of Maine at Presque Isle.
Capital Projects Status Report. Mr. Gavin explained the Capital Projects Status Report reflects a net total of 15 projects. There is an addition of one project at UM and a reduction of one project at UMA. The one new project approved by the Trustees in January at UM is the Morse Field Scoreboard Upgrade and the project which has been removed at UMA is Jewett Hall Roof Replacement. The Finance/Facilities/Technology Committee approved two new projects at UMM in January that were presented in this report in February 14, 2014. These projects are the Powers Hall Exterior and Masonry and the Science Building Laboratory Upgrades

Adjournment.

Ellen Doughty for
Tracy B. Bigney, Clerk of the Board