October 21, 2014

TO: Members of the Finance/Facilities/Technology Committee

FR: Tracy B. Bigney, Clerk of the Board

RE: October 31, 2014 Finance/Facilities/Technology Committee Meeting

The Finance/Facilities/Technology Committee will meet from 10:30 am to 1:00 pm on Friday, October 31, 2014. In addition to the Rudman Board Room at the System Office in Bangor, the following Polycom location will also be available:

UMA – Alumni Center, Executive Conf. Room
UMFK – Alumni Conference Room
UMPI – Executive Conference Room, Preble Hall
USM – 327 Wiscamper Center, Portland

The agenda and background materials are enclosed. These materials will be posted on the Board of Trustees website (http://www.maine.edu/about-the-system/board-of-trustees/meeting-agendas/finance-facilities-committee/) by November 1st. If you have questions about the meeting materials please call me at 973-3234.

If you have any questions or desire additional information about the agenda items, please call Rebecca Wyke at 973-3351.

Encl.

cc: James Page, Chancellor
    Presidents
    Rebecca Wyke
    David Stevens
    Dick Thompson
    Tracy Elliott
    Chip Gavin
    Miriam White
    Ryan Low
Board of Trustees

Finance/Facilities & Technology Committee

Friday, October 31, 2014
10:30 a.m. – 12:00 p.m.
University of Maine System Office
Rudman Board Room, 3rd Floor
16 Central Street, Bangor

AGENDA

Technology Item
- Broadband at UMS and Across Maine………………………………… TAB 1

Facilities Items
- Aubert Hall STEM Classroom Renovation, UM………………… TAB 2
- Estabrooke 3rd and 4th Floor Renovation, UM………………… TAB 3
- Lease of 95 College Avenue, UM………………………………… TAB 4
- Request to Seek Qualified Developers for Residential Facility, UMA……………………………………………………… TAB 5
- Capital Project Status Report…………………………………… TAB 6
- Facilities Management Administrative Review Update…… TAB 7

Finance Items
- Annual Report on Gifts, Fundraising and Endowments…… TAB 8
- MEIF Goals and Objectives……………………………………… TAB 9
- Strategic Integration Target 2: Comprehensive Financial Management Structure Update………………………………… TAB 10

Items for Committee decisions and recommendations are noted in red.
Note: Times are estimated based upon the anticipated length for presentation or discussion of a particular topic.
An item may be brought up earlier or the order of items changed for effective deliberation of matters before the Committee.
AGENDA ITEM SUMMARY

1. NAME OF ITEM: Broadband at UMS and across Maine

2. INITIATED BY: Norman L. Fournier, Chair

3. BOARD INFORMATION: X BOARD ACTION:

4. BACKGROUND:

An overview of UMS's involvement in expanding access to the Internet for Maine's research and education community and an update on current efforts to promote the installation of fiber based broadband.

10/21/2014
AGENDA ITEM SUMMARY

1. NAME OF ITEM: Aubert Hall STEM Classroom Renovation, UM

2. INITIATED BY: Norman L. Fournier, Chair

3. BOARD INFORMATION: BOARD ACTION: X

4. BACKGROUND:

The University of Maine requests approval to expend up to $2,700,000 of General Obligation Bond Funds approved by voters in November 2013 to renovate chemistry labs and to make associated improvements in Aubert Hall. This request is pursuant to Board policy 701 which requires projects with a total cost of more than $500,000 to be considered by the Board of Trustees or its Finance, Facilities and Technology Committee. In this case, the request is to approve and to forward this matter to the consent agenda of the Board of Trustees.

This project will include the creation of two new general chemistry teaching labs with breakout rooms and the renovation of two existing chemistry classrooms and associated areas. This work will likely include remediation and replacement/renovation of flooring, ceilings, wall coverings, structural, HVAC, electrical, lighting, projectors and boards, life safety, furniture, and ADA accommodations. The project also includes limited renovation of lecture hall Room 316 (210 seats), including remediation of asbestos panels and replacement of ceiling, lighting, HVAC, projectors and boards, and life safety. The use of these spaces is primarily for instruction of chemistry with Room 316 accommodating other STEM as well.

Aubert Hall was constructed in 1913. A substantial addition was added in 1956. Room 316 was created through a renovation in 1967 and has had no significant renovation since. Recent renovations of chemistry and marine sciences labs on the second and third floors were done in 2004 and 2007. The area of the proposed renovation is located on the fourth floor and consists of classrooms and an existing chemistry lab in marginal condition.

This project does not increase the amount of space at UM. It will improve net asset value. The estimated renovation age of this wing of the facility is approximately 58 years and the estimated net asset value stands at approximately 75 percent. A slight decrease in operating costs is expected from new, more efficient air handling equipment and lighting.
The proposed schedule for the project is to complete design during the fall and early winter of 2014 followed by construction from January 2015 through to fall 2015. The work in Room 316 is scheduled for summer 2015, with all project work targeted for completion prior to the start of the fall 2015 semester.

5. **TEXT OF PROPOSED RESOLUTION:**

That the Finance, Facilities and Technology Committee forward this item to the Consent Agenda at the November 16-17, 2014 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the expenditure of up to $2,700,000 from the proceeds of General Obligation Bond funds approved by voters in November 2013 to renovate chemistry labs and make associated improvements in Aubert Hall.

10/21/2014
AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Estabrooke 3rd and 4th Floor Renovation, UM
2. **INITIATED BY:** Norman L. Fournier, Chair
3. **BOARD INFORMATION:**
   - **BOARD ACTION:** X
4. **BACKGROUND:**

   The University of Maine requests approval to expend up to $5,000,000 of Campus Auxiliary Reserves funds to renovate two floors in Estabrooke Hall for student housing.

   This request is pursuant to Board policy 701 which requires projects with a total cost of more than $500,000 to be considered by the Board of Trustees or its Finance, Facilities and Technology Committee. In this case, the request is to approve and to forward this matter to the consent agenda of the Board of Trustees. The estimated simple payback on this project is 5 years, based on the estimated $5 million cost and the anticipated $1 million annual increase in housing and dining revenue.

   The project includes the renovation of the 3rd and 4th floors of Estabrooke Hall for dormitory use, including residence rooms, bathrooms, lounges, common spaces and associated areas. This work will likely include remediation and replacement/renovation of flooring, ceilings, wall coverings, structural, HVAC, electrical, lighting, life safety, furniture, and ADA accommodations. The renovation of these spaces will address an identified need for additional upper class housing on campus.

   The university currently has a shortage of beds on campus given existing student demand. In the fall of 2014, the University was unable to accommodate approximately 185 requests for beds by upper-class students. The renovation of the two floors in Estabrooke will increase the University’s inventory by approximately 99 beds or 53 percent of this unmet demand. The proposed rooms will be premium single and semi-suite style. This represents an increase in the single room inventory of about 30 percent to 297 such rooms and will re-introduce 24 semi-suite style rooms to the inventory. The anticipated new revenue is over $1,000,000 in fiscal year 2016 for housing and dining combined.

   This project does not increase the amount of space at UM. Instead, it will reclaim currently unoccupied space and improve the Net Asset Value of the building. The estimated renovation age of the 3rd and 4th floors is nearly 64 years and the estimated net asset value stands at approximately 73 percent.
Estabrooke Hall was originally constructed in 1940 and had a substantial renovation of the 1st and 2nd floors completed in 2014. These spaces are occupied by the Honors College, Office of International Programs, the International Study Center, and RISE representing Education and General activities.

The 3rd and 4th floors of Estabrooke Hall were in service as a residence hall until 2012 and the proposed renovation will generally maintain the previous floor plan with minor modifications and improvements for code and updating purposes. When complete, Estabrooke Hall will be a mixed E&G and Auxiliary building, similar to the present conditions in Colvin Hall and Stodder Hall.

The proposed schedule for the project is to complete design during the fall and early winter of 2014 followed by construction from January 2015 to completion prior to the start of the fall 2015 semester.

5. TEXT OF PROPOSED RESOLUTION:

That the Finance, Facilities and Technology Committee forward this item to the Consent Agenda at the November 16-17, 2014, Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the expenditure of up to $5,000,000 from campus Auxiliary Reserves funds to renovate two dormitory floors in Estabrooke Hall.
AGENDA ITEM SUMMARY

1. NAME OF ITEM: Lease of 95 College Avenue, UM

2. INITIATED BY: Norman L. Fournier, Chair

3. BOARD INFORMATION: BOARD ACTION: X

4. BACKGROUND:

The University of Maine requests authorization pursuant to Board Policy 802 to lease real estate at 95 College Avenue, Orono, to the Beta Zeta Chapter of Lambda Chi Alpha, Inc., a Maine corporation, for the purpose of operating a University of Maine approved and recognized fraternity house known as Lambda Chi Alpha Fraternity House.

The fraternity owns and operates a residential structure on the property. The existing 50-year ground Lease Agreement between the University of Maine and Beta Zeta Chapter of Lambda Chi Alpha, Inc. will expire on June 24, 2016. This request is for authorization to enter a new lease to continue that existing occupancy and purpose.

The Corporation has been in occupation of the property and wishes to continue to occupy the property. The Corporation and the University have negotiated a new long-term ground lease for $1 per year for a term of an additional 35 years and to expire no later than June 23, 2051, with the option for renewal for a mutually-agreeable time period.

5. TEXT OF PROPOSED RESOLUTION:

That the Finance/Facilities Committee forward this item to the Consent Agenda for Board of Trustees approval at its November 16-17, 2014 meeting for authorization of the following resolution:

That the Board of Trustees authorizes the University of Maine System acting through the University of Maine to enter into a Lease Agreement with Beta Zeta Chapter of Lambda Chi Alpha, Inc. for the Property on which the Lambda Chi Alpha Fraternity House is situated, at 95 College Avenue, Orono, Maine, for a period to end no later than June 23, 2051, unless mutually agreed to renew for an additional mutually-agreeable time period, such Lease Agreement being subject to review and approval by the Treasurer and General Counsel.
AGENDA ITEM SUMMARY

1. NAME OF ITEM: Request to Seek Qualified Developers for Residential Facility, UMA

2. INITIATED BY: Norman L. Fournier, Chair

3. BOARD INFORMATION: BOARD ACTION: X

4. BACKGROUND & JUSTIFICATION:

The University of Maine at Augusta requests approval to proceed with a Request for Qualifications (RFQ) with the goal of selecting a developer or a developer team to join with UMA in a public-private partnership to construct privately-owned and operated student housing for up to approximately 70 students on property currently owned by the University in Augusta.

The University previously advised Trustees of this effort and of its intention to seek out interested parties. The prior agenda sheet is attached. The University did in fact subsequently seek out interested parties and earlier this year received multiple responses to that publicly-advertised request for letters of interest in developing either off-campus or on-campus housing. The University intends now to proceed with a request for qualifications among those interested parties. This step could lead to the selection of a partner and an actual agreement for the development and management of the proposed housing.

To help make the ultimate cost of this housing advantageous to students, UMA does intend to provide land for the project. UMA anticipates that all financing, operating costs, and appropriate liability insurance coverage will be the developer’s responsibility.

Analysis has shown there is an unmet need for affordable, convenient and safe housing in Augusta. This project will help drive enrollment by attracting students outside the range of commuting distance who would make use of such housing. UMA anticipates that a residential component to Augusta’s campus will increase student engagement with the university community as well as favorably impact retention. Programs such as Architecture and Aviation have the potential to draw students from out of state as well as internationally, and other programs such as the UMA/UMFK Nursing program, international exchange programs, art and music programs will also benefit from student housing.

Independent consultant Frank O'Hara of Planning Decisions in 2011 estimated demand at 200+ beds for the Augusta campus. UMA is taking a measured approach by mitigating most financial risk through a public private partnership and starting with a modest size facility of approximately 70 beds with the potential to scale to a larger size in a later phase. Ultimately, the project likely will require more specific Trustee approval either because of the sale of land or a long-term lease of land. While the thresholds set by Board policy are not triggered at this time, consideration by the Trustees is being requested now to ensure
appropriate approval is in place for this innovative public-private approach and in preparation for future consideration of a final proposal.

UMA is aware of the financial and facility challenges facing the University of Maine System. Based on its research to this point, UMA is pursuing a model in which 1. the housing is on land now owned by the University; and, 2. the facility would be owned and operated by an external entity. UMA intends to select the developer based on a competitive, qualifications-based evaluation open to all those who responded to the previous publicly-advertised solicitation. UMA will include provisions allowing those participants to update their respective teams.

To help make the ultimate cost of this housing advantageous to students, UMA does intend to provide the land for the project. UMA has approximately 160 acres of land on its Augusta campus and thus has sufficient land to dedicate an estimated 2-3 acres needed for this project. Again, all financing, operating costs, and appropriate liability insurance coverage would be the developer’s responsibility. The University will expect full transparency from the selected developer regarding the financials of the project with the goal of providing the lowest possible rent to students.

UMA acknowledges the construction and operation of this housing would create residual reputational risks and potentially some incremental operating costs (such as enhanced campus-wide security). Student housing on campus or on land currently owned by UMA is the preferred solution both because it will place the housing proximate to the programming, but also because it is likely to produce the lowest-cost solution for students due to the University’s ability to contribute land to the project.

Successful completion of the RFQ process will result in the selection of a developer and thereafter the beginning of the design phase for the project. UMA anticipates a 6 month design phase. UMA anticipates the facility will be a two or three story building with approximately 18,000 to 22,000 gross square feet and an investment cost for the developer of $4 to $5 million. The duration of the construction phase of the project is estimated at 10-12 months.

Upon selection of the developer, the total timeline of the project is estimated at 18 months, so the earliest opening date for building is estimated to be the fall semester of 2016.

5. TEXT OF PROPOSED RESOLUTION:

That the Finance, Facilities and Technology Committee forward this item to the Consent Agenda at the November 16-17, 2014, Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees authorizes the University of Maine System acting through the University of Maine at Augusta to solicit qualifications from developers for the purpose of potentially constructing a student residential facility in Augusta and to include the potential contribution of University property to the project through lease, sale or other transfer.
# AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Housing Initiative, UMA  
2. **INITIATED BY:** Norman L. Fournier, Chair  
3. **BOARD INFORMATION:** X  
4. **BACKGROUND & JUSTIFICATION:**

The University of Maine at Augusta offers some unique academic programs that are attractive to students from outside the Augusta region and, in some cases, outside of the state of Maine. UMA believes, and information from prospective students suggests, the lack of housing on campus and limited options in the local market have and are adversely impacting enrollments, particularly for certain programs such as the Bachelor in Architecture program and the recently approved Aviation program.

UMA has researched various remedies, such as building and operating a facility on campus, having a private party own and operate a facility off-site, and potentially partnering with other University campuses where housing already is available. In 2011 the University of Maine at Augusta received a Strategic Investment Fund grant to study housing options in the Augusta area. The University used the funds to engage consultant Frank O’Hara to research public/private housing options in and around the Augusta campus. In doing his research, Mr. O’Hara sought out developers and contractors who might be interested in renovating or constructing housing for up to 70 students (70 beds), that would be owned and managed by the developer, and available to UMA students. The results of the study indicated that there may be a limited number of developers and property owners in the Augusta area that might have interest in this type of arrangement.

UMA has also been contacted by another property owner with an interest in helping to provide an acceptable housing option to UMA students.

UMA is aware of the financial and facility challenges facing the University of Maine System and, based on its research to this point, strongly prefers a model in which the housing is off-campus, owned and managed by an external entity and in which the relationship is primarily between the student tenants and the property owner, with lesser involvement by the University. The University’s involvement might be limited simply to sharing information with students about housing availability.

To date, no actionable solution has emerged. To gauge the level of interest and in accordance with University practices, UMA as a next step is going to conduct a publicly-advertised process to solicit interest and ideas from potential developers. UMA has been working with the University procurement staff and plans to release a public solicitation as soon as May 2014. All submissions would be reviewed for compliance and evaluated by the University to determine if the proposal meets the needs of UMA students. This information item is being presented to the Committee to alert trustees to UMA’s initiative, which does not fit the traditional facility project approval process.
AGENDA ITEM SUMMARY

1. NAME OF ITEM: Capital Project Status Report
2. INITIATED BY: Norman L. Fournier, Chair
3. BOARD INFORMATION: X BOARD ACTION:

4. BACKGROUND:

Attached is the Capital Project Status Report for the October 31, 2014 meeting of the Finance/Facilities/Technology Committee.

The report reflects a net total of 24 projects.

Four projects have been added per Board actions. The four new projects appearing on the report for the first time are: Boardman Hall STEM Laboratory Renovation, UM (5100361); Little Hall STEM Classroom Renovation, UM (5100362); Wells Commons Dish Room Renovation, UM; and, Central Heat Plant Replacement-Portland, USM (6100195).

Five projects have been removed since the last report. They are: Fogler Library HVAC Upgrades, UM (5100216); Estabrooke Repurposing & Renovations and International Study Center, UM (5100302); Gorham Central Heat Plant Replacement, USM (6100196); Gorham Water Tank Refurbishment, USM (6100207); and, International Study Center, USM (6100225).

One project will be removed from the next report: Acquaculture Research Center Fish Lab, UM (5100277). This project is being removed prior to completion for reconsideration by program.

Other updates are as noted on the list.
## Capital Project Status Report
### Board Approved Projects
#### November 2014 Board of Trustee

**With Grand Totals and % of Current Approved Estimates**

<table>
<thead>
<tr>
<th>Campus, Project Name (Project ID)</th>
<th>Funding Source(s) &amp; each source’s share of expenditures to date</th>
<th>Status</th>
<th>Original Estimated Completion</th>
<th>Current Est. Completion</th>
<th>Original Approved Estimate</th>
<th>Current Approved Estimate</th>
<th>% Expended of Current Approved Estimate</th>
<th>Prior Actions, Information &amp; Notes</th>
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<tbody>
<tr>
<td><strong>UM</strong></td>
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<tr>
<td>****Aquaculture Research Center Fish Lab (5100277)</td>
<td>MTAF Grant (100%)</td>
<td>Design In Progress</td>
<td>2012</td>
<td>2014</td>
<td>$600,000</td>
<td>$600,000</td>
<td>10%</td>
<td>Finance and Facilities Committee approved $600K in May, 2011.</td>
</tr>
<tr>
<td>Planetarium and Observatory (5100146)</td>
<td>Gift and Fund Raising (86%), Campus Funds: E&amp;G Funds (14%)</td>
<td>Construction Complete</td>
<td>2014</td>
<td>2014</td>
<td>$5,200,000</td>
<td>$5,200,000</td>
<td>92%</td>
<td>Board approved $5.2M in July, 2011.</td>
</tr>
<tr>
<td>Field House/Memorial Gym Complex (5100255)</td>
<td>2012 Revenue Bond (54%), Gifts and Fund Raising (38%), E&amp;G Funds (8%)</td>
<td>Construction Complete</td>
<td>2014</td>
<td>2014</td>
<td>$14,000,000</td>
<td>$15,665,000</td>
<td>87%</td>
<td>Board approved $14M in November, 2011. Board approved additional $1M in March, 2013. Finance Facilities &amp; Technology Committee approved $665K in March, 2014.</td>
</tr>
<tr>
<td>Advanced Structures and Composites Center Expansion (5100316)</td>
<td>U.S. EDA Grant (88%), E&amp;G Funds (12%), 2010 State Energy Bond (0%)</td>
<td>Construction in Progress</td>
<td>2014</td>
<td>2015</td>
<td>$6,400,000</td>
<td>$8,000,000</td>
<td>9%</td>
<td>Board Approved $6.4M in November, 2012. Board approved $1.6M in March, 2014.</td>
</tr>
<tr>
<td>Morse Field Scoreboard Upgrade (5100364)</td>
<td>Gift and Fund Raising (100%)</td>
<td>Construction Complete</td>
<td>2015</td>
<td>2015</td>
<td>$800,000</td>
<td>$800,000</td>
<td>98%</td>
<td>Finance/Facilities/Technology Committee approved $800K in January, 2014.</td>
</tr>
<tr>
<td>* Wells Commons Dish Room Renovation (5100358)</td>
<td>E&amp;G Funds (100%)</td>
<td>Design In Progress</td>
<td>2015</td>
<td>2015</td>
<td>$1,300,000</td>
<td>$1,300,000</td>
<td>2%</td>
<td>BOT approved $1.3M in September, 2014.</td>
</tr>
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<td>* Boardman Hall STEM Laboratory Renovation (5100361)</td>
<td>2013 State Bond (100%)</td>
<td>Design In Progress</td>
<td>2015</td>
<td>2015</td>
<td>$610,000</td>
<td>$610,000</td>
<td>1%</td>
<td>Finance/Facilities/Technology Committee approved $610K in September, 2014.</td>
</tr>
<tr>
<td>* Little Hall STEM Classroom Renovation (5100362)</td>
<td>2013 State Bond (100%)</td>
<td>Design In Progress</td>
<td>2015</td>
<td>2015</td>
<td>$1,740,000</td>
<td>$1,740,000</td>
<td>2%</td>
<td>BOT approved $1.74M in September, 2014.</td>
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<td><strong>UMF</strong></td>
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<tr>
<td>Merrill Hall Heating Boiler Replacement (2100039)</td>
<td>Campus Funds: E&amp;G Funds (100%)</td>
<td>Construction in Progress</td>
<td>2012</td>
<td>2014</td>
<td>$650,000</td>
<td>$710,666</td>
<td>95%</td>
<td>Board approved $650K in January, 2013. Total current approved estimated to $710,666 to accurately report pre-existing feasibility costs.</td>
</tr>
<tr>
<td>Mantor Green Geothermal Well Field (2100046)</td>
<td>Campus Funds: E&amp;G Funds (100%)</td>
<td>Construction in Progress</td>
<td>2013</td>
<td>2014</td>
<td>$1,550,000</td>
<td>$1,550,000</td>
<td>96%</td>
<td>Board approved $1.55M in January, 2013.</td>
</tr>
<tr>
<td>Dearborn Gymnasium Renovation (2100035)</td>
<td>Campus Funds: E&amp;G Funds (100%)</td>
<td>Construction in Progress</td>
<td>2014</td>
<td>2014</td>
<td>$1,200,000</td>
<td>$1,200,000</td>
<td>57%</td>
<td>Board approved $1.2M in March, 2014.</td>
</tr>
<tr>
<td>Science Labs Renovations (Preble &amp; Ricker (2100065, 2100068)</td>
<td>2013 Lab &amp; Class State Bond (0%), Campus Funds: E&amp;G Funds (0%)</td>
<td>Design In Progress</td>
<td>2014</td>
<td>2015</td>
<td>$1,377,000</td>
<td>$1,377,000</td>
<td>0%</td>
<td>Board approved $1.377M in July, 2014.</td>
</tr>
<tr>
<td>Natural Gas Central Heating Plant (2100066)</td>
<td>Revenue Bond (100%)</td>
<td>Design In Progress</td>
<td>2014</td>
<td>2017</td>
<td>$11,000,000</td>
<td>$11,000,000</td>
<td>0%</td>
<td>Board approved $11M in July, 2014.</td>
</tr>
<tr>
<td>Campus, Project Name (Project ID)</td>
<td>Funding Source(s) &amp; each source’s share of expenditures to date</td>
<td>Status</td>
<td>Original Estimated Completion</td>
<td>Current Est. Completion</td>
<td>Original Approved Estimate</td>
<td>Current Approved Estimate</td>
<td>% Expended of Current Approved Estimate</td>
<td>Prior Actions, Information &amp; Notes</td>
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<td><strong>UMFK</strong></td>
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<tr>
<td>Renewable District Biomass Heating Plant (3100026)</td>
<td>Federal Grant (92%), System Loan (8%)</td>
<td>Construction in Progress</td>
<td>2013</td>
<td>2014</td>
<td>$3,000,724</td>
<td>$5,500,000</td>
<td>90%</td>
<td>Board approved $3M in May, 2012; Change in project cost to $5.5M approved by Board in September, 2013 and estimated completion updated to 2014.</td>
</tr>
<tr>
<td>Forestry Geographic Info Sys Tech Labs/Nursing Lab Renov/Teleconf Ctr Upgrades (3100029 3100030 3100031)</td>
<td>2013 Lab &amp; Class State Bond (100%)</td>
<td>Design in Progress</td>
<td>2014</td>
<td>2015</td>
<td>$1,200,000</td>
<td>$1,200,000</td>
<td>13%</td>
<td>Board approved $1.2M in May, 2014.</td>
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<td><strong>UMM</strong></td>
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<td>Powers Hall Exterior and Masonry (4100026)</td>
<td>2013 Lab &amp; Class State Bond (0%), Campus Funds: E&amp;G Funds (100%)</td>
<td>Construction in Progress</td>
<td>2014</td>
<td>2014</td>
<td>$680,000</td>
<td>$1,508,221</td>
<td>22%</td>
<td>Finance &amp; Facilities Committee Approved $680K in January, 2014. Board approved increase to $1,508,221 in May, 2014.</td>
</tr>
<tr>
<td>Science Building Laboratory Upgrades (4100027)</td>
<td>2013 Lab &amp; Class State Bond (97%) E&amp;G Funds (3%)</td>
<td>Construction in Progress</td>
<td>2014</td>
<td>2014</td>
<td>$600,000</td>
<td>$600,000</td>
<td>44%</td>
<td>Finance &amp; Facilities Committee Approved $600K in January, 2014.</td>
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<tr>
<td>Compressed Natural Gas Heating Conversion (4100028)</td>
<td>Revenue Bonds (100%)</td>
<td>Design in Progress</td>
<td>2014</td>
<td>2015</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
<td>0%</td>
<td>Board approved $1.8M in July, 2014.</td>
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<td><strong>UMPI</strong></td>
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<td>Folsom/Pullen Science Classroom &amp; Laboratory Upgrades (7100009)</td>
<td>2013 Lab &amp; Class State Bond (0%)</td>
<td>Design in Progress</td>
<td>2015</td>
<td>2015</td>
<td>$1,200,000</td>
<td>$1,200,000</td>
<td>0%</td>
<td>Board approved $1.2M in March, 2014.</td>
</tr>
<tr>
<td><strong>USM</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Central Heat Plant Replacement-Portland (6100195)</td>
<td>Campus E&amp;G Funds (100%)</td>
<td>Design in Progress</td>
<td>2015</td>
<td>2015</td>
<td>$3,000,000</td>
<td>$3,000,000</td>
<td>2%</td>
<td>Board approved 3M in September, 2014.</td>
</tr>
<tr>
<td>Payson Smith Lab Renovation (6100236)</td>
<td>2013 Lab &amp; Class State Bond (0%)</td>
<td>Design in Progress</td>
<td>2014</td>
<td>2015</td>
<td>$1,250,000</td>
<td>$1,250,000</td>
<td>0%</td>
<td>Board approved $1.25M in May, 2014.</td>
</tr>
<tr>
<td>Bailey Hall Lab Renovation (6100237)</td>
<td>2013 Lab &amp; Class State Bond (0%)</td>
<td>Design in Progress</td>
<td>2014</td>
<td>2015</td>
<td>$1,250,000</td>
<td>$1,250,000</td>
<td>0%</td>
<td>Board approved $1.25M in May, 2014.</td>
</tr>
<tr>
<td>LAC Nursing Lab Renovation (6100238)</td>
<td>2013 Lab &amp; Class State Bond (0%)</td>
<td>Design in Progress</td>
<td>2014</td>
<td>2015</td>
<td>$600,000</td>
<td>$600,000</td>
<td>0%</td>
<td>Board approved $600K in May, 2014.</td>
</tr>
<tr>
<td>Science Building Lab Upgrade (6100240)</td>
<td>2013 Lab &amp; Class State Bond (0%)</td>
<td>Design in Progress</td>
<td>2014</td>
<td>2015</td>
<td>$700,000</td>
<td>$700,000</td>
<td>0%</td>
<td>Board approved $700K in May, 2014.</td>
</tr>
</tbody>
</table>

Explanatory Notes:
* Project is new as of this report.
** Details of this project include updates since the last report.
*** This project has been completed since the last report and is not expected to appear on the next report.
**** Removed prior to completion for reconsideration by program.
Funding source(s) reflects primary source(s) for project.
Calendar Year unless otherwise noted.
Percentage expended reflects total expended as of September 30, 2014, as a percentage of the current approved project estimate.
AGENDA ITEM SUMMARY

1. NAME OF ITEM: Facilities Management Administrative Review Update

2. INITIATED BY: Norman L. Fournier, Chair

3. BOARD INFORMATION: X BOARD ACTION:

4. BACKGROUND:

Ryan Low and Chip Gavin will provide an update regarding the status of the Facilities Management Administrative Review project, including fall outreach plans and the team’s anticipated reporting timeline.

10/21/2014
AGENDA ITEM SUMMARY

1. NAME OF ITEM: FY2014 Annual Report on Gifts, Fund Raising and Endowments

2. INITIATED BY: Norman L. Fournier, Chair

3. BOARD INFORMATION: X BOARD ACTION:

4. BACKGROUND:

The University of Maine System (UMS) Annual Report on Gifts, Fund Raising and Endowments for the year ended June 30, 2014 is enclosed. This report presents:

- Total gifts received by restriction type, donor type, campus and purpose.
- The UMS gift balances by fiscal year which includes pledges outstanding, non-endowed gift balances and endowment market values.
- UMS affiliated fund raising organizations’ gifts received and endowment balances.
- The financial status of capital campaigns.

All gifts received fulfill the policy requirements of the Board of Trustees and the UMS follows the intent of its donors. The UMS expresses its gratitude for all gifts, donations and bequests received.
Gifts Received* by Restriction Type
($ in millions)

* Gifts reported herein include cash, pledge payments, checks and negotiable securities. Gifts-in-kind and pledges receivable are not included in these balances.
FY14 Gifts Received by Donor Type
($ in millions)

- Non-Profit Organizations: $3.51
- University Foundations: $9.20
- Corporations: $3.58
- Individuals: $1.59
- Alumni: $1.87
- Alumni Associations: $0.25
- Non-Profit Organizations: $3.51

Total: $20.0 Million
Gifts Received by Campus
($ in millions)

$16.74
$15.7 Million in FY13
$20.0 Million in FY14

FY2013
FY2014
FY14 Gifts Received by Purpose
($ in millions)

- Student Aid: $5.8 million
- Facilities: $4.9 million
- Academic Divisions: $3.8 million
- Other: $2.1 million
- Public Service & Extension: $1.4 million
- Research: $1.2 million
- Unrestricted: $0.7 million
- Library: $0.1 million

$20.0 Million or 97% of gifts received in FY2014 were earmarked by the donor for a particular purpose or use.
UMS Gift Balances by Fiscal Year
($ in millions)
UMS Affiliated
Fund Raising Organizations
## Gifts Received by UMS Affiliated Organizations

($ in Thousands)

<table>
<thead>
<tr>
<th>UMS Affiliates</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>UM Alumni Association</td>
<td>$413</td>
<td>$252</td>
</tr>
<tr>
<td>UM Foundation</td>
<td>6,959</td>
<td>10,739</td>
</tr>
<tr>
<td>UM Pulp &amp; Paper Foundation</td>
<td>235</td>
<td>316</td>
</tr>
<tr>
<td>4-H Camps at Tanglewood &amp; Blueberry Cove</td>
<td>81</td>
<td>97</td>
</tr>
<tr>
<td>Maine 4-H Foundation</td>
<td>33</td>
<td>70</td>
</tr>
<tr>
<td>UMA Foundation</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

UMFK Affiliates

<table>
<thead>
<tr>
<th>UMFK Affiliates</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMFK Alumni Association</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>UMFK Foundation</td>
<td>372</td>
<td>179</td>
</tr>
<tr>
<td>John L. Martin Scholarship Fund</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

UMM Alumni Association

| UMM Alumni Association                    | 3     | 1     |

Foundation of the University at Presque Isle

| Foundation of the University at Presque Isle | 173 | 106 |

USM Affiliates

<table>
<thead>
<tr>
<th>USM Affiliates</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>USM Foundation</td>
<td>1,472</td>
<td>1,309</td>
</tr>
<tr>
<td>Maine Law Alumni Association</td>
<td>220</td>
<td>236</td>
</tr>
<tr>
<td>UM Law School Foundation</td>
<td>411</td>
<td>421</td>
</tr>
</tbody>
</table>

| Total Cash Gifts Received by Affiliated Organizations | $10,376 | $13,731 |
## Endowment Market Values for UMS Affiliated Organizations

($ in millions)

<table>
<thead>
<tr>
<th>Organization</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UM Affiliates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UM Foundation</td>
<td>$162.8</td>
<td>$189.2</td>
</tr>
<tr>
<td>UM Pulp &amp; Paper Foundation</td>
<td>13.6</td>
<td>15.4</td>
</tr>
<tr>
<td>4-H Camps at Tanglewood &amp; Blueberry Cove</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Maine 4-H Foundation</td>
<td>1.8</td>
<td>3.3</td>
</tr>
<tr>
<td><strong>UMA Foundation</strong></td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>UMFK Affiliates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UMFK Foundation</td>
<td>1.4</td>
<td>1.7</td>
</tr>
<tr>
<td>John L. Martin Scholarship Fund</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Foundation of the University at Presque Isle</strong></td>
<td>3.8</td>
<td>4.3</td>
</tr>
<tr>
<td><strong>USM Affiliates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USM Foundation</td>
<td>17.0</td>
<td>19.4</td>
</tr>
<tr>
<td>UM Law School Foundation</td>
<td>4.5</td>
<td>3.9</td>
</tr>
<tr>
<td><strong>Total UMS Affiliates Endowment Market Value</strong></td>
<td>$205.2</td>
<td>$237.6</td>
</tr>
</tbody>
</table>
### Status of Capital Campaigns
($ in millions)

<table>
<thead>
<tr>
<th>Development Activity</th>
<th>Start Date</th>
<th>End Date</th>
<th>Campaign Goal</th>
<th>Amounts Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMFK Foundation</td>
<td>01/01/11</td>
<td>06/30/14</td>
<td>$3.0</td>
<td>$5.7 *</td>
</tr>
</tbody>
</table>

* Includes gifts received by the University of Maine at Fort Kent (UMFK) and gifts reported by its affiliated fund raising organizations and a $2.6 million grant from the U.S. Dept. of Agriculture.
AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** MEIF Goals and Objectives

2. **INITIATED BY:** Norman L. Fournier, Chair

3. **BOARD INFORMATION:**

   **BOARD ACTION:** X

4. **BACKGROUND:**

   Maine statute requires UMS to submit an annual report on Maine Economic Improvement Fund (MEIF) that includes “the annual measurable goals and objectives of the fund, as established by the board, and an assessment of the achievement of those goals and objectives. The goals and objectives must include, but may not be limited to, education, research and development.”

   Although there are System and Campus goals focused on research and development expenditures, UMS does not currently have measures specific to MEIF. The draft goals and objectives (see attached) will meet the statutory requirements.

5. **TEXT OF PROPOSED RESOLUTION:**

   That the Finance, Facilities and Technology Committee forward this item to the consent agenda at the November 16-17, 2014 Board of Trustees meeting for approval of the following resolution:

   That the Board of Trustees approve the goals and objectives for the Maine Economic Improvement Fund and that these metrics will be used for the 2014 MEIF Annual Report.

10/21/2014
<table>
<thead>
<tr>
<th>BOT Strategic Outcome</th>
<th>Related MEIF Specific Goal</th>
<th>MEIF Data to Report</th>
<th>Who reports</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research and Economic Development Target 1</strong> - UMS maintains a sponsored programs grant and contracts effort growing greater than 3% annually on a three year rolling average from a 2013 baseline of $91MM and NSF-defined activities from the seven MEIF sectors will account for 50% of the total of this goal thus $45.5 MM grants and contracts and $45 MM in NSF expenditures - with a 3% annual growth on a three year rolling average</td>
<td>Activity from the seven MEIF sectors will account for 50% of the total of this goal thus $45.5 MM grants and contracts and $45 MM in NSF expenditures - with a 3% annual growth on a three year rolling average</td>
<td>Dollar Value of new awards in the MEIF Sectors</td>
<td>UMaine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of Proposals submitted annually</td>
<td>USM</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of proposals awarded annually</td>
<td>UMS - SCI funded campuses/projects, PI</td>
</tr>
<tr>
<td><strong>Research and Economic Development Target 2</strong> - UMS annual revenue from commercialization including IP licensing increases at least 20% annually on a 3-year rolling average from a baseline of $200,000</td>
<td>75% of annual revenue from commercialization will come from the MEIF seven sectors.</td>
<td>Revenue from Commercialization</td>
<td>UMaine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of patents filed and issued within MEIF sectors</td>
<td>USM</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of license agreements and license options within the MEIF sectors</td>
<td>UMS - SCI funded campuses/projects, PI</td>
</tr>
<tr>
<td><strong>Research and Economic Development Target 4</strong> - UMS annual revenue from activities with industrial partners increases from an FY13 baseline of $4.2MM to $9 MM by FY17, and the number of contracts increases from a baseline of 407 in FY13</td>
<td>75% of annual revenue from industrial contracts will come from the MEIF seven sectors.</td>
<td>Revenue from Industrial Activities in MEIF sectors</td>
<td>UMaine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of Industrial contracts in MEIF sectors</td>
<td>USM</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of industrial contracts will come from the MEIF seven sectors.</td>
<td>UMS - SCI funded campuses/projects, PI</td>
</tr>
<tr>
<td><strong>Support R&amp;D Workforce Development</strong> - UMS shall maintain and increase faculty, staff, and students participating in research, development and commercialization.</td>
<td>UMS shall maintain a concerted effort to involve faculty, staff and students participating in research, development and supported by commercialization and shall report annually the number of employees directly supported by MEIF funds and by grants and contracts in the MEIF sectors. As external funding is hard to predict there is no specific numerical goal, but UMS shall report the annual number of faculty, staff and students to indicate trends and identify opportunities for growth</td>
<td>Number of faculty FTEs supported by UMS MEIF</td>
<td>UMaine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of faculty FTEs supported by grants and contracts in the MEIF sectors</td>
<td>USM</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of Staff FTEs supported by MEIF funds</td>
<td>UMS - SCI funded campuses/projects, PI</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of Staff FTEs supported by grants and contracts in the MEIF sectors</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of graduate student FTEs supported by MEIF funds</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of graduate student FTEs supported by grants and contracts in the MEIF sectors</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of undergraduate students supported by MEIF funds</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of undergraduate student FTEs supported by grants and contracts in the MEIF sectors</td>
<td></td>
</tr>
<tr>
<td><strong>Reach Goals and Metrics for Workforce Development</strong> The following goals are &quot;reach goals&quot; subject to UMS developing mechanisms to track and collect data about student employment after graduation. It is not anticipated that this is possible in FY14 &amp; FY15 but should be considered</td>
<td>Number of graduate students that graduate and are employed in Maine</td>
<td>Number of graduate students that graduate and are employed in one of the MEIF sectors in Maine</td>
<td>Number of graduate students that graduate and are employed in one of the MEIF sectors in Maine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Annual count of students with graduate degrees taking employment in Maine in a MEIF sector</td>
<td>Maine Department of Labor?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Annual count of students with graduate degrees taking employment in Maine in a MEIF sector</td>
<td></td>
</tr>
</tbody>
</table>
AGENDA ITEM SUMMARY

1. NAME OF ITEM: Strategic Integration Target 2: Comprehensive Financial Management Structure Update

2. INITIATED BY: James H. Page, Chancellor

3. BOARD INFORMATION: X BOARD ACTION:

4. BACKGROUND:

Vice Chancellor Wyke will provide an update regarding the financial structure in anticipation of the final plan being presented to the Board of Trustees at the November 16-17 meeting for approval.

10/21/2014