



Board of Trustees
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Orono, ME 04469

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April 18, 2017

TO: Members of the Finance/Facilities/Technology Committee
FR: Tracy *JB* Bigney, Clerk of the Board
RE: **April 27, 2017 Finance/Facilities/Technology Committee Meeting**

The University of Maine

University of Maine
at Augusta

University of Maine
at Farmington

University of Maine
at Fort Kent

University of Maine
at Machias

University of Maine
at Presque Isle

University of
Southern Maine

The Finance/Facilities/Technology Committee will meet from **1:00 pm to 4:30 pm on April 27, 2017**. The meeting will be located at the University of Maine System Executive Offices, Rudman Conference Room, 253 Estbrooke Hall, 15 Estabrooke Drive in Orono. In addition to the Estabrooke Hall location, the following Polycorn locations and conference call connection will also be available:

- UMA – 125 Robinson Hall
- UMFK – Alumni Conference Room
- UMPI – HR Conference Room
- UMM – 103 Science Building
- USM – 212 Abromson Center, Portland
- PHONE – 1-800-605-5167 code 743544#

Refreshments will be provided at the UMS and the USM locations. The meeting materials will be posted to the Diligent Board Portal as well as the Board of Trustees website (<http://www.maine.edu/about-the-system/board-of-trustees/meeting-agendas/finance-facilities-committee/>).

If you have questions about the meeting arrangements or accessing the meeting materials, please call me at 581-5841. If you have any questions or desire additional information about the agenda items, please call Rebecca Wyke at 621-3420 or Ryan Low at 581-1541.

cc: James Page, Chancellor
Trustees who are not members for the FFT Committee
Presidents
Rebecca Wyke
Robert Neely
Ryan Low
Dick Thompson
Tracy Elliott
Chip Gavin
Miriam White

Board of Trustees

Finance, Facilities & Technology Committee

April 27, 2017

1:00 pm to 4:30 pm

Rudman Conference Room, 253 Estabrooke Hall, Orono

AGENDA

1:00 pm Technology Items

Tab 1 - Review of Projects with a Value of \$250,000 or Greater

Tab 10 - PeopleSoft HCM (HR) Upgrade

1:30 pm Finance Items

Tab 2 - FY2018 Proposed Operating & Capital Budget and Student Charges Second Reading

Tab 3 - University of Maine Capital Campaign

Tab 4 - University of Southern Maine Capital Campaign

3:00 pm Break

3:15 pm Facilities Items

Tab 5 - Sale of Real Property, UMPI

Tab 6 - Highmoor Farm Greenhouse, UM

Tab 9 - Housing Activity, UMA

Tab 7 - Capital Projects Status Report

4:00 pm Executive Session

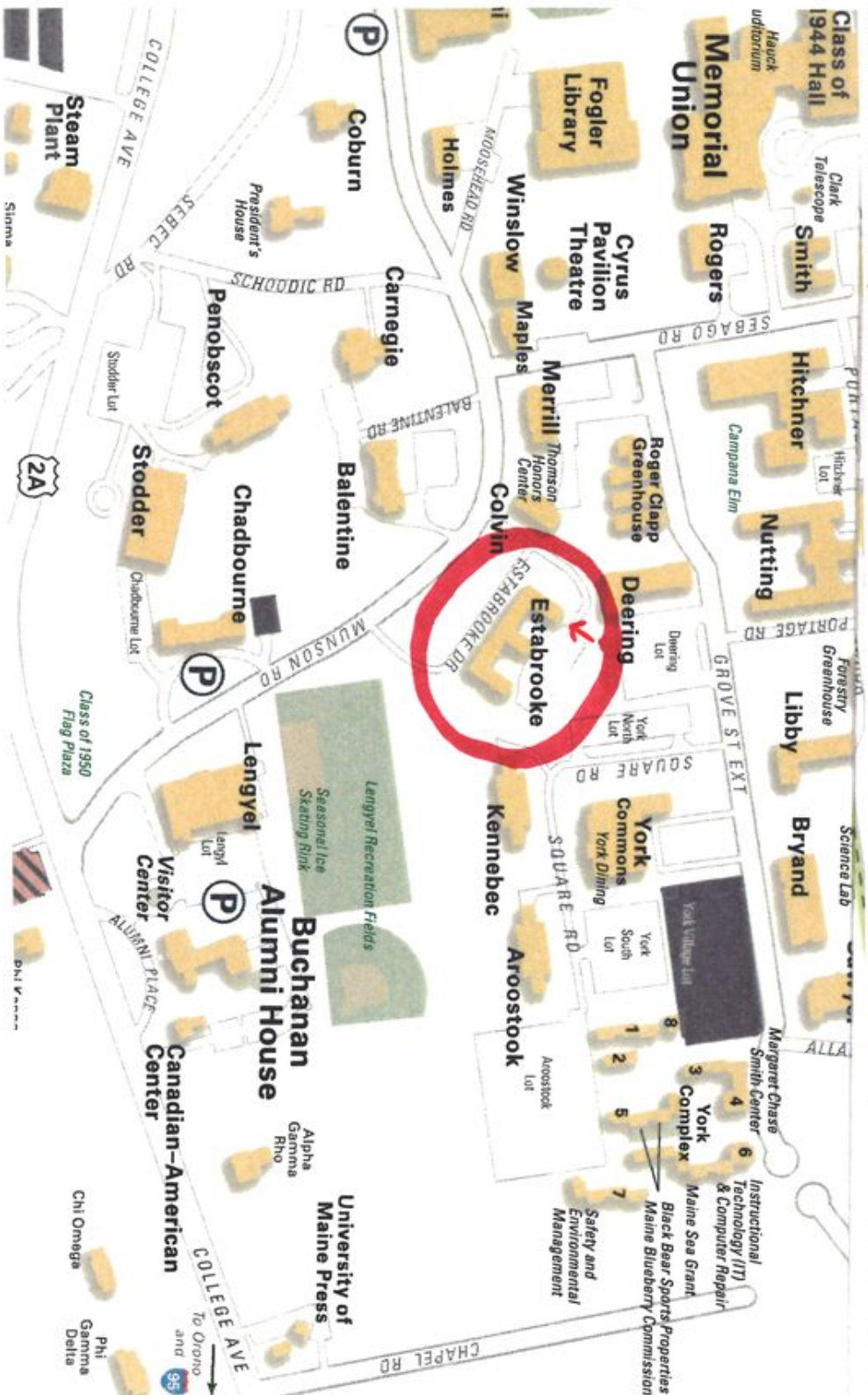
Tab 8 - Sale of Real Property

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.

University of Maine System

15 Estabrooke Drive, Orono



**Rudman Conference Room
253 Estabrooke Hall, 2nd Floor
15 Estabrooke Drive, Orono**

Directions to the UMS located on the UMaine Campus

From the South on I-95: take exit 191 to Kelly Road and turn right. Continue on Kelly Road for 1 mile until you reach the traffic light, then turn left onto Route 2 and go through downtown Orono. Cross the river. Turn left at the lights onto College Avenue. Buchanan Alumni House will be the first campus-related building on your right. Right after the Buchanan Alumni House, take a right onto Muson Road. Estabrooke Hall is the building on the right after Lengyel.

From the North on I-95: take exit 191 to Kelly Road and turn left. Continue on Kelly Road for 1 mile until you reach the traffic light, then turn left onto Route 2 and go through downtown Orono. Cross the river. Turn left at the lights onto College Avenue. Buchanan Alumni House will be the first campus-related building on your right. Right after the Buchanan Alumni House, take a right onto Muson Road. Estabrooke Hall is the building on the right after Lengyel.

The UMS is located on the 2nd floor of Estabrooke Hall. Enter Estabrooke Hall from the back of the building, the entrance closes to Deering Hall.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Review of Projects with a Value of \$250,000 or Greater
2. **INITIATED BY:** Norman L. Fournier, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Richard Thompson, Chief Information Officer, will provide information on the following projects with a value of \$250,000 or greater:

- Classrooms for the Future
- MaineStreet Improvements
- UMS Wireless Infrastructure
- Residence Hall Wireless – USM
- VoIP (Telecommunications) for UMaine

04/18/2017

Status Update – April 2017
Classrooms for the Future

Overall status: ■ Change from previous report: None
 Budget status: ■ Change from previous report: None
 Schedule status: ■ Change from previous report: None

Overview

This project will involve renovations to existing classrooms across the entire University of Maine System. The project team will focus on the data obtained during the earlier classroom assessment phase and resulting classroom ratings in order to prioritize work at each campus. The team will also develop standards for equipment in all classrooms. Vendors will be used for the larger renovations and campus services/classroom technology staff will be used for minor renovations and upgrades. Once the rooms have been updated, they will be re-assessed and scored accordingly.

Initiation Date	Sponsor	Original Estimated Completion Date	Current Estimated Completion Date	Estimated Budget	Budget Expended to Date	Project % Complete	Comments
4/2016	Dick Thompson	8/2021		\$3,836,000	\$311,397	8%	

Status

Reference: [Campus Room Renovations](#)

Campuses	Rooms	% Complete	% Spent to Date	Expended (since last report)	Budget Balance
UMA	Music Arts 124	100%	4%	\$60	\$498,967
	Roberts 205	95%			
	Roberts 207	95%			
	Roberts C23	0%			
	Roberts 131	30%			
	Ricker Addition 202	95%			
UMF	Ricker Addition 205	95%	4%	\$5,116	\$315,549
UMaine	202 Shibles	100%	15%	\$511	\$1,289,237
	105 DPC	50%			
	101 Neville	100%			
UMM	230 Torrey Hall	100%	14%	\$155	\$82,770
	232 Torrey Hall	100%			
	234 Torrey Hall	100%			
UMFK	Powell 123	90%	11%	\$226	\$129,138
	Cyr 113	90%			
UMPI	206 Folsom	90%	14%	\$16,629	\$134,861
USM	405 Bailey	0%	0%	\$0	\$1,074,080
	301A Payson Smith	0%			

*Please note that budget balances are higher due to an overall increase in campus allotments.

Based upon feedback from leadership on all campuses, we are in the process of creating several new projects for campus renovations this summer. Budgets are being created and equipment orders are underway. Some of the smaller installations will be handled internally and larger installations will be contracted out. The RFP process has been completed and an award will go out soon for additional vendor(s) to be added to our current selection. Once a new Master Agreement is in place, we will have at least three vendors to choose from for classroom renovations.




An Active Learning simulation will take place at USM this month. The equipment will be provided by one of our vendors so that Faculty, staff and administrators can view and utilize the sample classroom. The same simulation will take place on the UMA campus during May's Faculty Institute.

Risks

- Renovations and improvements to classrooms are limited to summer and school breaks. In addition, vendors need advance notice to schedule larger renovations due to the competitive nature of this work and the lead time for ordering equipment.
- Wireless and network infrastructure will not be upgraded in classrooms at UMPI, UMFK and UMF

Status Update – April 2017

MaineStreet Improvements

Overall status:		Change from previous report:	None
Budget status:		Change from previous report:	None
Schedule status:		Change from previous report:	Yes

Overview

This project will engage with faculty and students to find ways to improve their experience working with MaineStreet including bringing MaineStreet functions to mobile platforms, which can subsequently be extended to a variety of uses. We also will engage with decision makers in the One University initiative to discover and understand changes in business process that will need support in MaineStreet. Once these changes have been identified, we will work with affected functional areas to plan, implement, and test the specific MaineStreet changes that are required.

Initiation Date	Sponsor	Original Estimated Completion Date	Current Estimated Completion Date	Estimated Budget	Budget Expended to Date	Project % Complete	Comments
4/2016	John Grover	2019	2019	\$2,000,000	\$0	5%	Schedule status changed from green to yellow due to delays experienced during the vendor selection process.

Status

The project core team completed the contracting process with BerryDunn for Business Analyst services. The core team is now partnering with BerryDunn to complete the following project phases:

- Collect user stories through surveys, focus groups, and other means to develop a set of business requirements.
- Using the collected business requirements as a guide:
 - Develop an RFP for vendor products and services to produce the desired deliverables.
 - Execute the RFP and choose a vendor.
 - Implementation, testing, and go-live.

Current effort is focused on drafting questions for the faculty and student surveys. The team will consult with Campus IT Officers about best approach and timing for communicating with each campus’s leadership, faculty, and students. Additionally, BerryDunn has scheduled meetings with peer institutions to solicit advice and guidance about similar implementations.

Risks

- The schedule is currently at risk due to delays experienced during the vendor selection process, and the limited availability of faculty and students to participate in focus groups at this point of the spring semester. Given the need for faculty and student input in regards to requirements for improving MaineStreet functions, this could potentially impact the RFP schedule for development services. To mitigate this risk, the team is considering if the distribution of surveys can be completed prior to May. If so, that will provide an initial set of requirements to include in the RFP.

Status Update – April 2017

UMS Wireless Infrastructure

Overall status:	■	Change from previous report:	None
Budget status:	■	Change from previous report:	None
Schedule status:	■	Change from previous report:	None

Overview

This project is a wireless technology connectivity initiative to upgrade wireless service and associated cabling and equipment at all campuses to bring wireless capacity at gigabit speeds to support learning and living spaces.

Initiation Date	Sponsor	Original Estimated Completion Date	Current Estimated Completion Date	Estimated Budget	Budget Expended to Date	Project % Complete	Comments
4/2016	Jeff Letourneau			\$10,500,000	\$1,708,253 (plus \$2,434,851 encumbered)	15%	

Status

The project team has been focused on planning and preparations for summer work specifically in residence halls and upgrades to underground fiber where necessary. The table below summarizes the buildings where work has been completed or is currently being executed or planned as well as the percent of the campus allocation that is committed to the current work (based on estimates).

Completed	Partially Completed (On Hold) ¹	Installation & Deployment Scheduled ²	Planning	% Allocation Committed ³
University of Maine at Augusta				
Augusta Lewiston Katz Jewett Randall	Augusta Civic Center	Bangor Eastport (5/1) Camden (5/1) Belfast (5/1) Bangor Hall College Center		100%
University of Maine at Farmington				
Mantor Library		Purington (6/19) Mallett (5/15) Dakin (5/15) Stone (6/26) Black (5/15) Lockwood (6/19)	Scott North Scott West Scott South	99%
University of Maine at Fort Kent				
	Powell	The Lodge (5/15) Crocker (6/5)		95%
University of Maine at Machias				
Torrey Hall / Merrill Library		Reynolds (now) Powers (now) Science (now)	Dorward Sennett Kilburn	88%
University of Maine				
Fogler Library Shibles Bennett Rogers Jenness	Winslow Aubert Neville	Boardman (7/24) Bryand Global Science (8/14)	Little	29%

University of Southern Maine				
Drawing Studio Print Studio Academy Building Law Building		Bailey (7/31) John Mitchell Center (7/3) Wishcamper (7/3)	Luther Bonney Payson-Smith Masterton Corthell Lewiston-Auburn Science Building Glickman Library Corthell	18%
University of Maine at Presque Isle				
		Park (5/15) Emerson (7/24) Merriman (8/10) Folsom-Pullen (7/10)		87%

Risks

- The project team is working closely with the Classrooms for the Future project team to coordinate efforts. Campus decisions to prioritize upgrades in residence halls over classroom buildings may negatively impact the Classrooms for the Future project.
- Many of the buildings require modifications by Facilities Management prior to network installation. The project team is working with each campus to plan this work. Resource availability and scheduling for this work may cause project delays.
- A risk to perceived success is unreasonable stakeholder expectations. Although a ubiquitous system-wide upgrade is needed, this project will only partially meet that need given the constraints of limited resources (schedule, budget, staffing, construction limitations, and coordination with other campus resources).
- Many buildings have network infrastructure that will need to be upgraded before new wireless networks can be installed. In some cases, this may include new fiber installation and/or the need for facility renovations.
- The phased funding approach will necessitate maintaining two separate WiFi networks on most if not all campuses driving up the ongoing operational costs and efforts for US:IT while creating inconsistent wireless service levels building to building on the campuses. There are a large number of factors and variables that will affect this project’s timeline. There are other sizeable projects taking place at the same time. Another factor affecting the timeline will be the coordination among involved entities in setting priorities and timing.

Status Update – April 2017

USM Residence Hall Wireless Project

Overall status:	■	Change from previous report:	None
Budget status:	■	Change from previous report:	None
Schedule status:	■	Change from previous report:	None

Overview

This project will install and implement wireless services in six residence halls at USM. This project will address this issue for USM using the latest in technology and with necessary wiring upgrades to support the service, providing needed high quality student experience and seamless access to a growing online environment.

Initiation Date	Sponsor	Original Estimated Completion Date	Current Estimated Completion Date	Estimated Budget	Budget Expended to Date	Project % Complete	Comments
9/2015	Dick Thompson	8/2016	8/2016	\$1,900,000	\$1,817,358	99%	

Status

All data and wireless networks are complete and operational and HVAC systems have been installed in data closets. Once final invoices have been processed, this project will be closed.

Risks

None noted.

Status Update – April 2017

Upgrade Telecommunications Services, UM

Overall status:	■	Change from previous report:	None
Budget status:	■	Change from previous report:	None
Schedule status:	■	Change from previous report:	None

Overview

The project includes the upgrade of the local area network (LAN) wiring infrastructure within buildings as well as the purchase of telephones, licenses, LAN switches, and power protection to serve these remaining locations.

Initiation Date	Sponsor	Original Estimated Completion Date	Current Estimated Completion Date	Estimated Budget	Budget Expended to Date	Project % Complete	Comments
Q3 2014		12/31/2015	12/31/2016	\$2,100,000	\$2,043,880	95%	

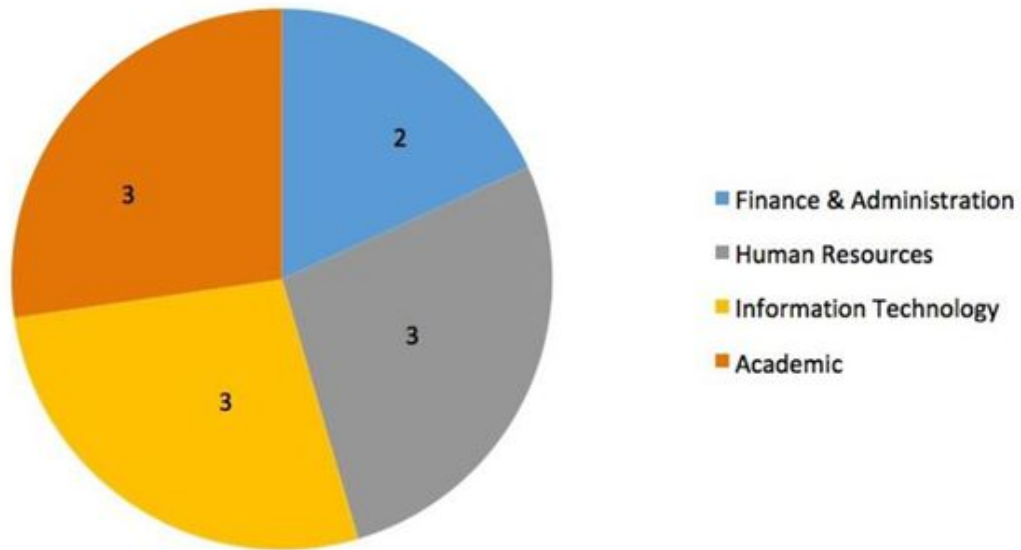
Status

- Phone deployment completed
 - UPark
 - Rogers Hall
 - Roger Clapp Greenhouse
- Phone deployment in progress
 - Fogler Library
- Building rewiring in progress
 - Service Building A (Shop Area)
 - Service Building B (Garage)
 - HVAC Building
- Electronic Fax
 - An award has been made for an electronic fax solution. The goal is to provide a more modern faxing solution that works in conjunction with the Canon Multi-function devices. The eFax solution will provide additional functionality to the campus while reducing the overall cost of transitioning the campus to IP phones.
- Legacy phone system decommissioning
 - Work continues to decommissioning the legacy NorTel SL-100 phone system.
 - All analog lines moved off of Nortel, just digital sets left.

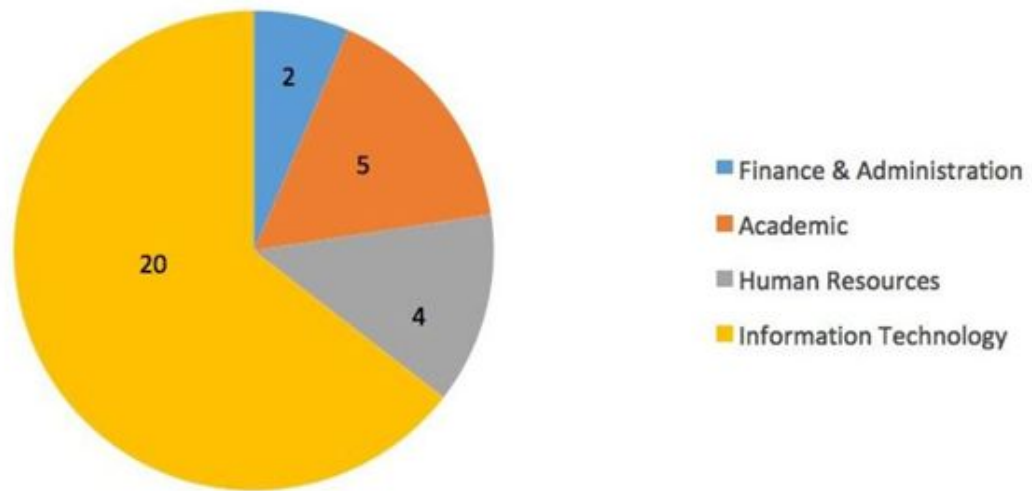
Risks

- Lack of staffing
 - Delays in equipment installation
 - Delays in re-wiring buildings
 - Delays in Facilities Management due to limited resources and prioritization to complete work orders
- Inability to fill open positions due to compensation well below market

US:IT PROPOSED PROJECTS



US:IT ACTIVE PROJECTS



Finance & Administration Projects Total Budget = \$0
Academic Projects Total Budget = \$240,059
Human Resources Projects Total Budget = \$530,700
Information Technology Projects Total Budget = \$19,597,181



AGENDA ITEM SUMMARY

- 1. **NAME OF ITEM:** FY2018 Proposed Operating & Capital Budget and Student Charges – Second Reading
- 2. **INITIATED BY:** Norman L. Fournier, Chair
- 3. **BOARD INFORMATION:** **BOARD ACTION:** X
- 4. **BACKGROUND:**

Vice Chancellor Wyke and Ryan Low, Chief Financial Officer & Treasurer, will present the FY2018 Proposed Operating & Capital Budget and Student Charges for the University of Maine System.

This is the second reading of the budget, and a vote of the Committee will be taken and forwarded to the Board of Trustees at the May 21-22 meeting.

5. **TEXT OF PROPOSED RESOLUTION**

That the Finance, Facilities and Technology Committee forwards this item to the May 22, 2017 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees accepts the recommendations of the Finance, Facilities and Technology Committee and approves the FY2018 Proposed Operating & Capital Budget, Recommended Student Charges, and proposed Transfers from the Budget Stabilization Fund and Institutional Reserves.

04/18/2017



Maine's
Public
Universities

UNIVERSITY OF MAINE SYSTEM

FY2018

**PROPOSED OPERATING BUDGET,
CAPITAL BUDGET, & STUDENT
CHARGES**

Second Reading
Finance, Facilities &
Technology Meeting

April 27, 2017



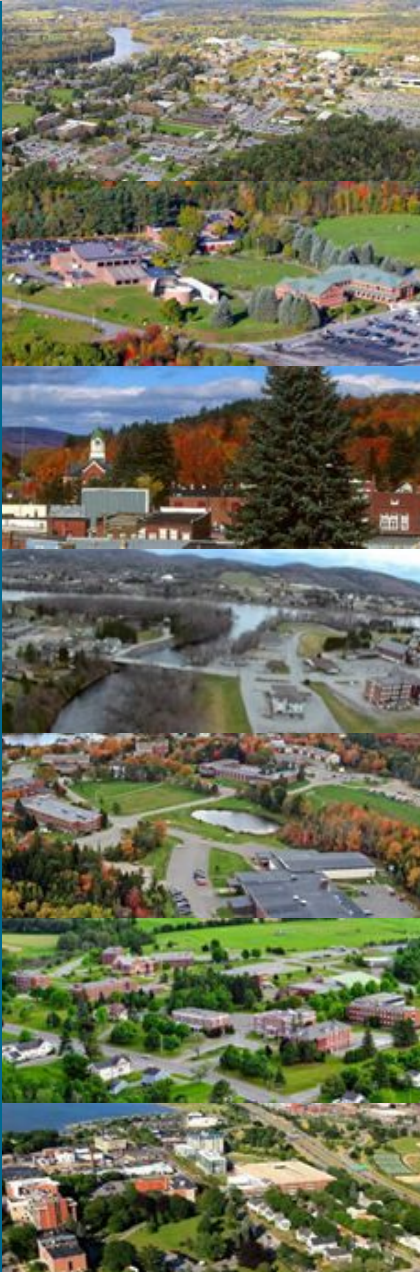


Table of Contents

Budget Overview	3-4	27	Funding Depreciation
Budget Stabilization Fund	5	28	Capital Investments
Appropriation	6	29	Capital Invest. from Operations
Enrollment	7-15	30	MEIF
Residence Hall Occupancy	16-22	31	Compensation & Benefits
FY18 Recommended In-State Tuition Rates	23	32	FY18 Budget Position Changes
In-State Undergraduate Average Costs	24	33-35	FY18 Proposed Budgets
Tuition Growth Rates	25	36	Quasi-Independent State Entities Budget Requirement
Aging Infrastructure	26	37	Appendix



FY18 Budget Overview



- **Budget focus on Board of Trustees priority & secondary outcomes**
- **Enrollment Increase**
 - Credit hour generation is projected to increase by 12,700 credit hours in FY18
- **First in-state, undergraduate tuition & Unified Fee increase since FY12.**
 - 2.6% based on CPI; Unified Budget Pricing Structure partially implemented
- **\$3M in administrative savings allocated**
 - UMFK & UMM - \$1M base allocation each; UMPI - \$500K in base allocation and \$500K on a one-time basis
- **Campus reserve funds**
 - 2 campuses are using campus reserves to balance in FY18
- **Governor LePage's proposed FY2018-19 biennial budget increases appropriation annually by \$1.65M**



FY18 Budget Overview

	E&G	Auxiliary	Total	Campus Reserves	Administrative Savings	*Budget Stabilization	Total
UMaine	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
UMA	(990,828)	(45,961)	(1,036,789)	1,036,789	-	-	0
UMF	-	47,835	47,835	-	-	-	47,835
UMFK	432,662	(167,423)	265,239	-	-	-	265,239
UMM	-	-	-	-	-	-	0
UMPI	(200,060)	200,060	-	-	-	-	0
USM (Excl. Law)	(3,215,228)	118,918	(3,096,310)	3,215,228	-	-	118,918
Maine Law	(550,640)	-	(550,640)	275,320	-	275,320	0
Governance	(500,000)	-	(500,000)	500,000	-	-	0
Univ. Svs	-	-	-	-	-	-	0
**Total	\$(5,024,094)	\$ 153,429	\$(4,870,665)	\$ 5,027,337	\$ 0	\$ 275,320	\$ 431,992

*Unused from FY16

**Does not include \$3.3 million in administrative savings set aside for strategic investment



Budget Stabilization Fund

- The Budget Stabilization Fund was created to enable the UMS to smooth the financial impact of adverse markets, economic conditions, and address other financial challenges.
- The Budget Stabilization Fund was established in 2010 and has been built from net investment income that exceeded budget pursuant to the Board of Trustees investment policy.
- The treasurer will only authorize all or a portion of the transfer needed to offset a net unrestricted operating loss for each institution at the close of FY17 and FY18.

	Balance 7/1/16	\$ 10,666,838
	Projected	
Utilization	FY17	FY18
UMM (FY16 Carry Forward)	(675,000)	-
UMPI	(300,000)	-
Law School	(310,931)	(275,320)
Investment gain/loss	TBD	-
Subtotal	\$ (1,285,931)	\$ (275,320)
	Projected Balance	\$ 9,105,587

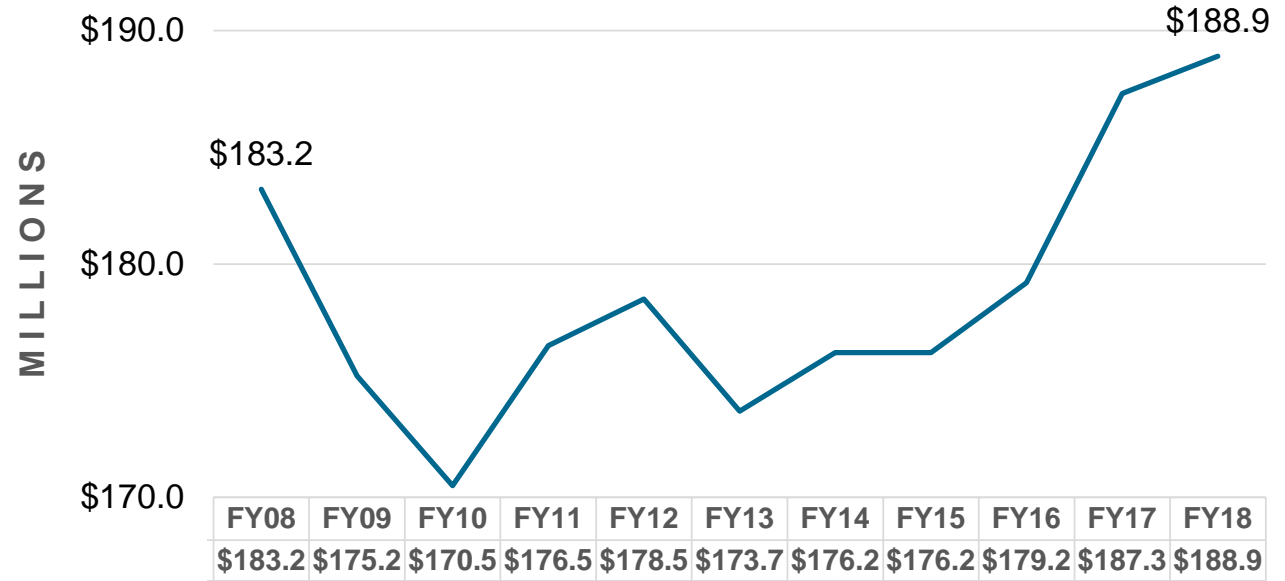


Appropriation

- FY18 budgets are based on an annual \$1.65M increase in E&G state appropriation per the Governor’s FY2018-19 biennial budget request plus the continuance of a \$4.65M FY17 supplemental budget request by the Governor in lieu of an FY17 in-state, undergraduate tuition and unified fee increase.

- \$1.65M includes:
 - \$500K – Early College
 - \$400K – UMCES Animal & Plant Disease & Insect Control Laboratory
 - \$750K – New Funds
 - 30% Administrative Savings (\$225K)
 - 70% Distributed through Outcomes Based Funding (\$525K)

E&G Appropriation
(excluding debt service)

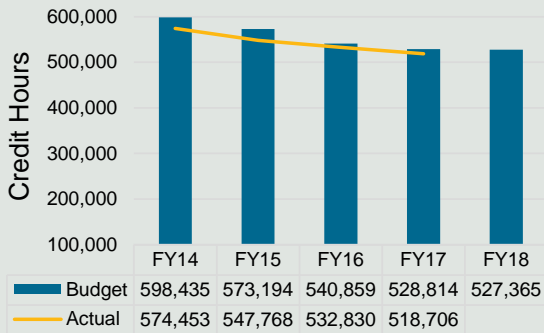


- Campus budgets reflect allocating 25% of the campus appropriation through the Outcomes Based Funding formula.
- The State of Maine 2018-19 biennial budget request also includes the second year of \$2.5M in debt service funding to support a 9-year revenue bond that would allow the University to leverage \$22M for infrastructure improvements. This appropriation is considered “restricted” and, therefore, not included in the unrestricted operating budget.

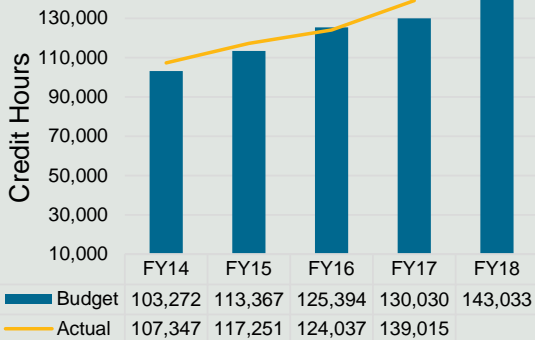


Enrollment

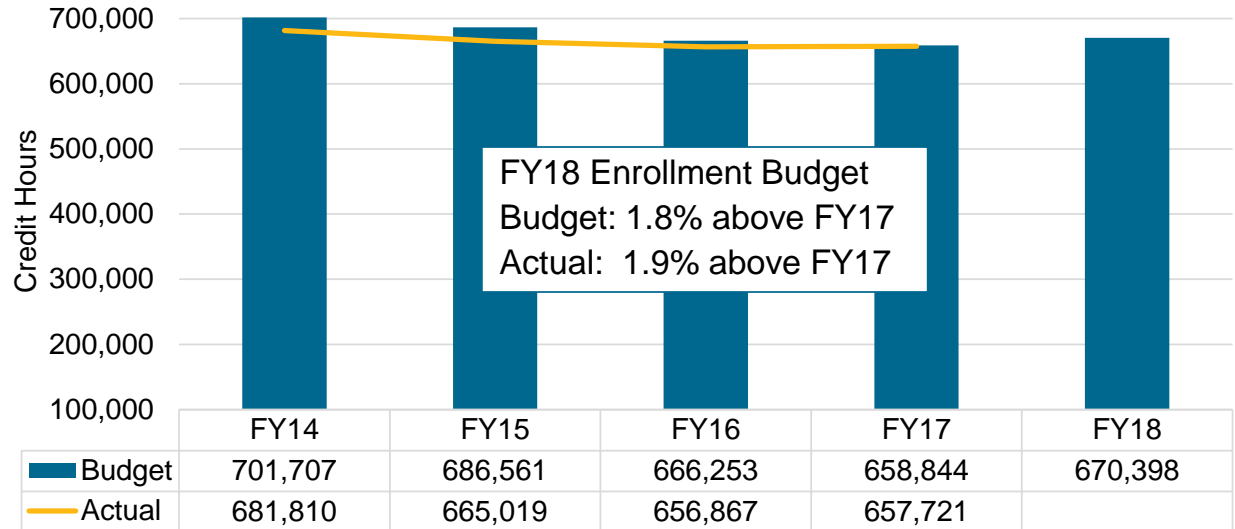
In-State



Out-of-State



UMS Total Credit Hour Enrollment



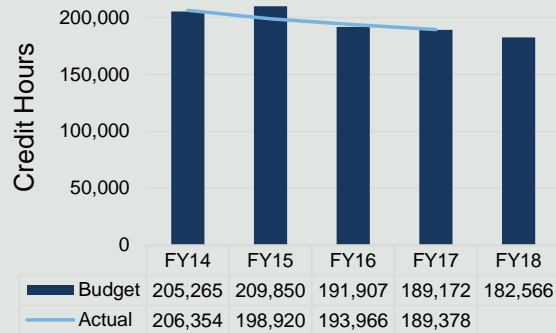
Major factors impacting enrollment:

- FY18 credit hours are up 1.9% over FY17 actual credit hours.
- FY18 out-of-state budgeted credit hours are up 33% since FY14 actuals and represent 21% of the total credit hours.
- Maine public high school graduates will decline to approximately 12,000 through 2030.
- Approximately 54% of Maine high school students enroll in college; UMS share historically is 30-33% (or 18% of an entire graduating class).

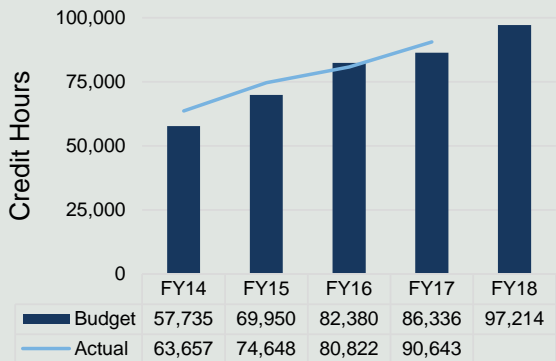


Enrollment

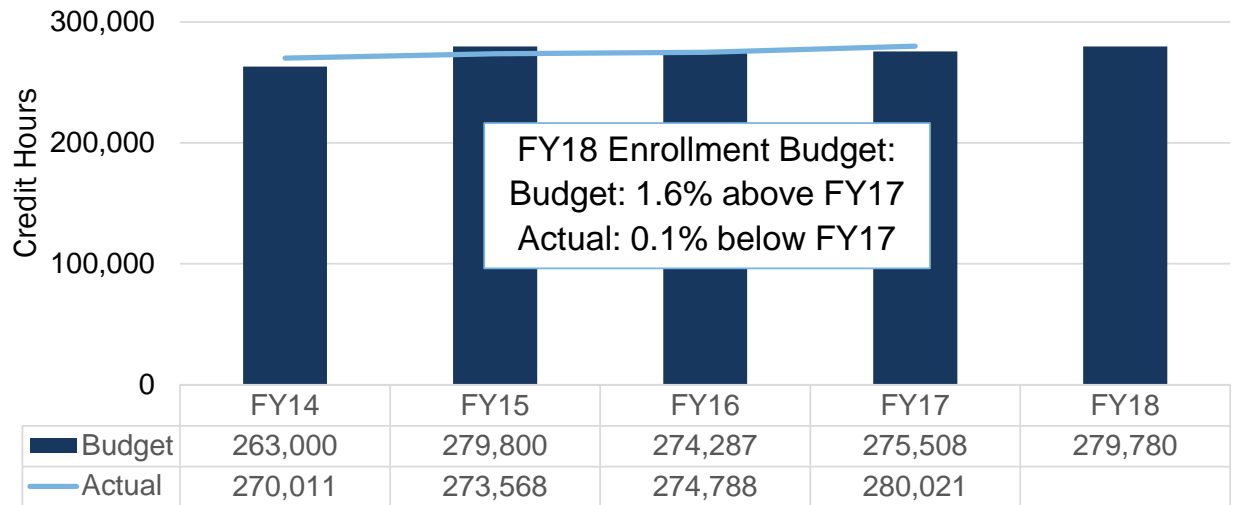
In-State



Out-of-State



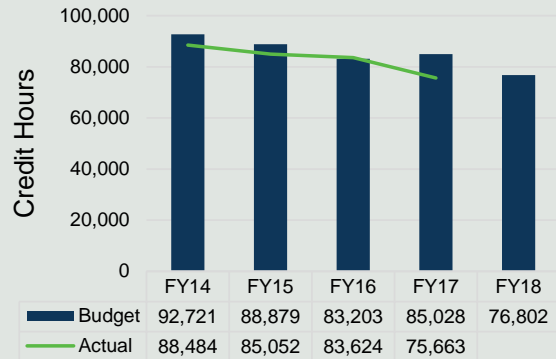
Total Credit Hour Enrollment



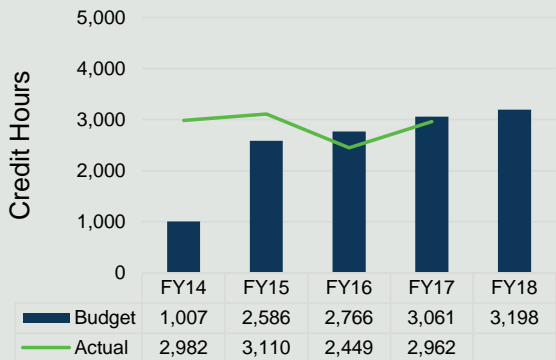


Enrollment

In-State

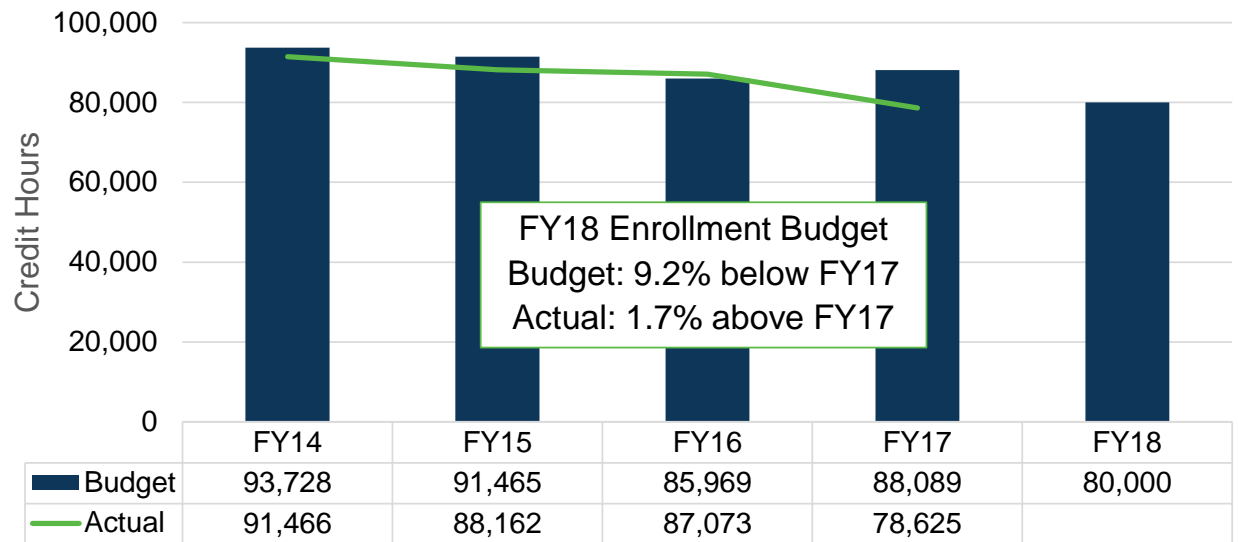


Out-of-State



UNIVERSITY of MAINE at AUGUSTA

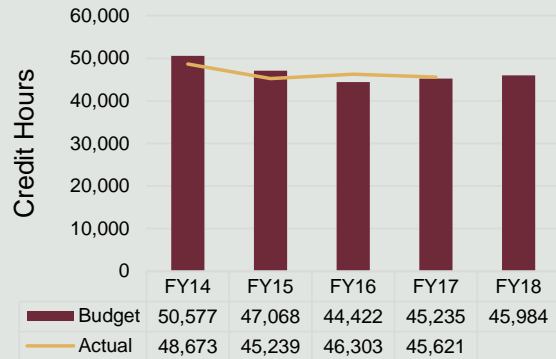
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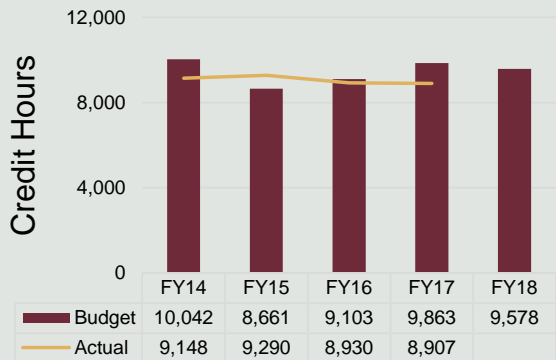


Enrollment

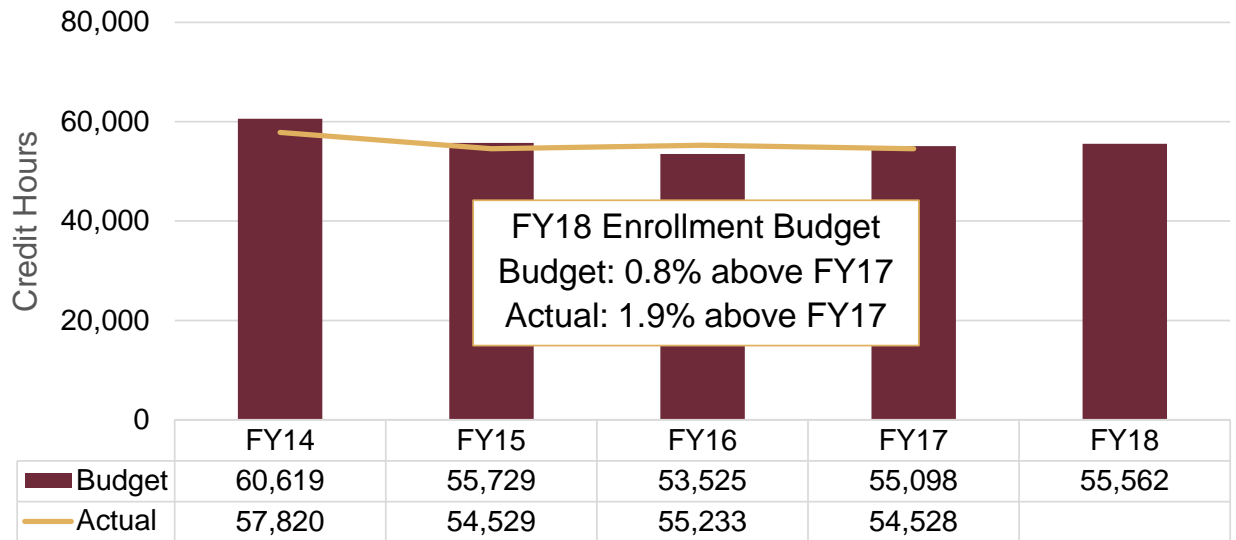
In-State



Out-of-State



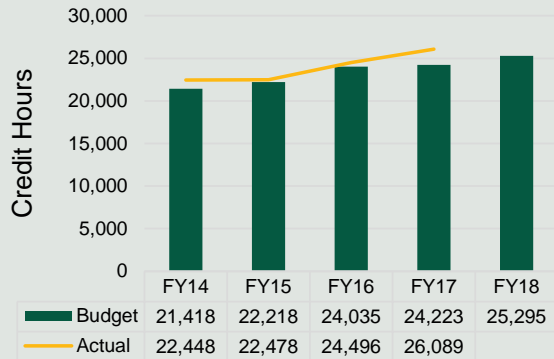
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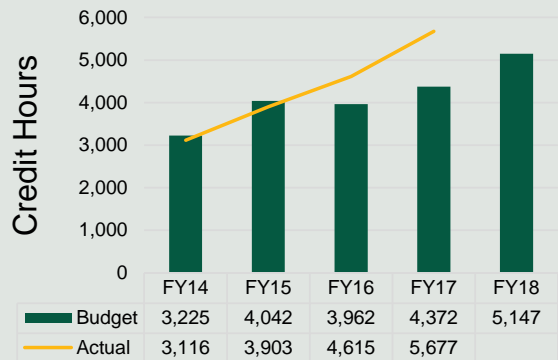


Enrollment

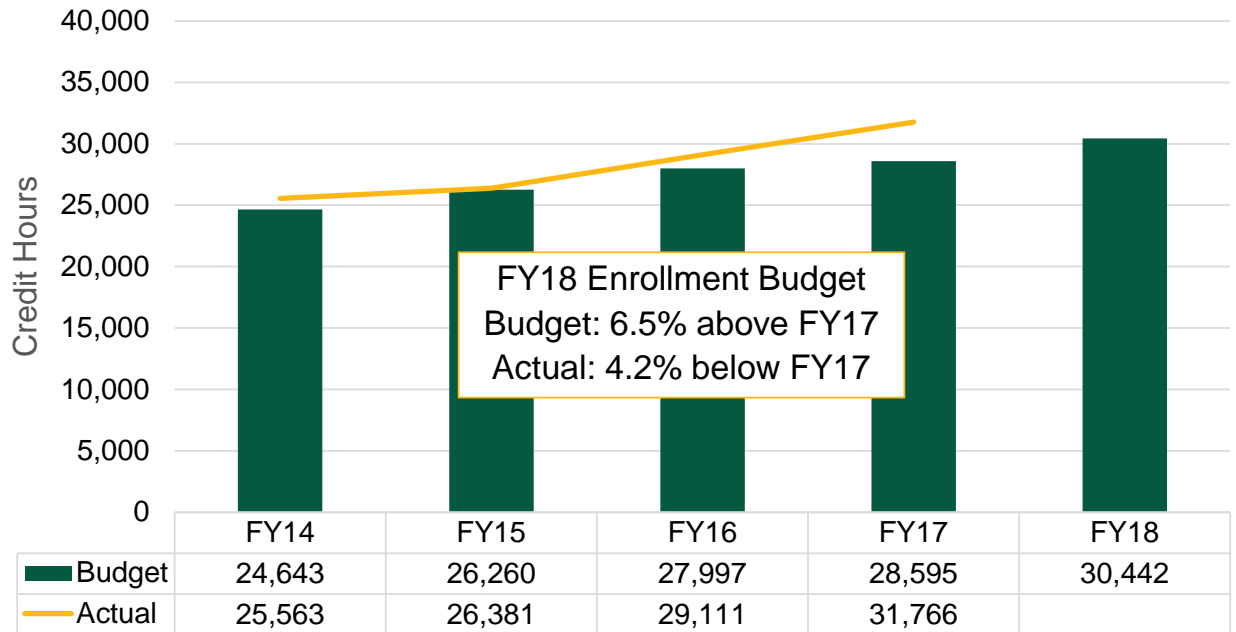
In-State



Out-of-State



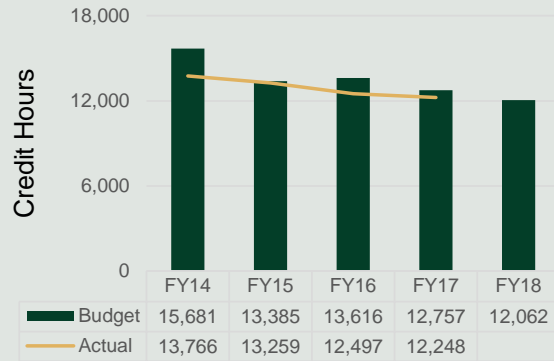
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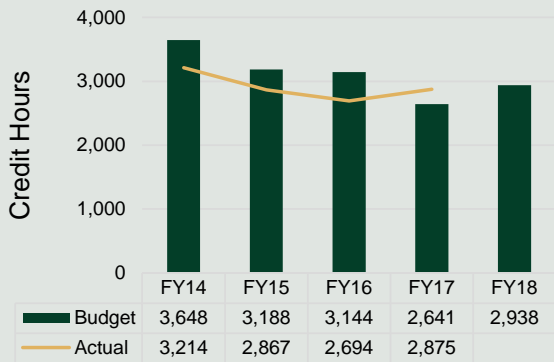


Enrollment

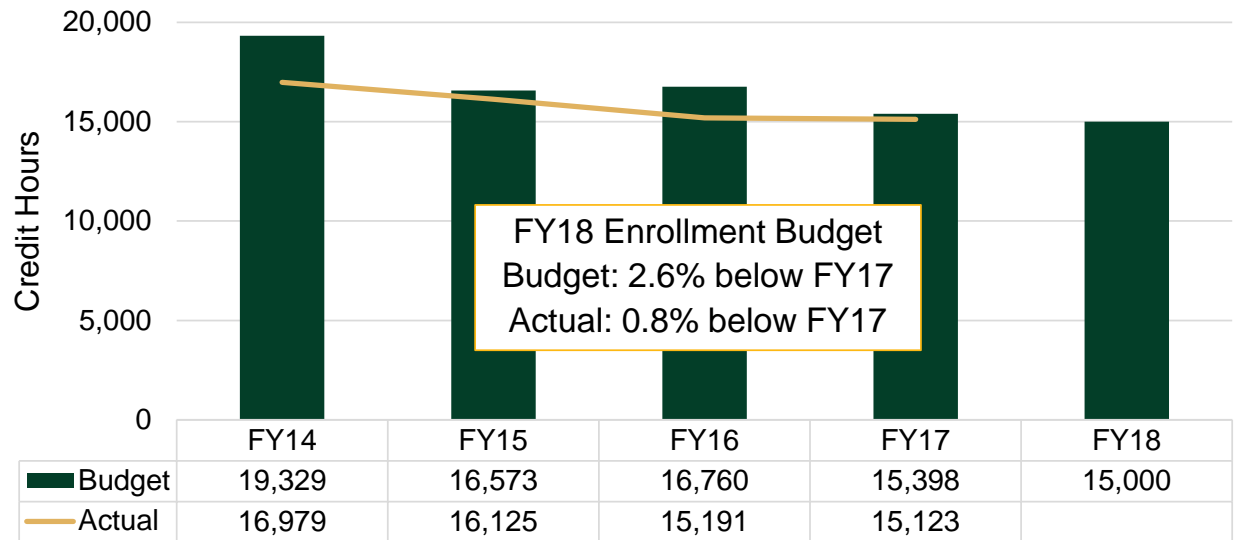
In-State



Out-of-State



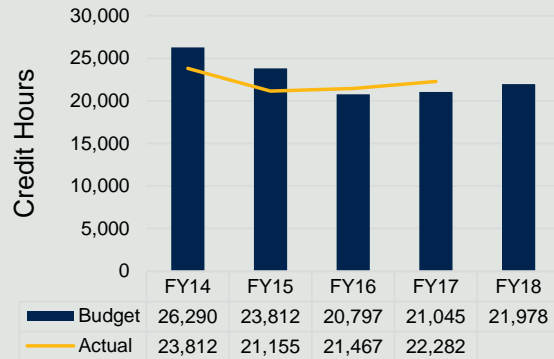
Total Credit Hour Enrollment



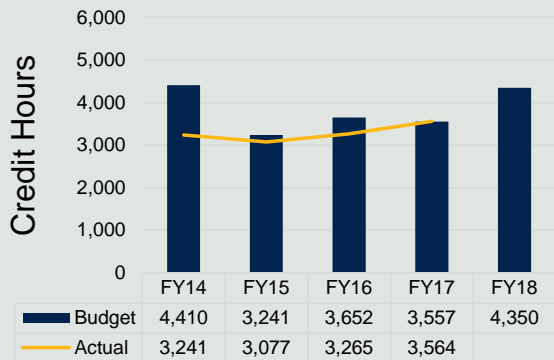


Enrollment

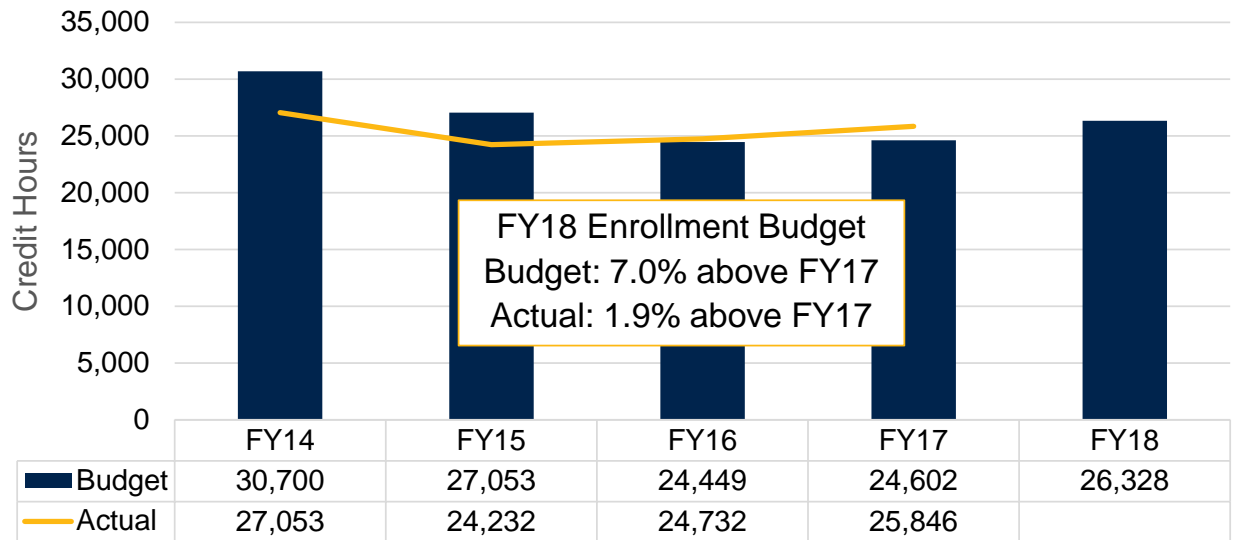
In-State



Out-of-State



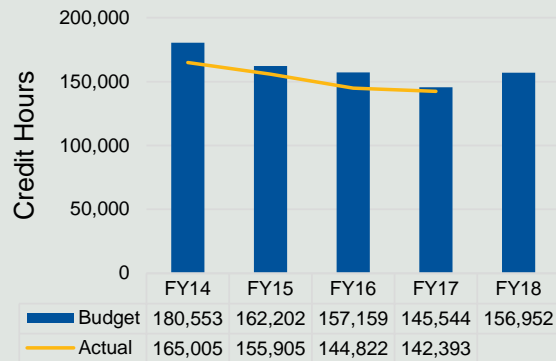
Total Credit Hour Enrollment



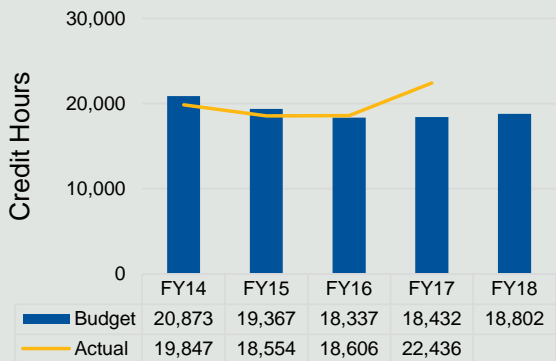


Enrollment

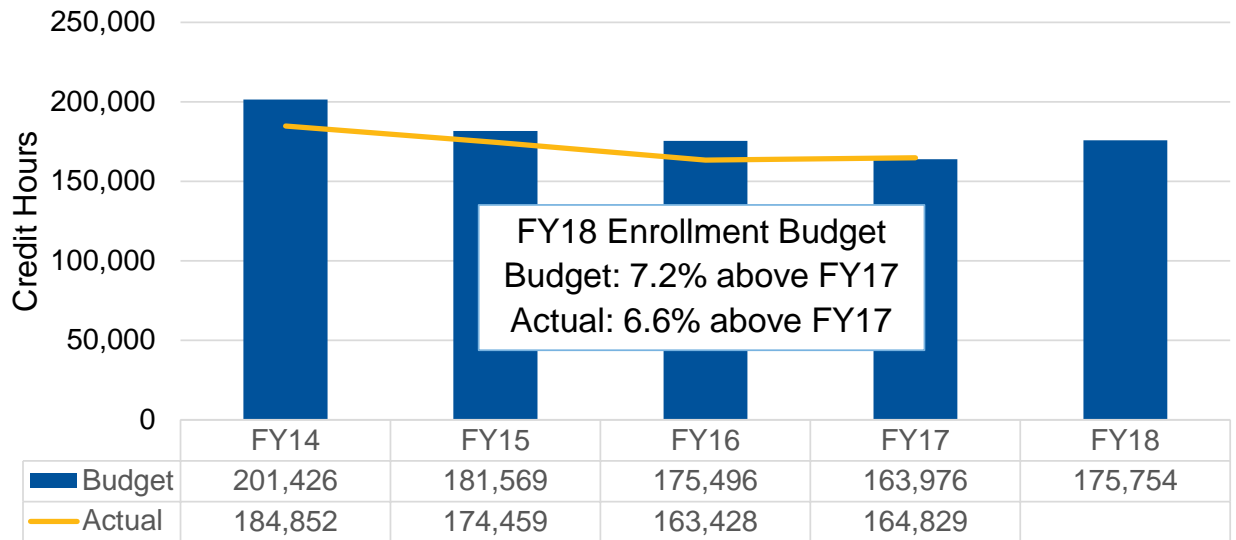
In-State



Out-of-State



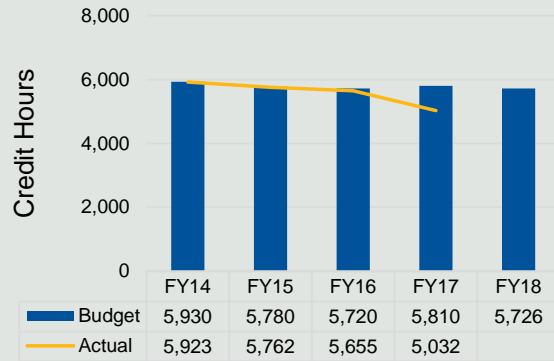
Total Credit Hour Enrollment



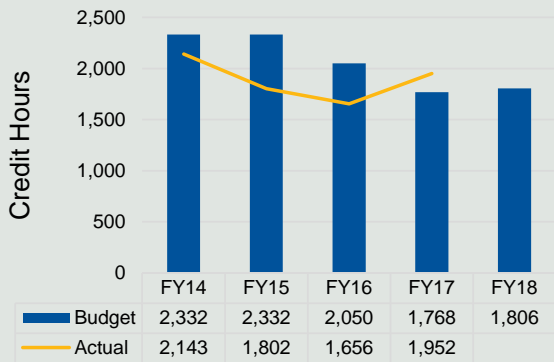


Enrollment

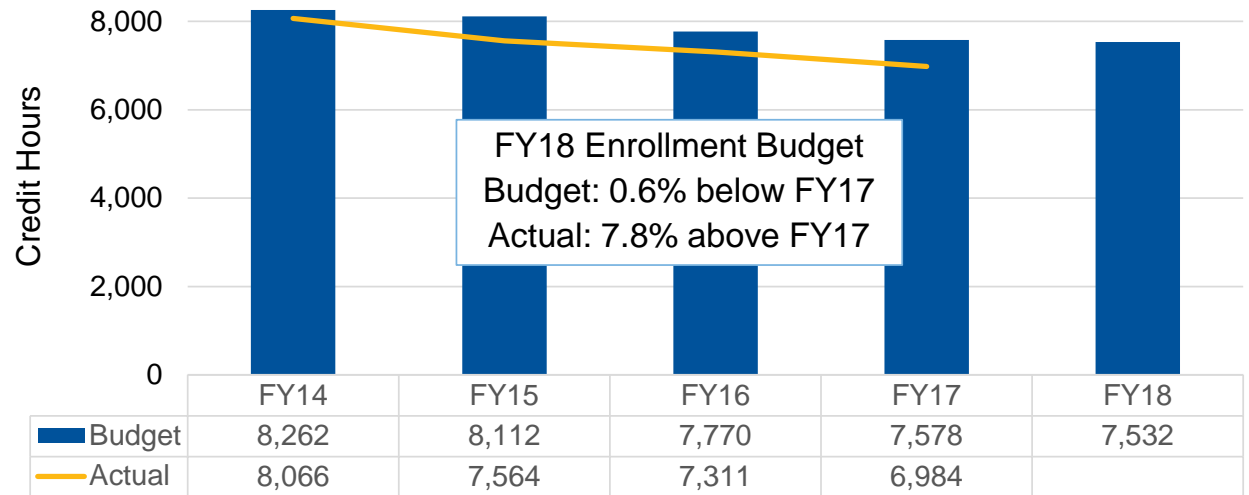
In-State



Out-of-State



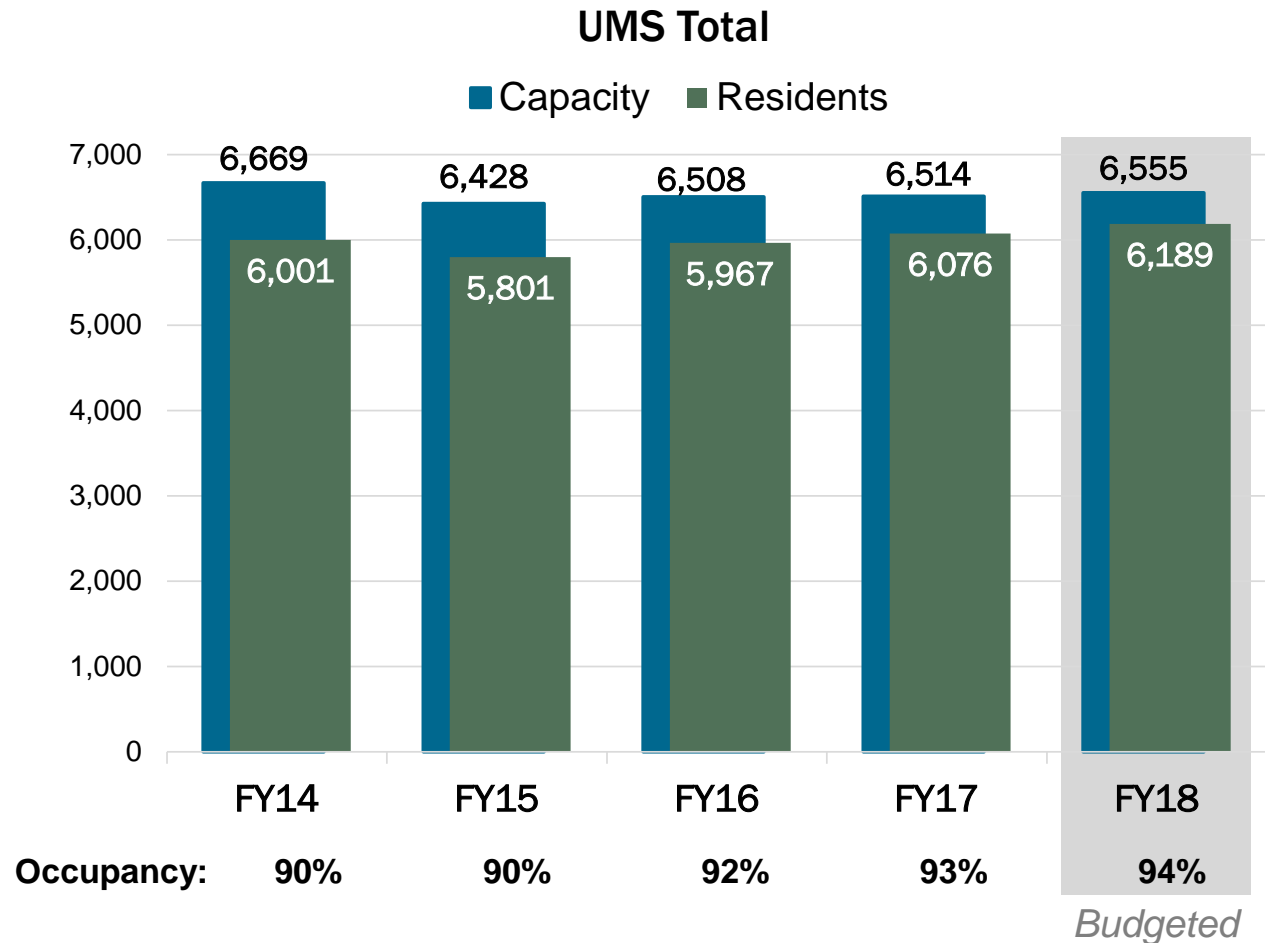
Total Credit Hour Enrollment





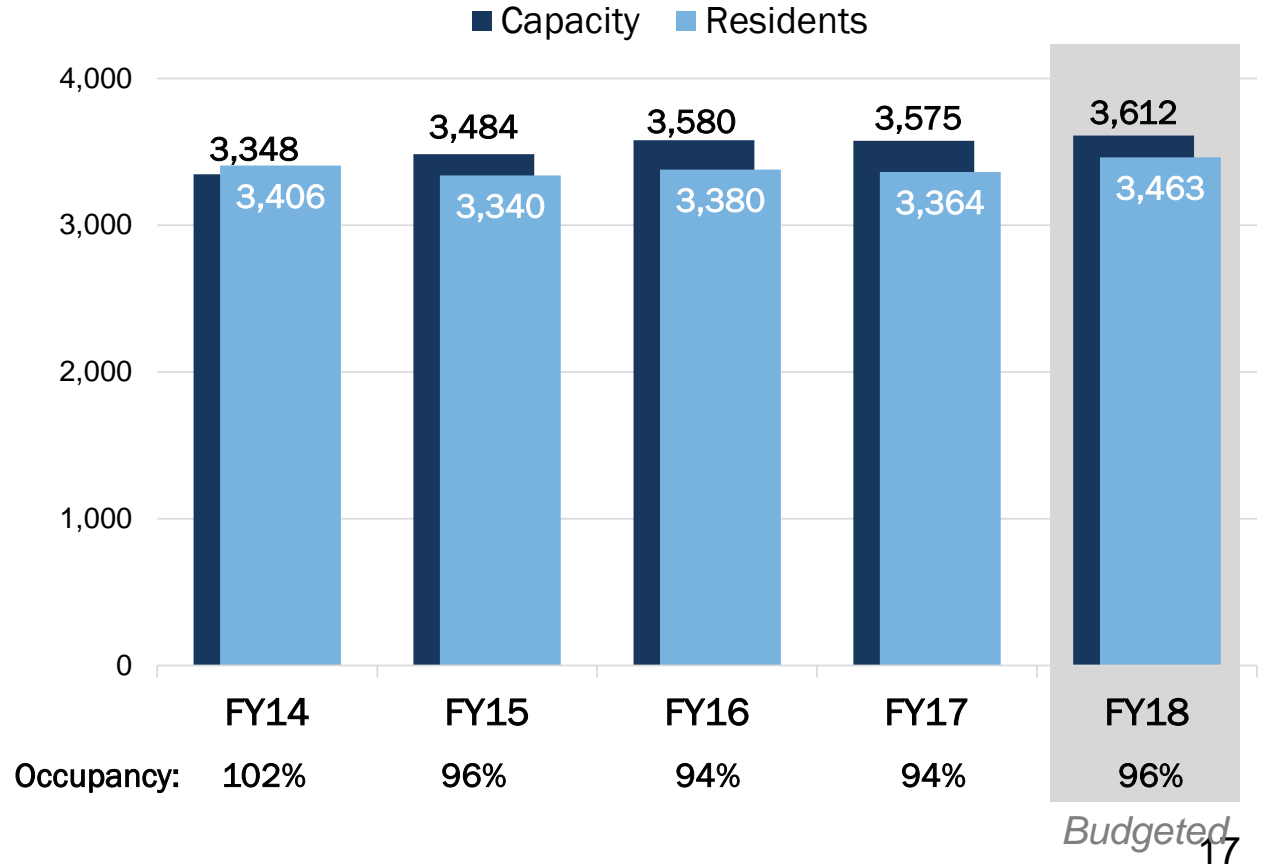
Residence Hall Occupancy

- UMS FY18 Occupancy Rate is 94% and ranges from 97% at UMFK & USM to 77% at UMM.
- Residence Hall occupancy is flat or slightly up at 4 of the 6 campuses with residential operations.
- Excluding UMaine, excess capacity at the remaining 5 campuses with residential operations has been reduced from 726 in FY14 to 217 in FY18, a reduction of 590 beds (70%).



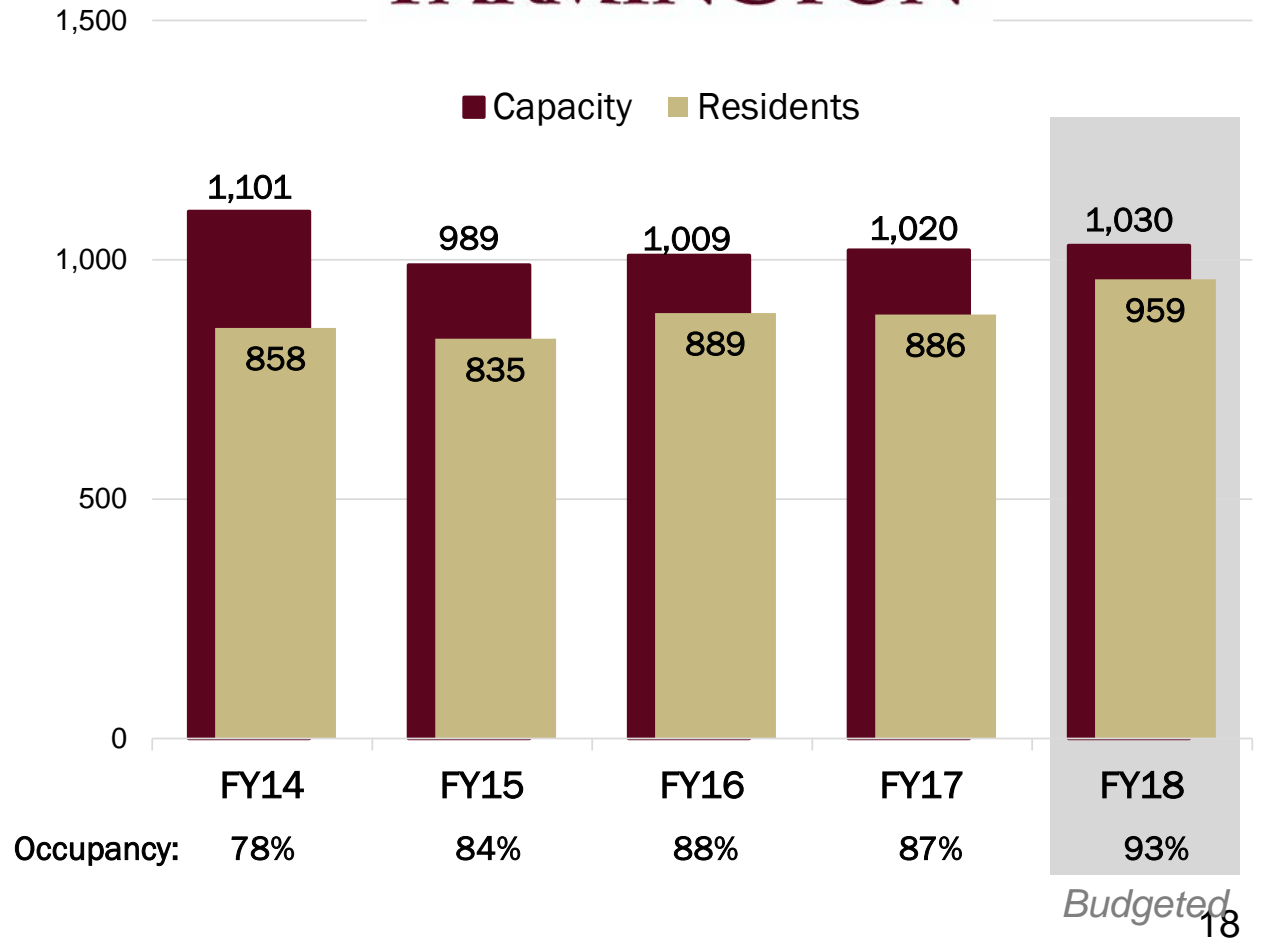


Residence Hall Occupancy



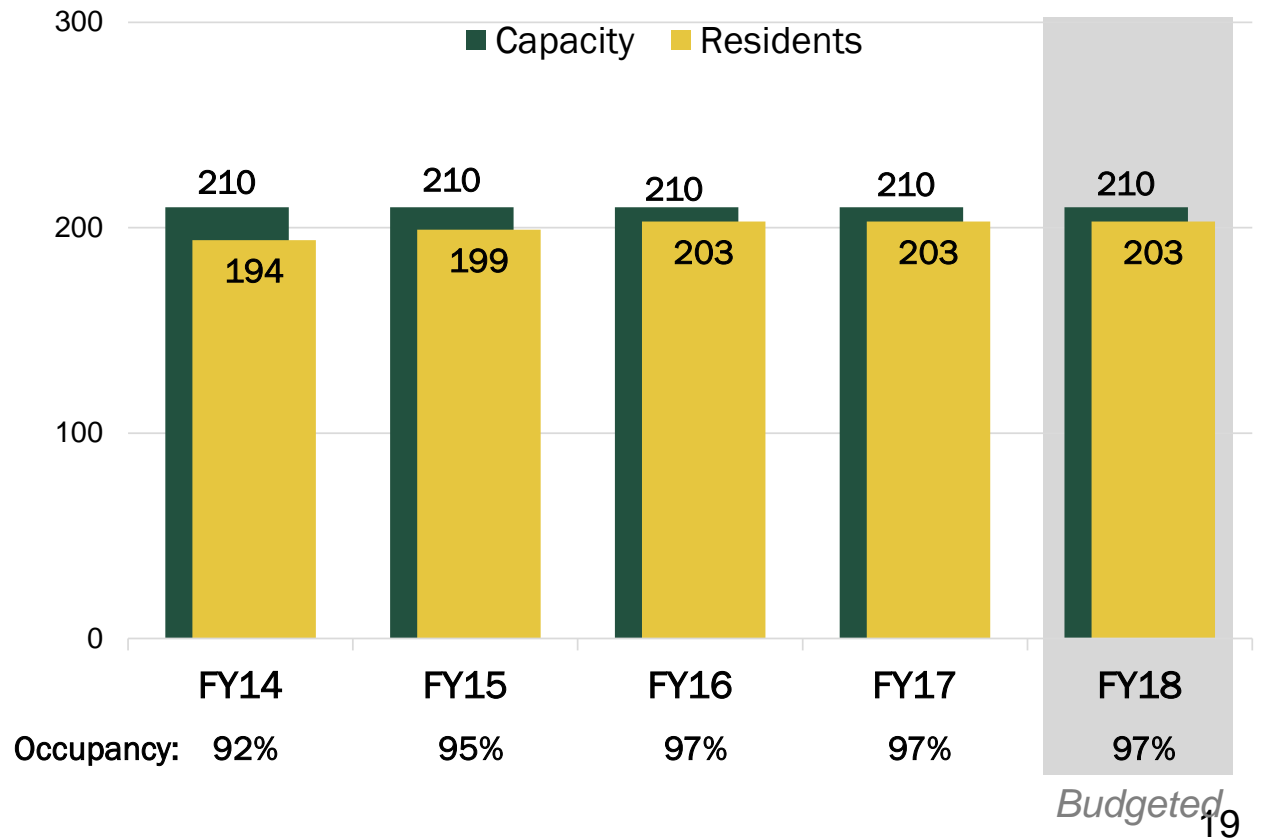


Residence Hall Occupancy



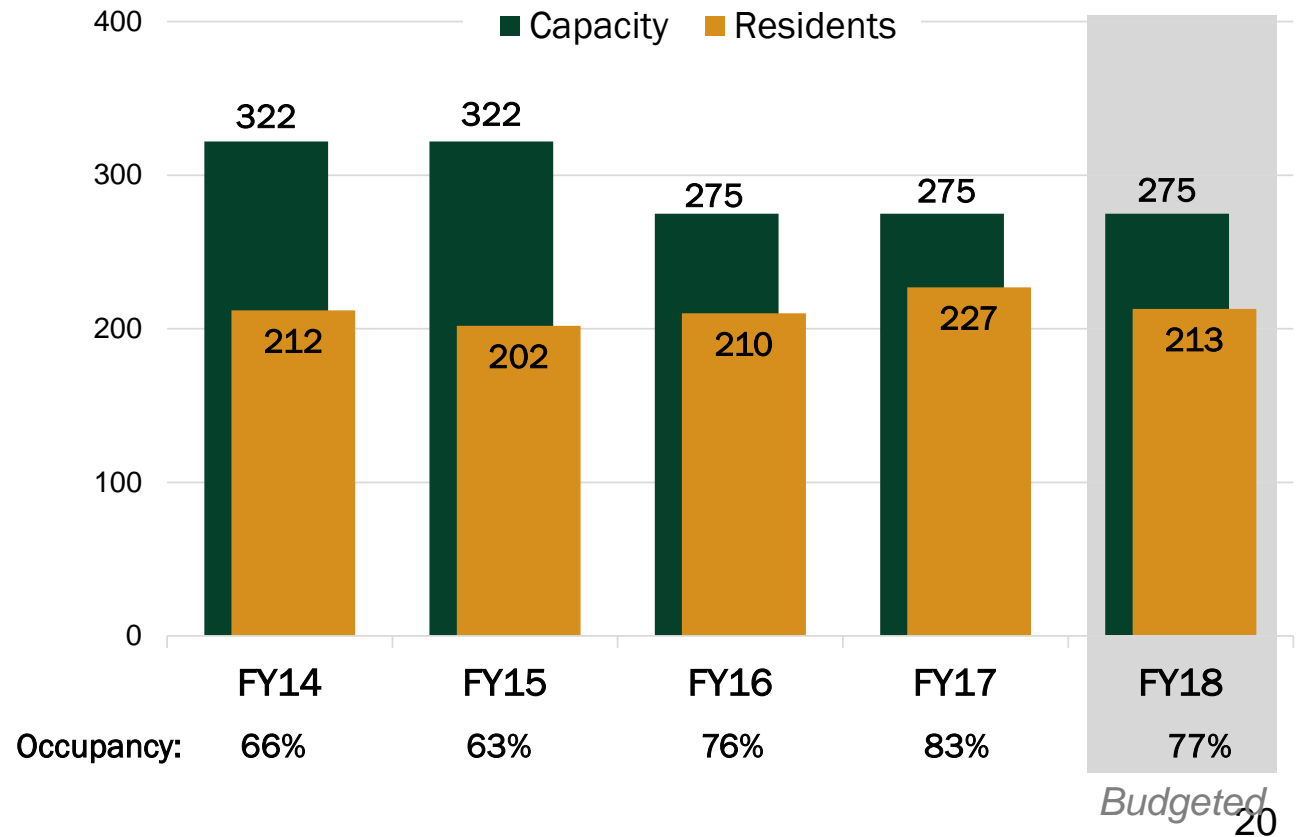


Residence Hall Occupancy



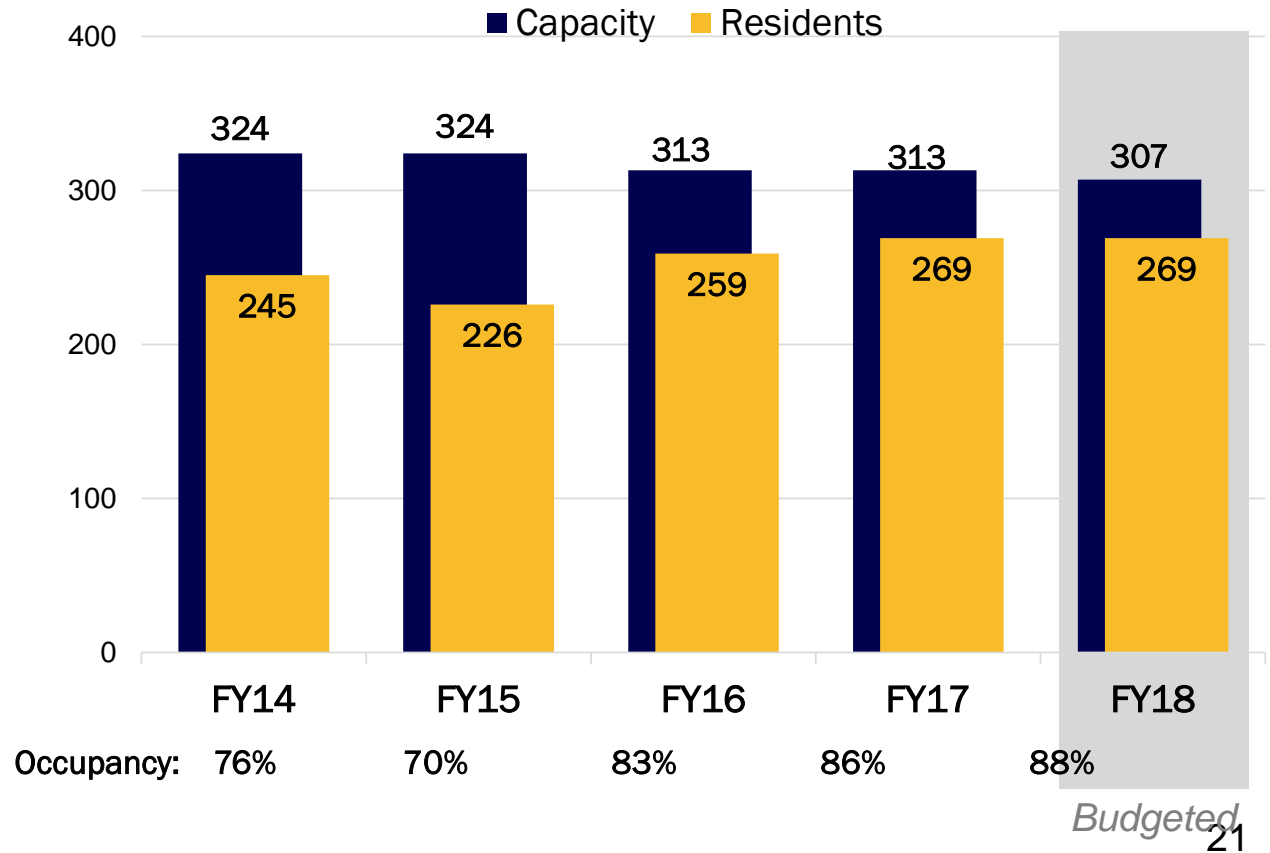


Residence Hall Occupancy



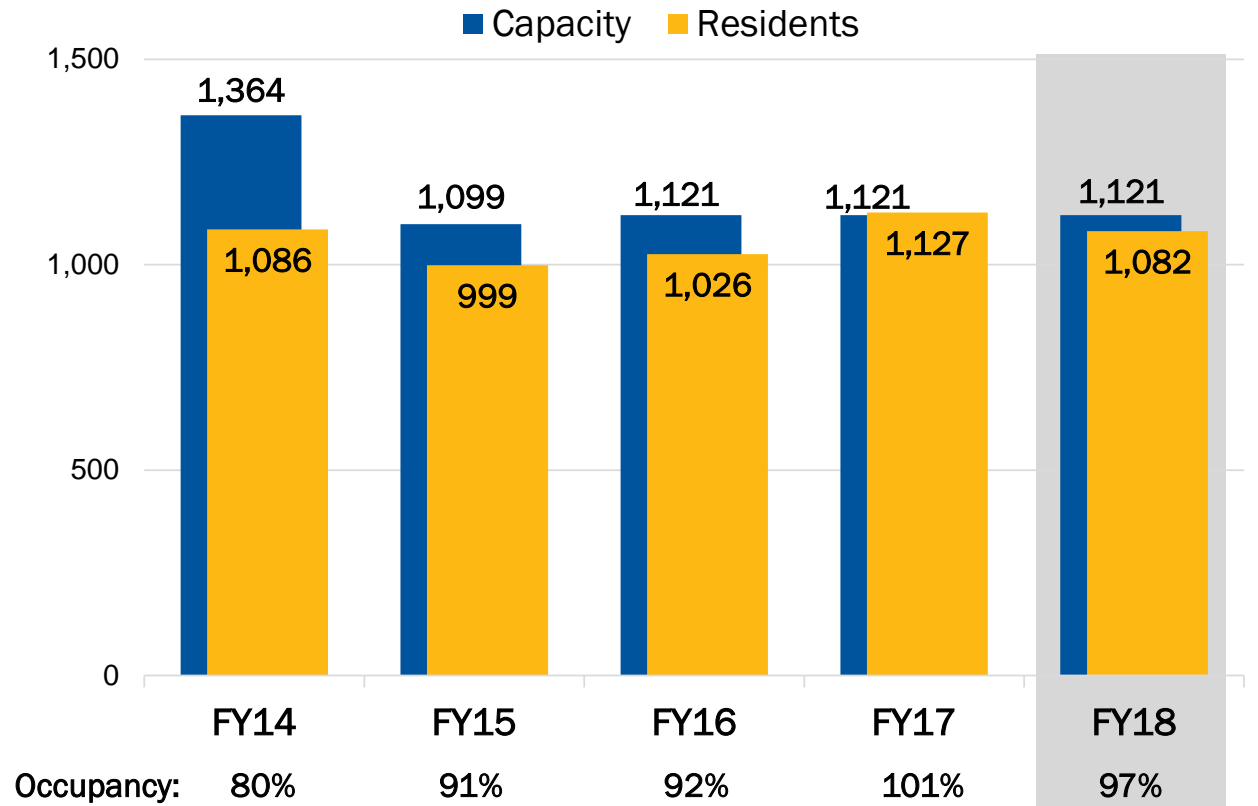


Residence Hall Occupancy





Residence Hall Occupancy



Budgeted 22



FY18 Recommended In-State Tuition Rates

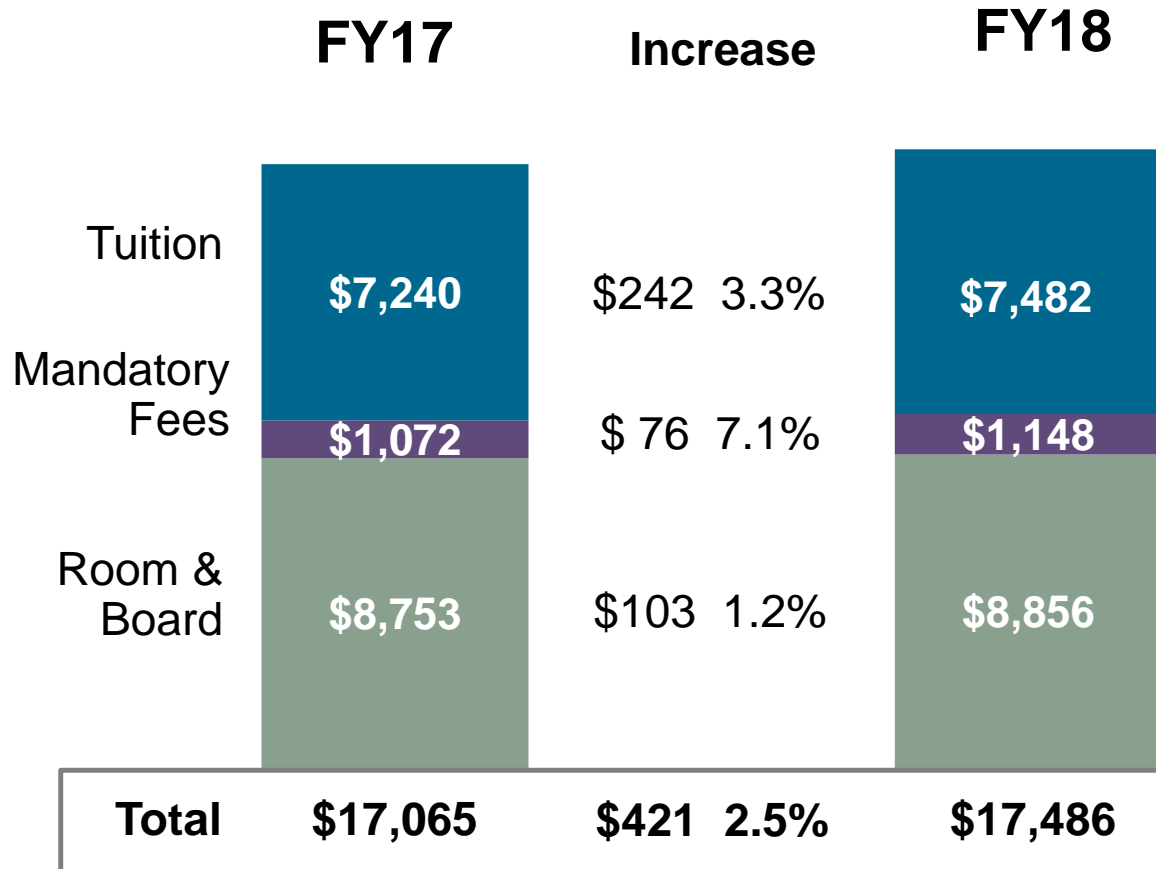
- First tuition & Unified Fee increase since FY12.
- 2.6% in-state, undergraduate tuition & Unified Fee increase (based on CPI).
- Additional tuition increases at UMA, UMFK, UMPI, & USM due to partial implementation of the new Unified Budget Pricing Structure.

		FY17 Rate/CH	FY18 Proposed Rate/CH	FY 18 Proposed Increases	
				\$	%
Undergraduate	UMaine	\$279	\$286	\$7	2.5%
	UMA	\$217	\$228	\$11	5.1%
	UMF	\$261	\$268	\$7	2.7%
	UMFK	\$220	\$228	\$8	3.6%
	UMM	\$222	\$228	\$6	2.7%
	UMPI	\$220	\$228	\$8	3.6%
	USM	\$253	\$262	\$9	3.6%
Graduate	UMaine	\$418	\$429	\$11	2.6%
	UMF	\$379	\$389	\$10	2.6%
	USM	\$380	\$393	\$13	3.4%
Law	Law	\$743	\$743	\$0	0%



In-State Undergraduate Average Costs

- 2.6% increase in the Unified Fee (based on CPI).
- Additional Unified Fee increases at UMFK & UMPI from implementation of Unified Budget Pricing Structure.
- Student activity fees increasing at UMaine and UMPI (student approved).
- Room rates increasing at UMPI; room & board increasing at UMaine and UMF.



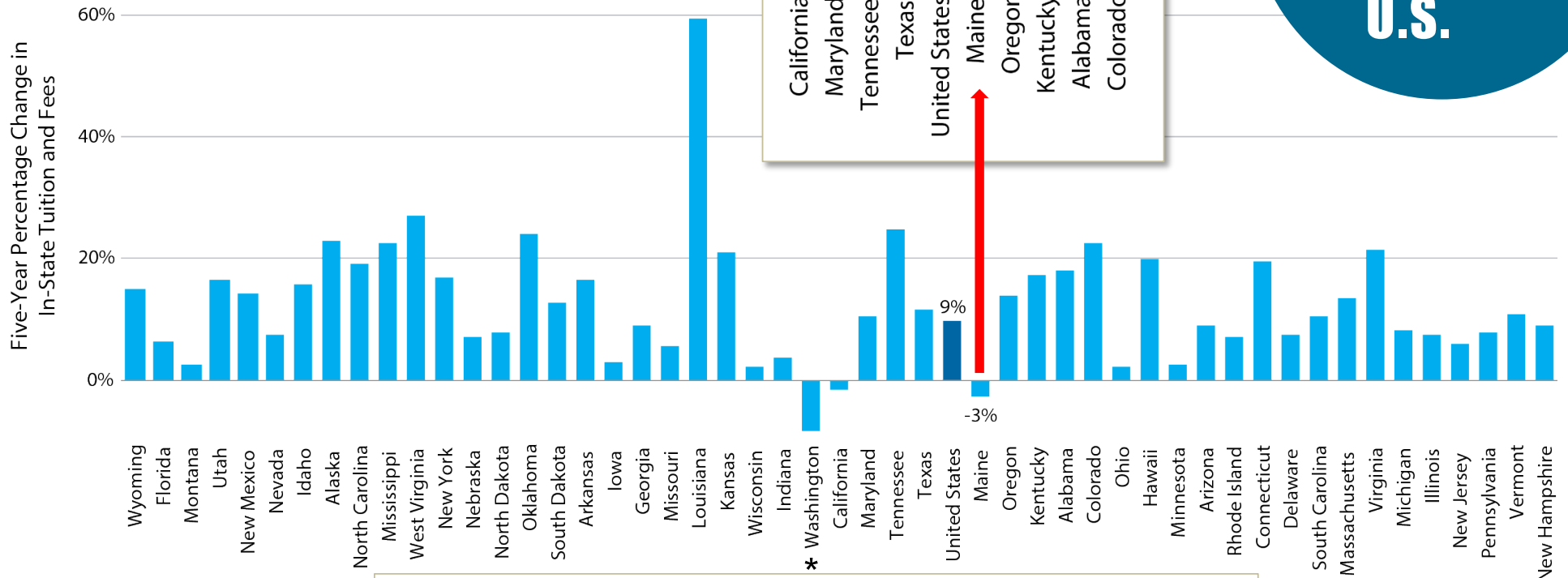


2016-17 Average Annual Tuition Growth Rates

Tuition and Fees by State — Public Four-Year In-State

Adjusted for inflation

Source: College Board, Trends in Pricing 2016



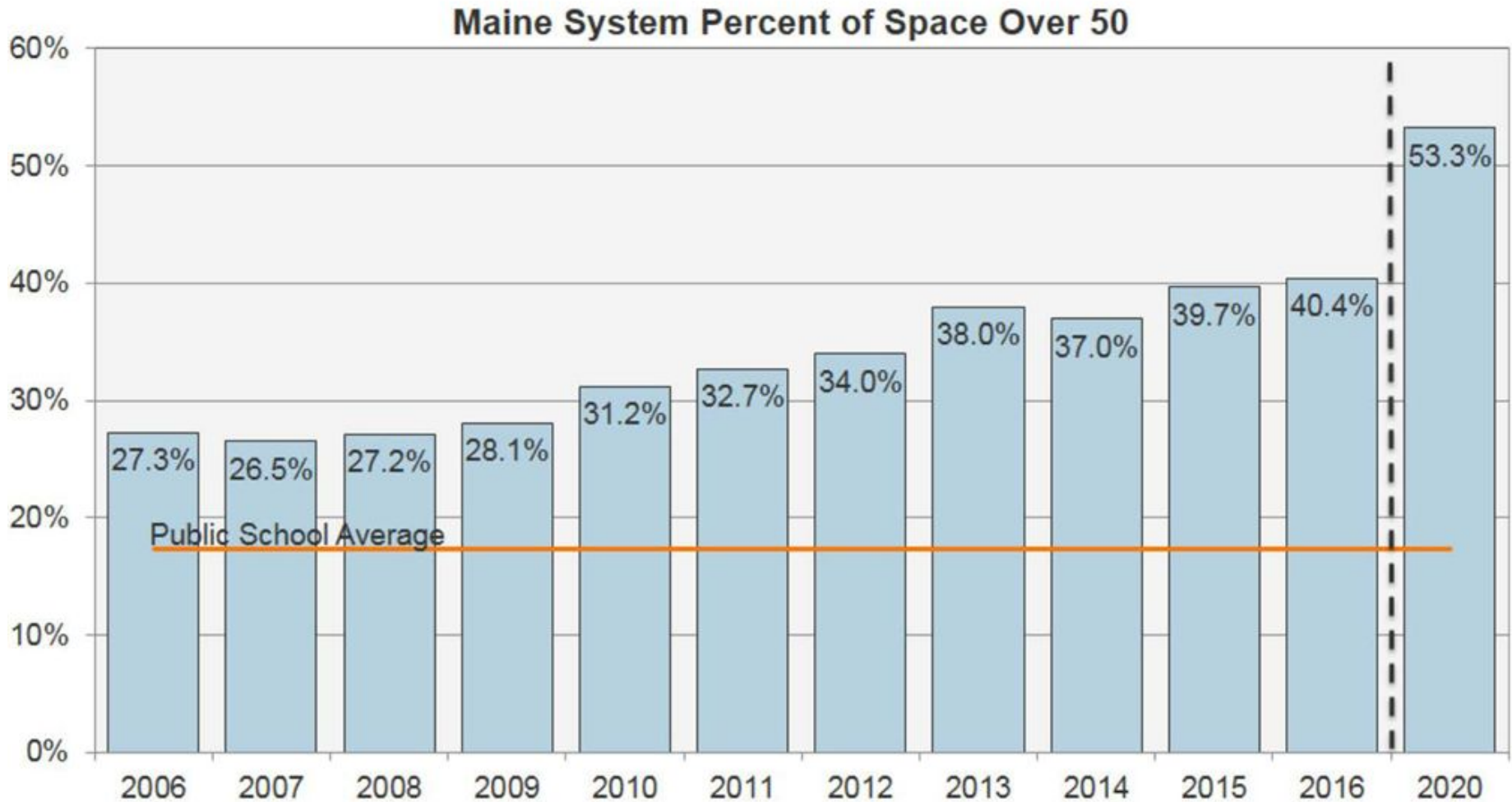
2nd Largest Decline in the U.S.

*The Washington State Legislature increased higher education spending by nearly \$200 million to cut four-year tuition 15 to 20 percent in 2016-2017.



Aging Infrastructure

By 2020 53% of space will be over 50 years old

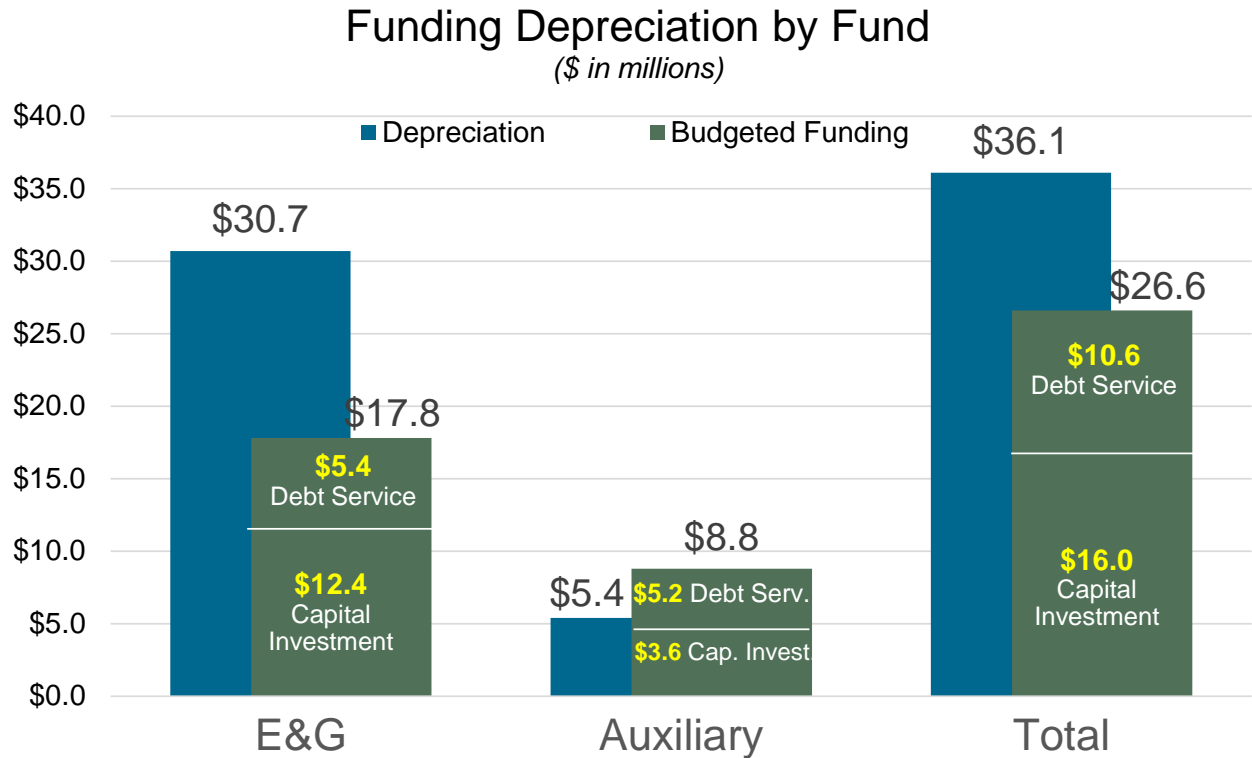


FY20 is calculated as campus is today, with no changes to the space profile



Funding Depreciation

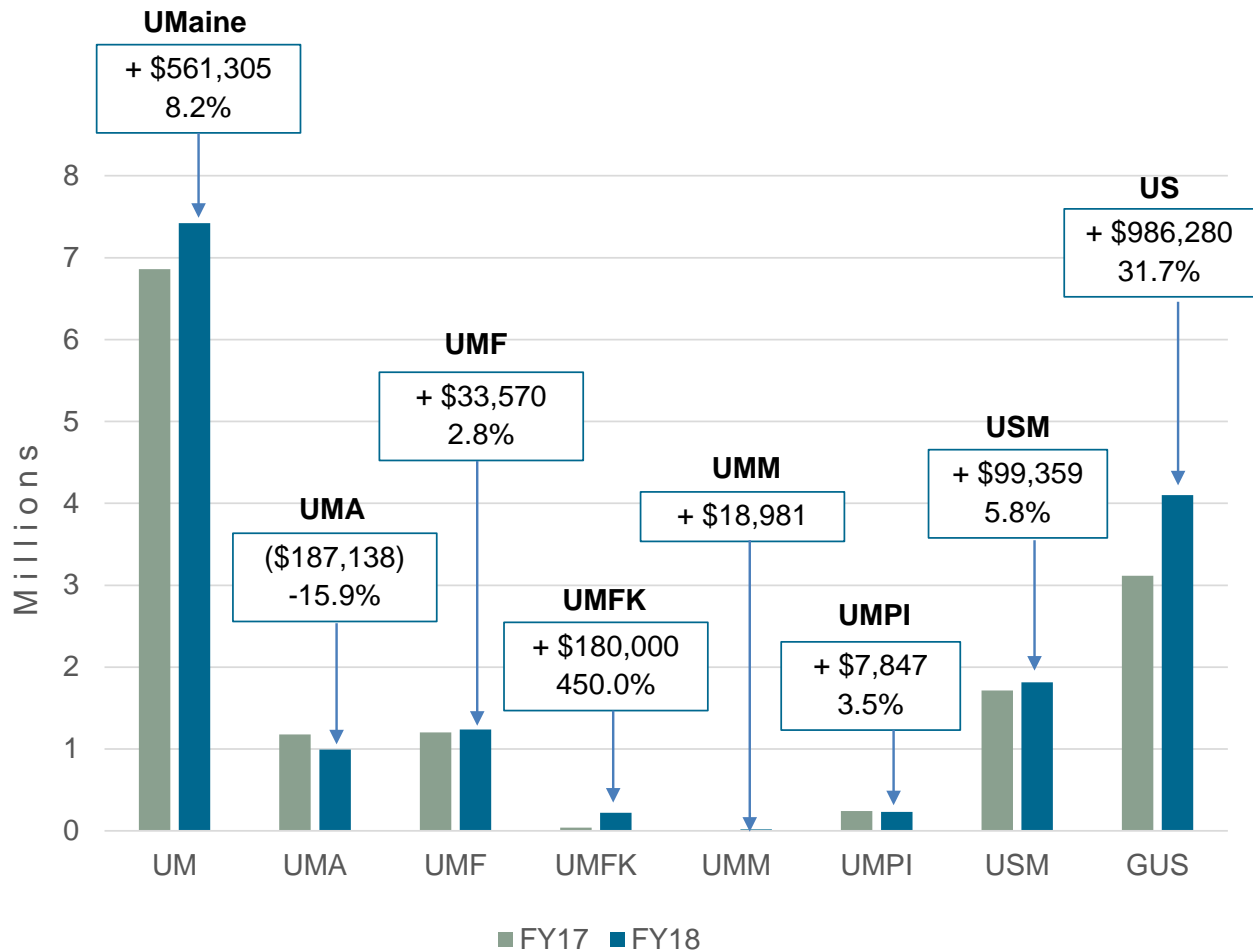
- Depreciation expense increased from \$33.4M in FY17 to \$36.1M in FY18 (\$2.7M).
- 74% of the total depreciation expense is funded in the FY18 budget – same % as the FY17 budget.
- To maintain the 74% funding level, \$1.8M more is being expended in FY18.





Capital Investments

- Budget Parameters – increase Capital Investments by 3.5%.
- E&G and Auxiliary budgeted capital investment is \$16.0M - an increase of \$1.7M (11.9%).
- UMA’s investments reduced due to overall operating budget deficit.
- UMM budgeted \$0 in FY17 but \$18,981 in FY18.





Capital Investments from Operations

	Facilities	Equipment & Vehicles	Projects to be determined during FY18	Capital Reserve Deposit (to be utilized in FY19 or after)	Total Investment
UMAINE	\$ 2,122,233	\$ 1,846,027	\$ 2,100,000	\$ 1,354,055	\$ 7,422,315
UMA	952,548	39,679	-	-	992,227
UMF	-	244,700	-	992,699	1,237,399
UMFK	200,000	20,000	-	-	220,000
UMM	-	18,981	-	-	18,981
UMPI	232,047	-	-	-	232,047
USM	1,558,500	254,406	-	-	1,812,906
US	-	1,034,300	-	3,067,317 *	4,101,617
TOTAL	\$ 5,065,328	\$ 3,458,093	\$ 2,100,000	\$ 5,414,071	\$ 16,037,492

*Pending Investment Income Return

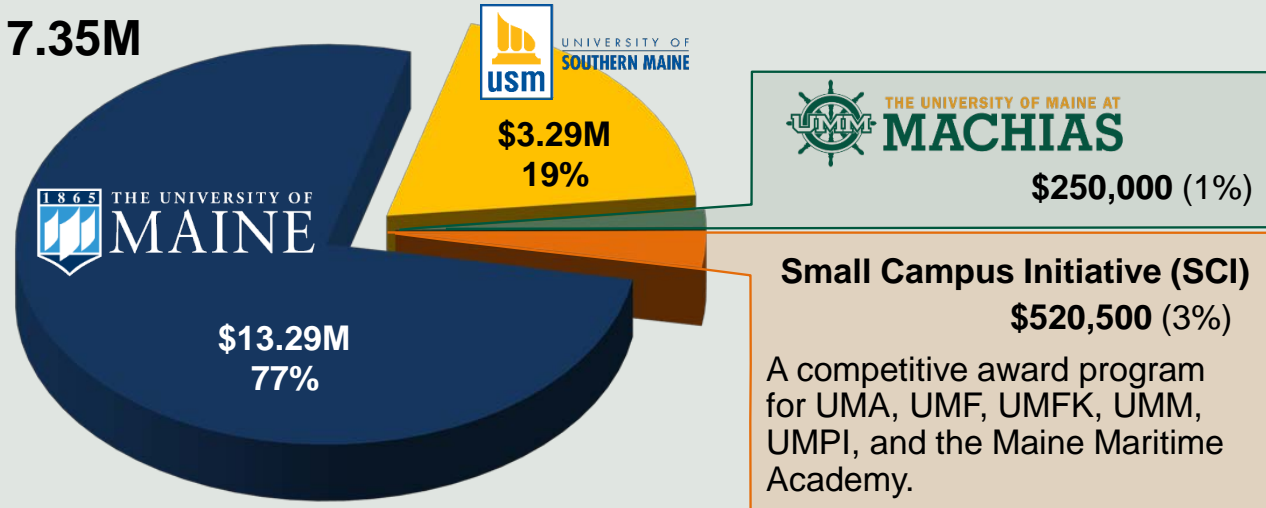
- FY18 budgeted transfers from E&G and Auxiliary to Capital Investments total \$16.0 million



MEIF

	UMaine	USM	UMM	SCI	Total
Biotechnology	995,565	89,913			1,085,478
Aquaculture & Marine	3,046,875	412,720	250,000		3,709,595
Composite Materials	2,064,300	220,000			2,284,300
Environmental	1,178,699	123,070			1,301,769
Forestry & Agriculture	1,595,386	595,177			2,190,563
Information Technology	1,963,483	779,826			2,743,309
Precision Manufacturing	1,465,789	110,000			1,575,789
Cross Sector	979,097	959,600			1,938,697
Small Campus Initiative				520,500	520,500
Total	13,289,194	3,290,306	250,000	520,500	17,350,000

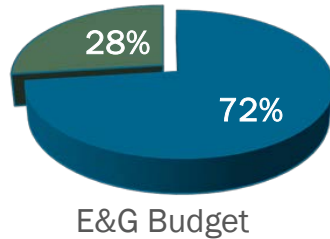
\$17.35M





Compensation & Benefits

Compensation & Benefits



Compensation & Benefits continues to be the single largest cost driver representing 72% of the E&G budget or 66% of the overall unrestricted operating budget.

The FY18 internal benefit is increasing to 53% - up from 52.4% in FY17.

Medical Costs



Medical costs are currently forecast to increase 4.5% for calendar year 2017. This is the result of the revised contribution strategy included in the current bargaining contracts, a reduced number of covered lives, and plan design changes.

Employee Benefit Reserve



The Employee Benefit Reserve had \$10.6 million at the end of FY16. It is recommended that reserve levels for self-insured health benefit programs equal 3 to 6 months of benefit costs. For the UMS, this would be between \$17 - \$34 million.



FY18 Budget Position Changes

	Faculty		Salaried		Hourly		Total
	Increases/ New Positions	Reductions/ Eliminations	Increases/ New Positions	Reductions/ Eliminations	Increases/ New Positions	Reductions/ Eliminations	
UMaine	13.5	(7.5)	3.1	(1.0)	-	-	8.1
UMA	2.0	(1.0)	4.4	(4.4)	2.0	(1.0)	2.0
UMF	3.0	(0.8)	4.0	(1.0)	-	(2.5)	2.7
UMFK	-	(1.0)	1.0	(3.0)	1.0	-	(2.0)
UMM	1.0	-	1.0	(2.0)	-	-	-
UMPI	-	(2.0)	-	(4.0)	-	-	(6.0)
USM	11.0	(8.5)	15.0	(7.6)	3.5	(4.0)	9.4
Gov.	-	-	1.0	-	-	-	1.0
*Univ Svs	-	-	21.0	(4.0)	1.0	(1.0)	17.0
Total	30.5	(20.8)	50.5	(27.0)	7.5	(7.5)	32.2

*Includes 19 positions approved in the State of IT Report



FY18 Proposed Budget: E&G

2.1

	FY17 Base	FY18 Proposed	\$ Change	% Change
Revenue: Tuition & Fee Revenue	\$ 275,318,450	\$ 297,511,943	\$ 22,193,493	8.1%
Tuition Waivers/Scholarships	(69,007,100)	(77,027,082)	(8,019,982)	11.6%
State Appropriation	187,270,534	188,920,534	1,650,000	0.9%
Misc/Sales/Services/Auxiliary	36,036,172	39,631,121	3,594,949	10.0%
Total Revenue	429,618,056	449,036,516	19,418,460	4.5%
Expense: Personnel Expense	321,830,936	334,172,248	12,341,312	3.8%
Fuel & Electricity	15,341,211	15,363,645	22,434	0.1%
Supplies & Services	26,337,108	29,156,577	2,819,469	10.7%
Travel	5,767,929	6,025,427	257,498	4.5%
Memberships, Contributions & Sponsorships	1,610,661	1,600,534	(10,127)	-0.6%
Maintenance & Alterations	10,670,283	10,905,404	235,121	2.2%
Interest Expense	2,072,264	1,929,130	(143,134)	-6.9%
Depreciation	28,439,018	30,728,899	2,289,881	8.1%
Other Expenses & Transfers	31,598,741	33,766,497	2,167,756	6.9%
Total Expenses & Transfers	443,668,151	463,648,360	19,980,209	4.5%
Operating Increase (Decrease)	\$ (14,050,095)	\$ (14,611,844)	\$ (561,749)	4.0%
Modified Cash Flow: Add back Depreciation	28,439,018	30,728,899	2,289,881	8.1%
Less Capital Expenditures	(7,704,295)	(8,516,691)	(812,396)	10.5%
Less Capital Reserve Funding	(3,351,962)	(3,917,547)	(565,585)	16.9%
Less Debt Service Principal	(4,909,189)	(5,405,171)	(495,982)	10.1%
Net Change Before Other Adj & Transfers	(1,576,523)	(1,722,354)	(145,831)	
Transfer from/(to) Admin Savings Rsrv	(3,076,740)	(3,301,740)	(225,000)	
Transfer from/(to) Budget Stabilization	1,300,000	275,320	(1,024,680)	
Net Change Subtotal	(3,353,263)	(4,748,774)	(1,395,511)	
Other Strategic Transfers from/(to) Reserves	3,817,806	4,981,376	1,163,570	
Net Change in Cash & Reserve Transfers	\$ 464,543	\$ 232,602	\$ (231,941)	

33



FY18 Proposed Budget: Auxiliary

2.1

	FY17 Base	FY18 Proposed	\$ Change	% Change
Revenue: Tuition & Fee Revenue	\$ 1,240,000	\$ 1,240,000	\$ -	0.0%
Dining & Residence Revenue	61,954,683	64,255,855	2,301,172	3.7%
Tuition Waivers/Scholarships	(2,257,108)	(2,130,802)	126,306	-5.6%
Sales/Services/Other	17,931,561	16,678,940	(1,252,621)	-7.0%
Total Revenue	78,869,136	80,043,993	1,174,857	1.5%
Expense: Personnel Expense	21,479,116	22,134,625	655,509	3.1%
Fuel & Electricity	5,988,621	5,997,437	8,816	0.1%
Supplies & Services	24,257,041	24,820,399	563,358	2.3%
Travel	130,418	129,418	(1,000)	-0.8%
Memberships, Contributions & Sponsorships	38,984	27,695	(11,289)	-29.0%
Maintenance & Alterations	4,295,527	4,200,976	(94,551)	-2.2%
Interest Expense	4,154,326	3,941,796	(212,530)	-5.1%
Depreciation	4,935,173	5,400,401	465,228	9.4%
Other Expenses & Transfers	10,246,778	9,852,801	(411,977)	-4.0%
Total Expenses & Transfers	75,543,984	76,505,548	961,564	1.3%
Operating Increase (Decrease)	\$ 3,325,152	\$ 3,538,445	\$ 213,293	6.4%
Modified Cash Flow: Add back Depreciation	4,935,173	5,400,401	465,228	9.4%
Less Capital Expenditures	(2,314,603)	(2,106,730)	207,873	-9.0%
Less Capital Reserve Funding	(966,428)	(1,496,524)	(530,096)	54.9%
Less Debt Service Principal	(4,955,929)	(5,182,163)	(226,234)	4.6%
Net Change Before Other Adj & Transfers	23,365	153,429	130,064	
Other Strategic Transfers from/(to) Reserves	251,967	45,961	(206,006)	
Net Change in Cash & Reserve Transfers	\$ 275,332	\$ 199,390	\$ 75,942	

34



FY18 Proposed Budget: E&G and Auxiliary

	FY17 Base	FY18 Proposed	\$ Change	% Change
Revenue: Tuition & Fee Revenue	\$ 276,558,450	\$ 298,751,943	\$ 22,193,493	8.0%
Dining & Residence Revenue	61,954,683	64,255,855	2,301,172	3.7%
Tuition Waivers/Scholarships	(71,264,208)	(79,157,884)	(7,893,676)	11.1%
State Appropriation	187,270,534	188,920,534	1,650,000	0.9%
Sales/Services/Auxiliary	53,967,733	56,310,061	2,342,328	4.3%
Total Revenue	508,487,192	529,080,509	20,593,317	4.0%
Expense: Personnel Expense	343,310,052	356,306,873	12,996,821	3.8%
Fuel & Electricity	21,329,832	21,361,082	31,250	0.1%
Supplies & Services	50,594,149	53,976,976	3,382,827	6.7%
Travel	5,898,347	6,154,845	256,498	4.3%
Memberships, Contributions & Sponsorships	1,649,645	1,628,229	(21,416)	-1.3%
Maintenance & Alterations	14,965,810	15,106,380	140,570	0.9%
Interest Expense	6,226,590	5,870,926	(355,664)	-5.7%
Depreciation	33,374,191	36,129,300	2,755,109	8.3%
Other Expenses & Transfers	41,863,519	43,619,298	1,755,779	4.2%
Total Expenses & Transfers	519,212,135	540,153,908	20,941,773	4.0%
Operating Increase (Decrease)	\$ (10,724,943)	\$ (11,073,399)	\$ (348,456)	3.2%
Modified Cash Flow: Add back Depreciation	33,374,191	36,129,300	2,755,109	8.3%
Less Capital Expenditures	(10,018,898)	(10,623,421)	(604,523)	6.0%
Less Capital Reserve Funding	(4,318,390)	(5,414,071)	(1,095,681)	25.4%
Less Debt Service Principal	(9,865,118)	(10,587,334)	(722,216)	7.3%
Net Change Before Other Adj & Transfers	(1,553,158)	(1,568,925)	(15,767)	
Transfer from/(to) Admin Savings Rsrv	(3,076,740)	(3,301,740)	(225,000)	
Transfer from/(to) Budget Stabilization	1,300,000	275,320	(1,024,680)	
Net Change Subtotal	(3,329,898)	(4,595,345)	(1,265,447)	
Other Strategic Transfers from/(to) Reserves	4,069,773	5,027,337	957,564	35
Net Change in Cash & Reserve Transfers	\$ 739,875	\$ 431,992	\$ (307,883)	



Quasi-Independent State Entities Budget Requirement

- Public Law 2011, Chapter 616 mandates:
 - Board of Trustees approval of the annual budget for travel, meals, and entertainment costs.
 - Board of Trustees approval of the annual budget for contribution expenses – defined by this Public Law as membership dues & fees, gifts, donations, and sponsorships.
 - Periodic reporting of the actual travel and contribution costs by the UMS to the Board of Trustees.
 - Annual reporting to the Legislature by the UMS of contributions made to persons in the preceding year that were greater than \$1,000, and the total contributed to each.

FY18 Budget		(\$000's)
Fund	Travel, Meals, Entertainment	Memberships, Gifts, Donations, & Sponsorships
E&G/Auxiliary	\$ 6,155	\$ 1,628
Restricted/Other	4,424	522
Total	\$10,579	\$ 2,150

E&G/Auxiliary are included in the proposed operating budgets. Restricted/Other includes grants & contracts, MEIF, Coop. Ext, etc. and is not included in the operating budgets.

- UMS “Use of University funds” policy generally prohibits charitable contributions; Sponsorships which advance the University’s mission are allowed. UMS “Travel & Expense” policy defines what constitutes allowable travel, meals, and entertainment expenses.



Appendix

- Detailed Information by Campus for:
 - FY18 Operating Budgets
 - FY18 Student Charges Report
 - FY18 Capital Investments from Operating Budgets

FY18

OPERATING

BUDGETS

TOTAL
FY18 PROPOSED BUDGET
Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 275,318,450	\$ 297,511,943	\$ 22,193,493	8.1%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(69,007,100)	(77,027,082)	(8,019,982)	11.6%
Net Student Charges Revenue	206,311,350	220,484,861	14,173,511	6.9%
State Appropriation	187,270,534	188,920,534	1,650,000	0.9%
Indirect Cost Recovery	11,885,006	12,110,006	225,000	1.9%
Investment Income/Gifts	4,269,666	4,852,207	582,541	13.6%
Sales/Services/Auxiliary	19,881,500	22,668,908	2,787,408	14.0%
Total Revenue	429,618,056	449,036,516	19,418,460	4.5%
<u>Expenses</u>				
Personnel Expense	321,830,936	334,172,248	12,341,312	3.8%
Fuel & Electricity	15,341,211	15,363,645	22,434	0.1%
Supplies & Services	26,644,052	29,346,494	2,702,442	10.1%
Shared Services	(306,944)	(189,917)	117,027	-38.1%
Travel	5,767,929	6,025,427	257,498	4.5%
Memberships, Contributions & Sponsorships	1,610,661	1,600,534	(10,127)	-0.6%
Maintenance & Alterations	10,670,283	10,905,404	235,121	2.2%
Interest Expense	2,072,264	1,929,130	(143,134)	-6.9%
Depreciation	28,439,018	30,728,899	2,289,881	8.1%
Other Expenses & Transfers	31,598,741	33,766,497	2,167,756	6.9%
Total Expenses & Transfers	443,668,151	463,648,360	19,980,209	4.5%
Operating Increase (Decrease)	\$ (14,050,095)	\$ (14,611,844)	\$ (561,749)	4.0%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (14,050,095)	\$ (14,611,844)	\$ (561,749)	4.0%
Plus Depreciation	28,439,018	30,728,899	2,289,881	8.1%
Less Capital Expenditures	(7,704,295)	(8,516,691)	(812,396)	10.5%
Less Capital Reserve Funding	(3,351,962)	(3,917,547)	(565,585)	16.9%
Less Debt Service Principal	(4,909,189)	(5,405,171)	(495,982)	10.1%
Net Change Before Other Adjustments & Transfers	(1,576,523)	(1,722,354)	(145,831)	
Transfer from/(to) Administrative Savings Rsrv	(3,076,740)	(3,301,740)	(225,000)	
Transfer from/(to) Budget Stabilization	1,300,000	275,320	(1,024,680)	
Net Change Subtotal	(3,353,263)	(4,748,774)	(1,395,511)	
Other Strategic Transfers from/(to) Reserves	3,817,806	4,981,376	1,163,570	
Net Change in Cash & Reserve Transfers	\$ 464,543	\$ 232,602	\$ (231,941)	

TOTAL
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 1,240,000	\$ 1,240,000	\$ -	0.0%
Dining & Residence Revenue	61,954,683	64,255,855	2,301,172	3.7%
Tuition Waivers/Scholarships	(2,257,108)	(2,130,802)	126,306	-5.6%
Net Student Charges Revenue	60,937,575	63,365,053	2,427,478	4.0%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	17,931,561	16,678,940	(1,252,621)	-7.0%
Total Revenue	78,869,136	80,043,993	1,174,857	1.5%
<u>Expenses</u>				
Personnel Expense	21,479,116	22,134,625	655,509	3.1%
Fuel & Electricity	5,988,621	5,997,437	8,816	0.1%
Supplies & Services	24,257,041	24,820,399	563,358	2.3%
Shared Services	-	-	-	-%
Travel	130,418	129,418	(1,000)	-0.8%
Memberships, Contributions & Sponsorships	38,984	27,695	(11,289)	-29.0%
Maintenance & Alterations	4,295,527	4,200,976	(94,551)	-2.2%
Interest Expense	4,154,326	3,941,796	(212,530)	-5.1%
Depreciation	4,935,173	5,400,401	465,228	9.4%
Other Expenses & Transfers	10,264,778	9,852,801	(411,977)	-4.0%
Total Expenses & Transfers	75,543,984	76,505,548	961,564	1.3%
Operating Increase (Decrease)	\$ 3,325,152	\$ 3,538,445	\$ 213,293	6.4%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 3,325,152	\$ 3,538,445	\$ 213,293	6.4%
Plus Depreciation	4,935,173	5,400,401	465,228	9.4%
Less Capital Expenditures	(2,314,603)	(2,106,730)	207,873	-9.0%
Less Capital Reserve Funding	(966,428)	(1,496,524)	(530,096)	54.9%
Less Debt Service Principal	(4,955,929)	(5,182,163)	(226,234)	4.6%
Net Change Before Other Adjustments & Transfers	23,365	153,429	130,064	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	23,365	153,429	130,064	
Other Strategic Transfers from/(to) Reserves	251,967	45,961	(206,006)	
Net Change in Cash & Reserve Transfers	\$ 275,332	\$ 199,390	\$ (75,942)	

TOTAL
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 276,558,450	\$ 298,751,943	\$ 22,193,493	8.0%
Dining & Residence Revenue	61,954,683	64,255,855	2,301,172	3.7%
Tuition Waivers/Scholarships	(71,264,208)	(79,157,884)	(7,893,676)	11.1%
Net Student Charges Revenue	267,248,925	283,849,914	16,600,989	6.2%
State Appropriation	187,270,534	188,920,534	1,650,000	0.9%
Indirect Cost Recovery	11,885,006	12,110,006	225,000	1.9%
Investment Income/Gifts	4,269,666	4,852,207	582,541	13.6%
Sales/Services/Auxiliary	37,813,061	39,347,848	1,534,787	4.1%
Total Revenue	508,487,192	529,080,509	20,593,317	4.0%
<u>Expenses</u>				
Personnel Expense	343,310,052	356,306,873	12,996,821	3.8%
Fuel & Electricity	21,329,832	21,361,082	31,250	0.1%
Supplies & Services	50,901,093	54,166,893	3,265,800	6.4%
Shared Services	(306,944)	(189,917)	117,027	-38.1%
Travel	5,898,347	6,154,845	256,498	4.3%
Memberships, Contributions & Sponsorships	1,649,645	1,628,229	(21,416)	-1.3%
Maintenance & Alterations	14,965,810	15,106,380	140,570	0.9%
Interest Expense	6,226,590	5,870,926	(355,664)	-5.7%
Depreciation	33,374,191	36,129,300	2,755,109	8.3%
Other Expenses & Transfers	41,863,519	43,619,298	1,755,779	4.2%
Total Expenses & Transfers	519,212,135	540,153,908	20,941,773	4.0%
Operating Increase (Decrease)	\$ (10,724,943)	\$ (11,073,399)	\$ (348,456)	3.2%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (10,724,943)	\$ (11,073,399)	\$ (348,456)	3.2%
Plus Depreciation	33,374,191	36,129,300	2,755,109	8.3%
Less Capital Expenditures	(10,018,898)	(10,623,421)	(604,523)	6.0%
Less Capital Reserve Funding	(4,318,390)	(5,414,071)	(1,095,681)	25.4%
Less Debt Service Principal	(9,865,118)	(10,587,334)	(722,216)	7.3%
Net Change Before Other Adjustments & Transfers	(1,553,158)	(1,568,925)	(15,767)	
Transfer from/(to) Administrative Savings Rsrv	(3,076,740)	(3,301,740)	(225,000)	
Transfer from/(to) Budget Stabilization	1,300,000	275,320	(1,024,680)	
Net Change Subtotal	(3,329,898)	(4,595,345)	(1,265,447)	
Other Strategic Transfers from/(to) Reserves	4,069,773	5,027,337	957,564	
Net Change in Cash & Reserve Transfers	\$ 739,875	\$ 431,992	\$ (307,883)	

UMS Governance
FY18 PROPOSED BUDGET
Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	-	-	-	-%
Net Student Charges Revenue	-	-	-	-%
State Appropriation	4,342,115	4,288,136	(53,979)	-1.2%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	-	-	-	-%
Total Revenue	4,342,115	4,288,136	(53,979)	-1.2%
<u>Expenses</u>				
Personnel Expense	3,641,818	3,710,235	68,417	1.9%
Fuel & Electricity	3,200	3,200	-	0.0%
Supplies & Services	73,311	81,960	8,649	11.8%
Shared Services	738,345	667,082	(71,263)	-9.7%
Travel	98,750	127,300	28,550	28.9%
Memberships, Contributions & Sponsorships	22,025	22,025	-	0.0%
Maintenance & Alterations	600	2,000	1,400	233.3%
Interest Expense	-	-	-	-%
Depreciation	-	-	-	-%
Other Expenses & Transfers	58,834	174,334	115,500	196.3%
Total Expenses & Transfers	4,636,883	4,788,136	151,253	3.3%
Operating Increase (Decrease)	\$ (294,768)	\$ (500,000)	\$ (205,232)	69.6%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (294,768)	\$ (500,000)	\$ (205,232)	69.6%
Plus Depreciation	-	-	-	-%
Less Capital Expenditures	-	-	-	-%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	-	-	-	-%
Net Change Before Other Adjustments & Transfers	(294,768)	(500,000)	(205,232)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	(294,768)	(500,000)	(205,232)	
Other Strategic Transfers from/(to) Reserves	-	500,000	500,000	
Net Change in Cash & Reserve Transfers	\$ (294,768)	\$ -	\$ 294,768	

University Services
FY18 PROPOSED BUDGET
Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	-	-	-	-%
Net Student Charges Revenue	-	-	-	-%
State Appropriation	6,551,022	3,801,740	(2,749,282)	-42.0%
Indirect Cost Recovery	7,500	7,500	-	0.0%
Investment Income/Gifts	3,193,721	3,859,317	665,596	20.8%
Sales/Services/Auxiliary	894,185	1,014,654	120,469	13.5%
Total Revenue	10,646,428	8,683,211	(1,963,217)	-18.4%
<u>Expenses</u>				
Personnel Expense	33,336,831	33,651,048	314,217	0.9%
Fuel & Electricity	14,930	10,860	(4,070)	-27.3%
Supplies & Services	3,315,682	3,754,090	438,408	13.2%
Shared Services	(43,339,215)	(44,086,413)	(747,198)	1.7%
Travel	378,103	398,052	19,949	5.3%
Memberships, Contributions & Sponsorships	527,710	460,960	(66,750)	-12.6%
Maintenance & Alterations	3,610,794	3,400,722	(210,072)	-5.8%
Interest Expense	59,400	30,200	(29,200)	-49.2%
Depreciation	3,856,337	4,856,617	1,000,280	25.9%
Other Expenses & Transfers	3,272,078	2,905,335	(366,743)	-11.2%
Total Expenses & Transfers	5,032,650	5,381,471	348,821	6.9%
Operating Increase (Decrease)	\$ 5,613,778	\$ 3,301,740	\$ (2,312,038)	-41.2%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 5,613,778	\$ 3,301,740	\$ (2,312,038)	-41.2%
Plus Depreciation	3,856,337	4,856,617	1,000,280	25.9%
Less Capital Expenditures	(688,616)	(1,034,300)	(345,684)	50.2%
Less Capital Reserve Funding	(2,426,721)	(3,067,317)	(640,596)	26.4%
Less Debt Service Principal	(730,000)	(755,000)	(25,000)	3.4%
Net Change Before Other Adjustments & Transfers	5,624,778	3,301,740	(2,323,038)	
Transfer from/(to) Administrative Savings Rsrv	(6,076,740)	(3,301,740)	2,775,000	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	(451,962)	-	451,962	
Other Strategic Transfers from/(to) Reserves	746,730	-	(746,730)	
Net Change in Cash & Reserve Transfers	\$ 294,768	\$ -	\$ (294,768)	

University of Maine
FY18 PROPOSED BUDGET
Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 147,211,502	\$ 158,866,957	\$ 11,655,455	7.9%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(45,593,145)	(49,181,848)	(3,588,703)	7.9%
Net Student Charges Revenue	101,618,357	109,685,109	8,066,752	7.9%
State Appropriation	82,497,718	83,840,864	1,343,146	1.6%
Indirect Cost Recovery	8,371,276	8,371,276	-	0.0%
Investment Income/Gifts	932,045	912,890	(19,155)	-2.1%
Sales/Services/Auxiliary	13,946,569	14,761,765	815,196	5.8%
Total Revenue	207,365,965	217,571,904	10,205,939	4.9%
<u>Expenses</u>				
Personnel Expense	132,500,626	139,620,878	7,120,252	5.4%
Fuel & Electricity	10,052,874	9,997,111	(55,763)	-0.6%
Supplies & Services	13,798,299	15,107,840	1,309,541	9.5%
Shared Services	17,349,453	18,194,458	845,005	4.9%
Travel	2,494,040	2,578,862	84,822	3.4%
Memberships, Contributions & Sponsorships	393,301	419,286	25,985	6.6%
Maintenance & Alterations	4,216,444	4,496,365	279,921	6.6%
Interest Expense	716,741	667,341	(49,400)	-6.9%
Depreciation	13,361,751	14,177,562	815,811	6.1%
Other Expenses & Transfers	20,415,055	20,703,158	288,103	1.4%
Total Expenses & Transfers	215,298,584	225,962,861	10,664,277	5.0%
Operating Increase (Decrease)	\$ (7,932,619)	\$ (8,390,957)	\$ (458,338)	5.8%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (7,932,619)	\$ (8,390,957)	\$ (458,338)	5.8%
Plus Depreciation	13,361,751	14,177,562	815,811	6.1%
Less Capital Expenditures	(4,077,130)	(4,380,108)	(302,978)	7.4%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(1,352,002)	(1,406,497)	(54,495)	4.0%
Net Change Before Other Adjustments & Transfers	-	-	-	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	-	-	-	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ -	\$ -	\$ -	

University of Maine
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	37,313,946	39,159,100	1,845,154	4.9%
Tuition Waivers/Scholarships	(1,148,633)	(1,179,602)	(30,969)	2.7%
Net Student Charges Revenue	36,165,313	37,979,498	1,814,185	5.0%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	13,437,097	12,319,502	(1,117,595)	-8.3%
Total Revenue	49,602,410	50,299,000	696,590	1.4%
<u>Expenses</u>				
Personnel Expense	16,615,722	17,178,830	563,108	3.4%
Fuel & Electricity	3,683,927	3,685,274	1,347	0.0%
Supplies & Services	12,704,487	13,401,543	697,056	5.5%
Shared Services	-	-	-	-%
Travel	104,818	104,268	(550)	-0.5%
Memberships, Contributions & Sponsorships	30,439	20,000	(10,439)	-34.3%
Maintenance & Alterations	3,157,522	3,054,253	(103,269)	-3.3%
Interest Expense	2,113,173	2,000,586	(112,587)	-5.3%
Depreciation	3,222,867	3,387,324	164,457	5.1%
Other Expenses & Transfers	5,998,442	5,276,339	(722,103)	-12.0%
Total Expenses & Transfers	47,631,397	48,108,417	477,020	1.0%
Operating Increase (Decrease)	\$ 1,971,013	\$ 2,190,583	\$ 219,570	11.1%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 1,971,013	\$ 2,190,583	\$ 219,570	11.1%
Plus Depreciation	3,222,867	3,387,324	164,457	5.1%
Less Capital Expenditures	(1,955,103)	(1,688,152)	266,951	-13.7%
Less Capital Reserve Funding	(828,777)	(1,354,055)	(525,278)	63.4%
Less Debt Service Principal	(2,410,000)	(2,535,700)	(125,700)	5.2%
Net Change Before Other Adjustments & Transfers	-	-	-	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	-	-	-	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ -	\$ -	\$ -	

University of Maine
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 147,211,502	\$ 158,866,957	\$ 11,655,455	7.9%
Dining & Residence Revenue	37,313,946	39,159,100	1,845,154	4.9%
Tuition Waivers/Scholarships	(46,741,778)	(50,361,450)	(3,619,672)	7.7%
Net Student Charges Revenue	137,783,670	147,664,607	9,880,937	7.2%
State Appropriation	82,497,718	83,840,864	1,343,146	1.6%
Indirect Cost Recovery	8,371,276	8,371,276	-	0.0%
Investment Income/Gifts	932,045	912,890	(19,155)	-2.1%
Sales/Services/Auxiliary	27,383,666	27,081,267	(302,399)	-1.1%
Total Revenue	256,968,375	267,870,904	10,902,529	4.2%
<u>Expenses</u>				
Personnel Expense	149,116,348	156,799,708	7,683,360	5.2%
Fuel & Electricity	13,736,801	13,682,385	(54,416)	-0.4%
Supplies & Services	26,502,786	28,509,383	2,006,597	7.6%
Shared Services	17,349,453	18,194,458	845,005	4.9%
Travel	2,598,858	2,683,130	84,272	3.2%
Memberships, Contributions & Sponsorships	423,740	439,286	15,546	3.7%
Maintenance & Alterations	7,373,966	7,550,618	176,652	2.4%
Interest Expense	2,829,914	2,667,927	(161,987)	-5.7%
Depreciation	16,584,618	17,564,886	980,268	5.9%
Other Expenses & Transfers	26,413,497	25,979,497	(434,000)	-1.6%
Total Expenses & Transfers	262,929,981	274,071,278	11,141,297	4.2%
Operating Increase (Decrease)	\$ (5,961,606)	\$ (6,200,374)	\$ (238,768)	4.0%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (5,961,606)	\$ (6,200,374)	\$ (238,768)	4.0%
Plus Depreciation	16,584,618	17,564,886	980,268	5.9%
Less Capital Expenditures	(6,032,233)	(6,068,260)	(36,027)	0.6%
Less Capital Reserve Funding	(828,777)	(1,354,055)	(525,278)	63.4%
Less Debt Service Principal	(3,762,002)	(3,942,197)	(180,195)	4.8%
Net Change Before Other Adjustments & Transfers	-	-	-	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	-	-	-	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ -	\$ -	\$ -	

**University of Maine at Augusta
FY18 PROPOSED BUDGET**

Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 23,594,855	\$ 22,457,993	\$ (1,136,862)	-4.8%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(3,254,202)	(3,150,117)	104,085	-3.2%
Net Student Charges Revenue	20,340,653	19,307,876	(1,032,777)	-5.1%
State Appropriation	16,803,125	17,188,146	385,021	2.3%
Indirect Cost Recovery	175,000	175,000	-	0.0%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	364,751	435,750	70,999	19.5%
Total Revenue	37,683,529	37,106,772	(576,757)	-1.5%
<u>Expenses</u>				
Personnel Expense	25,381,637	26,183,429	801,792	3.2%
Fuel & Electricity	846,706	827,893	(18,813)	-2.2%
Supplies & Services	1,757,510	1,824,522	67,012	3.8%
Shared Services	4,455,995	4,639,771	183,776	4.1%
Travel	233,728	259,560	25,832	11.1%
Memberships, Contributions & Sponsorships	76,194	81,259	5,065	6.6%
Maintenance & Alterations	436,941	464,591	27,650	6.3%
Interest Expense	42,550	37,508	(5,042)	-11.8%
Depreciation	1,478,354	1,608,500	130,146	8.8%
Other Expenses & Transfers	2,506,564	2,477,093	(29,471)	-1.2%
Total Expenses & Transfers	37,216,179	38,404,126	1,187,947	3.2%
Operating Increase (Decrease)	\$ 467,350	\$ (1,297,354)	\$ (1,764,704)	-377.6%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 467,350	\$ (1,297,354)	\$ (1,764,704)	-377.6%
Plus Depreciation	1,478,354	1,608,500	130,146	8.8%
Less Capital Expenditures	(1,075,602)	(992,227)	83,375	-7.8%
Less Capital Reserve Funding	(103,763)	-	103,763	-100.0%
Less Debt Service Principal	(278,035)	(309,747)	(31,712)	11.4%
Net Change Before Other Adjustments & Transfers	488,304	(990,828)	(1,479,132)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	488,304	(990,828)	(1,479,132)	
Other Strategic Transfers from/(to) Reserves	-	990,828	990,828	
Net Change in Cash & Reserve Transfers	\$ 488,304	\$ -	\$ (488,304)	

University of Maine at Augusta
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	-	-	-	-%
Net Student Charges Revenue	-	-	-	-%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	1,106,500	1,191,000	84,500	7.6%
Total Revenue	1,106,500	1,191,000	84,500	7.6%
<u>Expenses</u>				
Personnel Expense	281,087	285,444	4,357	1.6%
Fuel & Electricity	1,000	1,000	-	0.0%
Supplies & Services	719,275	810,400	91,125	12.7%
Shared Services	-	-	-	-%
Travel	450	450	-	0.0%
Memberships, Contributions & Sponsorships	900	900	-	0.0%
Maintenance & Alterations	3,000	3,500	500	16.7%
Interest Expense	2,284	1,882	(402)	-17.6%
Depreciation	14,963	29,670	14,707	98.3%
Other Expenses & Transfers	115,240	123,040	7,800	6.8%
Total Expenses & Transfers	1,138,199	1,256,286	118,087	10.4%
Operating Increase (Decrease)	\$ (31,699)	\$ (65,286)	\$ (33,587)	106.0%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (31,699)	\$ (65,286)	\$ (33,587)	106.0%
Plus Depreciation	14,963	29,670	14,707	98.3%
Less Capital Expenditures	-	-	-	-%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(10,066)	(10,345)	(279)	2.8%
Net Change Before Other Adjustments & Transfers	(26,802)	(45,961)	(19,159)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	(26,802)	(45,961)	(19,159)	
Other Strategic Transfers from/(to) Reserves	-	45,961	45,961	
Net Change in Cash & Reserve Transfers	\$ (26,802)	\$ -	\$ 26,802	

University of Maine at Augusta
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 23,594,855	\$ 22,457,993	\$ (1,136,862)	-4.8%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(3,254,202)	(3,150,117)	104,085	-3.2%
Net Student Charges Revenue	20,340,653	19,307,876	(1,032,777)	-5.1%
State Appropriation	16,803,125	17,188,146	385,021	2.3%
Indirect Cost Recovery	175,000	175,000	-	0.0%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	1,471,251	1,626,750	155,499	10.6%
Total Revenue	38,790,029	38,297,772	(492,257)	-1.3%
<u>Expenses</u>				
Personnel Expense	25,662,724	26,468,873	806,149	3.1%
Fuel & Electricity	847,706	828,893	(18,813)	-2.2%
Supplies & Services	2,476,785	2,634,922	158,137	6.4%
Shared Services	4,455,995	4,639,771	183,776	4.1%
Travel	234,178	260,010	25,832	11.0%
Memberships, Contributions & Sponsorships	77,094	82,159	5,065	6.6%
Maintenance & Alterations	439,941	468,091	28,150	6.4%
Interest Expense	44,834	39,390	(5,444)	-12.1%
Depreciation	1,493,317	1,638,170	144,853	9.7%
Other Expenses & Transfers	2,621,804	2,600,133	(21,671)	-0.8%
Total Expenses & Transfers	38,354,378	39,660,412	1,306,034	3.4%
Operating Increase (Decrease)	\$ 435,651	\$ (1,362,640)	\$ (1,798,291)	-412.8%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 435,651	\$ (1,362,640)	\$ (1,798,291)	-412.8%
Plus Depreciation	1,493,317	1,638,170	144,853	9.7%
Less Capital Expenditures	(1,075,602)	(992,227)	83,375	-7.8%
Less Capital Reserve Funding	(103,763)	-	103,763	-100.0%
Less Debt Service Principal	(288,101)	(320,092)	(31,991)	11.1%
Net Change Before Other Adjustments & Transfers	461,502	(1,036,789)	(1,498,291)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	461,502	(1,036,789)	(1,498,291)	
Other Strategic Transfers from/(to) Reserves	-	1,036,789	1,036,789	
Net Change in Cash & Reserve Transfers	\$ 461,502	\$ -	\$ (461,502)	

**Univ of Maine at Farmington
FY18 PROPOSED BUDGET**

Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 19,520,872	\$ 20,764,144	\$ 1,243,272	6.4%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(3,207,624)	(3,488,511)	(280,887)	8.8%
Net Student Charges Revenue	16,313,248	17,275,633	962,385	5.9%
State Appropriation	12,253,931	12,287,158	33,227	0.3%
Indirect Cost Recovery	200,000	200,000	-	0.0%
Investment Income/Gifts	110,000	-	(110,000)	-100.0%
Sales/Services/Auxiliary	654,310	654,310	-	0.0%
Total Revenue	29,531,489	30,417,101	885,612	3.0%
<u>Expenses</u>				
Personnel Expense	22,857,797	23,687,237	829,440	3.6%
Fuel & Electricity	588,707	629,360	40,653	6.9%
Supplies & Services	1,415,645	1,581,755	166,110	11.7%
Shared Services	3,081,065	3,328,217	247,152	8.0%
Travel	619,579	561,597	(57,982)	-9.4%
Memberships, Contributions & Sponsorships	92,781	94,698	1,917	2.1%
Maintenance & Alterations	33,047	32,953	(94)	-0.3%
Interest Expense	226,985	213,952	(13,033)	-5.7%
Depreciation	1,642,956	1,827,065	184,109	11.2%
Other Expenses & Transfers	(510,483)	(885,114)	(374,631)	73.4%
Total Expenses & Transfers	30,048,079	31,071,720	1,023,641	3.4%
Operating Increase (Decrease)	\$ (516,590)	\$ (654,619)	\$ (138,029)	26.7%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (516,590)	\$ (654,619)	\$ (138,029)	26.7%
Plus Depreciation	1,642,956	1,827,065	184,109	11.2%
Less Capital Expenditures	-	-	-	-%
Less Capital Reserve Funding	(821,478)	(850,230)	(28,752)	3.5%
Less Debt Service Principal	(304,888)	(322,216)	(17,328)	5.7%
Net Change Before Other Adjustments & Transfers	-	-	-	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	-	-	-	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ -	\$ -	\$ -	

Univ of Maine at Farmington
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	8,448,148	8,998,503	550,355	6.5%
Tuition Waivers/Scholarships	(280,000)	(260,000)	20,000	-7.1%
Net Student Charges Revenue	8,168,148	8,738,503	570,355	7.0%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	714,400	266,155	(448,245)	-62.7%
Total Revenue	8,882,548	9,004,658	122,110	1.4%
<u>Expenses</u>				
Personnel Expense	1,701,692	1,706,802	5,110	0.3%
Fuel & Electricity	417,071	465,540	48,469	11.6%
Supplies & Services	3,393,309	3,168,472	(224,837)	-6.6%
Shared Services	-	-	-	-%
Travel	12,125	12,125	-	0.0%
Memberships, Contributions & Sponsorships	5,845	5,595	(250)	-4.3%
Maintenance & Alterations	57,587	57,587	-	0.0%
Interest Expense	474,577	448,810	(25,767)	-5.4%
Depreciation	422,212	461,347	39,135	9.3%
Other Expenses & Transfers	1,831,891	2,076,809	244,918	13.4%
Total Expenses & Transfers	8,316,309	8,403,087	86,778	1.0%
Operating Increase (Decrease)	\$ 566,239	\$ 601,571	\$ 35,332	6.2%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 566,239	\$ 601,571	\$ 35,332	6.2%
Plus Depreciation	422,212	461,347	39,135	9.3%
Less Capital Expenditures	(244,700)	(244,700)	-	0.0%
Less Capital Reserve Funding	(137,651)	(142,469)	(4,818)	3.5%
Less Debt Service Principal	(606,100)	(627,914)	(21,814)	3.6%
Net Change Before Other Adjustments & Transfers	-	47,835	47,835	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	-	47,835	47,835	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ -	\$ 47,835	\$ 47,835	

Univ of Maine at Farmington
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 19,520,872	\$ 20,764,144	\$ 1,243,272	6.4%
Dining & Residence Revenue	8,448,148	8,998,503	550,355	6.5%
Tuition Waivers/Scholarships	(3,487,624)	(3,748,511)	(260,887)	7.5%
Net Student Charges Revenue	24,481,396	26,014,136	1,532,740	6.3%
State Appropriation	12,253,931	12,287,158	33,227	0.3%
Indirect Cost Recovery	200,000	200,000	-	0.0%
Investment Income/Gifts	110,000	-	(110,000)	-100.0%
Sales/Services/Auxiliary	1,368,710	920,465	(448,245)	-32.7%
Total Revenue	38,414,037	39,421,759	1,007,722	2.6%
<u>Expenses</u>				
Personnel Expense	24,559,489	25,394,039	834,550	3.4%
Fuel & Electricity	1,005,778	1,094,900	89,122	8.9%
Supplies & Services	4,808,954	4,750,227	(58,727)	-1.2%
Shared Services	3,081,065	3,328,217	247,152	8.0%
Travel	631,704	573,722	(57,982)	-9.2%
Memberships, Contributions & Sponsorships	98,626	100,293	1,667	1.7%
Maintenance & Alterations	90,634	90,540	(94)	-0.1%
Interest Expense	701,562	662,762	(38,800)	-5.5%
Depreciation	2,065,168	2,288,412	223,244	10.8%
Other Expenses & Transfers	1,321,408	1,191,695	(129,713)	-9.8%
Total Expenses & Transfers	38,364,388	39,474,807	1,110,419	2.9%
Operating Increase (Decrease)	\$ 49,649	\$ (53,048)	\$ (102,697)	-206.8%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 49,649	\$ (53,048)	\$ (102,697)	-206.8%
Plus Depreciation	2,065,168	2,288,412	223,244	10.8%
Less Capital Expenditures	(244,700)	(244,700)	-	0.0%
Less Capital Reserve Funding	(959,129)	(992,699)	(33,570)	3.5%
Less Debt Service Principal	(910,988)	(950,130)	(39,142)	4.3%
Net Change Before Other Adjustments & Transfers	-	47,835	47,835	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	-	47,835	47,835	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ -	\$ 47,835	\$ 47,835	

**Univ of Maine at Fort Kent
FY18 PROPOSED BUDGET**

Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 7,728,695	\$ 8,737,323	\$ 1,008,628	13.1%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(1,405,900)	(1,558,916)	(153,016)	10.9%
Net Student Charges Revenue	6,322,795	7,178,407	855,612	13.5%
State Appropriation	5,308,503	6,509,870	1,201,367	22.6%
Indirect Cost Recovery	36,230	36,230	-	0.0%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	291,000	247,500	(43,500)	-14.9%
Total Revenue	11,958,528	13,972,007	2,013,479	16.8%
<u>Expenses</u>				
Personnel Expense	8,868,651	8,790,827	(77,824)	-0.9%
Fuel & Electricity	466,746	445,846	(20,900)	-4.5%
Supplies & Services	510,456	502,405	(8,051)	-1.6%
Shared Services	1,579,530	1,710,602	131,072	8.3%
Travel	314,060	347,310	33,250	10.6%
Memberships, Contributions & Sponsorships	59,720	60,050	330	0.6%
Maintenance & Alterations	187,600	243,640	56,040	29.9%
Interest Expense	48,115	40,450	(7,665)	-15.9%
Depreciation	644,933	668,982	24,049	3.7%
Other Expenses & Transfers	726,556	851,216	124,660	17.2%
Total Expenses & Transfers	13,406,367	13,661,328	254,961	1.9%
Operating Increase (Decrease)	\$ (1,447,839)	\$ 310,679	\$ 1,758,518	-121.5%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (1,447,839)	\$ 310,679	\$ 1,758,518	-121.5%
Plus Depreciation	644,933	668,982	24,049	3.7%
Less Capital Expenditures	(20,000)	(220,000)	(200,000)	1000.0%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(366,755)	(326,999)	39,756	-10.8%
Net Change Before Other Adjustments & Transfers	(1,189,661)	432,662	1,622,323	
Transfer from/(to) Administrative Savings Rsrv	1,000,000	-	(1,000,000)	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	(189,661)	432,662	622,323	
Other Strategic Transfers from/(to) Reserves	300,024	-	(300,024)	
Net Change in Cash & Reserve Transfers	\$ 110,363	\$ 432,662	\$ 322,299	

Univ of Maine at Fort Kent
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	1,602,380	1,609,420	7,040	0.4%
Tuition Waivers/Scholarships	(60,000)	(60,000)	-	0.0%
Net Student Charges Revenue	1,542,380	1,549,420	7,040	0.5%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	129,600	109,100	(20,500)	-15.8%
Total Revenue	1,671,980	1,658,520	(13,460)	-0.8%
<u>Expenses</u>				
Personnel Expense	279,746	286,845	7,099	2.5%
Fuel & Electricity	192,259	179,259	(13,000)	-6.8%
Supplies & Services	875,875	812,817	(63,058)	-7.2%
Shared Services	-	-	-	-%
Travel	3,500	3,500	-	0.0%
Memberships, Contributions & Sponsorships	200	200	-	0.0%
Maintenance & Alterations	50,300	55,270	4,970	9.9%
Interest Expense	228,183	218,324	(9,859)	-4.3%
Depreciation	212,518	217,798	5,280	2.5%
Other Expenses & Transfers	60,167	60,902	735	1.2%
Total Expenses & Transfers	1,902,748	1,834,915	(67,833)	-3.6%
Operating Increase (Decrease)	\$ (230,768)	\$ (176,395)	\$ 54,373	-23.6%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (230,768)	\$ (176,395)	\$ 54,373	-23.6%
Plus Depreciation	212,518	217,798	5,280	2.5%
Less Capital Expenditures	(20,000)	-	20,000	-100.0%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(213,717)	(208,826)	4,891	-2.3%
Net Change Before Other Adjustments & Transfers	(251,967)	(167,423)	84,544	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	(251,967)	(167,423)	84,544	
Other Strategic Transfers from/(to) Reserves	251,967	-	(251,967)	
Net Change in Cash & Reserve Transfers	\$ -	\$ (167,423)	\$ (167,423)	

Univ of Maine at Fort Kent
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 7,728,695	\$ 8,737,323	\$ 1,008,628	13.1%
Dining & Residence Revenue	1,602,380	1,609,420	7,040	0.4%
Tuition Waivers/Scholarships	(1,465,900)	(1,618,916)	(153,016)	10.4%
Net Student Charges Revenue	7,865,175	8,727,827	862,652	11.0%
State Appropriation	5,308,503	6,509,870	1,201,367	22.6%
Indirect Cost Recovery	36,230	36,230	-	0.0%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	420,600	356,600	(64,000)	-15.2%
Total Revenue	13,630,508	15,630,527	2,000,019	14.7%
<u>Expenses</u>				
Personnel Expense	9,148,397	9,077,672	(70,725)	-0.8%
Fuel & Electricity	659,005	625,105	(33,900)	-5.1%
Supplies & Services	1,386,331	1,315,222	(71,109)	-5.1%
Shared Services	1,579,530	1,710,602	131,072	8.3%
Travel	317,560	350,810	33,250	10.5%
Memberships, Contributions & Sponsorships	59,920	60,250	330	0.6%
Maintenance & Alterations	237,900	298,910	61,010	25.6%
Interest Expense	276,298	258,774	(17,524)	-6.3%
Depreciation	857,451	886,780	29,329	3.4%
Other Expenses & Transfers	786,723	912,118	125,395	15.9%
Total Expenses & Transfers	15,309,115	15,496,243	187,128	1.2%
Operating Increase (Decrease)	\$ (1,678,607)	\$ 134,284	\$ 1,812,891	-108.0%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (1,678,607)	\$ 134,284	\$ 1,812,891	-108.0%
Plus Depreciation	857,451	886,780	29,329	3.4%
Less Capital Expenditures	(40,000)	(220,000)	(180,000)	450.0%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(580,472)	(535,825)	44,647	-7.7%
Net Change Before Other Adjustments & Transfers	(1,441,628)	265,239	1,706,867	
Transfer from/(to) Administrative Savings Rsrv	1,000,000	-	(1,000,000)	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	(441,628)	265,239	706,867	
Other Strategic Transfers from/(to) Reserves	551,991	-	(551,991)	
Net Change in Cash & Reserve Transfers	\$ 110,363	\$ 265,239	\$ 154,876	

**Univ of Maine at Machias
FY18 PROPOSED BUDGET**

Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 4,735,596	\$ 4,839,337	\$ 103,741	2.2%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(1,422,762)	(1,468,193)	(45,431)	3.2%
Net Student Charges Revenue	3,312,834	3,371,144	58,310	1.8%
State Appropriation	4,482,351	5,248,964	766,613	17.1%
Indirect Cost Recovery	90,000	60,000	(30,000)	-33.3%
Investment Income/Gifts	6,000	-	(6,000)	-100.0%
Sales/Services/Auxiliary	238,600	251,780	13,180	5.5%
Total Revenue	8,129,785	8,931,888	802,103	9.9%
<u>Expenses</u>				
Personnel Expense	6,025,098	5,877,756	(147,342)	-2.4%
Fuel & Electricity	361,750	341,000	(20,750)	-5.7%
Supplies & Services	515,765	586,710	70,945	13.8%
Shared Services	1,245,956	1,165,114	(80,842)	-6.5%
Travel	215,657	222,875	7,218	3.3%
Memberships, Contributions & Sponsorships	31,435	40,725	9,290	29.6%
Maintenance & Alterations	168,900	113,628	(55,272)	-32.7%
Interest Expense	70,661	66,156	(4,505)	-6.4%
Depreciation	432,448	519,679	87,231	20.2%
Other Expenses & Transfers	449,971	412,072	(37,899)	-8.4%
Total Expenses & Transfers	9,517,641	9,345,715	(171,926)	-1.8%
Operating Increase (Decrease)	\$ (1,387,856)	\$ (413,827)	\$ 974,029	-70.2%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (1,387,856)	\$ (413,827)	\$ 974,029	-70.2%
Plus Depreciation	432,448	519,679	87,231	20.2%
Less Capital Expenditures	-	-	-	-%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(90,099)	(105,852)	(15,753)	17.5%
Net Change Before Other Adjustments & Transfers	(1,045,507)	-	1,045,507	
Transfer from/(to) Administrative Savings Rsrv	1,000,000	-	(1,000,000)	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	(45,507)	-	45,507	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ (45,507)	\$ -	\$ 45,507	

Univ of Maine at Machias
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	1,866,909	1,871,238	4,329	0.2%
Tuition Waivers/Scholarships	-	(102,000)	(102,000)	-%
Net Student Charges Revenue	1,866,909	1,769,238	(97,671)	-5.2%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	61,000	80,219	19,219	31.5%
Total Revenue	1,927,909	1,849,457	(78,452)	-4.1%
<u>Expenses</u>				
Personnel Expense	260,476	263,942	3,466	1.3%
Fuel & Electricity	255,000	227,000	(28,000)	-11.0%
Supplies & Services	850,150	818,942	(31,208)	-3.7%
Shared Services	-	-	-	-%
Travel	3,800	2,100	(1,700)	-44.7%
Memberships, Contributions & Sponsorships	500	500	-	0.0%
Maintenance & Alterations	121,500	124,500	3,000	2.5%
Interest Expense	105,041	98,778	(6,263)	-6.0%
Depreciation	205,743	200,831	(4,912)	-2.4%
Other Expenses & Transfers	106,572	99,391	(7,181)	-6.7%
Total Expenses & Transfers	1,908,782	1,835,984	(72,798)	-3.8%
Operating Increase (Decrease)	\$ 19,127	\$ 13,473	\$ (5,654)	-29.6%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 19,127	\$ 13,473	\$ (5,654)	-29.6%
Plus Depreciation	205,743	200,831	(4,912)	-2.4%
Less Capital Expenditures	-	(18,981)	(18,981)	-%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(179,363)	(195,323)	(15,960)	8.9%
Net Change Before Other Adjustments & Transfers	45,507	-	(45,507)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	45,507	-	(45,507)	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ 45,507	\$ -	\$ (45,507)	

Univ of Maine at Machias
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 4,735,596	\$ 4,839,337	\$ 103,741	2.2%
Dining & Residence Revenue	1,866,909	1,871,238	4,329	0.2%
Tuition Waivers/Scholarships	(1,422,762)	(1,570,193)	(147,431)	10.4%
Net Student Charges Revenue	5,179,743	5,140,382	(39,361)	-0.8%
State Appropriation	4,482,351	5,248,964	766,613	17.1%
Indirect Cost Recovery	90,000	60,000	(30,000)	-33.3%
Investment Income/Gifts	6,000	-	(6,000)	-100.0%
Sales/Services/Auxiliary	299,600	331,999	32,399	10.8%
Total Revenue	10,057,694	10,781,345	723,651	7.2%
<u>Expenses</u>				
Personnel Expense	6,285,574	6,141,698	(143,876)	-2.3%
Fuel & Electricity	616,750	568,000	(48,750)	-7.9%
Supplies & Services	1,365,915	1,405,652	39,737	2.9%
Shared Services	1,245,956	1,165,114	(80,842)	-6.5%
Travel	219,457	224,975	5,518	2.5%
Memberships, Contributions & Sponsorships	31,935	41,225	9,290	29.1%
Maintenance & Alterations	290,400	238,128	(52,272)	-18.0%
Interest Expense	175,702	164,934	(10,768)	-6.1%
Depreciation	638,191	720,510	82,319	12.9%
Other Expenses & Transfers	556,543	511,463	(45,080)	-8.1%
Total Expenses & Transfers	11,426,423	11,181,699	(244,724)	-2.1%
Operating Increase (Decrease)	\$ (1,368,729)	\$ (400,354)	\$ 968,375	-70.7%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (1,368,729)	\$ (400,354)	\$ 968,375	-70.7%
Plus Depreciation	638,191	720,510	82,319	12.9%
Less Capital Expenditures	-	(18,981)	(18,981)	-%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(269,462)	(301,175)	(31,713)	11.8%
Net Change Before Other Adjustments & Transfers	(1,000,000)	-	1,000,000	
Transfer from/(to) Administrative Savings Rsrv	1,000,000	-	(1,000,000)	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	-	-	-	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ -	\$ -	\$ -	

Univ of Maine at Presque Isle
FY18 PROPOSED BUDGET

Unrestricted E&G

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 7,073,065	\$ 7,538,281	\$ 465,216	6.6%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(1,457,200)	(1,405,800)	51,400	-3.5%
Net Student Charges Revenue	5,615,865	6,132,481	516,616	9.2%
State Appropriation	6,999,217	7,931,491	932,274	13.3%
Indirect Cost Recovery	155,000	155,000	-	0.0%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	298,700	298,700	-	0.0%
Total Revenue	13,068,782	14,517,672	1,448,890	11.1%
<u>Expenses</u>				
Personnel Expense	9,991,000	9,839,047	(151,953)	-1.5%
Fuel & Electricity	561,050	557,050	(4,000)	-0.7%
Supplies & Services	940,739	875,432	(65,307)	-6.9%
Shared Services	1,785,508	1,924,123	138,615	7.8%
Travel	271,934	331,998	60,064	22.1%
Memberships, Contributions & Sponsorships	58,455	56,191	(2,264)	-3.9%
Maintenance & Alterations	275,085	289,883	14,798	5.4%
Interest Expense	63,816	60,830	(2,986)	-4.7%
Depreciation	814,440	835,290	20,850	2.6%
Other Expenses & Transfers	544,546	623,226	78,680	14.4%
Total Expenses & Transfers	15,306,573	15,393,069	86,496	0.6%
Operating Increase (Decrease)	\$ (2,237,791)	\$ (875,397)	\$ 1,362,394	-60.9%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (2,237,791)	\$ (875,397)	\$ 1,362,394	-60.9%
Plus Depreciation	814,440	835,290	20,850	2.6%
Less Capital Expenditures	(129,400)	(100,000)	29,400	-22.7%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(59,718)	(59,953)	(235)	0.4%
Net Change Before Other Adjustments & Transfers	(1,612,469)	(200,060)	1,412,409	
Transfer from/(to) Administrative Savings Rsrv	1,000,000	-	(1,000,000)	
Transfer from/(to) Budget Stabilization	300,000	-	(300,000)	
Net Change Subtotal	(312,469)	(200,060)	112,409	
Other Strategic Transfers from/(to) Reserves	223,852	-	(223,852)	
Net Change in Cash & Reserve Transfers	\$ (88,617)	\$ (200,060)	\$ (111,443)	

Univ of Maine at Presque Isle
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ -	\$ -	\$ -	-%
Dining & Residence Revenue	2,175,000	2,240,794	65,794	3.0%
Tuition Waivers/Scholarships	(216,000)	(216,000)	-	0.0%
Net Student Charges Revenue	1,959,000	2,024,794	65,794	3.4%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	146,700	146,700	-	0.0%
Total Revenue	2,105,700	2,171,494	65,794	3.1%
<u>Expenses</u>				
Personnel Expense	376,720	280,624	(96,096)	-25.5%
Fuel & Electricity	403,000	403,000	-	0.0%
Supplies & Services	729,145	729,145	-	0.0%
Shared Services	-	-	-	-%
Travel	375	375	-	0.0%
Memberships, Contributions & Sponsorships	-	-	-	-%
Maintenance & Alterations	305,000	305,000	-	0.0%
Interest Expense	-	-	-	-%
Depreciation	66,483	58,673	(7,810)	-11.7%
Other Expenses & Transfers	108,043	121,243	13,200	12.2%
Total Expenses & Transfers	1,988,766	1,898,060	(90,706)	-4.6%
Operating Increase (Decrease)	\$ 116,934	\$ 273,434	\$ 156,500	133.8%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 116,934	\$ 273,434	\$ 156,500	133.8%
Plus Depreciation	66,483	58,673	(7,810)	-11.7%
Less Capital Expenditures	(94,800)	(132,047)	(37,247)	39.3%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	-	-	-	-%
Net Change Before Other Adjustments & Transfers	88,617	200,060	111,443	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	88,617	200,060	111,443	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ 88,617	\$ 200,060	\$ 111,443	

Univ of Maine at Presque Isle
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 7,073,065	\$ 7,538,281	\$ 465,216	6.6%
Dining & Residence Revenue	2,175,000	2,240,794	65,794	3.0%
Tuition Waivers/Scholarships	(1,673,200)	(1,621,800)	51,400	-3.1%
Net Student Charges Revenue	7,574,865	8,157,275	582,410	7.7%
State Appropriation	6,999,217	7,931,491	932,274	13.3%
Indirect Cost Recovery	155,000	155,000	-	0.0%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	445,400	445,400	-	0.0%
Total Revenue	15,174,482	16,689,166	1,514,684	10.0%
<u>Expenses</u>				
Personnel Expense	10,367,720	10,119,671	(248,049)	-2.4%
Fuel & Electricity	964,050	960,050	(4,000)	-0.4%
Supplies & Services	1,669,884	1,604,577	(65,307)	-3.9%
Shared Services	1,785,508	1,924,123	138,615	7.8%
Travel	272,309	332,373	60,064	22.1%
Memberships, Contributions & Sponsorships	58,455	56,191	(2,264)	-3.9%
Maintenance & Alterations	580,085	594,883	14,798	2.6%
Interest Expense	63,816	60,830	(2,986)	-4.7%
Depreciation	880,923	893,963	13,040	1.5%
Other Expenses & Transfers	652,589	744,469	91,880	14.1%
Total Expenses & Transfers	17,295,339	17,291,129	(4,210)	0.0%
Operating Increase (Decrease)	\$ (2,120,857)	\$ (601,963)	\$ 1,518,894	-71.6%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (2,120,857)	\$ (601,963)	\$ 1,518,894	-71.6%
Plus Depreciation	880,923	893,963	13,040	1.5%
Less Capital Expenditures	(224,200)	(232,047)	(7,847)	3.5%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(59,718)	(59,953)	(235)	0.4%
Net Change Before Other Adjustments & Transfers	(1,523,852)	0	1,523,852	
Transfer from/(to) Administrative Savings Rsrv	1,000,000	-	(1,000,000)	
Transfer from/(to) Budget Stabilization	300,000	-	(300,000)	
Net Change Subtotal	(223,852)	0	223,852	
Other Strategic Transfers from/(to) Reserves	223,852	-	(223,852)	
Net Change in Cash & Reserve Transfers	\$ -	\$ 0	\$ 0	

**University of Southern Maine
FY18 PROPOSED BUDGET**

**Unrestricted E&G
Excludes Law School**

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 58,747,705	\$ 68,021,127	\$ 9,273,422	15.8%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(11,825,365)	(15,473,697)	(3,648,332)	30.9%
Net Student Charges Revenue	46,922,340	52,547,430	5,625,090	12.0%
State Appropriation	48,032,552	47,824,165	(208,387)	-0.4%
Indirect Cost Recovery	2,850,000	3,105,000	255,000	8.9%
Investment Income/Gifts	27,900	80,000	52,100	186.7%
Sales/Services/Auxiliary	3,186,385	5,004,449	1,818,064	57.1%
Total Revenue	101,019,177	108,561,044	7,541,867	7.5%
<u>Expenses</u>				
Personnel Expense	73,529,975	77,323,776	3,793,801	5.2%
Fuel & Electricity	2,445,248	2,551,325	106,077	4.3%
Supplies & Services	4,184,255	4,717,890	533,635	12.8%
Shared Services	12,796,419	12,267,129	(529,290)	-4.1%
Travel	1,035,328	1,114,952	79,624	7.7%
Memberships, Contributions & Sponsorships	322,040	338,340	16,300	5.1%
Maintenance & Alterations	1,733,122	1,853,872	120,750	7.0%
Interest Expense	843,996	812,693	(31,303)	-3.7%
Depreciation	6,207,799	6,235,204	27,405	0.4%
Other Expenses & Transfers	3,377,947	6,887,332	3,509,385	103.9%
Total Expenses & Transfers	106,476,129	114,102,513	7,626,384	7.2%
Operating Increase (Decrease)	\$ (5,456,952)	\$ (5,541,469)	\$ (84,517)	1.5%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (5,456,952)	\$ (5,541,469)	\$ (84,517)	1.5%
Plus Depreciation	6,207,799	6,235,204	27,405	0.4%
Less Capital Expenditures	(1,713,547)	(1,790,056)	(76,509)	4.5%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(1,727,692)	(2,118,907)	(391,215)	22.6%
Net Change Before Other Adjustments & Transfers	(2,690,392)	(3,215,228)	(524,836)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	1,000,000	-	(1,000,000)	
Net Change Subtotal	(1,690,392)	(3,215,228)	(1,524,836)	
Other Strategic Transfers from/(to) Reserves	2,547,200	3,215,228	668,028	
Net Change in Cash & Reserve Transfers	\$ 856,808	\$ -	\$ (856,808)	

**University of Southern Maine
FY18 PROPOSED BUDGET**

Unrestricted E&G

School Of Law

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 6,706,160	\$ 6,286,781	\$ (419,379)	-6.3%
Dining & Residence Revenue	-	-	-	-%
Tuition Waivers/Scholarships	(840,902)	(1,300,000)	(459,098)	54.6%
Net Student Charges Revenue	5,865,258	4,986,781	(878,477)	-15.0%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	7,000	-	(7,000)	-100.0%
Total Revenue	5,872,258	4,986,781	(885,477)	-15.1%
<u>Expenses</u>				
Personnel Expense	5,697,503	5,488,015	(209,488)	-3.7%
Fuel & Electricity	-	-	-	-%
Supplies & Services	132,390	313,890	181,500	137.1%
Shared Services	-	-	-	-%
Travel	106,750	82,921	(23,829)	-22.3%
Memberships, Contributions & Sponsorships	27,000	27,000	-	0.0%
Maintenance & Alterations	7,750	7,750	-	0.0%
Interest Expense	-	-	-	-%
Depreciation	-	-	-	-%
Other Expenses & Transfers	757,673	(382,155)	(1,139,828)	-150.4%
Total Expenses & Transfers	6,729,066	5,537,421	(1,191,645)	-17.7%
Operating Increase (Decrease)	\$ (856,808)	\$ (550,640)	\$ 306,168	-35.7%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (856,808)	\$ (550,640)	\$ 306,168	-35.7%
Plus Depreciation	-	-	-	-%
Less Capital Expenditures	-	-	-	-%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	-	-	-	-%
Net Change Before Other Adjustments & Transfers	(856,808)	(550,640)	306,168	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	275,320	275,320	
Net Change Subtotal	(856,808)	(275,320)	581,488	
Other Strategic Transfers from/(to) Reserves	-	275,320	275,320	
Net Change in Cash & Reserve Transfers	\$ (856,808)	\$ -	\$ 856,808	

University of Southern Maine
FY18 PROPOSED BUDGET
Unrestricted Auxiliary

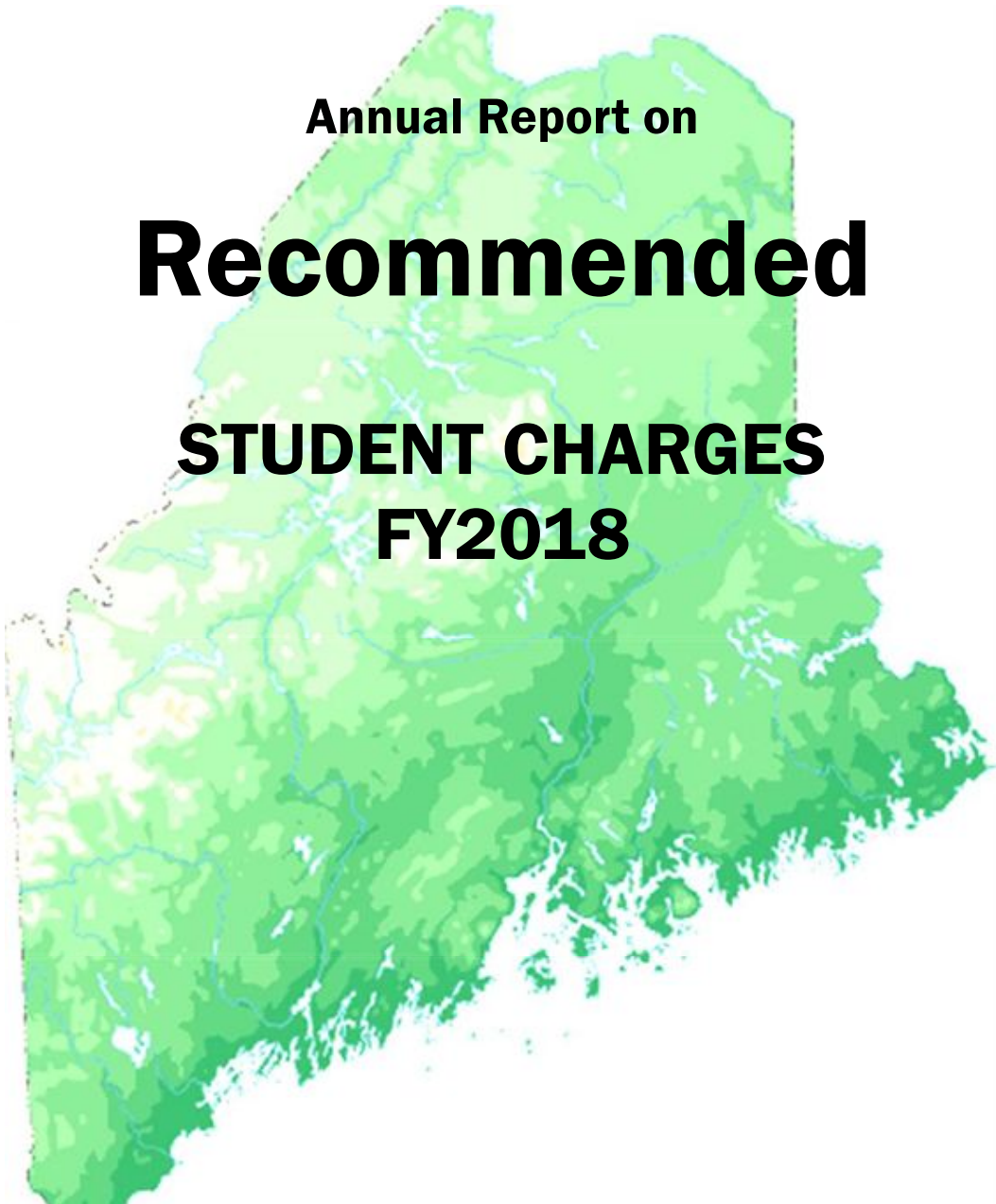
	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 1,240,000	\$ 1,240,000	\$ -	0.0%
Dining & Residence Revenue	10,548,300	10,376,800	(171,500)	-1.6%
Tuition Waivers/Scholarships	(552,475)	(313,200)	239,275	-43.3%
Net Student Charges Revenue	11,235,825	11,303,600	67,775	0.6%
State Appropriation	-	-	-	-%
Indirect Cost Recovery	-	-	-	-%
Investment Income/Gifts	-	-	-	-%
Sales/Services/Auxiliary	2,336,264	2,566,264	230,000	9.8%
Total Revenue	13,572,089	13,869,864	297,775	2.2%
<u>Expenses</u>				
Personnel Expense	1,963,673	2,132,138	168,465	8.6%
Fuel & Electricity	1,036,364	1,036,364	-	0.0%
Supplies & Services	4,984,800	5,079,080	94,280	1.9%
Shared Services	-	-	-	-%
Travel	5,350	6,600	1,250	23.4%
Memberships, Contributions & Sponsorships	1,100	500	(600)	-54.5%
Maintenance & Alterations	600,618	600,866	248	0.0%
Interest Expense	1,231,068	1,173,416	(57,652)	-4.7%
Depreciation	790,387	1,044,758	254,371	32.2%
Other Expenses & Transfers	2,044,423	2,095,077	50,654	2.5%
Total Expenses & Transfers	12,657,783	13,168,799	511,016	4.0%
Operating Increase (Decrease)	\$ 914,306	\$ 701,065	\$ (213,241)	-23.3%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ 914,306	\$ 701,065	\$ (213,241)	-23.3%
Plus Depreciation	790,387	1,044,758	254,371	32.2%
Less Capital Expenditures	-	(22,850)	(22,850)	-%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(1,536,683)	(1,604,055)	(67,372)	4.4%
Net Change Before Other Adjustments & Transfers	168,010	118,918	(49,092)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	-	-	-	
Net Change Subtotal	168,010	118,918	(49,092)	
Other Strategic Transfers from/(to) Reserves	-	-	-	
Net Change in Cash & Reserve Transfers	\$ 168,010	\$ 118,918	\$ (49,092)	

University of Southern Maine
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary
Excludes Law School

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 59,987,705	\$ 69,261,127	\$ 9,273,422	15.5%
Dining & Residence Revenue	10,548,300	10,376,800	(171,500)	-1.6%
Tuition Waivers/Scholarships	(12,377,840)	(15,786,897)	(3,409,057)	27.5%
Net Student Charges Revenue	58,158,165	63,851,030	5,692,865	9.8%
State Appropriation	48,032,552	47,824,165	(208,387)	-0.4%
Indirect Cost Recovery	2,850,000	3,105,000	255,000	8.9%
Investment Income/Gifts	27,900	80,000	52,100	186.7%
Sales/Services/Auxiliary	5,522,649	7,570,713	2,048,064	37.1%
Total Revenue	114,591,266	122,430,908	7,839,642	6.8%
<u>Expenses</u>				
Personnel Expense	75,493,648	79,455,914	3,962,266	5.2%
Fuel & Electricity	3,481,612	3,587,689	106,077	3.0%
Supplies & Services	9,169,055	9,796,970	627,915	6.8%
Shared Services	12,796,419	12,267,129	(529,290)	-4.1%
Travel	1,040,678	1,121,552	80,874	7.8%
Memberships, Contributions & Sponsorships	323,140	338,840	15,700	4.9%
Maintenance & Alterations	2,333,740	2,454,738	120,998	5.2%
Interest Expense	2,075,064	1,986,109	(88,955)	-4.3%
Depreciation	6,998,186	7,279,962	281,776	4.0%
Other Expenses & Transfers	5,422,370	8,982,409	3,560,039	65.7%
Total Expenses & Transfers	119,133,912	127,271,312	8,137,400	6.8%
Operating Increase (Decrease)	\$ (4,542,646)	\$ (4,840,404)	\$ (297,758)	6.6%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (4,542,646)	\$ (4,840,404)	\$ (297,758)	6.6%
Plus Depreciation	6,998,186	7,279,962	281,776	4.0%
Less Capital Expenditures	(1,713,547)	(1,812,906)	(99,359)	5.8%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(3,264,375)	(3,722,962)	(458,587)	14.0%
Net Change Before Other Adjustments & Transfers	(2,522,382)	(3,096,310)	(573,928)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	1,000,000	-	(1,000,000)	
Net Change Subtotal	(1,522,382)	(3,096,310)	(1,573,928)	
Other Strategic Transfers from/(to) Reserves	2,547,200	3,215,228	668,028	
Net Change in Cash & Reserve Transfers	\$ 1,024,818	\$ 118,918	\$ (905,900)	

University of Southern Maine
FY18 PROPOSED BUDGET
Unrestricted E&G and Auxiliary
Includes Law School

	<u>FY17 BASE</u>	<u>FY18 PROPOSED</u>	<u>CHANGE</u>	
<u>Revenues</u>				
Tuition & Fee Revenue	\$ 66,693,865	\$ 75,547,908	\$ 8,854,043	13.3%
Dining & Residence Revenue	10,548,300	10,376,800	(171,500)	-1.6%
Tuition Waivers/Scholarships	(13,218,742)	(17,086,897)	(3,868,155)	29.3%
Net Student Charges Revenue	64,023,423	68,837,811	4,814,388	7.5%
State Appropriation	48,032,552	47,824,165	(208,387)	-0.4%
Indirect Cost Recovery	2,850,000	3,105,000	255,000	8.9%
Investment Income/Gifts	27,900	80,000	52,100	186.7%
Sales/Services/Auxiliary	5,529,649	7,570,713	2,041,064	36.9%
Total Revenue	120,463,524	127,417,689	6,954,165	5.8%
<u>Expenses</u>				
Personnel Expense	81,191,151	84,943,929	3,752,778	4.6%
Fuel & Electricity	3,481,612	3,587,689	106,077	3.0%
Supplies & Services	9,301,445	10,110,860	809,415	8.7%
Shared Services	12,796,419	12,267,129	(529,290)	-4.1%
Travel	1,147,428	1,204,473	57,045	5.0%
Memberships, Contributions & Sponsorships	350,140	365,840	15,700	4.5%
Maintenance & Alterations	2,341,490	2,462,488	120,998	5.2%
Interest Expense	2,075,064	1,986,109	(88,955)	-4.3%
Depreciation	6,998,186	7,279,962	281,776	4.0%
Other Expenses & Transfers	6,180,043	8,600,254	2,420,211	39.2%
Total Expenses & Transfers	125,862,978	132,808,733	6,945,755	5.5%
Operating Increase (Decrease)	\$ (5,399,454)	\$ (5,391,044)	\$ 8,410	-0.2%
<u>Modified Cash Flow</u>				
Operating Increase (Decrease)	\$ (5,399,454)	\$ (5,391,044)	\$ 8,410	-0.2%
Plus Depreciation	6,998,186	7,279,962	281,776	4.0%
Less Capital Expenditures	(1,713,547)	(1,812,906)	(99,359)	5.8%
Less Capital Reserve Funding	-	-	-	-%
Less Debt Service Principal	(3,264,375)	(3,722,962)	(458,587)	14.0%
Net Change Before Other Adjustments & Transfers	(3,379,190)	(3,646,950)	(267,760)	
Transfer from/(to) Administrative Savings Rsrv	-	-	-	
Transfer from/(to) Budget Stabilization	1,000,000	275,320	(724,680)	
Net Change Subtotal	(2,379,190)	(3,371,630)	(992,440)	
Other Strategic Transfers from/(to) Reserves	2,547,200	3,490,548	943,348	
Net Change in Cash & Reserve Transfers	\$ 168,010	\$ 118,918	\$ (49,092)	



Annual Report on
Recommended
STUDENT CHARGES
FY2018



April 14, 2017



UNIVERSITY OF MAINE SYSTEM
STUDENT CHARGES
FY18
TABLE OF CONTENTS

Total Student Charges..... 1-2

Credit Hour Tuition Rates 3-4

Annual Tuition Rates 5-6

Annual Mandatory Fees..... 7-8

Annual Tuition and Mandatory Fees 9-10

Annual Room and Board Charges11

Annual Comprehensive Student Charges 12-13

Overview of Student Fees.....14

Narrative Description of Mandatory Fees..... 15

Non-Mandatory Fees16

**UNIVERSITY OF MAINE SYSTEM
FY18 TOTAL STUDENT CHARGES**

I. Undergraduate	Annual Tuition	Mandatory Fees	Tuition & Mandatory Fees ¹	Room & Board ²	Subtotal	Books & Personal ³	Total
In-State							
UM	\$8,580	\$2,322	\$10,902	\$10,145	\$21,047	\$3,221	\$24,268
UMA	6,840	968	7,808	-	7,808	4,800	12,608
UMF	8,576	882	9,458	9,334	18,792	3,882	22,674
UMFK	6,840	1,125	7,965	7,910	15,875	4,280	20,155
UMM	6,840	836	7,676	8,486	16,162	3,300	19,462
UMPI	6,840	920	7,760	8,064	15,824	3,350	19,174
USM	7,860	980	8,840	9,200	18,040	4,200	22,240
Average	7,482	1,148	8,630	8,856	17,486	3,862	21,348
Out-of-State							
UM	\$27,960	\$2,322	\$30,282	\$10,145	\$40,427	\$3,221	\$43,648
UMA ⁴	16,530	968	17,498	-	17,498	4,800	22,298
UMF	18,144	882	19,026	9,334	28,360	3,882	32,242
UMFK	10,950	1,125	12,075	7,910	19,985	4,280	24,265
UMM	18,480	836	19,316	8,486	27,802	3,300	31,102
UMPI	10,950	920	11,870	8,064	19,934	3,350	23,284
USM	20,670	980	21,650	9,200	30,850	4,200	35,050
Average	17,669	1,148	18,817	8,856	27,673	3,862	31,535
NEBHE							
UM	\$13,740	\$2,322	\$16,062	\$10,145	\$26,207	\$3,221	\$29,428
UMA	10,950	968	11,918	-	11,918	4,800	16,718
UMF	13,728	882	14,610	9,334	23,944	3,882	27,826
UMFK	10,950	1,125	12,075	7,910	19,985	4,280	24,265
UMM	10,950	836	11,786	8,486	20,272	3,300	23,572
UMPI	10,950	920	11,870	8,064	19,934	3,350	23,284
USM	12,570	980	13,550	9,200	22,750	4,200	26,950
Average	11,977	1,148	13,125	8,856	21,981	3,862	25,843
Canadian							
UM	\$13,740	\$2,322	\$16,062	\$10,145	\$26,207	\$3,221	\$29,428
UMA	10,950	968	11,918	-	11,918	4,800	16,718
UMF	13,728	882	14,610	9,334	23,944	3,882	27,826
UMFK	10,950	1,125	12,075	7,910	19,985	4,280	24,265
UMM	11,160	836	11,996	8,486	20,482	3,300	23,782
UMPI	10,950	920	11,870	8,064	19,934	3,350	23,284
USM	12,570	980	13,550	9,200	22,750	4,200	26,950
Average	12,007	1,148	13,155	8,856	22,011	3,862	25,873

¹Annual tuition & mandatory fees are based on 15 credit hours per semester for two semesters for undergraduate and law students (except UMF based on 16 credit hours per semester beginning in FY07) and 9 credit hours per semester for two semesters for graduate students.

²Rates shown are based on the meal plan and room type with the greatest projected number of students. Several meal plans and room types are available. UMA has no residence or dining halls.

³Includes books, supplies, transportation, and miscellaneous expenses.

⁴UMA's out-of-state **online** annual tuition (at 125% of the in-state rate) is \$8,550; mandatory fees \$968.

**UNIVERSITY OF MAINE SYSTEM
FY18 TOTAL STUDENT CHARGES**

	Annual Tuition	Mandatory Fees	Tuition & Mandatory Fees ¹	Room & Board ²	Subtotal	Books & Personal ³	Total
II. Graduate							
In-State							
UM	\$7,722	\$1,162	\$8,884	\$10,145	\$19,029	\$5,200	\$24,229
UMF	7,002	342	7,344	9,334	16,678	3,180	19,858
USM	7,074	522	7,596	9,200	16,796	4,200	20,996
Average	7,266	675	7,941	9,560	17,501	4,193	21,694
Out-of-State							
UM	\$25,146	\$1,162	\$26,308	\$10,145	\$36,453	\$5,200	\$41,653
UMF	10,296	342	10,638	9,334	19,972	3,180	23,152
USM	19,134	522	19,656	9,200	28,856	4,200	33,056
Average	18,192	675	18,867	9,560	28,427	4,193	32,620
NEBHE							
UM	\$12,348	\$1,162	\$13,510	\$10,145	\$23,655	\$5,200	\$28,855
USM	11,322	522	11,844	9,200	21,044	4,200	25,244
Average	11,835	842	12,677	9,673	22,350	4,700	27,050
Canadian							
UM	\$12,348	\$1,162	\$13,510	\$10,145	\$23,655	\$5,200	\$28,855
USM	11,322	522	11,844	9,200	21,044	4,200	25,244
Average	11,835	842	12,677	9,673	22,350	4,700	27,050

III. Law School

In-State	\$22,290	\$970	\$23,260	\$9,200	\$32,460	\$5,000	\$37,460
Out-of-State	\$33,360	\$970	\$34,330	\$9,200	\$43,530	\$5,000	\$48,530
NEBHE/Canadian	\$30,420	\$970	\$31,390	\$9,200	\$40,590	\$5,000	\$45,590

¹Annual tuition & mandatory fees are based on 15 credit hours per semester for two semesters for undergraduate and law students (except UMF based on 16 credit hours per semester beginning in FY07) and 9 credit hours per semester for two semesters for graduate students.

²Rates shown are based on the meal plan and room type with the greatest projected number of students. Several meal plans and room types are available. UMA has no residence or dining halls.

³Includes books, supplies, transportation, and miscellaneous expenses.

**UNIVERSITY OF MAINE SYSTEM
FY18 TUITION RATES - PER CREDIT HOUR**

	FY17 Rate	FY18 Rate	FY18 Increases	
			\$	%
In-State				
Undergraduate				
UM	\$279	\$286	7	2.5
UMA	217	228	11	5.1
UMF	261	268	7	2.7
UMFK	220	228	8	3.6
UMM	222	228	6	2.7
UMPI	220	228	8	3.6
USM	253	262	9	3.6
Graduate				
UM	418	429	11	2.6
UMF	379	389	10	2.6
USM	380	393	13	3.4
Law	743	743	-	-
Out-of-State				
Undergraduate				
UM	908	932	24	2.6
UMA	537	551 ¹	14	2.6
UMF	545	567	22	4.0
UMFK	341	365	24	7.0
UMM	616	616	-	-
UMPI	341	365	24	7.0
USM	665	689	24	3.6
Graduate				
UM	1,361	1,397	36	2.6
UMF	550	572	22	4.0
USM	1,026	1,063	37	3.6
Law	1,112	1,112	-	-

¹The majority of UMA Out-of-State Undergraduate students are enrolled in Online programs = \$125% of in-state rate or \$285.

**UNIVERSITY OF MAINE SYSTEM
FY18 TUITION RATES - PER CREDIT HOUR**

	FY17 Rate	FY18 Rate	FY18 Increases	
			\$	%
NEBHE				
Undergraduate				
UM	\$432	\$458	26	6.0
UMA	336	365	29	8.6
UMF	405	429	24	5.9
UMFK	341	365	24	7.0
UMM	344	365	21	6.1
UMPI	341	365	24	7.0
USM	392	419	27	6.9
Graduate				
UM	648	686	38	5.9
USM	589	629	40	6.8
Law	1,014	1,014	-	-
Canadian				
Undergraduate				
UM	432	458	26	6.0
UMA	336	365	29	8.6
UMF	405	429	24	5.9
UMFK	341	365	24	7.0
UMM	351	372	21	6.0
UMPI	341	365	24	7.0
USM	392	419	27	6.9
Graduate				
UM	648	686	38	5.9
USM	589	629	40	6.8
Law	1,014	1,014	-	-

NOTE: In FY18, NEBHE rates are 160% the in-state rate. NEBHE rate can be up to 175% the in-state rate.

**UNIVERSITY OF MAINE SYSTEM
ANNUAL TUITION RATES**

UNDERGRADUATE	In-State	FY14	FY15	FY16	FY17	FY18	FY17 to FY18 Annual Increase	
							\$	%
	UM	\$8,370	\$8,370	\$8,370	\$8,370	\$8,580	210	2.5
	UMA	6,510	6,510	6,510	6,510	6,840	330	5.1
	UMF	8,352	8,352	8,352	8,352	8,576	224	2.7
	UMFK	6,600	6,600	6,600	6,600	6,840	240	3.6
	UMM	6,660	6,660	6,660	6,660	6,840	180	2.7
	UMPI	6,600	6,600	6,600	6,600	6,840	240	3.6
	USM	7,590	7,590	7,590	7,590	7,860	270	3.6
	Average	7,240	7,240	7,240	7,240	7,482	242	3.3
	Out-of-State							
	UM	\$25,740	\$26,250	\$26,640	\$27,240	\$27,960	720	2.6
	UMA	15,750	15,750	15,750	16,110	16,530	420	2.6
	UMF	17,440	17,440	17,440	17,440	18,144	704	4.0
	UMFK	16,560	9,900	9,900	10,230	10,950	720	7.0
	UMM	18,480	18,480	18,480	18,480	18,480	-	-
	UMPI	16,560	9,900	9,900	10,230	10,950	720	7.0
	USM	19,950	19,950	19,950	19,950	20,670	720	3.6
	Average	18,640	16,810	16,866	17,097	17,669	572	3.3
	NEBHE							
	UM	\$12,570	\$12,570	\$12,570	\$12,960	\$13,740	780	6.0
	UMA	9,750	9,750	9,750	10,080	10,950	870	8.6
	UMF	12,544	12,544	12,544	12,960	13,728	768	5.9
	UMFK	9,900	9,900	9,900	10,230	10,950	720	7.0
	UMM	9,990	9,990	9,990	10,320	10,950	630	6.1
	UMPI	9,900	9,900	9,900	10,230	10,950	720	7.0
	USM	11,400	11,400	11,400	11,760	12,570	810	6.9
	Average	10,865	10,865	10,865	11,220	11,977	757	6.7
	Canadian							
	UM	\$12,570	\$12,570	\$12,570	\$12,960	\$13,740	780	6.0
	UMA	9,750	9,750	9,750	10,080	10,950	870	8.6
	UMF	12,544	12,544	12,544	12,960	13,728	768	5.9
	UMFK	9,900	9,900	9,900	10,230	10,950	720	7.0
	UMM	10,530	10,530	10,530	10,530	11,160	630	6.0
	UMPI	9,900	9,900	9,900	10,230	10,950	720	7.0
	USM	11,400	11,400	11,400	11,760	12,570	810	6.9
	Average	10,942	10,942	10,942	11,250	12,007	757	6.7

NOTE: Based on 15 credit hours per semester for two semesters for undergraduate and law students (except UMF based on 16 credit hours per semester beginning in FY07 & UMFK based on "Block" rate for 12-18 credit hours per semester in FY13 - FY17) and 9 credit hours per semester for two semesters for graduate students.

**UNIVERSITY OF MAINE SYSTEM
ANNUAL TUITION RATES**

	FY14	FY15	FY16	FY17	FY18	FY17 to FY18	
						Annual Increase	
						\$	%
GRADUATE							
<u>In-State</u>							
UM	\$7,524	\$7,524	\$7,524	\$7,524	\$7,722	198	2.6
UMF	6,822	6,822	6,822	6,822	7,002	180	2.6
USM	6,840	6,840	6,840	6,840	7,074	234	3.4
Average	7,062	7,062	7,062	7,062	7,266	204	2.9
<u>Out-of-State</u>							
UM	\$23,112	\$23,580	\$23,940	\$24,498	\$25,146	648	2.6
UMF	9,900	9,900	9,900	9,900	10,296	396	4.0
USM	18,468	18,468	18,468	18,468	19,134	666	3.6
Average	17,160	17,316	17,436	17,622	18,192	570	3.2
<u>NEBHE</u>							
UM	\$11,286	\$11,286	\$11,286	\$11,664	\$12,348	684	5.9
USM	10,260	10,260	10,260	10,602	11,322	720	6.8
Average	10,773	10,773	10,773	11,133	11,835	702	6.3
<u>Canadian</u>							
UM	\$11,286	\$11,286	\$11,286	\$11,664	\$12,348	684	5.9
USM	10,260	10,260	10,260	10,602	11,322	720	6.8
Average	10,773	10,773	10,773	11,133	11,835	702	6.3
LAW							
<u>In-State</u>	\$22,290	\$22,290	\$22,290	\$22,290	\$22,290	-	-
<u>Out-of-State</u>	33,360	33,360	33,360	33,360	33,360	-	-
<u>NEBHE/Canadian</u>	30,420	30,420	30,420	30,420	30,420	-	-

NOTE: Based on 15 credit hours per semester for two semesters for undergraduate and law students (except UMF based on 16 credit hours per semester beginning in FY07 & UMFK based on "Block" rate for 12-18 credit hours per semester in FY13 - FY17) and 9 credit hours per semester for two semesters for graduate students.

**UNIVERSITY OF MAINE SYSTEM
ANNUAL MANDATORY FEES¹**

University	Fee	Credit Hours	FY17	FY18	\$ Increase
UM	Graduate Student Activity Fee	1 or More Credit Hours	\$80.00	\$80.00	-
	Undergraduate Student Activity Fee	6 or More Credit Hours	90.00	106.00	16.00
	Communications Fee	6 or More Credit Hours	30.00	30.00	-
	Recreation Center Fee	0 to 5 Credit Hours	162.00	162.00	-
		6 or More Credit Hours	270.00	270.00	-
	Unified Fee	0 to 5 Credit Hours	250.00	256.00	6.00
		6 to 11 Credit Hours	762.00	782.00	20.00
		12 to 15 Credit Hours	1,868.00	1,916.00	48.00
	16 or More Credit Hours	1,916.00	1,966.00	50.00	
UMA	Student Activity Fee	Per Credit Hour, up to 14	\$2.25	\$2.25	-
		15 or More Credit Hours	67.50	67.50	-
	Unified Fee	Per Credit Hour	29.00	30.00	1.00
	Unified Fee - University College	Per Credit Hour	12.00	13.00	1.00
UMF	Undergraduate Student Activity Fee	1 to 5 1/2 Credit Hours	\$80.00	\$80.00	-
		6 to 11 1/2 Credit Hours	120.00	120.00	-
		12 or More Credit Hours	160.00	160.00	-
	Student Health & Wellness Fee	4 or More Credit Hours	50.00	50.00	-
	Unified Fee	6 or less Credit Hours	168.00	172.00	4.00
		7 to 11 Credit Hours	333.00	342.00	9.00
12 or More Credit Hours		655.00	672.00	17.00	
UMFK	Student Activity Fee	Per Credit Hour	\$7.50	\$7.50	-
	Unified Fee	Per Credit Hour	25.00	30.00	5.00
UMM	Student Activity Fee	Per Credit Hour, up to 11	\$11.00	\$11.00	-
		12 or More Credit Hours	240.00	240.00	-
	Unified Fee	Flat Fee + Per Credit Hour	580.00	596.00	16.00
UMPI	Student Activity Fee	6 or less Credit Hours	\$80.00	\$85.00	5.00
		7 or More Credit Hours	160.00	170.00	10.00
	Unified Fee - Campus	Per Credit Hour	18.00	25.00	7.00
	Unified Fee - Outreach	Per Credit Hour	15.00	20.00	5.00
USM	Undergraduate Student Activity Fee	1 to 5 Credit Hours	\$38.00	\$38.00	-
		6 to 11 Credit Hours	74.00	74.00	-
		12 or More Credit Hours	110.00	110.00	-
	Law Student Activity Fee	6 or More Credit Hours	100.00	100.00	-
	Unified Fee	Per Credit Hour	28.00	29.00	1.00

¹Annual unless listed as per credit hour.

UNIVERSITY OF MAINE SYSTEM
ANNUAL MANDATORY FEES

		FY14	FY15	FY16	FY17	FY18	FY18 Increases	
							\$	%
Undergraduate								
UM	Communications	\$30	\$30	\$30	\$30	\$30		
	Recreation Center Fee	242	248	252	270	270		
	Unified Fee	1,868	1,868	1,868	1,868	1,916		
	Student Activity	90	90	90	90	106		
	Total	\$2,230	\$2,236	\$2,240	\$2,258	\$2,322	64	2.8
UMA	Unified Fee	\$870	\$870	\$870	\$870	\$900		
	Student Activity	68	68	68	68	68		
	Total	\$938	\$938	\$938	\$938	\$968	30	3.2
UMF	Student Health & Fitness Fee	\$0	\$50	\$50	\$50	\$50		
	Unified Fee	655	655	655	655	672		
	Student Activity	160	160	160	160	160		
	Total	\$815	\$865	\$865	\$865	\$882	17	2.0
UMFK	Unified Fee	\$750	\$750	\$750	\$750	\$900		
	Student Activity	225	225	225	225	225		
	Total	\$975	\$975	\$975	\$975	\$1,125	150	15.4
UMM	Unified Fee	\$580	\$580	\$580	\$580	\$596		
	Student Activity	240	240	240	240	240		
	Total	\$820	\$820	\$820	\$820	\$836	16	2.0
UMPI	Unified Fee	\$540	\$540	\$540	\$540	\$750		
	Student Activity	160	160	160	160	170		
	Total	\$700	\$700	\$700	\$700	\$920	220	31.4
USM	Unified Fee	\$840	\$840	\$840	\$840	\$870		
	Student Activity	110	110	110	110	110		
	Total	\$950	\$950	\$950	\$950	\$980	30	3.2
Average		\$1,061	\$1,069	\$1,070	\$1,072	\$1,148	76	7.1
Graduate								
UM	Communications	\$30	\$30	\$30	\$30	\$30		
	Recreation Center Fee	242	248	252	270	270		
	Unified Fee	762	762	762	762	782		
	Student Activity	80	80	80	80	80		
	Total	\$1,114	\$1,120	\$1,124	\$1,142	\$1,162	20	1.8
UMF	Unified Fee	\$333	\$333	\$333	\$333	\$342	9	2.7
USM	Unified Fee	\$504	\$504	\$504	\$504	\$522	18	3.6
Average		\$650	\$652	\$654	\$660	\$675	15	2.3
Law								
USM	Unified Fee	\$840	\$840	\$840	\$840	\$870		
	Student Activity	100	100	100	100	100		
Average		\$940	\$940	\$940	\$940	\$970	30	3.2

NOTE: Based on 15 credit hours per semester for two semesters for undergraduate and law students (except UMF based on 16 credit hours per semester beginning in FY07 & UMFK based on "Block" rate for 12-18 credit hours per semester in FY13 - FY17) and 9 credit hours per semester for two semesters for graduate students.

UNIVERSITY OF MAINE SYSTEM
ANNUAL TUITION AND MANDATORY FEES

UNDERGRADUATE	FY17 Rate	FY18 Rate	FY18 Increases	
			\$	%
<u>In-State</u>				
UM	\$10,628	\$10,902	274	2.6
UMA	7,448	7,808	360	4.8
UMF	9,217	9,458	241	2.6
UMFK	7,575	7,965	390	5.1
UMM	7,480	7,676	196	2.6
UMPI	7,300	7,760	460	6.3
USM	8,540	8,840	300	3.5
Average	8,312	8,630	318	3.8
<u>Out-of-State</u>				
UM	\$29,498	\$30,282	784	2.7
UMA	17,048	17,498	450	2.6
UMF	18,305	19,026	721	3.9
UMFK	11,205	12,075	870	7.8
UMM	19,300	19,316	16	0.1
UMPI	10,930	11,870	940	8.6
USM	20,900	21,650	750	3.6
Average	18,169	18,817	648	3.6
<u>NEBHE</u>				
UM	\$15,218	\$16,062	844	5.5
UMA	11,018	11,918	900	8.2
UMF	13,825	14,610	785	5.7
UMFK	11,205	12,075	870	7.8
UMM	11,140	11,786	646	5.8
UMPI	10,930	11,870	940	8.6
USM	12,710	13,550	840	6.6
Average	12,292	13,125	833	6.8
<u>Canadian</u>				
UM	\$15,218	\$16,062	844	5.5
UMA	11,018	11,918	900	8.2
UMF	13,825	14,610	785	5.7
UMFK	11,205	12,075	870	7.8
UMM	11,350	11,996	646	5.7
UMPI	10,930	11,870	940	8.6
USM	12,710	13,550	840	6.6
Average	12,322	13,155	833	6.8

**UNIVERSITY OF MAINE SYSTEM
ANNUAL TUITION AND MANDATORY FEES**

GRADUATE	FY17	FY18	FY18 Increases	
			\$	%
<u>In-State</u>	<u>Rate</u>	<u>Rate</u>		
UM	\$8,666	\$8,884	218	2.5
UMF	7,155	7,344	189	2.6
USM	7,344	7,596	252	3.4
Average	7,722	7,941	219	2.8
<u>Out-of-State</u>				
UM	\$25,640	\$26,308	668	2.6
UMF	10,233	10,638	405	4.0
USM	18,972	19,656	684	3.6
Average	18,282	18,867	585	3.2
<u>NEBHE</u>				
UM	\$12,806	\$13,510	704	5.5
USM	11,106	11,844	738	6.6
Average	11,956	12,677	721	6.0
<u>Canadian</u>				
UM	\$12,806	\$13,510	704	5.5
USM	11,106	11,844	738	6.6
Average	11,956	12,677	721	6.0
LAW				
In-State	\$23,230	\$23,260	30	0.1
Out-of-State	34,300	34,330	30	0.1
NEBHE/Canadian	31,360	31,390	30	0.1

**UNIVERSITY OF MAINE SYSTEM
ANNUAL ROOM & BOARD CHARGES¹**

	ROOM CHARGES					FY18 Increases	
	FY14	FY15	FY16	FY17	FY18	\$	%
UM	\$4,762	\$4,858	\$5,004	\$5,154	\$5,270	116	2.3
UMF	4,612	4,750	4,750	4,892	5,038	146	3.0
UMFK	4,150	4,150	4,250	4,250	4,250	-	-
UMM	4,160	4,160	4,326	4,326	4,326	-	-
UMPI	4,320	4,400	4,488	4,588 ²	4,708	120	2.6
USM	4,600	4,700	4,900	5,000	5,000	-	-
Average	4,434	4,503	4,620	4,702 ²	4,765	63	1.3
	BOARD CHARGES						
	FY14	FY15	FY16	FY17	FY18		
UM	\$4,650	\$4,438	\$4,571	\$4,710	\$4,875	165	3.5
UMF	4,062	4,220	4,220	4,220	4,296	76	1.8
UMFK	3,570	3,570	3,660	3,660	3,660	-	-
UMM	4,018	4,018	4,160	4,160	4,160	-	-
UMPI	3,256	3,456	3,356 ²	3,356	3,356	-	-
USM	4,350	4,450	4,500	4,200	4,200	-	-
Average	3,984	4,025	4,078 ²	4,051	4,091	40	1.0
	TOTAL ROOM & BOARD CHARGES						
	FY14	FY15	FY16	FY17	FY18		
UM	\$9,412	\$9,296	\$9,575	\$9,864	\$10,145	281	2.8
UMF	8,674	8,970	8,970	9,112	9,334	222	2.4
UMFK	7,720	7,720	7,910	7,910	7,910	-	-
UMM	8,178	8,178	8,486	8,486	8,486	-	-
UMPI	7,576	7,856	7,844	7,944	8,064	120	1.5
USM	8,950	9,150	9,400	9,200	9,200	-	-
Average	8,418	8,528	8,698	8,753	8,856	103	1.2

¹Rates shown are based on the meal plan and room type with the greatest projected number of students. Several meal plans and room types are available. UMA has no residence or dining halls.

²UMPI's FY16 board rate and FY17 room restated.

**UNIVERSITY OF MAINE SYSTEM
ANNUAL COMPREHENSIVE STUDENT CHARGES
(Includes Tuition, Mandatory Fees, Room and Board)**

UNDERGRADUATE	FY17	FY18	FY18 Increases	
	Rate	Rate	\$	%
<u>In-State</u>				
UM	\$20,492	\$21,047	555	2.7
UMA	7,448	7,808	360	4.8
UMF	18,329	18,792	463	2.5
UMFK	15,485	15,875	390	2.5
UMM	15,966	16,162	196	1.2
UMPI	15,244	15,824	580	3.8
USM	17,740	18,040	300	1.7
Average	17,065	17,486	421	2.5
<u>Out-of-State</u>				
UM	\$39,362	\$40,427	1,065	2.7
UMA	17,048	17,498	450	2.6
UMF	27,417	28,360	943	3.4
UMFK	19,115	19,985	870	4.6
UMM	27,786	27,802	16	0.1
UMPI	18,874	19,934	1,060	5.6
USM	30,100	30,850	750	2.5
Average	26,922	27,673	751	2.8
<u>NEBHE</u>				
UM	\$25,082	\$26,207	1,125	4.5
UMA	11,018	11,918	900	8.2
UMF	22,937	23,944	1,007	4.4
UMFK	19,115	19,985	870	4.6
UMM	19,626	20,272	646	3.3
UMPI	18,874	19,934	1,060	5.6
USM	21,910	22,750	840	3.8
Average	21,045	21,981	936	4.4
<u>Canadian</u>				
UM	\$25,082	\$26,207	1,125	4.5
UMA	11,018	11,918	900	8.2
UMF	22,937	23,944	1,007	4.4
UMFK	19,115	19,985	870	4.6
UMM	19,836	20,482	646	3.3
UMPI	18,874	19,934	1,060	5.6
USM	21,910	22,750	840	3.8
Average	21,075	22,011	936	4.4

NOTE: Tuition and Fees based on 15 credit hours per semester for two semesters for undergraduate and law students (except UMF based on 16 credit hours per semester beginning in FY07 & UMFK based on "Block" rates for 12-18 hours per semester in FY13 - FY17) and 9 credit hours per semester for two semesters for graduate students. Room and board rates are based on the meal plan and room type with the greatest projected number of students. Several meal plans and room types are available. UMA has no residence or dining halls.

The majority of UMA Out-of-State Undergraduate students are enrolled in Online programs = \$125% of in-state rate or \$285 in FY18.

UMPI's FY17 Room rate restated.

**UNIVERSITY OF MAINE SYSTEM
ANNUAL COMPREHENSIVE STUDENT CHARGES
(Includes Tuition, Mandatory Fees, Room and Board)**

GRADUATE	FY17 Rate	FY18 Rate	FY18 Increases	
			\$	%
<u>In-State</u>				
UM	\$18,530	\$19,029	499	2.7
UMF	16,267	16,678	411	2.5
USM	16,544	16,796	252	1.5
Average	17,114	17,501	387	2.3
<u>Out-of-State</u>				
UM	\$35,504	\$36,453	949	2.7
UMF	19,345	19,972	627	3.2
USM	28,172	28,856	684	2.4
Average	27,674	28,427	753	2.7
<u>NEBHE</u>				
UM	\$22,670	\$23,655	985	4.3
USM	20,306	21,044	738	3.6
Average	21,488	22,350	862	4.0
<u>Canadian</u>				
UM	\$22,670	\$23,655	985	4.3
USM	20,306	21,044	738	3.6
Average	21,488	22,350	862	4.0
LAW				
In-State	\$32,430	\$32,460	30	0.1
Out-of-State	43,500	43,530	30	0.1
NEBHE/Canadian	40,560	40,590	30	0.1

NOTE: Tuition and Fees based on 15 credit hours per semester for two semesters for undergraduate and law students (except UMF based on 16 credit hours per semester beginning in FY07 & UMFK based on "Block" rates for 12-18 hours per semester in FY13 - FY17) and 9 credit hours per semester for two semesters for graduate students. Room and board rates are based on the meal plan and room type with the greatest projected number of students. Several meal plans and room types are available. UMA has no residence or dining halls.

The majority of UMA Out-of-State Undergraduate students are enrolled in Online programs = \$125% of in-state rate or \$285 in FY18.

UMPI's FY17 Room rate restated.

UNIVERSITY OF MAINE SYSTEM STUDENT FEES

OVERVIEW

The procedures for establishing student fees throughout the University of Maine System are as follows:

The **BOARD OF TRUSTEES** will establish those fees that are analogous to tuition, i.e., those that must be paid by all students as a condition of attendance. In addition, changes to the amount of the Student Activity Fee shall be requested by the recognized student governing body at each University and authorized after (a) a referendum approved by the student body, (b) approval of the President and, (c) approval of the Chancellor for presentation and approval by the Board of Trustees. Board approved fees include the Student Activity Fee, the Communications Fee, the Unified Fee, the Recreation Fee and the Student Health & Wellness Fee.

The **CHANCELLOR** will establish those fees impacting services and operations within the System. These include maximum levels for financial service fees (non-negotiable check fees) and fees principally affecting prospective students, such as application fees.

The **UNIVERSITY PRESIDENTS** are responsible to the maximum extent possible for establishing most university-specific fees, which include:

- all course fees
- all deposits
- all fees for optional university services and activities

Fee changes planned for the fall semester should ordinarily be adopted no later than May; those to become effective in the spring semester should be adopted by November 15. Universities should establish procedures for timely review of and comment on fee changes. The Chancellor should be informed in advance of the formal adoption of any fee changes.

Adjustments to Student Activity Fees will be considered by the Board at its May meeting in order to allow sufficient time for student governments to conduct spring referendums on any changes recommended to the fees.

**UNIVERSITY OF MAINE SYSTEM
NARRATIVE DESCRIPTION OF EACH MANDATORY FEE**

<u>Name</u>	<u>University Charging Fee</u>
<p><u>Student Activity Fee</u> This is a student approved mandatory fee that is administered by the students for educational, cultural, social, and recreational purposes. Changes to this fee require the approval of the student body, University President, Chancellor, and Board of Trustees.</p>	ALL
<p><u>Communications Fee</u> A student approved mandatory fee that is administered by the students to support WMEB-FM, the Maine Channel, “The Maine Campus”, and ASAP, a media and internet technologies laboratory.</p>	UM
<p><u>Unified Fee</u> This fee is used to cover fixed costs of providing educational services that may not be directly related to the number of credit hours for which a student is enrolled. This fee supports activities such as student services, the operation of facilities such as student and fitness centers, and student-utilized, instruction-related technologies.</p>	ALL
<p><u>Recreation Center Fee</u> This fee is assessed to pay for the construction of the Center and provides students with access to the state-of-the-art facility, including a leisure pool and sauna. Many aerobic classes and other programs and services are also provided for no additional fee.</p>	UM
<p><u>Student Health & Wellness Fee</u> This fee is charged to students registered for 4 or more credit hours of classes held at UMF. It covers all health center office visits, counseling and fees associated with Mainely Outdoors.</p>	UMF

UNIVERSITY OF MAINE SYSTEM
FY18 NON-MANDATORY STUDENT FEES
CHANCELLOR AND PRESIDENT APPROVED FEES
 (For Academic Year, Unless Otherwise Noted)

CHANCELLOR APPROVED FEES
 (Applies to all Universities)

	UMaine	UMA	UMF	UMFK	UMM	UMPI	USM
Application (one-time)	(a)			40			(a)
Non-Negotiable Check Fee				25			

PRESIDENT APPROVED FEES

Acceptance Deposit	300	50	150 (h)	150	150	100	100 (f)
Administrative Fee for Study Abroad/National Student Exchange(j)	150	-	100	-	-	-	150 (j)
Bridge Year/Dual Enrollment posting fee per credit hour		40					40
Distance Learning Technology Fee(x)	6	6	6	6	6	6	6
Distance Learning Fee	-	12 (u)	-	-	-	-	-
Enrollment Fee (one-time)	-	-	-	-	-	-	175 (g)
First Year Residential Experience (FYRE)	50	-	-	-	-	-	-
Graduate Certificate Application Fee (one-time)	-	-	-	-	-	-	25
Graduate Non-matriculated Student Registration Fee	-	-	-	-	-	-	25 (b)
Graduate Student Professional Fee	-	-	-	-	-	-	20 (b)
Health Center Fee	-	-	-	-	50 (d)	-	160 (q)
In-House Payment Plan Participation Fee (n)	-	30	30	30	30	30	30
Late Installment Fee	-	10	-	25	-	-	-
Late Payment Fee(b)	100	50	50	50	50	50	50
Late Registration(b)	100	-	-	50	-	25	-
MBA Fee	80 (u)	-	-	-	-	-	80 (w)
MFA Graduation Residency	-	-	-	-	-	-	530 (c)
MLT Program Fee	-	-	-	-	-	150	-
Music Major Fee	-	75 (b)	-	-	-	-	-
On-line Course Fee	25	12	-	25 (u)	25 (s)	25	25 (u)
Orientation (one-time)/New Student Programs	-	-	230	50	125	-	-
Parking Fee	50 (l)	-	20	10	-	10	-
Placement Fee	10 (p)	-	-	-	-	-	15
Reactivation Fee	-	-	-	-	-	-	10
Reinstatement Fee(b)	100	50	-	-	-	50	-
Room Deposit(e)	-	-	-	-	-	-	75
Student Conduct Administrative Fee	50	-	-	-	-	-	35
Student Teaching Placement Deposit	-	-	-	50	-	-	-
Student Union Fee (b)	-	-	-	-	25 (k)	-	-
Summer Session Fee	-	-	-	-	-	-	35
Tk20 Outcomes Assessment Fee	100 (z)	-	100 (z)	-	-	110 (m)	-
Transportation Fee	-	-	-	-	-	-	55-110 (o)
Course/Lab Fees							VARIES BY COURSE

SEE FOOTNOTE EXPLANATIONS ON NEXT PAGE

1/22/17 MW118(853)
 MW118(853)

FOOTNOTES

- (a) Undergraduate rate. USM Graduate rate is \$75 for paper; \$65 for electronic. UM is \$75 for paper; \$60 for electronic. UMF waives Application Fee.
- (b) Per semester
- (c) Charged students during the final residency in the MFS (Stone Coast) program when they present a reading and seminar
- (d) Per semester for students enrolled in 9 or more credit hrs & who waived student health insurance
- (e) Applied to room charge.
- (f) School of Law deposit is \$500 for academic year. \$200 for Master's of Occupational Therapy and for Masters of Science in Nursing for Non-Nurses with a Baccalaureate Degree program option, and ETEP Masters Degree in Education.
- (g) Graduate rate \$60.
- (h) Room Deposit is included in acceptance deposit for new students.
- (j) One-time fee charged to students applying to study abroad or National Student Exchange.
- (k) Enrolled in 6 or more credit hours
- (l) Applies to students. Classified employees pay \$25. Faculty and professionals pay \$35.
- (m) One time only
- (n) Fee is \$30 per semester.
- (o) Portland & Gorham campus only-students pay \$55 for 0-5.9 credits, \$83 for 6-11.9 credits, and \$110 for 12 + credits per semester. Fee covers parking at Portland-Gorham campuses, includes new parking garage, shuttle bus use, cooperative programs with local transportation entities, and transportation management activities. Summer fee is \$35 for 0-5.9 credits, \$50 for 6-11.9 credits, and \$65 for 12 + credits. Lewiston/Auburn College fee \$3 per credit hour for Fall, Spring, and Summer.
- (p) For retesting only. Fee is \$10 per test section or \$25 per test.
- (q) Mandatory for students taking 6 or more credit hours per semester at the Portland & Gorham campuses. Optional for students taking less than 6 credit hours per semester. Optional coverage also available for summer session at \$60.
- (s) Per course
- (u) Per credit hour.
- (w) Orientation fee of \$80 charged to Master of Business Administration students at time of matriculation.
- (x) Per credit hour. Collected from students registered at University College Centers and sites.
- (z) Assessed one-time to entering students in the College of Education

FY18

CAPITAL INVESTMENTS

FROM

OPERATING BUDGETS

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
UMaine				
VARIOUS PROJECTS	Annual Funded Depreciation	\$ 2,000,000	\$ -	
HITCHNER HALL	Hitchner Hall Roof Replacement	\$ 200,000	\$ -	
MUNSON ROAD	Munson Road Rebuild Phase V	\$ 200,000	\$ -	
VARIOUS BUILDINGS	Classroom P&P projects	\$ 100,000	\$ -	
FOGLER LIBRARY	Fogler Library HVAC Cntrl Upgr	\$ 63,640	\$ -	
FOGLER LIBRARY	Fogler Sprinkler System Upgr	\$ 39,370	\$ -	
UMAINE CAMPUS	Alumni Lot Reconstruction	\$ 68,500	\$ -	
HUTCHINSON CTR	Hutchinson Ctr Patio Imprv	\$ 120,000	\$ -	
MEMORIAL UNION	Bears Den Renovation	\$ -	\$ 547,223	
SOMERSET HALL	Somerset Hall Flooring	\$ -	\$ 310,000	
BALENTINE HALL	Balentine Window Replacement	\$ -	\$ 150,000	
OAK HALL	Oak Hall Flooring	\$ -	\$ 130,000	
HILLTOP COMMONS	Hilltop Commons Flooring	\$ -	\$ 75,000	
EDITH PATCH HALL	Edith Patch Interior Painting	\$ -	\$ 25,000	
WELLS COMMONS	Wells Commons Generator	\$ -	\$ 5,000	
VEHICLES	-	\$ 291,098	\$ 63,032	
MEMORIAL GYM COMPLEX	Memorial Gym FD	\$ 140,000	\$ -	
ALFOND ARENA	Alfond Arena FD	\$ 48,500	\$ -	
EQUIPMENT	-	\$ 1,109,000	\$ 382,897	
CAPITAL RESERVE FUNDING	-	\$ -	\$ 1,354,055	
TOTAL		\$ 4,380,108	\$ 3,042,207	\$ 7,422,315

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
UMA				
FITNESS CENTER	Acoustic Improvements	\$ 15,000	-	
BANGOR HALL	Bangor Hall Classroom Renovations	80,000	-	
AUGUSTA CAMPUS	Campus Security Surveillance System	125,000	-	
HANCOCK COUNTY HIGHER ED CENTER UNIVERSITY COLLEGE CENTER	Ellsworth Center Renovation	60,000	-	
SYSTEM-WIDE	Energy Management System Update	175,000	-	
FITNESS CENTER	Fitness Cntr Glass Block Wall Section Replacement	57,548	-	
HANDLEY HALL-WATER STREET-331	Handley Hall ARCH Shop	25,000	-	
HANDLEY HALL-WATER STREET-331	Handley Hall HVAC	30,000	-	
JEWETT HALL	Jewett Hall Planning Project	90,000	-	
BD KATZ LIBRARY	Katz Carpet Replacement	60,000	-	
BD KATZ LIBRARY	Katz Classrooms - Ceiling Replacement	15,000	-	
BD KATZ LIBRARY	Katz Restroom Improvements	25,000	-	
BD KATZ LIBRARY	Katz RM 40 Upgrade	30,000	-	
BD KATZ LIBRARY	Katz UC/IT Area Restroom Upgrade	25,000	-	
LEWISTON HALL	Lewiston Hall Second Floor Update	70,000	-	
AUGUSTA CAMPUS	Main Entrance Signs	55,000	-	
RANDALL STUDENT TECH CTR	Randall Center Classroom Chairrails	15,000	-	
EQUIPMENT	-	39,679	-	
TOTAL		\$ 992,227	\$ -	\$ 992,227

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
UMF				
CAPITAL RESERVE FUNDING	TBD	\$ 850,230	142,469	
EQUIPMENT		-	220,000	
VEHICLES		-	24,700	
TOTAL		\$ 850,230	\$ 387,169	\$ 1,237,399

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
UMFK				
FOX AUDITORIUM	Bengals' Lair	\$ 125,000	-	
UMFK CAMPUS	Hackett House	75,000	-	
VEHICLE	-	20,000	-	
TOTAL		\$ 220,000	\$ -	\$ 220,000

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
UMM				
VEHICLE		-	\$ 18,981	
TOTAL		\$ -	\$ 18,981	\$ 18,981

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
UMPI				
UMPI CAMPUS	Paving Upgrades-Campus Wide	\$ 50,000	-	
UMPI CAMPUS	Sidewalk-Library to Wieden	50,000	-	
KELLEY COMMONS	Kelly Boiler Repair	-	57,247	
MERRIMAN HALL	Merriman DHW	-	74,800	
TOTAL		\$ 100,000	\$ 132,047	\$ 232,047

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
USM				
USM CAMPUS	Gorham Underground Util Rep	\$ 50,000		
BROOKS STUDENT CTR	Brooks Int Lighting Upg	100,000		
SCIENCE BLDG, PTLD	Repl Dry Cooler Data Aire CRAC	100,000		
BAILEY HALL	Bailey Classrm Wing Roof Repl	200,000		
USM CAMPUS	Campus Energy Audit/Consultant	225,000		
BAILEY HALL	Bailey Hall Bathroom Upg	433,500		
CORTHELL HALL	Corthell Hall MEP Upg	450,000		
EQUIPMENT		231,556	22,850	
TOTAL		\$ 1,790,056	\$ 22,850	\$ 1,812,906

FY18 E&G and Auxiliary Operations - Capital Investments				
	PROJECT DESCRIPTION	FY18 Budget		
		E&G	AUXILIARY	TOTAL
US				
	A/R BILLING SYSTEM REPLACEMENT	\$ 750,000		
	ACADEMIC ASSESSMENT SOFTWARE	500,000		
	ADOBE CONNECT	75,000		
	APPLICATION TESTING FRAMEWORK	80,000		
	COLLABORATIVE SOLUTION	100,000		
	COMMUNICATION HUB	70,000		
	COURSE EVALUATION SYSTEM	150,000		
	DATA CENTER SECURITY UPGRADE	260,000		
	DOCUMENT RETENTION	103,000		
	EARLY WARNING	125,000		
	E-PORTFOLIO	300,000		
	FIRST CLASS REPLACEMENT	60,000		
	HR UPGRADE	150,000		
	LEARNING ANALYTICS	294,317		
	LOAD TESTING SOFTWARE	50,000		
	EQUIPMENT	1,034,300	-	
	TOTAL	\$ 4,101,617	\$ -	\$ 4,101,617

Implementation of IT capital projects (excluding equipment) pending return on investment income

	GRAND TOTAL	\$ 12,434,238	\$ 3,603,254	\$ 16,037,492
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AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** University of Maine Comprehensive Campaign
2. **INITIATED BY:** Trustee Norman Fournier, Committee Chair
3. **BOARD INFORMATION:** **BOARD ACTION:** X
4. **BACKGROUND:**

University of Maine submits this request for approval of its “Comprehensive Campaign” to raise an anticipated minimum of \$200 million. UMaine will conduct its campaign in partnership with the University of Maine Foundation. The attached information outlines the proposed campaign. President Susan Hunter will provide an overview of the campaign plan, which includes funds for:

- Student Support including scholarships, assistantships and fellowships
- Faculty Support including endowed chairs, professors and research facilities
- Capital Projects including a state of the art engineering building
- Endowed Excellence
- Current Operations

5. **TEXT OF PROPOSED RESOLUTION:**

That the Finance/Facilities/Technology Committee forwards this item to the May 21-22, 2017 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the University of Maine’s “Comprehensive Campaign” plan as presented by President Susan Hunter and recommended for approval by the Finance/Facilities/Technology Committee at its April 27, 2017 meeting.

Office of the President



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Orono, Maine 04469-5703
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umaine.edu

3.1

Date: April 11, 2017

To: Finance/Facility/Technology Committee
University of Maine System Board of Trustees

From: Susan J. Hunter, Ph.D.
President, University of Maine

Re: Approval for Comprehensive Campaign

A handwritten signature in black ink that reads 'Susan J. Hunter'. The signature is written in a cursive style and is positioned to the right of the printed name and title.

The University of Maine seeks formal approval from the University of Maine System to move forward with its comprehensive campaign to raise a minimum of \$200 million in private support. Our fundraising partner, the University of Maine Foundation, is well positioned to execute a successful campaign that will help UMaine achieve excellence in its mission as the flagship institution of the University of Maine System.

We have completed the following documents and enclose them for your review:

- Campaign budget
- Campaign timetable
- List of proposed steering committee members
- Draft case for support
- Feasibility study results
- PowerPoint presentation regarding campaign preparedness

We deeply appreciate the support of the University of Maine System as we move forward with this important endeavor, and request formal approval of our campaign at the April 27 meeting.

Office of the President



5703 Alumni Hall
 Orono, Maine 04469-5703
 Tel: 207.581.1512
 Fax: 207.581.1517
 umaine.edu

3.2

April 11, 2017

To: Finance/Facility/Technology Committee
 University of Maine System Board of Trustees

From: Susan J. Hunter, Ph.D.
 President

Re: Executive Summary
 UMaine Readiness for Comprehensive Campaign

The University of Maine seeks formal approval from the University of Maine System to move forward with a comprehensive campaign to raise a minimum of \$200 million in private support. Our fundraising partner, the University of Maine Foundation, is well positioned to execute a successful campaign that will help UMaine achieve excellence in its mission as the flagship institution of the University of Maine System.

Campaign Timeline

During the “quiet phase” of our proposed comprehensive campaign we have raised more than \$112,017,539 toward the proposed goal of \$200,000,000. We are proposing a *public launch* in calendar year 2017 and have a goal of concluding our campaign by December 31 of 2020.

Draft Case for Support

We have developed a draft case for support based largely on an in-depth strategic planning process. The case for support reflects the priorities that are typical of most comprehensive campaigns at public universities, i.e. support for faculty, students, and a limited number of capital projects including an engineering education and design building. We anticipate raising a mix of endowment and “current use” (operations and capital) dollars. In addition to meeting the immediate goals of the proposed campaign, our fundraising activities and campaign-specific resources will nurture a lasting culture of philanthropy and result in expertise and resources that bode well for improved fundraising results that extend well beyond the official end of our campaign.

Feasibility Study

After reviewing proposals from a number of consulting firms, The University of Maine and its foundation contracted with Alexander Haas to conduct both internal and external feasibility studies. We have already accomplished much of what was recommended as part of the internal study. The University of Maine Foundation now serves as the primary fundraising entity for The University of Maine. This alignment has resulted in immediate improvements to virtually every aspect of fundraising and bodes well for the success of the proposed comprehensive campaign. The alignment has led to improvements in areas such as data and reporting, gift processing, prospect research and prospect management, marketing and communications, annual giving, and major and planned giving.

Donors report a better, less confusing philanthropic experience and campus constituents are less confused about fundraising in general. It is worth noting that last year alone we raised more than \$585,000 from current and retired UMaine faculty and staff.

The external feasibility study confirmed our campaign goal, identified a number of donors who are ready and willing to make gifts at the \$1 million level, and gave us valuable information about campaign priorities.

Campaign Preparedness

Because we have already incorporated many of the recommendations of the internal and external feasibility studies, and have a successful track record as a result of Campaign Maine, we are in an outstanding position to complete a successful comprehensive campaign. We have already undertaken a number of new initiatives that demonstrate our readiness for a successful campaign. Examples include (but are not limited to) a new employee giving effort, new donor recognition societies, launch of the new best practice based Alford Fund for athletics, a combined advancement calendar of events and unified approach to managing top donors and prospective donors, a combined annual report of contributions, a new affinity scoring system to predict likelihood of major gifts, and strong executive clubs in Boston, New York, Washington, D.C. and Philadelphia.

Campaign Budget

Campaign Consultants	\$250,000
Additional Fund Raiser	\$115,000
Additional Marketing Assistant	\$70,000
Additional Research Position	\$60,000
Additional Support Staff (Orono)	\$55,000
Additional Support Staff (Falmouth)	\$30,000
Campaign Events (Orono and regional)	\$50,000
Campaign-related Travel	\$50,000
Campaign Publications/Materials	\$25,000
Total	\$705,000

Proposed Steering Committee Members

The proposed steering committee members include the leadership of the University of Maine Advancement partners, key volunteers from the University of Maine Foundation, Alumni Association, and Board of Visitors; Dean Dana Humphrey, President Susan J. Hunter, and Capt. James Settele, Chief of Staff.

Next Steps

The University of Maine is grateful for the opportunity to demonstrate its readiness to embark on a successful comprehensive campaign. We look forward to receiving formal approval to proceed from the University of Maine System Board of Trustees.

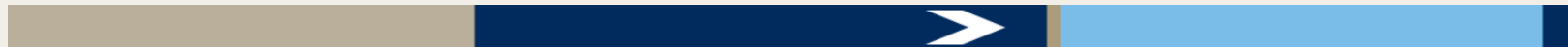


University of Maine Comprehensive Campaign Readiness Report

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Campaign Readiness:

- ✓ Previous campaign success
- ✓ Creation of University of Maine strategic plan
- ✓ Hired nationally recognized campaign consultants
- ✓ Internal review completed
- ✓ Donor feasibility study completed
- ✓ Campaign Budget
- ✓ Campaign Steering Committee
- ✓ Quiet phase



Campaign Strategy Study

Internal Review & Donor Feasibility



1. Internal assessment of UMaine advancement units (completed Dec. 2013)
2. External assessment (interviews completed in spring 2014)



Internal Review: Merger Completed

- ✓ Combined resources for gift processing, advancement marketing/communications, data reporting and other functions
- ✓ Cross-trained of front-line fundraisers in planned, annual, and major giving
- ✓ Implemented single, daily gift report to more effectively and immediately steward donors
- ✓ Merged UMaine Development Office under UMaine Foundation for centralized, donor-centric structure (Completed 7/2016)
- ✓ Developed comprehensive stewardship/donor recognition program and single annual report



Internal Readiness: Comprehensive Stewardship/Donor Recognition

- President's Club
- Stillwater Society
- Charles F. Allen Legacy Society
- Triple Crown Donors
- Loyal M Society
- Katahdin Society



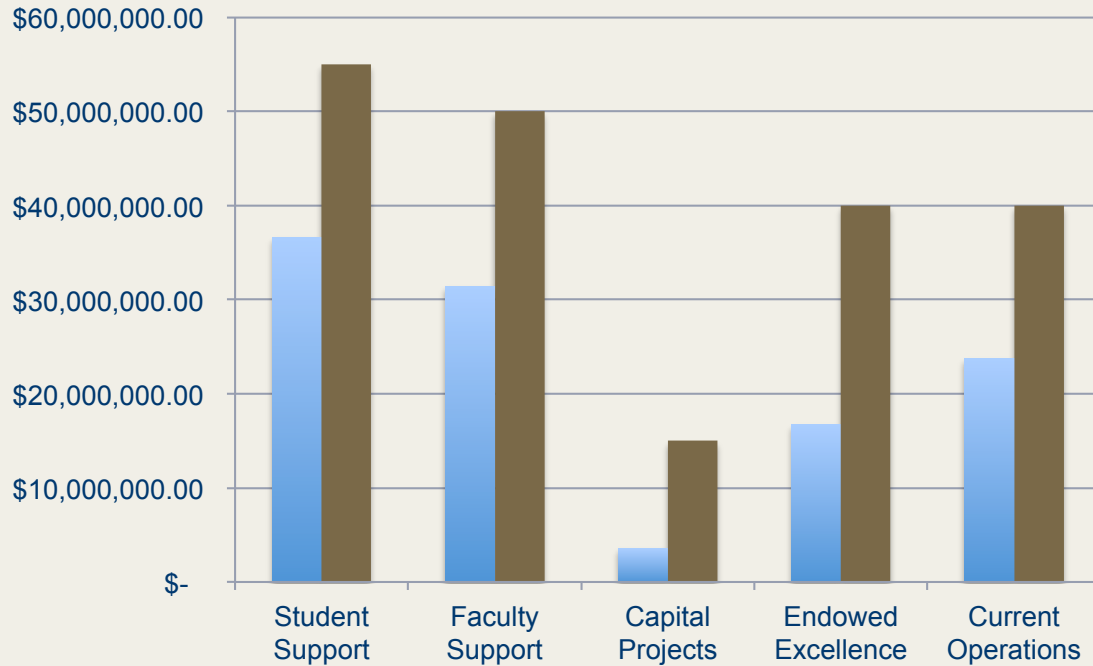
External Assessment: Donor Feasibility Study



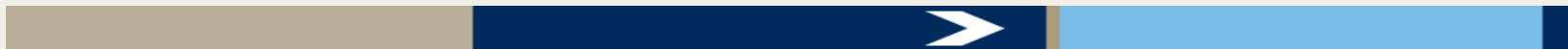
- Completed 51 interviews
- Reviewed internal documents
- Held discussions with key UMaine personnel
- Tested draft case for support (engineering building, scholarships, endowed professorships and chairs, etc.)
- Campaign capacity (private fundraising) of \$200-\$225m



Quiet Phase: Completed



Total Raised	\$112,017,539.46
Student Support	\$36,559,597.98
Faculty Support	\$31,398,397.55
Capital Projects	\$3,594,854.73
Endowed Excellence	\$16,739,548.52
Current Operations	\$23,725,140.68
Total Goal	\$200,000,000.00
Student Support	\$55,000,000.00
Faculty Support	\$50,000,000.00
Capital Projects	\$15,000,000.00
Endowed Excellence	\$40,000,000.00
Current Operations	\$40,000,000.00



Scale of Gifts Completed

Gift Level	Number of Donors	% of Donors	Cum. % of Donors	Amount Contributed	% of Campaign	Cum. % of Campaign
a) \$5 million +	2	0.01%	0.01%	\$15,191,382.71	13.6%	13.6%
b) \$2.5 million +	1	0.00%	0.01%	\$3,072,244.85	2.7%	16.3%
c) \$1 million +	8	0.04%	0.05%	\$10,211,849.22	9.1%	25.4%
d) \$500k +	21	0.10%	0.15%	\$14,322,650.31	12.8%	38.2%
e) \$250k +	31	0.15%	0.30%	\$10,177,092.37	9.1%	47.3%
f) \$100k +	109	0.52%	0.82%	\$16,229,473.85	14.5%	61.8%
g) \$50k +	124	0.59%	1.41%	\$8,412,592.82	7.5%	69.3%
h) \$25k +	201	0.96%	2.37%	\$6,706,596.25	6.0%	75.3%
i) \$10k +	462	2.21%	4.58%	\$6,951,789.47	6.2%	81.5%
j) \$5k +	548	2.62%	7.20%	\$3,555,109.68	3.2%	84.7%
k) \$2.5k +	612	2.92%	10.12%	\$2,103,065.66	1.9%	86.5%
l) \$1k +	1607	7.67%	17.79%	\$2,324,909.83	2.1%	88.6%
m) < \$1,000	17217	82.21%	100.00%	\$3,163,574.48	2.8%	91.4%
From Partners Not on Advance (individual breakdown not available)				\$9,595,207.96	8.6%	100.0%





UNIVERSITY of MAINE
FOUNDATION

CAMPAIGN TIMELINE AND PROGRESS DRAFT



University of Maine Comprehensive Campaign

Public Launch Signature Events

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- Stillwater Dinner
- Reunion and Homecoming events
- Charles F. Allen Legacy Society Luncheon
- President's Club Brunch
- Foundation Annual Meeting
- Paper Days
- 4-H Annual Meeting
- Collins Center for the Arts gala
- Alfond Fund golf tournament
- Executive Club meetings



University of Maine Comprehensive Campaign Budget

Campaign Consultants	\$250,000
Fund Raiser	\$115,000
Marketing Assistant	\$70,000
Research Position	\$60,000
Support Staff	\$55,000
Support Staff – Falmouth Office	\$30,000
Events	\$50,000
Travel	\$50,000
Publications/Materials	\$25,000
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Total	\$705,000

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CAMPAIGN TIMELINE AND PROGRESS

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University of Maine Comprehensive Campaign Steering Committee

1. Kurt Marston '74, '79G, Chair
Retired Senior Vice President, Woodard & Curran, Inc.
Chairman, University of Maine Foundation
2. Matthew Ciampa '10, '12G
Director of Analytics, Pingup
Chairman, University of Maine Alumni Association
3. John Diamond '77
President/CEO, University of Maine Alumni Association
4. Carrie Enos '99
President, Pulp & Paper Foundation
5. Dana Humphrey, Ph.D., P.E. '44H
Dean, College of Engineering, University of Maine
6. Susan Hunter, Ph.D. '50H
President, University of Maine
7. Susan Jennings '82
Executive Director, Maine 4-H Foundation
8. Owen McCarthy '10
President, MedRhythms, Inc.
Chairman, University of Maine Board of Visitors
9. Jeffery N. Mills, Ph.D. '82
President/CEO, University of Maine Foundation
10. Capt. James Settele
Chief of Staff, Office of the President, University of Maine

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VISION FOR
TOMORROW



THE UNIVERSITY OF
MAINE

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Cover: Assistant Professor of New Media-Intermedia
Gene Felice's projection mapping class project



Table of Contents

About the University of Maine **2**

A Message from the President **3**

Vision for Tomorrow Goals and Steering Committee **4**

Student Support **6**

Faculty Support **8**

Capital Projects **10**

Endowed Excellence **12**

Current Operations **14**

VISION FOR TOMORROW

About the University of Maine

Founded in 1865, the University of Maine is a land and sea grant institution, and the flagship campus of the University of Maine System. Vibrant and dynamic, UMaine serves the citizens of Maine, the nation and the world.

Inspiring and dedicated teaching propels our students into new fields of learning and promotes interdisciplinary understanding. UMaine helps students develop their creative abilities, communication and critical thinking skills, and understanding of traditions in ethics and rationality.

Internationally recognized research, scholarship and creative activity distinguish the University of Maine as the state's flagship university. Our world-class faculty and students contribute knowledge to issues of local, national and international significance. As the state's primary doctoral-granting institution, research and education are inextricably linked.

Comprehensive engagement — including public service, Cooperative Extension, continuing education, and distance learning — benefits learners of all ages, improving lives and communities. Using research-based knowledge, outreach efforts promote sustainable use of Maine's abundant natural resources, and build intellectual, cultural and economic capacity throughout Maine and beyond.

Through integrated teaching, research and engagement, the University of Maine elevates the quality of life for people in Maine and around the world.

While our mission is proven through a long and storied past, the possibilities of the future fuel a **Vision for Tomorrow.**





A Message from the President

The University of Maine is committed to defining tomorrow through an ambitious agenda of teaching, groundbreaking research, creative achievement and community engagement.

Our success in defining tomorrow will be shared by many — our students, faculty, alumni and friends; businesses and nonprofits in and beyond our state; and countless citizens who will benefit from our work in many different fields.

Defining tomorrow will require vision. Some of this vision will come from us — the University of Maine. However, we will also turn to our alumni and friends for their thoughts about our future. Together, we will develop a **Vision for Tomorrow** to ensure that our university remains as vital, relevant and vibrant as possible.

As we develop and refine our vision, we will continue to secure the resources that translate vision into reality. Together with our partners in philanthropy, we are undertaking the most ambitious comprehensive campaign for UMaine to date, raising at least \$200 million to invest in our faculty, students and other constituents. The campaign will change the face of our campus. But most importantly, it will change lives and the very world we live in.

Like you, I'm proud of UMaine's history. I'm equally excited about how the tenacity, generosity and thoughtfulness of our donors will translate into a **Vision for Tomorrow** that will represent our legacy for future generations to build on.

Join me as we embrace a **Vision for Tomorrow** and change lives together.

Susan J. Hunter, Ph.D. '50H
President

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TOMORROW



Steering Committee

*Kurt Marston '74, '79G, Chair
Retired Senior Vice President
Woodard & Curran, Inc.
Chairman, University of Maine Foundation*

*Matthew Ciampa '10, '12G
Director of Analytics, Pingup
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*Susan Jennings '82
Executive Director, Maine 4-H Foundation*

*Owen McCarthy '10
President, MedRhythms, Inc.
Chairman, University of Maine Board of Visitors*

*Jeffery N. Mills, Ph.D. '82
President/CEO
University of Maine Foundation*

*Capt. James Settele
Chief of Staff
Office of the President, University of Maine*

Vision for Tomorrow



The University of Maine Foundation has provided fundraising leadership and counsel to the University of Maine for over 80 years.

I am pleased to announce that fundraising for the **Vision for Tomorrow** campaign is over 50 percent complete. There has been enthusiastic support for each of the campaign goals at many levels already.

We are the final phase of seeking gifts to fulfill — and hopefully exceed the \$200 million goal.

It is always exciting to be in this phase of a campaign, we meet with loyal supporters who have been on board for many years, along with new faces who want to become part of the continued success of the University of Maine.

Funds raised in this campaign will provide many new opportunities to the students, faculty and staff of our flagship university and to our state.

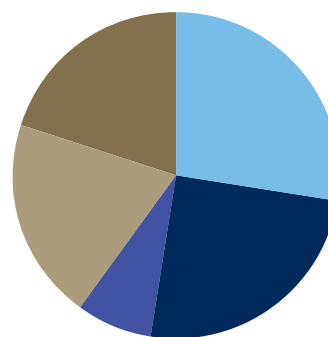
Jeffery N. Mills, Ph.D. '82
President/CEO
University of Maine Foundation



Incorporated in 1934, the University of Maine Foundation is an independent 501(c)(3) organization that encourages gifts and bequests to advance the mission of the University of Maine. The University of Maine Foundation works closely with the Maine 4-H Foundation, the University of Maine Pulp & Paper Foundation, the University of Maine Alumni Association and the Office of the President to raise private support from alumni and friends.

The University of Maine Foundation is located in Buchanan Alumni House in Orono, and has a satellite office in Falmouth, Maine. The Foundation processes gifts for the University of Maine, and oversees annual, major and planned giving activities. The Foundation is committed to cultivating a culture of philanthropy for the long-term benefit of the university, and has an historic commitment to donor stewardship.

Campaign Goal
\$200,000,000



- \$55,000,000 Student Support
- \$50,000,000 Faculty Support
- \$15,000,000 Capital Projects
- \$40,000,000 Endowed Excellence
- \$40,000,000 Current Operations

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The University of Maine Foundation and its partners manage and distribute income from combined endowments totaling more than \$274 million.

VISION FOR TOMORROW



Student Support

Students are at the heart of every great university. **Vision for Tomorrow** will help UMaine to sustain and build on its tradition of providing undergraduate and graduate students with the best possible education in and beyond traditional learning environments. We will do so by continuing to raise money for undergraduate scholarships, ensuring that a UMaine education remains affordable, especially for students who are the first in their family to attend a college or a university,

or who face other challenges. We are committed to helping nontraditional students, veterans and others take advantage of all that UMaine offers. We will work with diligence and creativity to match our students' needs with our donors' interests — whether it's a company wishing to invest in future employees or alumni who wish to help students from a particular region or those in a specific activity, major or career path.

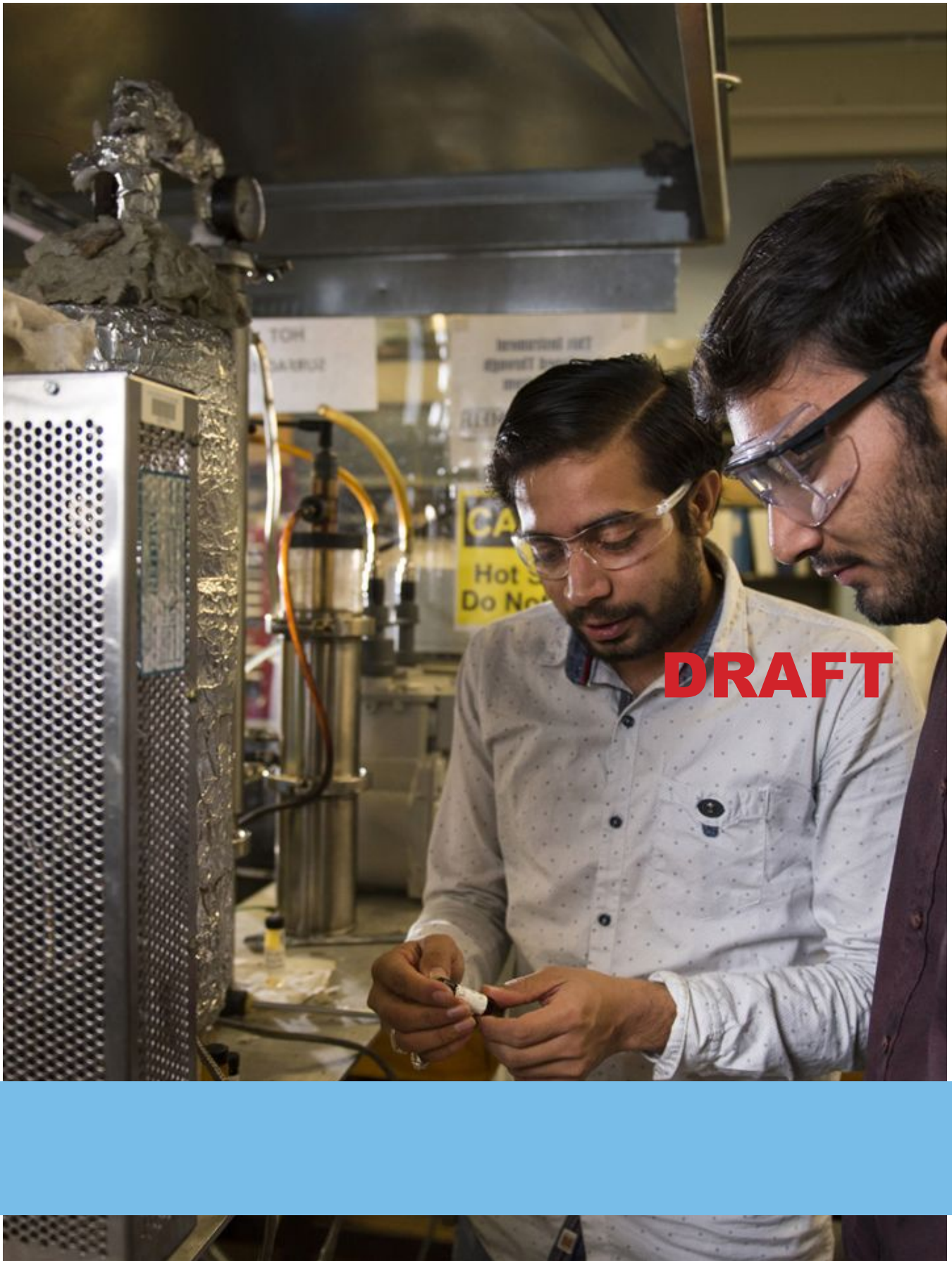


Graduate education is also central to our university and a key factor in distinguishing our mission from that of any other college or university in Maine. Privately funded graduate assistantships and fellowships help UMaine attract and retain the best possible students, many of whom work directly with our undergraduates in conducting research on campus, statewide and around the globe.

Thoughtful donors will also help us fund transformational growth outside traditional learning environments through endowments that support Greek life, student organizations, recreational sports, performing arts ensembles, visual arts programming, travel opportunities, volunteerism, internships and more.

By investing in the student experiences that they think are most meaningful. UMaine donors can nurture their own Vision for Tomorrow.

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Faculty Support

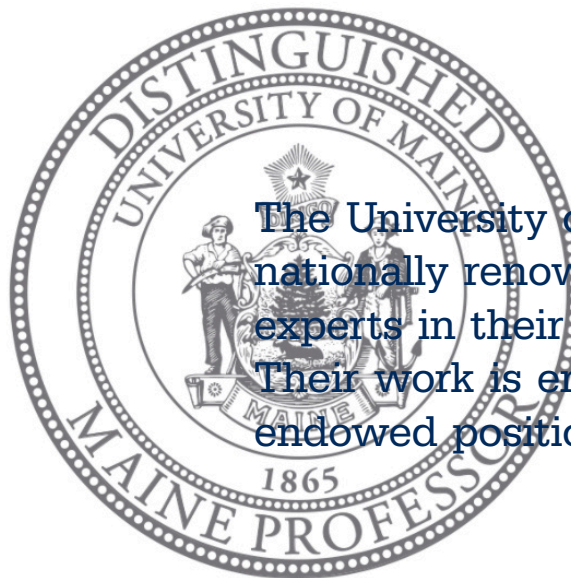
University of Maine faculty lead across many different disciplines. They choose to come to — and stay at — UMaine because of the unique opportunities to work closely with undergraduate and graduate students, and to pursue research and scholarship that cross many disciplines. Many, too, savor Maine's quality of life and want to invest in an institution and a state that match their values of making the world a better place.

Vision for Tomorrow will support UMaine faculty through endowed chairs and professorships, as well as through endowed excellence funds that support laboratories, studios, and other facilities in which our faculty teach and conduct research.

The endowments behind named chairs and professorships allow talented faculty members to secure the best graduate students, purchase specialized equipment, develop research programs for undergraduates and meet their professional development needs.

Endowed faculty positions are associated with prestige at every great university. By lending a family or company name to a chair or professorship, sophisticated donors can rest assured that they will be forever associated with top talent in teaching, scholarship, research and creative achievement.

We welcome a blend of current and planned gifts to help donors optimize their giving to this important aspect of the campaign.



The University of Maine has many nationally renowned faculty who are experts in their fields of study. Their work is enhanced by endowed positions.

VISION FOR TOMORROW



Capital Projects

Capital projects were the focus of early fundraising campaigns at the University of Maine, and at colleges and universities across our nation.

The University of Maine campus and its facilities in Walpole, Belfast and elsewhere in the state are noted for their beauty and functionality. The **Vision for Tomorrow** Comprehensive Campaign will include a carefully curated mix of capital projects

aligned with the university's strategic plan and signature programs.

Vision for Tomorrow capital projects will encompass both new construction and renovation and revitalization projects. We very much look forward to working with donors to envision the future through a state-of-the-art engineering building, while honoring our historic campus through investments in historic buildings.

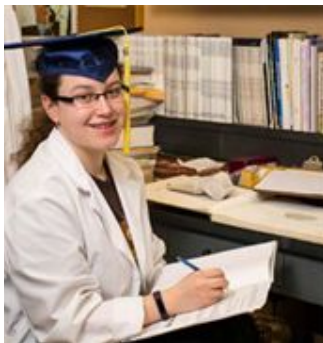


Donors will be able to select from many exciting and highly visible naming opportunities associated with the capital projects portion of **Vision for Tomorrow**.

Capital projects are aligned with UMaine’s Signature Areas of Excellence.



VISION FOR TOMORROW



“I came to UMaine as a first-generation college student. I am leaving as a future neuroscientist.”

DRAFT
— Erin McElroy, Class of 2017

Endowed Excellence

Endowments are essential to the impact of **Vision for Tomorrow**, building the long-term financial support that is available for students and faculty, as well as for maintaining UMaine facilities.

Vision for Tomorrow will also give donors the opportunity create or build on existing endowments. While many of these endowments will support programs and facilities in Orono, we anticipate that thoughtful donors may wish to invest in

excellence funds that support UMaine’s reach across the state and around the world.

More than any other aspect of **Vision for Tomorrow**, Excellence Endowments encourage donors to dream of what they want their legacy to be — what really matters most in our world. We anticipate a broad range of endowments and will celebrate our donors who are as creative and engaged as our students and faculty.

The donor recognition possibilities are also impressive. **Vision for Tomorrow** could be the first fundraising campaign leading to the naming of a department, school, position or college. Similarly, a donor could make a gift that will forever be associated with excellence in teaching, research or some other overarching activity at the University of Maine.



VISION FOR TOMORROW



Current Operations

The Annual Fund is essential to the operations of the University of Maine, providing immediate support for needs related to programming, facilities and more. Annual gifts help UMaine take advantage of special opportunities and tackle unexpected issues as they arise.

We anticipate that UMaine’s Annual Fund will continue to grow during **Vision for Tomorrow**. The Annual Fund is a doorway for engaging new donors and cultivating current donors to make their first major gift.

Donors who are investing in the faculty and/or student support aspects of **Vision for Tomorrow** may choose to apply annual support to their chosen area until the endowments begin to pay over. This has been a popular choice for our “today and tomorrow” scholarship donors, who are committed to helping students immediately as well as in perpetuity.



Support for current operations is also important to **Vision for Tomorrow** as an avenue for allowing everyone, including recent graduates or those facing financial challenges, to participate in the comprehensive campaign. The participation rate of alumni and acquisition of new donors will be important bellwethers of campaign success.

UMaine has nearly 1,000 President's Club members who make an annual commitment of \$1,000 or more.

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1865 THE UNIVERSITY OF
MAINE

UNIVERSITY of MAINE
FOUNDATION

Orono Office:

Two Alumni Place, Orono, ME 04469-5792
207.581.5100 or 800.982.8503

Southern Maine Office:

75 Clearwater Drive, Suite 202, Falmouth, ME 04105-1455
207.253.5172 or 800.449.2629

umainefoundation@maine.edu

umainefoundation.org

MEMO

TO: Eric Rolfson, Vice President for Development & Alumni Relations
University of Maine

FROM: Arthur L. Criscillis, Ed.D., Managing Partner
David T. Shufflebarger, Senior Partner

DATE: December 31, 2013

RE: Campaign Readiness Assessment

Alexander Haas is pleased to have the opportunity to work with the University of Maine as it prepares to undertake a comprehensive campaign. The Firm has been engaged by the University to conduct a Campaign Strategy Study, consisting of two primary components. The first is an internal campaign readiness assessment of the advancement program to determine whether the University is adequately staffed and programmatically well positioned to undertake another comprehensive campaign. The second consists of an external assessment involving potential major donors and volunteer leaders to determine whether the University should move forward with a campaign and, if so, how best to position the campaign and its funding objectives, how to structure the effort and the overall amount of philanthropic support the campaign will seek to raise.

This report provides recommendations pertaining to the campaign readiness of the University. The focus is on the key development programs and the staffing which are essential to not only undertake a successful campaign, but also to have a development program that is able to secure higher levels of philanthropic support regardless of the University being in a campaign. The focus of the report is primarily on the development functions, but was not limited to those areas that reside in the University. The University of Maine Foundation and the University of Maine Alumni Association, key partners of the University, each have functions that are germane to the overall development effort. Therefore, programs and functions within each were also examined, as warranted. This report is based upon a review of select documents and reports provided by the University and its partners (*See Appendix A*), as well as interviews with 23 academic leaders, staff members of the University and its partners (*See Appendix B*). These interviews were conducted by Arthur L. Criscillis and David T. Shufflebarger.

It is appropriate to begin by noting the significant momentum that the University has and the substantive work that has already been undertaken to properly position the University to undertake a comprehensive campaign. The most fundamental element of that

preparation is the strategic plan, The Blue Sky Plan that has been developed under the leadership of President Ferguson and with the active involvement of the University of Maine community. This provides a clear and compelling road map for the University to become even stronger, the best foundation for a compelling campaign.

It also bears mentioning that the three key partners in the University's overall advancement function, The University of Maine Foundation, the University of Maine Alumni Association and the University's Alumni and Development Office, are being led by experienced, knowledgeable and dedicated professionals. While each organization has its own distinct role, the leaders of each recognize the interconnected nature of their respective areas of responsibility and are meeting regularly to ensure that they are abreast of relevant issues, plans and needs in order to develop an even higher level of cooperation as they work to advance the University.

The Board of Visitors has been undergoing a transformation, securing a broader array of alumni and friends from both within and outside of the state of Maine to assist the University and its President. It has become even stronger and its members bring significant experience in business and the professions to their work. The Board should prove to be even more helpful than it has been in advancing the University through philanthropy. Additional efforts to further strengthen this important volunteer group will only serve to make this Board even more effective in advancing the University.

The University has recently completed a successful comprehensive campaign, Campaign Maine, which secured \$157.8 million against a goal of \$150 million. This achievement has helped to raise the sights of everyone associated with the University and speaks to the growing strength of the development efforts of the University. It also bodes well for future fundraising success.

As it prepares to move forward with another comprehensive campaign, the University in conjunction with its strategic partners in the advancement effort will need to make further improvements in its program. The following constitute the key recommendations in the areas most critical to campaign success.

Major Gifts

The University has been making programmatic improvements to strengthen its major gift program. Metrics have been developed for the major gift officers to ensure that appropriate work is undertaken. Additionally, each officer develops a plan that forecasts that officer's activity and likely success of solicitations that are planned. Those officers have assignments to the Colleges within the University to ensure that each of the major academic units and athletics has a gift officer to work with the College dean or Athletic Director and key prospects.

The University has done wealth screening of its database and has, as a result of that, coupled with internal information, a very substantial pool of real and potential prospects. In addition, the University has increased the skill and capacity of its advancement support services to better verify that data the University has received, as well as to further strengthen its prospect tracking and reporting capabilities.

In order for the University to maximize its major gift efforts, we recommend the following.

- Ensure that the prospects in a portfolio and under management constitute a workable number, no more than 150. It is virtually impossible for a gift officer to manage a greater number of prospects in a meaningful manner. Either the efforts of the gift officer will be so scattered that the concentrated effort needed to move prospects through the gift pipeline is unlikely or prospects (potentially good prospects) will not be engaged at all because they will have been, in effect, reserved by that gift officer.
- Increase the major gift staff. There are currently more than 2,400 alumni who have given in the last three years and with a Wealth Engine rating of \$100,000 or more who are not being managed. There are an additional 597 who have given in the last four to six years with that rating. (See *Appendix D*) We recognize that not all of these potential prospects will ultimately prove to be actual prospects. However, some number—likely many—will be prospects and moving them from potential to real prospects will take a development officer reaching out to those potential prospects to make that determination. As those prospects are identified, a development officer will be needed to drive and effect the cultivation and solicitation strategy for those qualified prospects.
- Evaluate the prospects that each officer is managing to ensure that the best prospects are being managed. As indicated above, there may well be a number of very good prospects (alumni who have given in the last three years and who have fairly high potential gift capacity of \$250,000 or more as determined by Wealth Engine rating) who are not being managed and others of seemingly less potential capability (alumni who have not given in the last 6 years and whose capacity is less than \$250,000) who are being managed. (See *Appendix D*) Every effort should be made to ensure that contact is made with those who have a reason to support the university (alumni), have demonstrated a willingness to support it (given in the last 3 years), and may well have capacity to make a major gift (high capacity).
- Modify the basis upon which major gift officers are assigned prospects to include a combination of college and region. In the Northeastern United States, where there is a high concentration of prospects, the college-based assignment could be utilized. Outside of that region, individual officers could be assigned prospects on the basis of geographic concentration. It is possible that a gift officer who is primarily looking for prospects associated with a given college may not believe a trip to

Maryland would be warranted because of the paucity of prospects for that college. However, there are 66 alumni who are not being managed, who have given within the last three years and are rated at \$100,000 or more residing in that state. (See *Appendix E*) That concentration may well justify traveling to the area, even though no one college would identify it as an area to visit.

- Develop a principal gifts program to ensure that those prospects capable of making gifts of \$1 million or more are given the attention they merit. Typically, these programs ensure that these prospects are consistently contacted and are given attention at the highest level of the University and across the University. The management of and strategy development for these prospects would be coordinated by Eric Rolfson.
- Add a development officer to serve as Director of Foundation Relations to focus on identifying and securing gifts of foundation prospects. Foundation giving is a fairly specialized type of major gift work and the University should have someone on staff who will be pursuing grants and grant opportunities full-time and who has the requisite skills to be successful.
- Given the importance of qualifying new prospects, include among the annual goals for major gift officers the qualification of some set number of new prospects. That number should, as is the case with several other goals, be based upon the specific prospect pool of any given officer. So, a newly hired major gift officer would have a much higher qualification goal than one who had been working with prospects at the University for several years. The key here is to ensure that a specific number of contacts are made to potential prospects who have not been visited.
- In addition to training and equipping major gift officers to secure simple bequests as recommended in the planned giving section that follows below, add an expectation that major gift officers solicit, as appropriate, leadership annual gifts as part of their work in qualifying and cultivating major gift prospects. This solicitation should be seen as a means, not an end, in that the primary work of the major gift officer is to secure gift commitments of \$25,000 or more. However, it will give a good indication of the philanthropic disposition of the prospects, the philanthropic priority that prospect places on the University and will also provide the University with additional gift revenue.
- Work with the President and Provost to engage Deans and Department Heads in development. Academic leaders have been shown to be instrumental in securing a higher percentage of the solicited gift amount, as well as being linked to larger gifts. Therefore increasing their involvement in the effort to secure major gifts is critical to the overall success of the program. On the one hand, this engagement should entail a continuing program to educate and train these academic leaders in doing their best work. This training can be done utilizing external resources, University

and Foundation staff and peers. Additionally, it will be important to work with the Provost to establish philanthropic expectations for Deans as part of their regular evaluation. In so doing, they will become even stronger partners than they already are in working with development officers to securing major gifts.

Planned Giving

The University of Maine Foundation has made a significant investment in its planned giving program resulting in a substantial return as evidenced by the more than 600 members of the Charles F. Allen Society (including donors whose gifts have matured). The Society was established in 1995 and includes those who have made bequests or other forms of deferred gifts of \$10,000 or more to benefit the University, the Foundation, the Alumni Association, the Pulp and Paper Foundation, or the Pine Tree State 4-H Foundation. The program is ably directed by an experienced attorney and supported by two associate directors. A point of pride for the Foundation is personalized stewardship and a considerable portion of the three staff members' time is devoted toward that end. The Society holds a biennial appreciation luncheon, the most recent of which was in October of this year. We applaud the decision to return the event to an annual occasion. The Foundation has an astute marketing program for planned giving with a goal of reaching all prospects at least quarterly. Each planned gift officer has expectations for visiting 10 to 15 gift advisors annually in addition to metrics for prospects visits and proposals.

A full array of planned gift opportunities is marketed by the Foundation and as a result it has life-income gift arrangements under management of \$4,380,714. Charitable gift annuities make up three quarters of the total and two pooled income funds, one for growth and one for income, make up the remaining quarter. The Foundation does not serve as trustee for charitable remainder trusts but promotes them and records more than \$11 million in trust expectancies including \$8,291,505 in remainder trusts, \$2,061,559 in lead trusts, and \$968,357 in perpetual trusts. Foundation-owned life insurance policies have a cash surrender value of \$138,544.

The total of bequest expectancies is not tracked since many documented bequests do not include a gift amount. However, matured bequests have accounted for 22.4 per cent of total giving during the last three years.

There appears to be no shortage of prospects—the Director of Planned Giving has a portfolio in excess of 250—but limited time to qualify them because of stewardship activities. Each of her associates has approximately 200 with similar time constraints. However, coordination with major gift efforts is challenging because many interactions with prospects are not recorded in contact reports.

We believe there is significant potential for growth in the program and offer the following recommendations.

- Review current planned giving staff assignments and prospects with the goal of freeing up more time for visits with qualified prospects and fewer with those who have already made planned gifts.
- Value all expectancies, track the total annually and report it widely.
- Include a value for new planned gift totals in the retrospective five-year gift totals reported as part of the reunion program.
- Develop a systematic stewardship program utilizing volunteers, support staff and select special communications to free up time for planned giving officers to make visits.
- Train major gift officers in planned giving so that they can qualify planned gift prospects, can help the Foundation close simple bequests and gift annuities while still referring donors who need or desire more complex gift arrangements to the planned giving staff.
- Develop a plan to use volunteers in prospect qualification. For example, the Allen Society might create an Executive Committee to recruit members to assist in stewardship, prospect identification, and prospect qualification. The Messenger then might be revived and used to recognize these activities as well as members who have made additional estate commitments.
- Eliminate the \$10,000 minimum requirement for membership in the Allen Society, a recommendation that receives some additional elaboration in the Stewardship section that follows below.
- Expand prospect research and biographical information collection to support the identification of more planned giving prospects.
- Re-evaluate the Foundation's decision not to serve as trustee for remainder and lead trusts.
- Consider engaging a fiscal agent for life-income gift arrangements.

Alumni and Development Information Systems

The University and its affiliated entities are using Advance as their constituency relationship management information system, having converted to it from Benefactor in 2010. It is a state-of-the-art program which interfaces nightly with the PeopleSoft financial system to post gifts to the general ledger.

In response to concerns such as PCI compliance identified in an earlier study, the Senior Vice President for Administration and Finance centralized gift processing with a three-person staff under her aegis.

Development is fortunate to have an experienced and able Director of Research and Data leading its efforts in prospect research and data management.

There are, however, a number of issues which should be addressed in preparation for the campaign. The following are cited to illustrate this point.

- While gift processing appears to be in compliance with IRS and PCI requirements there are problems in reconciling the department's work with proper acknowledgment and stewardship of gifts such as IRA rollovers.
- Data quality is inconsistent and there are no standards to guide biographical updates from multiple sources. Approximately 12 per cent of alumni records are categorized as 'lost', more than double what might be expected at a mature institution.
- IT and programming support is scattered among several offices.
- The University and its affiliated entities do not have the benefit of a comprehensive and coordinated advancement services program typical of most comparable institutions.
- There do not appear to be standards for prospect management and there are major gaps in the filing of contact reports. A prospect management policy has been adopted, however it merits further examination and modification.

To address these and other similar issues we recommend that an Advancement Services unit be created within Development and led by the Director of Research and Data, retitled as Director of Advancement Services. The unit should work in partnership with the Gift Processing Department, ideally in close physical proximity.

The new unit would support the University, the University of Maine Foundation, the University of Maine Alumni Association, the Pulp and Paper Foundation, and the 4H Foundation. It would be responsible for:

- all gift acknowledgments,
- all biographical information,
- all reporting,

- prospect management support and research,
- stewardship and donor relations,
- programming support.

Stewardship

The University and the Foundation have a keen understanding of the importance of stewardship in development. Demonstrating appropriate appreciation to those who make gifts in support of the University is both the right and the smart thing to do. To that end, impact reports have been and are being developed for key donors to demonstrate what their gifts have accomplished. The University and Foundation have three key donor recognition societies: The President's Club (for annual donors of \$1,000 or more), the Charles F. Allen Legacy Society (for planned gift donors of \$10,000 or more) and the Stillwater Society (for donors whose gifts total \$25,000 or more). A signature event for the President's Club was held on campus and pins have been developed for members. An Annual Report of Contributions is being printed for distribution in early 2014. Letters acknowledging pledges, gifts and pledge payments are sent, with supplemental letters and notes being sent by Deans for gifts to their colleges.

With the increased competition for philanthropic dollars and with the prospect of a campaign and associated gift activity increasing, the University will want to take additional steps to further strengthen its stewardship efforts. To that end, we recommend the following.

- Build a comprehensive stewardship strategy for each of the three main gift recognition vehicles (Allen, President's and Stillwater) that the University and Foundation have built. These should be structured less around providing benefits, in a quid pro quo model that focuses on some "tangible" benefits that members are provided, and more along the lines of special communications, access to University leaders and association with those leaders and with one another. The feeling among donors of being appreciated by and of being special to the University will largely be built more on how those members are communicated with and associations they form with key people than it will by some direct, tangible benefit.
- Establish a special society for only those donors of \$1 million or more. One of the key reasons for establishing major gift donor recognition societies is to lift sights and to motivate donors to reach higher. This is not an egalitarian process, nor is it like a democracy that seeks to level the playing field. Rather, it is about moving higher and higher. Those donors who have made seven figure contributions (outright or present value of an irrevocable planned gift) should be given exceptional and special recognition apart from the Stillwater Society that includes

donors of \$25,000. That is not an inconsequential amount, but it is possible that a regular, generous annual donor could enter that society.

- As indicated in the planned giving section above, allow all planned giving donors to be members of the Charles F. Allen Legacy Society. In a number of instances, planned giving donors who are reluctant to declare the value of their provision will have made provisions in excess of the \$10,000 floor that the current society has established for membership. Since one of the main reasons for having a planned giving society is to provide stewardship for those who have made planned gifts and recognizing that such stewardship is important because many of those gifts are revocable, the University and Foundation would do well to include anyone who has a documented planned gift for the University. For each person whose provision is less than \$10,000, there will be many more whose provisions prove to be in excess of that amount and in many instances, well in excess.
- Consider present valuing the scholarships that can be established with a planned gift, because the amount that will ultimately accrue to the University when the gift matures may be considerably less than what the scholarship requires to have its intended impact. An analogous situation would be allowing a 50 year-old donor to establish an endowed professorship with a bequest amount equal to the amount currently required to establish a professorship. When that gift finally comes to the University some 30 or more years later, it would fall significantly short of the amount needed to fund a professorship.
- Add an additional giving society to recognize donors who give consecutively to encourage consistent giving. Such a society would “round out” the suite of recognition societies, allowing for a full complement: annual, cumulative, planned and consistent.
- Review collaboratively the stewardship activities that are offered from the perspective of a donor, rather than the University or any of its partners in advancement. So, for example, donors can support scholarships which are benefitting students at the University. They likely do not consider whether the gift was directed to the Foundation or the University. Given that, offering a general scholarship luncheon for all donors to scholarships would be a good step. Effecting what would seem to be a fairly simple change involves many important elements, e.g., budget for the event to name but one, but the complex considerations should not prevent the University and its partners from seeking to address it.

Annual Giving

Even though annual giving is frequently the neglected program when campaigns are considered, the program has tremendous impact on both campaigns as well as in the overall development program. Those recurring gifts mount up and impact the total goal.

Additionally, annual giving helps to build a pipeline of major donors and helps prospects to understand that their gifts are meaningful and appreciated.

The University of Maine runs a solid, basic annual giving program, with direct mail and phone solicitation efforts. It segments its alumni to address their college/academic affiliation. The solicitation schedule carries through the year. Recently the responsibility for the reunion giving program has been moved to development from the UMAA, allowing for the potential of expanding and enhancing reunion giving.

In order for the University to maximize its annual giving efforts, we recommend the following.

- Enhance the President's Club, with branding and specific strategies to build membership, transforming it from what is basically a receptacle into which donors making gifts of \$1,000 or more are placed into a true society with the philanthropic equivalent of centripetal pull.
- Begin conducting an annual faculty/staff campaign. This important constituency has not been solicited for annual gifts, depriving the University of another source, albeit likely modest, of gift revenue. In fact, only recently have faculty and staff been added to the database. In addition to providing regular gift income to the University, the campaign will also help to identify those who may well make major gifts in the form of special capital and deferred commitments to the University.
- Work with the Foundation and the Major Gift staff to develop a comprehensive reunion giving program that will primarily encourage annual gifts, but also will be used as a mechanism to secure planned and major gifts.
- Expand the scope of annual giving to incorporate social media, crowd funding options and electronic solicitations into the solicitation plan. These will be particularly important as the University works to build giving among younger alumni.
- The Annual Giving staff should be increased from two professional and one support staff members to four professional and one support staff members. The Director of Annual Giving (existing position) will be responsible for the overall strategy development of the annual giving program, as well as specific operational responsibility for the President's Club, with a focus on building leadership giving among alumni and friends. The Assistant Director of Annual Giving (new position) will focus on developing the faculty-staff giving program, as well as developing the reunion giving and special interest giving program. The Development Officer for Student Affairs (existing position) will have a specific responsibility of working with the parents of currently enrolled students. The second Assistant Director (new, upgraded position) will have responsibility for

phone solicitations, direct mail and also developing the social media, crowd funding and electronic solicitations, with a key focus on younger alumni and student giving.

Campaign Planning/Development Funding/Campaign Priorities

The University is in the third year of implementing the Blue Sky Plan developed under President Ferguson's leadership. The first year was devoted to creation, the second to implementation, and the third to full integration and sustainability with progress tracked on the Blue Sky website.

The strategies to accomplish the plan are organized into five Pathways, the second of which is **Securing our Future: Ensuring Financial Sustainability. This Pathway includes three key projects related to philanthropy.**

1. Affirm newly aligned partnerships to develop an integrated UMaine Advancement Strategic Plan. The plan was approved by the President in January of 2013.
2. Identify a plan for growing the percentage of private and capital gifts as a percent of total UMaine revenues from the current level of 10% to 15% by 2017 and integrate this plan into the annual operating budget. An outline of a plan was developed and presented in December of 2012.
3. Working through the University of Maine System and Board of Trustees, develop and implement an appropriate gift fee to increase funding for ongoing and future development operations. A two-part strategy was recommended in the plan presented in December of 2012.
 - A. To permit UM and USM to charge a one-time gift reinvestment fee of up to five percent on all private outright gifts (not endowed gifts) to fund expansion of Advancement staff and programs.
 - B. To permit UM and USM to assess an annual management fee equal to 1.25 percent of the market value of its endowments held by the University of Maine System in addition to the annually determined pay-over which is 4.75 percent for FY12.

While there were some concerns raised initially about these approaches, it appears that they may be approved at least in part. To fully realize the University's potential for securing the philanthropy critical to the success of the Blue Sky Plan it is essential that additional investments be made in Advancement. As noted in the plan, these two approaches to funding development are very much in line with prevailing practices as documented in several studies by the Council for the Advancement and Support of Education. Thus, we strongly recommend that:

- Every effort be made to secure an endowment management fee, to initiate a gift reinvestment fee, and to maximize the ‘float’ on unrestricted and temporarily restricted funds.
- Savings achieved by the consolidation of and Advancement Services Department be reinvested in it.
- Opportunities for additional efficiencies be developed in ongoing Advancement planning with the University’s key partners.

The Provost and Deans are working to develop an initial set of campaign priorities grounded in the Blue Sky Plan by January. We recommend that the President convene a planning session with the University’s key Advancement Partners in January to review these priorities and get their input into and support for the preliminary case summary to be used in the Campaign Strategy Study.

The Blue Sky Model developed as a component of the Blue Sky Plan provides an exceptional tool to portray the impact of philanthropy at the macro level and should be utilized in the case summary.

Miscellaneous

There are some additional areas that we discovered in our examination and that we believe merit attention. One falls within athletics and athletic fundraising, another in alumni relations and the other is the University’s website. (It is important to note that a separate analysis of the site is being done and will be submitted for the University’s consideration.) As related to athletics, the major and annual giving programs are not well coordinated, nor is there a comprehensive approach to athletic fundraising including planned giving. With the restructuring of athletic fundraising, this may well be in the process of being addressed, but it is notable and, therefore, noteworthy. The Alumni Association has completed a strategic plan, with significant input from its Board. The Association also has experienced staff and, therefore, a good base of knowledge of the alumni and the University. A review of areas of concentration of alumni has been conducted to determine high priority areas for alumni programming. All of that lays a good foundation for alumni outreach that will benefit the University as a whole and the campaign as an important component in the strengthening of the University. That said, the actual outreach to those areas may well be challenging for the Association staff. And with the advent of a campaign and the ongoing need to reach out to some alumni who are good major gift prospects to engage them, that outreach will be even more important. The University website does have a link for giving, but it is very challenging to find and peruse a more comprehensive site that highlights donors and key funding opportunities. In fact, it appears that the only way to land on the Development page is to search the University’s website.

In order to address these, we recommend the following.

- A comprehensive development plan for athletics should be developed to integrate annual, major and planned giving.
- The Alumni Association must have adequate resources and staff orientation to become a greater partner with the University and the Foundation in engaging key individuals. This is not to imply that the Association should only serve as a “front” for development activities, nor that it only pay attention to those alumni who are seen as good development prospects. The mandate of the Association is broader than just development, including advocacy, student recruitment, job placement, networking, etc. That said, its mandate does not nor should not exclude development. Therefore, moving forward it would be advisable for the Association to work more closely with the other strategic partners to assist with engaging key prospects and in broadening its programming in areas where there are significant groups of alumni.
- The University’s homepage be restructured to allow a direct link to the development page, not simply the “give now” link.

Conclusion

The University of Maine clearly recognizes that the role of philanthropy in strengthening the University will only increase over the coming years. The recommendations provided in this Campaign Readiness Assessment should serve as a roadmap for enhancing the program. That said, we believe that there are two overarching areas that need to be addressed:

1. Additional resources will have to be directed to the development program to add staff and build the programs. To say that development is lean is an understatement. The need for more major and annual gift officers is keen. Advancement services, including stewardship are also thinly staffed. People are working hard, but there is only so much that can be done with the staff in place. Priority should be given to adding major gift officers, given the importance of major gifts to the University and to the proposed campaign and given the time that it takes for a major gift officer to build a portfolio. The other positions are more programmatic and those programs can be developed fairly quickly, relatively speaking.
2. It will be critical for the University of Maine Foundation, the University of Maine Alumni Association and the University to continue to work together cooperatively and collaboratively. They each have important roles to play in the overall advancement efforts of the University and the degree to which they work together is the degree to which they will eliminate duplication, build

stronger programs and, ultimately, raise more money and increase engagement in the University.

Even though this report presents a number of recommendations addressing both staffing and programmatic improvements, we believe that the University is ready to move forward with a comprehensive campaign. Good work has been done; improvements in the overall advancement program have been and are being made; the University has momentum; its needs are clear. We do believe, however, that by adopting the recommendations in this Readiness Assessment, the University and its strategic partners will be positioned to maximize the opportunity that the campaign presents and will also be capable of sustaining a higher level of philanthropic support when the campaign concludes.

We are pleased to have been given the opportunity to work with the University of Maine on this Assessment and look forward to seeing the University's development program continue to grow in strength and reach.

UNIVERSITY OF MAINE CAMPAIGN READINESS ASSESSMENT
Materials Requested by Alexander Haas
October 20, 2013

Please include a copy of this checklist when sending materials, and note any items that are not included on the copy of the checklist and note those that are available on the Foundation's website.

Please send these items in an electronic format (if possible) to:

Heather Thornton – h.thornton@alexanderhaas.com
Project Manager
Alexander Haas
3520 Piedmont Rd, NE, Suite 300
Atlanta GA 30305-1512
404-525-7575

Mission/Planning/Organization/Policies

- Organizational chart and roster of staff with contact information:
- Last two annual reports
- Report on current endowment and endowment practices: size of corpus, policies for named fund minimums, investment and spending policies, number of named funds
- Copy of institutional current fiscal year budget (summary version is fine), including budgeted lines for fundraising
- Any recommendations from last NEASC report that related to fundraising or advancement
- Policy or statement on expectations of Board of Visitors and Foundation Board members
- Board of Visitors giving in each of previous two fiscal years, largest gift/commitment, cumulative giving and planned gifts
- Job descriptions for all staff
- Performance metrics for staff, as appropriate

Foundation General

- Foundation Board member job description
- Foundation Board giving in each of previous two fiscal years, largest gift/commitment, cumulative giving and planned gifts

Systems/Procedures

- Sample gift/pledge/data maintenance work flow charts or process description

Fundraising General

- Development office plan for current fiscal year (include unit plans, e.g., annual giving)
- Copy of fundraising assessment if done within last five years

- Copies of regularly (weekly, monthly, yearly) produced internal reports to track giving
- Development office budget (broken down by areas, if applicable) for current and past year
- Summary of constituent database (alumni, parents, friends, etc.) and number of active records for each constituency group

Major/Planned Giving

- Prospect rating categories, with number of prospects identified in each category
- Prospect/donor dossiers (include different formats, e.g., short, extensive)
- Sample call reports (5) on major gift prospects (format used)
- Sample proposals to an individual prospect, a foundation, a corporation
- Major gift officer annual plan (format of that plan) and expectations (metrics)
- Copy of the monthly gift officer tracking report monitoring metrics
- Planned giving register/report (number of planned gift donors for different planned giving options, e.g., bequest, gift annuity, etc.)
- Planned giving marketing material (samples)

Annual Giving

- Annual giving plan for current fiscal year
- Sample direct mail solicitations
- Sample phonathon scripts
- Sample e-solicitations (send to: h.thornton@alexanderhaas.com)

Advancement Services/Stewardship

- Sample endowment reports (scholarship, endowed professorship, program)
- Sample gift acknowledgement letters for annual, major and planned gifts, gifts in kind
- Pledge reminders for annual and major gifts

Alumni Relations

- Alumni Association Articles of Incorporation and Bylaws
- Alumni Association strategic plan
- Alumni Board member job description
- Alumni Board giving for each member in most recently concluded fiscal year
- Top 20 areas of alumni concentration

Thank you. If you have questions, please contact Arthur Criscillis, a.crisillis@alexanderhaas.com or Heather Thornton at h.thornton@alexanderhaas.com

List of Internal Interviews Conducted

November 19, 2013

7:00 a.m. – 8:00 a.m.	Eric Rolfson, Vice President of Development
8:00 a.m. – 9:00 a.m.	John Rebar, Executive Director Cooperative Extension
9:00 a.m. – 10:00 a.m.	Pat Cummings, Associate Vice President for Development
10:00 a.m. – 11:00 a.m.	Liz Erickson, Senior Development Officer
11:00 a.m. – 12:00 noon	Jeff Hecker, Provost
12:00 noon – 1:00 p.m.	Janet Waldron, Senior Vice President for Administration and Finance
1:00 p.m. – 2:00 p.m.	Dana Humphrey, Dean, College of Engineering; Ivan Manev, Dean, Business School; William (Dee) Nichols, Dean, College of Education and Human Development
1:00 p.m. – 2:00 p.m.	Mary-Jane Peterson, Director of Constituent Data and Information
2:00 p.m. – 2:30 p.m.	Joan Peters, Coordinator of Major Gift Operations
2:30 p.m. – 3:30 p.m.	Seth Woodcock, Interim Athletic Director and Associate Athletic Director for Development
2:30 p.m. – 3:00 p.m.	Kimberly Goff, Director of Donor Relations
3:00 p.m. – 3:30 p.m.	Barbara LaPlante, Stewardship Officer
3:30 p.m. – 4:30 p.m.	Paul W. Ferguson, President
4:45 p.m. – 5:30 p.m.	Todd Saucier, President of Alumni
5:30 p.m. – 6:30 p.m.	Jeffrey Mills, UMaine Foundation President

November 20, 2013

8:00 a.m. – 9:00 a.m.	Ed Ashworth, Dean, College of Natural Sciences, Forestry and Agriculture
8:00 a.m. – 10:00 a.m.	Jeff Bateman, Director of Research and Data
9:00 a.m. – 10:00 a.m.	Kevin Frazier, UMaine Foundation, Chief Financial Officer
10:00 a.m. – 11:00 a.m.	Sarah McPartland-Goode, Director of Planned Giving
10:00 a.m. – 11:00 a.m.	Naomi Jacobs, Interim Dean, College of Liberal Arts and Sciences
11:00 a.m. – 11:30 a.m.	Roberta Leavitt, Gift Processing Manager

University of Maine vs. Peer/Aspirational Institutions - FY2012 Alumni Giving Participation - VSE			
Institution	# Alumni Donors	# Alumni Solicited	Alumni Giving Percentage
University of Wyoming (Laramie, WY)	8,775	30,639	28.64%
Wichita State University (Wichita, KS)	7,360	37,326	19.72%
Mississippi State University (Mississippi State, MS)	17,562	102,511	17.13%
University of New Hampshire-Main Campus (Durham, NH)	8,099	52,500	15.43%
Drexel University (Philadelphia, PA)	12,718	82,834	15.35%
University of Delaware (Newark, DE)	13,222	100,271	13.19%
University of Vermont (Burlington, VT)	10,720	94,446	11.35%
University of Maine (Orono, ME)	6,376	60,012	10.62%
San Diego State University (San Diego, CA)	10,858	108,761	9.98%
Rochester Institute of Technology (Rochester, NY)	6,781	84,066	8.07%
SUNY College at Buffalo (Buffalo, NY)	3,331	45,778	7.28%
University of Rhode Island (Kingston, RI)	6,647	102,009	6.52%
Kent State University (Kent, OH)	9,486	190,000	4.99%
Mean	9,380	83,935	12.94%

* - Did not provide data to VSE

** - Added to comparison list by University of Maine

Blue Sky Peers:

- University of Idaho*
- Montana State University*
- North Dakota State*
- University of Rhode Island
- South Dakota State*
- University of Wyoming

EduVentures Comparators:

- Kent State University
- Long Island University*
- Pace University*
- Rochester Institute of Technology
- Wichita State University

EduVentures Aspirants:

- Drexel University
- Mississippi State University
- San Diego State University
- University of New Hampshire**
- University of Vermont**
- SUNY Buffalo**
- University of Delaware**

University of Maine vs. Peer/Aspirational Institutions - FY2012 Endowment per Student - VSE			
Institution	Enrollment: Total Headcount	Endowment Market Value	Endowment Per Student
University of Delaware (Newark, DE)	21,138	\$1,156,375,472	\$54,706
Rochester Institute of Technology (Rochester, NY)	17,652	\$627,786,000	\$35,565
University of Vermont (Burlington, VT)	13,478	\$328,980,201	\$24,409
Drexel University (Philadelphia, PA)	24,680	\$566,600,000	\$22,958
University of Wyoming (Laramie, WY)	13,992	\$316,134,455	\$22,594
University of Maine (Orono, ME)	11,168	\$226,400,805	\$20,272
Mississippi State University (Mississippi State, MS)	20,424	\$343,857,375	\$16,836
Wichita State University (Wichita, KS)	15,100	\$220,100,665	\$14,576
University of New Hampshire-Main Campus (Durham, NH)	15,702	\$214,879,106	\$13,685
University of Rhode Island (Kingston, RI)	16,317	\$93,526,700	\$5,732
San Diego State University (San Diego, CA)	36,006	\$136,408,000	\$3,788
SUNY College at Buffalo (Buffalo, NY)	11,685	\$24,056,765	\$2,059
Kent State University (Kent, OH)	42,185	\$85,326,781	\$2,023
Mean	19,964	\$333,879,410	\$18,400

* - Did not provide data to VSE

** - Added to comparison list by University of Maine

Blue Sky Peers:

- University of Idaho*
- Montana State University*
- North Dakota State*
- University of Rhode Island
- South Dakota State*
- University of Wyoming

EduVentures Comparators:

- Kent State University
- Long Island University*
- Pace University*
- Rochester Institute of Technology
- Wichita State University

EduVentures Aspirants:

- Drexel University
- Mississippi State University
- San Diego State University
- University of New Hampshire
- University of Vermont**
- SUNY Buffalo**
- University of Delaware**

University of Maine vs. Peer/Aspirational Institutions - Three Year Average of Total Bequests - VSE				
Institution	Bequests Total FY2012	Bequests Total FY2011	Bequests Total FY2010	3 Year Average
University of Wyoming (Laramie, WY)	\$4,923,780	\$4,119,616	\$7,720,725	\$5,588,040
Wichita State University (Wichita, KS)	\$597,953	\$1,260,516	\$14,189,081	\$5,349,183
University of Maine (Orono, ME)	\$9,432,097	\$3,058,840	\$607,878	\$4,366,272
University of Vermont (Burlington, VT)	\$1,130,985	\$6,574,621	\$2,312,019	\$3,339,208
University of Delaware (Newark, DE)	\$5,463,911	\$1,414,079	\$1,242,871	\$2,706,954
San Diego State University (San Diego, CA)	\$2,107,621	\$968,840	\$3,621,856	\$2,232,772
Drexel University (Philadelphia, PA)	\$1,884,070	\$1,614,134	\$1,665,376	\$1,721,193
Mississippi State University (Mississippi State, MS)	\$814,590	\$3,097,765	\$610,830	\$1,507,728
SUNY College at Buffalo (Buffalo, NY)	\$3,102,716	\$75,146	\$449,934	\$1,209,265
University of Rhode Island (Kingston, RI)	\$119,112	\$1,052,343	\$2,323,083	\$1,164,846
Rochester Institute of Technology (Rochester, NY)	\$297,199	\$1,081,246	\$1,070,110	\$816,185
Kent State University (Kent, OH)	\$299,741	\$131,893	\$1,631,888	\$687,841
University of New Hampshire-Main Campus (Durham, NH)	\$300,008	~	\$28,890	\$164,449
Mean	\$2,344,137	\$2,037,420	\$2,882,657	\$2,421,405

* = Did not provide data to VSE

** = Added to comparison list by University of Maine

Blue Sky Peers:

- University of Idaho*
- Montana State University*
- North Dakota State*
- University of Rhode Island
- South Dakota State*
- University of Wyoming

EduVentures Comparators:

- Kent State University
- Long Island University*
- Pace University*
- Rochester Institute of Technology
- Wichita State University

EduVentures Aspirants:

- Drexel University
- Mississippi State University
- San Diego State University
- University of New Hampshire**
- University of Vermont**
- SUNY Buffalo**
- University of Delaware**

University of Maine vs. Peer/Aspirational Institutions - Three Year Average Total Capital Giving - VSE				
Institution	Total Capital Giving FY2012	Total Capital Giving FY2011	Total Capital Giving FY2010	3 Year Average
Drexel University (Philadelphia, PA)	\$12,693,244	\$9,329,472	\$15,077,623	\$12,366,780
University of Delaware (Newark, DE)	\$9,473,093	\$7,080,954	\$5,142,127	\$7,232,058
University of New Hampshire-Main Campus (Durham, NH)	\$6,063,116	-	\$3,838,522	\$4,950,819
Kent State University (Kent, OH)	\$2,635,703	\$4,047,856	\$6,603,958	\$4,429,172
Rochester Institute of Technology (Rochester, NY)	\$3,094,152	\$2,847,252	\$4,069,102	\$3,336,835
University of Rhode Island (Kingston, RI)	\$2,919,656	\$2,919,702	\$3,610,757	\$3,150,038
University of Maine (Orono, ME)	\$3,799,989	\$2,580,340	\$2,637,268	\$3,005,866
University of Vermont (Burlington, VT)	\$2,007,269	\$3,350,178	\$2,604,144	\$2,653,864
Mississippi State University (Mississippi State, MS)	\$4,218,779	\$887,127	\$1,226,477	\$2,110,794
SUNY College at Buffalo (Buffalo, NY)	\$373,905	\$7,562	\$1,991,684	\$791,050
University of Wyoming (Laramie, WY)	\$227,402	\$312,896	\$8,668	\$182,989
Wichita State University (Wichita, KS)	\$0	\$110	\$120	\$77
San Diego State University (San Diego, CA)	\$0	\$0	\$0	\$0
Mean	\$3,654,331	\$2,780,287	\$3,600,804	\$3,345,141

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- University of Delaware**

<u>University of Maine vs. Peer/Aspirational Institutions - Three Year Average of Total Support - VSE</u>				
Institution	Total Support FY2012	Total Support FY2011	Total Support FY2010	3 Year Average
San Diego State University (San Diego, CA)	\$60,560,616	\$54,832,890	\$50,776,102	\$55,389,869
Drexel University (Philadelphia, PA)	\$67,459,059	\$51,468,230	\$45,293,452	\$54,740,247
Mississippi State University (Mississippi State, MS)	\$51,332,493	\$43,196,569	\$45,168,208	\$46,565,757
University of Delaware (Newark, DE)	\$45,796,109	\$29,981,379	\$31,699,207	\$35,825,565
University of Wyoming (Laramie, WY)	\$26,503,391	\$36,569,269	\$28,907,058	\$30,659,906
Kent State University (Kent, OH)	\$18,127,433	\$35,810,843	\$36,166,666	\$30,034,981
University of Vermont (Burlington, VT)	\$21,728,314	\$29,069,046	\$27,787,279	\$26,194,880
Wichita State University (Wichita, KS)	\$18,041,112	\$17,593,506	\$29,799,088	\$21,811,235
Rochester Institute of Technology (Rochester, NY)	\$20,283,742	\$22,000,880	\$18,098,522	\$20,127,715
University of Maine (Orono, ME)	\$25,367,292	\$18,850,252	\$14,005,421	\$19,407,655
University of Rhode Island (Kingston, RI)	\$12,718,799	\$18,911,042	\$17,162,745	\$16,264,195
University of New Hampshire-Main Campus (Durham, NH)	\$16,501,312	-	\$11,538,930	\$14,020,121
SUNY College at Buffalo (Buffalo, NY)	\$7,673,513	5325106	\$6,707,222	\$6,568,614
Mean	\$30,161,014	\$30,300,751	\$27,931,531	\$29,464,432

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- University of New Hampshire**
- University of Vermont**
- SUNY Buffalo**
- University of Delaware**

University of Maine vs. Peer/Aspirational Institutions - Deferred Gifts Three Year Average - VSE				
Institution	Deferred Gifts Total FY2012	Deferred Gifts Total FY2011	Deferred Gifts Total FY2010	Three Year Average
San Diego State University (San Diego, CA)	\$10,529,293	\$1,969,952	\$2,943,082	\$5,147,442
Mississippi State University (Mississippi State, MS)	\$1,341,074	\$598,568	\$90,954	\$676,865
Drexel University (Philadelphia, PA)	\$489,491	\$730,920	\$167,884	\$462,765
University of Vermont (Burlington, VT)	\$520,652	\$325,130	\$199,980	\$348,587
Kent State University (Kent, OH)	\$721,506	\$240,277	\$56,289	\$339,357
University of New Hampshire-Main Campus (Durham, NH)	\$148,113	-	\$485,913	\$317,013
Rochester Institute of Technology (Rochester, NY)	\$819,030	\$16,390	\$3,935	\$279,785
University of Maine (Orono, ME)	\$226,658	\$221,907	\$237,459	\$228,675
University of Delaware (Newark, DE)	\$226,884	\$60,858	\$4,743	\$97,495
SUNY College at Buffalo (Buffalo, NY)	\$4,772	\$7,155	\$273,768	\$95,232
Wichita State University (Wichita, KS)	\$52,965	\$47,439	\$156,697	\$85,700
University of Wyoming (Laramie, WY)	\$39,512	\$87,734	\$72,754	\$66,667
University of Rhode Island (Kingston, RI)	\$49,129	\$35,491	\$12,500	\$32,373
Mean	\$1,166,852	\$361,818	\$361,997	\$630,222

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- University of New Hampshire**
- University of Vermont**
- SUNY Buffalo**
- University of Delaware**

University of Maine vs. Peer/Aspirational Institutions - Endowment Income Three Year Average - VSE				
Institution	Total Endowment Income FY2012	Total Endowment Income FY2011	Total Endowment Income FY2010	3 Year Total Endowment Income Average (Res/Unres)
University of Wyoming (Laramie, WY)	\$8,845,816	\$19,794,075	\$10,402,653	\$13,014,181
Mississippi State University (Mississippi State, MS)	\$9,880,520	\$12,226,198	\$14,557,920	\$12,221,546
Drexel University (Philadelphia, PA)	\$5,255,383	\$14,101,942	\$7,637,474	\$8,998,266
University of Delaware (Newark, DE)	\$13,353,808	\$5,213,904	\$7,200,418	\$8,589,377
Wichita State University (Wichita, KS)	\$2,861,048	\$3,736,605	\$16,968,380	\$7,855,344
University of Maine (Orono, ME)	\$11,611,174	\$6,179,744	\$2,419,735	\$6,736,884
University of Vermont (Burlington, VT)	\$3,672,117	\$10,534,903	\$5,927,247	\$6,711,422
San Diego State University (San Diego, CA)	\$4,897,865	\$6,881,352	\$6,158,809	\$5,979,342
University of Rhode Island (Kingston, RI)	\$2,281,758	\$8,328,450	\$4,550,534	\$5,053,581
Rochester Institute of Technology (Rochester, NY)	\$2,283,917	\$4,428,425	\$4,182,136	\$3,631,493
Kent State University (Kent, OH)	\$2,352,617	\$2,036,560	\$3,422,574	\$2,603,917
University of New Hampshire-Main Campus (Durham, NH)	\$3,159,200	\$0	\$2,949,028	\$2,036,076
SUNY College at Buffalo (Buffalo, NY)	\$1,700,253	\$1,988,085	\$1,432,486	\$1,706,941
Mean	\$5,550,421	\$7,342,326	\$6,754,569	\$6,549,105

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University of Maine vs. Peer/Aspirational Institutions - Total Giving Average for Three Years - VSE				
Institution	Grand Total FY2012	Grand Total FY2011	Grand Total FY2010	3-Year Average
Drexel University (Philadelphia, PA)	\$67,459,059	\$51,468,230	\$45,293,452	\$54,740,247
San Diego State University (San Diego, CA)	\$60,560,616	\$54,832,890	\$50,776,102	\$55,389,869
Mississippi State University (Mississippi State, MS)	\$51,332,493	\$43,196,569	\$45,168,208	\$46,565,757
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- University of Delaware**

CAMPAIGN STRATEGY STUDY REPORT
FOR
THE UNIVERSITY OF MAINE

July 2014

TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES



July 7, 2014

TO: Dr. Susan J. Hunter, President
Eric Rolfson, Vice President for Development & Alumni Relations
The University of Maine

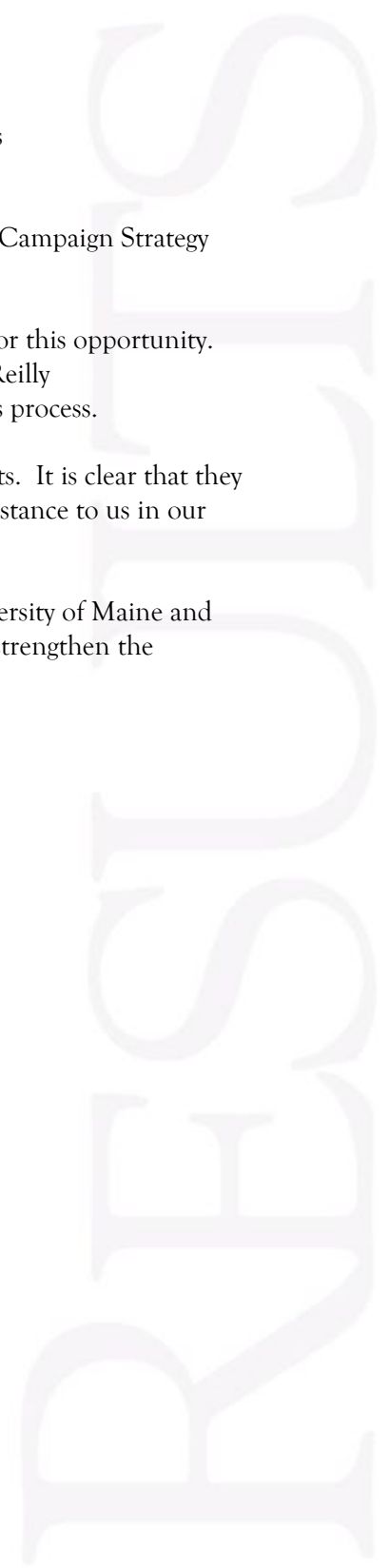
The following report represents the findings and recommendations of the Campaign Strategy Study conducted for the University of Maine by Alexander Haas.

We are pleased to have been a part of this process and wish to thank you for this opportunity. Our sincere appreciation goes to the staff and faculty for the assistance we received from Shelly Reilly who answered questions during this process.

thoughtful and candid comments. It is clear that they were very interested in the University and wanted to be of assistance to us in our

opportunity to work with the University of Maine and we are grateful to you for allowing us to help you in helping you to further strengthen the

Heather Thornton
Project Manager



**CAMPAIGN STRATEGY STUDY REPORT
FOR
THE UNIVERSITY OF MAINE**

- I. INTRODUCTION & BACKGROUND 1
- II. STATEMENT OF PURPOSE AND PROCESS 1
- III. DESCRIPTION AND APPLICATION OF METHODOLOGY..... 2
- IV. FINDINGS..... 3
 - A. The Case for Support 3
 - B. Potential Leadership 7
 - C. Potential Financial Support/Goal..... 8
- V. RECOMMENDATIONS 13
 - A. The Case for Support 13
 - B. Potential Leadership 15
 - C. Potential Financial Support/Goal..... 16
- VI. NEXT STEPS 22
- VII. APPENDICES
 - A. Conducted Interviews..... 24
 - B. Case Summary 27
 - C. Study Questionnaire Guide..... 38
 - D. Range of Gifts Table 41
 - E. Pave the Way Letter 42
 - F. Appointment Confirmation Letter 43
 - G. Appointment Acknowledgement Letter 44
 - H. Job Descriptions..... 45

CAMPAIGN STRATEGY STUDY REPORT FOR THE UNIVERSITY OF MAINE

I. INTRODUCTION & BACKGROUND

Founded in Orono in 1865, the University of Maine is the state's premier public university. The University currently enrolls 11,247 total undergraduate and graduate students, and offers more than 90 majors and academic programs. The University of Maine is among the most comprehensive higher education institutions in the Northeast, ranked in the top 15 percent of America's Colleges by *Forbes Magazine*.

Despite the University of Maine's past achievements, the University is not satisfied to rest on its laurels. To that end, the University selected Alexander Haas to conduct a Campaign Strategy Study to test the feasibility of a potential campaign. The Campaign Strategy Study process began in January 2014 with the University's development of a draft campaign case summary and Alexander Haas' preparation of the study materials. The interviews began on February 18, 2014. The study continued through June 12, 2014, when the final interview was conducted.

The following report presents the findings and recommendations emerging from the Study.

II. STATEMENT OF PURPOSE AND PROCESS

The broad objectives of the Campaign Strategy Study were to:

- Determine the University of Maine's potential for raising the major gifts needed for a successful campaign.
- Specify the approximate amount of philanthropic support that can be raised.
- Analyze the needs and opportunities of the University so that they will be presented in a way that is compelling to prospects.

- Draw conclusions and make recommendations as to the best case for support, the strategy, the most appropriate volunteer leaders and organization and an appropriate financial goal for the campaign.

This study focused on three major areas basic to the success of the campaign: the case for support, potential leadership, and potential financial support.

III. DESCRIPTION AND APPLICATION OF METHODOLOGY

Alexander Haas performed a number of specific steps for the Campaign Strategy Study, including:

1. Conducting a series of 51 personal interviews with volunteer leaders, alumni and friends of the University. {See Appendix A}
2. Reviewing, editing and advising on the development of the case summary. {See Appendix B}
3. Defining the list of potential interviewees for the Study, with input and guidance from the staff leadership and members of the Campaign Strategy Study committee.
4. Developing an interview guide to be used while interviewing potential campaign donors and volunteers. {See Appendix C}
5. Developing and refining a range-of-gifts table to be used in the Campaign Strategy Study. {See Appendix D}
6. Providing the University with a sample pave-the-way letter that was modified and mailed by President Ferguson to all the potential interviewees. {See Appendix E}
7. Mailing a confirmation letter with the case summary from the Alexander Haas partner conducting the interview to all the scheduled interviewees prior to the meeting. {See Appendix F}
8. Sending thank-you letters to each individual after the interview. {See Appendix G}

In preparation for the interviews, a letter from President Ferguson was sent to the selected interviewees informing them of the proposed campaign, introducing them to Alexander Haas, and asking them to meet with us to share their advice. {See Appendix E for a copy of the letter.} Jarrad Howard or Heather Thornton, Study Coordinators with Alexander Haas,

then called each individual to schedule an interview. Those who agreed to an appointment were sent a confirmation letter and a copy of the case summary. {See Appendix F for a copy of the letter and Appendix B for the case summary}

Interviews were conducted from February 18, 2014 through June 12, 2014. In all, 51 interviews were conducted. {For a list of interviews, see Appendix A} Arthur Criscillis, Ed.D., Managing Partner, conducted 44 interviews, and David Shufflebarger, Senior Partner, conducted 7 interviews.

IV. FINDINGS

The Findings section of this report is divided into three primary areas: the case for support, leadership, and potential financial support/goal. Recommendations in Section V are made in light of these findings.

A. The Case for Support

- How compelling is the case for support?
- How will the campaign enhance the University of Maine?
- What will be the most persuasive presentation of the campaign?
- What are the priorities of the prospective donors?

The University of Maine with editing advice from Alexander Haas prepared the case summary used during the interviews. Each of the interviewees received a copy of the case summary prior to his or her interview.

Before the interviewees were asked to comment on the funding priorities put forward in the campaign case summary, they were asked about their general impressions of the University of Maine. The interviewees have extremely positive perceptions of the University. *“I have a lot of respect for the University of Maine. There’s a sense that it does*

well compared to its peers,” said one interviewee. Another said, *“It has a good reputation and is looked upon very well.”* A third said, *“The University is academically excellent.”*

Some saw the University as a bargain among higher educational institutions. One interviewee said, *“It is a very cost effective university. It’s affordable and offers high quality.”* Another said, *“It’s the biggest bargain in higher education.”*

Others noted that the University is not as well known as it should be. *“It is one of the world’s best kept secrets,”* said one interviewee. Another commented, *“The University has never been good at letting people know how good it is.”* A third said, *“I know their teaching is really good, but I’m not sure the rest of the world knows that.”* *“So many people don’t really know all that the University does,”* said a fourth interviewee.

Several pointed to the University of Maine doing well in spite of headwinds it has been facing. As one interviewee said, *“The University is doing reasonably well considering the financial straits they are in.”* *“The University is doing well under trying circumstances,”* offered another. A third said, *“It’s doing phenomenally well under trying circumstances.”* *“It’s been doing well. There are many problems that aren’t of their own doing. The state keeps cutting allocations and they have to cope with it,”* offered a fourth.

When commenting on the potential featured objectives for the campaign, a number offered broad support for all of the items. Typical of that is the comment of one interviewee who said, *“They all sound like very worthwhile uses of the funds.”* *“Overall, these are well thought out and articulated,”* said a second. *“The various buckets all look intriguing. They support the various aspirations,”* a third interviewee stated. A fourth indicated that *“there is a lot to interest a wide variety of donors—bricks and mortar, faculty support, scholarships, programs and athletics.”*

Several of the interviewees looked at the list and thought that it was too broad and called for a more prioritized list of featured objectives. As one interviewee said, *“They need to focus on two or three fundamental things.”* *“Are they trying to do too much? It would be better to do two or three things they could ‘nail’,”* said a second. A third interviewee said, *“There were too many items—concentrate on a few areas, not so many.”* *“It’s too all-inclusive. They need to focus on elements that would give the University and its students differentiated programs that get more national attention,”* said a fourth.

In a similar vein, a number wondered about the inclusion of so many potential featured objectives, particularly those that required relatively modest levels of funding. One interviewee said, *“The big things made sense. The smaller ones just seemed like a wish list.”* *“It seemed like a wish list. Two million for a patio?”* another asked. Another opined, *“The low stuff seems like an afterthought.”*

Gifts to build the endowment irrespective of use drew favorable comments from some of the interviewees. One interviewee said, *“I’m a real believer in endowment. You have to have it to succeed these days.”* *“I like endowments. They represent stability,”* said a second. A third interviewee, reflecting on the challenging financial environment the University faces, said, *“As the University struggles to get support from the legislature, endowment will be more and more important. It needs to grow.”*

Faculty support drew a number of favorable comments from those interviewed. One interviewee said, *“We need to focus on faculty. That’s how to attract students, especially those outside of the state.”* *“It’s very important that we make the investment to hire and retain top faculty,”* said another interviewee. A third said, *“Faculty make all the difference. I’m a big believer in getting top faculty.”* There was some concern about the appeal of faculty support voiced by a slight few interviewees, as evidenced by the comment of one who said, *“There are probably some in Maine who think that faculty teach a little, work a little and are paid a lot. So faculty support might be a tough sell.”*

Scholarships drew a number of favorable comments, as could be expected. *“Scholarships are vital—need based for access and merit based for quality,”* said one interviewee. Another succinctly said, *“Scholarships are important!”* A third said, *“I’m a big believer in scholarships.”* *“The quality of students is key and scholarships impact that,”* said a fourth. One interviewee didn’t question the inclusion of scholarship support, but did have an issue with the magnitude, saying that *“\$25 million for scholarships seems like too much.”*

The Honors College Endowment drew favorable comments from some of the interviewees. *“The Honors College is critical to the University’s getting top students—it’s a draw for them,”* offered one interviewee. Another said, *“The Honors College is leading an overall improvement in admissions.”* *“The Honors College is important,”* said a third.

A number of interviewees expressed an interest in any of the potential featured objectives that were directed to the strengthening the student experience. One interviewee stated, *“Go with strengthening the undergraduate and graduate experience. That will affect everything else.”* In a similar vein, a second interviewee said, *“They have a lot directed to undergraduate and graduate education. I think that’s where the money should be put.”* *“I really focus on undergraduate education and research programs,”* said a third.

Several interviewees commented on athletics, but with no real unanimity. *“I’ve always been an athlete, but I question the inclusion of athletics in the campaign,”* said one. Another said, *“Higher funding for athletics bothers me.”* Taking a different approach, one interviewee said, *“Athletics is important. It builds pride.”* A fourth said, *“I think we need to invest in women’s athletics.”*

Some interviewees voiced support for the buildings and grounds broadly, without singling out any particular objective. As one interviewee said, *“When you are competing for students, you have to have ‘curb appeal’. So, keeping the campus in good shape is important.”* Along those same lines, another said, *“There is a need for the University to update some of*

its historic buildings.” *“It is important to upgrade the physical plant,”* a third stated. A fourth said, *“The physical plant is really important.”* Commenting specifically on the Campus Historic District, an interviewee said, *“The historic district . . . I thought about it a lot and it’s a good thing.”*

Among the capital projects, the Engineering Design Center drew some comments. *“The Engineering Design Center really resonated with me,”* said one interviewee. Another said, *“Engineering Design . . . \$20 million isn’t really a lot of money these days.”* *“I like the engineering building,”* said a third. The Collins Center also was questioned by one interviewee, who said, *“It’s hard to imagine the Collins Center being updated more.”* Another said, *“The performing arts renovation—again? Didn’t they just do that?”*

B. Potential Leadership

- Are volunteer leaders sufficiently committed to leading the way in attracting funds—both by example and by enlisting the help of others?
- Which individuals are best qualified to undertake specific campaign leadership responsibilities?
- Is top leadership available? How are these individuals to be recruited?
- What will be the optimum campaign structure?

Virtually all of the interviews were conducted prior to President Ferguson’s announcement that he will be leaving the University of Maine. It bears mentioning that a number of interviewees spoke highly of the leadership he provided to the university. There were some who were concerned that he might leave for another opportunity, given the challenges they believed he was confronting with the state and within the system.

Interviewees expressed confidence in the leadership being provided to each of the key partners in advancement: University Development, the University of Maine Foundation and the Alumni Association. A few comments offered by the interviewees

were: *“The development leadership is great. Eric is excellent and Jeff is great. So is Todd. They work together well.” “Jeff is very capable. I’d hook my wagon to him in a heartbeat.” “Eric is a very capable person.” “Todd is a great representative of the University.”*

When asked to name leaders for the campaign, the interviewees offered a good number of candidates. In fact, 30 individuals were mentioned as potential leaders. Of those 30, seven were mentioned by at least three interviewees: Chris Emmons, Ray Jean, Grog Johnson, Anne Lucey, Peter Madigan, Hank Schmelzer and Dorcas Wilkinson.

Of the 51 interviewees, 23 indicated that they would serve or would be willing to consider serving in some volunteer capacity in the campaign. Of the 30 that were mentioned by interviewees as potential leaders, 10 were interviewed. Of those 10, eight indicated a willingness to serve.

C. Potential Financial Support/Goal

- What are the major sources of philanthropic funds?
- Is a \$272,000,000 goal realistic?
- What is the highest achievable goal?
- What is the approximate amount of funds that can be raised from the top prospects?
- What is the best timing for the campaign?

Reactions to the proposed \$272,000,000 goal varied. There were those who believed it was achievable or appropriate, as the following comments reflect. *“It seems reasonable.” “It’s aspirational, but it’s appropriate given what we did before.” “You have to think big and aim high.” “We did \$150 million in our last campaign and we got through it.” “Shoot high; don’t shoot low.” “It seems like an awful lot of money, but when you see what they want to do, that’s what it takes.”*

Many more had concerns about the magnitude of the potential goal, as the following comments illustrate. *“Given what we want to do academically, I can understand that we need to be aggressive, but, wow, that’s a lot.” “It will be a huge challenge.” “It’s very ambitious. It frightens me.” “It’s a lot of money. I remember how hard it was to do the last one.” “It’s not only high . . .it’s really high.” “It struck me as pretty ambitious. I hate to see a campaign fall meaningfully short of its goal.”*

There were a number of interviewees who expressed concern about the campaign because of the University’s limited donor pool. As one said, *“We have some generous supporters, but we need to broaden the base.”* Another said, *“The culture of giving back was inculcated in us when we were students. There is a small number of generous givers.”* *“We have a lot of cultivation to do to build the base,”* said a third. A fourth said, *“I don’t know what the disconnect is between the University and some pretty successful alumni.”*

Others expressed concern because of the lack of wealth in Maine. *“Maine is such a poor state,”* offered one. Another said, *“There isn’t a lot of wealth in Maine or people who have married into wealth.”* A third said, *“Not a lot of wealthy families are in Maine.”* A fourth said, *“You don’t have the number of companies here that once were located here.”*

Some interviewees commented on the organization and structure of the advancement functions. One took encouragement from the progress that has been made, saying, *“Until recently, we had three entities that were disjointed and not able to function cooperatively. In that respect we are better now than when we approached the last campaign.”* Another interviewee acknowledged that progress, but had a different take on it, saying *“Foundation, University Development, Alumni Association . . . we aren’t organized for efficiency or effectiveness. We’ve been told that real progress has been made, but it needs to be right.”*

Others simply noted what they considered to be a less than optimal organizational arrangement that could hamper efforts to secure the funds envisioned in the campaign. As one said, *“The Foundation and University Development . . . I’m not sure we have the right*

structure. *It doesn't feel like it is flowing as effortlessly as it should. It's confusing to the donors.*" Another offered, *"People get confused about Eric at the University, Jeff at the Foundation and Todd in Alumni Relations. There's only one consumer and you can get different messages. It needs to be fixed."* "I get confused about the pieces. I'm not sure who to cut the check to," said a third, reflecting that concern. A fourth offered, *"Three separate organizations is not the way to design it."*

In a few instances, concern about timing of the campaign was expressed. As one interviewee said, *"It's kind of quick on the heels of the last one."* "It may be too soon," said a second interviewee.

Some interviewees worried that the State and the University of Maine System could present difficulties for the University in undertaking a campaign. *"The timing may not be great with the cuts, redistribution and sustainability,"* offered one interviewee. Another said, *"Outside donors could be discouraged because the State isn't doing its part, keeping its bargain."* Another said, *"As a donor, the position of the State is a major problem. The State has said, by law, that it must have seven universities. It is too poor to support seven universities. The largest deterrent to giving is the state."* *"The 800-pound gorilla in the room is the whole conversation about the system level. It's death by 1,000 cuts,"* said a fourth. A fifth asked, *"Will resources be drawn from the University in Orono to support the other campuses?"* *"The lack of funding is a real negative for those loosely connected to the University,"* said a sixth.

Several interviewees expressed the importance of moving forward with a comprehensive campaign, in spite of the concerns. As one said, *"It's a good idea to do this. In fact, it's a bad idea not to do it."* Another said, *"The University has to establish a financial anchor that will help it to plan and the campaign can help provide that anchor."* A third said, *"You always have to be raising money."* *"Are we ready? No. But we'll never be fully ready before starting a campaign,"* said a fourth. *"This campaign should be more than just another campaign. It should transition the University to the 21st Century,"* a fifth said.

During the course of the interviews, individuals were asked to comment on the gifts needed to meet the goal. Many of those interviewed were willing to indicate a gift amount they would consider, based upon their current circumstances, in addition to their regular annual support. The interviewees were also asked to indicate their willingness to include the University of Maine in their estate plans. It is worth noting that 28 of the interviewees indicated that they would be willing to consider making or have made a provision for the University in their estate plans.

As a result of the interviews and commitments received by the University that will be included in the campaign, the following top ten potential or actual (as indicated by an asterisk) gifts were identified and are presented as:

- the minimum amount (i.e. what people generally would generally consider giving); and
- the maximum probable under the best conditions (as projected by counsel or indicated by the prospect).

TOP TEN POTENTIAL GIFTS

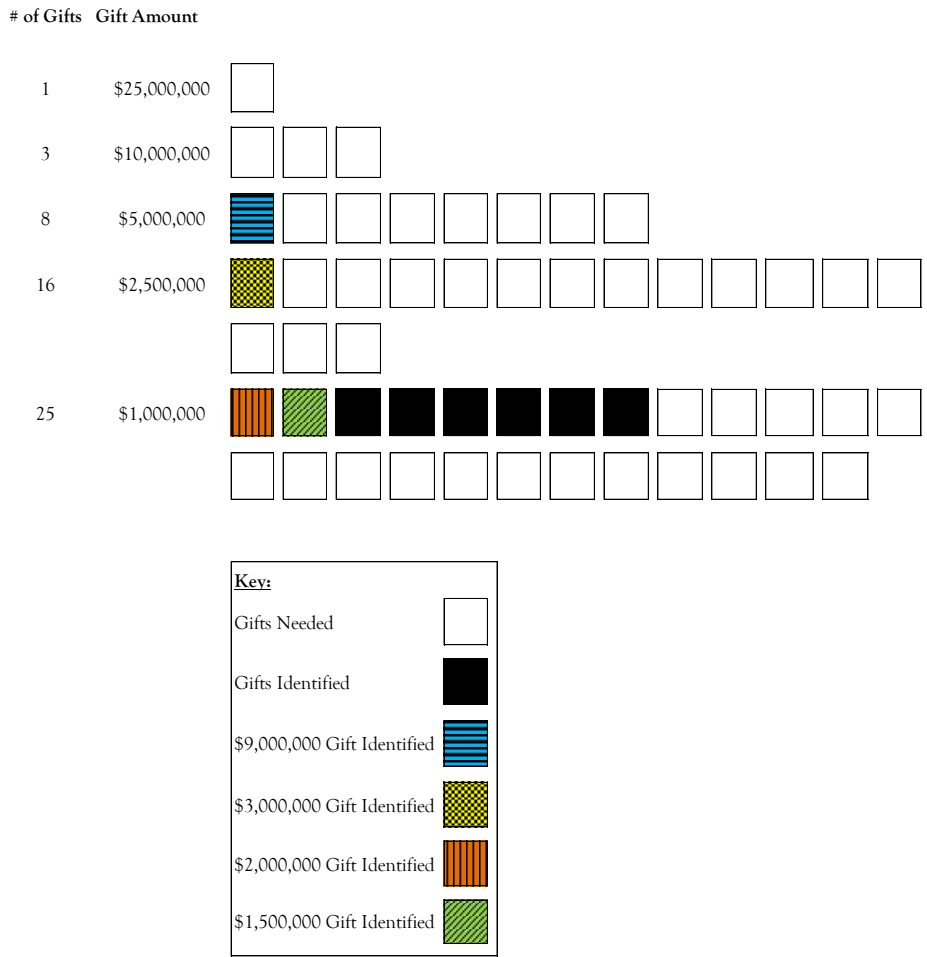
<u>Maximum</u>	<u>Minimum</u>	<u>Philanthropic Priority</u>	<u>Volunteer</u>
\$9,000,000*	\$9,000,000*	NA	NA
\$3,000,000	\$3,000,000	High	DNS#
\$2,000,000	\$1,000,000	DNS#	DNS#
\$1,500,000*	\$1,500,000*	NA	NA
\$1,000,000*	\$1,000,000*	NA	NA
\$1,000,000	\$ 500,000	High	Yes
\$1,000,000	\$ 500,000	High	Yes
\$1,000,000	\$ 500,000	DNS#	No
\$1,000,000	\$ 500,000	High	No
\$1,000,000	\$ 250,000	High	Yes
\$21,500,000	\$17,750,000		

*Denotes an actual gift

#Did not specify

The following chart demonstrates how the top ten gifts, at the maximum level, fit into the range-of-gifts table used during the course of this study.

The University of Maine
Suggested Range of Gifts for \$272,000,000



As this chart demonstrates, the highest gifts needed for a campaign of the magnitude tested in this study were not identified, although several of the largest gifts were.

V. RECOMMENDATIONS

A. The Case for Support

The case for support has within it several key areas that garnered significant support and acceptance from the interviewees. It is fortunate that those—primarily support of students, faculty and some key programmatic areas, such as the Honors College and

undergraduate and graduate research—lie at the core of the University. There was some support voiced for campus improvements in general, without a great deal of support being voiced for any specific item, beyond the Engineering Design Center. There was a fairly broad consensus that the University should more clearly focus the items it seeks to put forward as featured objectives in the campaign and that they be more consequential in nature, in both impact and in the dollars being sought. With these themes in mind, we recommend the following with regard to the case for support:

- Focus the case for support on a relatively few featured objectives focusing on faculty, students and programs. These are fairly large and all-encompassing categories and can reasonably accommodate many of the priority items that the University would like to see funded. Given the programmatic cuts that the University has been facing, these would likely be seen as critical by prospective donors, because they are at the very heart of what the University does.
- With respect to physical plant, the University may well want to focus on one or two key areas in the flooring phase of the campaign, seeking to secure the lead gifts that would make any given project viable. If those gifts are secured, the project or projects could be included. If not, then they will need to wait until donors who have both the capacity and inclination to provide those lead gifts are identified and make their commitments.
- In putting forward the featured objectives along the lines recommended above, provide a larger vision for what the campaign and these key funding priorities will accomplish for the University of Maine. Doing so will be very important to many potential donors. It will also be important that donors know that their gifts are doing more than simply filling holes that have been left by either the State or the system. That also argues for narrowing the scope of the campaign objectives, allowing for more money to be raised in support of a few key objectives, thus making more of a difference.
- Faculty support may well need to be expanded beyond professorships and chairs, very expensive items. A broader definition will allow donors for whom this objective resonates to endow faculty support funds of more modest amounts, e.g., \$50,000 or \$100,000, that will permit the provost or a dean to provide a faculty member with support for a specific research project, for attending a scholarly conference, for funding a graduate researcher or for funding faculty-student collaborative research.

- If the Collins Center for the Arts is to be included among the funding priorities, it will be imperative to more carefully explain the need for the expansion and renovation, given the University's other needs and also the perception that the Collins Center may not need additional work.
- Incorporate the initiative to better fund women's athletics within the overall objective of Black Bear Athletics. Even though the general area of athletics didn't receive a great deal of supportive comments, it should be noted that many of the interviewees were not primarily athletic boosters. This should be an area of focus within the campaign and all of the funding priorities should be unified under the athletic banner.
- Because so many concerns were expressed about what the interviewees understood to be the difficulties created for the University by the State and the system, it will be important to carefully craft the case to acknowledge and address those concerns, without making them a key part of the campaign or rationale for it.

B. Potential Leadership

The University of Maine has sufficient potential leadership for the campaign, as indicated by the responses of those being interviewed and their recommendations. Alexander Haas will discuss with the University of Maine administrative and volunteer leadership the individuals to approach and strategies for recruiting them.

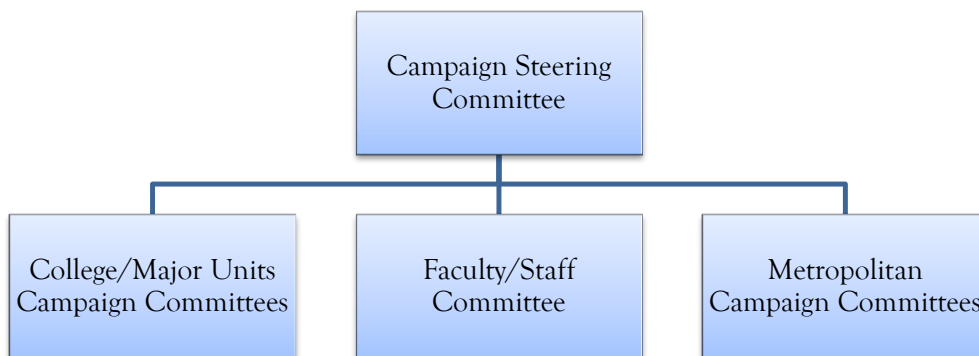
In moving forward with a comprehensive campaign, it will be essential to have the active involvement of the members of the Board of Visitors, as well as key alumni and friends. Volunteer leadership must be engaged in and supportive of the effort and that volunteer leadership extends well beyond those recruited to lead the campaign effort. One key aspect of this campaign can and should be a concerted effort to engage more alumni in giving and helping to get the philanthropic support that the University so clearly needs and merits. The overall approach should be, "This is our University! We will go to whatever lengths necessary to ensure its continuing strength."

It will also be critical for President Susan Hunter to be actively engaged in the cultivation efforts of the University. As Dr. Hunter undertakes her two-year appointment, she will face many calls on her time. It will be critical that the campaign

be given high priority among those calls. There is, quite simply, no substitute for the President in the cultivation and solicitation of key prospects.

The following chart illustrates the organizational approach we recommend, a fairly compact one reflecting appropriate engagement opportunities for volunteers and the ability of staff to support the work of volunteers. {See Appendix H for Sample Job Descriptions.}

The University of Maine Recommended Organizational Chart



C. Potential Financial Support/Goal

Alexander Haas has analyzed the role that the top 10 gifts play in a successful campaign based on more than 1,000 successful campaigns, including those it has conducted and those that have reported to the Council for Advancement and Support of Education. This information can be used as a general guideline for what could reasonably be expected in the University of Maine’s campaign. Alexander Haas’ research suggests that the larger the campaign, the smaller the top ten gifts are as a percentage of the total. It has found that in campaigns of the size (\$100 to \$299 million) envisioned by the University of Maine, that the top ten gifts comprise 37% of the overall total raised.

Here, again, are the top 10 potential gifts identified.

TOP TEN POTENTIAL GIFTS

<u>Maximum</u>	<u>Minimum</u>	<u>Philanthropic Priority</u>	<u>Volunteer</u>
\$9,000,000*	\$9,000,000*	NA	NA
\$3,000,000	\$3,000,000	High	DNS#
\$2,000,000	\$1,000,000	DNS#	DNS#
\$1,500,000*	\$1,500,000*	NA	NA
\$1,000,000*	\$1,000,000*	NA	NA
\$1,000,000	\$ 500,000	High	Yes
\$1,000,000	\$ 500,000	High	Yes
\$1,000,000	\$ 500,000	DNS#	No
\$1,000,000	\$ 500,000	High	No
\$1,000,000	\$ 250,000	High	Yes
\$21,500,000	\$17,750,000		

* Denotes an actual gift

Did not specify

Using the appropriate factor (2.7) for campaigns of the size envisioned by the University of Maine, the maximum campaign total would be \$58,050,000 (\$21,500,000 x 2.7) and the minimum would be \$47,925,000 (\$17,750,000 x 2.7). As we indicated above, this top ten gifts calculation provides one method of examining a potential campaign goal. However, other factors also must be considered in calculating an appropriate working goal for any given campaign. We believe that doing so is particularly important in this instance.

In the case of the University of Maine, we believe that examining the amount that has been raised in the preceding years can also be informative. Over the last 8 fiscal years, the University has received an average of \$21.5 million. (The information on total

giving in a fiscal year is from the Council for Aid to Education's VSE Report.) It is interesting to note that the amount received has been fairly consistent, excepting FY '07 and FY '10, even during the course of the recently concluded comprehensive campaign. It is also important to note that these amounts are not being raised apart from the effect of campaigning. In fact, they reflect the additional gift income that the University of Maine received as campaign pledges were being made and paid.

FY '06	\$18.3M
FY '07	\$36.5M
FY '08	\$20.1M
FY '09	\$20.1M
FY '10	\$14.0M
FY '11	\$18.8M
FY '12	\$25.4M
FY '13	\$18.9M

These amounts do not include all of the new, revocable planned gifts that were received in each of those fiscal years.

With these actual fundraising totals in mind, it would be reasonable to extrapolate that the University could consider securing over a five year period roughly \$110 million (\$22 million per year for five years). This would only be gifts received. It would not include new planned gifts. If the \$58 million that has been secured by the staff in the three preceding years were to be included, the University could envision a campaign of \$175 million, with some rounding up, but also not including planned gifts.

Another view of fundraising potential is to be seen by looking at the potential that exists within the database. The University of Maine has recently conducted an electronic screening of its database to uncover giving potential among its constituents. This kind of screening provides some insight into what might be possible, although

only in an extremely rough and imperfect way. A few qualifiers/caveats are in order: The capacity ratings do not indicate philanthropic proclivity; the ratings do not indicate how much of a prospect’s philanthropic capacity would be directed to a specific charity, e.g., the University of Maine in this instance; the ratings may not be accurate, although it is possible that they undervalue, rather than over value the capacity of any given individual. That said, it is instructive to see what kind of potential the University’s database holds. The table below provides the number of alumni that have made a gift—regardless of the amount of that gift—to the University in any one of the last three fiscal years (column one) and in any one of the three fiscal years prior to that (column two) for each of four philanthropic capacity levels.

<u>Philanthropic Capacity</u>	<u>Donors FY '11-13</u>	<u>Donors FY '08-10</u>
\$1 million+	106	14
\$500K-1M	256	45
\$250-500K	741	134
\$100-250K	1945	484

It is critical not to draw an overly optimistic picture of the gift support that might be forthcoming from these alumni, as the caveats listed above would indicate. It is important not to assume that a direct line from capacity of the database to actual donations at the capacity level can be drawn. However, this perspective on the University’s untapped philanthropic potential is instructive and lends credence to the belief that the University has more potential than it has capitalized upon. It is clear that the University of Maine does have prospects that are philanthropically inclined to it and who also have the capacity to make significant gifts in support of the University.

It bears mentioning—even emphasizing—that the ability of the University to capitalize on the philanthropic capacity within its base of supporters is limited by the number of

major gift officers that the University currently employs. Stated simply, it will take staff to qualify, cultivate and solicit the alumni and other prospects. Current staff can and should, in the course of their work, add new prospects. But on the margin, given the current load of prospects that they carry, the number of new prospects that could be added by the current staff in a given year would be relatively small. The best and most important step to rapidly and substantially increase the active prospect pool is the addition of staff, each of whom would set about the task of building a portfolio of 150 or so new major gift prospects.

It is also important to consider another, significant element when considering a potential campaign goal for the University of Maine: planned gifts, primarily bequests. There are a number of donors who have made provisions for the University in their estate plans and the value of which is either unknown or hasn't been recorded in the University's database. Virtually every university in the country seeks in their campaigns to secure new planned gifts and includes the value of those gifts in their totals. This is legitimate and appropriate. It also represents another source of significant support for the University and its campaign. It is fairly typical for between 25 to 30% of a campaign's total to be comprised of planned gifts.

We must also consider the qualitative information that we received from the interviewees. There were several who have significant capacity, but who were not in a position to indicate what their gift might be. Also, there were those who wanted more clarity about the University and its situation with the State before indicating what they might be willing to do.

Taking all of these factors into consideration, we believe that the University of Maine can undertake a comprehensive campaign with an initial working goal of \$225 million. This is based upon quantitative and qualitative factors provided by the interviews, an examination of the fundraising track-record of the University of Maine, the capacity of the prospect pool, good and promising work by the staff and the active interest and

engagement of volunteer leaders. This campaign would include the total gifts already secured in the three previous years and encompass five additional years of campaigning. As is the case with virtually all campaigns, this campaign will initially move forward in the flooring phase (or as some characterize it—quiet phase) for at least 2.5 years and quite possibly 3 years, before a public announcement of the campaign. That would allow time to determine the appropriate final, announced goal of the campaign, to focus on the key prospects whose gifts are critical to the success of the campaign, and to build momentum for the effort.

It is important, when considering the campaign, to factor in the University's Sesquicentennial to be celebrated in 2015. The role of the University's 150th anniversary in the Campaign will be significant. The University will spend the year celebrating its many achievements and its impact on individual lives and the quality of life in the state of Maine and beyond, as well as presenting its vision for the future. As a result, this year of celebration will provide a wonderful backdrop to the campaign effort in its flooring phase, as well as the public phase that will follow. The solicitation of key donors made in the flooring phase will reference the University's Sesquicentennial. So, the significance of this landmark in the University's life will be noted and should have an impact on a donor's thinking about making a gift. It is important, however, to not tie the public announcement of the campaign to the Sesquicentennial Year celebration. Let each stand on its own with its own appropriate timing. One, the Sesquicentennial, is (or will soon be) ready to go to the public. The other, the campaign, needs more time to progress to build momentum and get clarity about the final goal and objectives.

This \$225 million working goal is broken down as follows:

\$175,000,000	Outright Gifts for endowment, capital and current operations
<u>\$ 50,000,000</u>	<u>Deferred Commitments</u>
\$225,000,000	Campaign Working Goal

For a campaign of \$225 million to be successful, the outright, not planned, gifts secured in support of it would need to fall into a range similar to the table below. This points to the importance of securing key leadership gifts, as well as a considerable number of major gifts in support of the campaign.

Illustrative Range-of-Gifts Table
Outright Gifts Goal of \$175,000,000

No. of Gifts		Size	Amount	Total	% of Goal
1	@	\$15,000,000	\$15,000,000	\$15,000,000	9%
1	@	\$10,000,000	\$10,000,000	\$25,000,000	14%
4	@	\$5,000,000	\$20,000,000	\$45,000,000	26%
10	@	\$2,500,000	\$25,000,000	\$70,000,000	40%
25	@	\$1,000,000	\$25,000,000	\$95,000,000	54%
50	@	\$500,000	\$25,000,000	\$120,000,000	69%
80	@	\$250,000	\$20,000,000	\$140,000,000	80%
120	@	\$100,000	\$12,000,000	\$152,000,000	87%
150	@	\$50,000	\$7,500,000	\$159,500,000	91%
200	@	\$25,000	\$5,000,000	\$164,500,000	94%
many under		\$25,000	\$10,500,000	\$175,000,000	100%

VI. NEXT STEPS

The recommended comprehensive campaign for the University of Maine has particular importance and urgency. First and quite clearly, the University has a real need for an infusion of gift revenue and it can and will put that gift revenue to very good use. Beyond that fundamental purpose of any campaign, the campaign can act as a catalyst to accelerate the coordination and collaboration among the key partners (University, Foundation, Alumni Association) in building the University's fundraising ability. Further, the campaign can and should be used to rally alumni (in particular), friends and the Maine business community to higher measures of support. It also bears mentioning that the campaign can also be beneficial to the University when it engages in a search for a new president. Candidates will be encouraged to see that funds are flowing to the University, that it has the active engagement of volunteer leaders and that its capacity to secure philanthropic support is increasing. Finally, the campaign can be hugely beneficial to the

University as it seeks to be more widely and better understood by its many constituents for its distinctive role in the state and nation.

This report attempts to recommend the next steps and to serve as a planning document. It should not be viewed as the final, detailed campaign plan. The campaign cannot be planned to the final detail from the outset, particularly by staff and counsel only. Several decisions should be made and actions taken, including the following:

- Endorsement of this report by the Board of Visitors.
- Approval by the University of Maine to move forward in planning for and executing a campaign based on the Study's recommendations.
- Developing a campaign plan to guide the effort, including budget, timeline, communication plan and campaign counting guidelines.
- Refining and reframing the case for support for select campaign objectives.
- Recruiting the Campaign Chair/Co-Chairs to work with the administration and staff in preparing for and developing the campaign, in recruiting members of the Campaign Steering Committee and in cultivating key lead prospects.
- Briefing all interviewees on the results of the study and the actions taken based on it.
- Deciding how the campaign will be conducted, the staffing and resource needs for the campaign, and the role of fundraising counsel.

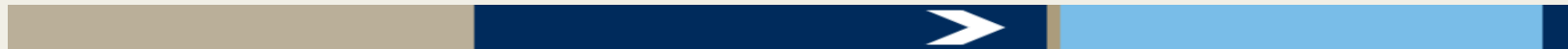


University of Maine Comprehensive Campaign Readiness Report

DRAFT 4.13.2017

Campaign Readiness:

- ✓ Previous campaign success
- ✓ Creation of University of Maine strategic plan
- ✓ Hired nationally recognized campaign consultants
- ✓ Internal review completed
- ✓ Donor feasibility study completed
- ✓ Campaign Budget
- ✓ Campaign Steering Committee
- ✓ Quiet phase completed



Previous Campaign Success:



- 2005-2011 Campaign Maine
- Raised \$157 million (largest ever)
- Resulted in long-time employees with successful campaign experience



Hired Campaign Consultant

Campaign Strategy Study

(consultant engaged mid-2013)



“Alexander Haas is widely recognized as one of the leading fundraising consulting firms in the Nation. Headquartered in Atlanta, Georgia, we work in a collaborative partnership with our clients. Our ultimate goal is to help our clients to accomplish and advance their mission by enhancing and expanding their fundraising capacity and the resources available for programs. Alexander Haas has provided fundraising counsel and conducted successful campaigns for nearly 1,000 organizations of virtually every type, from across the country, with goals ranging from \$1 million to more than \$1 billion.”

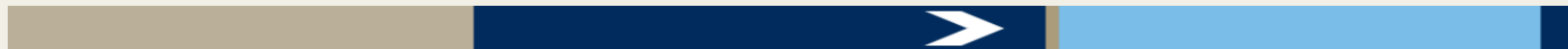


Campaign Strategy Study

Internal Review & Donor Feasibility



1. Internal assessment of UMaine advancement units (completed Dec. 2013)
2. External assessment (interviews completed in spring 2014)



Internal Review: Consultant Recommendation



- Merge UMaine Development Office under UMaine Foundation for centralized, donor-centric structure

This was completed in July 2016

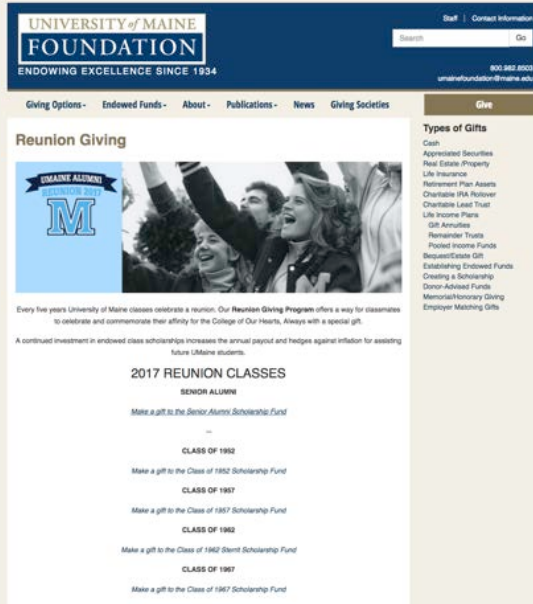


Internal Review: Merger Completed

- Combined resources for gift processing, advancement marketing/communications, data reporting and other functions
- Cross-training of front-line fundraisers in planned, annual, and major giving
- Single, daily gift report to more effectively and immediately steward donors



Internal Readiness: New Initiatives



- Support Alumni Association accounting
- Major Reunion event and giving campaign
- Better utilization of Homecoming Weekend



Internal Readiness: New Initiatives



- Employee Giving Campaign
- Giving programs for current students



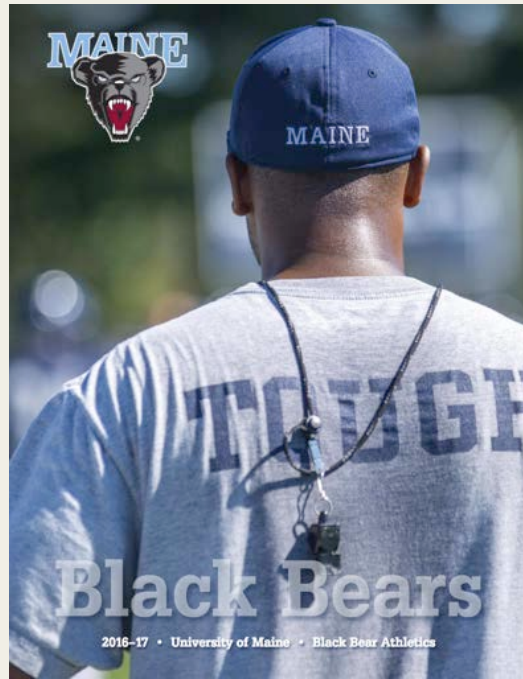
Internal Readiness: New Initiatives



- Maine Day of Giving annual event



Internal Readiness: New Initiatives



- Alfond Fund launch for UMaine Athletics



Internal Readiness: New Initiatives

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3.9



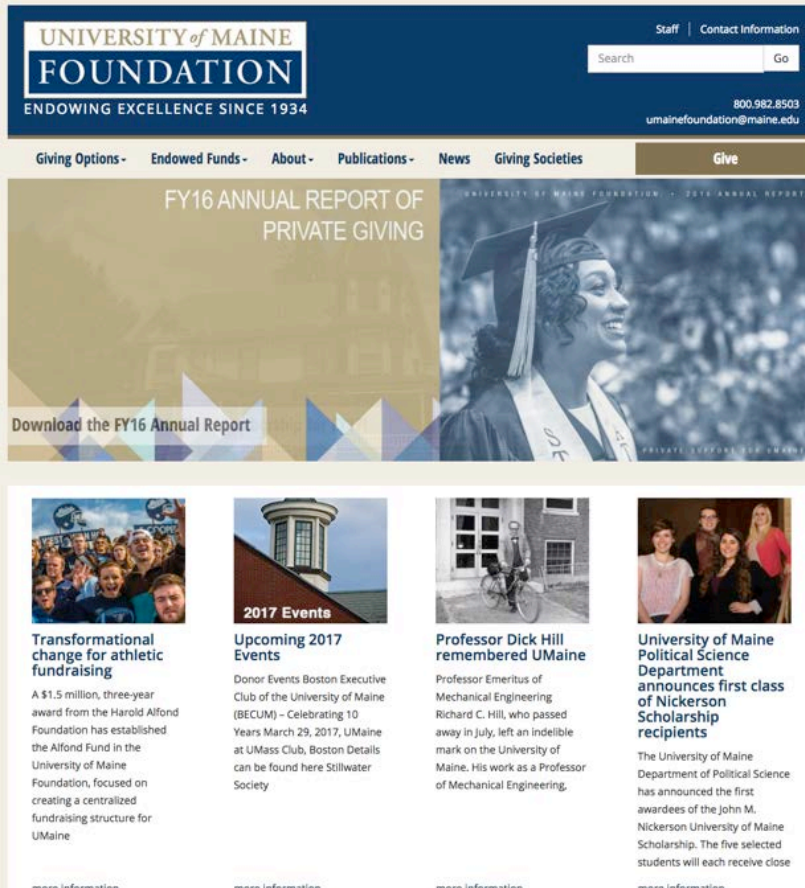
- Strong and growing executive clubs in Portland, Boston, Philadelphia and Washington, D.C.



Internal Readiness: New Initiatives

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3.9



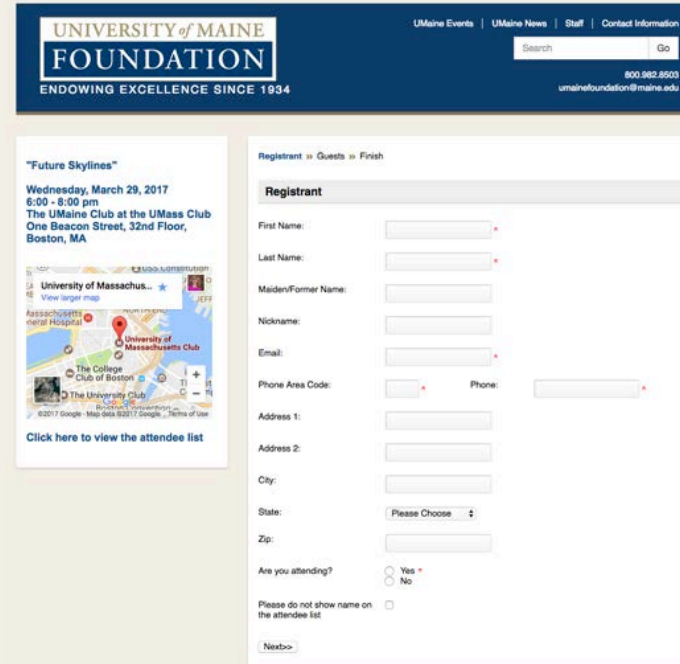
- New websites
- Increased collaboration with Pulp and Paper and 4-H Foundations



Internal Readiness: New Initiatives

DRAFT

3.9



- Implementation of constituent relations/ gift processing software, iModules



Internal Readiness: Data Initiatives

- Widened the scope of data by adding season ticket holders
- Developed engagement scoring system
- Incorporated Harris Directory information
- Will be adding 30,000 LinkedIn records
- Recent birthdate append for 4,000



Internal Readiness: Data & Prospect Management Initiatives

- Merger created more strategic assignments for philanthropy officers
- Reworking geographic assignments
- Streamlined solicitation strategies

Internal Readiness: Comprehensive Stewardship/Donor Recognition

- President's Club
- Stillwater Society
- Charles F. Allen Legacy Society
- Triple Crown Donors
- Loyal M Society
- Katahdin Society



Internal Readiness: Comprehensive Stewardship/Donor Recognition

- Consistent protocol for acknowledgement letters
- Combined annual report
- Sophisticated impact reports



Internal Readiness: Robust Annual Giving Program

The screenshot shows the top portion of the University of Maine Foundation website. At the top left is the 'UNIVERSITY of MAINE FOUNDATION' logo. To the right are navigation links: 'Home', 'Give Now', 'Planned Giving', and 'Admin Login'. Below this is a secondary header with 'THE UNIVERSITY OF MAINE ANNUAL FUND' logo and the tagline 'For the College of Our Hearts, Always!'. Social media icons for Facebook, LinkedIn, YouTube, and Twitter are present, along with a 'MENU' button. The main content area features a large photograph of graduates in blue caps and gowns. Overlaid on the photo is a text box that reads: 'Your Gift Matters! Gifts to the Annual Fund help make extraordinary experiences possible at the University of Maine. Every gift to Annual Fund matters and makes a difference, especially to the students who turn to UMaine for an outstanding, yet affordable education in the land-grant tradition. Give Now'. Below the photo is a section titled 'Make a Difference for UMaine' with a paragraph of text: 'Our top priority is to provide our students with a high quality and affordable education, along with top research programs, athletic teams, community engagement initiatives and opportunities in the visual and performing arts. Philanthropic support from alumni and friends like you touches all of these areas of the University of Maine. We hope we can count on your support!'. To the right of this text is a small image of a black bear mascot wearing a white and blue striped sweater. At the bottom of this section are four buttons for donation amounts: '\$50', '\$75', '\$100', and '\$250'.



Internal Readiness: Robust Annual Giving Program

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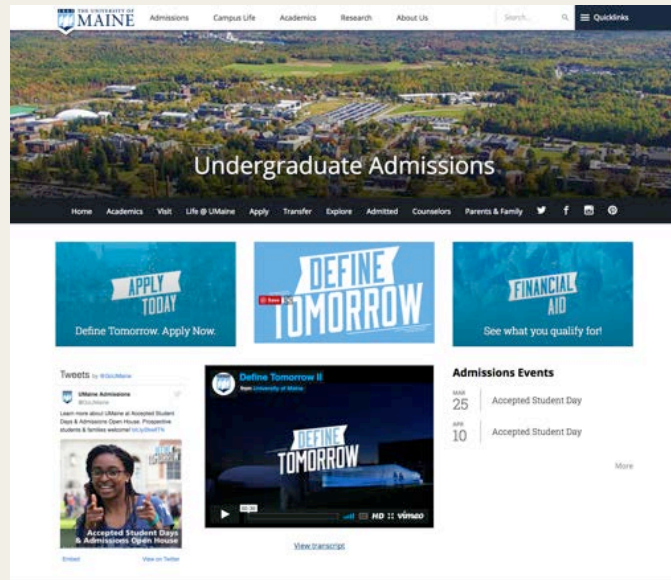
The collage features several key documents:

- President's Club Membership Renewal:** A form titled "President's Club Membership Renewal" with a section for "GIFT DESIGNATION(S)" and checkboxes for "Area of Greatest Need" and "Area of Special Interest". It includes contact information for the University of Maine Foundation and a "GIVE ONLINE" section.
- College Highlights:** A page titled "COLLEGE HIGHLIGHTS" featuring testimonials from students like Jonathan Moore and Nathan Moore. It includes photos of students and text describing their experiences and how they plan to use their education.
- Thank you card:** A card from the "UNIVERSITY OF MAINE FOUNDATION" thanking a donor for their support of the "Loyal M Society" and the "President's Club". It includes a "Thank you" message and contact information for the foundation.

- “Snapshot of Support”



Internal Readiness: Campus Initiatives



Provost Names Signature and Emerging Areas of Excellence in Research and Education

June 30, 2014

Signature and Emerging Areas of excellence in research and education at the University of Maine have been announced by UMaine Executive Vice President for Academic Affairs and Provost Jeffrey Hecker.

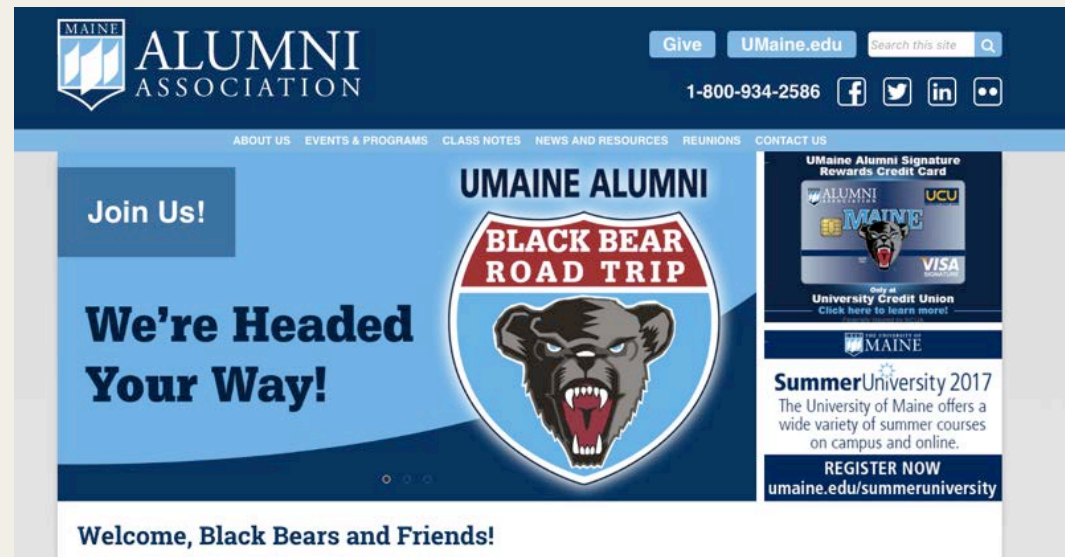
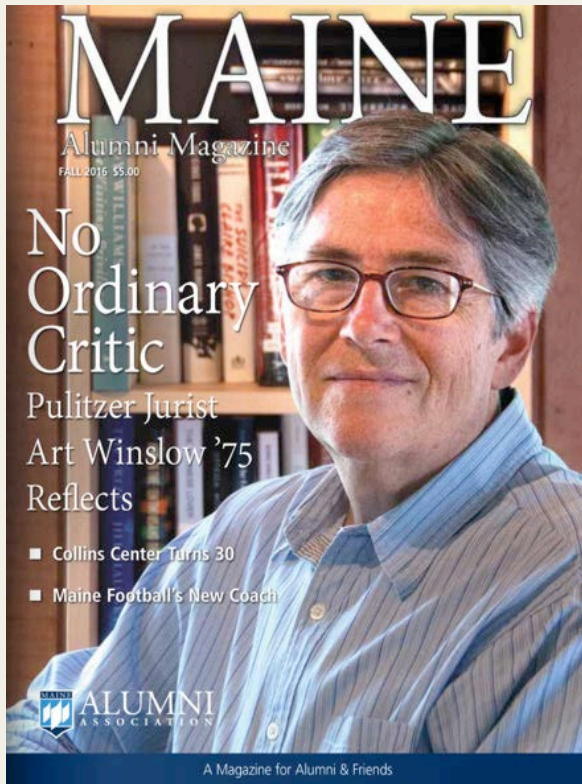
The designations, which resulted from months of campus dialogue and faculty forums led by the provost, will inform strategic and focused planning and resource allocation to preserve UMaine's national stature and impact in Maine. The initiative to define UMaine's Signature and Emerging Areas is a significant strategic plan. It will be followed this fall by campus-wide dialogue about foundational areas of research and education for a 21st-century land grant university.

"In this time of rapid change in higher education, it is more important than ever that institutions think strategically about their programs," Hecker says. "In the Signature Areas UMaine has achieved national and international distinction, and these areas will be key in our planning for the future, including our fundraising and development efforts. The Emerging Areas are those with the great potential to reach that next level of excellence. Together, they make a compelling statement about the distinctiveness of UMaine among America's research universities."

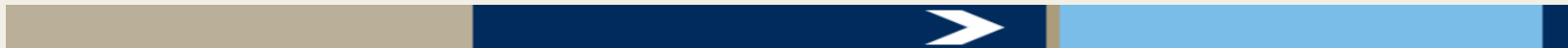
- Signature programs messaging helps with priorities
- Flagship match program is popular and helps with engagement beyond Maine



Internal Readiness: Alumni Association Initiatives



- Alumni and friends interested in campaign



External Assessment: Donor Feasibility Study



- Completed 51 interviews
- Reviewed internal documents
- Held discussions with key UMaine personnel
- Tested draft case for support (engineering building, scholarships, endowed professorships and chairs, etc.)



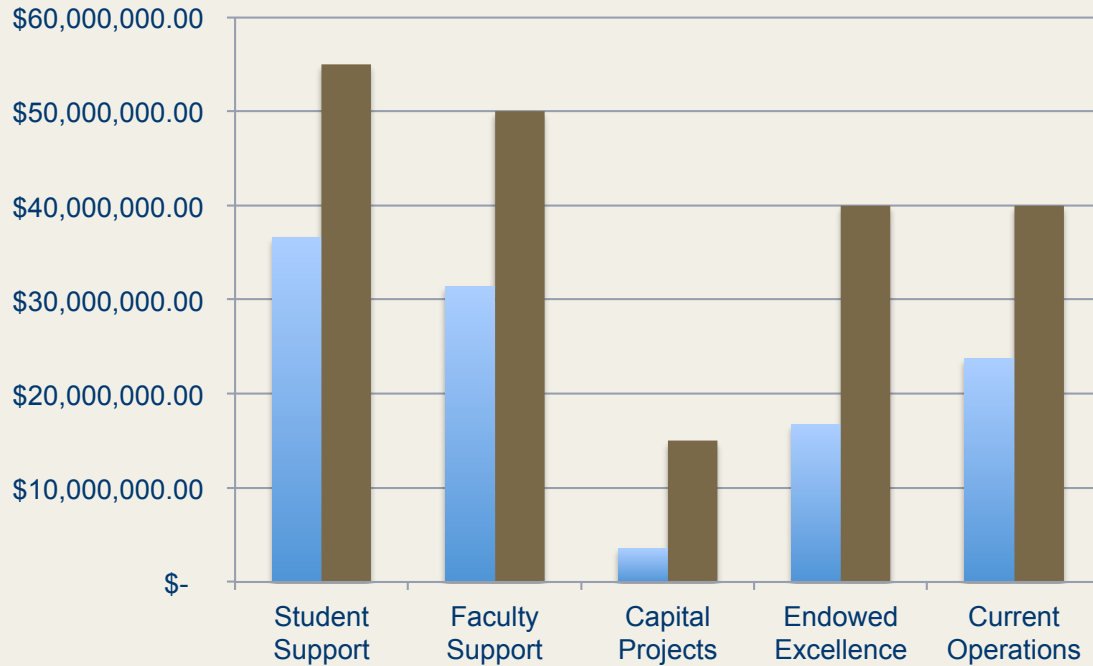
External Assessment: Consultant Recommendation



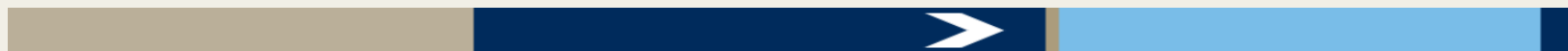
- Campaign capacity (private fundraising) of \$200-\$225m



Quiet Phase: Completed



Total Raised	\$112,017,539.46
Student Support	\$36,559,597.98
Faculty Support	\$31,398,397.55
Capital Projects	\$3,594,854.73
Endowed Excellence	\$16,739,548.52
Current Operations	\$23,725,140.68
Total Goal	\$200,000,000.00
Student Support	\$55,000,000.00
Faculty Support	\$50,000,000.00
Capital Projects	\$15,000,000.00
Endowed Excellence	\$40,000,000.00
Current Operations	\$40,000,000.00



Scale of Gifts Completed

Gift Level	Number of Donors	% of Donors	Cum. % of Donors	Amount Contributed	% of Campaign	Cum. % of Campaign
a) \$5 million +	2	0.01%	0.01%	\$15,191,382.71	13.6%	13.6%
b) \$2.5 million +	1	0.00%	0.01%	\$3,072,244.85	2.7%	16.3%
c) \$1 million +	8	0.04%	0.05%	\$10,211,849.22	9.1%	25.4%
d) \$500k +	21	0.10%	0.15%	\$14,322,650.31	12.8%	38.2%
e) \$250k +	31	0.15%	0.30%	\$10,177,092.37	9.1%	47.3%
f) \$100k +	109	0.52%	0.82%	\$16,229,473.85	14.5%	61.8%
g) \$50k +	124	0.59%	1.41%	\$8,412,592.82	7.5%	69.3%
h) \$25k +	201	0.96%	2.37%	\$6,706,596.25	6.0%	75.3%
i) \$10k +	462	2.21%	4.58%	\$6,951,789.47	6.2%	81.5%
j) \$5k +	548	2.62%	7.20%	\$3,555,109.68	3.2%	84.7%
k) \$2.5k +	612	2.92%	10.12%	\$2,103,065.66	1.9%	86.5%
l) \$1k +	1607	7.67%	17.79%	\$2,324,909.83	2.1%	88.6%
m) < \$1,000	17217	82.21%	100.00%	\$3,163,574.48	2.8%	91.4%
From Partners Not on Advance (individual breakdown not available)				\$9,595,207.96	8.6%	100.0%





UNIVERSITY of MAINE
FOUNDATION

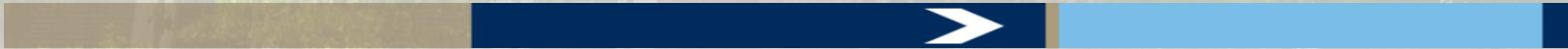
CAMPAIGN TIMELINE AND PROGRESS DRAFT



University of Maine Comprehensive Campaign

University of Maine Comprehensive Campaign

Next Step: Public Launch



Public Launch Signature Events

DRAFT

3.9

- Stillwater Dinner
- Reunion and Homecoming events
- Charles F. Allen Legacy Society Luncheon
- President's Club Brunch
- Foundation Annual Meeting
- Paper Days
- 4-H Annual Meeting
- Collins Center for the Arts gala
- Alfond Fund golf tournament
- Executive Club meetings





Thank you!





AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** University of Southern Maine – The Next Generation Capital Campaign
2. **INITIATED BY:** Trustee Norman Fournier, Committee Chair
3. **BOARD INFORMATION:** **BOARD ACTION:** X

4. **BACKGROUND:**

The University of Southern Maine submits this request for approval of a comprehensive campaign, “USM: The Next Generation” to raise an anticipated \$80 million. The attached information outlines the proposed campaign. President Glenn Cummings will provide an overview of the campaign plan, which includes:

- background documents for a new campus center, residence halls and athletic facilities
- vision and feasibility for a Performing Arts Center
- continued support and investment in students for The Promise Scholarship fund

5. **TEXT OF PROPOSED RESOLUTION:**

That the Finance/Facilities/Technology Committee forwards this item to the May 21-22, 2017 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the University of Southern Maine – “USM: The Next Generation” capital campaign plan as presented by President Cummings and recommended for approval by the Finance/Facilities/Technology Committee at its April 27, 2017 meeting.

4/20/17




Office of the President

4.1

Date: April 19, 2017

To: Norman L. Fournier, Chair, Samuel W. Collins, Jason E. Coombs, James O. Donnelly, M. Michelle Hood, Gregory G. Johnson, Karl W. Turner, Raymond Albert, Cathleen McAnney, Patti Miles
Finance/Facility/Technology Committee
University of Maine System Board of Trustees

Cc: James H. Page, Chancellor
Ryan Low, Chief Financial Officer and Treasurer
Vendean Vafiades, Special Counsel and Senior Staff to the Chancellor

From: Glenn C. Cummings, Ed.D. 
President, University of Southern Maine

Re: Approval for Comprehensive Campaign

The University of Southern Maine hereby submits for formal approval a comprehensive campaign – USM: The Next Generation- to the University of Maine System Board of Trustees.

This fundraising and alternative financing plan focuses on the areas essential to USM’s continued success. Our donor base and the state of Maine are ready for a robust public university in our largest metropolitan areas – a region that deserves and expects a vibrant university that is providing high-quality, accessible, affordable education meeting the needs of our thriving region. This campaign, “USM: The Next Generation” is designed to make this dream a reality.

Our vision is anchored by our students and the need for space to live and thrive on campus: a new campus center, built with the help of the Government Facilities Fund and residence halls (financed through revenue bonds or alternative funding) will transform the center of our campus and provide essential housing for students to study and live in one of America’s best small cities.

A Performing Arts Center, evaluated for over three decades is an essential for our students and our region, providing both a space for student performances and community events in an iconic building that will further define Portland’s skyline.

“USM: The Next Generation” campaign creates the engine to drive implementation of the Master Plan currently underway thanks to authorization from the UMS Board of Trustees. The athletics campaign underpins the “Coming Home” portion of our campaign and demonstrates USM’s commitment to creating and funding a Master Plan that serves the Gorham, Lewiston/Auburn, and Portland students and campuses.

An innovative plan to invest in students across the university’s programs and campuses, The Promise Scholarship, will ensure that students from all walks of life, backgrounds and economic situations see a path to higher education, not only through financial support, but academic, advising and social supports as well. *Every big dream starts somewhere.*

The Promise Scholarship campaign focuses donor attention to the importance of our stated goal of creating \$50 million in endowed scholarships by 2020. Currently, USM is more than half way to that goal.

Several documents are enclosed for your review and consideration:

- Comprehensive campaign budget
- Philanthropy timeline
- List of campaign leadership already recruited
- Performing Arts Center materials including Feasibility
- Housing Submission to FFT plus Portland Proforma
- Presentation covering our vision for and readiness to pursue this campaign

Thank you for your consideration. It will be my pleasure to discuss our vision and plans more fully with you on April 27th.

USM: The Next Generation

A Comprehensive Campaign Plan



Draft – April 27, 2017

Funding Priorities



Championing Our Students

- **\$50M Scholarships!**
 - Promise Scholars
 - Transfer Students/ Last Mile
 - New Americans
 - International Opportunities
- Internships
- Graduate
- **Other:** student research, program-specific, emergent needs



Strengthening Our Faculty & Community

- **Endowed Chairs & Named Professorships**
 - Strengthening USM's "onlys"
 - Maine/workforce need
- **Strategic Program Development**
- **Other:** teaching fellowships, visiting professorships, etc.



Building a Metropolitan University

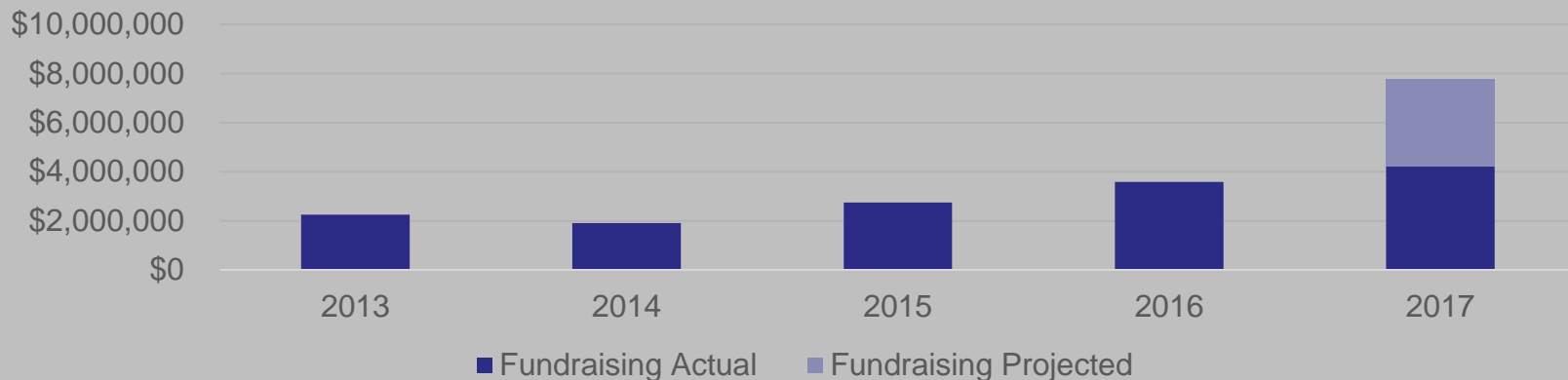
- **Capital Needs**
 - Performing Arts Center
 - Portland housing
 - Athletics
- **Other:** Targeted sponsorships for signature events, etc.

Campaign Readiness

Previous Success: 2004-2009 *Transforming USM: The Capital Campaign* raised \$41,031,621, the largest campaign in USM's history

Momentum:

USMF and USM Fundraising by Fiscal Year



Combined University Advancement with USM Foundation and recruited philanthropic volunteer board

First ever Day of Giving surpasses \$1M goal, raising \$1,492,383

Campaign Readiness: Friends & Family

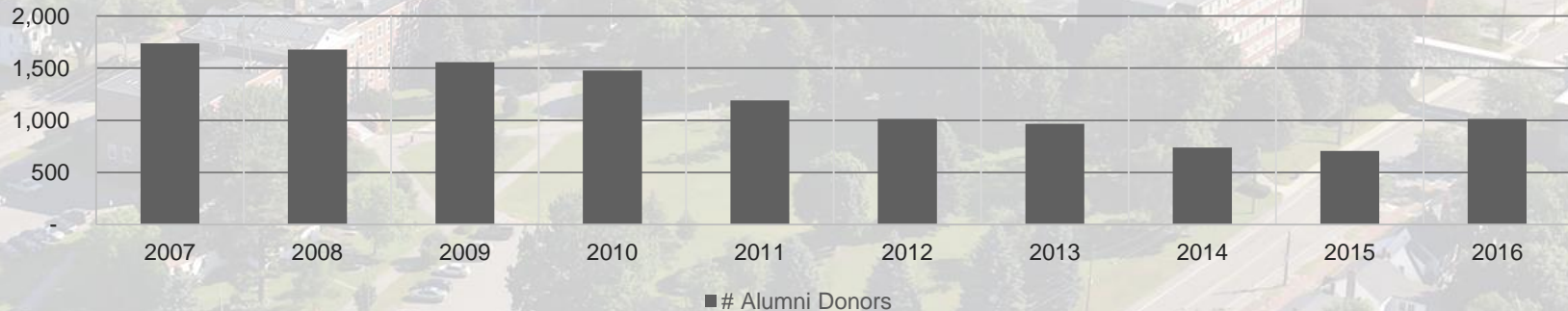
Key Boards: Board of Visitors, USM Foundation Board of Directors, Alumni Association Board now giving at 100%, up from 71% average in FY 2015

Successful Employee Giving Campaign:

Overall More than 50% increase in dollars and nearly three-fold increase in donors since 2012
President's Leadership Team giving at 100%, with a 400% increase in dollars this year.
Foundation/Advancement staff 100% participation

Alumni Participation 2016 reversed four years of declining participation

Alumni Participation by Fiscal Year



Campaign Readiness: Corporate & Employer Engagement

Providing Value Through Strategic Sector and Workforce Partnerships: Innovative Academic/Community Endeavors

- Craft Brewing Industry & Quality Control Collaboratory
- Risk Management & Insurance
- Food Studies
- North Atlantic



Revitalized Corporate Partners Program

- Expanding community of employers invested in USM
- Produces revenue for internships & scholarships
- Utilizing the program to promote and streamline opportunities for employers to engage with USM
- Commitment from senior leaders in southern Maine

Building Models for Comprehensive Engagement: Investing in Employers' Talent Pipeline

- Internships and Meaningful Work Experiences
- Promoting Employee Education
- Employer-Based Alumni Engagement
- Employer-Based Marketing Campaign
- Strategic Philanthropic Opportunities

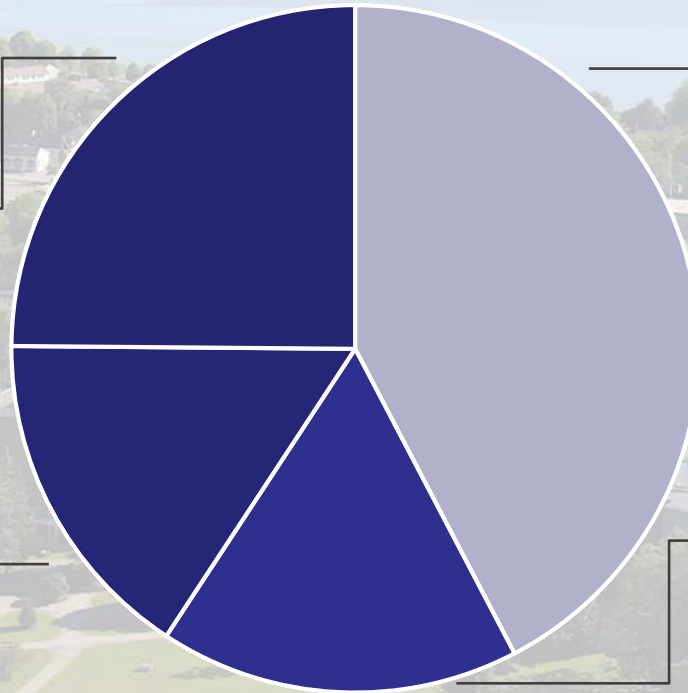
USM works for ME

Proud Employer



Anticipated Funding Sources

\$189 Million in Investments



Government Facilities Authority
Student Center

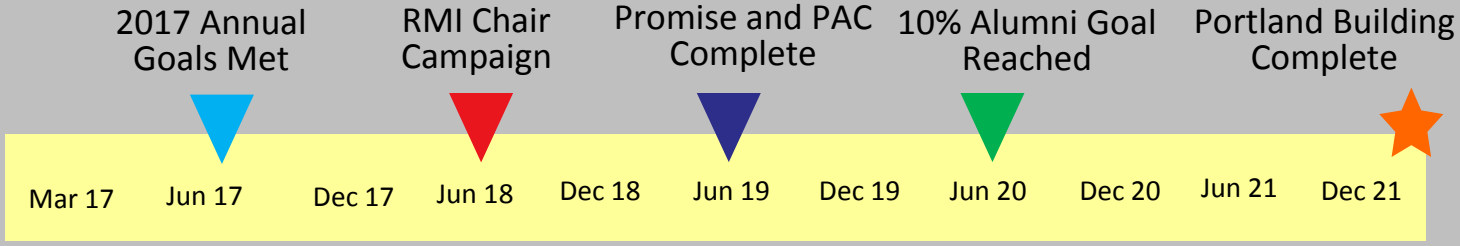
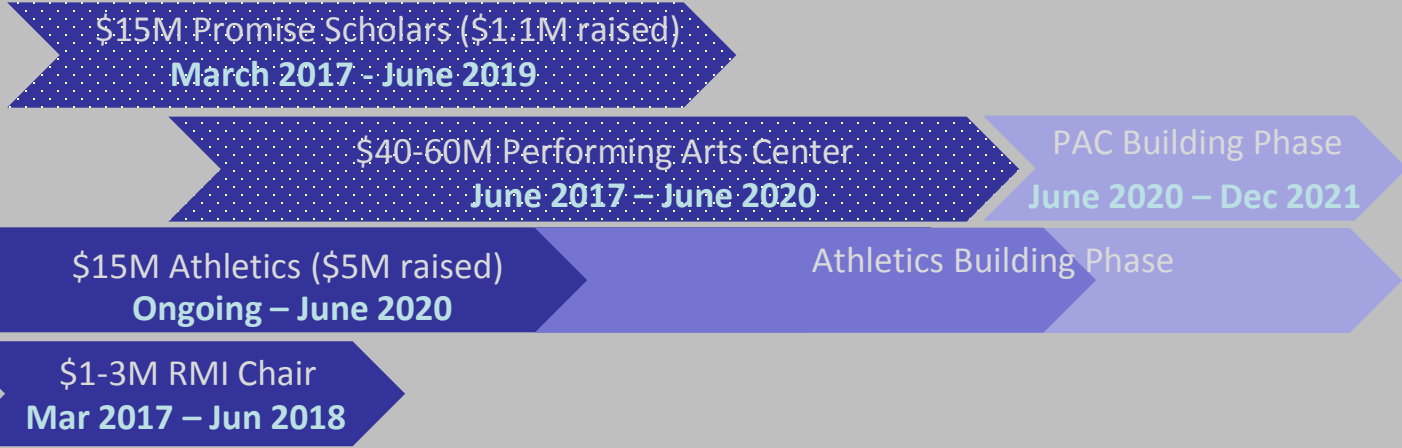
Philanthropy
Performing Arts Center (\$50M)
Promise Scholars (\$15M)
Gorham Athletics (\$15M)

Public-Private Partnerships
Portland Athletic Facility (\$22M)
Boutique Hotel (\$10M)

Alternative Finance
Residence Halls

- Philanthropy - \$80M
- Public-Private Partnerships - \$32M
- Government Facilities Authority - \$30M
- Alternative Finance - \$47M

Phase 1: Philanthropy Timeline



The Promise Scholarship

THE PROMISE SCHOLARSHIP

Every big dream starts somewhere.




USM
FOUNDATION
University of Southern Maine

Co-Chairs: Carolyn and Dick McGoldrick

Goal: \$15M endowed scholarship
\$1,185,000 received/pledged

Target: Students from youth development organizations

Impact: 100 students/ year with 1/2 tuition scholarships

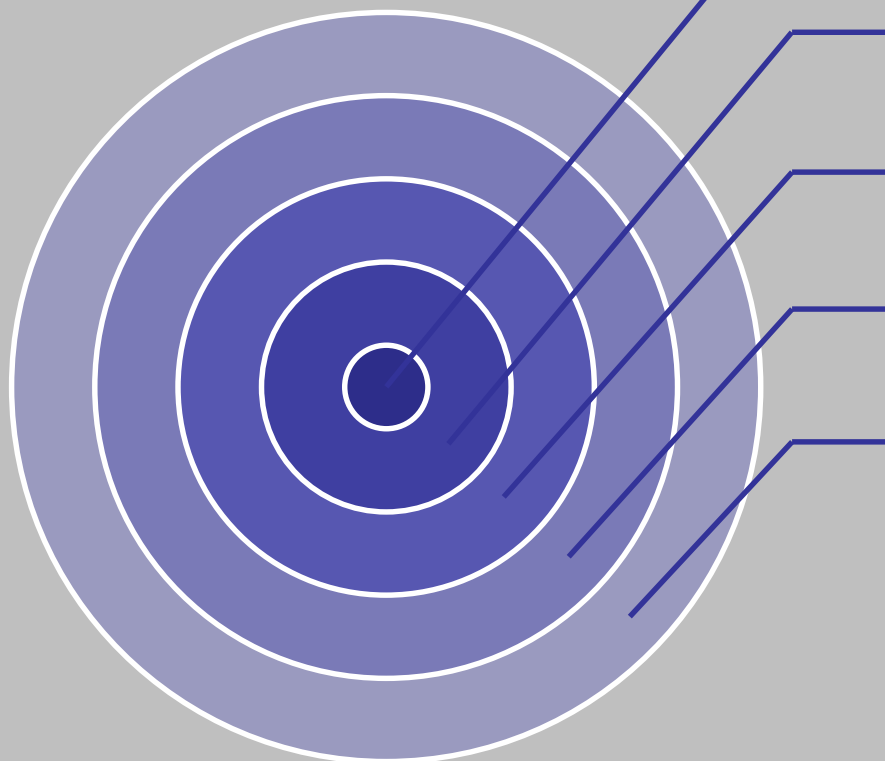
Funding source: 100% Philanthropic

Scholarship Candidates:

- Demonstrate financial need
- Commit to full-time enrollment with a minimum of 15 credit hours per semester
- Incoming first year, continuing, or transfer students
- Ideally, motivated students with a strong recommendation from a youth development organization partner

USM is committed to providing active, ongoing professional and advising support to ensure the success of Promise Scholars.

Student Center & Performing Arts Center



High-level Leadership Team to be recruited

Additional programming: World class music venue, visual arts integration, boutique hotel

Center of engagement for Southern Maine region, arts community and USM campus life

Revenue supports construction costs of new parking garage

Funding Sources: Philanthropic, Government Facilities Authority, Alt. Financing

Performing Arts Center:

- \$50M venue suitable for opera, piano, large ensembles, musical theatre
- Seating for 1,000
- Practice, performing, classroom, and reception spaces
- Art & Photography Gallery showcasing USM faculty, students and alumni, Portland-area artists and other visiting artists
- Scott Simons and Wright Ryan creating concept and cost estimate

Student Center:

- \$30M estimated project
- Student gathering spaces
- Boutique hotel and/or Wellness Center with Food Studies Culinary Institute
- Student housing

Related:

- Parking garage
- Closing Bedford Street
- \$2-3M site work/creating a Quad
- Hiring Campaign Consultant

Athletics

Goal: \$15M in facility upgrades, with \$5M already raised

Specific Projects:

\$5M Addition and upgrades to Hill Gym

\$2M Completion of Hannaford Field

\$1M Upgrades to Ice Arena

\$1M upgrades to Field House

\$1M Baseball Stadium

\$2M Softball Stadium Project Complete

\$1.7M planned gift received for indoor facilities upgrades

Funding source: 100% Philanthropic

Leadership: To be led by select members of USM's Athletics Development Council



Conclusion

USM: The Next Generation

- Builds off our Community Engaged Model
- Engages a Leadership Team and Re-Energizes Philanthropic Investors
- Is Informed by an Extensive Master Planning Process
- Focuses Alumni Participation
- Provides Opportunities for deep Corporate Engagement
- USM: The Next Generation campaign is essential to USM's Continued Success:

RECRUITMENT – RETENTION - REVENUE

**University of Southern Maine Foundation
Proposed Comprehensive Campaign Budget**

Comprehensive Campaign Revenue

Gift Fees **\$950,000**

Expenditures:

Performing Arts Center	\$387,500
The Promise Scholarship	\$132,000
Athletics	\$50,000
Campaign Overhead Support	\$150,000
Subtotal	\$819,500
10% Contingency	\$81,950
TOTAL	\$901,450

Supporting Council Revenue

Project Development Fees (3%) **\$660,000**

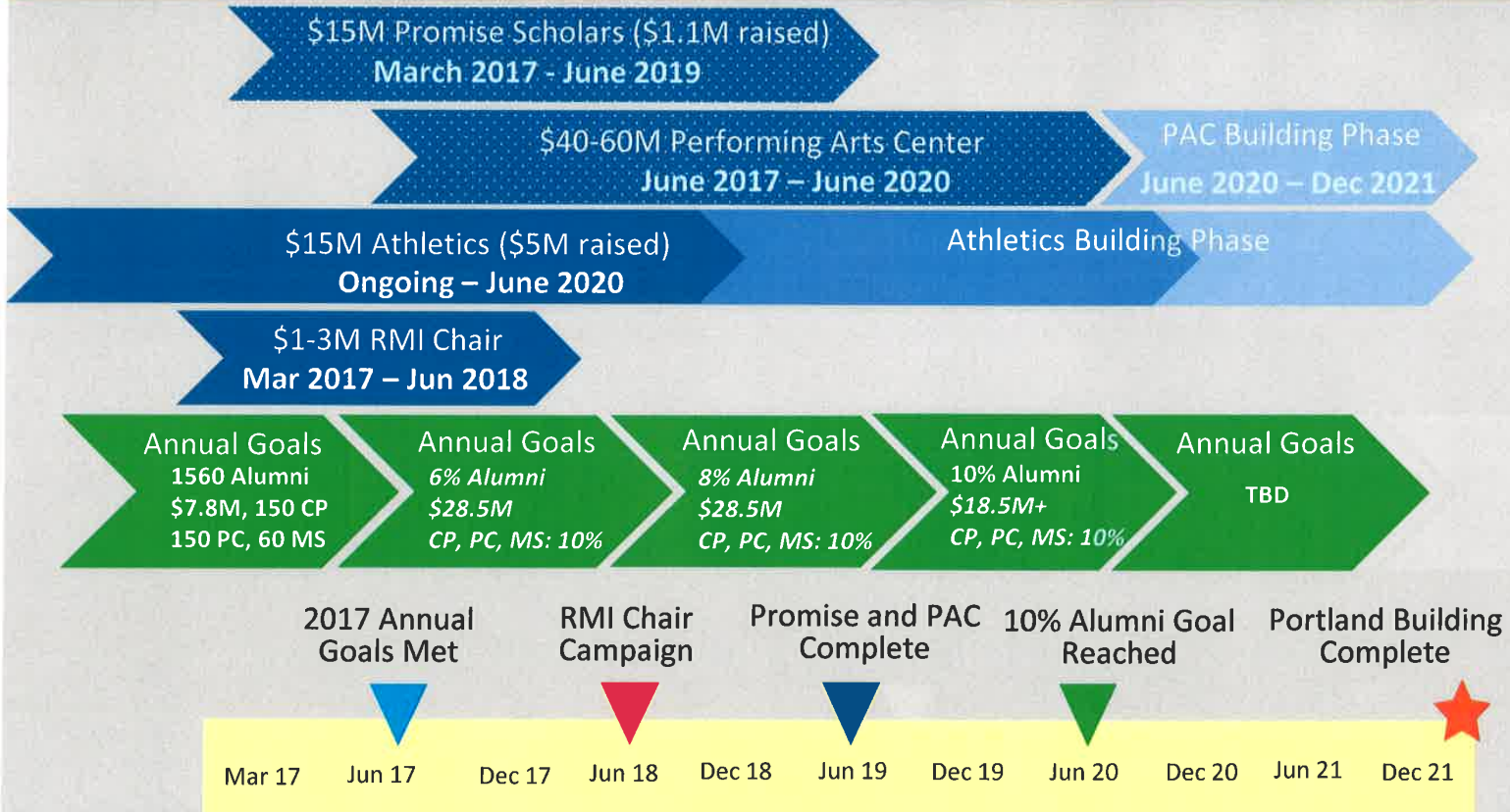
Expenditures

Housing Market Analysis	\$35,000
Project Management Oversight	\$150,000
Subtotal	\$185,000
10% Contingency	\$18,500
TOTAL	\$203,500

Itemized Expense Budget

DETAIL		Year 1	Year 2
Performing Arts Center	\$250,000 Consultant	\$125,000	\$125,000
	\$60,000 Marketing Firm	\$20,000	\$40,000
	\$25,000 Events	\$10,000	\$15,000
	\$15,000 Travel	\$10,000	\$5,000
	\$25,000 Publications & Materials	\$10,000	\$15,000
	\$12,500 Concept Development and Estimating	\$12,500	
	\$387,500	\$187,500	\$200,000
The Promise Scholarship	\$72,000 Consultant	\$36,000	\$36,000
	\$45,000 Marketing	\$10,000	\$35,000
	\$15,000 Travel	\$10,000	\$5,000
	\$132,000	\$56,000	\$76,000
Athletics	\$35,000 Marketing	\$15,000	\$20,000
	\$15,000 Travel	\$10,000	\$5,000
	\$50,000	\$25,000	\$25,000
Campaign Overhead Support	\$100,000 Grant writing	\$35,000	\$65,000
	\$50,000 Support Staff	\$20,000	\$30,000
	\$150,000	\$55,000	\$95,000

Phase 1: Philanthropy Timeline



Readiness

Campaign Leadership Recruited and Philanthropically Invested:

All campaign efforts supported by the **USM Foundation Board of Directors:** George N. Campbell, Glenn Cummings, Edward McKersie, Cyrus Hagge '83, '85, Robert Blackwood '78, '82, Robert Dodge, Marci Booth '98, Todd Chamberlain, Daniel Crewe, Stephen deCastro, Christopher Hall, Rebecca McKinnell '06, Bonnie Porta '80, Casey Prentice, Christopher Robinson, Teresa Schulz, Deanna Sherman, MBA '96

Promise Scholars: Carolyn and Dick McGoldrick, Marci Booth '98, Kevin Carley

Performing Arts Center/Dorms: Larry Rubenstein, Daniel Crewe, Peter Plumb, Mary Nelson

Supporting Council: Cyrus Hagge '83, '85, Daniel Crewe, Ben Devine, Diane Doyle, Edward Kane, Bruce Roullard '84, John Southern, Mark Stickney '95

Leaders Helping us Establish a Campaign Budget

Qualifying and Recruiting Campaign Consultant(s)

Developing Case Materials

- Promise Scholars brochure complete. Donor support secured to assist with campaign startup costs.
- Performing Arts Center brochure in its beginning stages. Donor support secured to help with campaign startup costs. Estimate secured to hold initial stakeholder groups and get preliminary designs for interior and exterior of building. \$5,000 in in-kind support secured to help understand potential costs of facility.

Feasibility Development Analysis done in 2010 – update this plan

Designs done in 2010 for center in Gorham, using same architect to update

Date: April 19, 2017

To: Norman L. Fournier, Chair, Samuel W. Collins, Jason E. Coombs, James O. Donnelly, M. Michelle Hood, Gregory G. Johnson, Karl W. Turner, Raymond Albert, Cathleen McAnney, Patti Miles
Finance/Facility/Technology Committee
University of Maine System Board of Trustees

From: George N. Campbell, Jr.
President, University of Southern Maine Foundation

Re: Performing Arts Center Materials

This section supports the case for the Performing Arts Center both in terms of what we've done historically, and our current updating in terms of case, concept and estimated costs.

Included:

- 1) PAC Case Statement
- 2) PAC History of Studies
- 3) Panas Readiness Profile
- 4) Panas PAC Feasibility
- 5) Scott Simons PAC Proposal

Draft Case for Support for the USM Performing Arts Center/Center for the Arts

A Center for the Arts on the USM Portland Campus**4.6*****Setting the Stage for Greatness***

I. Overview – Building a world-class Center for the Arts is essential to elevating awareness of USM's world-class School of Music.

The time has come to recognize this USM gem by giving it the stage it deserves: an architecturally significant, acoustically superior performing arts venue in the heart of Maine's largest city—Portland—the creativity hub of our region. Accomplishing this goal will transform our Portland campus and bring the USM School of Music recognition as one of the finest and most reputable schools of music in the country.

A Best-Kept Secret No More:

- Acclaimed and successful alumni (see section V sample list)
- Nationally recognized faculty (see section V sample list)
- Northern New England's only School of Music in a public university
- The only School of Music in a Maine college or university

II. Why It Matters – The need for a new facility has been well recognized for more than 30 years. The School of Music on the Gorham campus does not meet the needs of the School of Music or reflect the quality of the program. Their largest and most public performance groups do not have a concert hall in which to perform, the building cannot accommodate movement of larger instruments (must be dismantled for every performance), the building is not climate controlled and has substantial leaks, outdated technology. It is a far away and less attractive location for many of our audiences and potential collaborators. A new performing arts center located on the Portland campus will remove barriers that have held the School of Music as "a best-kept secret," and will help to build our national and international reputation and offer our students and audiences the full performance experience they deserve.

- **One, right-sized venue:** School of Music performances are currently scattered in many different venues, between Gorham and Portland. This is expensive and difficult to manage. A new, multi-purpose, medium-sized venue will accommodate all of our performance needs, large and small, and eliminate the cost and inefficiencies of renting space.
- **Accessible, central location:** Audiences tell us that Gorham is too far and out of the way. An accessible Portland location will attract greater audience numbers and increase support for USM School of Music performances. It will also be more accessible to the elite young musicians who travel to USM for the Youth Ensemble program.
- **Valuable community asset:** Our acoustically excellent, mid-size facility will fill an unmet need in the area, enhancing and strengthening the Greater Portland arts community. The facility will bring new collaborators to our doors—and new revenue opportunities. Potential clients:
 - Maine State Music Theatre
 - Portland Ballet
 - Portland Ovations
 - Maine Opera

- **Enhanced revenue & recruitment:** Recently, USM lost its biennial hosting of the All-State Music Festival and Maine Music Educators Conference because of inadequate facilities, resulting in reduced revenue and recruitment opportunities. The event previously brought talented high school students from all over Maine to USM—many for the first time—and was a significant recruiting opportunity for the University. With a new facility in Portland, USM can regain lost opportunities, and create new ones.
- **National and international recognition & awareness:** A new, architecturally significant, acoustically excellent performing arts center, in a prominent, highly visible location, brings deserved attention to the School of Music, and the University of Southern Maine. It will elevate our stature and provide a world-class stage from which to tell our story. This venue will also attract national and international musical festivals.

III. The Vision: As a key element of the University's master plan for transforming the heart of its metropolitan campus, the new Performing Arts Center will advance USM's mission as a **Community-Engaged University**. The presence of this new facility on campus will connect and integrate our students' on-campus experience with the surrounding life and culture of one of America's best small cities.

The Plan calls for building a striking, Center for the Arts that will become one of the iconic, architectural landmarks in the city of Portland:

- **A medium-sized concert hall** with 400-500 seats at ground level and a balcony that expands capacity to 1,000. This is half the size of Merrill Auditorium (2,000 seats), but large enough to house our largest ensembles, including Youth Wind Ensemble and Youth Symphony Orchestra.
 - A flexible, technologically advanced multi-purpose facility that is highly adaptable is planned. Specifications include: acoustic ceiling clouds, fly space, side and back stage space, lighting, freight elevator, wide doors that can accommodate moving large equipment, workshop for sets, recording/lighting booth
 - A spacious lobby area that will accommodate large receptions; a green room, practice rooms, and classroom spaces
- **A dedicated art gallery**, accessible to event attendees as well as gallery patrons, will expose a new audience to the quality and diversity of arts programming at USM. A glass wall will provide high visibility for art exhibitions, and draw in passing pedestrians.
 - Exhibition space for visiting artists, student and faculty art, and collaborations within USM community; approximately 800 square feet to accommodate significant one-person or small group shows
 - Secure display and storage for artwork in all media, including sound, video, sculpture, and digital. Security designed to meet established museum guidelines
 - Professional track lighting and appropriate flooring; direct access for delivery and retrieval of art; built-in adjacent storage for artwork and hanging supplies
 - Potential "small art lab," offering hands-on experiences for K-12 students working with USM art education students

IV. Building On Passion -- We make this dream a reality by bringing together believers, supporters, and visionaries to champion this project and USM's School of Music.

Goal: \$50 Million

V. Reference to Page 1**Acclaimed USM Arts Alumni and Faculty Sample Listing**

- Acclaimed and successful alumni (not a complete list)
 - Megan Marino '05 mezzo-soprano opera singer with the Metropolitan Opera
 - Ashley Emerson '06 soprano opera singer with the Metropolitan Opera
 - Andrew Pelletier '95 horn soloist, Grammy winner, professor
 - Sam Woodhead '96 principal trombonist of US Army Band
 - Elizabeth Bucura '05, '08 music education professor, Professor of Music Education at Eastman School of Music
 - Lauren Rioux '04 international performing artist, educator
 - Jennifer DeDominici Bittle '00 award-winning, national opera singer
 - Dan Cole '01 studio musician for numerous film and television scores, educator
 - Dan Strange '07 award-winning performer/composer, Frost School of Music faculty
 - Kate Cheney Chappell '83 co-founder Tom's of Maine, artist, namesake of the Kate Cheney Chappell '83 Center for Book Arts at USM
 - Becky McKinnell '06 President, IBEC Creative
 - Alan Bray '71 renowned painter
 - Alaina Marie Harris '10 nautically influenced handbag designer
 - Tony Shalhoub '77 Emmy Award-winning television and film actor
 - Lynn Sieffert award-winning playwright and screenwriter
 - Kurt Ela '00 major motion picture and television actor
 - Piper Major '99 major motion picture and television actress

- Nationally and internationally recognized faculty (not a complete list)
 - Ellen Chickering, Voice Faculty
 - Laura Kargul, Director of Keyboard Studies
 - Dan Sonenberg, Composition faculty
 - Michele Kaschub, Professor of Music, Coordinator of Music Education
 - Chris Oberholtzer, Director of Jazz Studies
 - Robert Lehmann, Director of Strings/Orchestral Activities
 - Tom Parchman, Professor, Clarinet
 - Edward Reichert, Musical Theater faculty
 - John Boden, Artist Faculty in Horn
 - Peter Martin, Professor Emeritus of Music
 - Robert Russell, Professor Emeritus of Music, Choral Studies
 - Brian Diehl, Artist Faculty, Trombone
 - William Rounds, Artist Faculty, Cello
 - Adam Ayan, Music Technology (multiple Grammy winner)
 - Donna Cassidy, Art History Faculty, Co-curator of Metropolitan Museum of Art exhibit
 - Michael Shaughnessy, Professor of Sculpture
 - Raphael Diluzio, Professor of Digital Art and Design
 - Andrew Harris, Theatre Professor
 - Michael Boudewyns, Theatre Professor
 - Wil Kilroy, Professor Emeritus, Director of Southern Maine Theatre Academy
 - Minor Rootes, Professor Emeritus

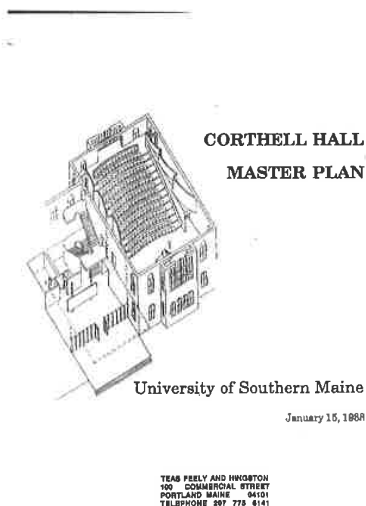
Planning for Arts Facilities at USM An Incomplete Outline and an To-be-completed Legacy

1984 USM Gorham Campus Facilities Study—aka Cambridge Study

Available from DFM.

Summary from Alan Holt: “This study concluded that meeting present and future facilities requirements for the arts would resolve around a solution to the theatre problem, and offered the following: Construct a new facility for theatre, or renovate Russell Hall with additions, and plan future renovations in Robie-Andrews for the reallocation of spaces.”

1988 Teas, Feeley, Hingtson—Corthell Master Plan



Summary: “In the words of the Outline of Building Program, ‘The overall final renovation goal is to transform Corthell Hall into a completely renovated structure devoted to the Music program at USM.’” [10 Design Goals are then listed.]

A version of this plan was finally realized in the Spring of 2012 when the remaining student services offices were moved to Bailey Hall and renovations on a handful of classrooms, studios, and practice rooms commenced.

1990 NASM Visitors’ Report: Analysis of sub-standard renovations in Corthell Hall and the lack of adequate performance space

Summary: In 1990 (when USM had 90 music majors), the NASM external visitors’ report was harshly critical of music facilities. Of the many deficiencies the report noted, the following remain as true today as they were 23 years ago:

“The concert hall is hampered by the current incomplete state of the renovation in that sound from the third-floor classroom/studio area passes directly through the floor with little loss of intensity.”

“The very attractive recital hall has excellent acoustics and is visually appealing, however, the concert band rehearsal observed in this space was painful to the auditors when sitting in even the furthest back rows. The band is very good and has the potential to represent USM well in a suitable and appropriately sized hall.”

1991 Report of the Commission on the Fine and Performing Arts

Summary: The Executive Summary enumerated 12 “major findings and recommendations.” Most were apparently abandoned in subsequent years. Of particular interest here is #8: “The Commission recommends that a commitment be made to create an arts center, through renovation and possible new construction, in the area of the Gorham campus where the departments are now housed...Bus transportation must be provided at appropriate hours to allow Portland-based students to attend evening arts events in Gorham, and to allow Gorham arts students to attend Portland campus evening events as well as professional music and theatre performances in downtown Portland.”

1993 Arts Campus: Concert Plan, DeWan Associates

Concept drawings available for review. Summary: A concept landscape plan for a Fine Arts Plaza to link the existing arts facilities into a connective center.

1995 Successful completion of Play On! Campaign for music

Summary: The pre-campaign feasibility study predicted that USM would be able to raise less than half of the amount that was raised through the capital campaign for music (\$250,000). It was anticipated, based on this success, that unit-based development would be expanded to include advancement support for the Department of Art and the Department of Theatre. That did not happen.

2000 External Advisory Subcommittee from the USM Music Advisory Board, Study and Report to President Pattenaude

Summary: “Faculty, students, and alums all sound a universally plaintive theme: The facilities for a Department which is steadily expanding are woefully inadequate...USM has no facility that can accommodate its symphony orchestra or larger ensembles, a fact which some students describe as ‘embarrassing and demeaning.’...If immediate attention is not paid to expanding available facilities, then the result will be inevitable: students will go elsewhere in frustration.”

2001 Campus Planning & State of Facilities Report, KPMG

Available from DFM. Among the conclusions: “The UMS suffers critically from obsolete facilities that pose a threat to its future competitiveness...We suggest that the universities undertake to renovate whole facilities and building systems.”

2001 Orcutt Plans: A Partnership with Maine State Music Theatre

4.7



Summary: President Richard Pattenaude's responses to a task force from Maine State Music Theatre (MSMT), as recorded in the meeting minutes, August, 2001. MSMT and USM were discussing a joint project for a new 1,000-seat performing arts center on the Gorham campus. USM would use the building primarily during the academic year; MSMT would use the building primarily during the summer.

[QUESTION] "How do we know if the Performing Arts Center request will go forward at the amount requested?"

[ANSWER] "The process is both rational and political. Within the 5-year Maine Systems plan, each campus is allowed to establish the priorities. USM tries to keep top priorities very consistent. This building is our #1 or #2 priority. We have campus control of what we see as our highest priority. We will, as a system will go for a bond in 2003. Politics and economic conditions will determine the size of that bond. The personnel here have determined that this building will be our #1 priority. This will be our 2003 request. The political realities then begin to kick in. The probability of a bond going to the voters? 70%. The probability that our building at the rate we hope for? 55 - 60%. The bond will be statewide. There are elements we cannot control such as the bond's actual physical position on the ballot. Best case scenario: We get the 2003 approval, the doors open May 15, 2005"

Three documents available for review:

Program Data and Theatrical Systems

Site Analysis

Conceptual Design

2003 Programming & Feasibility Study for the Department of Art, Richard Renner Architects

Summary: "The Art Department has a strong curriculum. However the very real problem of the facilities and the lack of physical identity constantly block solid growth...Not only does the Art Department lack physical identity, the identity that it has is more often than not of fragmented and substandard facilities housed in decaying buildings.

With new facilities, the responsive curricular offerings in development and underway (digital and art and entrepreneurial), and with a focused outreach and development efforts, it would be safe to say that USMART would become a first choice program among traditional aged students from within and out of state. There is little doubt that a new building and the attention that it could draw, coupled with a focused development and recruitment initiatives, could increase the student numbers and community support dramatically. Because of the program's location in the cultural heart of the state and its substantially smaller tuition than private art colleges regionally, there is little doubt that a higher profile will substantially increase the desirability of an already strong program."

2007 College of the Arts Plan

Summary:

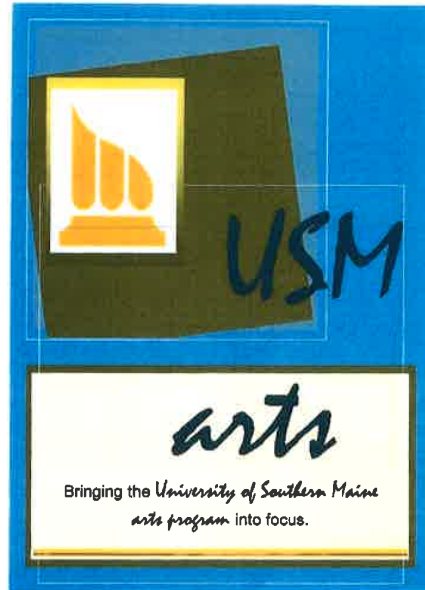
A 21-member committee of faculty and staff from the College of Arts and Sciences met for a year at the directive of the President, Provost, and Dean, to provide a recommendation on the creation of a College of the Arts at USM. The Final Report made the following recommendations:

"The committee recommends the establishment of a COA. However, it recommends that such planning should proceed only with a promise of full support from the administration in terms of appropriate funding (adequate resources for equipment and facilities, a founding dean and other administrative positions) and philosophical backing. Without this commitment, any future exercises easily can drain time and talent away from current needs toward an end that is unclear.

Regardless of the decision to go forward, the administration absolutely must attend to the shockingly inadequate resources and develop a greatly enhanced public identity for the arts. Furthermore, the administration should invest in development staff for the arts immediately, which would demonstrate the administration's commitment to the arts and serve as a logical first step in building a strong foundation for a COA. In addition, the arts units should secure a position of representation at the Academic Council. Finally, the administration should exhibit an awareness of the arts' essential importance in USM's mission of meeting community needs and expectations and the leading role they should play in helping to achieve USM's stated goal of "national recognition for regional excellence."

2008 Arts Charrette; Alan Holt Report

4.7



Summary: Architect Alan Holt worked on a study that integrated former arts planning documents. His work preceded a half-day retreat at which 15 USM stakeholders worked in three teams. Each team developed a plan for the arts quadrant of the Gorham campus that included both concept statements and drawings/mappings of campus space. The drawings and concept statements are available for review.

2009 Malcolm Collins (WBRC) Pro-bono report on planning for arts renovations

Summary: A 16-page report on how to proceed with arts renovations in a phased manner; prepared at the request of the School of Music and the CAS Dean's Office; used by University Advancement to budget for the study commissioned in 2010. Available for review.

2010 Gund Partnership Plan for a Gorham Arts Campus

4.7

Summary: At the direction of President Botman, a team of Gund Partnership Architects (Laura Cabo, lead), Scott Simons Architects (a local firm), acousticians and theatrical consultants developed over a nine-month period a plan for a



transformative arts building/renovation project on the Gorham campus.

Phase I—\$46.7 million

Phase 2—\$30 million

The plan would have produced a new Performing Arts Center, a new Visual Arts building, and renovations to all existing arts spaces. It became the basis of the Fund Raising Feasibility Study and the Case Statement described below. In addition to the campus planning aspects, detailed programming documents were prepared for each of the arts showing all existing spaces and all spaces that would be created were this plan fully implemented. Those documents are still valuable and useful for any future planning.

2010 Panas, Linzy and Partners Fund Raising Feasibility Study and “Imagining the Future,” USM Advancement Case Statement

Summary:

The Core Summary from the report is attached; see Attachment 1.

Meg Weston’s summary for USM Stakeholders is attached; see Attachment 2.

Both the Feasibility Study and the Case Statement are available for review.

This study is highly instructive in its entirety.

2011 Follow-up report from Jerold Panas

Commissioned by Meg Weston for University Advancement.

Summary: NA

2012 CCS Fund Raising Feasibility Mini-report

Commissioned by Meg Weston for University Advancement—weighing prospects for a smaller, music-focused, Gorham project.

2012 Gund Partnership, Concept Design for Music Performance Hall



Summary: Prepared for the approach for a lead gift, and as a part of the planning for a broader USM Capital Campaign. Resulted in the pledge of a lead gift of \$3 million, which was announced at a reception for campaign leaders and potential major donors in Spring, 2012.

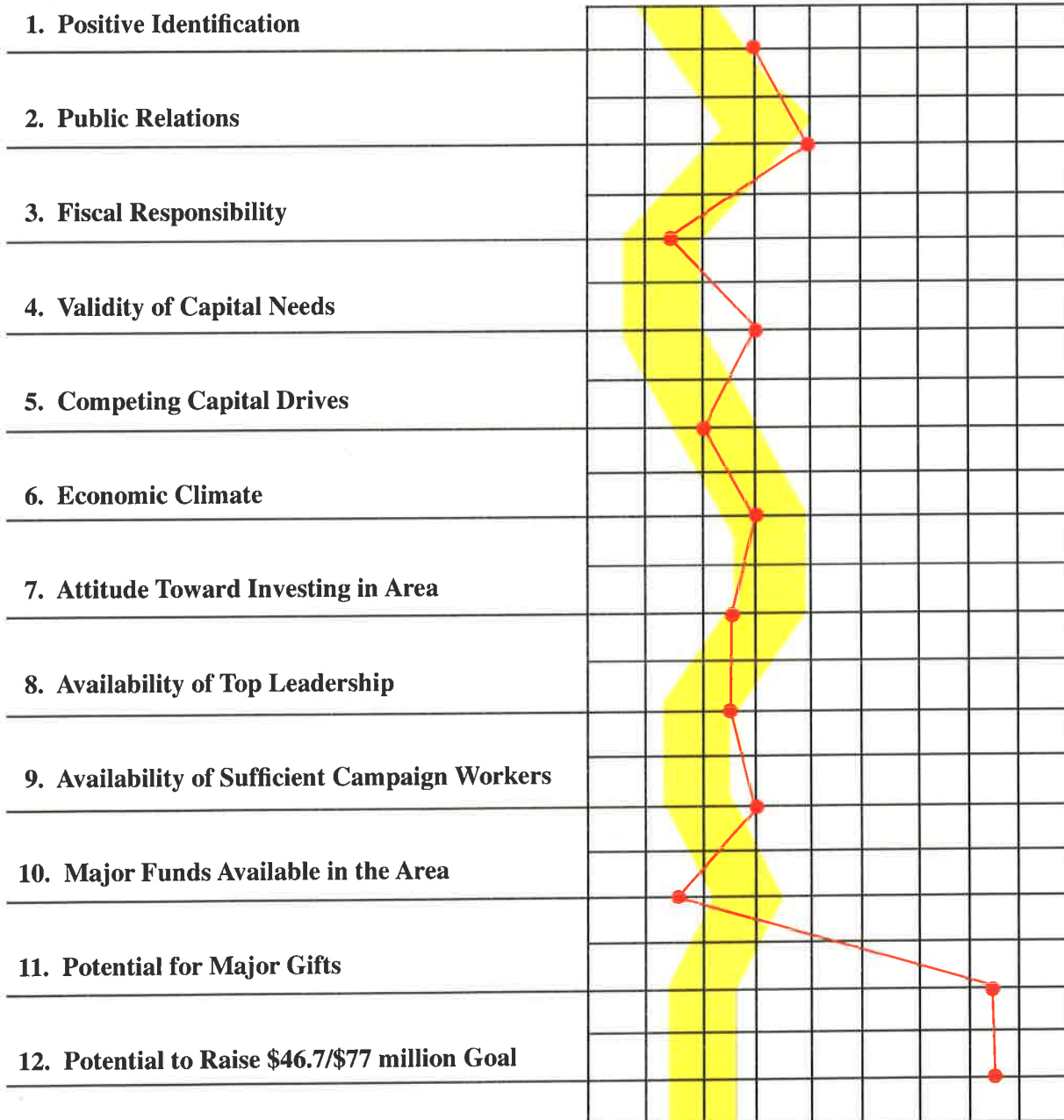


University of Southern Maine Campaign Readiness Profile

Elements

Percentages

100 90 80 70 60 50 40 30 20 10



This graph reflects our firm's evaluation of your readiness for a campaign program, based on our F/DA. The shaded area displays the average range of optimum conditions as we have found them in recent successful campaigns. The connecting line shows our perception of your state of readiness in twelve critical elements from data we have collected in our study.

Legend:



500
NORTH MICHIGAN AVENUE
CHICAGO, ILLINOIS
60611
312-222-1212

JEROLD PANAS, LINZY & PARTNERS

President Selma Botman, Ph.D.
Members of the Board of Directors
University of Southern Maine Foundation
96 Falmouth Street
Portland, Maine 04103

President Botman, Ladies and Gentlemen of the Board:

This is your *Report* of the results of a study made by Jerold Panas, Linzy & Partners for University of Southern Maine. It reflects data gathered since June and extensive personal interviews conducted in August and September, 2010.

Roger Sullivan served as Partner-in-Charge for this study, assisted by Partner Oleg Lobanov and Senior Principal, Edward Kraus. Executive Partner and Founder Jerold Panas also participated, and now presents the *Report* to underscore his commitment of ongoing assistance. The team shared in responsibility for visiting the men and women in your community who were enlisted as interviewees.

The purpose of this study is to determine the most effective means of conducting a capital campaign to provide USM with urgently needed Arts facilities. These would strengthen dramatically the already distinctive USM Music, Visual and Performing Arts programs. New and renovated facilities would enhance USM's education capacity, its contributions to the considerable Arts organizations across the region, and its force in the creative economy.

The plans endorsed by your leadership were presented in Phases:

PHASE ONE

- Constructing a new 59,660 square foot Interdisciplinary Center for the Arts and Performance. This will feature a 600-seat Concert Hall, a 200-seat Studio Theater, and significant new gallery, media, rehearsal, and public spaces.
- Constructing a new 30,000 square foot Visual Arts Studio Building with high quality studio and creative facilities for ceramics, sculpture, painting, photographic, and digital graphic design.
- Reconfiguring traffic and parking, and landscaping to establish a campus quad and clam shell, visitor drop-off areas, an enhanced campus entrance drive.
- **Phase One** costs are estimated between \$39,000,000 and \$46,700,000, assuming 2013 completion. The space it creates is critical of itself, and enables the renovations in following Phases.



PHASE TWO

- Extensive renovations to historic Corthell Hall providing updated physical systems, acoustics, teaching, and practice facilities, and an improved recital hall for the School of Music.
- Extensive renovations of Russell Hall to provide new physical systems, acoustics, a new lab theater, and dance studios for the Theatre Department.
- Extensive renovations of Robie-Andrews Hall including physical systems, teaching spaces, and offices for the Art Department
- Dramatic campus site-work that reshapes the campus by adding green space, creating a distinctive “Arts Walk” and an outdoor amphitheater for seasonal performances.
- **Phase Two** costs are estimated at \$26,000,000 assuming 2015 completion.

PHASE THREE

- Completion of renovations to Corthell Hall.
- Construction of a Parking Structure serving Upper and Lower campuses.
- **Phase Three** costs are estimated at \$7,000,000 to 7,500,000 assuming 2016 completion.



The overall effect would be nothing less than transformative, creating high quality facilities that match, for the first time, the high quality USM Arts programs. The Gorham campus would gain a long-awaited physical beauty for students and visitors.

This transformation must be carried out in phases regardless of financing, due to its scope and complexity. New space is absolutely essential prior to renovation of the major buildings that comprise the core of the Historic District.

The purpose of our examination was to determine how much can be raised from resources available to USM. Whether the entire fundraising objective can be undertaken at one time, or should be approached in phases. It was our charge to uncover any special conditions which might enhance or limit a campaign effort.

To determine the potential for securing the initial \$46.7 million or the overall \$77 million objective, sixty-two in-depth interviews with seventy-one individuals were conducted. In addition, we spoke with many faculty and staff leaders.

In all, the total number involved with the study was sixty-two.

We consider the quality and breadth of perspectives engaged, and the consistency of views among them fully sufficient for the findings and recommendations that follow.

Nearly all interviews were conducted in the greater Portland area. All the visits were conducted in person. Those in the interview universe represented an excellent cross-section of the business, corporate, foundation, personal, and arts leadership in the community.



Also included in the interview group were current and former Foundation and Visiting Board members, friends, donors, Arts sector partners— and even competitors. Those who were interviewed are listed in the Reference Section of this *Report*.

The specific objectives of our charge were to evaluate the status of the following:

1. **How well known is USM, and its Arts Programs?** Do leaders know you and understand your special role in the area? Are they mindful and supportive of your mission?
2. **How strong is the case for the proposed capital program?** Do leaders feel the proposed capital campaign meets a valid need? Is there dramatic and emotional appeal— sufficiently so to merit and win financial support?
3. **The overall economic climate.** What is the attitude among leadership regarding the local economy? Are there any projects, ongoing or planned, that could have a conflicting and adverse impact on your plans?
4. **Is leadership willing to accept major roles in a campaign effort?** Does your Foundation Board and Board of Visitors leadership, individually and collectively, possess the influence to bring about success? Will regional leaders and donors follow your own leadership into a program of this magnitude?
5. **What type of financial support can you expect for the proposed campaign?** Who are the potential sources for major gifts and at what level can you anticipate participation?



6. **What is the proper timing and strategy for the campaign?**

What must be done to assure success for a campaign? What should be the *action plan* and schedule for the campaign?

The tone of the interviews was informal and non-structured. There was an emphasis on subjective responses and a free exchange of information.

Each person was assured of the confidential nature of the interviews. This ensured a candid and thorough discussion. We found all those we spoke with to be helpful and cooperative. They understood that we would convey their thoughts faithfully and anonymously.

In the Reference Section of this *Report*, we provide a sampling of comments which were made during our interviews. Some of these are peripheral to our specific recommendations, but all have at least an indirect bearing on the campaign and are sufficiently interesting to be included.

In the body of this Section, we also include quotations we feel are especially germane to the particular issue being addressed. Obviously, we cannot include all comments, but we do attempt to use those we feel are especially relevant and revealing.

The results of our interviews were tabulated, analyzed, and evaluated. Against this, we weighed a great deal of data and demographic information— and balanced this against the experience our firm has had in over 2,400 other studies, not unlike yours.



We feel we bring a special understanding and sensitivity to your situation. Our Firm has served a number of other organizations in New England, Higher Education, and the Arts. This experience helps frame our judgments. Our experience helps immeasurably and importantly in developing our findings, conclusions, and recommendations.

1 SIXTY-TWO LEADERS WERE INTERVIEWED FOR YOUR STUDY

We had valid, and often quite penetrating interviews with an impressive group of men and women who were responsive to USM's request for their time and assistance. These sessions form the basis of our analysis and statistical compilation.

The list of men and women we had quality discussions with can be found in the Reference Section of this *Report*. In addition, we spoke with a number of other men and women among the faculty and staff, and in the area. While their input and observations are extremely important in evaluating the final recommendations we made, we do not include their responses in the quantitative analysis.

2 THERE ARE SUBSTANTIAL DATA WHICH JUSTIFIES AND VALIDATES THE RECOMMENDATIONS IN THIS REPORT

In the course of each interview, we collect a great deal of information. There is complete documentation of each session.

The total is collated for review and analysis. The results form the basis of our findings and recommendations.

The conclusions can be substantiated. We stand behind our observations as reflecting accurately the responses of those who were interviewed. This *Report* represents our best professional judgment regarding your proposed program.



- 3 THERE WAS EXCELLENT COOPERATION FROM YOUR STAFF IN EVERY WAY POSSIBLE** In preparing for the study for your program, we request a great deal of assistance and information from your staff. In every instance, and in every way, your staff was completely cooperative and generous in its commitment of time and energy to this undertaking.

Several people we interviewed indicate they participated solely on the basis of their favorable prior acquaintance and regard for a member of your leadership.

- 4 THE MEN AND WOMEN WE SPOKE WITH REPRESENT AN EXCELLENT CROSS-SECTION** To ensure a proper and valid analysis, we asked to interview men and women of prominence, stature, and influence in the community and among your constituents. The single operative criterion was that we speak to men and women who can make or influence large gifts. The universe we spoke with for your program was excellent.

There were some key people who, for primarily scheduling reasons, we could not see. In the final analysis, their involvement and responses would not materially change our final recommendations.

- 5 A STATEMENT OF YOUR VISION WAS PREPARED, REVIEWED, AND PROVIDED TO EACH PERSON INTERVIEWED** In conjunction with your Leadership and Architectural Team, a Vision Statement was prepared. It presented the case and the need for your program and the campaign.



The Case Statement provided an abbreviated background of USM and its Arts programs. The material, entitled: *Imagining the Future*, was presented in draft form, provided in advance, and it was reviewed with each person we interviewed.

The piece was well accepted. A number of interviewees told us they did not appreciate the scope of potential and need until they read the material.

- 6 EACH INTERVIEW PROVIDED AN EXCELLENT OPPORTUNITY FOR INTERPRETING USM'S BROAD REGIONAL IMPACT AND REVIEWING THE PROPOSED CAPITAL PROGRAM** Each session lasted approximately forty-five minutes to one hour. We gathered a great deal of information.

The meetings also provided an unusual opportunity to tell your story. We were able to interpret the work and mission of USM and the impact, both current and projected, of its distinctive Arts programs.

The visits were particularly helpful to those not now closely familiar with USM. For most, it also provided an excellent opportunity for reviewing the University's plans for the future.

- 7 TWELVE INDICATORS OF CAMPAIGN READINESS ARE IDENTIFIED** During the performance of our assignment, we evaluated twelve campaign readiness factors that bear directly on the probable success of a campaign.

1. *Positive name identification*
2. *Public relations and understanding*
3. *Fiscal responsibility*



4. *Validity of capital needs*
5. *Competing capital campaigns*
6. *Economic climate*
7. *Attitude toward investing in USM*
8. *Availability of top leadership*
9. *Availability of sufficient campaign workers*
10. *Funds available for the project*
11. *Potential for major gifts*
12. *The potential to raise funds for each of the projects*

The relative strength of these elements is compared with other institutions across the nation in the form of a *Campaign Readiness Profile*. This is included in this *Report*. Throughout this *Report*, in both the *Narrative* and *Reference Section*, we address these factors and the response of leaders to questions relating to them.

Though these factors are not solely predictive of your success, they form a sound basis for evaluating the information we receive in the interviews. They are a significant consideration as we develop and present our recommendations.

- 8 **BROAD FAMILIARITY AND RESPECT FOR USM** Those who regard themselves personally familiar with the University (94%), and those who felt only somewhat familiar (6%) agree uniformly. USM is critical to the region, vital to the future.



There is a generally positive feeling toward the institution and its service mission. There is near unanimous receptiveness to the idea of strengthening USM— so much so that we found an elevated scrutiny for the scope and nature of proposed investments.

There was, in effect, a high level of perceived partnership, i.e. people know implicitly that the quality and force of the University bears heavily on the future of the region.

9 FIRST THOUGHTS ARE MOSTLY POSITIVE BUT WIDELY VARIED

We sought top-of-mind attitudes and perceptions of the University. The range of responses was fascinating. We think it reflects how much people want and expect from the institution that defines, so substantially, the region's future. There is much hope and anticipation, yet summarized by one as "under-utilized, under-branded, under-funded, potentially great asset."

Other recurrent themes here were that USM tries to do too much, and that USM has not sufficiently declared or achieved its distinction from Orono and as its own institution. The present commitment to empowering the Arts is certainly a potential answer.

Some comments:

Under-nourished, utilitarian, lacking clarity and cohesiveness— trying to be all things to all people. Just not possible. The School of Music must thrive.

Great asset to Portland.



The Gorham campus just looks run down; for years there has been no sense of status compared to other colleges, but that is now improving.

10 ALMOST EVERYONE KNOWS SOMEONE WHO HAS BENEFITTED

Seventy-two percent of those interviewed have themselves, or have a family member who has, enrolled in a degree, certificate, or summer academy program. Some noted that their affirmative response to this question came with a growing pride in the University; they have seen it rising in quality and importance.

- 11 THE ARTS COMMUNITY DEPENDS ON YOU** As part of the Study, we met twice with leaders of the Arts Community. This included individuals who might be considered “the competition” where audience and patrons are concerned. They puzzled at the Gorham site, wanting more of USM’s students, faculty, and facilities as nearby as practical. None are threatened by a stronger USM Arts presence in Portland— they relish it, and believe the potential synergies are immense.

The Arts Leaders we visited with think a somewhat smaller and less costly configuration of facilities would be possible with a Portland site; they hope to use these new facilities and benefit from your program strengths, just as they always have.

12 GIVE GREATER EMPHASIS TO ESTABLISHED INDUSTRIES

When asked if there are unmet education needs that USM should be addressing, many pointed to existing career opportunities. While receptive to the argument for a “creative economy” nearly half of those interviewed felt



the University could be doing more to meet workforce needs of established technology, finance, engineering, and biosciences. Some wondered why there are such limited graduate degree offerings in these same fields. All want the University to grow in vibrancy and make college education a larger reality for Maine's new generations.

Some comments:

We need more kids to achieve college level educations in order to grow this region.

The next wave of economic growth will be IT, science; USM should support as directly as possible the business enterprises and jobs education agenda of the region.

The USM degree completion rate is poor; why no advance degrees for established science, medical industries here? Why did SMCC have to partner with Wheelock? Why is USM not part of the Brunswick initiatives?

I'm pleased to see the University advocating larger ambitions for itself and the emerging generations; teacher training is just not sexy.

13 EFFECTIVENESS IS IN THE EYE OF THE BEHOLDER IT SEEMS

We asked people how they rated the University's effectiveness in responding to education needs. The answers ranged from high praise to harsh criticism, but were nearly all linked to a particular program or issue.



USM was, in effect, the proverbial elephant surrounded by blind men. Each demonstrates a familiarity with a particular part, and judges it intensely. Some are very pleased with the part they know. Some want their part to be better. All consider their part important.

In this query, we heard many compliments for President Botman. These were quite specific too— most admiring her handling of an inherited budget crisis, and her commitment to building a clear distinction.

14 AN IMPROVING TREND HAS BEEN FLATTENED BY FINANCES

Most we interviewed felt the University had been rising rather steadily until economic and state budgetary woes reversed that trend. Most recently, the Maine Community Colleges initiative has captured broad attention, with some feeling they are more visibly advancing. We are seeing this viewpoint nationwide, by the way.

Some comments:

After years of rising trend, a recent fall off with cutbacks, but now making their way back upward; they have been eclipsed by progress of Community Colleges.

USM had a 10-year rising trend that made Orono nervous, but that tailed off with economic troubles; now that 'right sizing' has been done the hardest work is over.



- 15 GOOD, BUT WITH ROOM TO GROW** Half rated the prestige and influence of the USM Foundation Board and Board of Visitors as either *good* or *very good*. Nearly a third rated the Boards as *fair*, many of these indicating a need for considerably more clout to wage a campaign as large as this one. The fact that neither is a true governing board was widely noted, and some felt this diminished the significance of board service.

As the fundraising agenda rises, the Foundation Board will be the focal point of recruitment. This is where interviewees placed their greatest scrutiny, and most often expressed the need for growing strength.

- 16 MOST VIEW THE UNIVERSITY LEADERSHIP AS EFFECTIVE** A full two-thirds rate USM Leadership as *effective* or *very effective*. Somewhat predictably, this tends to be a referendum on the President, whom many characterized as impressive in credentials, presentation, and problem-solving. Some did note that the leadership team has changed almost completely in recent years, and that they could not evaluate them as a group.

Some comments:

I don't know how to evaluate them yet— there is a new President and many top-level changes; it took Pattenau de years to build his favorable rapport.

FAIR— Selma seems strong, Meg Weston and John Wright too, but don't have much sense of rest.

VERY EFFECTIVE— I'm a big fan of Selma, and give her high marks; hard to imagine a more effective approach than what she's done— but we need her out more sharing her vision; Meg and Jim Shaffer are great, not a lot of depth after that.



- 17 PEOPLE WANT TO SEE MORE OF PRESIDENT BOTMAN** — Those who have met the President speak highly of her, some expressing the hope that she will become a greater presence in the community. Those who have not yet made her acquaintance seem enthused about the prospect of doing so.

As the new administrative team is completed, it is important for the President to apportion an increasing measure of her time to advocating the University with community leaders— to presenting the vision of USM’s pivotal role in the state’s cultural, educational, and economic future.

- 18 THE FACULTY IS WELL REGARDED** More than half we interviewed rated the USM Faculty as *good* or *very good*. Given the project focus, most of the comments were about the Arts faculty. One person captured succinctly what we heard in so many different ways: *The School of Music is excellent; Visual Arts good but MECA is better, Theater good. Overall, the USM Faculty is better than the public thinks, except for adjuncts who are spotty; right now there is a lot of negativity in the ranks around curriculum and structural changes.*

- 19 FACILITIES ARE ANOTHER STORY, IN THREE PARTS** In asking people about a very substantial investment on the Gorham campus, we got substantially three responses:

- a) I’ve never been to the Gorham campus.
- b) The Gorham campus has seen better days— facilities are sadly lacking.
- c) Isn’t it time to unify the University in Portland where its future should be?



Some liked very much the enhancements portrayed in architectural views. However, nearly everyone balked at the cost considerations, including those who favor retaining and enhancing the Gorham campus.

There was appreciation, bordering on admiration, for the valiant transformation proposed. With 87% rating the Gorham facilities poor, there is deep sympathy for the scope of the problem. These comments tell it all:

Bailey Hall is a monstrosity, the Gorham campus very tired, and yet why is the new dorm half-empty? Meanwhile, Portland has come long way.

This is USM's Achilles heel; we really need something bright and shiny to overcome the old and tired look. Gorham is not accessible and not worth the effort; some physical significance is critical; Gorham campus a challenging 'fixer-upper'.

In a word— awful. I lived at the Gorham campus as a student in the 90's and it was bad then. I've heard that nothing has changed. The basement and attic studio areas are just horrible. The rest of the facility is too small, barely sufficient. Something just has to be done, but I question if it should be done at Gorham. It's too out of the way for most people.

- 20 A MAJORITY FELT THAT THIS WAS NOT THE RIGHT PLAN AT THIS TIME** Three out of four people said that providing better facilities to USM is either *important* or *very important*. That is the silver lining. But a wide majority felt this was not the right plan, and most certainly not the right location. Some began our visit by declaring that this project was just plain wrong— several said they would work actively to oppose it. We've rarely seen such a clear opinion.



One particular comment embodied many others: *'I respect the effort here to honor history and build on strength in the Arts— Music especially— but this is just too much money to spend diverting USM from its destiny in Portland, isolating the Arts from their audiences. It makes no sense to me.'*

- 21 THE BENEFIT IS CLEAR, THE LOCATION IS NOT** Most (77%) saw a benefit to the community from investing in the Arts for USM, but nearly all questioned the location. As in the preceding point, some were adamant that the Gorham location would amount to a very inappropriate use of resources. As with the preceding point, even those who found the project architecturally and aesthetically pleasing commented, almost invariably, that its impact would multiply if carried out in Portland.
- 22 THE SCHOOL OF MUSIC IS BELOVED** This is no surprise, but when we asked people to address the strengths of the project, most spoke of the School of Music. Some commented from first-hand experience— we could tell how strongly they felt about the years of waiting for quality facilities. Others spoke of the School's reputation for quality, and its record of service in the community. Arts organization leaders and patrons of the Portland Arts scene uniformly said they wanted the School of Music as close as possible.

Even amongst those strongly opposed to the proposed site, there was a sort of reverence for the School of Music.



23 THE LONGEST EIGHT MILES IN THE WORLD That is what emerged when people explained their opposition to the proposed Gorham location. When we dug a bit deeper into this opposition, we heard several strong themes:

- a) separating Arts education from its performance and presentation venues is illogical, and diminishes the benefits— there is good reason for having the Juilliard School next door to Metropolitan, they noted.
- b) the magnitude of investment invokes a much higher level of scrutiny, some said, and forces the question of where USM should grow.
- c) the University has struggled too long already with the Portland-Gorham separation— it's time to end this bifurcated existence.
- d) the proposed performance facilities are an unnecessary duplication, and will be under-utilized in Gorham.

24 THE TOTAL COST WAS NOT SUPPORTED Among the small number (15%) who felt the goals— \$46.7 million for Phase I and an additional \$30 million for Phase II were achievable, there were very few likely major donors. Their comments were ambitious and encouraging, but they did not see themselves contributing significantly.

The greatest number (48%) said *no*— and most said so emphatically. One individual put it in simple terms: *No, this is not realistic. Once and for all, move downtown, and don't throw any more money at Gorham.* The rest we interviewed politely said they *didn't know*— and then expressed doubts that made their answers seem like *no*.



With most, there was clarity that the scale of the project made the Gorham location unacceptable. A much smaller effort to overcome the terrible facility limitations in Gorham would have gotten some sympathetic support. But the magnitude of this project invoked the question of where the University should build its future.

As several people commented, *when you talk about \$77 million in this economy, you're no longer discussing a 'project' – you're talking about a very long-term commitment.* Additionally, there were some who could not reconcile such a large investment for an unfamiliar economic paradigm— the translation of Arts into real commercial opportunity.

- 25 IT WASN'T ABOUT TIMING** Most people felt that a solid project that generated greater educational and career-launching capacity for USM was certain to earn high attention from donors. This goes back to the initial findings of broad respect for the University's role in economic stimulation and support.

In so many interviews where the proposed project quickly was dismissed as unrealistic, people went on to say that the right project surely would garner support. There was a touch of disappointment, it seemed, that this was not the right project to match up with their sense of promise in the new President and the University's potential.

- 26 ALWAYS, THERE IS COMPETITION TO CONSIDER** This again may seem a moot point, but there are some campaigns quietly proceeding or forming it seems. Most often mentioned were the Symphony, Portland Museum of Art, and Maine College of Art. The latter— MECA as everyone seems to call it— is regarded as continuously campaigning, and struggling, yet achieving.



The University of New England is mounting a campaign for its new Dental School, but this did not seem to concern people as a competitive threat.

Much higher on people's list of concerns is the prominent initiative for the Maine Community Colleges. People are impressed by the leadership of this effort, and the significant early commitments. This seems to be where USM will face its stiffest competition for public higher education donors.

- 27 MANY WANT USM AND MECA TO JOIN TOGETHER** Many spoke outright of a merger; most wanted at least consideration of a joint degree program or some other collaboration.

It is typical for a single purpose institution to become better known than a corresponding department within a large institution. Nonetheless, MECA is regarded as having better studio programs, facilities, and location. USM on the other hand has the institutional infrastructure, extended curriculum, and stability that MECA lacks. Many feel the duplication of effort and resources is unwarranted, and that one very strong School of Art would result from some type of amalgamation.

- 28 LEADERS WILL EMERGE AROUND THE RIGHT PLAN** Given the concerns that were expressed about the plan, this was not the time for enlistments or nominations.

With economic challenges lingering, it seemed that many saw USM as a rallying point— an institution whose mission of public service makes it an ideal platform for economic stimulation.



While it often was clear we could not ask people if they would work on THIS project, it was evident that they wanted to be in the vanguard of the next good thing. And, that they had in mind leaders for such an effort.

29 PUBLIC INSTITUTIONS ARE HELD TO A HIGHER STANDARD

Prospective donors and volunteer leaders scrutinize your ideas on a stricter cost-benefit level. And they feel freer to advocate the position others should take as well. It's called sometimes the "extended taxpayer" effect.

This can seem harsh when private colleges are more highly resourced and less accountable. The reality is this: USM will be more punished for having a bad idea than rewarded for a good one.

That higher standard can be a double standard too. They want your ideas to be bold and inspiring.

30 WE STRONGLY ADVISE AGAINST ATTEMPTING TO RAISE \$77 MILLION, OR EVEN 46.7 MILLION, FOR THIS PROJECT No surprise with what we've reported already. Among the people who did not simply reject the project outright, we only saw potential gift support approximately \$3,725,000. Even this number is illusory, since is attached to the larger, currently unachievable project.

Although it bears repeating that we do not feel we were able to determine a reliable number to project to you of what you might actually raise.



- 31 YOUR POTENTIAL LIES IN PORTLAND** Many persons of obvious influence and potential as donors expressed their interest, sometimes keen interest, in examining a plan that would put USM Arts in Portland. For most of these, the School of Music was the primary focus, and the most coveted addition to the Portland scene.

As one person put it, In this plan, the USM destiny in Portland is overlooked; if Arts is the focus, go where they are, and don't be distracted by burdensome and outdated expectations.

32 THE CREATIVE ECONOMY CONCEPT NEEDS MORE EDUCATION

For many, economic impact and potential are measured in durable goods and tangible products. It will require more education to demonstrate how the Arts interact in the educational formation of students and in the creation of commercial value. Maine seems removed, for some, from the phenomena of Silicon Valley, Nashville, and cyberspace that underpin so much future value and prosperity. More examples and envisioning are needed.

- 33 THIS WAS A VALIANT EFFORT** Many people, in many different ways, expressed admiration for this exploration of the Gorham campus's highest purpose. The proposition to place the University's identified distinction—the Arts—in the venue that would be most dramatically improved, was not lost on your constituents. The cost provoked the question of long term destiny, and provided a type of referendum. The reluctance to have anyone invest so much money in the Gorham campus is instructive.



34 PEOPLE REALLY DO WANT USM TO SUCCEED, AND TO LEAD

We asked for advice on moving forward, and here even the harshest critics were constructive. Comments are presented more extensively in the Reference Section, but they come down to a few key points:

- Choose and embrace a distinction
- Aim high and commit to a long term vision
- Invest the time to present and promote that vision
- Give serious thought to the role of the Gorham campus in the future.

HERE IS WHERE WE PIVOT IN A NEW FORWARD DIRECTION

In our study plan, we assured you that our approach would emphasize **“How...not If”** you should proceed. With clarity, at least that the proposed project definitely is not “where” you should proceed, we now will direct our following commentary to the all-important “how” to proceed.

- 35 BUILD DISTINCTION** This is the mantra that President Botman espoused immediately and steadily for the University. Being known for excellence in the Arts, surrounded by the strengths of Technology, Engineering, Communications, Information Sciences, and more certainly is distinctive. It will take hard work to achieve that, but the building blocks are in place.
- 36 FOCUS ON MUSIC** Throughout our visits, people told us how much they appreciate the School of Music and admire its accomplishments with such inferior facilities. There have been numerous ambitions for upgrading the studio and performance venues over the years, none sufficiently fulfilled.



The School of Music has the broadest support, and also the largest service profile through its various outreach programs. Let it be joined by Theater and Art as resources and opportunity emerge.

- 37 BUILD IN PORTLAND** This is where your leading supporters believe the University's future should be built. It is where Music and other Arts programs would be nearest to the extensive and premier performance venues. It is where you can be spared the cost of duplicating facilities, and concentrate on premier teaching and studio space.

This is not a small matter— politically, logistically, and financially. Nonetheless, pillars of the community were nearly unanimous and highly emphatic that this is the decision on which all others pivot. Once it is made, momentum will build and new partners will engage.

- 38 ENGAGE THE CITY AND STATE AS PARTNERS** The economic stimulation potential is great— these are your biggest stakeholders. A USM expansion in Portland will be broadly beneficial to the economy, and will enhance further an already distinctive cultural and commercial environment.
- 39 LAY OUT THE BIG PICTURE— IN STAGES** The famous Maine practicality was alive and well in our study responses— big ideas like this demand steps. Interestingly, the clarity of those steps will accelerate their achievement— i.e. leading donors will be encouraged by confidence in the ensuing steps. Paraphrasing parental wisdom: potential lead donors “won't start what you can't finish.”



40 WHILE YOU PLAN YOUR FACILITY, START YOUR CAMPAIGN

The details of design are ultimately important, but the decision on location will rally interest. It will open a fresh new dialogue about building a University of distinction. People we met are eager to be part of the future.

There is no lack of respect for the history of education on the Gorham campus. In its day, Corthell was a castle on the hill, a vision for education. It hosted the preparation of many careers, while the region's cultural and economic strengths evolved elsewhere. People seem variously excited, ready, accepting, resigned to the idea of USM finally coming together.

41 SHOW YOUR FRIENDS THAT YOU HEARD THEM Convey as soon and personally as you can to the Study participants that you heard them. While determining what facility serves best your ambition for distinction, enlist these volunteer leaders and most probable donors.

These were extraordinary people whom we met, especially those who gave their additional time and advice to serve on the Study Oversight Committee. It would be a boon to your efforts if they would stay involved.

42 PRESIDENT BOTMAN IS THE KEY TO LEAD GIFTS There are several relationships that could generate naming-level commitments for the School of Music and its new home. These potential donors would be catalysts for the gradual unification of the University; that is exponentially significant.

- 43 AN URBAN UNIVERSITY IS DISTINCTIVE IN A RURAL STATE** With all due respect to the handsome changes proposed for the Gorham campus, these would have created a campus quite like all the others in Maine. An urban residential experience is not offered by any major Maine institution presently, and is perhaps another dimension of distinction for USM.
- 44 BUILD THE CREATIVE ECONOMY MESSAGE** Many we interviewed understood implicitly the creative force of the Arts in education itself, and in the cross-pollination of commercial ideas and opportunities. Some did not see this as important or realistic, and that view must be expanded.
- 45 FORTIFY YOUR DEVELOPMENT PROGRAM** There are only five staff professionals currently spending any time in direct personal solicitation of donors, none more than 5% of their time. This must change. We recommend selection of a target donor group of approximately 400 persons who are capable of making commitments of at least \$25,000 over a 3-5 year pledge period for the capital objectives specified. Then assign them appropriately to staff professionals, engage volunteers as well, and institute a disciplined *Moves Management*[™] program to plan and gauge progress.
- 46 MOVE INTO CAMPAIGN MODE NOW** Many qualified probable donors believe that USM can build distinction in the Arts— foremost in Music— and have strong feelings about where this should happen. Really, you are already in the Quiet Phase. Build the volunteer partnerships that will assure success once a new plan is available.



47 INCREASED LEADERSHIP VISIBILITY IS CRITICAL TO SUCCESS

We heard people say how impressed they are with President Botman. We heard people say they had not met USM's President, but looked forward to that. We heard people say that the University President needs a stronger presence in the community.

This all points in one direction— a concerted and systematic program of interaction with community leaders. Given the importance everyone attaches to USM in regional affairs and outlook, this might be structured and themed ongoing in some way— e.g. "Building Distinction Breakfasts."

48 BOARD DEVELOPMENT IS CRITICAL A University of Distinction that has such potential for the region should have the absolute top tier volunteer leadership. The USM Foundation affords the greatest flexibility and prestige for this purpose, and should be the keystone, possibly complimented by evermore powerful Boards of Visitors for Arts Programs.

49 AN OFFER WE TAKE VERY SERIOUSLY We could not gauge with any confidence the support for a Portland facility merely with hypothetical discussions. It would have been disingenuous to hear the many thoughtful, often vociferously negative responses to the project— then ask what support they would give to a different plan.

Nonetheless, we heard from people of substance that they would respond altogether differently to such a plan. Now that their opinions have been engaged, it makes great sense to respect them.



To complete this study in significant and constructive fashion, I am offering therefore, at no additional fee or expense, to re-interview up to twelve of the Study participants regarding a Portland facility for USM Arts.

We believe this will produce important insights to volunteer commitment and financial support. There would result an additional report dedicated solely to launching your campaign program.

50 SET CHALLENGING TARGETS This Study process has put community leaders on notice that USM is on the move. Take advantage of that attention and move ahead aggressively. They will be disappointed in you if you do not.

51 BE PROUD OF WHAT YOU HAVE DONE The physical separation of the University on two campuses is a longstanding challenge. You have tested perhaps the highest purpose that might be given to the Gorham campus—placing there the curriculum elements today considered most distinctive.

With architectural expertise and vision you determined the realistic cost of revitalizing tired facilities and creating a true campus. Community leaders considered the plan individually and independently— they concluded it was too high a price for what would remain a divided institution.

In effect, they concluded that investments of this magnitude should be made where the University's future lies.

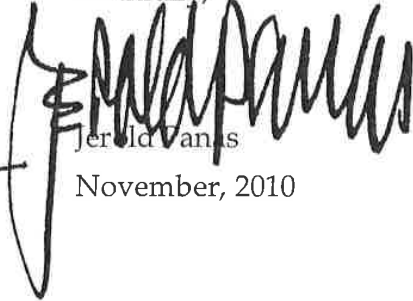


52 GREAT PRIDE IN OUR RELATIONSHIP WITH YOU When we first met with you, we promised to deliver a great deal of our time and energy. We've done that. From our standpoint, it has been a joy.

For this particular study, we indicated the major objectives we hoped to accomplish. We believe we have been faithful in our performance and in responding to our original charge.

We are mindful of the trust and confidence you placed in our firm. From a personal standpoint, this has been an important and rewarding association. We're especially proud to be a partner with you in this engagement.

Faithfully,



Jerold Panas

November, 2010





March 15, 2017

Cordelia Pitman
Wright-Ryan Construction, Inc
10 Danforth Street
Portland, Maine 04101

Dear Cordelia,

Thank you for the opportunity to submit a proposal to prepare a preliminary concept study for the Performing Arts Center (PAC) facility at the University of Southern Maine's Portland campus. We have outlined our proposed scope of work, schedule, and fee for your review. Please take a look and let me know if this is in line with your thinking.

PROPOSED SCOPE OF WORK

1. The project will begin with a programming workshop to identify the key components of the PAC, their requirements and relationship to each other within the building, and the performance characteristics and metrics that will be used to design the PAC facility.
2. The project will include a preliminary concept design for a 1,000 seat performing space and the normal associated support spaces, such as public lobby, ticket office, concessions, restrooms, proscenium stage with thrust, backstage, wings and fly space, set shop and workshops, green room and dressing rooms, load-in/load-out space, set, costume, and prop storage areas, etc.
3. The project also includes rehearsal and recital rooms, practice rooms, offices, and other support spaces as determined by the committee during the programming phase of work.
4. Site selection will include investigation of sites with visibility from the I-295 corridor running alongside the southern edge of campus.
5. Site development for the PAC will include preliminary design of the connections to the USM campus pedestrian and vehicular networks, the entrance plaza, and suitable parking on or underneath the selected site.

PROPOSED SCHEDULE

We recommend a six week schedule with one programming workshop and two design workshops as follows:

Week One	Programming Workshop: 2 hours with the planning committee Develop a SF program for all the spaces required in the PAC Develop performance standards, adjacencies, and organizational concept
Week Three	First Design Workshop: 2 hours with the planning committee Review preliminary site plan studies Review preliminary floor plan and massing studies
Week Five	Second Design Workshop: 2 hours with the planning committee Review final conceptual site plan studies Review final conceptual floor plan and massing studies
Week Six	Presentation materials finalized and delivered to committee

scott simons architects 75 york street portland, maine 04101 207.772.4656 simonsarchitects.com



PROPOSED FEE

We recommend that you budget \$12,500 to complete the scope of work outlined above, plus normal reimbursible expenses incurred on behalf of the project such as printing and mailing.

DELIVERABLES

The final product of the PAC conceptual study will include a written program report, a conceptual site plan, a conceptual floor plan, and a 3-D rendering of the conceptual model as viewed from the exterior. We will work with the planning committee to select the most advantageous exterior viewpoint for the rendering.

Please call me when you have had a chance to review this proposal so we can discuss any changes you would like to make and to confirm the schedule outlined above. If this proposal is acceptable, please indicate your approval by signing both copies of this Agreement in the space provided and returning one for our records.

Thank you,

Scott Simons, FAIA
Principal

Cordelia Pitman, Wright-Ryan

Date

scott simons architects 75 york street portland, maine 04101 207.772.4656 simonsarchitects.com

Date: April 19, 2017

To: Norman L. Fournier, Chair, Samuel W. Collins, Jason E. Coombs, James O. Donnelly, M. Michelle Hood, Gregory G. Johnson, Karl W. Turner, Raymond Albert, Cathleen McAnney, Patti Miles
Finance/Facility/Technology Committee
University of Maine System Board of Trustees

From: George N. Campbell, Jr.
President, University of Southern Maine Foundation

Re: Residence Halls Supporting Materials

This section supports the case for building Residence Halls in Portland.

Included:

- 1) Summary previously submitted to FFT Committee
- 2) Pro-forma on financing of dorms

USM Student Housing Plans for Portland Campus
Update for Finance, Facilities and Technology Committee
January 6, 2017

Introduction

The University of Southern Maine has previously briefed the Finance, Facilities, and Technology Committee on its efforts to undertake a multi-phased project for the construction of student housing on its Portland campus. This housing will be primarily for upperclass students and graduate students, including Maine Law. The proposal includes the demolition of the Dickey-Wood housing facility on the Gorham campus, which has been closed since 2014, is nearly 90,000 gross square feet, has 384 beds and a net asset value of just 36 percent. This reduction of footprint will allow the University to utilize this square footage for housing on the Portland campus. The information in this narrative is intended to provide the FFT Committee and the Board of Trustees with an update on the University's progress and plans for moving forward on the housing initiative.

Short-term Lease of Student Housing in Portland

To meet the demand for student housing in the near-term, a short-term lease for housing space in Portland of approximately 200 beds was reviewed and voted on by FFT Committee and the Board of Trustees in November 2016. This interim student housing will support recruitment of undergraduate, graduate and law students. Negotiations on the lease are underway and are anticipated to be completed prior to the beginning of the spring semester.

Supporting Primary Outcomes

The 2016 fall semester was the second consecutive semester of new student enrollment growth for USM. Currently USM has a 9% increase in new students selecting to live on campus and a 23% increase in students from out-of-state. Data shows that students who reside on campus have a 10% increase in retention over commuter students. Pursuing student housing will support the priority outcomes set forth by Chancellor Page and the Board of Trustees to increase enrollment and improve student success and completion.

With new financial aid packaging yielding new students, more students are choosing to live on campus. This in turn should lead to an increase in retention of these students. USM is over occupancy in the residence halls this fall. An increase in enrollment will also further the priority outcome to enhance the fiscal positioning of University of Maine System, generally, and USM, specifically.

Additionally, the Portland housing market has made it prohibitive for students to find housing close to the Portland campus. This leads students to choose working and reducing course loads in order to cover housing costs, and thereby extending their degree completion time, if not jeopardizing their ability to obtain their degree. Bringing undergraduate and graduate students into Portland increases the likelihood that upon graduation, these students will seek to stay in the Greater Portland community for employment, thereby supporting the economic development of the area.

Student housing in Portland will enhance opportunities for recruitment of undergraduate, graduate and law students. Current enrollment figures and demand for campus housing required

USM to open with triple occupancy on the Gorham campus in fall 2016. Additionally, the International Academy (formerly known as the International Early College) will utilize Anderson Hall (105 beds) on the Gorham campus as early as fall 2017.

Masterplan Timeline for USM

USM has done preliminary planning with a priority on the Portland campus need for student housing and a revitalized student center to assist in the recruitment of students, especially graduate and law students. Additionally, the preliminary planning sought to ensure that the Portland campus could accommodate the Maine Center for Graduate Professional Studies, once a decision is made on its location. (A schematic of the Portland campus preliminary work is attached here as Exhibit A.) The University is poised to begin a complete master plan for Portland, Gorham and Lewiston-Auburn. A timeline of this master plan process has been developed by Harriman and Associates in conjunction with senior University personnel. (A copy of the timeline is attached here as Exhibit B.) This timeline will guide the next steps of the process. The master plan is also crucial to discussions with the City of Portland regarding any construction that will be undertaken on the Portland campus.

Funding Options Under Consideration

The current estimated cost for the total project is \$50 million. USM has previously submitted a request of \$12,500,000 through the bond funding process. The remaining funds will come from a combination of gifting and financing.

A fundraising goal of \$10 million has been established toward the replacement facility of the Woodbury Student Center. Efforts are already under way, with several promising meetings having taken place.

Options for the remaining \$27,500,000 are currently being explored and evaluated. The issuance of revenue bonds is one clear avenue, with debt service coverage by the operations of the residence hall component of the project. The USM Foundation has also expressed an interest in participating in the project and is considering a variety of ways in which it could structure alternative financing. One possibility includes a ground lease of UMS/USM property to the USM Foundation upon which the foundation will develop the facilities. All potential options are still under consideration and once a final plan is developed will be presented to the FFT Committee and ultimately the BOT.

Operating Expenses and Positive Revenue Stream

All operating costs of the residential hall will be built into the business plan and will be covered by room and board fees paid by students and camp attendees. As previously addressed, USM is confident that demand for affordable housing in Portland will ensure full occupancy and provide sufficient revenue to cover all operating expenses and deferred maintenance needs.

The new student center will retain the current operating budget associated with the existing Woodbury Student Center. Incremental operational expenses will be covered through the normal budget development process. In addition, USM expects to generate resources through the rental of ballroom/meeting space to outside entities. There is existing demand for such space currently, and a new Director of Auxiliaries will be expected to generate additional demand through

marketing efforts. USM also firmly believes that this facility will greatly help to build a sense of community on the Portland campus, helping to attract and retain students, increase student success rate, and positively impact tuition revenue.

Outcome

FFT Committee supports the efforts USM has undertaken thus far to establish student housing on the Portland campus, including a new student center and appreciates its efforts to ensure that there is proper space on the Portland campus for the Maine Center for Graduate Professional Studies. The Committee also acknowledges USM's commitment to demolishing Dickey Wood as part of this project.

Portland Residence Halls Pro-Forma

4.13

TOTAL PROJECT COST:		26,400,000				Mortgage Breakdown		Income per Bed		850.00	
First Mortgage:		21,120,000	4.00%	30 Years	Cost per Bed	\$66,000.00		Total Bed income (400)	4,080,000.00		
Equity	20.00%	5,280,000	8.00%	20 Years	Construction	22,000,000		Parking Income			
Equity Investment:					Soft cost 20%	4,400,000		Laundry Income	15,108.00	4,196,108.00	
Origination Date:		1 /1/2016			Total	26,400,000		Admin Fees	52,000.00		
TOTAL INCOME:		Income Sq/Ft. :			Total Sq/Ft:			Telecom Income			19,000.00
Total Beds		400			Other Inome			Fees/ Penalty	10,000.00		
Income / Bed / month		850						Misc Inc	20,000.00	101,000.00	
Income / Bed / Year		10,200						Second Floor 100 beds			
Income/Unit:		4,080,000						Income per Bed	1,275,000.00		
% LEASED:								Less 5 RA Beds	(51,000.00)		
Monthly rental income		340,000						2 bed Apartment	(20,400.00)	1,218,708.00	
YEAR		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Third Floor 100 beds
GROSS INCOME (2)		4,196,108	4,280,030	4,365,631	4,452,943	4,542,002	4,632,842	4,725,499	4,820,009	4,916,409	Income per Bed
	3% Vacancy	125,883	128,401	130,969	133,588	136,260	138,985	141,765	144,600	147,492	Less 5 RA Beds
OPERATING INCOME		4,070,225	4,151,629	4,234,662	4,319,355	4,405,742	4,493,857	4,583,734	4,675,409	4,768,917	2 bed Apartment
EXPENSES											
Interest 1st.		838,030	822,877	807,107	790,694	773,612	755,835	737,333	718,078	698,037	
Principal		371,931	387,084	402,854	419,267	436,349	454,126	472,628	491,884	511,924	4th Floor 100 beds
Interest 2nd		418,367	409,104	399,072	388,208	376,442	363,699	349,899	334,953	318,767	Income per Bed
Principal		111,602	120,864	130,896	141,760	153,527	166,269	180,069	195,015	211,201	Less 5 RA Beds
Ground Lease	10%	407,022	415,163	423,466	431,936	440,574	449,386	458,373	467,541	476,892	2 bed Apartment
Administrative		640,857	653,674	666,748	680,083	693,684	707,558	721,709	736,143	750,866	
Utilities		408,220	416,384	424,712	433,206	441,870	450,708	459,722	468,916	478,295	1,203,600.00
Maintenance		273,830	279,307	284,893	290,591	296,402	302,330	308,377	314,545	320,835	5th Floor 100 beds
Replacement and Reserves		122,107	124,549	127,040	129,581	132,172	134,816	137,512	140,262	143,068	Income per Bed
Security		125,000	127,500	130,050	132,651	135,304	138,010	140,770	143,586	146,457	Less 5 RA Beds
TOTAL EXPENSES		3,716,966	3,756,507	3,796,838	3,837,976	3,879,937	3,922,737	3,966,394	4,010,923	4,056,343	2 bed Apartment
GAIN/ (LOSS)		353,259	395,123	437,824	481,379	525,805	571,120	617,341	664,486	712,574	1,203,600.00
Total Gain/loss, P & I		2,093,189	2,135,052	2,177,753	2,221,308	2,265,735	2,311,049	2,357,270	2,404,416	2,452,504	Total Monthly Rent
											340,000.00
											Total Annual Rent
											4,196,108.00
											Total RA Apartment
											(285,600.00)

Assumptions:

- The financing starts January 1
- The analysis inflation rate is: 2.00%
- Year 1 income projection is: 100%
- Management Fees: Legal,accounting, cleaning, maintenance contracts and supplies.

Administration Exp.	74,884.00	
Payroll	301,256.00	
Bad Debt	117,063.00	
Management Fee	119,564.00	
Advertising / Marketing	28,090.00	640,857.00
Telecom Exp	75,369.00	
Electricity Common	2,140.00	
Electricity - Occupied	144,285.00	
Gas	65,519.00	
Water	120,907.00	408,220.00
Exterm/Trash	68,241.00	
Contracted Services	133,757.00	
Repairs and Maint	33,733.00	
Turn Costs	38,099.00	273,830.00
	1,322,907.00	
Cost per bed / yr.	3,307.27	

Portland Residence Halls Pro-Forma

First Mortgage Table

Term1	360			
Payment	100,830.11			
Int1	0.33%			

Months Remaining	Total Payment	Principal Paid	Interest Paid	Ending Balance
348	1209961	371931	838030	20748069
336	1209961	387084	822877	20360985
324	1209961	402854	807107	19958131
312	1209961	419267	790694	19538864
300	1209961	436349	773612	19102515
288	1209961	454126	755835	18648388
276	1209961	472628	737333	18175760
264	1209961	491884	718078	17683876
252	1209961	511924	698037	17171953
240	1209961	532780	677181	16639172
228	1209961	554487	655475	16084685
216	1209961	577077	632884	15507608
204	1209961	600588	609373	14907020
192	1209961	625057	584904	14281962
180	1209961	650523	559438	13631439

Second Mortgage Table

Term2	240			
Payment2	44164			
Int2	0.67%			

Months Remaining	Total Payment	Principal Paid	Interest Paid	Ending Balance
228	529968	111602	418367	5168398
216	529968	120864	409104	5047534
204	529968	130896	399072	4916638
192	529968	141760	388208	4774877
180	529968	153527	376442	4621351
168	529968	166269	363699	4455082
156	529968	180069	349899	4275012
144	529968	195015	334953	4079997
132	529968	211201	318767	3868796
120	529968	228731	301238	3640065
108	529968	247715	282253	3392350
96	529968	268276	261693	3124074
84	529968	290542	239426	2833532
72	529968	314657	215311	2518875
60	529968	340774	189195	2178101

THE PROMISE SCHOLARSHIP

TRANSFORMING BIG DREAMS INTO REALITY

At the University of Southern Maine, we believe that anyone—regardless of circumstances—who has the drive to succeed and the willingness to work hard deserves a chance at higher education.

By partnering with youth development organizations in our region, we intend to create a path forward for these talented and motivated young people.

USM's Promise Scholarship program is designed to help students overcome financial and academic barriers, remain in school, and graduate with less debt, prepared to make their own contributions to Maine's social and economic well-being.

USM is committed to providing Promise Scholars with:

- Scholarships for up to half of USM tuition, or
- Awards to cover fees, books, room & board or other costs to bridge gaps in financial aid
- Ongoing academic support to ensure success during the first year
- Renewable awards for up to four years, if students maintain academic standards

Our Promise Scholar candidates can be incoming freshmen, continuing students, or transfers who:

- Demonstrate financial need
- Commit to full-time enrollment with a minimum of 15 credits
- Ideally have a strong recommendation from a youth development partner

The Promise Scholarship addresses the very real challenges our undergraduates face:

92%
of our full-time students receive financial aid

51%
are the first in their families to attend college

\$27,572
average student debt at graduation



For more than 40 years, Camp Susan Curtis has provided a multi-year, developmental safe haven for some of Maine's most vulnerable youth. Many staff are former participants who choose to give back so other children will have the same chance to succeed as they did.

WHAT'S NEXT FOR THESE KIDS?

Youth development organizations play a transformative role in the lives of Maine's young people. In hundreds of programs offered throughout our region, caring adults, mentors, volunteers, and generous supporters are creating a positive way forward for disadvantaged youth. These organizations have great track records, providing after-school enrichment, leadership training, and educational and social experiences that open doors for those who need it most.

By partnering with these outstanding organizations—and carrying their mission forward—USM's Promise Scholarship program answers the question: "What's next for these kids?"

"Camp Susan Curtis is committed to helping economically disadvantaged Maine youth develop the character, self-confidence, and skills they need to become independent, contributing citizens. Our programs open their eyes to a future that includes college. Scholarships make that next step possible."

—Melissa Cilley, Executive Director,
Susan L. Curtis Charitable Foundation

"These scholarships are life changers for young people aspiring toward a better future. It's our turn to reach back and offer these students the same opportunities that helped us succeed in our own lives and careers."

—Glenn Cummings, Ed.D., President,
University of Southern Maine

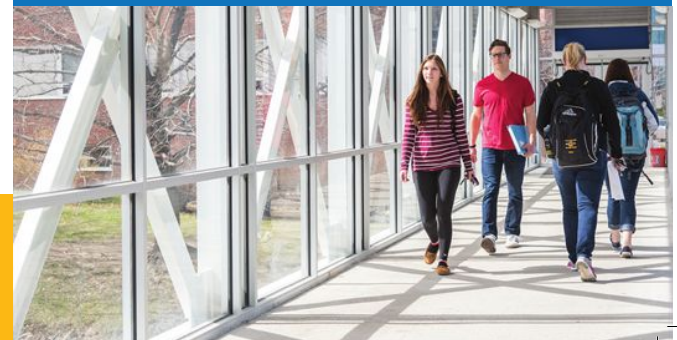
THE BEST INVESTMENT WE CAN MAKE

Lives are changed by youth development organizations in our region—our partners in The Promise Scholarship program. They are making an essential investment in Maine's young people, helping them to envision and prepare for a successful future. *The next step is ours.* Please help us carry this investment forward by becoming an early supporter of The Promise Scholarship campaign.

Our goal is to ensure the long-term sustainability of The Promise Scholarship program with a \$15 million endowment. A fund of this size will support approximately \$500,000 in scholarships each year, with average annual awards of \$5,000.

With your help, we can impact 100 USM students or more every year—a life-changing investment in our youth, our communities, and our region. Reach back and give aspiring students a chance to succeed in college and begin their careers with little debt and enormous potential.

This is how we fulfill our promise to future generations at the University of Southern Maine.





Brianna DiDonato '08, '13 and Mo Awale '17 pictured at Boys & Girls Clubs of Southern Maine's Portland Clubhouse, where their big dreams were nurtured.

Big dreams can turn into bigger aspirations if motivated students are offered the chance. Brianna DiDonato and Mohamed "Mo" Awale both flourished in the positive environment of Boys & Girls Clubs of Southern Maine. As teens, they mentored the younger kids, volunteering and giving back to the organization that has given them so much. Their involvement with BGCSM's Portland Clubhouse led to valuable scholarship opportunities at the University of Southern Maine—enabling them to take that next step forward.

The partnership between USM and Boys & Girls Clubs of Southern Maine created a pathway to higher education for two young people with limited means and unlimited potential. Now, inspired by their success, we're partnering with more youth development organizations and empowering more big dreams through the The Promise Scholarship program.

—Bob Clark, Chief Professional Officer,
Boys & Girls Clubs of Southern Maine

"As a first-generation immigrant, I hope to build a strong foundation for myself and my family. Graduating debt free means a lot. But also important are the strong community connections I've made. I know I'm going to be OK."

—Mohamed "Mo" Awale '17

At age 4, Mo traveled to America from a Kenyan refugee camp. In high school, he was a regular at Boys & Girls Clubs of Southern Maine's Portland Clubhouse. Now, he's ready to graduate from USM and build a future in finance.

"For those of us who come from low-income families, scholarships mean so much. Without USM and the Boys & Girls Clubs of Southern Maine, I might never have gone on for my master's. I might never have been teaching in a special ed classroom in Maine."

—Brianna DiDonato '08, '13

Brianna earned both her B.A. and her M.S.Ed. at USM. Today, she teaches children with developmental disorders at Spring Harbor Academy, Westbrook. In her words, "These are the neediest kids in the state."

THE PROMISE SCHOLARSHIP CAMPAIGN

The Promise Scholarship Campaign is an initiative of the USM Foundation, an independent 501(c)(3) nonprofit organization established to support the University through philanthropy, community engagement, innovation, and service. Students are at the center of the Foundation's mission.

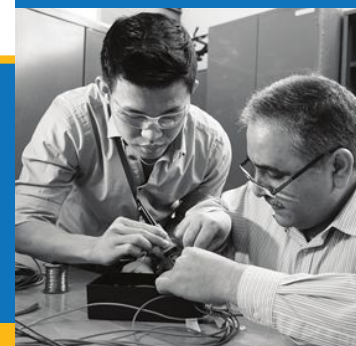
Promise Scholarship Campaign Co-Chairs:
Carolyn and Richard McGoldrick

To make your gift to **The Promise Scholarship Campaign**, please contact:

Erin Peck Yarema, Director of Development
207.780.4781
erin.a.yarema@maine.edu

THE PROMISE SCHOLARSHIP

Every big dream starts somewhere.



USM: The Next Generation

A Comprehensive Campaign Plan



Draft – April 18, 2017

Why is USM's Campaign Important?

USM: The Next Generation campaign is driven by:

→ **Our Recruitment and Retention Goals:** the proposed projects are essentials for ensuring our long-term affordability, competitiveness and relevance. The capital investments and scholarships create attractive space and financial pathways that are essential to student persistence to graduation.

→ **Our Metropolitan University Vision:** and the necessity of building a strong campus in Portland. The Greater Portland area continues to receive attention as a great place to live and work. The region deserves and expects a vibrant public university, and our goal is to meet – and exceed – the expectations of the community we serve.

As part of the metropolitan region, Lewiston-Auburn and Gorham are integral to the success of this vision. This comprehensive campaign also addresses their opportunities.

Funding Priorities



Championing Our Students

- **\$50M Scholarships!**
 - Promise Scholars
 - Transfer Students/ Last Mile
 - New Americans
 - International Opportunities
 - Internships
 - Graduate
- **Other:** student research, program-specific, emergent needs



Strengthening Our Faculty & Community

- **Endowed Chairs & Named Professorships**
 - Strengthening USM's "onlys"
 - Maine/workforce need
- **Strategic Program Development**
- **Other:** teaching fellowships, visiting professorships, etc.



Building a Metropolitan University

- **Capital Needs**
 - Performing Arts Center
 - Portland housing
 - Athletics
 - Graduate Center
- **Other:** Targeted sponsorships for signature events, etc.

Campaign Readiness: Previous Campaign Success

2004-2009 *Transforming USM: The Capital Campaign* raised \$41,031,621, the largest campaign in USM's history

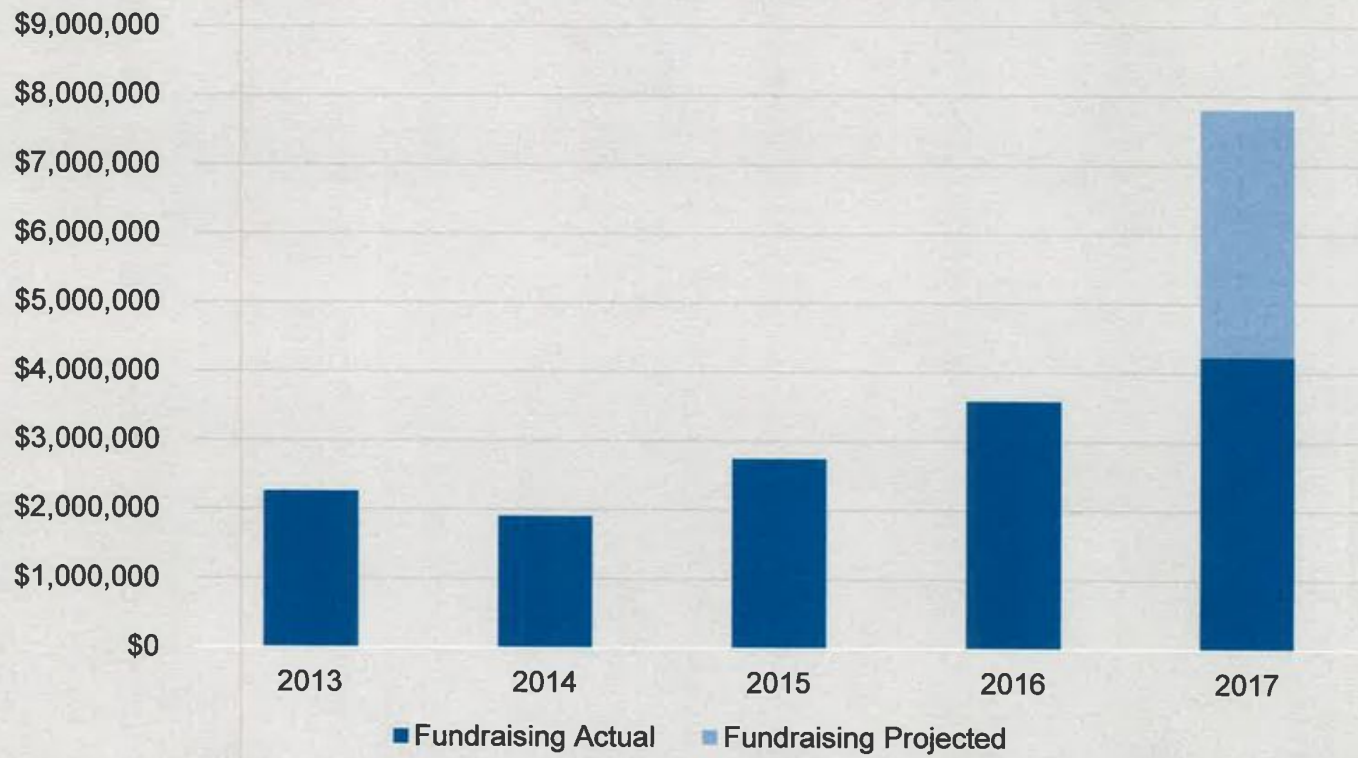
The campaign case: “The University of Southern Maine is a vital and rich learning community where change happens. *Transforming USM: The Capital Campaign* is evidence that our region believes in the vision of a strong, high quality, responsive, technologically current university and its mission of highly engaging, interactive learning, transforming lives and communities.”

Campaign Accomplishments:

- Joel and Linda Abromson Community Education Center – inc. Hannaford Hall and Alumni Skywalk
- Wishcamper Center, home of the Edmund S. Muskie School of Public Service, Osher Lifelong Learning Institute and Confucius Institute
- Expansion of the Osher Map Library and Smith Center for Cartographic Education
- New entrance to the Glickman Family Library
- Advanced Technology Wing of the John Mitchell Center
- Endowment and Annual Fund Support supporting all three campuses

Campaign Readiness: Momentum

USMF and USM Fundraising by Fiscal Year



Campaign Readiness: Institutional to Community Engaged Model

Combined University Advancement with the USM Foundation
(ongoing)

Recruited a Passionate and Philanthropic Board

Created Supporting Council for Creative and Alternative Financing

Increased Budget to Support Staffing and Activities

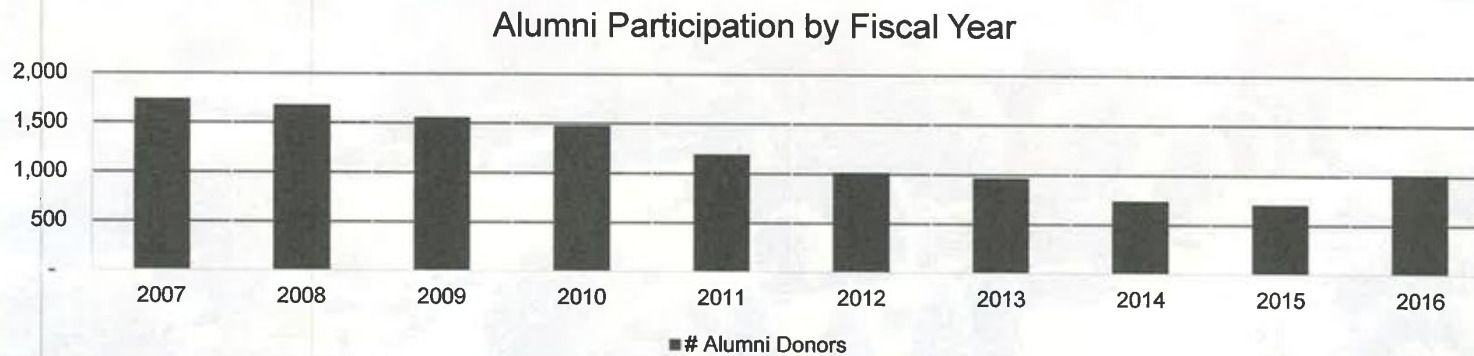
Campaign Readiness: Friends & Family

Key Boards: Board of Visitors, USM Foundation Board of Directors, Alumni Association Board now giving at 100%, up from 71% average in FY 2015

Successful Employee Giving Campaign:

Overall More than 50% increase in dollars and nearly three-fold increase in donors since 2012
President’s Leadership Team giving at 100%, with a 400% increase in dollars this year.
Foundation/Advancement staff 100% participation

Alumni Participation 2016 reversed four years of declining participation



Campaign Readiness: Day of Giving

USM's first ever Day of Giving exceeded its \$1M goal



Campaign Readiness: Corporate & Employer Engagement

Providing Value Through Strategic Sector and Workforce Partnerships: Innovative Academic/Community Endeavors

- Craft Brewing Industry & Quality Control Collaboratory
- Risk Management & Insurance
- Food Studies
- North Atlantic



**UNIVERSITY OF
SOUTHERN MAINE**
Corporate Partners

Revitalized Corporate Partners Program

- Expanding community of employers invested in USM
- Produces revenue for internships & scholarships
- Utilizing the program to promote and streamline opportunities for employers to engage with USM
- Commitment from senior leaders in southern Maine

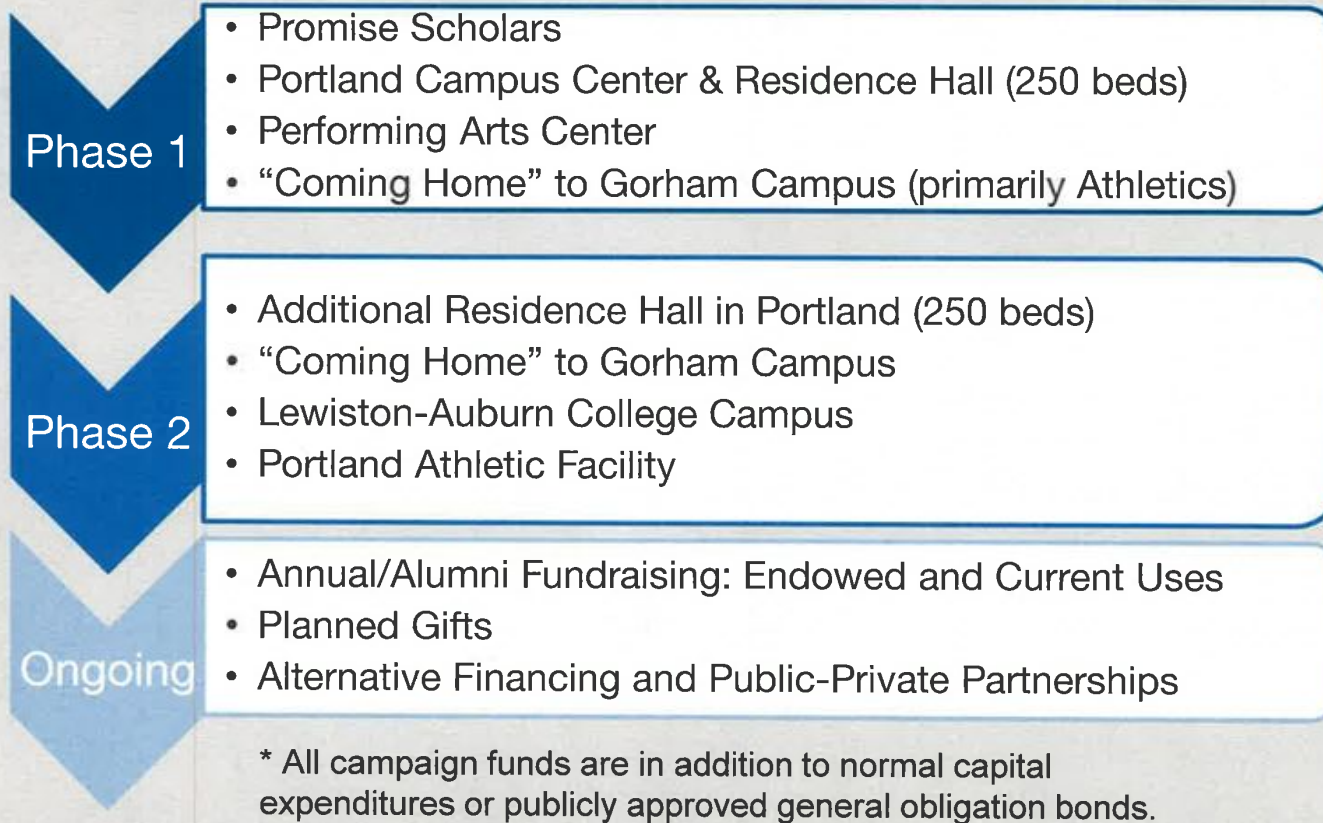
Building Models for Comprehensive Engagement: Investing in Employers' Talent Pipeline

- Internships and Meaningful Work Experiences
- Promoting Employee Education
- Employer-Based Alumni Engagement
- Employer-Based Marketing Campaign
- Strategic Philanthropic Opportunities



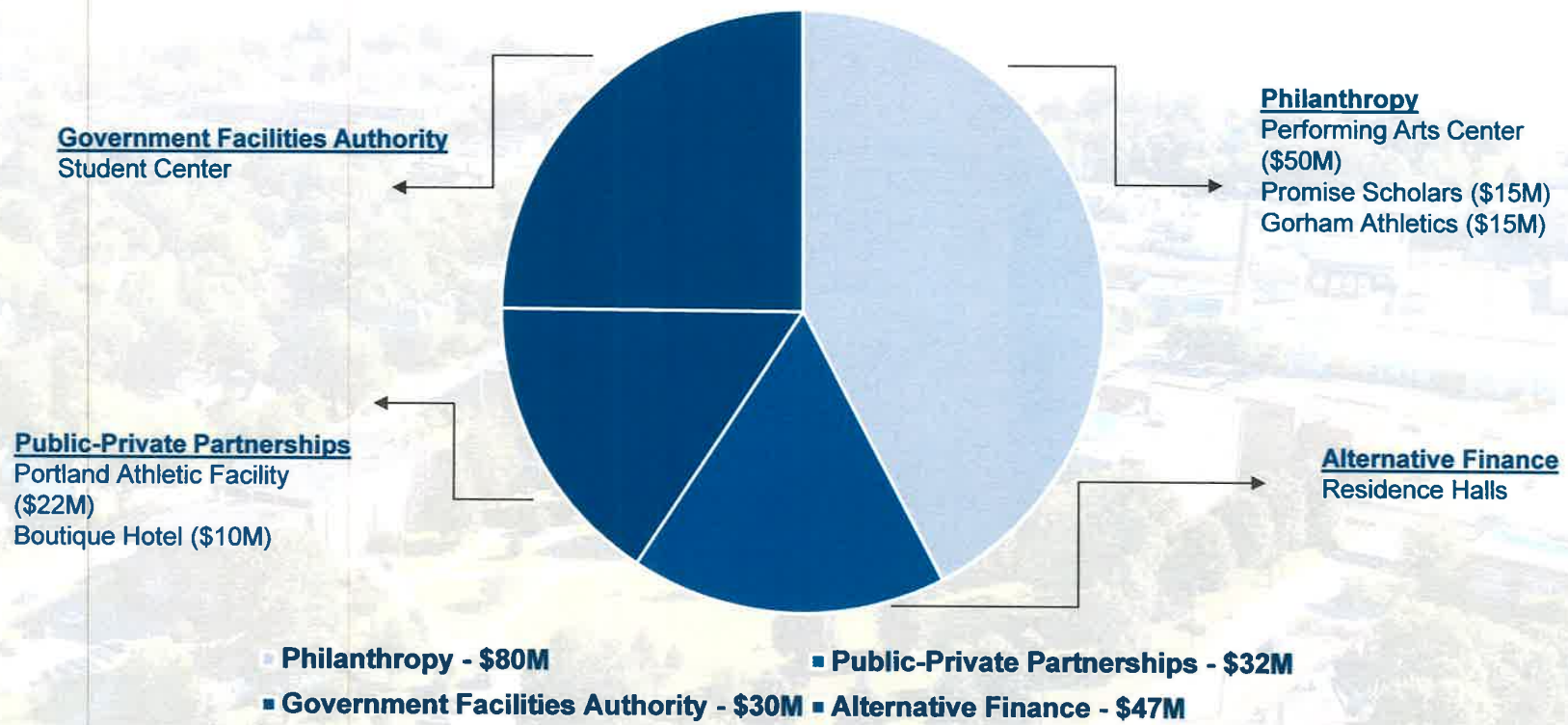
Proud Employer 

Draft Fundraising and Capital Campaign for USM *



Anticipated Funding Sources

\$189 Million in Investments

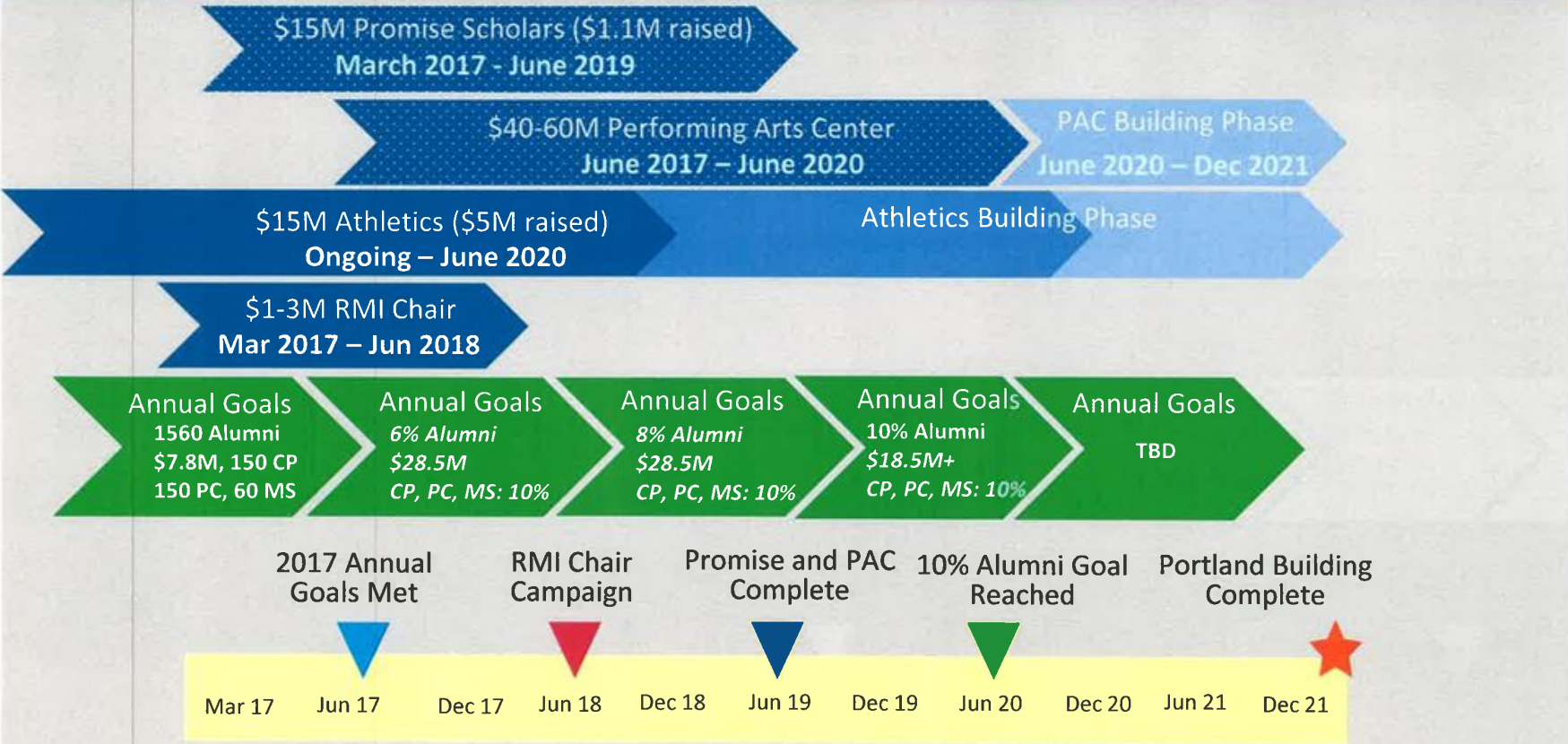


Phase 1: \$80M Table of Gifts

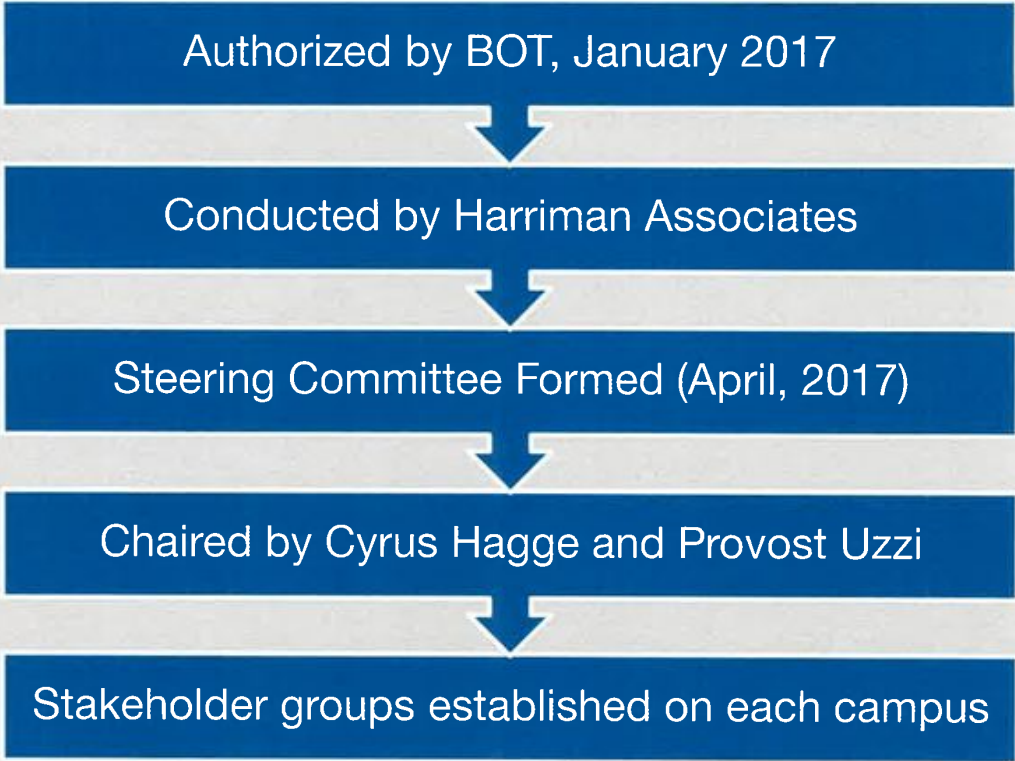
Assumptions: \$50M Performing Arts Center, \$15M Promise Scholarship, \$10M Athletics, \$3M RMI Chair

Category	Gift Range	# Gifts Required	Prospects/Asks Required (assuming 4:1)	Total from Range	Cumulative Total
Transformational	\$25,000,000+				
	\$10,000,000 - \$24,999,999	1	4	\$20,000,000	\$20,000,000
Leadership	\$5,000,000-\$9,999,999	3	12	\$15,000,000	\$35,000,000
	\$2,000,000-\$4,999,999	9	36	\$18,000,000	\$53,000,000
	\$1,000,000-\$1,999,999	12	48	\$12,000,000	\$65,000,000
Principal	\$750,000-\$999,999				
	\$500,000-\$749,999	21	84	\$10,500,000	\$75,500,000
	\$250,000-\$499,999				
Major	\$100,000-\$249,999	40	160	\$4,000,000	\$79,500,000
	\$50,000-\$99,999				
Public and Broad Based Support	\$25,000-\$49,999	80	320	\$1,500,000	\$81,000,000
	Under \$25,000	Many	Many	\$2,000,000	\$83,000,000

Phase 1: Philanthropy Timeline




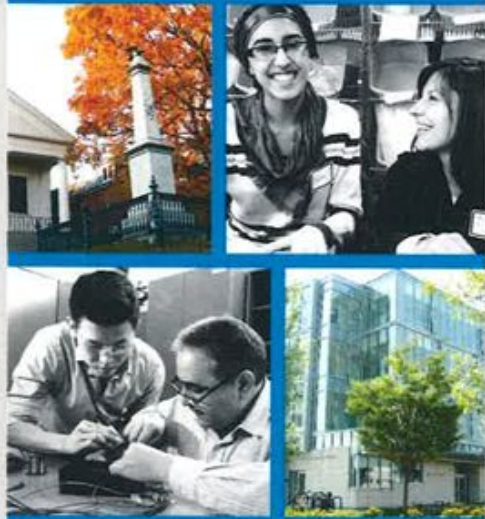
Master Plan



The Promise Scholarship

THE PROMISE SCHOLARSHIP

Every big dream starts somewhere.



Co-Chairs: Carolyn and Dick McGoldrick

Goal: \$15M endowed scholarship
\$1,185,000 received/pledged

Target: Students from youth development organizations

Impact: 100 students/ year with 1/2 tuition scholarships

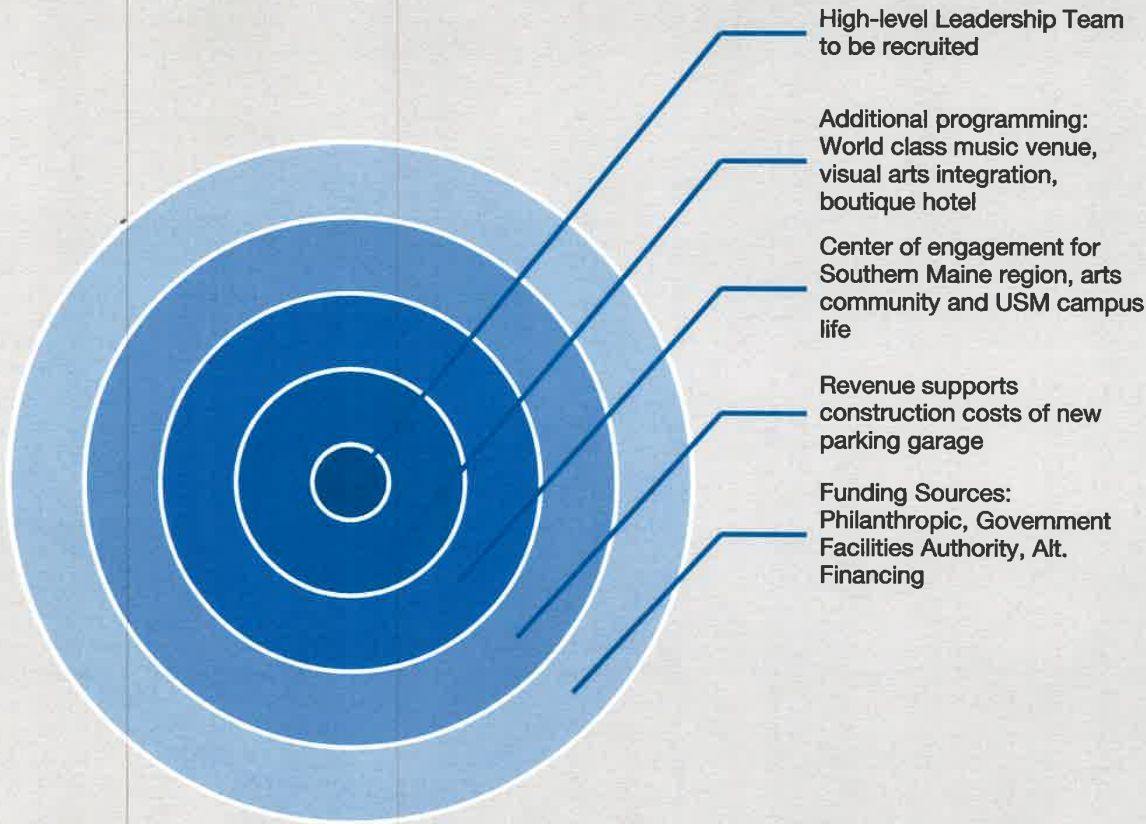
Funding source: 100% Philanthropic

Scholarship Candidates:

- Demonstrate financial need
- Commit to full-time enrollment with a minimum of 15 credit hours per semester
- Incoming first year, continuing, or transfer students
- Ideally, motivated students with a strong recommendation from a youth development organization partner

USM is committed to providing active, ongoing professional and advising support to ensure the success of Promise Scholars.

Student Center & Performing Arts Center



High-level Leadership Team to be recruited

Additional programming: World class music venue, visual arts integration, boutique hotel

Center of engagement for Southern Maine region, arts community and USM campus life

Revenue supports construction costs of new parking garage

Funding Sources: Philanthropic, Government Facilities Authority, Alt. Financing

Performing Arts Center:

- \$50M venue suitable for opera, piano, large ensembles, musical theatre
- Seating for 1,000
- Practice, performing, classroom, and reception spaces
- Art & Photography Gallery showcasing USM faculty, students and alumni, Portland-area artists and other visiting artists
- Scott Simons and Wright Ryan creating concept and cost estimate

Student Center:

- \$30M estimated project
- Student gathering spaces
- Boutique hotel and/or Wellness Center with Food Studies Culinary Institute
- Student housing

Related:

- Parking garage
- Closing Bedford Street
- \$2-3M site work/creating a Quad
- Hiring Campaign Consultant

Athletics

Goal: \$15M in facility upgrades, with \$5M already raised

Specific Projects:

- \$5M Addition and upgrades to Hill Gym
- \$2M Completion of Hannaford Field
- \$1M Upgrades to Ice Arena
- \$1M upgrades to Field House
- \$1M Baseball Stadium

\$2M Softball Stadium Project Complete
\$1.7M planned gift received for indoor facilities upgrades

Funding source: 100% Philanthropic

Leadership: To be led by select members of USM's Athletics Development Council



Readiness

Campaign Leadership Recruited and Philanthropically Invested:

All campaign efforts supported by the **USM Foundation Board of Directors:** George N. Campbell, Glenn Cummings, Edward McKersie, Cyrus Hagge '83, '85, Robert Blackwood '78, '82, Robert Dodge, Marci Booth '98, Todd Chamberlain, Daniel Crewe, Stephen deCastro, Christopher Hall, Rebecca McKinnell '06, Bonnie Porta '80, Casey Prentice, Christopher Robinson, Teresa Schulz, Deanna Sherman, MBA '96

Promise Scholars: Carolyn and Dick McGoldrick, Marci Booth '98, Kevin Carley

Performing Arts Center/Dorms: Larry Rubenstein, Daniel Crewe, Peter Plumb, Mary Nelson

Supporting Council: Cyrus Hagge '83, '85, Daniel Crewe, Ben Devine, Diane Doyle, Edward Kane, Bruce Roullard '84, John Southern, Mark Stickney '95

Leaders Helping us Establish a Campaign Budget

Qualifying and Recruiting Campaign Consultant(s)

Developing Case Materials

- Promise Scholars brochure complete. Donor support secured to assist with campaign startup costs.
- Performing Arts Center brochure in its beginning stages. Donor support secured to help with campaign startup costs. Estimate secured to hold initial stakeholder groups and get preliminary designs for interior and exterior of building. \$5,000 in in-kind support secured to help understand potential costs of facility.

Feasibility Development Analysis done in 2010 – update this plan

Designs done in 2010 for center in Gorham, using same architect to update

Conclusion

USM: The Next Generation

- Builds off our Community Engaged Model
- Re-Energizes Philanthropic Investors
- Focuses Alumni Participation
- Provides Opportunities for deep Corporate Engagement
- Focuses on the Areas Essential to USM's Continued Success:

RECRUITMENT – RETENTION - REVENUE



UNIVERSITY OF
SOUTHERN MAINE

PORTLAND • GORHAM • LEWISTON • ONLINE

18



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Sale of Real Property, UMPI
2. **INITIATED BY:** Norman L. Fournier, Chair
3. **BOARD INFORMATION:** **BOARD ACTION:** X
4. **BACKGROUND:**

This is a request pursuant to Board of Trustee policy 802 for the University of Maine System acting through the University of Maine at Presque Isle to dispose of by sale a parcel of approximately 130 acres in New Sweden, Maine.

The University acquired the land from Albert E. Crawford on February 2, 1981. The property is primarily forest. It is located in the town of New Sweden, Map 2; Lot 9-D. The boundaries are; south by the Jemtland Road, east by the Madawaska Stream, north by the town line of Stockholm and west by the old B&A Railroad bed, now a snowmobile trail.

The campus, with the assistance of University General Counsel, requested a title search, which determined the property is free of encumbrances. The property to the best of UMPI's knowledge and records has not been used for any programmatic purpose and there is no known adverse impact to the University from its sale. A query of all campus facilities management directors returned no known use of the property by any campus.

The proceeds generated by the sale of this property after associated expenses will be used to benefit the University by investing in campus facilities improvements and repairs.

The Town of New Sweden has assessed the value at \$62,000. The campus, upon approval of this request, would obtain an appraisal to inform its understanding of the value of any potential sale. UMPI would pursue the sale in accordance with UMS policy and practices, including Trustee policy 802 and Administrative Practice Letter II-F.

5. **TEXT OF PROPOSED RESOLUTION:**

That the Finance, Facilities, and Technology Committee forwards this item to the Consent Agenda at the May 21-22, 2017 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the sale of approximately 130 acres in New Sweden as described herein subject to review and approval by the University Treasurer and General Counsel of all final terms and conditions.

4/18/2017



AGENDA ITEM SUMMARY

- 1. **NAME OF ITEM:** Highmoor Farm Greenhouse
Renovation Through Replacement, UM
- 2. **INITIATED BY:** Norman L. Fournier, Chair
- 3. **BOARD INFORMATION:** **BOARD ACTION:** X
- 4. **BACKGROUND:**

The University of Maine System acting through the University of Maine requests authorization to demolish an existing greenhouse and replace it with a new facility of approximately 400 additional square feet of space. The request is pursuant to Trustee policy prohibiting net increases in space without Trustee authorization.

The greenhouse supports university research operations at Highmoor Farm in Monmouth, Maine. Highmoor Farm in Monmouth is the Agricultural Research Station which houses the faculty for research and demonstration in vegetable, small fruit and tree fruit production.

Since 1909, farmers from around the state have relied on Highmoor Farm for practical research in hardy fruit and vegetable variety selection, pest management, new equipment and efficient techniques to help their farms become more profitable. Highmoor Farm is the ideal location for Maine’s new and beginning farmers to learn their trade and gain practical, hands-on experience in food production.

The existing greenhouse is 1,386 square feet and has a Sightlines Renovation Age of 56. The single, small greenhouse at Highmoor Farm needs to be replaced with a larger and more efficient facility, suitable for teaching and expanded production. The present structure is a small Quonset hut type with a gravel floor, oil heat, and a single vent. The polycarbonate covering is beyond its expected life and many of the panels are cracked and have come loose from the frame. The structure is inadequate for generating the number of vegetable and fruit plants needed to carry out the quantity of research presently being pursued at the station. Its small size and low roof also make it a poor facility for instruction, as very few people can fit comfortably between the crowded benches.

The proposed new greenhouse will dramatically expand the capacity for research and teaching. The 30' x 60' (1,800sf) structure would increase the amount of space presently available and is designed to accommodate more people at one time with a wider footprint and higher walls, making it much better suited for educational activities. A poured cement floor, as opposed to gravel, would further improve accommodation for students and allow easier transfer of materials around the greenhouse. It would also allow better sanitation within the house to reduce the harboring and spread of plant pathogens. The heating system and glazing associated with the structure would provide a good example of both state of the art and affordable technology that will help growers make decisions about constructing greenhouses on their farms.

Funding for demolition and construction costs will come from the department. The cost is not expected to exceed \$50,000. The operating costs of the new structure are not expected to change and will continue to be covered by the department. The net change in square footage will be tracked in the campus' list of assets and offset by previously approved removals.

5. TEXT OF PROPOSED RESOLUTION:

That the Finance, Facilities and Technology Committee forwards this item to the Consent Agenda at the May 21-22, 2017 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves an increased footprint of approximately 400 square feet as part of the demolition and replacement of a greenhouse facility at the University of Maine's Highmoor Farm in Monmouth, Maine.

4/18/2017



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 April 27, 2017 meeting of the Finance, Facilities, and Technology Committee.

The report reflects a total of 23 projects, a net increase of 1 project from the last report.

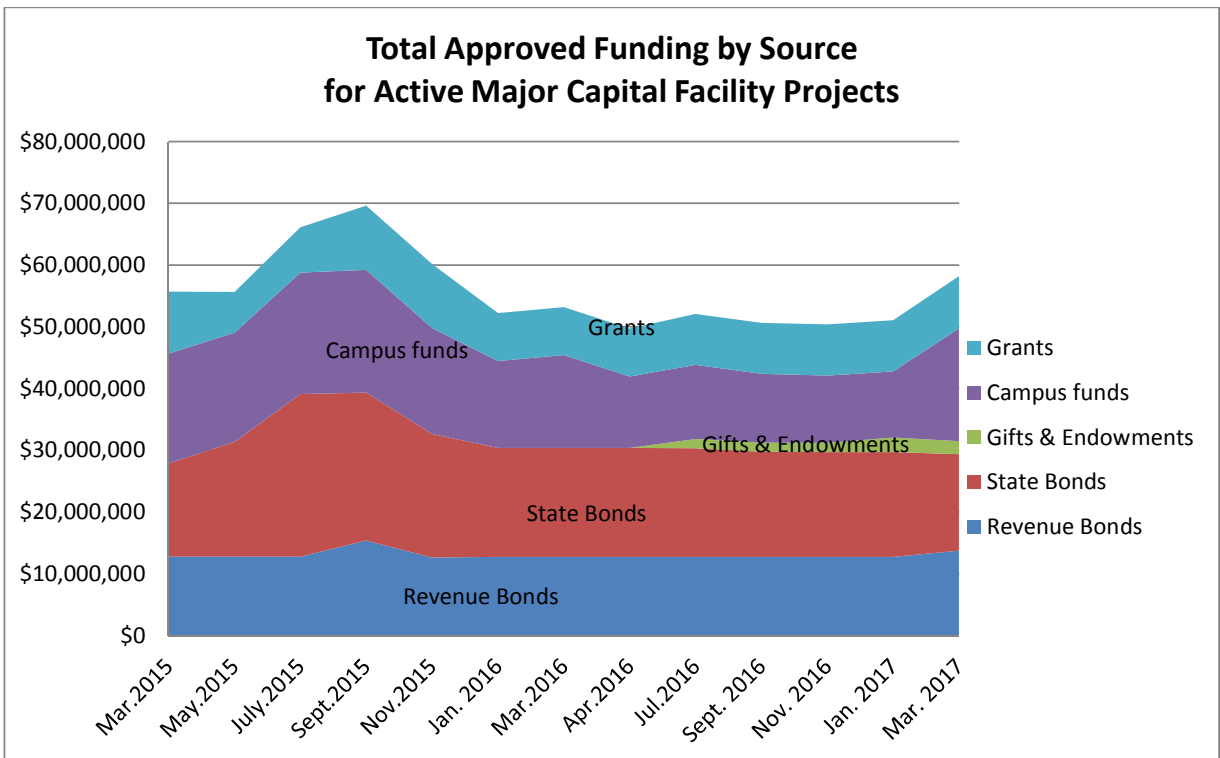
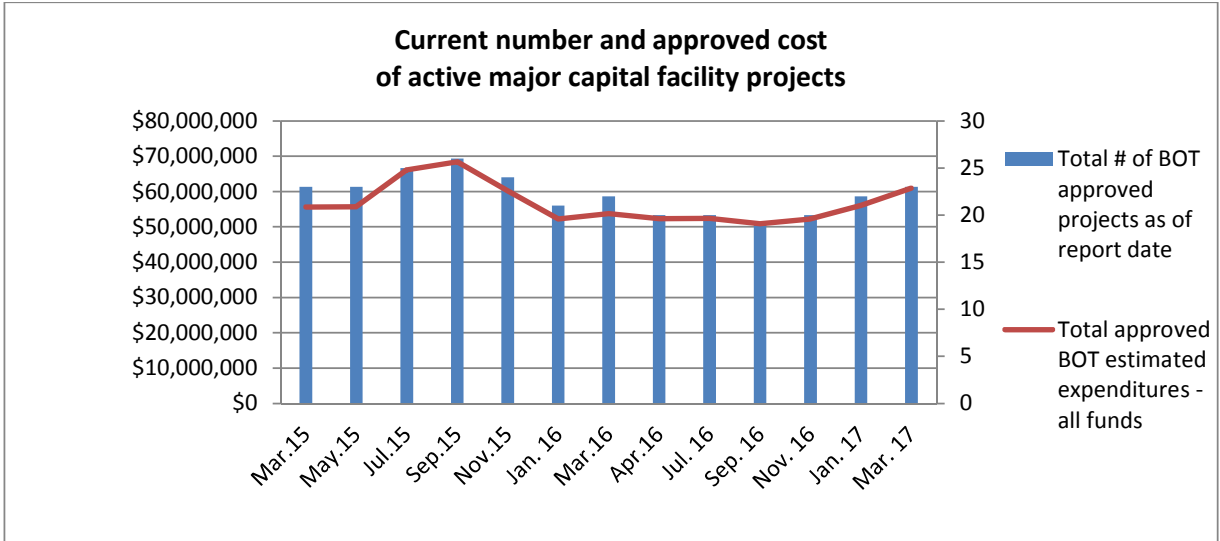
Three new projects have been added since the previous report. These are the Barrows Hall STEM Renovations (5100424) and Memorial Union Bear’s Den Renovation at the University of Maine, approved by the Board at the January 30, 2017 Board of Trustees Meeting. Also, the Campus Card Access Installation (6100271) for the University of Southern Maine, approved by the Board, acting through the Finance, Facilities and Technology Committee at the March 23, 2017 meeting.

Two projects have closed and have been removed from this report. These projects are the LAC Nursing Lab Renovation (6100238), USM, and Science Building Lab Upgrade (6100240), USM.

One project has a change in budget. In accordance with Trustee Policy 701, the Chancellor approved a 9 percent adjustment in the Brooks Kitchen Exhaust Upgrade, USM (6100245). The new project total is \$839,000. The project is on track to be completed within the updated, adjusted amount.

The data in this report is effective as of March 31, 2017. Other updates are as noted on the list.

4/18/2017



4/18/2017

Capital Project Status Report
Board Approved Projects
April 2017 - Finance, Facilities, and Technology
With Grand Totals and % of Current Approved Estimates

Campus, Project Name (Project ID)	Funding Source(s) & each source's share of expenditures to date	Status	Original Estimated Completion	Current Est. Completion	Original Approved Estimate	Current Approved Estimate	% Expended of Current Approved Estimate	Prior Actions, Information & Notes
UM								
Advanced Structures and Composites Center Expansion/ASCC Equip W2-Thermoplastics Lab/ASCC Equip W2 Tow Carriage (5100316, 5100414, 5100432)	Grants (84%), 2010 State Energy Bond (12%), Gifts (4%)	Project 5100316 is Complete, Project 5100414 remains as Design in Progress, Project 5100432 is Design in Progress	2014	2017	\$6,400,000	\$10,400,000	89%	Board Approved \$6.4M in November, 2012. Board approved \$1.6M in March 2014. Board approved increase of \$871,000 in March 2015. BOT approved additional \$1.5M in May 2016 for equipment project.
Cooperative Extension Diagnostic & Research Lab (5100387)	2014 State Bond (99%), Campus E&G Funds (<1%), Grants (<1%)	Construction in Progress	2016	2017	\$9,000,000	\$9,000,000	25%	BOT approved \$9M in July, 2015.
Aquatic Animal Health Facility (5100440)	Grants (50%) Campus Funds (50%)	Design in Progress	2017	2017	\$2,300,000	\$2,300,000	0%	Board approved \$2.3M in January, 2017.
*Barrow's Hall STEM Renovations (5100424)	Campus E&G Funds (100%)	Design in Progress	2017	2017	\$1,900,000	\$1,900,000	2%	Board approved \$1.9M in March, 2017
*Memorial Union Bear's Den Renovations (5100427)	Campus AUX Funds (100%)	Design in Progress	2017	2018	\$3,600,000	\$3,600,000	1%	Board approved \$3.6M in March, 2017
UMA								
Lewiston Hall Renovation (1100528)	Campus E&G Funds (100%)	Substantially Complete	2015	2017	\$1,000,000	\$1,000,000	98%	BOT approved \$1M in September, 2015. Note that an additional \$1M was authorized for this project as part of the 16 Central Street relocation and is being tracked for clarity as part of the 16 Central Street line of this report.
UMF								
Science Labs Renovations (Preble & Ricker (2100065, 2100068)	2013 Lab & Class State Bond (100%)	Substantially Complete	2014	2017	\$1,377,000	\$1,377,000	86%	Board approved \$1.377M in July 2014.
Central Heating Plant (2100066)	Revenue Bond (98%) Campus E&G Funds (2%)	Substantially Complete	2014	2017	\$11,000,000	\$11,440,000	99%	Board approved \$11M in July 2014. Board approved change of Energy Type in January 2015. Change in project cost to \$11.44M (4% change) approved by Chancellor in December 2016 per Trustee policy 701.
UMFK								
Forestry Geographic Info Sys Tech Labs/Nursing Lab Renov/Teleconf Ctr Upgrades (3100029 3100030 3100031)	2013 Lab & Class State Bond (100%)	Construction in Progress	2014	2017	\$1,200,000	\$1,200,000	96%	Board approved \$1.2M in May 2014.
UMM								
Science Building Laboratory Upgrades (4100027)	2013 Lab & Class State Bond (98%) E&G Funds (2%)	Substantially Complete	2014	2017	\$600,000	\$600,000	98%	Finance & Facilities Committee Approved \$600K in January, 2014.

7.1

Finance/Facilities/Technology Committee - Capital Projects Status Report

Campus, Project Name (Project ID)	Funding Source(s) & each source's share of expenditures to date	Status	Original Estimated Completion	Current Est. Completion	Original Approved Estimate	Current Approved Estimate	% Expended of Current Approved Estimate	Prior Actions, Information & Notes
UMM								
Compressed Natural Gas Heating Conversion (4100028)	Revenue Bonds (100%)	Substantially Complete	2014	2017	\$1,800,000	\$1,800,000	84%	Board approved \$1.8M in July 2014.
Kimball Hall Demolition (4100031)	Campus E&G Funds (100%)	Substantially Complete	2015	2017	\$950,000	\$950,000	87%	BOT approval of \$950K in November 2015.
UMPI								
Folsom/Pullen Science Classroom & Laboratory Upgrades (7100009)	2013 Lab & Class State Bond (100%)	Construction Complete	2015	2017	\$1,200,000	\$1,200,000	86%	Board approved \$1.2M in March 2014.
USM								
*Campus Card Access Install (6100271)	Campus E&G Funds (100%)	Construction in Progress	2017	2017	\$700,000	\$700,000	72%	Board approved \$700K in March, 2017.
Bio-Science Chemistry Lab (6100250)	2013 Lab & Class State Bond (100%)	Construction Complete	2015	2017	\$1,250,000	\$1,250,000	97%	BOT approved transfer of \$1.25M in July, 2015 from Payson-Smith Lab Renov (6100236).
Bailey Hall Lab Renovation (6100237)	2013 Lab & Class State Bond (100%)	Construction Complete	2014	2017	\$1,250,000	\$1,250,000	87%	Board approved \$1.25M in May 2014.
Gorham Softball Field Improvements (6200181)	Campus E&G Funds (100%)	Construction in Progress	2015	2017	\$1,500,000	\$2,389,000	83%	BOT approved \$1.5M in July, 2015. Board approved increase to \$2.2M in March, 2016. Change in project cost to \$2.389M (8.6% change) approved by Chancellor in January 2017 per Trustee policy 701.
Wireless Infrastructure Upgrade (6100255 256 257 258 259 260)	Campus E&G Funds (100%)	Construction in Progress	2015	2017	\$1,900,000	\$1,900,000	95%	BOT approved \$1.9M in September, 2015.
**Brooks Kitchen Exhaust Upgrade (6100245)	Campus E&G Funds (100%)	Construction in Progress	2016	2017	\$819,000	\$893,000	32%	Board approved \$819,000 in March, 2016. Change in project cost to \$893K (9.04% change) approved by Chancellor in March 2017 per Trustee policy 701.
Costello Field House Floor Replacement (6100280)	Gifts & Endowments (100%)	Construction in Progress	2017	2017	\$900,000	\$900,000	2%	Board approved \$900,000 in November, 2016.
Science Building Renovations & Build-Out (6100274)	Campus E&G Funds (100%)	Construction in Progress	2017	2017	\$1,600,000	\$1,600,000	10%	Board approved \$1.6M in January, 2017.
Anderson Hall Renewal & Renovations (6200191, 6100272)	Campus E&G Funds (100%)	Design in Progress	2017	2017	\$1,250,000	\$1,250,000	5%	Board approved \$1.25M in January, 2017.
UMS								
Improvements to existing space for relocation of personnel from 16 Central Street (8100022 8100023 8100025 8200055; 5200368 5100407 5100408 5200373 5200374)	Campus E&G Funds (100%)	Complete	2016	2017	\$1,000,000	\$2,000,000	82%	Board approved \$1M in March, 2015. BOT approved an additional \$1M in September, 2015. That additional funding is being tracked in this line for clarity but is being invested in project 1100528.
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.	Funding source(s) reflects primary source(s) for project.		Calendar Year unless otherwise noted.				Percentage expended reflects total expended as of March 31, 2017 as a percentage of the current approved project estimate.	

7.1



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Sale of Real Property, UMS
2. **INITIATED BY:** Norman L. Fournier, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

The Finance, Facilities, and Technology Committee; pursuant to 1 MRSA section 405(6)(C), will enter executive session for the discussion of a real property matter.



AGENDA ITEM SUMMARY

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

The University of Maine System acting through the University of Maine at Augusta intends to issue a public request for information (RFI) regarding the development of housing to serve UMA students.

The effort may result in a lease, construction or other type of contract to be executed by the University with one or more of those parties who respond to the RFI, any of which could require future consideration by the Committee and Trustees depending on the scope and scale of any project which may result from this effort.

In a typical construction sequence, the University would seek Trustee approval prior to advertising. Because in this instance the University is seeking ideas and interest from the private sector rather than seeking costs for an already-decided solution, Trustee consideration of a specific request is not possible at this time. The University is therefore alerting the Committee for information purposes.

Any lease, construction or expenditure which would normally require Committee or Trustee consideration will be brought back for that consideration before final agreements are executed.

The University intends to make clear in the RFI that it is open to responses that involve existing space, remodeled space or new construction, on or off the campus. While the University will not be making any commitment in the solicitation, it will be indicating that it is open to making a commitment to secure the housing services it needs, for example by making a lease commitment at the University's expense.

UMA intends to stipulate in the RFI that it believes as few as 200 and as many as 250 beds are feasible. It does not intend to restrict responses to that range in the event a private party has a fiscally-sustainable idea that involves more beds which would warrant consideration of such a new idea by the University.

The University intends to issue the RFI not later than July 1, 2017 and has a goal of making the housing available to students by fall of 2018.

Fundamentally, moving forward would mean the Trustees either support or do not object to the University of Maine at Augusta gaining a residential capacity and would support or not object to the University of Maine at Augusta potentially making a financial commitment in order to achieve that capacity.



AGENDA ITEM SUMMARY

- 1. **NAME OF ITEM:** PeopleSoft HCM (HR) Upgrade
- 2. **INITIATED BY:** Norman L. Fournier, Chair
- 3. **BOARD INFORMATION:** **BOARD ACTION: X**
- 4. **BACKGROUND:**

10

Richard Thompson, Chief Information Officer, will provide information related to the PeopleSoft HCM (Human Capital Management) upgrade and related improvements to be developed as a single project under the information technology umbrella.

The University of Maine System (UMS) uses PeopleSoft HCM application 9.1/ PeopleTools 8.53 and is planning to upgrade to PeopleSoft 9.2/PeopleTools 8.55. A third party integrator has been selected to undertake this work with the assistance of US:IT and Human Resources staff.

The work includes the upgrade of the core HR, Payroll, Benefits, Time and Labor and Position Management subsystems. Two additional custom modules must be upgraded simultaneously – Payroll Encumbering and Position Budget Management.

The project also covers all UMS customizations as well as integrations with internal systems and external vendor systems with active interface. To expedite and achieve economies of scale, the project will also cover improvements in interfaces and systems that support the Benefits and Payroll Center of Excellence.

The total project cost will be capped at \$850,000, which includes the cost of project management and the integrator on the project. These costs will be covered by reserves held for Strategic HR as a result of prior Administrative Review savings, one time savings in US:IT, and from the US:IT Capital Plan when funded for 2017.

A resolution is presented here to approve this IT project and report it regularly to the Finance, Facilities and Technology Committee.

5. TEXT OF PROPOSED RESOLUTION:

That the Finance, Facilities and Technology Committee forward this item to the Consent Agenda at the May 21, 2017 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the PeopleSoft HCM upgrade and related improvements project in an amount not to exceed \$850,000 with specific funding sources to be determined by the University of Maine Treasurer.

04/24/2017