

Board of Trustees  
**Finance, Facilities & Technology Committee**

November 4, 2021 at 2:00 pm  
Zoom Meeting – No Physical Location Available

The public is invited to view the meeting on YouTube. The link to the Board of Trustees YouTube page can be found the Board website: <https://www.maine.edu/board-of-trustees/>

**AGENDA**

- 2:00pm – 2:05pm      Call the meeting to order and Roll Call
- 2:05pm – 2:30pm      **EXECUTIVE SESSION**  
The Finance, Facilities, & Technology Committee will enter Executive Session under the provision of: 1 MRSA Section 405 6-C.
- 2:30pm – 2:45pm  
**TAB 1**      Increase Authorization, USM Center for the Arts
- 2:45pm – 3:00pm  
**TAB 2**      Campus Network Equipment Refresh

Action items within the Committee purview are noted in green.  
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  
Board of Trustees

**AGENDA ITEM SUMMARY**

**NAME OF ITEM:** Increase Authorization, USM Center for the Arts

**INITIATED BY:** Patricia Riley, Chair

**BOARD INFORMATION:**

**BOARD ACTION:** X

**BOARD POLICY:**

701 Budgets – Operating & Capital

**UNIFIED ACCREDITATION CONNECTION:**

USM's proposed Center for the Arts would be a Portland-located, state-of-the-art music facility that could serve music students throughout the University of Maine System.

**BACKGROUND:**

**a. Summary of the request**

The University of Southern Maine is seeking authorization to spend up to \$3.2 million of additional existing philanthropic funds to advance the University's Center for the Arts (CFA) project. The Board authorized \$1,000,000 at the January 2018 meeting; the current authorization would bring the total to \$4,200,000. The University has completed schematic design for the CFA and the requested authorization would enable the project to advance through the design development and construction documents phases. USM's proposed CFA is a long-planned project with considerable donor support that would relocate the Dr. Alfred and D. Suzi Osher School of Music from its current Gorham campus home in Corthell Hall to a newly constructed, state-of-the-art music building on USM's Portland campus.

**b. Overall requested budget and funding source**

USM proposes to spend up to \$3.2 million of existing philanthropic resources dedicated to the CFA. This is in addition to the \$1 million already authorized for schematic design.

**c. More detailed explanation of rationale for project and metrics for success of the project (ROI or other)**

In proposing the new facility, USM envisions several key developments:

- Short-term growth of Osher School of Music enrollment of approximately 30 percent, representing an increase of approximately 40 students over the current 140-student enrollment. Music majors already have a high retention rate, and the Music Department expects that the new building would drive recruitment and retention, with a longer-term enrollment goal of 232 students.
- Replacement of inadequate facility that is a detriment to recruitment and retention with a new, intentionally designed facility that would draw renewed attention to USM's exceptional music program.

11/1/2021

- Allows for repurposing of Corthell Hall, a significant historic asset for the University but not a suitable home for a modern school of music. While the building is not suited to housing the Osher School of Music, repurposing Corthell would enable USM to add another lecture hall on its Gorham campus, a dance studio, classrooms and administrative space into which the University would likely transition Art and Theatre Department faculty offices.

**d. Explanation of the scope and substance of the project as needed to supplement (a) and (c) above**

As currently designed, USM's proposed CFA would be approximately 34,000 square feet. There is no planned corresponding reduction in facility square footage, and the University estimates operating costs at approximately \$200,000 annually.

**e. Changes, if any, in net square footage or ongoing operating costs resulting from the project**

Over the years, the proposed Center for the Arts has had multiple iterations. Most recently, in USM's 2019 BOT-approved master plan, the project included a 1,000-seat theatrical performance hall, a 600-seat music theater, a black box theater, and a fine arts gallery space. Over the past two years, USM determined that the project, as envisioned, would have been cost-prohibitive and worked with its architectural partner, Pfeiffer, to revise the facility such that it would fit the \$65 million facility authorized by the Board in 2018 and within USM's realistic budget. The current structure no longer includes a 1,000-seat performance hall or 600-seat music theater but rather contains a 200-seat performance hall that would be suitable to most Osher School of Music performances. The proposed CFA maintains a fine arts gallery space that would be centrally located in the building, serving as a perpendicularly-oriented lobby and gallery.

**f. Budget for the project and further elaboration on funding source and selection as needed to supplement (b) above)**

USM has budgeted \$3.2 million for design development and construction document phases of the project. The USM/UMS team has estimated the total project cost at \$40 million to \$46 million. Key variable factors that could affect the estimate include costs of materials (primarily steel and lumber) and labor as well as value engineering opportunities and other construction efficiencies realized by the to-be-hired construction manager. USM would fund the project with philanthropy and other University resources to be determined. USM anticipates that a portion of project costs will be funded by the combination of USM resources and the issuance of University of Maine System debt, with debt service funded by USM.

**g. Alternatives that were considered to meet the need being addressed by this project**

Under prior administrations, USM considered extensive renovations to Corthell Hall.

**h. Timeline for start, occupancy and completion**

If approved, the USM/UMS team and Pfeiffer would advance the project to its design development phase, with a goal of completing the latter and construction documents over the next 12 months.

**i. Timeline for any further consideration or action anticipated to be needed by the Board or its committees regarding this project if full authority is not being requested from the outset**

Following the design development and construction document phases, for which USM is seeking authorization, USM would return to the Board to seek authorization to proceed to construction of the CFA.

**j. Additional information that may be useful to consideration of the item**

In addition to enthusiasm within the USM community for the CFA project, there is considerable donor support. To date, the USM Foundation has raised more than \$17.1 million, and it expects to raise at least \$8.4 million over the next 21 months.

**TEXT OF PROPOSED RESOLUTION:**

That the Finance, Facilities and Technology Committee, approves the following resolution to be forwarded for Board of Trustee approval at the November 15, 2021, Board Meeting.

That the Board of Trustees accepts the recommendation of the Finance, Facilities and Technology Committee, and authorizes the University of Southern Maine acting through the University of Maine System to expend up to an additional \$3,200,000 to complete the design development and construction documents phases of the proposed Center for the Arts on the University of Southern Maine's Portland campus. With the current request, the total authorized for this project will be \$4,200,000. The funding source will be existing philanthropic funds dedicated to creation of the Center for the Arts. In advancing to the design development and construction documents phases of the Center for the Arts project, USM will continue to review alternative design options and value engineering measures that may produce cost savings. As the project advances, USM and the USM Foundation will continue its robust fundraising efforts to support further advancement of the project, with the understanding that USM anticipates a portion of the project costs will be funded by the combination of USM E&G resources and the issuance of UMS debt, with debt service funded by USM.



Presentation To the UMS Board of Trustees FFT Committee  
November 4, 2021





## *A New Home for the Dr. Alfred and D. Suzi Osher School of Music*

- Signature Program of Excellence
- Increases enrollment and retention
- Wide impact on Maine's K-12 music education workforce – multiple Teacher of the Year awards
- Many acclaimed graduates – performing in the Metropolitan Opera, Broadway, and around the world, including Grammy & Tony Award winners
- Robust community & philanthropic support

## *Trustee Approvals to Date*

- 2017** UMS BOT approved an \$80M comprehensive campaign for USM that included a \$65M Center for the Arts (CFA) on the Portland campus
- 2018** Trustees authorized spending of \$1M philanthropic dollars for Phase I of CFA project, conceptual and schematic design
- 2019** Trustees approved USM Master Plan, including CFA in Portland; USM Foundation (USMF) initiated campaign planning study
- 2020** USMF launched comprehensive campaign quiet phase with an adjusted campaign goal of \$46M, including \$15M CFA philanthropic goal
- 2021** CFA Phase I completed; USMF has raised \$17.1M for CFA in 15 months

*Current request: BOT authorization to expend up to \$3.2M on CFA Phase II, design development and construction documents using philanthropic dollars in hand*

## *A moment of tremendous opportunity and momentum*

- **Unprecedented fundraising success** – \$17.1M raised in 15 months (+ at least \$3.5M bequest)
  - **Energized donors and community influencers** who have long-supported creation of the CFA (past three decades)
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- Total projected philanthropic support: \$25M+
  - With each new gift and BOT authorization, milestones are achieved and the project gains additional donor momentum
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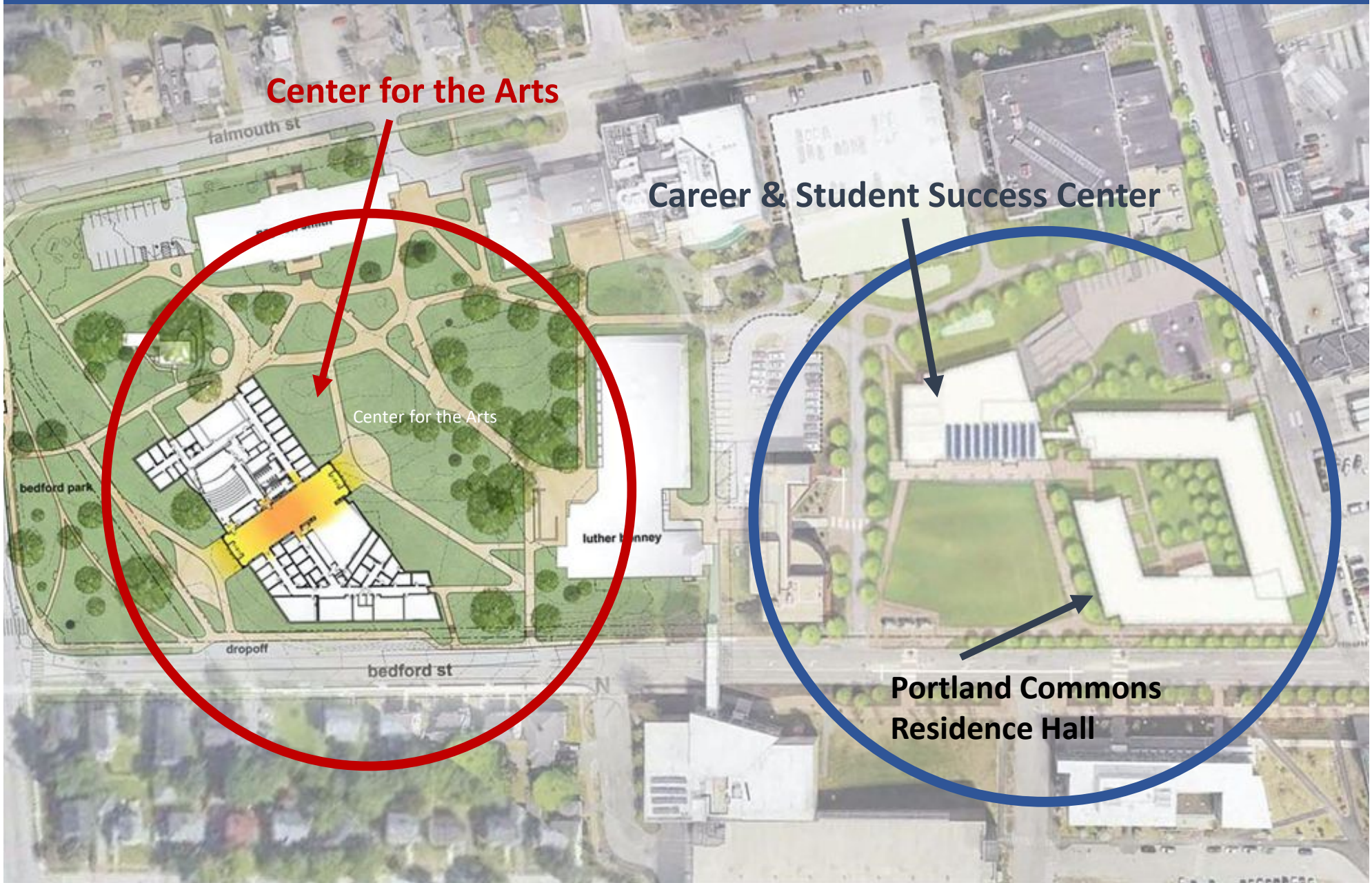
*“I was hoping it would come while I could see it. It means so much to me.”*

- Mrs. Suzi Osher, commenting to President Cummings about the Center for the Arts





# Portland Campus Transformation Projects







## *Center for the Arts Project Cost Estimate/ Funding Request*

- \$40-46M\* project working estimate
- \$3.2M authorization request would enable USM to complete design development and construction document phases

*\*Authorization would enable USM to advance project to shovel-ready status → would provide further precision on overall project costs & strengthen philanthropic momentum, potential. Key pricing variables include costs for materials (e.g., steel and lumber) and labor, plus possible savings from CM efficiencies.*



## *Context within Portland Campus Transformation Projects*

### **Portland Commons Residence Hall – \$72.8M**

- Financed by UMS revenue bonds, with funding from USM debt service payments
- Combined project is year-one cash flow positive, with > \$500,000 in revenue @ 95% capacity

### **Career & Student Success Center – \$26.6M**

- \$19M investment from the bond
- \$5M in philanthropy - \$1.1M secured, \$4.5M in pending requests
- \$2.6M from University resources



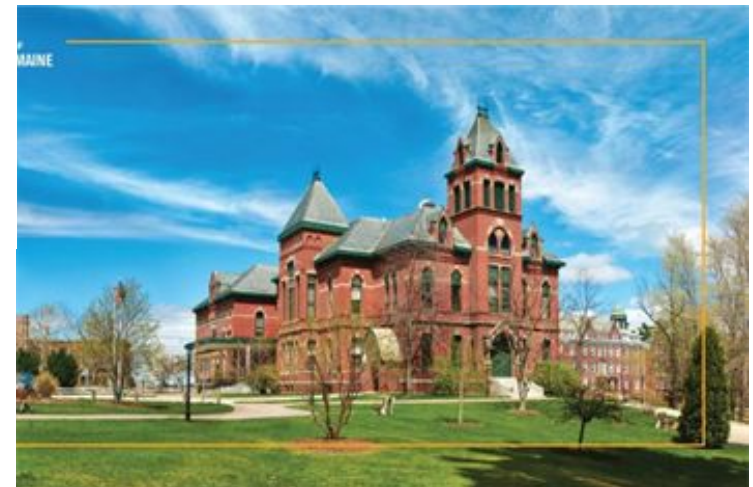
## *Corthell Hall is an inadequate home for the Osher School of Music but could be effectively repurposed*

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Transitioning the Osher School to Portland would significantly upgrade USM's music instruction/performance space and provide much needed classroom, studio, and administrative space on the Gorham campus.

### For music, Corthell presents facilities challenges:

- Lack of sound isolation between spaces
- Inadequate space, acoustics, technology
- Logistical challenges for large musical instruments and equipment
- Inferior to many high school music facilities
- Less accessible to audiences







## Benefits of a New, Purpose- Built Facility

- Supports talent recruitment goals and interdisciplinary academics
- Sound isolation throughout
- The latest technology and acoustics
- Functional one-floor layout
- Strategic location – expanded visibility and audiences
- Student & community-focused building with full-year potential

## *Impact: Enrollment*

Nationally, universities that have built comparable facilities have seen significant enrollment growth:

- After Western Connecticut State University opened its new arts facility in 2014, they reported growth of **40%** (29% growth sustained even in pandemic)
- The Greenwood School of Music at Oklahoma State University reported a **15% increase in total undergraduate enrollment** in its first year after opening (despite the pandemic) and had far more graduate applicants than the previous year.

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### **Osher School of Music Enrollment Growth Objectives:**

- **Short Term Goal:** Increase music enrollment by 30%
- **Longer Term Goal:** Grow to ideal size of 232 students from current enrollment of ~140

## *Impact: Retention*

Retention and persistence rates for USM's arts and music programs are high and have remained consistent over time:

**For 2017, 2018, 2019 entering cohorts:**

- **Engineering** – First time in college (FTIC) 70%; Transfer 81.5%
- **Music** – FTIC 91%; Transfer 83%

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An investment in music and arts students is an investment in students who succeed at USM and benefit Maine and beyond.

## Importance of Authorization

- Enables key project next steps
- Utilizes in-hand philanthropy to advance project and demonstrate continued progress
- Provides a cue that will strengthen current philanthropic momentum

*USM requests authorization to expend up to \$3.2 million to advance the CFA project to shovel-ready status*



University of Maine System  
Board of Trustees

**AGENDA ITEM SUMMARY**

**NAME OF ITEM:** Campus Network Equipment Refresh

**INITIATED BY:** Patricia A. Riley, Chair

**BOARD INFORMATION:**

**BOARD ACTION:** X

**BOARD POLICY:**

N/A

**UNIFIED ACCREDITATION CONNECTION:**

N/A

**BACKGROUND:**

The University of Maine System requests authorization to expend \$3,000,000 on the replacement of campus network equipment.

The focus of this effort is a 1 for 1 replacement of unsupported network equipment (wireless access points and controllers, building-level network access switches, and uninterruptible power supplies) that has been in service 12 years on average including 4 to 10 years beyond the end of support dates set by the original equipment manufacturer (OEM). By doing so we are attempting to reduce the cybersecurity, business continuity, and academic disruption risks associated with having the campus networks consisting of nearly 25% of unsupported, antiquated network equipment. These one-time funds will establish a minimum threshold for a refresh cycle that removes network equipment from service before, or at least soon after, it is no longer supported by its OEM. This effort is not intended or expected to expand wireless coverage or increase network availability in any significant way.

Roughly 10% of the budget is being allocated to cover the cost of professional services and any electrical or other facilities work that will be required.

Description	Amount
Access Points	\$334,800
UPSs	\$120,000
Switches	\$1,684,800
Wireless Controllers	\$588,000
Professional Services	\$136,500
Maint of Facilities	\$135,900
<b>Total</b>	<b>\$3,000,000</b>

11/1/2021



<b>Campus</b>	<b>Budget</b>
UMA	\$344,600
UMaine	\$1,737,300
UMF	\$384,600
UMFK	\$129,200
UMPI	\$103,400
UMM	\$119,200
USM	\$181,700
	<b>\$3,000,000</b>

**TEXT OF PROPOSED RESOLUTION:**

That the Finance, Facilities and Technology Committee approves the following resolution to be forwarded for Board of Trustee approval at the November 15, 2021, Board Meeting.

That the Board of Trustees accepts the recommendation of the Finance, Facilities and Technology Committee, and authorizes the University of Maine System to expend \$3,000,000 for the replacement of unsupported equipment not included in the 2015 bond initiative. The funding source will be previously earned temporary investment income.