Trustee Katz, Chair, called the meeting to order and welcomed everyone. The Clerk performed a roll call of the Committee members present.

FY2023 Philanthropy Overview

Jeffrey N. Mills, Ph.D., President/CEO of the University of Maine Foundation and Ainsley Wallace, President/CEO of the University of Southern Maine Foundation provided a presentation regarding FY2023 philanthropy. Both reported record-breaking fundraising for FY2023.

FY2023 Annual Report on Gifts, Fundraising and Endowments

The University of Maine System (UMS) Annual Report on Gifts, Fundraising and Endowments for the year ended June 30, 2023, presents:

- Total gifts received by donor type, restriction type, purpose, and campus.
- A 5-year comparison of UMS gift balances (endowment market value, non-endowed gift balances, and pledges outstanding) as of June 30th.
- Gifts received and endowment balances for the UMS’ affiliated fundraising organizations.
- The financial status of open capital campaigns.

The meeting agenda did not include a presentation of this report; however, Darla Reynolds, Director of Accounting, was available to address any questions the Committee members had regarding the report’s contents.

All gifts received fulfill the policy requirements of the Board of Trustees and the UMS follows the intent of its donors. The UMS expresses its deep gratitude to all donors for their gifts, donations, and bequests.
FY2023 Real Estate and Lease Activity Report

Gretchen Catlin, Chief Facilities and General Services Officer, discussed the report. Board Policies 801 – Acquisition of Real Property and 802 – Disposition of Real Property require an annual report summarizing real estate transactions for the Board of Trustees. These policies require board approval for:

- Acquisitions of real property with a cost of $50,000 or more.
- Any lease of real property with a total payment term that exceeds $100,000 and/or a term greater than 5 years.
- Leases/licenses for use of university real property if the total payment is greater than $100,000 and/or the term is greater than 5 years.
- Note: Exceptions may be granted for leases/licenses of university property for minor uses to unrelated parties, e.g., easements and rights-of-way granted to public entities or environmental monitoring equipment.

Lease Authorization Request, UM, Gartley Farm in Presque Isle

The University of Maine System acting through the University of Maine (UM) requests authorization to extend a lease with the Heirs of George and Marcia Gartley, Attn: Hannah Gartley, for roughly 80 acres at Houlton Rd., US Route 1, Presque Isle, Maine. The current three-year lease expires April 30, 2024. The prior lease to the existing lease began in 2018 for three years. The new lease will start May 1st, 2024, and end April 30, 2029, with the option to renew for up to a total of ten years.

This request is pursuant to Board Policy 801 - Acquisition of Real Property, which requires leases with a total value of $100,000 or more or a term of 5 years or more to be considered by the Board of Trustees or its Finance, Facilities and Technology Committee. The proposed duration of this lease is 5 years. The rent is $7,000 per year for the first five years with a total cost across terms of $72,500. In this case, the requirement is regarding the duration of the lease and approval is within the purview of the Committee.

On a motion by Trustee Cain, and seconded by Trustee Michaud, the Finance, Facilities and Technology Committee approved the following resolution to be forwarded to the April 8, 2024, Board of Trustees meeting:

That the Finance, Facilities, and Technology Committee, authorizes the University of Maine System acting through the University of Maine to extend a lease with the Heirs of George and Marcia Gartley through Hannah Gartley, leasing a total of 80 +/- acres on the Houlton Rd. in Presque Isle, for five years through April 30, 2029, with the options for renewal for a total of ten years through April 30, 2034. All final terms and conditions of the lease will be subject to review and approval by the University of Maine System Treasurer and General Counsel.

Active Projects and Projects with a Value of $250,000 or Greater

Dr. David Demers, Chief Information Officer, will provide an overview of Active Projects and a detailed report on Projects with a Value of $250,000 or Greater.
• Active Projects Overview
• Projects with a Value of $250,000 or Greater
  • Repaving Mainstreet

The HCM project team is focused on completing data conversions and finalizing business decisions required for HCM App2.0 Review sessions. Although substantial progress has been made in both areas, the App2.0 Review sessions, originally scheduled for mid-August, are now planned for mid-October. This schedule adjustment will allow the additional time needed to complete the required data conversions, finalize business process decisions, and for the Drivestream team to build the App2.0 environment. Among the pending decisions are future processes for position approvals, evaluating the adoption of Oracle Cloud Recruiting and Onboarding modules for student employee recruitment and hiring, and finalizing Time & Labor module decisions related to web clock punch-in and punch-out procedures.

The ERP project team is preparing for the Purchasing and Accounts Payable App1.0 Review sessions scheduled for the week of August 14. Recent decisions include finalizing a new Chart of Accounts (COA) structure for the cloud and a standard set of Finance and HR Department codes. Additionally, the team is collaborating with Drivestream to determine strategies for how the current Jaggaer (purchasing) and Concur (travel/expense management) platforms will coexist with Oracle Cloud.

The UMS and Drivestream technical teams collaborated to identify strategies to streamline data conversion efforts, which have required substantial time and manual effort from the UMS technical team. To address this challenge, plans are underway to enable Drivestream resources to extract data from PeopleSoft staging tables. This approach will greatly reduce the need for the UMS technical team to manage data extractions, enabling them to focus on essential pre-conversion requirements and integration review tasks.

State of IT Report 2023

Dr. David Demers, Chief Information Officer, provided the State of IT 2023 report to the committee.

The report includes:

• Repaving Mainstreet
• UMS:IT Services Customer Survey 2023

Capital Projects Status Report and 2018 Bond Projects Update, UMS

The Capital Project Status Report for the February 6, 2024, meeting of the Finance, Facilities, and Technology Committee of the University of Maine System was discussed. This report provides a comprehensive update on the status of capital projects, market impacts, 2018 bond project status, research space approvals, and specific project details.

Key Capital Project Highlights:

• Total Projects: 36 projects are currently active, with one new and one removed at UMA,
and one removed at UM and USM since the last report.

- **Approved Project Estimates:** Over $400 million, with nearly 67% expended to date.
- **Project Highlighting:**
  - Yellow: Current P3 projects.
  - Green: Projects at Board approval level utilizing Harold Alfond Foundation (HAF) grant and matching money.
  - Separate Table: HAF projects below Board approval level.
- **2018 Bond Funds:** A few projects funded with 2018 bond funds remain on the Capital report pending the Percent for Art process realization.

**Continuing Market Impacts on Capital Construction**

- Market instability, equipment delays, and labor shortages continue to create challenges for the bidding and estimating climate.

**2018 Bond Project Status Report**

- **Active Projects:** 30; one new project added at UMF
- **Closed Projects:** 43
- **Total Projects:** 73
- **Funding:** Nearly all of the $49 million in voter-approved general obligation bond funding has been allocated, with over $45.6 million expended.
- **Supplemental Funding:** Over $81 million, including bond funding and other resources.
- **Reporting:**
  - Active Projects above Board Threshold also appear on Capital Project report.
  - As projects are closed, they are moved to the closed section and will remain on the report until all projects are completed.

**Research Space Approvals**

- No new approvals for Chancellor-approved increases in university-owned or occupied space for research purposes.

**Data Notes:**

**Explanation of Funding Categories:**

- **Direct Capital Appropriations Funds:** These consist of State capital appropriations in anticipation of UMS revenue bonding, as well as State MEIF funds. They represent specific allocations made by the State for capital projects.
- **Campus Funds:** This category may include internal loans or other funding mechanisms that are generated and managed within the University's financial structure.
- **Other Financing:** This category includes interim financing, master lease agreements, and other miscellaneous sources as available and/or expended. Due to the complexity and lower relative value of the funding sources in this category, such amounts are not reclassified if later refunded with other sources.
- **Reason for Categories:** These categories help in understanding the various sources of funding for the projects and provide transparency in how funds are allocated, utilized, and reported.
April 2023 - Reclassification of Bond Anticipation Note (BAN):

- **Details:** In April 2023, there was a reclassification of the Bond Anticipation Note (BAN) from the category “Other financing” to “Revenue Bonds & BANs.”
- **Reason:** This reclassification was made to better align project funding sources and ensure that the categorization accurately reflects the nature of the BAN within the financial reporting structure.

September 2022 - Adjustment to Reflect Incorrect Funding Sources:

- **Details:** The data for September 2022 was adjusted to correct inaccuracies in the reporting of funding sources that were identified in the October 2022 report.
- **Reason:** This adjustment ensures that the historical data accurately represents the funding sources and aligns with the correct categorization and accounting principles.

Executive Session

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee went into Executive Session under the following provisions:

- 1 MRSA Section 405 6-C to discuss the condition, acquisition or disposition of real property or economic development if premature disclosure of the information would prejudice the competitive or bargaining position of the UMS.

On a motion by Trustee Riley, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Committee concluded the Executive Session.

Additional information about the meeting can be found on the Board of Trustees website: [https://www.maine.edu/board-of-trustees/meeting-agendas-materials/finance-facilities-technology/](https://www.maine.edu/board-of-trustees/meeting-agendas-materials/finance-facilities-technology/)

Adjournment.

Elizabeth Stickler, Clerk