

Week of February 3, 2020

Trustees,

I start today with long-anticipated good news. On Monday of this past week, as you know by now, Governor Mills released her long-anticipated supplemental budget. As she pledged in her January 21 State of the State Address, the Governor proposes to restore the 3% increase to our base appropriation for FY2021, which she had included in her original FY20-21 biennial budget proposal last year but which was not included in the final budget worked out with the Legislature. The Governor's proposal, if passed, would add \$4.964 million to our base state appropriation for FY21, a necessary increase that ensures we can limit tuition increases to CPI while increasing financial aid and paying for the collective bargaining increases we negotiated with our employee units last year.

The Governor's budget proposal also would add \$718,192 to the base allocation provided to the Law School. The proposal, which is consistent with last summer's recommendations from the ad hoc *Committee to Advise on the Future Direction of the Law School*, would bring State support for the law school more in line with its peers in the region, support additional scholarships that increase retention and reduce law student debt, and expand legal education and aid to rural communities. This additional funding support will be critical to successfully transitioning the Law School to UMS governance.

Government Relations Director Samantha Warren and Vice Chancellor Ryan Low will be working through the supplemental budget's legislative process now, with initial hearings likely in the next week or two. I'll be reporting regularly as there are developments.

We continue with our own FY21 budget development work. On Tuesday, Trustees Erwin and Gardner and I met in Portland with my senior team and UMS Vice President of Budget and Financial Analysis Miriam White to hear initial FY21 budget presentations from USM, UMA, and, for the first time on its own, the Law School. While good work is underway in all of our institutions, these first budget reviews show that revenues are simply not sufficient to cover operating expenses even without funding capital needs at recommended levels. Longer serving Trustees will recognize this as our perennial problem. To better understand the historical trends and inform our forward planning, I've asked Ryan Low to gather information about how our expenses and employee headcounts have evolved over the last decade relative to state appropriations and total revenue, as well as student headcount too. It'll be critically important for us to understand these trends not only for our FY21 budget work, but in thinking ahead about how we should approach budget development in the coming years as well.

Unified accreditation remains ever present in my thinking too. After 46 meetings across the state last fall, with three or more visits to each of our universities to hear from all members of our communities about how to successfully pursue unified accreditation, I started my spring term visits on Wednesday on campus in Orono at the University of Maine. With your authorization now to proceed with unified accreditation, I met with staff, faculty and students in two sessions

before addressing the UMaine Faculty Senate in a third session, answering questions and driving the narrative of unified accreditation as both a tool and opportunity to respond to our ongoing budget challenges with collaborative programs offered more efficiently and, at our flagship research university, by advancing UMaine's research profile and activities to achieve "R1" (Research 1) status. (Research 1 is a designation that the Carnegie Classification of Institutions of Higher Education uses to indicate universities in the United States that engage in the highest levels of research activity. I've asked President Ferrini-Mundy to provide you an update at the upcoming March Board meeting about the significance of this designation and UMaine's efforts to achieve it.)

In between my campus meetings at Orono, UMaine Faculty Senate President and Professor of Oceanography Dave Townsend (who you'll recall spoke on unified accreditation at our recent Board meeting), along with fellow Professor of Oceanography Neal Pettigrew, led me and my team and President Ferrini-Mundy on a tour of the School of Marine Sciences's Ocean Observing Systems facilities. Impressive does not begin to describe the work that goes on in these modest facilities, from which Professors Townsend and Pettigrew and their colleagues develop, build, deploy, and monitor the world-standard in ocean observing buoys and gliders. UMaine ocean-observing buoys are so resilient they survived and continued to send data through the Caribbean hurricanes of recent years, and they're deployed along the east coast to better understand ocean currents and temperature, informing our understanding of storm tracking (recall 2012's Superstorm Sandy) and climate change. It's work that is not well-enough known, and telling the story of this and other innovative research at our flagship is critical to enhancing our stature not only in Maine, but regionally, nationally, and globally as well.

Though snow and ice shortened the meeting, I closed the week at the Maine State Chamber's annual Leadership Summit at Sunday River, where I carried our research story to the business and government leaders in attendance this year. Along with our prominent role in developing the Governor's recently released economic development plan, meetings like these have convinced me that, more than ever, we simply must do a better job of demonstrating how our teaching, research, and public service can advance Maine's civic and economic interests in the third decade of the 21st century and beyond.

I hope you're enjoying a relaxing winter's weekend.

Regards,  
Dan