

UNIVERSITY OF MAINE SYSTEM
Board of Trustees Meeting

hosted by the University of Maine System, at the UM Hutchinson Center, Belfast
July 11, 2022

Board of Trustees Meeting

Present: Trish Riley, Chair; Lisa Eames, Vice Chair; Kelly Martin, Patrick Flood, Barbara Alexander, Donna Loring, Roger Katz, James Donnelly (by phone), Emily Cain, David MacMahon, Sven Bartholomew, Pender Makin and Michael Michaud. **Chancellor:** Dannel Malloy. **University Presidents:** Leigh Saufley, Joan Ferrini-Mundy, Ray Rice, Joseph Szakas, Jaqueline Edmondson, Joseph McDonnell, and Deborah Hedeem. **Faculty Representatives:** Kennedy Rubert-Nason, Matthew Bampton, Patrick Cheek, William Otto, and Michael Scott. **Student Representatives:** Sophia Paddon, Tony Lewis, and Aidan Mulrooney. **System Staff:** Robert Placido, Ryan Low, Ellen Doughty, Carolyn Dorsey, Rosa Reddonnett, Loretta Shields, and Tracy Elliott.

Absent: Beth Dobson.

Monday, July 11, 2022

Trustee Riley, Chair, welcomed everyone and called the Executive Session to order.

EXECUTIVE SESSION

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by all Trustees present, the Board of Trustees meeting went into Executive Session under the following provisions:

- 1 MRSA Section 405 6-A to discuss the evaluation of personnel and the consideration and discussion of appointments, evaluations, employment and duties.
- 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.
- 1 MRSA Section 405 6-D to discuss planning for negotiations and communications with AFUM, UMPSA, ACSUM, Police, PATFA, and Service and Maintenance Units.

On a motion by Trustee Cain, which was seconded by Trustee Katz, and approved by all Trustees present, the Board of Trustees concluded the Executive Session.

PUBLIC MEETING

Following the Executive Session, Trustee Riley, Chair, reconvened the meeting and welcomed everyone. She stated that Trustee Donnelly was participating in the meeting by telephone. The Clerk performed a roll call of the members of the Board of Trustees participating by phone.

CITIZEN COMMENT

Citizen Comment is a time regularly set aside for comments from the public. The following individuals were present and spoke during the Citizen Comment period:

Tamara Benson – Student Employment
Paul Johnson – Chancellor

CHAIR'S REPORT

Chair Riley welcomed the new Trustees to their first official Board meeting. The new Trustees include Barbara Alexander, Donna Loring and Patrick Flood. She also announced that Governor Mills has accepted Trustee Peggy Rotundo's resignation. She explained that due to a change in interpretation of one of the legislative laws, it was decided that people who are running for legislative office are not allowed to sit on state appointed Boards and because Ms. Rotundo is running to serve as a state representative, she had to resign from the UMS Board of Trustees.

Appointment of Standing Committees

Chair Riley stated that she has developed the Board of Trustee Standing Committee assignments for the next year. She thanked the Trustees for volunteering to serve on the committees, with a special thanks to those who have offered to Chair the committees. Committee assignments are effective from July 1, 2022 to June 30, 2023. She stated that the committee Chairs and membership for FY2023 were included in the meeting materials.

Establishment of the Strategic Planning Committee

Chair Riley stated that she is requesting the establishment of the Strategic Planning Committee as a standing committee, transitioning from the current structure as the Ad Hoc Committee on Strategic Planning. She explained that the committee membership will include a representative from the faculty, students and a President. The Chair of the committee will be Trustee Emily Cain. The Board is still working on identifying the non-Trustee Committee members.

On a motion by Trustee Eames, which was seconded by Trustee Loring, and approved by all Trustees present, the Board of Trustees agreed to discharge the Ad Hoc Committee on Strategic Planning and establish the Strategic Planning Committee, as a Standing Board of Trustees Committee. Board of Trustees Policy 103 – Bylaws, will be amended to reflect the addition of this as new standing committee.

Faculty & Student Representative Engagement

Chair Riley explained that since becoming Chair, she has met with the Faculty Representatives to the Board and is working on restructuring engagement with the Faculty & Student Representatives to the Board of Trustees. She has not had an opportunity to meet with the Student Representatives to the Board due to the student's very busy summer; however, she plans on meeting with them very early in the fall semester when they return. As a first step in the restructuring of faculty engagement, Chair Riley has offered that one Faculty Representative can sit at the Board table at each Board meeting. The Faculty Representative group will appoint one member before each Board meeting to take on this role. The Faculty Representative will not vote; however, they will be able to express feedback on agenda items on behalf of the Faculty Representatives. At this meeting, USM Faculty Representative Matthew Bampton was seated at the Board table. Chair Riley thanked him for taking on this responsibility for this meeting. Dr. Bampton thanked the Chair and the Board for this opportunity and stated that he feels this level of engagement is valuable; however, an even deeper and more complete level of engagement with the process and the Board of Trustees is an essential component of building any effective model of shared governance that will meet the NECHE requirements for unified accreditation.

Chair Riley asked the newly appointed chair of the Academic and Student Affairs (ASA) Committee, Trustee David MacMahon to provide details about some of the changes for the ASA Committee going forward. Trustee MacMahon explained that the ASA Committee is going to expand the Faculty Representative discussion for each meeting from 5 minutes to 30-60 minutes. This will provide more opportunity for more robust discussion on topics of mutual interest with the Faculty Representatives to the

Board. Trustee MacMahon explained that some examples of discussion topics include Early College matriculation, student recruitment, retention, tenure, and research opportunities. He stated that these discussions between Trustees, faculty, and System staff members will lead to improvements across the System to ensure that students have an even greater educational experience at UMS.

Trustee Cain stated that part of the creation of the standing Strategic Planning Committee was to add a Faculty Representative, as well as a Student Representative and a UMS President Representative. This will allow for a more holistic approach to strategic planning to include more voices in the discussion as the strategic planning process unfolds.

Trustee Katz stated that as the new chair of the Finance, Facilities, & Technology (FFT) Committee, he will be working with the Faculty Representatives to the FFT Committee to find ways to increase engagement and discussion with the faculty at FFT Committee meetings going forward.

President's Round Table

Chair Riley stated that she was introducing a new idea for this Board meeting and asked each UMS President that attended to give a very brief update on the positive things going on at each of their campuses. Before the campus statements started, Chair Riley asked Chancellor Malloy to introduce the new UMS Presidents in attendance. Chancellor Malloy introduced Jacqueline Edmondson, the new President of USM and Joseph McDonnell, Interim President at UMF.

UMFK President Deb Hedeem explained that UMFK has recently been accepted as part of the University of the Arctic (UARTIC), which is a network of universities, colleges, research institutes, and other organizations concerned with education and research in and about the North. This acceptance coincides nicely with UMFK's new Arctic Studies minor academic program. The Haenssler House has been repurposed to house the student center at UMFK and the students are excited to have a place for office space and student meetings. The UMFK MS in Nursing has already had over 100 inquiries for the fall semester with 27 admits for the second summer session. Since border crossing restrictions were adjusted back in April, UMFK admissions staff are now back in Canada and have already visited 14 high schools to recruit students. Additionally, one of the UMFK student athletes, Leon Braveboy played soccer for the Grenada National team when they took on the United States in a Nation's League game in Texas.

UMF President Joseph McDonnell explained that in his short time since taking the Interim President role at UMF, he has been impressed by how seriously the faculty take the role of teaching and enriching the student experience. He explained that before first year students arrive, they offered a summer learning experience, where the faculty take groups of students on a 3-4 day program to explore various subjects like freshwater ecology and climate change. This gives students a taste of the college experience before they arrive for the full semester and allows them to build their relationship with other students and faculty members, so the students feel more prepared for the college life. UMF also offers travel learning experiences. This May approximately 66 students traveled to various places around the United States and world such as Washington DC, Costa Rica, France, Iceland, and England. President McDonnell explained that the UMF faculty have been writing a journal titled *Teaching Matters* for approximately 3 years, which he enjoys reading.

UMA President Joseph Szakas explained that last week UMA received a Davis Family Grant of approximately \$84 thousand. UMA has invested heavily in nursing simulation and this grant will help UMA improve nursing simulation instruction and allow UMA faculty to be certified as a healthcare simulation educator. UMA has recently hired two postdoctoral members to support their Diversity, Equity, and Inclusion (DEI) efforts and as a result will be able to move the UMA DEI strategic plan

forward. Additionally, on June 25th UMA's new Cirrus SR 20G6 airplane landed at the UMA center in Brunswick. The plane was picked up by the UMA flight director and a UMA aviation program student flew the plane back to Maine. The plane will be used for Early College recruitment and for giving flight experience to students in the UMA aviation program.

UM/UMM President Joan Ferrini-Mundy provided an update on UM's work to promote economic development in the State and beyond. The Maine Innovation Research & Technology Acceleration (MIRTA) Program is a 16 week boot camp like accelerated training program that UM offers on campus, which takes researchers, doctoral students and business community partners and helps them bring their research to practice and commercialization. The 2022 cohort completed its work and the projects included: Future Fish Tags - biocompatible implants for tracking fish; Oyster Pods - commercializing a 3D printed aquaculture tank insert; Waved Medical - commercialization of a patented computer aided detection technology to use patients mammographic history and clinical data to identify the physical markers believed to be linked to malignant tumor onset and growth; and Wheelchair Odyssey - development and commercialization of immersive software to simulate wheelchair navigation in inaccessible real world settings.

USM President Jaqueline Edmondson explained that since becoming President of USM in late June, she has been truly impressed with the depth and breadth of the USM faculty research. She believes this research really needs to be highlighted and thanked the faculty for their incredible work. She highlighted the Stone Coast Writing Program and a USM American Sign Language program that is engaging students in unique ways. President Edmondson has also been spending time getting to know the people at the USM Foundation and learning about the excellent work that is happening there. Additionally, President Edmondson visited Carnegie Hall in New York to listen to the USM Chamber Singers and they had an outstanding performance. USM has had many music and arts programs this summer and she has enjoyed hearing them perform.

CHANCELLOR'S REPORT

Unified Accreditation and Unified Catalog Update

On June 15th UMS shared the completed self-study with the UMS community, Trustees, and with the NECHE visiting team in preparation for the fall 2022 NECHE visit. The self-study is an extremely comprehensive report about how the System is meeting all nine of the NECHE standards needed to meet accreditation requirements under unified accreditation. The System is currently operating under temporary unified accreditation and looks forward to permanent confirmation of that status following a successful NECHE evaluation visit in the fall. System staff are currently working with NECHE on the draft agenda and timeline for the fall visit. Chancellor Malloy stated that he is pleased to announce that part of the evaluation visit will include one or more of the NECHE visiting team members visiting all seven UMS universities and the Maine School of Law.

Last month Associate Vice Chancellor for Strategic Initiatives Jeffrey St. John met with financial aid directors, transfer officers, international program staff, IT, and others to begin the process of converting the UMS international and domestic study away forms from paper based to an online format, which would expedite course registration for students without compromising academic oversight. The proposed versions of the online forms will be available for review by all faculty and faculty senates and assemblies when they return for the fall semester. This is one of many projects that need to be completed to develop the UMS unified catalog, which will be an online platform that allows students access to all courses and programs across all UMS universities, regardless of their home university. This will also make it easier for faculty and students to collaborate System-wide. Chancellor Malloy stated that final decisions about

the unified catalog would not be made until after faculty have had an opportunity to review, keeping in line with the spirit of shared governance.

Covid Update

Chancellor Malloy stated that UMS has made changes to covid protocols since the beginning of the pandemic to mimic the federal safety guidelines. The newer versions of covid are spread easier but are thankfully not proving to cause as many hospitalizations or deaths. UMS is still requiring either full vaccination or recognized exemption status for all students and is very strongly encouraging that students receive boosters as they become available. This is a change from the System's previous covid protocol which required all students to receive the vaccine boosters. The change falls in line with Center for Disease Control (CDC) and American College Health Association (ACHA) recommendations. UMS had hoped to have the National Collegiate Athletic Association (NCAA) recommendations at this point also but UMS had to move forward with fall covid protocol decisions regardless, to provide timely notice to students and particularly new students what UMS protocols would be for the fall semester. UMS will continue to recognize religious and medical vaccine exemptions for the fall semester. UMS will continue onsite PCR covid testing for the fall semester but will focus more on symptomatic testing and encourage anyone, regardless of vaccination status, who is feeling ill to be tested for covid. Overall UMS has issued over 250 thousand covid tests since 2020. UMS will also continue to monitor waste water for signs of covid. There are no additional changes to face covering and group gathering protocols at this time.

Retirement Incentive Impact

Chancellor Malloy stated that UMS does not have a full picture of the retirement incentive and needs time to realize how many faculty members are required to teach an additional semester or one more year even though they have selected to participate in the retirement incentive program. System leadership is working with each university to gain insight on financial and academic impact of these retirements and plans to provide a full analysis at the September Board of Trustees meeting. 112 faculty members took advantage of the first phase of the retirement incentive, with the second phase is just getting underway and so far about 40 faculty members have expressed interest in taking advantage of the retirement incentive in this second phase.

UMS Employment Search Process Review & Recommendations

Chancellor Malloy stated that the Board was provided documents in their meeting materials that outline recommendations for the UMS employment search process, based on a review completed by the Chief Human Resources Officer. These recommendations are being turned over to the Human Resources and Labor Relations committee to vet and make recommendations for Board Policy and procedure changes. One of the recommendations in specific to executive searches is to have the Human Resources Department more directly engaged, which was not the process previously. This review and subsequent recommendations are correlated to the recent search process for the UMA President that ended in with unfavorable circumstances for UMS.

VICE CHANCELLOR FOR RESEARCH AND INNOVATION REPORT

Vice Chancellor for Research and Innovation (VCRI) and UM President Joan Ferrini-Mundy provided an update on UMS research and innovation initiatives.

Vice Chancellor Ferrini-Mundy explained that there are two processes for federal funding, which are Federal Programmatic Funding Increases and Congressionally Directed Spending/Community Project Funding. Federal Programmatic Funding is directed to the University of Maine and has been in place for over 20 years. Offshore wind, biofuels, and ocean observing buoy systems are some of the successes of Federal Programmatic Funding. Congressionally Directed Spending/Community Project Funding

(CDS/CPF) is directed to the University of Maine System and has been in place for 2 years (2020-2021 & 2021-2022). All UMS universities, including the Law School, led or partnered on projects that were advanced as part of this funding method. Both funding methods provide critical resources that impact Maine, as well as national visibility and reach. Vice Chancellor Ferrini-Mundy provided a brief overview of the FY2022 and FY2023 Federal Programmatic Funding increase requests.

She also provided a brief overview of the FY2022 CDS/CPF projects. All of those projects are in process with June or July deadlines with federal agencies. Additionally, she explained that the State delegation advanced numerous FY2023 CDS/CPF projects on behalf of UMS and provided a few examples of the projects that were moved forward.

VICE CHANCELLOR FOR FINANCE, ADMINISTRATION, AND TREASURER'S REPORT

Vice Chancellor for Finance and Administration (VCFA) & Treasurer Ryan Low provided the following update:

Investment Update

Vice Chancellor Low explained that the investment update includes May results and preliminary June results. The Managed Investment Pool (MIP), with a market value of \$354 million, saw a loss of 0.2% in May, with a Fiscal Year to Date (FYTD) loss of 7.6%. The MIP is estimated to have lost an additional 3% in June, as measured through July 8th. The Pension Fund, with a market value of \$21 million, saw a loss of 0.4% for the month of May and had a FYTD loss of 4.5%. Early results for June indicate the Pension fund lost an additional 4%. The Operating Fund, with a market value of \$317 million, and a more conservative asset allocation, was flat in May and had a FYTD loss of 2.5%. Estimated losses of 3.7% in June bring the FY2022 preliminary loss to \$12.3 million. After factoring in the annual budget of \$2.4 million, the preliminary fiscal year loss is \$14.7 million. By way of comparison, last year the market returned \$22 million through the end of June, exceeding budget by \$18.9 million. This is a \$33.6 million negative swing over budget from the prior year.

Multi-Year Financial Analysis (MYFA)

Vice Chancellor Low provided an overview of the 2022 Multi-Year Financial Analysis (MYFA). The MYFA is an analysis of the System's projected financial state over a five year period. FY2023 through FY2027 are covered in the 2022 MYFA. Vice Chancellor Low and his team use a program that allows them to apply different scenarios to the current budget and project out what affect those scenarios will have on the long term financial health of the System. For instance, they can look as scenarios such as an enrollment drop of 5% or a state appropriations increase of 3% and how that would affect UMS finances over the next four years. The System did not perform an MYFA for 2020 because with the unpredictable nature of the pandemic changes on UMS finances, they could not have possibly been able to provide a realistic picture. UMS delayed the MYFA in 2021 and this year for the same reason. Now that the pandemic affects have seemed to level out for the time being, the System is able to provide a more accurate analysis for 2022. Vice Chancellor Low stated that there are seven major revenue and expense categories that affect UMS financial health which include enrollment, tuition, appropriation, compensation, benefit rate, non-compensation expenses, and capital expenditures. He explained that if UMS can predict the numbers for these categories fairly accurately or at least in the ball park, the MYFA tool does a pretty good job of predicting the future financial state of the System. Although, that is not to say that things cannot happen to change the numbers quickly for those seven categories, which cannot be predicted.

Vice Chancellor Low stated that his team runs the MYFA for each university as well as the System aggregate data. The MYFA is developed by adding the System's best guess at what the numbers will be

for the next five years and plugging that into the model. UMS bases these guesses on past years' experience coupled with any other factors that may have an effect on the projection. The System populates six of the seven major revenue and expense categories into the model. The exception is enrollment. From there, the System asks the universities to provide their forecasted enrollment figures to be plugged into the model. UMS typically estimates state appropriations at 3%; however, due to the one-time 7.9% appropriation increase last fiscal year, UMS is facing a major cliff for FY2024 and therefore has changed the FY2024 prediction to 6%. UMS is requesting this 6% appropriation increase for FY2024 in the Governor's biannual budget. Based on initial predictions, the UMS consolidated E&G and Auxiliary budget will be in a \$14 million deficit by FY2027, which is down from close to \$19 million deficit for FY2023. Vice Chancellor Low presented a couple of scenarios to the Board that could affect these numbers even further. There will be a deeper dive into the 2022 MYFA presented at the August 24th Finance, Facilities, and Technology Committee meeting.

Trustee Alexander asked how declining enrollment affects the MYFA projections. Vice Chancellor Low stated that enrollment has a direct impact on categories such as tuition and auxiliary income from dining and residence halls and indirectly impacts some of the other categories. It is a substantial factor in the System's overall financial health. Chancellor Malloy added that UMS enrollment is lower than originally predicted, mostly due to repercussions of a longer than predicted pandemic and because potential students are taking longer to apply and longer to respond to acceptance letters than normal, which is a trend nationally.

ACTION ITEMS

Endorsement of the UMS Divestment Statement

Chair of the Investment Committee, Trustee Kelly Martin explained that since 2020, the Investment Committee has held many meetings and educational sessions to do due diligence on expanding upon the UMS current sustainable investment strategy. The Committee has had many divestment and Environment Social Governance (ESG) conversations incorporating suggestions coupled with the guidance on sustainable investment opportunities from our external consultants all the while being mindful of investment market limitations and keeping our fiduciary responsibilities front and center. Trustee Martin thanked the Investment Committee Members, Vice President of Finance & Controller Tracy Elliott, and Kelly Regan from NEPC for the many hours they spent working on this issue. She stated that the student engagement regarding divestment of fossil fuels has been greatly appreciated and the Board of Trustees is thankful to the students for their dedication and feedback. From all of this incredible collaboration and work, the Investment Committee developed a set of short-term action steps and long-term goals with the understanding that, at all times, the Board of Trustees acting through the Investment Committee will act in accordance with sound investment criteria and consistent with its fiduciary obligations. This investment statement was approved at the April 28, 2022 Investment Committee meeting and is being presented today for endorsement by the full Board.

Trustee Katz thanked the Investment Committee for all of their hard work to develop the investment statement. He stated that he is happy that things are moving in the right direction and he is in favor of endorsing the statement; however he believes that the long-term goal of full divestment in 2030 is a bit too long to wait. He is hopeful that the System will make efforts to reach the goal of full fossil fuel divestment years before 2030.

On a motion by Trustee Cain, which was seconded by Trustee Bartholomew, and approved by all Trustees present, the Board of Trustees endorsed the May 23, 2022 UMS Divestment Statement which includes short-term actions and long-term goals for divestment in fossil fuels for the

Managed Investment Pool, Operating Fund and Pension Fund, approved by the Investment Committee on April 28, 2022.

Chancellor Malloy's Contract

Chair Riley explained that the Board has received considerable input from many constituencies across the System and the State regarding the renewal of Chancellor Dannel Malloy's contract, which the Board has taken very seriously and carefully considered. She stated that the Board brought together the Chancellor Review Team, which consists of Chair Riley, Vice Chair Eames and Trustee MacMahon. The Chancellor Review Team has met with many people and reviewed many emails and other statements expressing feedback on the Chancellor. The Chancellor Review Team asked the Board for a 2 week extension of the Chancellor's contract while they carefully reviewed all materials and deliberated all options. The Board approved the 2 week extension of the Chancellor's contract by two weeks until today's Board meeting at their June 29th Executive Committee meeting. The Chancellor Review Team also met with the Chancellor frequently over the past months to discuss all options concerning the renewal of his contract. Chair Riley stated that the Trustees collaborated and developed a statement to express the Board's mindfulness of the situation and the reasoning behind their ultimate decision.

Chair Riley read the following statement:

"As a board, our primary obligation is to ensure that students have access to high-quality, accessible, and affordable public higher education. And we must meet that obligation in a time of economic uncertainty, declining enrollment and increasing costs while also fulfilling our responsibility to maintain financial stability and sustainability. The University of Maine System, like institutions of higher education across the country, faces significant challenges – fewer students enrolling in higher education means reduced revenues. A changing and globalized marketplace brings new demands for critical thinkers who have skills to fill and lead a dynamic workforce. UMS needs to be nimble to best serve our students and our state and that takes leadership.

As the Chancellor Review Committee, working on behalf of the Board, took up a review of Chancellor Malloy's leadership, we were confronted with a failed UMA presidential search that resulted in financial and reputational loss, by votes of no confidence from faculty senates as well as lingering resentments about the lack of transparency and engagement with affected parties prior to launching the retiree health change. The Board takes these concerns very seriously and recognizes a pattern of action without adequate engagement. We see an urgency to rebuild trust. We weighed those concerns against the urgency to act to assure UMS can overcome its challenges and continue its progress to adapt to rapidly changing realities.

Under Chancellor Malloy's leadership, the System has successfully navigated a pandemic. We have launched the first-in-the-nation UMS Unified Accreditation strategy that can support, and possibly transform, small campuses and help share resources so our educational offerings remain strong, affordable and accredited. The System has secured one of the largest-ever gifts to a public institution of higher education, thanks to the generosity of the Harold Alfond Foundation; the flagship university achieved prestigious R1 status, putting it among the nation's top research universities, and historic investments are being made to modernize infrastructure at all UMS campuses so we can better recruit and retain students, while decreasing operating and maintenance costs.

The Law School has been revitalized and is now its own institution, reporting to the Chancellor and the Graduate Center is poised to support exciting, new interdisciplinary, cross university collaboration. We are in the middle of strategic planning to ensure the System remains viable and relevant to families, employers, and the economy of the State of Maine. These on-going initiatives, coupled with a new

president at USM, hired by Chancellor Malloy following an open and successful search, two interim presidents and an interim vice chancellor speak to the need for stability.

We weighed the Chancellor's serious missteps and lack of effective communication and engagement against his considerable accomplishments. We had candid conversations with the Chancellor and appreciate the thought he has given to our current circumstances. With thanks to Chancellor Review Committee members Lisa Eames and David MacMahon and to the input from many, we propose a one-year contract for the Chancellor. The year will give the Chancellor an opportunity to rebuild trust, increase transparency and sustain the momentum of needed change that he has begun. The extension will also help us to maintain stability as we look to fill important leadership roles at several campuses and weather the current financial uncertainties we face. The Chancellor has agreed to these terms and, in recognition of the seriousness of the issues of the past year, has agreed to forego his 2022 bonus and a salary increase in 2023, notwithstanding the 3% cost of living adjustment that all management receives.

The Board expects that the terms and conditions we have outlined with the Chancellor will be met and we will hold him accountable to do so. If so, next year at this time we can discuss a longer-term employment agreement with him. The Board expects significant engagement and involvement of the presidents, faculty, staff, students, and key constituencies going forward with a commitment to transparency. We know that every constituency may not agree with every decision the Chancellor and this Board makes, but we will make them in the light of day, after carefully listening to all concerns, and we will make sure that the rationale for those decisions is clear.

This has been a difficult period for the University of Maine System. The Board of Trustees is committed to providing a robust system of public universities while upholding our fiduciary responsibilities to the people of Maine. As a Board, we share responsibility for the issues that have been identified and commit ourselves to increase trust and collaboration. Extending the Chancellor's contract is the best path to ensure that we make improvements, maintain progress, and continue to meet Maine's needs and provide an affordable, high-quality education to our students. As we begin this new chapter, the Board of Trustees stands with the Chancellor, presidents, faculty, staff, students, and all who make UMS what it is and commit to working together to assure success in the year ahead."

Trustee Michaud thanked the Chancellor Review Team for their diligence and effort to research and bring forward all information concerning this decision and for collaborating with the other Board members while developing the final contract renewal agreement. He like many other Trustees has received calls and emails about the Chancellor, containing both good and bad comments. He believes that the criteria set in the final contract agreement is a good plan to move the System forward through these difficult times and maintain accountability. Trustee Michaud stated that this vote is more than voting to renew the Chancellor's contract, it is a vote to maintain stability and predictability, through all of the major initiatives the System is currently undertaking such as the strategic plan, unified accreditation and presidential searches at two UMS campuses. He encouraged the Trustees to vote to approve the contract renewal. Trustee Michaud explained that after the Chancellor's contract is renewed, it is imperative that we move forward together as a team, including the Chancellor, Trustees, System and University staff, students, and faculty to make sure the UMS continues the path of stability and improvement for the good of all involved including the State of Maine.

Trustee Alexander stated that as a new Trustee, she has been trying to work through the information concerning this situation and it has been a difficult process. She stated that based on the research she has done and the information that has been presented to her, she is in favor of renewing the Chancellor's contract with the criteria set forth by the Chancellor Review Team. She feels that the collaboration

between the Chancellor, the Board, System staff, and university Presidents has been working well and that the success of the big picture initiatives is the driving factor to consider at this time. Trustee Alexander stated that she has been impressed with the way the Chancellor has moved forward the initiatives directed by the Board. She stated that she believes the Board needs to take more responsibility for the lack of communication and she has expressed that opinion to Board leadership. She explained that she is happy that Chair Riley and Vice Chair Eames are taking Board communication to a higher level by initiating more frequent communication and conversation at the Board level as well as with System and campus leadership, faculty, staff, and students.

USM Faculty Representative to the Board Matthew Bampton stated that it is his hope that going forward there will be a seat at the Board table for a Faculty Representative and that over time that it will evolve into having a faculty member becoming an official Trustee. He believes that if the faculty continue to have a voice at the Board table, it would be possible to avoid some of the difficulties that have occurred in the past. He stated that he hopes that as a whole the UMS faculty members can contribute to the conversation about the Chancellor's work and how the System is conducted, in order to improve everyone's chance of making sure UMS succeeds. Chair Riley assured that the seat at the Board table for the Faculty Representative to the Board will remain as long as she is Chair of the Board.

On a motion by Trustee Martin, which was seconded by Trustee Eames, and approved by all Trustees present, the Board of Trustees approved the terms, conditions and extension of Chancellor Dannel Malloy's contract for one-year effective July 1, 2022 to June 30, 2023.

Chancellor Malloy thanked the Board for the opportunity to continue to serve as Chancellor of the University of Maine System. He stated that he is truly humbled by the actions that have been taken today and that he is sorry for the turmoil his actions have created for Maine's public universities in recent months, including the UMA Presidential search and the lack of communication thus far. He stated that he pledges to make sure that there is a marked improvement in communication and transparency, including presenting discussions in such a way that there is agreement on factual details and agreement on the resolution approach. He thanked the Chancellor Review Team for the difficult but open and honest discussions that were had as they deliberated this decision. Chancellor Malloy stated that he is extremely dedicated to the success of the students, staff, faculty, universities, and the System as a whole as well as the State of Maine. He stated his commitment to building trust and transparency, and enhancing communication and collaboration with Trustees, faculty, staff and students, the legislature, employer community and other stakeholders whose inclusion and insight will only make our System stronger. He stated that he is working with his leadership team to take an honest approach to self-evaluation as a team and to move forward with a path to meet people where they are and garner a mutual understanding of what needs to be done to continue moving Maine's public universities forward.

Proposed Changes to Board of Trustees Policy 103 Bylaws

Chair Riley explained that the Board of Trustees Bylaws state in Article II, Section 2.1 Officers that:

“At the annual meeting, the Board of Trustees shall elect from among its members a Chair and a Vice-Chair, and such other officers as the Board may determine. The term of office shall commence at the conclusion of the annual meeting. A Chair shall be ineligible to serve more than four (4) successive terms.”

Chair Riley is proposing a change that would add the following sentence to that section: “The Chair and Vice Chair must have residency in Maine.” As part of the protocol to change Board policies, this item

was brought forward at the May Board of Trustees meeting as an information item. It is being brought before the Board again today for final approval.

On a motion by Trustee Cain, which was seconded by Trustee MacMahon, and approved by all Trustees present, the Board of Trustees approved the proposed change to the Board of Trustees Policy Section 103 - Bylaws, to amend Article II, Section 2 by adding the following sentence: "The Chair and Vice Chair must have residency in Maine."

Proposed Change to Board of Trustee Policy 501 - Student Conduct Policy

Associate Vice Chancellor for Student Success and Credential Attainment Rosa Redonnett, Interim General Counsel Pat Peard, UM Assistant General Counsel Amon Purinton, and USM Director of Community Standards and Mediation Erika Lamarre, provided an overview of the proposed changes to Board Policy 501 – Student Conduct Code.

In their governance role, the Board of Trustees is responsible for reviewing and approving the Student Conduct Code with a focus on the policy portion; the implementation of the procedures and process is the responsibility of the Universities under the oversight of the UMS Chancellor's Office. The UMS Student Conduct Code applies to the entire University of Maine System. In July 2021, the Board of Trustees asked for an off-cycle review of the Student Conduct Code. The 10 month review concluded that a change was needed to Board Policy 501 to both clarify the policy and the process for implementation; and to separate policy from process to create a more logical and agile approach to the review and approval of each, going forward. Before the Board today, is the suggested changes to the Board Policy, including the proposal that the actual Student Conduct Code procedures be separated from the Board Policy.

Separating Board Policy 501 from the procedures of the Student Conduct Code (Code) is a big change; however, it is a needed change to ensure that the System is able to remain more flexible and nimble in changing the student conduct code procedures. To ensure that the voice of the Board is still included in the Code, the Board Chair will be asked to appoint Trustee representation to be included in the review team when the Code review is conducted every two years. The proposed changes to Board Policy 501 reflect the overall mission and vision of the System concerning student conduct, while separating out the actual implementation and extreme detail that the full Code procedures outline. In addition, the proposed changes provide information concerning governing law, freedom of expression, and a statement of non-discrimination. The proposed change to the policy also outlines that all persons responsible for the oversight or administration of the Code will receive required training relevant to their role and responsibility, as described in the Code. The updated policy states that Board Policy 501 will be reviewed as needed and that the Code will be reviewed a minimum of every two years, under the direction of the UMS Coordinator of Student Conduct, and in consultation with the University Conduct Officers, Office of the General Counsel, and including representation from the student body, Board of Trustees and other stakeholders, as appropriate.

The key changes to the conduct procedure include:

- Reorganization and Removal of Duplicated Language
 - Conflict of Interest
 - Consolidated Administrative Resolution and Conduct Officer Hearing
- Presidential Appeal Elimination
- More Robust Definitions
 - eg. Violent Crime, VAWA, Witness, Reporting Party

As part of the proposed changes to Board Policy 501, the changes to the Code are not up for approval by the Board; however, the amendments were presented for informational purposes. The proposed changes to Board Policy 501 were previously presented at the May 2nd Academic & Student Affairs (ASA) Committee meeting and the May Board of Trustees meeting for a first reading. The proposal was presented again at a special ASA Committee meeting on June 6th for approval at the committee level and then forwarded to the meeting today for final approval.

Trustee Cain asked after the policy is approved, how does the System make sure that the information is distributed in a timely manner to faculty, staff, and students to ensure they know their rights and responsibilities? Dr. Lamarre stated that this information is included as part of each new student onboarding and is provided to all students and their families as well as all faculty and staff that have direct interaction with students.

Trustee Alexander asked if there has been student and faculty input provided in the development of the proposed policy and procedure. Ms. Peard stated that faculty and students as well as conduct code officers and other key stakeholders were part of the input process for the development for this proposed change. She explained that as the Student Conduct Code procedure is a living document that will have ongoing changes and they will continue to seek input from students, faculty, and others as possible changes arise.

Trustee Katz stated that he needed to express his concerns that students involved in non-Title IX conduct code violations are not afforded the opportunity to have legal representation participate in their hearing. He believes that when a student is facing punitive actions such as expulsion, they should be able to have legal representation not only present in the hearing but that their legal representative should be able to actively participate in the proceedings.

On a motion by Trustee Cain, which was seconded by Trustee Eames, and approved by all of the Trustees present, with an abstention from Trustee Katz, the Board of Trustees accepted the recommendation of the Academic and Student Affairs Committee and approved the proposed changes as amended to Board of Trustee Policy 501 - Student Conduct Policy to go into effect August 1, 2022.

UMA Interim President Contract Extension

Chancellor Malloy asked the Board for a contract extension for UMA Interim President Dr. Joseph Szakas. He was appointed Interim President of the University of Maine at Augusta effective August 28, 2021. The Chancellor recommended an extension of his contractual term of appointment until June 30, 2023 with an option to extend. The contract does include a base pay increase along with increase to the monthly installment paid to take on the role of President on top of his role as Provost of UMA. Additionally, Chancellor Malloy stated that Dr. Szakas would be allowed to apply for the full time position of UMA President, should he desire. Chancellor Malloy thanked Dr. Szakas for his dedication and service to UMA and for his willingness to continue to serve as interim President for another year.

On a motion by Trustee MacMahon, which was seconded by Trustee Cain, and approved by all Trustees present, the Board of Trustees approved the revised term of appointment for Dr. Joseph Szakas by a year effective July 1, 2022.

Confirmation of Boards of Visitors Appointments

On a motion by Trustee Cain, which was seconded by Trustee Martin, and approved by all Trustees present, the Board of Trustees confirmed the Boards of Visitors' appointments for 2022-2023, as presented.

Confirmation of Student Representatives to the Board of Trustees

Vice Chancellor and UM President Joan Ferrini-Mundy provided a brief introduction for the proposed UM Graduate Student Representative to the Board and UMPI President Ray Rice provided a brief introduction for the proposed UMPI Student Representative to the Board.

On a motion by Trustee Bartholomew, which was seconded by Trustee Cain, and approved by all Trustees present, the Board of Trustees approved the appointments of the Student Representatives to the Board of Trustees as presented:

Student Representatives:

Katie Ashley, UM Grad Student – Appointed for a 2 year term – July 2022 to July 2024

Samantha Morton, UMPI – Appointed for a 1 year term – July 2022 to July 2023

Approval of Employment Agreement for Glenn Cummings

Dr. Glenn Cummings completed his service as President of the University of Southern Maine on June 23, 2022. Dr. Cummings has accepted employment with the Albert B. Glickman Family Foundation and the Judy Glickman Lauder Foundation. Chancellor Malloy explained that an employment agreement has been reached with Dr. Glenn Cummings and the University of Maine System, which allows Dr. Cummings the option to return to faculty at USM in the Muskie School of Public Service, provided he gives notice to UMS by March 31, 2023.

On a motion by Trustee Cain, which was seconded by Trustee Eames, and approved by all Trustees present, the Board of Trustees approved the employment agreement for Dr. Glenn Cummings.

CONSENT AGENDA

On a motion by Trustee Eames, which was seconded by Trustee Michaud, and approved by all of the Trustees present, with an abstention from Trustee Bartholomew, the items on the Consent Agenda were approved by the Board of Trustees as follows:

Acceptance of Minutes

The following meeting minutes were approved as presented:

April 19, 2022 – Special Board of Trustees Meeting

May 2, 2022 – Academic & Student Affairs Committee Meeting

May 4, 2022 – Finance, Facilities & Technology Committee Meeting

May 12, 2022 – Executive Committee Meeting

May 19, 2022 – Investment Committee Meeting

May 19, 2022 – Audit Committee Meeting

May 20, 2022 – Ad Hoc Committee on Strategic Planning Meeting

May 22-23, 2022 – Board of Trustees Meeting

June 6, 2022 – Special Academic & Student Affairs Committee Meeting

June 14, 2022 – Executive Committee Meeting

June 22, 2022 – Finance, Facilities & Technology Committee Meeting

June 29, 2022 – Executive Committee Meeting

The Board of Trustees reviewed the following agenda items as forwarded by the Finance, Facilities, & Technology Committee to the Consent Agenda from its meeting on June 22, 2022:

Bennett D. Katz Library HVAC Enhancement Project Budget Increase, UMA

The Board of Trustees accepted the recommendation of the Finance, Facilities and Technology Committee and authorized the University of Maine System acting through the University of Maine at Augusta to increase the total Bennett D. Katz HVAC enhancement budget to \$1,335,000. All funding to come by monies allocated to UMA through the Higher Education Emergency Relief Fund (HEERF).

300 Fore Street Renovation and Fit Out Increase, UM and UM School of Law

The Board of Trustees accepted the recommendation of the Finance, Facilities and Technology Committee, and authorized the University of Maine and the University of Maine School of Law acting through the University of Maine System to expend an additional \$1,000,000 for a total of \$13,827,396 for the design, permitting, renovation and fit out of space at 300 Fore Street Portland. The source of the current requested funds is the monies made possible through the recent Legislative authorization and allocation of debt service for the University.

DISCUSSION ITEMS

UMS Strategic Plan Update

UMS Director of Organizational Effectiveness Kim Jenkins provided an overview of the UMS strategic planning process to date as well as a brief overview of next steps in the process. Following the Board's July 26, 2021, UMS Strategic Planning Resolution charge and the presentation of a proposed timeline for strategic planning in September 2021, UMS leaders engaged Huron Consulting Group in late 2021 to help UMS undertake the work to develop the plan. The Huron team supporting UMS conducted numerous focus group meetings and interviews with UMS and university leaders, faculty, staff, and students and accompanied the Chancellor on his Spring 2022 visits to each university, where additional meetings were held with each university's leadership team, faculty, staff, and students. At the request of the Board's Ad Hoc Strategic Planning Committee and working with System and university institutional research, finance, and academic affairs staff, Huron developed a data book resource to provide a factual foundation for the development of the UMS strategic plan. The data book provides a snapshot of national and UMS enrollment trends, UMS financial and staffing information, and Maine workforce needs. At the May 2022 Board of Trustees meeting Huron reviewed key themes and opportunities developed from stakeholder input.

This summer Huron has been meeting individually and in focus groups with external stakeholders and reflecting all that has been learned so far, while planning the best next steps for the strategic plan. Dr. Jenkins and other System staff members are meeting with Huron throughout the summer to review upcoming outreach, communication, and future planning efforts. Summer and fall 2022 activities include:

- Conducting external stakeholder engagement
- Assessing emerging priorities and initiatives to identify gaps
- Developing range of strategic options and test hypotheses
- Drafting preliminary university and Law school visits
- Presenting at Presidents' Council meeting August
- Update and orient new trustees and presidents to strategic planning work to date

The work of the strategic plan is being developed in tandem with unified accreditation and Huron and the Strategic Planning Steering Committee have been in close contact with Associate Vice Chancellor Jeffrey St. John to ensure that both initiatives work to support each other through continued collaboration. Despite all of the work of the past 6 months, UMS is only one third of the way through the eighteen-month strategic planning process. UMS is still looking for feedback on hopes and visions for where it should be in five years and nothing has been finalized yet. In fall 2022 through early 2023 the strategic

plan will be drafted and then in the spring and fall of 2023 the strategic plan will be socialized amongst the many constituencies of the UMS community and the state. The UMS strategic plan will not supplant the strategic plans of the universities or the Maine Law School. The UMS and university strategic plans will align and may overlap in areas but not everywhere and not in every plan. Dr. Jenkins encouraged everyone to get involved with the strategic plan at some level and promoted the [UMS Strategic Planning Website](#). She asked all to review the guiding principles and data book, and to take advantage of the anonymous survey to provide input. The dates that Huron will be visiting each campus and the Maine Law School will also be posted to the strategic planning website as soon as they are available. Dr. Jenkins is looking forward to working with the Board's Strategic Planning Committee and furthering this important work.

Trustee Cain stated that as of this past Friday, approximately 39 comments had come in through the anonymous survey on the website. She encouraged everyone to not only provide comment themselves, but to share the link with other UMS and state community members.

Trustee Flood stated that in his past experience, he noticed that strategic planning usually takes longer than planned and requires more meetings than originally planned for, but the outcome is always worth it. He also stated that early mornings are the best time for strategic planning meetings.

Chair Riley stated that the Strategic Planning Committee will be meeting prior to the September Board meeting to get all of the new committee members caught up on the plan to date. She stated that the Chancellor has suggested that along with the faculty, student, and presidential representatives on the committee, a staff member should also be added. Chair Riley and Trustee Cain agreed this was an excellent suggestion.

DATE OF NEXT MEETING

The next meeting of the Board of Trustees will be held on September 11-12, 2022 hosted by the University of Maine at Presque Isle.

Additional information about the meeting can be found on the Board of Trustees website:
<https://www.maine.edu/board-of-trustees/meeting-agendas-materials/board-of-trustees/>

Adjournment
Heather A. Massey for
Ellen N. Doughty, Clerk