

UNIVERSITY OF MAINE SYSTEM
Board of Trustees
Zoom Meeting

October 30, 2024

Finance, Facilities & Technology Committee

Present: Committee Members: Roger Katz (Chair), David MacMahon, Trish Riley, Emily Cain, Mike Michaud, Patrick Flood, Owen McCarthy, Other Trustees: John Moore, Barbara Alexander

Chancellor: Dannel Malloy Presidents: Joan Ferrini-Mundy, Ray Rice, Jennifer Cushman, Joseph McDonnell, Deb Hedeon, Jacqueline Edmondson System Staff: Ryan Low, Robert Placido, Paul Chan, Sam Warren, Elizabeth Stickler, Gretchen Catlin, Jeff St. John, Miriam White, Tracy Elliott

Other Participants: Kelly Sparks, Seth Goodall, Aili Robinson, Betsy Sawhill-Espe, John Forker, Pam Ashby, Kody Varahramyan, John Volin, Laurie Gardner, Justin Swift, Keenan Farwell, Jake Ward

Committee Members Absent: Lisa Eames.

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

EXECUTIVE SESSION

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

PUBLIC SESSION

Capital Center Space Renovation Project Budget Increase, UMA

President Cushman presented a request to increase the project budget by \$850,000, bringing the Capital Center total budget to \$7,150,000, for completion of the nursing space within the leased facility. The additional funding will come from remaining federal earmark funds that were originally allocated across five campuses, with support from those campuses to redirect the funds to this project. The increase will address inflation-driven expenses and restore construction elements that were previously value-engineered out of the original project. Key improvements include floor moisture barrier installation and lighting updates needed for clinical spaces.

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 approved the following resolution to be forwarded for Board of Trustee consent agenda at the November 17-18, 2024, Board Meeting:

That the Board of Trustees accepts the recommendation of the Finance, Facilities, and Technology Committee and authorizes the University of Maine System, acting through the University of Maine at Augusta to increase its project budget by \$850,000, making the Capital Center total budget \$7,150,000, for the completion of the nursing space within the leased facility.

Data Integration System Purchase, UMS

Chief Information Officer Robert Placido presented a request to implement the Boomi integration platform at a cost of \$2,499,583.49 over a five-year period. The platform will create seamless automated connections between more than 50 major separate systems across campuses, from student information to HR and financial systems. This implementation will support the unified catalog initiative and improve operational efficiency. The funding will come from restructured operational budgets, with no new funding required.

On a motion by Trustee Flood, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the November 18, 2024 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 spend

\$2,499,583.49 over a 5-year period to purchase and implement the Boomi Integration Platform.

Ground Lease Authorization, UM Sigma Chi Fraternity

President Ferrini-Mundy presented a request for authorization to enter into a ground lease with Sigma Chi Chapter House Association for the land at 101 College Avenue, Orono, Maine. The lease would be for a term of 30 years at \$1 per year. This action follows a previously approved sale of the property and building back to the fraternity, which is in good standing. The ground lease terms and conditions will be subject to review and approval by the UMS Treasurer and General Counsel.

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 approved the following resolution to be forwarded to the consent agenda for Board of Trustee approval at the November 17-18, 2024, Board Meeting:

That the Board of Trustees accepts the recommendation of the Finance, Facilities, and Technology Committee and authorizes the University of Maine System, acting through the University of Maine, to enter into a ground lease for the land at 101 College Ave, Orono, Maine with Sigma Chi Chapter House Association for the term of thirty years with all final terms and conditions subject to review and approval of the University of Maine System Treasurer and General Counsel.

Zebrafish Facility, UM

President Ferrini-Mundy presented a request for authorization to spend up to \$875,000 for renovations within Hitchner Hall to expand the zebrafish facility. The project will be funded through two sources: \$300,000 from an NIH COBRE grant and \$575,000 from indirect research E&G funds. The expansion will increase research productivity and provide more flexibility for faculty and students using the zebrafish lab.

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 approved the following resolution:

That the Finance, Facilities, and Technology Committee authorizes the University of Maine System, acting through the University of Maine to expend up to \$875,000 for renovations within Hitchner Hall for the expansion of the Zebrafish facility.

Greenhouse Renovation through Replacement, UMFK

President Hedeem and Chief Business Officer Pam Ashby presented a request to increase the Cyr Greenhouse square footage. The current greenhouse, with a renovation age of 39 years,

is outdated and located on the second floor of Sear Hall. The project will replace the current 581 square foot greenhouse with a new 1,200 square foot facility, using space made available through the demolition of a residential house. The project will be funded through deferred maintenance bond funds and will be below the \$500,000 FFT approval threshold.

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 approved the following resolution to be forwarded to the Consent Agenda for Board of Trustee approval at the November 17-18, 2024, Board Meeting:

That the Board of Trustees accepts the recommendation of the Finance, Facilities, and Technology Committee and authorizes the University of Maine System, acting through the University of Maine at Fort Kent, to increase the Seer Greenhouse square footage by approximately 619 square feet.

Reimbursement Resolution, Equipment - Master Lease Agreement Financing

Vice President of Finance and Controller Tracy Elliott presented a reimbursement resolution for capital equipment financing using the renegotiated master lease purchase agreement with Bank of America Public Capital Corp. The resolution allows for reimbursement of expenditures made up to 60 days prior to board approval and permits aggregate financings up to \$1 million before requiring a subsequent resolution.

On a motion by Trustee Cain, which was seconded by Trustee Michaud, and approved by a roll call vote of all Trustees present, the Finance, Facilities & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the November 18, 2024, Board Meeting:

That the Board of Trustees accepts the recommendation of the Finance, Facilities & Technology Committee and declares official intent for system reimbursement from the proceeds of tax-exempt obligations for certain capital expenditures funded by the system prior to the issuance of such tax-exempt obligations.

UMS Reserve Policy Update

Vice Chancellor Low provided an update on ongoing work to revise the System's reserve policies, currently contained in Administrative Practice Letter 3J. The focus is on untangling and clarifying language around the budget stabilization fund and system operating reserves. Key points included:

- Current budget stabilization fund balance is approximately \$9.7 million
- Operating reserve balance is in the \$8-20 million range
- New draft language for both funds will be shared with presidents and chief business officers by end of November
- Committee will review draft at December meeting
- Goal is to finalize new APL in January-March timeframe to align with FY26 budget process
- Current policy target is 18% reserves, with short-term goal of 10% for all campuses

Strategic Plan Tracking

Vice Chancellor Low presented an update on the 14 initiatives assigned to FFT Committee under the Strategic Plan, with focus on seven initiatives this meeting. Updates included:

- Progress on campus balanced budget requirements for FY25
- Completion of instruction sites and centers assessment by June 2024 deadline
- Reduction in energy consumption through net energy billing program, resulting in \$7.6 million in savings
- Updates on space reduction efforts, resulting in approximately \$1.7 million in cost avoidance

IT Project Updates

Chief Information Officer Robert Placido provided updates on several critical IT initiatives supporting the unified catalog project:

- Raptor implementation for college transcripts completed and live across all campuses
- Highpoint course auditor implementation at 10% completion
- Brightspace Performance Plus learning analytics project back on track
- Parchment implementation for transcripts and diplomas processing at 50% completion with December 10 target delivery date

AI Working Group Update

Trustee McCarthy provided a brief update on the newly formed AI working group, which includes:

- Eight-member team meeting monthly
- Three focus areas: board governance topics, ethical encouragement of AI use, and future of higher education considerations
- Full presentation of charge and work planned for November Board meeting

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/>

Adjournment.

Elizabeth Stickler, Clerk