

**UNIVERSITY OF MASSACHUSETTS**  
**AMHERST•BOSTON•DARTMOUTH•LOWELL•WORCESTER**

**MINUTES OF THE MEETING OF THE  
BOARD OF TRUSTEES**

**Wednesday, November 5, 2003; 9:15 a.m.**  
**Worcester Room**  
**Hoagland-Pincus Conference Center**  
**222 Maple Avenue**  
**Shrewsbury, Massachusetts**

**Trustees Present:** Vice Chair Giblin; Trustees Austin, Boyle, Dubilo, Fatemi, Karam, Kennedy, Robert Mahoney, Marcalo, Moes, O'Shea, Rainey, Reed, Sheridan and White

**Trustees Absent:** Chair Fey; Trustees Bukhari, Cassel, DiBiaggio, James Mahoney and McCarthy

**University Administration:** President Wilson; General Counsel O'Malley; Vice Presidents Julian, Chmura and Lenhardt; Chancellors Lombardi, Gora, MacCormack, Hogan and Lazare

**Faculty Representatives:** Professor O'Connor, UMASS Amherst; Professor May, UMASS Amherst; Professor Carter, UMASS Lowell, Dr. Cooke, UMASS Worcester

Vice Chair Giblin convened the meeting at 9:15 a.m. and introduced the first item on the agenda for action **Minutes of the Previous Meetings of the Board.**

It was moved, seconded and

**VOTED:** To approve the minutes of the August 6 and August 28, 2003 meetings of the Board.

Under the **Chair's Report**, Vice Chair Giblin reported that Chair Fey was unable to attend today's meeting. He then introduced Mr. William O'Shea, the newest member of the Board. Mr. O'Shea is the Executive Vice President of Corporate Strategy and Marketing for Lucent Technologies and President of Bell Labs. He earned his bachelor's degree from Lowell Technological Institute now UMASS Lowell.

Vice Chair Giblin also welcomed Dr. Christine Cassel and Dr. John DiBiaggio, newly elected members of the Board who could not join today's meetings due to scheduled prior engagements. Dr. Cassel is an alumna of the UMASS Medical School and has had a distinguished career in medicine. Dr. Cassel is currently President and CEO of the

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American Board of Internal Medicine and ABIM Foundation and is a leading expert in geriatric medicine.

Dr. DiBiaggio is the former president of Tufts University. With a lifelong commitment to volunteerism, Dr. DiBiaggio has served on many boards devoted to human potential and currently serves on the Commission on the International Exchange of Scholars and the American Cancer Society Foundation.

Vice Chair Giblin also welcomed Carolina Marcalo, student Trustee from the Dartmouth campus, to her first Board meeting. Vice Chair Giblin thanked Chancellor Lazare and his staff for the hospitality shown to the Board and noted that this is President Wilson's first full Board meeting and offered his gratitude for his efforts to continue the cause of the University.

The next item was the **President's Report**. President Wilson welcomed Trustee O'Shea to the Board and thanked Chancellor Lazare and his staff for their work preparing for this meeting.

President Wilson reported that he recently MC'd at the annual Center for Adoption Research dinner. Under Chancellor Lazare's leadership the Center engages the talents of people across the University system.

President Wilson reported that he has been making the rounds on Beacon Hill and noted that the Legislators recognize the importance of the University to their constituents. The business community has also become an advocate for the University, through research, jobs and through educational programs preparing people for the workforce.

President Wilson reported on other UMASS activities, including working with the Battelle consulting group and MassInsight to develop a technology road map study for Massachusetts and the following:

- Sponsor of the Incubator Conference - November 12: the University will help with the efforts to build an effective incubator network to promote technology development, entrepreneurship and economic development in the Commonwealth;
- Establishment of President's High Tech Advisory Council;
- Create CVIP Development Fund to move technologies closer to commercialization;
- S&T new Initiatives Fund to strengthen system-wide collaboration and strategic alliances.

President Wilson reported on his meetings with the Faculty Senate at Amherst and with union officials; he noted that the University continues to move forward despite financial difficulties – some examples offered:

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- The Donahue Institute recently received an \$11 million federal grant to improve Head Start programs across New England; the Amherst campus has been awarded a \$17 million NSF grant for an engineering research center that will revolutionize weather forecasting; UMASS Boston recently received an \$850,000 award from the Agency for Healthcare Research Quality to study home health care nursing issues; the Dartmouth campus with Tufts University, was awarded \$8 million by the NIH to create a new center of botulism research; the Medical School has won a \$16 million NIH grant to fight infectious disease related to bio-terror.

As part of the restructuring effort, President Wilson also announced that the University continues to work on office space consolidation, energy purchasing, information technology and data collection consolidation, procurement and admissions applications. He thanked Trustees Mahoney, Dubilo, Karam and Kennedy for their work as a group looking into these issues.

President Wilson concluded his report by thanking Chancellors MacCormack and Hogan and Vice Presidents Lenhardt and Gray for their work on the special management committee that has helped develop ideas that have been put into action and those to be advanced.

Vice Chair Giblin introduced the **Consent Agenda**. It was moved, seconded and

**VOTED:** To accept the following Audit Reports on the Board Consent Agenda:

•**Audits**

1. Purchase Card Program Review, UMASS Amherst, UMASS Worcester, President's Office (Doc. T03-068)
2. University Audit Activity Report (Doc. T03-067)

The next item on the agenda was the **Report of the Committee on Academic and Student Affairs**. Trustee White reported that the Committee met on October 21 and discussed the Impact of Academic Programs on Regional Economic and Social Development.

There was also a presentation of the President's Public Service Awards. The Awardees included: Carol Bova, Assistant Professor of Medicine, Graduate School of Nursing, Worcester; Joyce Taylor-Gibson, Associate Professor of Education, and Co-Director of the Center for Family, Work and Community, Lowell; William Israel, Professor of Journalism, Amherst; Susan Opotow, Professor of Dispute Resolution, Boston; Thomas Puryear, Professor of Art History, Dartmouth; Alan Clayton-Matthews,

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Assistant Professor of Public Policy, Boston; and Robert Nakosteen, Professor of Finance and Operations Management, Amherst.

Trustee White reported that President Wilson had led faculty members from a small sample of health-related programs across the campuses in a discussion of the ways in which their various initiatives in teaching and outreach have had an impact on the economic, workforce and social development of the Commonwealth.

The first action item considered by the Committee was the **Appointment of Craig C. Mello to the Blais University Chair in Molecular Medicine, UMASS Worcester**. The University in recognition of his contributions to the field of science and the co-discovery of RNAi had invested Dr. Mello as a Distinguished Professor.

It was moved, seconded, and

**VOTED:** To concur with the President in the appointment of Craig C. Mello to the Blais University Chair in Molecular Medicine at the University of Massachusetts Worcester. (Doc. T03-066)

Trustee White reported that the remaining action items will be addressed in Executive Session.

The next item on the agenda was the report of the **Committee on Administration, Finance and Audit**. Trustee Dubilo reported that the Committee met on October 23, 2003 and had engaged in a discussion on the FY2003 Financial Report, which reflected an accurate picture of the results of the operational activities from last year. The report although favorable provided some early warning signs of fiscal inequity of the University.

Mr. Dubilo noted that the Investment Sub Committee would be meeting soon to review the overall investment process. The general operation portion of the FY2004 Operating Budget is under stress but some cost cutting, certain fee increases and the state's early retirement program will help to balance the budget. The Committee will review the Worcester campus as it continues to utilize reserves to meet its campus business plan.

The campuses continue to make difficult choices while maintaining the fiscal integrity of the University. The first item for action was **FY2003 Treasurer's Investment Report**.

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It was moved, seconded and

**VOTED:** To approve the FY 2003 Treasurer's Investment Report, as contained in Doc. T03-069.

The next item was **FY 2004 University Operating Budget.**

It was moved, seconded, and

**VOTED:** To approve the FY 2004 University Operating Budget, as contained in Doc. T03-071.

The next item was **Establishment of the Blais University Chair in Molecular Medicine, UMASS Worcester.**

It was moved, seconded, and

**VOTED:** In accordance with sections 1A(e) and 11 of Chapter 75 of the General Laws, to establish an endowed professorship in molecular medicine at the University of Massachusetts Worcester to be known as the Blais University Chair in Molecular Medicine. (Doc. T03-066)

The next item was **Declaration of Official Intent Relative to the Financing of a Vessel, UMASS Boston.**

It was moved, seconded and

**VOTED:** That the University reasonably expects to incur debt to reimburse expenditures, including expenditures made within the last 60 days, temporarily advanced from internal funds or internal loans for the design, construction and acquisition of a vessel at the Boston campus, the maximum principal amount of debt expected to be issued for such project, including for reimbursement purposes, being \$900,000. (Doc. T03-072)

The next item was **Student Housing Project, UMASS Dartmouth.** There was a request from Trustee Karam that the campus look into hiring special counsel that specializes in real estate development to represent them with this issue. Chancellor MacCormack concurred.

It was moved, seconded and

**VOTED:** That the Board of Trustees authorizes the Dartmouth Campus to enter a ground lease with the University of Massachusetts Foundation or other appropriate 501(c)(3) organization for the purpose of engaging a private firm to design, finance, build and manage a student housing project. The project schedule may include a multi-year phased construction schedule. (Doc. T03-073)

Trustee James Karam then gave an update of the **Task Force on Athletics**. The Task Force continues to explore the subject of conference affiliation and the possibility of joining Division 1A Football. There are two studies underway studying the different issues involved and should be completed in the near future.

The next item was the report of the **Development Committee**. Trustee Mahoney provided an update on restructuring issues and the ways the University could save money by consolidating services. Some of those services include electricity efficiency charges, information technology, office supplies and application processing. There may be a need to hire outside consultants to evaluate these options.

Trustee Mahoney expressed a positive outlook for the upcoming year as fundraising goals were concerned with a focus on major gifts. He noted President Wilson's positive efforts in this area.

The next item was a report of the **Governance Committee**. Trustee Moes, Chair of the Committee thanked members of the Committee on Administration and Finance for bringing to her attention the need to adopt Board policies meant to improve the leadership of the Board. She then called on Trustee Rainey, Vice Chair of the Governance Committee for the report.

Trustee Rainey reported that the Committee had met on November 4 following discussion concerning the need to adopt two Policies: Conflict of Interest Disclosure Policy for Trustees and the Trustee Code of Conduct. The Conflict Policy will enable the Trustee members to become more familiar with disclosure requirements.

Trustee Mahoney reported that the Sarbanes/Oxley Act was a result of corporate scandals around issues of accounting and governance. While the University is a public entity, many of the new practices are being applied to organizations like us. The Conflict of Interest Disclosure Policy will serve as an annual reminder to Trustees of any potential conflicts of interest and serves as a good housekeeping practice.

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It was moved, seconded and

**VOTED**: To approve the Conflict of Interest Disclosure Policy as contained in Doc. T03-076.

And further,

**VOTED**: To approve the Trustee Code of Conduct as contained in Doc. T03-075.

Under **Other Business**, Vice Chair Giblin reported that the **Department of Defense Exclusion List** includes the names of the new Trustees.

It was moved, seconded and

**VOTED**: WHEREAS, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, the President, the Secretary, and the designated Facility Security Officer meet the personnel clearance requirements established for a contractor's facility clearance; and

WHEREAS, said Department of Defense Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Trustees and other officers, provided that this action is recorded in the minutes.

NOW, THEREFORE, BE IT DECLARED that the Chairman of the Board, the President, the Secretary and the designated Facility Security Officer at the present time do possess, or will be processed for, the required security clearance; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, the President, the Secretary or the designated Facility Security Officer, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following members of the Board of Trustees and other officers shall not have, and can be effectively excluded from access to all classified information in the possession of the corporation and do not occupy positions that would enable them to affect adversely policies or practices in the performance of classified contracts for the Department of Defense or the User Agencies of its Industrial Security Program:

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<u>NAME</u>	<u>TITLE</u>
Dennis G. Austin	Trustee
John A. DiBiaggio	Trustee
Lawrence F. Boyle	Trustee
Omar S. Bukhari	Trustee
Christine K. Cassel	Trustee
Edward A. Dubilo	Trustee
Hannah S. Fatemi	Trustee
Grace K. Fey	Trustee
William E. Giblin	Trustee
James J. Karam	Trustee
William F. Kennedy	Trustee
James E. Mahoney	Trustee
Robert M. Mahoney	Trustee
Carolina B. Marcalo	Trustee
Robert McCarthy	Trustee
Diane Bissonnette Moes	Trustee
William T. O'Shea	Trustee
Stacey Rainey	Trustee
Sean W. Reed	Trustee
Robert K. Sheridan	Trustee
Karl E. White	Trustee

Vice Chair Giblin introduced Trustee Reed to give the **Student Trustee Report, UMASS Worcester**. Trustee Reed reported on his experience at the Medical School including the support from the faculty, Dr. John Cooke in particular, and the emphasis on compassion.

Trustee Reed had constructed a video highlighting the experiences of students from the Medical School; due to technical difficulties he was not able to show the video; Vice Chair Giblin assured Trustee Reed and the Trustees that there would be an appropriate time for this presentation to be made. President Wilson indicated that copies would be made and distributed.

Vice Chair Giblin then announced that the Board would enter into **Executive Session** to discuss **Appointments with Tenure, UMASS Boston, UMASS Worcester, Awards of Tenure, UMASS Amherst, UMASS Dartmouth and UMASS Worcester, Transfer of Tenure, UMASS Amherst and Honorary Degrees, UMASS Amherst, UMASS Boston, UMASS Dartmouth and UMASS Lowell**. He indicated that the Board would not reconvene in open session.

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It was moved, seconded and

**VOTED:** To enter into Executive Session to discuss Appointments with Tenure, UMASS Boston, UMASS Worcester, Awards of Tenure, UMASS Amherst, UMASS Dartmouth and UMASS Worcester, Transfer of Tenure, UMASS Amherst and Honorary Degrees, UMASS Amherst, UMASS Boston, UMASS Dartmouth and UMASS Lowell

Vice Chair Giblin voted for the motion as did Trustees Austin, Boyle, Dubilo, Karam, Kennedy, Robert Mahoney, Marcalo, Moes, O'Shea, Sheridan and White.

The time was 10:14 a.m.

Barbara F. DeVico  
Secretary to the Board of Trustees