

9-25-1988

Board of Trustees Finance and Physical Plant Committee September 25, 1988

University Of Maine System

Follow this and additional works at: <https://digitalcommons.library.umaine.edu/bot-corp-records>



Part of the [Educational Administration and Supervision Commons](#)

Repository Citation

University Of Maine System. (date).Board of Trustees [Meeting minutes]. Raymond H. Fogler Library Special Collections Department, University of Maine, Orono, Maine.

This Minutes is brought to you for free and open access by DigitalCommons@UMaine. It has been accepted for inclusion in Corporate Records by an authorized administrator of DigitalCommons@UMaine. For more information, please contact um.library.technical.services@maine.edu.

UNIVERSITY OF MAINE SYSTEM
Board of Trustees

University of Maine at Presque Isle
September 25, 1988

Finance and Physical Plant Committees

PRESENT: David Flanagan, Finance Committee Chairman; Patricia Collins, Robert Dunfey, James Storer, George Wood. Physical Plant Committee Chairman Richard Marshall. Other Trustees: Harrison Richardson, James Caron, Bennett Katz, and Stewart Smith. Faculty and Student Representatives: Professors Ralph Jans, Jefferson White, Cynthia Norton, Carol Ann Hall, Linda Bartlett, Scott Bursey and Vicki Lee Higgins. Staff: Chancellor Robert Woodbury, William Sullivan, Russell Smith, Richard Bowers, Mary Ann Haas, Richard Eustis, Richard Hayden, Samuel D'Amico University Presidents Barbara Leondar, George Connick, James Roach, Michael Orenduff, Patricia Plante and Frederic Reynolds. Press and Public.

Appropriation Request. Chairman David Flanagan convened the meeting and introduced Chancellor Robert Woodbury who presented the proposed Program and Financial Plan for the FY 1990/91 biennium. The Chancellor noted that the level of the appropriation request had been prepared according to guidelines reviewed by the Board at the last meeting. He outlined the major components of the Program Plan in which the emphasis was on continued efforts to increase access; targeted responses to State priorities; and strengthening the quality of the institution. He elaborated on details of the proposed budget which would increase funding for compensation/inflation and for program priorities. The Chancellor also highlighted the proposed appropriation request for the Maine Public Broadcasting Network which was based on the same funding factor for compensation and inflation as the System Plan, and which also documented the Network's critical need for new equipment. He pointed out that changing technology and aging equipment have created serious capital needs which must be addressed and the budget request provided for a pool of funds to be used for capital equipment modernization that would be phased over the next four years. Following the Chancellor's presentation, Associate Vice Chancellor Russell Smith responded to other questions from Trustees and Mr. Flanagan commended the Staff for the development of the coordinated planning and budget process which served to integrate policy and financial goals. He inquired about the possibility that specific goals could be quantified in some way, as a means to help Trustees track the attainment of program objectives in concrete terms and also to provide good information that could support the Legislature. Chancellor Woodbury noted that the budget and planning processes generate voluminous detail which could be made readily available but he and Dr. Smith pointed out that financial figures do not necessarily equate precisely to specific goals. Dr. Smith suggested that one alternative might be to break down specific goals by programmatic rather than financial components. Subsequently, it was concluded that as the budget and planning process continue to develop, the staff would highlight any examples that illustrate the relation between funding and attainment of objectives. On motion of Mrs. Collins which was seconded, the appropriation request was forwarded to the full Board for action with a favorable recommendation from the Finance Committee.

Interactive Television System. Chancellor Woodbury reported that in the on-going development of the community college interactive telecommunications system, the plan for distribution of the System had been revised to take advantage of changes in the technology which would result in substantial cost savings, over time. He noted that a detailed report on the status of the

project itself would be presented in the meeting of the full Board, but the cost of the proposed new distribution system would be reviewed by the Finance Committee at this session. Dr. George Connick, who is responsible for development of the System, briefed the Committee on the alternate plan. He said that originally it appeared that the best way to distribute the television signal was by satellite. This mechanism would allow centers to be located anywhere in the State and would provide for relatively fast start-up, although the ongoing costs would be high. When the detailed specifications were worked out, Dr. Connick said it was determined that the technology was now available to establish a highly satisfactory terrestrial system that would be much less expensive, over all, than the satellite system, with no significant change in what the users would receive. The terrestrial system would utilize both microwave and fiber optics technology and would be managed by the Maine Public Broadcasting Network (MPBN). Mr. Edward Winchester, General Manager of MPBN, elaborated on the operational aspects of the new proposal. Vice Chancellor William Sullivan briefed the Committee on the cost implications of the new project, which would require about \$5 million to construct. In addition to \$2.2 million in the current appropriation, the Board would be asked to authorize an internal loan of up to \$3.2 million from working capital that would be repaid from savings in satellite transponder time over the next six years. There was extensive discussion. The staff responded to questions from the Trustees about the differences in the two systems and about the rationale for the change in direction. Some Trustees expressed reservations about the change in technology after the project had been approved by the Board, particularly since the Legislature had appropriated funds for it. The Chancellor noted that the technology has changed and is more versatile than perceived earlier and he reported that the Legislature had been advised of the proposed change in the design of the project. Mr. Sullivan said that the project would be charged market interest on the loan so that other programs that depend on interest revenue would not be penalized. Mr. Flanagan endorsed the change, noting that better technology and reduced costs would enhance the likelihood of the project's success. On motion made and seconded, the proposal was sent forward for Board action with the Committee's recommendation for approval.

Student Housing, UM. In the absence of President Dale Lick, Vice President John Halstead and Director of Residential Life William Anchors, were present to serve as resource people for discussion of the need for more student housing at the Orono Campus. Dr. Halstead reported on an extensive survey of future residence hall needs, which had been undertaken with broad representation from the Campus community. He said that as a result of the study, it was concluded that there was a clear need for expansion of occupancy levels, and to provide contemporary, affordable housing for students. He spoke to the increased demand for on-campus housing, strong enrollments, and the necessity for tripling in residence halls which has now prevailed for many years. There was discussion of a proposal for new residence hall construction. Vice Chancellor Sullivan noted that the project had been discussed at the July meeting when authorization was requested to continue developing the design. While no money had been spent on the project thus far, he said the timing was such that a year would be lost if the design phase were not initiated at once. He pointed out that no state funds would be used for the project since it would be financed by an external loan under the University's authority to borrow at tax-exempt rates. The loan would be repaid from the future income from the facility. After further discussion, the proposal was forwarded to the Board for action, with the Committees' recommendation for approval.

Adjournment.

JoAnne R. Magill
Clerk