



MINUTES OF THE MEETING BOARD OF TRUSTEES November 11, 2016

A regular meeting of the Board of Trustees was held on November 11, 2016 at Maine Maritime Academy, Castine, Maine. Chair Somerville and Trustees Brodsky, Cianchette, Fendl, Fryer, Oney, Peacock, Samway, Sawyer, Shipway, Theeman, and Wellington were in attendance. Trustee Morrison participated via conference call. President Brennan, Vice Presidents Carver, Gardner, Haley and True, members of the faculty, staff, a member of the press and representatives of the Town of Castine were also present.

Chair Peacock brought the meeting to order at 8:30 a.m. and wished all attendees a happy Veteran's Day.

1. MINUTES OF AUGUST 12, 2016 MEETING

On a MOTION by Trustee Shipway and seconded by Trustee Fryer, the Board voted unanimously to accept the minutes of the meeting of August 12, 2016 as distributed.

2. ALUMNI ASSOCIATION REPORT

- Joe Cote introduced himself as the new President of the Alumni Association and noted that he is proud to have the opportunity to serve in this position.
- Mr. Cote noted that his goal for the next couple years is to bring people together across all fifty states, and to help drum up more participation from alumni. Mr. Cote's daughter, Elizabeth graduated in 2011 and he is proud to have her as a second generation alumnus of Maine Maritime Academy.
- He went on to remark that Homecoming was a great success and the Association was able to give out many scholarships.
- An election was held and the Alumni Association now has some new board members. Mr. Cote thanked the past board members including Don Fisk, Mike Ball, Lee Fournier and Jim Proulx. Mr. Cote noted that he worked with Jim Proulx over the last five years and gained a lot of insight from his experience.
- Mr. Cote then thanked Jeff Wright and all who helped make Homecoming a successful event this year. He also commented on his appreciation for the town of Castine and noted how well the town and the Academy worked together during the Homecoming festivities.
- Jeff Wright gave updates on upcoming events in the committee meeting yesterday.
- Mr. Cote noted that the next alumni meeting will be held in Portland on November 16th

3. CHAIR'S REMARKS

Chair Somerville welcomed and thanked Jimmy Goodson, the town manager and the selectman for coming and for their continued support of the Academy. He noted that there was a very active meeting yesterday and much was discussed. Chair Somerville stated that he was thankful to those trustees who participated in the NEASC audit and is happy with the results so far. Given the level of activity over the last several months, he feels confident that it went well. Chair Somerville then wished everyone happy holidays as this will be the last meeting of the year. He then turned the proceedings over to President Brennan.

4. PRESIDENT'S REPORT

President Brennan began his report by wishing everyone a happy Veteran's Day, and congratulating Joe Cote on his new position as President of the Alumni Association. He also noted that Joe's daughter helped him a great deal while she was a student here.

President Brennan then reported that since our last meeting, the whole purpose for our being here began anew with the opening of the fall 2016 semester. Orientation for several groups of students; graduate, NROTC and of course RPT occurred with MUGS marching in formation and shouting their cadences, which for many of us is as sure a sign of autumn in Castine as is the turning of leaves. President Brennan joined the incoming students again in jumping from the ship, and thanked all those who were able to join us for Convocation.

In the second week of September the Community Involvement Fair was held and the week after that we celebrated the 75th anniversary of the founding of Maine Maritime Academy with what has been characterized by many alumni as the best Homecoming ever, including a Bar-B-Q, street dance and fireworks display at the town dock. President Brennan thanked all who were involved in the preparations for the celebration, particularly Jen DeJoy who worked on the plans for a whole year.

President Brennan went on to report that on the first day of October, our new Admissions Director, Kelly Gaultieri held her first open house and our admissions season is well underway under her leadership. The next week, President Brennan joined the crew of the *Bowdoin* in Portland for a cruise with retired Coast Guard Commandant and now the U.S. Special Representative for the Arctic, Admiral Bob Papp. It was also an opportunity for him to visit with his friend and former colleague, Ambassador David Balton, who was the Chairman of the Senior Arctic Officials meeting being held in the city that week. He recently received a letter from Admiral Papp in which the Admiral highly praised the *Bowdoin's* Captain Emma Hathaway, First Mate Mariah Kopec Belliveau, and Steward Brittany Bridgham for, "the leadership and mentoring these women provided our two Arctic Youth Ambassadors who participated in this once-in-a-lifetime experience."

The President traveled to Houston with Chris Haley later that month for visits with several alumni who have been very generous to us and our students, both in financial support and in providing career opportunities for our graduates. That visit made the Career Fair the following week all the more meaningful – truly seeing the value of our brand and the benefit that our students derive from it. President Brennan took this opportunity to thank Tim Leach, Deborah Harman, Christine Spratt and many other folks who contributed in making that career fair such a success.

At the end of the month, Governor LePage visited our campus and spoke at length with members of one of the many student clubs and organizations. He spoke very highly of Maine Maritime Academy and for their part, the students were all very respectful and asked many thoughtful questions. They brought great credit to themselves and the Academy and President Brennan was very proud of them. The Governor followed up his visit the next day and asked the President to

provide him with information about our budgetary needs. We are hopeful that we can parlay that into something meaningful in the next legislative session.

President Brennan then announced that Senator Susan Collins has agreed to be our Commencement speaker next May. She has been extremely helpful in our effort to secure congressional support for the construction of new maritime training ships in her capacity as Chair of the Senate Transportation Appropriations Committee, and she will certainly have something very meaningful to say to our graduates.

The President noted that he would not comment on the NEASC visit other than to say thank you to all for their participation. Overall it was a beneficial opportunity for the Academy and we all look forward to seeing the draft report as it will undoubtedly be helpful in guiding us into the future.

Lastly, and with a great sense of pride, President Brennan brought attention to the success that two of our athletic teams have been having. Our volleyball team captured the first North Atlantic Conference Championship since 2010, being selected to represent the league in the NCAA post season. Special congratulations are in order for Gillian O'Neal, who was named the NAC Player of the Year as well as the NAC Senior Scholar Athlete of the Year; Maria Perez, the NAC Defensive Player of the Year; Sydney Adams, the NAC Rookie of the Year; and their leader, Tricia Carver, the NAC Coach of the Year. He also recognized Tess Clark, an All-NAC First Team selection and Maggie MacMahon, who was named to the NAC Sportsmanship Team. They play this weekend in the first round of the NCAA championship against the Tufts University team. The President went on to note that we have had many students recognized for their athletic and academic success including Robert Bradley who was named to the academic all-district football team.

Also this weekend, our women's soccer team, which clinched the No. 3 seed in Region 1 of the ECAC Division III Women's Soccer Championship, will travel to Springfield, Mass. to face Salve Regina University on Saturday.

President Brennan concluded his report by remarking that he is confident that everyone in attendance joins him in wishing both of these teams success.

5. PRESIDENT'S ACTION

President Brennan asked the board to make a motion to confer degrees as set forth in Attachment A.

On a MOTION by Trustee Sawyer and seconded by Trustee Shipway, the Board voted unanimously to authorize the conferral of degrees as set forth in Attachment A appended to these minutes.

6. STANDING COMMITTEE REPORTS

a. Education Policy Committee

- Trustee Sawyer reported that at yesterday's Committee meeting, Dr. Gardner gave several updates including a report on the visit from the NEASC team who were conducting an audit for our accreditation process. The audit was completed and Trustee Sawyer thanked the trustees who attended the meetings with the team. The NEASC visiting team consisted of eight members from colleges throughout New England and a Chair, RADM Michael Alfultis, President of SUNY Maritime. During the course of the meetings, the team met with sixty faculty and staff and twenty-seven students and held open forums in a process which was well attended. The team covered all aspect of the Academy's organization and noted the great dedication to the students' success on the part of faculty and staff which was noted by the many students interviewed. Trustee Sawyer noted that he is hoping for a timely interim report from the team

before the end of the year which will give us an opportunity to respond to any questions or concerns. Dr. Gardner then gave the Committee an update on MARAD which has commissioned a company called Potomac Wave to study and make recommendations for alternatives to replace the fleet of training ships with purpose-built ships. Potomac Wave has distributed a survey and asked for input on how we use our training ships. The Maritime Academy Council (MAC) drafted a response and is collecting data from the maritime academies.

- The Committee was then informed of a personnel update: Lauren Gargani has been promoted to Librarian, replacing Wendy Girven.
- Dr. Gardner mentioned that the NEASC home office has agreed to postpone our required response to their draft report in order that it should take place after the holidays.

b. Ad Hoc Committee

- Trustee Theeman noted that the Ad Hoc Committee reported at yesterday's meeting on the outlined status of the expansion of our external training services to the offshore industry as well as to meet a variety of new USCG requirements.
- The Committee started by recognizing the terrific work of the administration team looking at all aspects of this. They provided an update on the current status which can be summed up in general by saying that the volume of continuing education and the training we have been providing both for gap training and for Coast Guard requirements has been impressive, especially without any marketing.
- One of the recommendations going forward is that we should review the several different market analyses we have received by putting together a formal marketing plan to notify the maritime community of the various offerings we have and validating what we believe to be a significant opportunity in this area.
- The Committee also discussed the path forward which they believe would be best accomplished in several different phases. They recognize that if the program is to grow, there is no more space on campus here. Alternatives being considered include the property that the Academy owns in Penobscot and the Bucksport mill site. To that end, the administrative team is developing assumptions on both volume and cost for those programs. The Ad Hoc Committee will work to provide cost benefit analyses on the variety of options available and provide a report to the Trustees by end of the year. This is an exciting opportunity for the school but it is not without risk.

Chair Somerville thanked the Ad Hoc Committee for their hard work and the impressive report they have provided.

c. Audit Committee

In the absence of the Chair of the Audit Committee, Chair Somerville turned the reporting duty over to Trustee Shipway.

- Trustee Shipway reported that the Committee had an in-depth discussion of the audit report and there were questions regarding post-retirement benefits. It was clarified that this is for a few people who at one time, under the personnel retirement plan, had life insurance payments. Right now that is at about \$3,000 per year and is declining due to natural attrition.
- The second item discussed was funds held in another name. This is basically overnight assets moving from one account to another usually in a quick, overnight transaction. Trustee Shipway commended Vice President Carver for the prompt way in which she always provides answers to any questions raised.

Trustee Shipway then asked for a **RESOLUTION** as follows:

RESOLUTION #1

BE IT RESOLVED, that the Maine Maritime Board of Trustees accepts the Independent Auditors' Final Draft Report for the Year Ending June 30, 2016

On a MOTION by Trustee Shipway and seconded by Trustee Wellington, the Board voted unanimously to accept RESOLUTION #1 as set forth above.

d. Finance Committee

Trustee Shipway reported on the meeting of the Finance Committee held yesterday.

- He began by noting that Trustee Greenleaf shared her impressions after attending the investment committee meeting at the University of Maine where we have about thirty million dollars of our assets invested. She received a very positive impression and felt that it is well managed by qualified people and that our funds are in good hands.
- The managed investment pool as of the end of August had a balance of \$3.562 million which is approximately one million higher than a year ago.
- Our Academy trust account was at \$9.5million versus \$8.8 million at this time last year.
- All three union contracts have now been settled and are included in FY17 budget which was approved earlier this year.
- Vice President Carver reminded the Committee that MMA will report on last year's sole source contracts over \$10,000 and contributions greater than \$1,000 and this must be submitted to the state legislature before the first of February. The report will be on schedule and the information therein will be provided at the next Board meeting.
- We are basically on budget for current fiscal year, with no significant anomalies to date. As we move forward, our assumptions will continue to be monitored closely and half-year projections and results will be provided at the February Board meeting.

e. Operations Committee

Trustee Oney began his report on the Operations Committee meeting yesterday by thanking all of our Veterans for their service to our country.

- He summarized the discussions regarding various projects on campus that the public works crew have been working on, to include the replacement of the roof and cupola at the Alford Student Center, several classroom upgrades, new fire and safety alarm upgrades, generators, Curtis Hall entry and women's restroom upgrades in the gym. Work continues at Andrews Hall on new boilers and windows with the assistance of Efficiency Maine energy credits: this saved almost 50% of the cost of those projects. Trustee Oney noted that during the committee meeting, President Brennan expressed his gratitude for the hard work of the public works crew in managing deferred maintenance projects around campus.
- Trustee Brodsky noted during the committee meeting that we should make sure that all projects related to safety concerns are addressed as a priority, and Vice President Carver responded that there were no outstanding safety concerns at this time.
- Trustee Oney then recapped the presentation given by Lisa Roy on cyber security. He noted that Ms.Roy did a great job addressing all possible threats to the Academy's information technology and stated that the Academy is in great hands.
- Finally, Trustee Oney said that there was a very informative presentation by Carrie Margrave, Human Resources Director, who gave a brief overview of the office of Human Resources, the staff and their duties as well as a PowerPoint on the Affordable Care Act and Fair Labor Standards Act. (FSLA). Trustee Wellington noted that in terms of cyber security there is a gap in the expected amount of loss and what we are actually covered for in terms of liability, and suggested that Vice President Carver should look into an umbrella policy to address that gap.

f. Student Affairs Committee

In the absence of Trustee Greenleaf Dr. True presented the report on yesterday's Student Affairs Committee.

- The meeting began with an overview of the start of the fall semester. The new orientation model was a successful change and brought some positive benefits to include students getting to know one another better due to starting orientation earlier in the summer. Dr. True stated that the Student Government Association has done a lot to encourage civic engagement in this election year. She reported that there are positive trends in declining student disciplinary incidents. The Committee then discussed the implementation of the tobacco free campus policy and our response to reports of mumps on other Maine campuses, noting that there are none on ours. Also discussed was the preparation of a statement in the event the state legalizes the recreational use of marijuana.
- Dr. True then recapped the report that Admissions Director, Kelly Gualitieri, gave in the committee meetings for the class of 2020. The class size is 296 which exceeds the projected goal. It was noted that the percentage of females dropped slightly and plans are in place to remediate that trend. There was a discussion on the funding of Trustee, Dean's, merit and other scholarships. It was noted that Trustee Fryer asked about the "first generation report" which we are required to file with the state every January and Dr. True announced that our latest numbers are that 44% of students are first generation, defined as meaning that neither of their parents have a bachelor's degree. Last year's and this year's report will be posted on the web site so that it can be accessed by all.
- Dr. True concluded by mentioning the tremendously successful fall season in Athletics, highlighting the fact that our students were recognized not only for their athletic ability but also for their sportsmanship.

g. Advancement Committee

- Trustee Samway provided a brief overview of yesterday's Advancement Committee meeting. She began by thanking all of the Trustees for attaining 100% in giving to the annual fund. She noted that it is extremely important for us to be able to say that 100% of trustees have contributed to that fund as this impact our fundraising efforts. She then noted that Vice President Haley will report on five specific areas: updating the fundraising figures; alumni relations; college relations; external relations and staffing issues.
- Vice President Haley began by adding his thanks to the board for their annual fund participation. He then announced that there are two new staff members: our new major gifts officer, Sharyn Pohlman and database coordinator, Barbara Blake Chapman. The Committee then heard the fundraising report which indicated that gifts and pledges are down from last year due in part to the fact that two large gifts pledged in fiscal 2016 have not yet been received. Overall annual giving is up 53% and restricted gifts are up 13.8% but donors are down in both categories and reasons for that were explained during the meeting. The next appeal letter will be mailed before the end of November.
- Craig Dagan then updated the Committee on the progress on the men's locker room project which has 210 donors, 70 of whom are first time givers.
- Kay Hightower apprised the board on the status of the *Bowdoin* campaign. She reported that we are at \$1.27 million which is close to our goal of \$1.6 million and have just about exhausted all prospects.
- Jeff Wright gave an update on the alumni office and the recent election of officers which resulted in six times more ballots returned than in previous years. Mr. Wright is working on an enhanced communication plan, which will include e-newsletters going out every other month. There will also be digital year books and a new web page along with information on events we have had or plan to have.

- Jen DeJoy updated the Committee on the college relations department, focusing on the 75th Anniversary celebration at the waterfront during a very successful Homecoming celebration. Her office has also digitized all of the yearbooks, and gifts with the 75th Anniversary logo were handed out at various campus events.
- Susan Mitchell then provided an update on external relations and election results, including the new Legislators that will be taking office in January and how this will affect Maine Maritime Academy.
- The Committee meeting ended with an Advancement staffing update. The Development office is still looking for an administrative assistant as well as a development associate in order to be fully staffed.
- Trustee Samway then announced that there are several Resolutions to be brought forward as follows:

RESOLUTION #2

BE IT RESOLVED that the Board hereby accepts with gratitude all gifts and grants of \$1,000 or more and all donated property as set forth in Attachment B.

On a MOTION by Trustee Fryer and seconded by Trustee Sawyer, the Board voted unanimously to accept with gratitude all gifts and grants of \$1,000 or more as set forth in Attachment B.

RESOLUTION #3

BE IT RESOLVED that the Board hereby accepts with gratitude the Garrett H. Bennett M.D. '85 Scholarship Fund as set forth in Attachment C.

On a MOTION by Trustee Shipway and seconded by Trustee Oney, the Board voted unanimously to accept with gratitude the Garrett H. Bennett M.D. '85 Scholarship Fund as set forth in Attachment C.

RESOLUTION #4

BE IT RESOLVED that the Board hereby accepts with gratitude the Paul E. Mercer '73 Scholarship Fund as set forth in Attachment D.

On a MOTION by Trustee Wellington and seconded by Trustee Peacock, the Board voted unanimously to accept with gratitude the Paul E. Mercer '73 Scholarship Fund as set forth in Attachment D.

RESOLUTION #5

BE IT RESOLVED that the Board hereby accepts with gratitude the Captain Thomas H. Smith (Seacoast Chapter) Regimental Award Fund as set forth in Attachment E.

On a MOTION by Trustee Shipway and seconded by Trustee Cianchette, the Board voted unanimously to accept with gratitude the Captain Thomas H. Smith (Seacoast Chapter) Regimental Award Fund as set forth in Attachment E.

Chair Somerville remarked that he was greatly impressed by the fact that Craig Dagan had raised over \$300,000 just by getting on the phone and connecting with people.

h. Governance Committee

- Trustee Wellington opened with a recap of a summary that Derek Langhauser, Maine Maritime Academy's counsel from Attorney General's office gave at yesterday's Governance Committee meeting. He noted that Derek spoke about the Freedom of Access Act (FOAA) and the Board's

responsibilities under the act. Derek also spoke about defense and indemnity of Board members, and the flow from the by-laws to policies to the Maine torts claim act. There was a lively discussion on revising the current by-laws, with most of the changes being consistency changes. The one substantive change is to the terms of office for the Vice Chair and Treasurer of the Board. Currently, the by-laws state that the Vice Chair will serve no more than a three-year term and with no term limit on the office of Treasurer. The change would impose a five-year term on all three offices. There were some other minor edits to redundant terms in the by-laws that will be corrected as well. Trustee Wellington stated that with the help of Derek Langhauser, there will be a complete revamp of the by-laws in order to bring them up to date. The Governance Committee will be looking at this over the next six months.

- President Brennan provided information to the Committee on the Strategic Plan update and the integration of a new team known as the College Advisory Team (CAT).
- Trustee Wellington then announced that there are two Resolutions to be considered as follows:

RESOLUTION #6

BE IT RESOLVED that the Board of Trustees of the Maine Maritime Academy amends the by-laws of the Board modifying and replacing the language within various articles as indicated in the mark-up version as set forth in Attachment F.

On a MOTION by Trustee Shipway and seconded by Trustee Sawyer, the Board voted unanimously to approve the changes to the by-laws as set forth in Attachment F.

RESOLUTION #7

BE IT RESOLVED that the Board of Trustees of the Maine Maritime Academy approves the Committee assignments as set forth in Attachment G.

On a MOTION by Trustee Theeman and seconded by Trustee Cianchette, the Board voted unanimously to approve the Committee assignments as set forth in Attachment G.

Chairman Somerville stated that the Committee reports were concluded and asked if there were any other questions or comments about them from the Board. Seeing no questions, Chair Somerville moved on to other Business and there being none, Chair Somerville announced that the next meeting of the Board will take place on February 17th, 2017. He then asked for a motion to adjourn.

On a Motion by Trustee Cianchette and seconded by Trustee Fryer the Board voted unanimously to adjourn the meeting. The Motion was carried.

The meeting concluded at 9.09 a.m.

Respectfully Submitted,

Rhonda Varney
Secretary to the Board of Trustees
Maine Maritime Academy