



MINUTES OF THE MEETING BOARD OF TRUSTEES November 10, 2017

A regular meeting of the Board of Trustees was held on November 10, 2017 at Maine Maritime Academy, Castine, Maine. Chair Somerville and Trustees Arntzen, Cianchette, Fryer, Greenleaf, Oney, Peacock, Sawyer, Shipway, Slocum, Smith, and Wellington were in attendance. Trustee Theeman participated via conference call. President Brennan, Vice Presidents Carver, Gardner, Haley and True, members of the faculty and staff, representatives of the Town of Castine and a member of the press were also present.

Chair Somerville brought the meeting to order at 8:29 a.m.

1. MINUTES OF AUGUST 11, 2017 MEETING

Before proceeding to the vote, President Brennan drew attention to an errata sheet each Board member has which corrects the omission of some wording in Resolution #3. The revised minutes which Board members are being asked to approve include this correction.

On a MOTION by Trustee Sawyer and seconded by Trustee Wellington, the Board voted to accept the minutes of the meeting of August 11, 2017 as corrected and distributed, with one abstention by a current Board member who had not been officially installed at the August meeting.

2. CHAIR'S REMARKS

Chair Somerville welcomed the new board member, Ande Smith, who stated he was happy to be part of the board and looks forward to working with everyone.

The Chair went on to remark that we had rousing Committee meetings yesterday and that last night was a very enjoyable awards dinner with bright students and many proud parents in attendance. Chair Somerville stated that it was a true pleasure to see everyone and meet students.

3. PRESIDENT'S REPORT

President Brennan began by welcoming our newest Board member and also congratulated Trustee Wellington on being re-appointed. He went on to thank all Board members for what they do including participating at last night's dinner. He remarked that it is important for students to recognize the depth of Trustee interest in what they do. The President then thanked the college advisory team and acknowledged the hard work that they do. He mentioned in particular Dean Loomis, Lisa Roy, Jennifer DeJoy, Nathan Gandy and Deidra Davis.

President Brennan then noted that libraries are not what they used to be: they are used in a much different way. He encouraged Board members to visit our library and observe the virtual reality studio and the geomorphic sand box. This new technology helps our students advance their learning opportunities.

In the interests of time, the President dispensed with the prepared report which he usually presents.

4. PRESIDENT'S ACTION

President Brennan then moved on to the conferral of degrees for those students with a December completion.

RESOLUTION #4 CONFERRAL OF DEGREES

Upon the recommendation of the faculty I present to the Board of Trustees the following candidates (included in the Trustees folders and appended here as Attachment A) for the Bachelor of Science and Associate in Science degrees and ask for Board authorization to confer said degrees upon successful completion of degree requirements.

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

5. ALUMNI ASSOCIATION REPORT

- Joe Cote '82, President of the Alumni Association began by thanking everyone for their attendance at last night's dinner and remarked that he had a great time.
- Mr. Cote noted that Homecoming 2017 was a great success, things were well organized and he thanked Jeff Wright, Director of Alumni Affairs for doing a great job. Cal Lechman, '65 was the recipient of the outstanding alumnus of the year award for his many years of devoted service to the Alumni Association.
- The Alumni Association held their annual meeting on the Saturday of Homecoming, and a lot of graduates attended, many more than have participated in past years.
- Homecoming 2018 will be held from September 28th to the 30th. This past summer, three reunion classes, those of '57, '62 & '67 were held with much success and next year we are looking forward to reunions for the classes of '73 and '68. Much is being done even now to prepare for that event.
- The class agents are busy and doing a great job in getting contacts updated. The E-newsletter had a 15% increase in email recipients added to the list and a 27% increase in those reading it. All in all, there is a lot of outreach happening.
- Upcoming events are the workboat show in New Orleans, where Maine Maritime Academy will host an annual friend's reception at the Westin. Then, various alumni events in San Diego and the Alumni Senior Banquet which will be held in February.
- The Alumni Association will be hosting the annual legislative reception at the Senator in Augusta on February 13th and it is always a great event.
- Lastly, the Alumni Association has been proactive in reaching out to alumni regarding fundraising efforts and the ongoing Alford fund challenge. Work continues to keep the momentum going.

6. STANDING COMMITTEE REPORTS

a. Student Affairs Committee

- Trustee Greenleaf reported that the Student Affairs Committee had a robust session yesterday discussing admissions and scholarship programs. It's a busy time of year for the Admissions Department which is still accepting applications and has had a good response so far with approximately half of the students who have applied being accepted.
- Trustee Greenleaf added that some have noticed "an inordinate amount" of facial hair on midshipmen: this is a result of "No shave November" which is a fundraiser for scholarships. The funds raised are being put toward establishing an endowed scholarship that the Regimental Commander and staff will manage and award to deserving 2/C and 3/C students. This year, over \$2,500 has been raised for that account bringing the total to just under \$8,000.
- Trustee Greenleaf then reported that the Committee spent a lot of time reviewing Maine Maritime Academy's current financial aid program, including affordability and the further involvement of the Development Department and the admissions area in order to create strategies to work together and to be able expand our financial aid programs so that more students have access to our very desirable degree programs. The Committee concluded that there is more work to be done and more specific recommendations will be made in the near future for how to increase the affordability of our degrees. They will be looking for greater collaboration between the development and admissions areas and at finding more creative ways to increase funding options.

b. Advancement Committee

- Trustee Oney thanked President Brennan for last night's dinner noting that one of his favorite times at the Academy is when he has the opportunity to share a meal with students. Since tomorrow is Veteran's Day, he also expressed thanks to all Veterans for their service.
- Trustee Oney then reported on yesterday's Advancement Committee meeting touching on the highlights of the report presented by Chris Haley who noted that annual giving for the 2020 initiative is up about \$37,000; compared to 2017 overall giving is up year-to-date; alumni participation stands at 1.5% and Trustee Oney, other members of the Advancement Committee and Mr. Haley are all working to increase this percentage in order to meet the Alford challenge. We have approximately \$150,000 in multi-year pledges that are not included in the report. Overall giving is down about \$200,000, due to several major campaigns winding down.
- An appeal letter will be going out on December 1st focusing on classroom technology updates. We are now recruiting alumni to focus on low alumni participation and increased giving with a plan to have them on campus in the early part of 2018. Mr. Haley and Commandant Gandy will be attending the workboat show in New Orleans, and several trips have also been planned for outreach. The Advancement Department is putting out a very beautiful calendar for donors over \$250.00 which will go out in mid- to late November.
- Trustee Oney then announced that there are two Resolutions for Board consideration as follows:

RESOLUTION #1

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 appended to these minutes.

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

RESOLUTION #2
THE PETER CAMERON ROBINSON '66 ENDOWED BOOK FUND

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the Peter Cameron Robinson '66 Endowed Book Fund as set forth in Attachment C appended to these minutes is hereby established.

On a MOTION by Trustee Peacock and seconded by Trustee Wellington, the Board voted unanimously to accept with gratitude the Peter Cameron Robinson '66 Endowed Book Fund as set forth in Attachment C appended to these minutes.

Trustee Greenleaf asked to amend her report on the Student Affairs Committee meeting in order to note that the women's volleyball team visited during their session and they are going into the championship rounds. Though their match will not be played until after the Board meeting is complete so the results are not yet known, she commented that they are a remarkable group of young women. Chair Somerville noted that they appeared on TV this morning.

c. Audit Committee

- Trustee Arntzen reported that the Audit Committee met yesterday to review the report provided by the independent auditors for fiscal 2017. Todd Bickford of Baker, Newman, Noyes was present and he went through the two parts of the report. The first was the audit of the related Federal programs that we manage here and the report was clean with nothing to remark upon. A very good job is being done by the school management. The second was the audit of the financial statement and again there were no items to mention. The report from the auditors stated that it was a very clean year with fewer variances than in a number of years, no waived entries and an indication that the Academy is in very good shape with regard to liquidity. Trustee Arntzen commended Vice President Carver and her team for an excellent report.
- Trustee Arntzen then drew attention Resolution #3

RESOLUTION #3
AUDIT REPORT

BE IT RESOLVED that the Maine Maritime Academy Board of Trustees accepts the Independent Auditors Final Draft Report for the year ending June 30, 2017.

On a MOTION by Trustee Peacock and seconded by Trustee Oney the Board voted unanimously to accept the Independent Auditors' Final Draft Report for the year ending June 30, 2017 as set forth in Attachment D appended to these minutes.

d. Finance Committee

- Trustee Shipway reported that the Finance Committee met as a Committee of the Whole yesterday to review the quarterly report of the Chief Financial Officer and to discuss some other topics.
- The Committee discussed full time equivalency projections which remain basically on a budget for 970 full time enrollees. At this early time in the fiscal year, the projection is that we will end on the budget that was approved last year. The FY19 budget will be submitted for approval at the March meeting.

- A quick overview of the financial report indicates that the University of Maine investment pool at end of August 2016 had a value of \$30.6 million and a year later it has a value of \$35.5 million. Part of that is because we added to the endowment fund. The Camden National account at end of September 2016 was at \$9.5 million and in September 2017 it had increased to \$10 million. We did increase the investment value.
- At the end of the session, the Committee had a complete review of the yacht donation program taken on by Carolyn Brodsky since our August Board meeting. A quick overview of the program indicates that there has been a significant improvement over the past three years. We are now in a position to transfer funds back to MMA restricted funds, at a minimum of \$100,000 per year with hopes to increase that year after year. President Brennan intends to provide oversight of the program by moving it under the Advancement Division and he will conduct an annual review for discussion at the August Board meeting.
- The current manager of the program, Jeff Loustaunau may be retiring in the next year or two so in order to be prepared for that transition we will be discussing a number of items including updating the documentation of the process being used, a thoughtful review of the position description and a decision of the timing appropriate for change-over to Jeff's successor. Trustee Shipway commended Trustee Brodsky for a job well done and concluded by noting that we are in a better position than we were three years ago.

e. **Educational Policy Committee**

- Trustee Sawyer reported that Vice President Gardner gave the Educational Policy Committee an update on the oversight of the many institutions who govern what we do, including the ABET accreditation audit that took place in October. As a result of the ABET audit there were two non-critical suggestions, one of which is being addressed by the IT department. The team also noted the difficulty in attracting faculty. We do have some open positions due to the upcoming retirement of several faculty members but the department has actually seen a net increase of three full time equivalents since 2014. The two-person visiting team from ABET were busy while they were here: they met with six faculty, a number of students and eleven administrators. Their draft report arrived very recently and has not yet been reviewed. We have thirty days in which to file a response if necessary. ABET will vote on our reaccreditation at their July meeting.
- The USCG has been very proactive in working with us and the other maritime academies and is working to improve their credentialing system. One of our engineering faculty members, Hank Stewart, spent some time at the National Maritime Center as part of the team reviewing the license exam questions. They are formally reviewing the merchant marine credentialing examination program system. The result is that on October 25th their performance technology center staff conducted three hours of telephone interviews with Dr. Gardner and some faculty: the topics including the college accreditation process; the process of communicating with the Coast Guard to obtain approval of training courses and programs; and administration courses and exams. It proved to be a worthwhile discussion.
- The training ship *State of Maine* is at the Brooklyn shipyard, where haul out is taking longer than expected. We hope to have her back by the end of December. Since the ship is usually used for training programs even when not at sea, the Academy has been working on alternate plans to keep the students on track. Fire-fighting is taking place on an alternate vessel, evacuation procedures are being practiced elsewhere and watch hours are being altered for extenuating circumstances.
- Yesterday the Educational Policy Committee was introduced to Joe Curtis, class of '97. Joe is our new Director of Career Services who began his tenure here on October 19th. He is licensed as a master unlimited, shipped with Norwegian cruise lines, then came ashore as a port captain for Shipholdings in Houston and most recently he was with the Westin boat

charter as operations manager in Seattle. Trustee Sawyer noted that he had an enjoyable time speaking with him at last night's dinner and that we are happy to have him as part of our team.

- We are also hiring Michael Boucher, class of '92 as deputy commandant to replace Peter Stewart. He was in the Navy for twenty-five years and will be joining us on December 11th.

RESOLUTION #5 EMERITUS STATUS RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Maine Maritime Academy confers Emeritus Professor status upon Professor Mark Libby.

On a MOTION by Trustee Sawyer and seconded by Trustee Wellington the Board voted unanimously to confer emeritus status upon Professor Mark Libby.

President Brennan remarked that he just heard earlier that the new Maritime Administrator, Admiral Buzby will be visiting the ship next week with a MARAD delegation. He also noted that the new Deputy Administrator of MARAD, Richard Balsano, is a 1988 graduate of Maine Maritime Academy and it will be good to see him in that position in Washington.

f. Governance Committee

- Trustee Wellington reported on the meeting of the Governance Committee which took place yesterday. President Brennan provided an update on the strategic plan and talked about the planning process.
- The Committee discussed the possibility of a mooring dolphin that would tie in with the strategic plan, the mission of the academy and the SOSi project.
- The Committee discussed board organization and the overall sense is that we should continue operating as a committee of the whole with committee Chairs and administration being more active in getting the individual committee members involved prior to the four meetings per year. The administration and Board chair will pare down the number of people on some committees and present those results at the March meeting.
- Trustee Brodsky mentioned that she thinks we should have an onboarding process for new trustees to include copies of the town meeting notes, a tour of the campus and assistance in getting acclimated.
- The committee also discussed the role of the Governance Committee in terms of identifying new candidates for the board.

g. Ad Hoc Committee

- By conference call, Trustee Theeman reported that the Ad Hoc Committee has not met since the last Board meeting. He summarized the comments of President Brennan and Commandant Gandy at yesterday's meeting in which they indicated that the Academy has completed a comprehensive site analysis survey and an engineering study of the Penobscot property. It has been determined that we do not need a manager/director in place before we undertake site development. The Academy is currently working on tandem tracks, seeking qualified personnel to fill that position; reviewing recommendations from Flagship Management while preparing a facility; and an RFP for architectural services is in progress. Commandant Gandy indicated that he is going to Florida to look at a similar facility and will hope to garner some outstanding ideas for what we are hoping to build. We have a proposed schedule for completion in 2018 which includes a schedule for architectural drawings to be complete by January 1st, the

construction RFP to be published by January 15th, contracts to be awarded in February and construction to commence on March 15th with the intention of having a ribbon-cutting and being open for business on August 1st of next year.

Trustee Shipway commented that after yesterday's meeting he spoke with Vice President Carver who indicated that we have the reserves to fully fund what is planned for the next year at the Penobscot property.

h. Other Business

Chair Somerville asked if there was any other business to bring before the Board. There being none, he welcomed Jimmy Goodson, Castine town manager. Mr. Goodson thanked him and the Board and announced that Selectman David Unger retired and along with his expertise in Town matters, we also lost our most ardent band recruiting member. He announced that the Castine town band Christmas concert will be on Wednesday November 29th at 7:00 p.m. Colin Powell was elected in Mr. Unger's place to serve as selectman. Mr. Goodson, speaking as Code Enforcement Officer for the town offered an apology for keeping Trustee Wellington from last night's dinner as he was attending a planning board meeting.

Trustee Sawyer noted that the Veterans Day celebration is scheduled for 11 am today on the Leavitt Hall lawn. There is also a Veteran's lunch and ribbon cutting ceremony for the new Veteran's Center at 1 p.m. out on the quad.

Chair Somerville asked if there were any further comments and there being none, he asked for a motion to adjourn.

On a motion by Trustee Peacock and seconded by Trustee Wellington the Board moved unanimously to adjourn at 9:07 a.m.

Respectfully Submitted,



Rhonda Varney
Secretary to the Board of Trustees
Maine Maritime Academy