



## MINUTES OF THE MEETING BOARD OF TRUSTEES March 2, 2018

A regular meeting of the Board of Trustees was held on March 2, 2018 at Maine Maritime Academy, Castine, Maine. Chair Somerville and Trustees Arntzen, Brodsky, Fryer, Greenleaf, Slocum, Smith, Theeman and Wellington were in attendance. Trustees Cianchette, Peacock, Shipway and Sawyer 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 8:30 a.m.

### **1. MINUTES OF NOVEMBER 10, 2017 MEETING**

**On a MOTION by Trustee Theeman and seconded by Trustee Arntzen, the Board voted to accept the minutes of the meeting of November 10, 2017 as presented.**

### **2. CHAIR'S REMARKS**

Chair Somerville began by noting that good meetings were held yesterday with discussions about expenses including a suggested increase in tuition of 2% should the Board agree to vote this in later in the meeting. The Chair commented that as with most enterprises, expenses are going up faster than revenue and we are forced to look at ways to save on expenses without diminishing our responsibilities to the students. There was a good discussion on future strategy including the visit of ten Women of Distinction from the classes of 1999 to 2016 and they had a panel discussion after the Board meeting. It was a real highlight to see the young women and to hear how much they have achieved. Chair Somerville suggested that we need to do more of this, that it would be good to have a meeting with Men of Distinction and also a mixed panel. He concluded by stating that we need to find a way to get the message out to high schools and since the panel discussion was videotaped, it would be good to use it as a recruiting tool.

### **3. PRESIDENT'S REPORT**

President Brennan recognized the passing of Susan Mitchell who died unexpectedly, and noted that she will be sadly missed. She had a joyful and playful nature and she brought many good things to the Academy. The President noted that she was one of the most positive people he has ever worked with and she will be greatly missed by all who knew her.

#### **4. PRESIDENT'S ACTION**

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

#### **RESOLUTION #7 CONFERRAL OF DEGREES**

Upon the recommendation of the faculty I present to the Board of Trustees the following candidate for the Associate in Science degree and ask for Board authorization to confer said degree upon successful completion of degree requirements.

Collin Pacheco

**On a MOTION by Trustee Theeman and seconded by Trustee Fryer, the Board voted unanimously to authorize the conferral of said degree as set forth in Attachment A appended to these minutes.**

#### **5. ALUMNI ASSOCIATION REPORT**

- Joe Cote '82, President of the Alumni Association was unable to attend the meeting today and asked that Jeff Wright, Director of Alumni Affairs deliver the report.
- Mr. Wright began by congratulating Deidra Davis and all those responsible for the Women of Distinction program on a job well done. The presentation was very impressive and it was a real treat to see these accomplished women alumnae back on campus.
- The Alumni Association hosted one hundred and ten seniors and forty-five alumni at the 50<sup>th</sup> Annual Alumni Senior Banquet at the Cross Center in Bangor on February 8<sup>th</sup>. Seniors were treated to a nice meal sponsored by alumni and viewed an informative presentation regarding what the Alumni Association is and what they do.
- Among the events coming up in the next several months are Alumni Association gatherings in Westbury, Long Island, New York; Philadelphia, Baltimore and Virginia Beach at which area alumni will be receiving updates on Maine Maritime Academy. Mr. Wright expressed thanks to the College Relations office for creating a dynamic Up Close presentation about MMA, its growth and future initiatives. Seven hundred invitations were sent to alumni in those areas and we are hoping to attract 10% attendance.
- The Western Maine alumni group is hosting a ski day at Black Mountain, Rumford, on Friday, March 9<sup>th</sup> followed by a social. Announcements have been posted around campus inviting students to attend while on break.
- The Alumni Association will meet on March 15<sup>th</sup>, prior to the annual Legislative Reception at the Governor Hill Mansion at 5:00 p.m.
- The redesigned Alumni Shipmate e-newsletter is being readied for delivery on March 15<sup>th</sup>.
- The Casco Bay Chapter will once again hold its annual marine equipment flea market at the Maine Boatbuilders Show in Portland on March 23<sup>rd</sup> to 25<sup>th</sup>. Last year's flea market raised over \$16,000 for scholarships.
- Alumni have assisted greatly in securing items for the Night by the Bay auction at Sable Oaks in South Portland on Saturday, April 7<sup>th</sup>. The evening will have a Mardi Gras theme complete with the State Street Traditional Dixieland Jazz Band featuring John Page, Class of 1968 on trumpet.
- On Saturday, April 14<sup>th</sup>, there will be an event in Houston. Alumni are invited to attend an Astros/Rangers game, sit in an outfield luxury box, shag flies during BP and enjoy the food.

Seventy tickets are available for alumni and corporate friends. The annual Texas Golf Classic will follow on Monday, April 16<sup>th</sup>.

- The Alumni Association will be contacting all members through the April Mariner Magazine asking for nominations for Association Board seats. There will be eight openings for four Board officers and four Board members. Ballots will be mailed at the end of July and election results will be announced at the annual Alumni Association meeting during Homecoming on September 29<sup>th</sup>.
- Mr. Wright concluded his report by noting that this summer we will be hosting two reunions for the Classes of 1968 and 1973.

## **6. STANDING COMMITTEE REPORTS**

### **a. Finance Committee**

- Trustee Shipway began by mentioning that the extensive read ahead material in all areas was very helpful to meaningful discussions by the board.
- He then reported on the meeting of the Finance Committee noting that the news regarding the FY18 budget is positive with a nearly \$300,000 improvement in the balance and some modest opportunities to continue improvement over the next five months.
- It has been a positive year for investments with the University of Maine System fund increasing in value by 6.5% in calendar year 2017 for an endowment of \$37.1 million. We also saw an increase of 10% in Camden National funds for a value of \$12.6 million.
- The FY19 budget was discussed in detail with reference to materials which were presented ahead of time so that a clearer understanding of the computations could be reached. The budget is \$1 million out of balance largely because of capital needs which must be addressed including the replacement of the turf field and the renovation of the Alford Student Center dining hall. At the close of the budget discussions, the Committee recommended a 2% increase in tuition.
- Because of the increase in value of the University of Maine System endowment a draw of \$825,000 is suggested for next year. This is an increase of \$75,000 over last year and is the largest individual draw we have ever had.
- Finally, the Committee was asked to provide a notional five- year projection of finances at the August meeting as part of the overall strategic plan.
- President Brennan then presented the following RESOLUTIONS for Board consideration:

### **RESOLUTION #1**

#### **Resolution Concerning the Tuition and Fee Increase**

**BE IT RESOLVED** by the Board of Trustees of the Maine Maritime Academy that the Academy administration is authorized to amend the current schedule of tuition for the 2018-2019 academic year, but in doing so shall limit the rate of increase in tuition, and room and board for Maine resident students to no more than 2% above the current established levels.

**On a MOTION by Trustee Theeman and seconded by Trustee Arntzen, the Board voted unanimously to authorize the increase in tuition and fees as set forth above in RESOLUTION #1 and appended to these minutes as Attachment B.**

### **RESOLUTION #2**

#### **Resolution Concerning the Endowment Fund Spending Level**

**BE IT RESOLVED** by the Board of Trustees of the Maine Maritime Academy that the spending level from scholarship endowment funds during the 2018-2019 academic year be authorized at an amount of \$825,000.

**On a MOTION by Trustee Theeman and seconded by Trustee Arntzen, the Board voted unanimously to authorize the endowment fund spending level as set forth above in RESOLUTION #2 and appended to these minutes as Attachment C.**

### **RESOLUTION #3 Budget Resolution**

**BE IT RESOLVED** that the Maine Maritime Board of Trustees approves the FY 18-19 budget as presented in the Trustees' folders and appended to these minutes as Attachment D.

**On a MOTION by Trustee Theeman and seconded by Trustee Arntzen, the Board voted unanimously to authorize the FY 18-19 budget resolution as set forth in the Trustees' folders and appended to these minutes as Attachment D.**

#### **b. Operations Committee**

- In the absence of Trustee Peacock, Vice President Carver presented the report on the meeting of the Operations Committee.
- Vice President Carver drew attention to the materials included in the Trustees' folders which provide an overview of major projects. She noted that we are working hard on the kitchen and dining hall renovations that will take place this summer. Things are moving ahead on time so far and we are excited to have it completed by the end of summer.
- The second large initiative is the site development of the Penobscot project so that we can move forward as soon as possible with that endeavor.
- The IT Department has a couple of key initiatives such as changing the email system to Outlook Exchange and an upgrade of our data center and much needed systems integrations to the software on campus.
- The Human Resources Department is currently preparing to review and revise the employee classification system.
- Returning to a discussion of the Facilities area, Ms. Carver noted that we are working on our deferred maintenance list and making good progress on that.
- Vice President Carver pointed out that she has included some slides of dashboard items and welcomes Board input on items that members would like to see included.

#### **c. Student Affairs Committee**

- Trustee Greenleaf reported that the Student Affairs Committee had a lengthy discussion yesterday.
- Good progress is being made in the Admissions Department and we will hear the final results of the recruitment efforts at the May meeting. Part of the progress is related to the Admissions Department now being fully staffed and strong recruitment efforts.
- The second major focus of the meeting is compliance with the Office of Civil Rights regarding Title 1V compliance and there was a great deal of discussion regarding where we are legally and what our requirements are. Things are somewhat in a state of flux at the

moment as we wait for some additional legislation to come through. However, at present we are fully in compliance with current standards.

- The Committee also discussed student life highlights, which included the addition of a new person, Matt Brancaccio, who is the Director of Student Activities. The Committee agreed on the necessity of having first-rate activities on campus. A lot of new programs are being developed by Matt and he's doing a great job.
- Trustee Greenleaf concluded her report by noting that the Regiment of Midshipmen will shortly be hosting the annual State Maritime Academy Leadership Conference.

**d. Advancement Committee**

- Vice President Haley stated that the meeting of the Advancement Committee began with the financial aid initiative which is a follow-up to the student affairs presentation at the last Board meeting. Mr. Haley met with Vice President True and Kathy Heath, Director of Financial Aid to discuss the scholarship needs of the Academy and they came up with a total of \$20 million broken out by four areas as follows: merit aid, \$6 million; diversity scholarships \$3.5 million; emergency grants, \$500,000 and need-based, \$10 million. The lead team discussed this at length and then identified other capital needs which in turn led to a discussion of a comprehensive campaign which would include the \$20 million needed for scholarships. Mr. Haley spoke with Trustee Oney, Chair of the Advancement Committee last week regarding the need for an internal planning document pertaining to a capital campaign. It was suggested that the Advancement Committee should have a phone meeting to discuss this and decide whether to proceed with a scholarship initiative alone or whether to incorporate this into a comprehensive campaign. The results of that discussion will be presented at the next Board meeting.
- Vice President Haley then gave an overview of financial numbers noting that overall gifts are up compared to last year and the annual fund is up at \$526,000 this year as opposed to last year's total of \$366,000. Alumni participation is currently at 6.7% down from last year's figure of 7.34%.
- The Committee then heard a list of upcoming activities including "thank you day" on March 15<sup>th</sup>, followed by "thank you day" calls the following week. On March 23<sup>rd</sup> and 24<sup>th</sup> there will be a gathering of alumni to brainstorm how to create a culture of giving among alumni and students. On March 29<sup>th</sup> we will hold the second annual Giving Day on campus with a goal of 20% participation by students, faculty and staff. On April 7<sup>th</sup> we will hold our auction in Portland which has raised approximately \$50,000 in sponsorships with 235 tickets sold so far and 80 items to be auctioned. Our third appeal will be mailed in late April just in time for the Mariner Challenge on May 7<sup>th</sup> to 21<sup>st</sup>.

### **RESOLUTION #4**

**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 E appended to these minutes.

**On a MOTION by Trustee Theeman 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 E appended to these minutes.**

### **RESOLUTION #5**

**THE CASCO BAY ALUMNI CHAPTER EMERGENCY ENDOWED SCHOLARSHIP**

**BE IT RESOLVED** by the Board of Trustees of the Maine Maritime Academy that The Casco Bay Alumni Chapter Emergency Endowed Scholarship as described in Attachment F appended to these minutes is hereby established.

In response to a question from a Trustee regarding the nature of the “emergency” noted in the scholarship description, Vice President Haley responded that the scholarship would be provided in the event of a family emergency which would preclude a student from continuing his or her studies here.

**On a MOTION by Trustee Theeman and seconded by Trustee Brodsky, the Board voted unanimously to accept The Casco Bay Alumni Chapter Emergency Endowed Scholarship as set forth in Attachment F appended to these minutes.**

## **RESOLUTION #6**

THE PAUL E. MERCER '73 (SEACOAST CHAPTER) REGIMENTAL AWARD FUND

**BE IT RESOLVED** by the Board of Trustees of the Maine Maritime Academy that The Paul E. Mercer '73 (Seacoast Chapter) Regimental Award Fund, as set forth in Attachment G appended to these minutes is hereby established.

**On a MOTION by Trustee Theeman and seconded by Trustee Brodsky, the Board voted unanimously to accept The Paul E. Mercer '73 (Seacoast Chapter) Regimental Award Fund as set forth in Attachment G appended to these minutes.**

### **e. Educational Policy Committee**

- Vice President Gardner presented the report of the Educational Policy Committee. He began with an update on the training ship which returned to Castine on February 23<sup>rd</sup> for pier side maintenance, pre cruise training, ship familiarization and lifeboat training. Shipyard teams will be sent to Castine to finish the contract work that is not yet complete including final coats of paint on the superstructure.
- The ship will be ready to house visiting midshipmen for the State Maritime Academy Leadership Conference from March 16<sup>th</sup> to 18<sup>th</sup> and to support the NROTC Leadership Challenge the following week.
- The annual training cruise will take place from May 5<sup>th</sup> to July 16<sup>th</sup>. Engineering seniors will swap mid-cruise. Cruise A will bunker in New York City before heading for Cadiz, Spain and then on to Rotterdam. The ship will be in port in Lisbon from June 9<sup>th</sup> to 11<sup>th</sup> for change out of seniors and some crew.
- Cruise B will join the ship in Lisbon and then make port calls at Civitavecchia and Alicante. The ship will clear customs in Boston on July 12<sup>th</sup> and then return to Castine via Searsport where the transit will include the family cruise on July 14<sup>th</sup>.
- Vice President Gardner then reported that Joe Curtis gave the Committee an update on an impressive list of new initiatives in the Career Services Department. There is now an online career center which allows increased student participation, centralizes all Career Services activities and information and provides an active job/internship board connecting students, alumni and companies. The platform manages internships and co-op programs and acts as a student, alumni and industry contact database. Mr. Curtis mentioned continuing challenges in the department including the difficulty in obtaining deep sea billets, funded travel and housing for some internships as well as plans for managing student involvement and expectations for the application process regarding internships. Mr. Curtis then described outcomes data measurements and results, reviewed data sources and collection methods and

pointed out that we are currently at 87% job placement within 90 days of graduation and using the NACE standard, we are at 95% within six months.

- In conclusion, the recent IBL graduate program analysis was presented. There was concern last summer over declining enrollment and revenue that prompted a careful study of the on campus graduate program, developing a detailed picture of the financial profile of the program and juxtaposing that against a number of rhetorical questions. The study confirmed that in terms of both workload and cost, the graduate program is particularly expensive to deliver, and in fact, operated at a loss during the AY 16-17 and 17-18 years. As a result of these findings we are pursuing a four pronged approach to address the sustainability of this program, with plans to invoke fiscal measures such as reducing the cost of delivering the program by changing instructor compensation and increasing revenue by reducing the amount of tuition discount offered to alumni. As well as addressing strategy and answering some rhetorical questions about the strategic utility of the program, including researching and developing an updated assessment of the value of the degree in today's marketplace, a marketing plan will be developed aimed at improving enrollment. These efforts will be evaluated and reported on at the November Board meeting.

f. **Governance Committee**

- Trustee Wellington reported on the meeting of the Governance Committee which took place yesterday and noted that there are two RESOLUTIONS to be brought before the Board.

**RESOLUTION #8**  
Committee Assignments

**BE IT RESOLVED**, that the Board of Trustees of the Maine Maritime Academy approves the committee assignments recommended by the Chairman of the Board as presented in the Trustees' folders and appended to these minutes as Attachment H.

**On a MOTION by Trustee Theeman and seconded by Trustee Fryer, the Board voted unanimously to accept the committee assignments as set forth in Attachment H appended to these minutes.**

**RESOLUTION #9**  
Discharge of the Ad-Hoc SOSi Committee

**BE IT RESOLVED**, that the Maine Maritime Board of Trustees discharges the Ad Hoc SOSi committee, expressing appreciation to the Committee Chairman and Members for successfully completing the assignment.

NOTE: Under the By-laws, the purpose for an Ad hoc committee is to undertake a special assignment and it shall be discharged upon completion of the assignment.

**On a MOTION by Trustee Fryer and seconded by Trustee Theeman, the Board voted unanimously to discharge the Ad-Hoc SOSi Committee with appreciation.**

g. **Ad Hoc Committee**

- Trustee Theeman reported with great pleasure that the ad hoc committee members, Trustees Oney, Cianchette, Peacock, Morrison and Brodsky were a good group, and also acknowledged in addition to the work of President Brennan, the work of students in the

graduate program and the contributions of Petra Carver, Nate Gandy and Mike Young. He remarked that this a great example of how an original idea for something gets appropriately molded and changed after excellent due diligence. He expressed appreciation on behalf of everyone on the Committee for the hard work of everyone involved.

- Yesterday's report had several different sections and talked about the background of where we started, and what precipitated the discussion of what is now the Center for Professional Mariner Development. The Committee discussed the recommendations made last February by the Executive Committee to move forward with the effort. Also discussed was the current status. President Brennan shared with Trustees the site plan for the Penobscot site which reflects a huge sea change from where we started. Now we have an excellent basis on which to build. Architects have been hired and site plans developed and we are hopeful that the site will be fully operational by late fall, 2018. Financial considerations regarding the project were discussed and if things go as projected, there should be an amount of incremental revenue expected for the Academy.
- Trustee Theeman noted that the Committee meeting closed by reviewing the status report of a trip that Nate Gandy and Chris Haley took to meet with stakeholders and vendors to reinforce the decisions made relative to starting the program in Penobscot and the potential for adding a variety of elements here on campus and at the waterfront. It was then concluded by all that the work of the Ad-Hoc Committee was done.

Chair Somerville asked that the minutes reflect the excellent job Trustee Theeman and the Ad-Hoc Committee did over the past year on this project and expressed sincere thanks to all.

#### **h. Other Business**

Chair Somerville asked if there were any other business to bring before the Board. There being none, the Chair acknowledged Peter Vogel and Jimmy Goodson as representatives of the Town of Castine.

Mr. Goodson stated that over the last quarter they have enjoyed working with Maine Maritime Academy on a number of fronts. He noted that the Campus Safety Office has been instrumental in helping the town to obtain a grant for a mobile radar speed unit. Secondly, the town is working closely with the administration on crafting a standardized rental housing ordinance to benefit both town and campus. After the next public hearing, they hope to adopt the ordinance through a town meeting. Also, the town has enjoyed the student participation in the fire department and having officers meet regularly. He closed by saying that the students are helping to keep the Castine Fire Department viable and in good standing.

There were no other comments. Chair Somerville announced that the next meeting will take place on May 4<sup>th</sup> and 5<sup>th</sup> in conjunction with graduation. He then asked for a motion to adjourn.

**On a motion by Trustee Theeman and seconded by Trustee Arntzen, the Board moved unanimously to adjourn at 9:08 a.m.**

Respectfully Submitted,



Rhonda A. Varney  
Secretary to the Board of Trustees  
Maine Maritime Academy