



MINUTES OF THE MEETING
BOARD OF TRUSTEES
November 8, 2018

A regular meeting of the Board of Trustees was held on November 8, 2018 at Maine Maritime Academy, Castine, Maine. Chair Cianchette and Trustees Arntzen, Devine, Dey, Morrison, Peacock, St. Germaine, Sawyer, Shipway, Somerville, Theeman and Wellington were in attendance. 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 3:20 p.m.

1. MINUTES OF AUGUST 8, 2018 MEETING

On a MOTION by Trustee Peacock and seconded by Trustee Dey, the Board voted to accept the minutes of the meeting of August 8, 2018 as presented.

2. CHAIR'S REMARKS

Chair Cianchette began by noting that the Board had already talked about the Executive Committee meeting and that he had nothing further to add. He went on to note how much he appreciates everyone's time and participation on the Board and commented that it is a strong Board comprised of a lot of people who truly care about the Academy.

3. PRESIDENT'S REPORT

President Brennan stated that the most important thing we accomplish at the Academy is the conferral of degrees. He then drew attention to the list of graduating students included in the Trustees' folders.

4. PRESIDENT'S ACTION

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

RESOLUTION #1 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 of Science degrees and ask for Board authorization to confer said degrees upon successful completion of degree requirements.

On a MOTION by Trustee Theeman 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

- Vice President Haley stated that the Alumni Association Report was fully covered in the preceding Committee of the Whole meetings and noted that a copy of that report will be appended to these minutes as Attachment B.

Chair Cianchette noted that all reports were covered in depth in the preceding meetings and that perhaps a brief recap would be in order. Trustee Shipway commented that regarding the Advancement Report, he felt that the Boat Donation Program changes should be documented in some way. President Brennan responded that each Committee meeting will be touched upon briefly as several have resolutions which need to be voted on by the Board.

Trustee Theeman asked if we have had any feedback from the town of Bucksport regarding the upcoming purchase of property. President Brennan noted that he has been in touch with the town on an ongoing basis and will be meeting with them in the next week or two to make a presentation to the City Council. He felt that it was inappropriate to do so prior to signing the Purchase and Sale Agreement. Trustee Peacock asked if there have been discussions with the aquaculture group, Whole Oceans, regarding their Bucksport project. President Brennan has spoken to professors and our Career Services department several times regarding possible opportunities for collaboration. Trustee Theeman then asked about the Bucksport property and possible development of the pier for cargo use, to which President Brennan responded that there has been some discussion circulating through the grapevine, but no official word on this. Clearly, if this were to develop into something we would be interested in being involved.

6. STANDING COMMITTEE REPORTS

a. Education Committee

- Trustee Sawyer provided a brief recap of the Education Committee meeting. Dean Gardner gave a presentation and highlighted the fact that there is a proposal to create two new majors: Coastal and Marine Environmental Science which has a target date of fall 2020, and Marine Safety and Security Program planning and response. Involved in the academic process are a lot of moving parts in order to add these new courses to the degree programs, including discussions with the faculty senate, the department chairs, and coordination with enrollment management. The Academy is hosting an environmental scientist currently involved in research at the Smithsonian as guest lecturer. He will also be meeting with the Ocean Studies advisory boards and the engineering faculty.
- The Committee discussed the possibility of having these majors ready by fall of 2019, which is possible but at present we are projecting that they will be up and running by the fall of 2020.

- The analysis of the graduate program on campus has now been concluded. A strategic and financial analysis of the International Business and Logistics graduate program was begun in the summer of 2017 and has been ongoing with input from faculty. The final report to the Board recommends the discontinuation of the on campus program at the end of academic year 18-19. The Board encouraged the Academy to be aggressive in the marketing of the online program per the original plan.

RESOLUTION #2 GRADUATE PROGRAM

BE IT RESOLVED, that the Maine Maritime Board of Trustees directs that the graduate program in Global Logistics and Maritime Management (a.k.a., the “on-campus graduate program”), having served its intended purpose as precursor to the on-line graduate program, and having out-lived its strategic value to Maine Maritime Academy, be discontinued at the end of the 2018-2019 academic year.

On a MOTION by Trustee Wellington and seconded by Trustee Theeman, the Board voted unanimously to accept the Resolution to discontinue the Global Logistics and Maritime Management on campus degree program as stated above. The motion passed.

- Trustee Sawyer went on to report that in cooperation with The Arctic Domain Awareness Council we invited Coast Guard senior personnel to campus in early November to review and participate in a newly certified ice navigation/polar operations course. It was a successful visit.
- A Continuing Education First Chief Mate master class has been approved for Oct 22nd and a fast rescue boat course was approved and offered last August. A new department registration system has been purchased, and the team is currently working with gosignmeup to configure the registration process and set a calendar of events. It is hoped that gosignmeup will go live between December 15th and January 15th.
- General Electric will be sending representatives here for a two-day audit of our newly developed sea survival training which is specifically tailored to the offshore wind industry.
- We held a Career Fair on Oct 18th which has grown from seventy companies last year to ninety four this year. The Career Services staff is to be commended for this increase in participants. Career Services will take over the administration of our dining-in program for the regimental students and is hoping to have corporate sponsors for that program.
- The search for a Commandant is ongoing. Offers were made by the Search Committee to two potential candidates this week, but the offers were declined. Dean Davis and Dean Gardner are co-chairing the search.
- At the request of NEASC the Academy provided four workshop presentations at the NEASC DC meeting in October. We enjoyed some very nice feedback from them wherein they noted that “Participants were thrilled with the presentations and made many positive comments”.
- Dean Gardner then noted that NEASC has changed its name to NECHE (The New England Council on Higher Education).

Chair Cianchette acknowledged the arrival of Castine town manager Jimmy Goodson and thanked him for attending the meeting. Mr. Goodson announced that there will be a new selectman shortly taking the oath of office, he is Gordon McArthur, the father of an MMA graduate.

b. Advancement Committee

- Vice President Haley presented the report on the Advancement Committee meeting held earlier today. He started by introducing Advancement staff in attendance and gave an update on financials.
- Overall giving as of October 15th of this year is \$3.3 million, as opposed to last year which was \$260,000. The main reason for the large increase was endowment giving as a result of a \$3 million bequest. The Annual Fund is down \$67,000 but the unrestricted portion is up just over \$16,000. We are up just over two hundred in donors due to the change in on-campus giving day from the spring semester to the fall semester and alumni participation is up slightly.
- There was an update on the scholarship campaign. Wayne Norton '86 will co-chair the campaign and former Trustee Katherine Greenleaf is the first member of the committee: they will now begin recruiting new members. The case statement is in draft form and Jen DeJoy will begin working on that.
- Joe Lobley our Yacht Donation Program manager was introduced and shared his plans to grow the yacht program.
- Jen DeJoy then gave a presentation on the communications team and how they support the Advancement division.

RESOLUTION #3

BE IT RESOLVED that the Board of Trustees of the Maine Maritime Academy 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 Dey 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 appended to these minutes.

RESOLUTION #4

THE JOHN A. THURAU '55 ENDOWED SCHOLARSHIP FUND.

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the John A. Thureau '55 Endowed Scholarship Fund is hereby established as set forth in Attachment C appended to these minutes.

On a MOTION by Trustee Theeman and seconded by Trustee Sawyer, the Board voted unanimously to accept the John A. Thureau '55 Endowed Scholarship Fund as set forth in Attachment C appended to these minutes.

Trustee Theeman asked a question regarding the elimination of freshmen from the scholarship. President Brennan responded that this was more a point of discussion to the board, not specific to this scholarship. He also noted that sometimes donors, particularly alumni, want to ensure the dedication of the student before awarding a scholarship, but that this does not serve the institution well as it eliminates those first year students who could greatly benefit from a scholarship.

Vice President Haley explained that the next item was addressed by the Board at their August meeting but clarification was needed regarding the intent of the donor before we could proceed to a vote. Originally, the scholarship called for 25% to go to a student or students from South Eastern Alaska; 25% was to go to students from Massachusetts and the remainder to students from other states. This has now been changed to a resident or residents of Massachusetts, second to a resident or residents of South Eastern Alaska or to a resident or residents of the state of Alaska. This was done in order to try to keep the donor's original intent regarding the states to benefit from the scholarship while keeping the statements regarding the majors, about which the donor was particularly adamant.

RESOLUTION #5

THE AMENDED CAPTAIN WILLIAM L. BULLARD SCHOLARSHIP FUND.

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the amended Captain William L. Bullard Scholarship Fund is hereby established as set forth in Attachment D appended to these minutes.

On a MOTION by Trustee Peacock and seconded by Trustee Dey, the Board voted unanimously to accept the amended Captain William L. Bullard Scholarship Fund as set forth in Attachment D appended to these minutes.

President Brennan noted that this is the single largest gift ever given to the academy. We have already received \$7 million and will soon be receiving \$2.3 million more. Captain Bullard has been extremely generous to the Academy and deserves recognition for this most bountiful gift.

RESOLUTION #6

THE COMMANDER G.L. ROD NELSON '43-2 ENDOWED SCHOLARSHIP FUND.

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the Commander G.L. Rod Nelson '43-2 Endowed Scholarship Fund is hereby established as set forth in Attachment E appended to these minutes.

On a MOTION by Trustee Peacock and seconded by Trustee Sawyer, the Board voted unanimously to accept the Commander G.L. Rod Nelson '43-2 Endowed Scholarship Fund as set forth in Attachment E appended to these minutes.

Vice President Haley then asked that since Captain Bullard is deceased, Chair Cianchette sign the amended resolution.

c. Finance Committee

- Trustee Shipway reported that the Finance Committee met as a committee of the whole earlier today. The audit report was approved by the Executive Committee and submitted to the state controller's office.
- The fall and spring enrollment is lower than expected by thirty individuals which will mean that we will face further financial challenges in FY19. Because of the lower numbers of enrollees, we will have a projected \$800,000 shortfall. However, the good news is a saving of \$300,000 in lower than expected costs due to health insurance savings and lower retirement funding. These figures will be updated as we move through the rest of the year.

- Our investments managed by the University of Maine managed investment pool at end of September were valued at just under \$42 million. The value of our assets with the Camden National Wealth Management fund were \$12.8 million at the end of September.
- There was a *pro forma* discussion, in which Vice President Carver outlined the five-year budget for the Academy using results for FY18 and projecting for FY19 and the following four years. This was very enlightening for the Board. President Brennan and his administration have already put together seven specific recommendations that will be reported on at future meetings. The seven recommendations are as follows:
 1. Review/revise enrollment management plans to ensure that budgeted enrollment targets are met, and are an optimal mix of in-state, out-of-state and regional students.
 2. Review regional pricing strategy
 3. Plan comprehensive campaign to raise additional scholarship funds
 4. Continue efforts to increase State appropriations
 5. Comprehensive program review, academic, athletic and other, resulting in recommendations for new program initiatives, program changes and/or program eliminations.
 6. Comprehensive overhead/expense review, research potential efficiency gains, automation and IT systems review.
 7. Review merits of the Bowdoin and determine feasibility to continue ownership of the vessel.
- All Committee members agreed that we must act with responsible urgency to deal with these recommendations because the *pro forma* budget tells us that each year for the next many fiscal years, unless we do something different, we will be losing money. The Board also supports the President's desire to do some critical analysis of several specific potential high impact programs at the school. President Brennan will present a progress report at the next Board meeting. As part of his review over the next three to six months, the Board requests that the President re-visit the barriers and opportunities that would ensue if we were able to go to some number above one thousand students on campus.
- Trustee Shipway concluded his report by announcing a RESOLUTION as follows:

**RESOLUTION #7
CONCERNING AN INCREASE IN TUITION AND FEES**

BE IT RESOLVED that the Board of Trustees of the Maine Maritime Academy authorizes an increase in Fiscal Year 2020 to the current schedule of tuition and fees to 3% above that currently established and the schedule of room and board to 2% above that currently established.

On a MOTION by Trustee Theeman and seconded by Trustee Sawyer, the Board voted unanimously to authorize the schedule of fees as set forth above.

d. Operations Committee

- Trustee Peacock reported on the meeting of the Operations Committee, noting that the group welcomed the new facilities director, Jeff Aceto who is replacing Adam Potter.
- The Committee then received an update on routine maintenance taking place including the new dining room and kitchen. Trustee Peacock remarked that the project was very well done and conveyed his compliments to team who worked on it.

- The IT Department is switching out the phone system to voice over internet (VOIP) and this should be finished in December. We have a new portal for student services to help with data collection and centralized record keeping system. Also in the works is gosignmeup for CPMD software and mapping areas. The general data production regulation audit is completed and we are mapping areas where we need to put disclaimers, notices and waivers. We are also exploring options for cable to digital for streaming services. There has been a great upgrade in network bandwidth to the campus from 2 to 5 GB.
- The Human Resources Department is working on a new comprehensive compensation and job classification system. We have contracted with a company called Gallagher to assist and advise and the process is expected to take nine to twelve months. Progress is also being made with the TIAA retirement and investment plan fees and expenses to be reduced in order to help employees grow and build their retirement savings.

e. Student Affairs Committee

- Vice President True reported on the meeting of the Student Affairs Committee, noting with pride our recent victory in the first inaugural Monomoy race.
- There was a report on the very successful Women on the Water conference which we hosted last week.
- The Committee then heard about the successes and outstanding fall season our athletic teams have enjoyed.
- Everyone was advised on the Security Department crime statistics and where to find them on-line.
- The bulk of the time was spent discussing enrollment and the report from our consultants, Ruffalo Noel Levitz and the actions they have proposed as well as steps we will be taking based on that report. There was also a good discussion surrounding questions regarding the enrollment process.

f. Governance Committee

- Trustee Wellington reported on the meeting of the Governance Committee wherein there was a review of the Board self-evaluation which was generally positive. There were four main areas which arose: the first concerned the Executive Committee and the Chair has indicated that going forward they will meet at least once between each Board meeting. Individual committee meetings were discussed and there was a reminder that when any three or more Board members meet it has to be an open meeting and we have to let the public know. This kind of meeting is encouraged as long as due process is observed. There were comments about some of the reports Board members receive and lastly, the topic of onboarding new board members was addressed. This item was passed to the Governance Committee to make recommendations regarding what that process should be.

**RESOLUTION #8
CONCERNING COMMITTEE ASSIGNMENTS**

BE IT RESOLVED that the Board of Trustees of the Maine Maritime Academy approves the committee assignments as set forth in Attachment F appended to these minutes.

On a MOTION by Trustee Theeman and seconded by Trustee Sawyer, the Board voted unanimously to approve the committee assignments as set forth in Attachment F appended to these minutes.

Chair Cianchette then noted that this concluded the Committee reports whereupon Trustee Shipway asked that we return briefly to the Student Affairs report in order to add some words to the enrollment discussion. He noted that there was an update on actions and why we missed our projected number last year. The consultants engaged by the Academy were here for a couple of days and gave us some very informative recommendations for moving forward. The Board will be updated on the actions taken to implement the recommendations at the next Board meeting.

g. Other Business

No other business was brought forward.

Chair Cianchette remarked that the fall sports season is nearly over and he recommended that everyone make a real effort to go and watch any games in their geographic area as it is both encouraging and meaningful to our students and coaches. They are the best recruiters that we have.

The Chair concluded by announcing that the next meeting of the Board will take place on February 28th, 2019. He then asked for a motion to adjourn.

On a MOTION by Trustee Peacock and seconded by Trustee Dey, the Board voted unanimously to adjourn at 3:57 p.m.

Respectfully Submitted,

Rhonda Varney
Secretary to the Board of Trustees
Maine Maritime Academy