



MINUTES OF THE MEETING BOARD OF TRUSTEES April 30, 2021

A meeting of the Board of Trustees was held via Zoom on April 30, 2021. Chair Cianchette, Vice Chair Oney and Trustees Arntzen, Brodsky, Devine, Dey, Fryer, Mercer, Norton, Somerville, Theeman, Thomas, Watson, and Wellington participated in the meeting. President Brennan, Vice President Haley, Vice President Rosen, Vice President True, and Provost Williamson also participated. Members of the faculty and staff were also present.

Chair Cianchette brought the meeting to order at 9:03 a.m. eastern time.

CHAIR'S REMARKS

Chair Cianchette began by welcoming everyone and thanking them for all they do in support of the Academy during these trying times. He noted that the meeting would last for approximately two hours and be comprised of some important items such as the conferral of degrees. He went on to say that Cruise departed without a hitch and we were able to have a graduation ceremony and students received their diplomas from President Brennan in the Field House although parents were not able to attend. Chair Cianchette then asked for the President's Report.

PRESIDENT'S REPORT

President Brennan noted that through the wonders of modern technology while Captain Cashman has been aboard the ship he has been able to attend a couple of the Zoom meetings. He noted that the *T.S. State of Maine* is heading into the islands at the present time. This is due to work that the IT Department has done to advance the technology aboard the ship.

President Brennan went on to introduce an enrollment management specialist, Delsie Phillips brought in to assist while Dr. True was, of necessity, engaged in handling the extra work surrounding the COVID pandemic testing and surveillance program, student life, athletics, and the very important work of the culture of respect climate issues. The President stated that Delsie has a long background in enrollment management and higher education consulting. Her recent work includes helping the University of New Haven and many, many others with their staff development training, marketing support etc. Prior to that, Delsie spent twenty-nine years at Haverford College and the last sixteen years as Dean of Admissions and Financial Aid. President Brennan remarked that she has been working with us now for several months and helping to usher in the class of 2025. He stated that Delsie will be delivering the enrollment report later in our meeting.

President Brennan then announced that the best part of his job is signing diplomas and the second-best part is providing the Board with a recommendation concerning the awarding of degrees as follows:

AUTHORIZATION TO CONFER DEGREES

April 30, 2021

Upon the recommendation of the Faculty, I present to the Board of Trustees the following candidates for the Master of Science, 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 Sawyer and seconded by Trustee Arntzen the Board voted unanimously to confer the degrees as listed in Attachment A appended to these minutes upon successful completion of degree requirements.

President Brennan noted that though we made our way through it, this has certainly been a year unlike any others.

He then discussed operations by saying that while our infrastructure and facilities are critically important to our success and there is much we could delve into, given the constraints of time here he decided to make the Board aware of a couple of very large projects we will need to undertake over the next few years and to some extent that we have already begun. The first of these items is the Curtis Hall dormitory for which the engineering report from two years ago indicated that there is as much as an \$18 million need for upgrades, including plumbing, heating, and electrical. This is a daunting challenge and we have been working with the Governor's office and Legislature in an effort to secure funding. The President went on to note that this past spring some of the work was begun and we have spent about a half million dollars to date. The Governor's budget last year included \$8 million in funding for the project that would have come directly through the State's building bond funding but unfortunately that bill died along with many others when the Legislature adjourned due to COVID. The so-called basic budget that was passed does not include any money for Curtis Hall. Yesterday afternoon there was a startling and significant development in that the Governor has agreed to include the principal and interest payments in her supplemental budget for an \$18 million loan from MEHEFA. The significance of this cannot be overstated and Vice President Rosen will provide more detail on this in his report.

President Brennan went on to remark that another area of critical need over the next couple of years is the development of portions of the waterfront to support the new training ship including new utility service, electrical and waste discharge as well as modifications to the mooring system. To give a sense of the new scale, the power load for the new ship will be 6,400 KW which is well beyond that which is necessary to support the current ship and is beyond the electrical service available on the peninsula. There is not an adequate waste discharge system presently available on the waterfront, and the mooring system must be upgraded to ensure that it can withstand a category one hurricane. We received the \$1 million State bond money a couple of years ago for alterations to the mooring system but the needs of the new ship for mooring, waste discharge, electrical and other necessary pier modifications are of an order of magnitude beyond that. We are working with our partners in Washington including the Congressional delegation and MARAD in an effort to obtain the funding necessary to support the ship and all of the Academy's infrastructure needs. However, it is a little early to say what success we will achieve. President Brennan stated that we have discussed internally that if we are going to have to rip up the waterfront to make modifications to accommodate the new ship then it would be prudent to look at the overall waterfront and what its needs are, or might be. Essentially, we are contemplating an analysis of a waterfront development somewhat along the lines of what was contemplated during the planning for the ABS building. The ABS building was originally predicated on the removal of all non-water-dependent usages from the waterfront and locating them in the new building up the hill. While those plans changed back then, much of the planning work remains and we are considering hiring an engineering and architectural firm to identify needs and costs. As we've contemplated these large ticket capital needs we have also discussed these and other capital needs in the context of the next capital campaign. The Chairman will lead us in a discussion of the capital campaign devoted to scholarships but the President wanted Board

members to also be aware that beyond the needs of Curtis Hall and the waterfront, there are also needs to modernize and refurbish the Field House and athletic facilities as well as to expand the capabilities of the new Bucksport campus.

With regards to the Bucksport campus, thus far this year we have held 91 CPMD classes serving over 400 professional mariners and generating in excess of a quarter of a million dollars in revenue. Courses offered include advanced fire-fighting, basic training refresher, engine room resource management, fast rescue boat, leadership and management skills, management of electrical control systems, and the like. Eight desktop work stations have been installed and one instructor work station. These have Wartsila navi-trainer and technology simulator software installed which enables navigation and engineering desktop simulation for seven courses we offer.

The firestack RFP was awarded to Fire Facilities, Inc. which includes live fire training props from Simtec Fire. We have developed a design that will incorporate all the necessary training items that MMA needs to continue its current level of training and allow for future planned expansion of fire training programs and potential future projects such as offshore wind. Designs have been finalized and contracts have been signed for expected delivery in September. In further developments the emerging offshore wind industry already intersects with the existing maritime partnerships and training needs and there is great emphasis on meeting the expansion with domestic equipment and domestic workforce. To meet safety training requirements, CPMD is preparing to launch a new training program tailoring existing instruction and leveraging the existing arrangements with accredited trainers to offer courses in five areas in fire awareness, manual handling, sea survival, working at heights, confined spaces, etc.

Lastly, President Brennan noted that with respect to the Bucksport campus we are looking to expand the Marine Engine Testing and Emissions Lab (METEL) approach to Bucksport for smart engine research as resources become available. At the present time we are upgrading the existing METEL lab for regular operations including the development of staffing and grant strategy for testing programs and to integrate associated educational research in the MEO, MET and PET programs. The ultimate goal is to establish a center for maritime innovation on the Bucksport campus and to that end we are looking at the possibility of establishing a foundation to support CMI and perhaps the overall Bucksport campus. There will be more to come on that as we move forward with the developments.

This concluded the President's report and he then asked if there were any questions.

Trustee Arntzen asked if the changes at the waterfront are primarily driven by the need to provide electric power from shore to the ship when it's moored at the dock. President Brennan responded that the power needs for the new vessel are significant and that MARAD decided that it would attempt to build, as much as possible, carbon neutral vessels so this one will not need to run diesels while it is alongside the pier. The challenge that we have is that the service does not currently exist on the peninsula and we are currently working with CMP to assess the cost of amping that up significantly.

Trustee Arntzen then noted that he spends a great deal of time trying to figure out what is going to be the future propulsion system for ocean going vessels to meet the IMO 20-30 and 20-50 regs. He has listened to countless presentations of fuel cell technology using ammonia, using hydrogen and a lot of that is being sold initially as power sources for ships while they are in dock. Because of this, there is a range of things to consider regarding some of the technology our industry is going to need in the future.

President Brennan noted that the training vessels are owned by the Federal Government and that they may not be thinking as far into the future as Trustee Arntzen. We do not know at this point whether the new vessel will incorporate some of the new technology, but we should certainly explore opportunities shore

-side. Trustee Arntzen noted that some of the newer vessels are exploring putting some of the new technology on the decks of the ships and that there is an incredible amount of innovation going on in this area now and at a pace of innovation that has not been seen in the shipping industry in a very long time.

President Brennan commented that at this point we don't even have an estimate of how much it would cost to bring in the electrical service, nor do we know what kind of support we can get through the appropriators for the infrastructure modifications that will be necessary for all five of the maritime academies who will receive one of these new vessels.

Trustee Brodsky asked what the timeline is for the new ship and the need for these modifications. President Brennan responded that initial projections were for delivery in 2023 or 2024 but that trade issues with China have delayed the delivery of steel and pushed things back further. Realistically it will probably be five years or more before the arrival of our new ship.

Trustee Brodsky then asked if curriculum changes will be necessary in order to address the new technology incorporated in these vessels. President Brennan responded that we should always be modifying our curriculum to prepare our students for new developments within the industry. Trustee Arntzen, attempting to put this in perspective, noted that by 2050 the industry has to reduce its greenhouse gas by 50% and its carbon footprint by 70%. The consensus is that to do that, by 2030 we will have had to engineer zero emission vessels. Older vessels will have to be phased out, ships sailing with transition fuels like LNG, LPT, methanol and so the pace of technology change in our industry is unprecedented. Trustee Arntzen suggested that this is a huge opportunity for MMA and that we should be staying right in the forefront of these innovations.

Professor Mike Young who was also on Zoom call noted that the Engineering department is already working on this.

Chair Cianchette noted that in the past we have had connections at high levels at MARAD and asked if we have any alumni in a position to assist us at this time. President Brennan responded that we have close working relationships with some people at the staff level in MARAD. Since the new Administrator has not yet been announced, we don't know what the level of support will be going forward but in the last ten years the direct support to state maritime academies has increased more than 300% and this does not include the appropriations for the vessels.

Chair Cianchette then asked if Captain Cashman would like to provide a brief cruise update.

Captain Cashman noted that it is exciting to be able to report from the ship in real time. He stated that they are just north of the Bahamas. The ship spent a couple of days in Penobscot Bay to avoid some offshore weather, then worked southward with a quick logistics stop in Boston. He noted that excitement and morale are high aboard. There are 217 students and 43 crew, staff and faculty aboard. The ship is going to transit the El Faro site tomorrow morning and hold a remembrance at morning muster at 0730. It will be a somber time but an opportunity for the newer sailors to understand the significance of what we are called upon to do. Captain Cashman reported that they will continue south coming up alongside Cuba and then arriving at Norfolk on May 6th. A northward journey will take the ship to New York for a logistics stop and then proceed to Castine, arriving on May 21st with cruise officially ending on May 23rd. For seniors, Coast Guard exams will begin the following week. This is the first of three planned cruises. The second and third cruises will take place for 37 days each as will be reported by the Provost. The entire MMA community as well as MARAD has provided tremendous support in the planning and execution of the necessary sea time for our students.

Chair Cianchette thanked Captain Cashman and asked that we move on to the Academic Report.

ACADEMIC REPORT

Provost Williamson began his report by acknowledging the great work done by the MMA community. Students, faculty and staff put together a really meaningful commencement which incorporated many of our traditions. Students were very pleased with the ceremony and appreciated all the hard work done by the MMA community to get them successfully to the end of the year. It was rather unusual to have the ceremony before the end of the spring semester in order to facilitate the ship's departure on April 19th.

The Provost went on to say that initially a twelve-week semester was discussed for the fall, but happily we are now planning for a return to a fourteen-week semester in the fall. The semester will begin on August 23rd and run through the first week of December. Cruise B will be embedded in the middle of the fall semester with an anticipated departure around the middle of November and a return a few days before Christmas. It is felt that an early return to a more normal semester for the students is a good wellness initiative and a tribute to what has been done to keep everyone safe.

Approximately 532 course sections are currently being planned which increases the number of face-to-face classes. About 83% of classes will now be either in person or with a small hybrid component. This should boost student morale and come closer to what they expect from us in terms of in-person instruction.

Three Senate Resolutions have been passed which aim at improving the quality of programs, reducing costs and acknowledging the service of our retiring colleagues.

The Provost stated that the first Resolution is a nod to continuous improvement. We recognize that this is a climate of rapid change in technology so we have to adapt in order to keep pace with the changes. The general education curriculum consists of the courses that all MMA students are required to take and imbued our key values of critical thinking, leadership and ethics but also encapsulate the ability to be agile and to change as necessary. We are also piloting a summer term. Right now, this consists of two courses but it will offer students the chance to continue to learn even during a summer break and provide the opportunity to take courses that they might be interested in. It is anticipated that a summer term will become a part of our regular offering.

The second Resolution looks at a program review process in terms of the viability of the program. An annual review process takes place, but there is also a seven-year overall review to ensure that a program is trending in the right direction.

The final Resolution acknowledges the service of our retiring colleagues: Professors Allard, Chase, Cote, Lorenz, Hunt, Raikes, Sahl, Schatz, Skaves and Wellman. Several of the professors were nominated for Emeritus status which is a tribute to the many years they have served MMA.

In addition, six faculty members were advanced in rank as indicated in the Resolution. Richard Miller and Jessica Muhlin have advanced to full professor; Eric Jorgenson, Aaron Kingsbury, Jennifer Norwood and Travis Wallace have advanced to Associate Professor. The Provost congratulated Professor Kingsbury who was recently awarded the very prestigious Fulbright Award.

Chair Cianchette then read the following Resolutions:

RESOLUTION #1 FACULTY PROMOTIONS

BE IT RESOLVED that the Board of Trustees accepts with pleasure the list of faculty promotions below:

Richard Miller – to Full Professor
Jessica Muhlin – to Full Professor
Eric Jergenson – to Associate Professor
Aaron Kingsbury – to Associate Professor
Jennifer Norwood – to Associate Professor
Travis Wallace – to Associate Professor

On a MOTION by Trustee Theeman and seconded by Trustee Brodsky, the Board voted unanimously to accept with pleasure the list of faculty promotions presented above.

RESOLUTION #2 EMERITUS STATUS

BE IT RESOLVED that the Board of Trustees confers emeritus professor status upon:

- Professor G. Anderson Chase
- Professor Mark A. Coté
- Professor Patrick E. Lorenz
- Professor Leon A. Raikes
- Professor Lauren E. Sahl
- Professor David G. Skaves

On a MOTION by Trustee Sawyer and seconded by Trustee Oney, the Board voted unanimously to confer Emeritus status on the above-named individuals.

Chair Cianchette then asked Trustee Brodsky to present the report on Student Affairs. Trustee Brodsky asked Dr. True to deliver the report.

STUDENT AFFAIRS REPORT

Dr. True noted that the successful completion of the semester and the launching of the first of the training cruises in April was due in large part to the testing, quarantining and social distancing measures. She went on to commend the flexibility of students, staff and all of those who participated in allowing us to engage students in meaningful activities, including the in-person commencement. Dr. True then asked our student Trustee, Hope Thomas, to report on how she felt this went from a student perspective.

Hope reported that the in-person aspect of our training was important and it was great that we were able to continue that for all of the students but that the twelve-week compressed time schedule was stressful. She commented that as a community everyone helped each other out. She concluded by saying that she loves every semester she is here at MMA.

Dr. True commented that one of the reasons we were so successful is that we increased our surveillance testing, focused on new groups that appeared at higher risk and also added antigen testing in March and uncovered thirty-one positive cases. On April 8th we partnered with Northern Light Health to offer the community vaccines here on campus and were able to distribute 479 doses including inoculating 70% of

the students on Cruise A and many of the students heading out for cadet shipping and co-op as well as serving the community in Castine, particularly those who had difficulty getting up to Bangor.

Since the last Board meeting the culture of respect has been widely discussed. Last fall we engaged the services of the law firm Drummond Woodsum to conduct an audit of our policies, procedures and practices regarding Academy responses to allegations of sexual assault and to conduct a review of recent cases. Allen Kropp, an attorney who formerly worked for the Federal office of civil rights conducted the audit. The report was released to the community on March 23rd and it is published on the Academy website. While the Title IX committee members were pleased to hear that the Academy complies with Federal regulations, they did agree with attorney Kropp about the need for improved communications of policies and resources as well as the need for ongoing work to address the cultural issues described by the report. Our intent in joining the Culture of Respect Collective (<https://cultureofrespect.org/programs-and-tools/the-collective/>) is to explore our current climate, assess our needs and position us for a long-term solution. This two-year program, sponsored by the National Association of Student Personnel Administrators (NASPA), will guide us through a comprehensive evaluation of our campus culture and assist us in developing a plan to address systemic issues of inequity at MMA.

A separate committee, composed of representatives from the Title IX Committee, students, administrators, and a prevention and response advocate from AMHC Sexual Assault Services in Ellsworth, is leading the Academy through the Culture of Respect two-year project. Currently this committee is completing the Core Evaluation – an extensive assessment of a college’s sexual misconduct prevention and response programs and resources. Over the summer, the committee will be reviewing the results of the assessment and working with the Culture of Respect staff to prepare goals and action steps to implement in the fall. In the meantime, we are reviewing the recommendations from the audit report and developing a timeline for implementation in coordination with the evaluation and goal setting timeline of the culture of respect initiative. However, some of these recommendations are on hold pending the outcome of the recently announced Federal review of Title IX regulations. It is anticipated that the Biden administration will make significant changes to these regulations which were enacted in August of 2020. We don’t yet know if these changes will be made prior to the fall semester but we will be ready to switch if that happens.

Dr. True then asked if anyone had questions about the audit or the culture of respect. Trustee Theeman asked that any reports at future meetings will include a segment on where we are with updates.

Trustee Brodsky asked if we really have any issues of systemic inequities at MMA noting that she has not been aware of it and asked for enlightenment. Dr. True responded that gender has been an issue here since she has been here but also meeting the needs of other under-represented groups on campus. All of these groups report difficulties and challenges with the climate at MMA whether about the role of men versus women in the maritime industry or the still pervasive sexual harassment comments. The issue of sexual assault on our campus is no more and perhaps a little less than other campuses with which she is familiar, but the incidences of sexual harassment are higher. Some of this is in the form of micro aggressions, comments that people make that they don’t even intend and this makes the women feel that they do not truly belong here. It has been noted that there are also social media posts that demonstrate a lack of respect for women, LGBTQ and minorities and these are very upsetting to the community. Feedback the committee received was that they wished the report had gone more into the culture. Joining the Culture of Respect Collective will allow us to get much deeper into these topics. This is part of why Dr. True needs to focus her attention on this and why Delsie was brought in to assist with admissions so that Dr. True can give this greater consideration this summer and have things in place for the fall. She went on to say that there is certainly a climate issue here that we must address in order to make everyone feel welcome, included and respected on campus.

Trustee Brodsky asked if Hope would speak to this issue. Trustee Thomas noted that from her personal experience, she has never felt that she doesn't belong here based on her gender. She feels she gets respect from her professors and the rest of the community, perhaps more so because she is female in a predominantly male environment. Trustee Thomas asked Dr. True how she plans to address the problem of the culture of respect. Dr. True responded that the assessment piece is part of it along with education. There is a student group that has initiated a "Be Better" campaign which will be rolled out in the fall. The campaign will be addressing those micro comments and aggressions and how to respond to this type of situation. This should give students the tools to hold each other accountable. We will also be looking at education of faculty and staff regarding diversity, equity and inclusion initiatives and micro aggressions and also looking at helping students, faculty and staff understand how these comments may make people feel. We are starting a black student athlete organization on campus. We do still need to go through the evaluation process so we understand what the priorities are.

Trustee Thomas suggested that from a student perspective it would be good if we could talk about how well people are doing instead of how poorly, and highlight the good instead of the bad. Dr. True commented that there are two parts to the "Be Better" campaign, the first being Be Better and the second part Better, celebrating what we do well.

Dr. True then addressed a couple of other issues. We celebrated the *Bowdoin's* 100th birthday on April 10th, one hundred and one days from her original launch in Boothbay Harbor. The *Bowdoin* is heading out on the first of five summer training cruises in just a few days.

In athletics we were able to have some competition; it was very complicated but we did succeed and that allowed our seniors to have a senior day and wear their uniform one last time.

Dr. True noted that in her full report to the Board included in the Trustees' packets, she noted all of the honors received by the student athletes but wanted to mention here that five of the North Atlantic Conference senior scholar athletes of the year were Maine Maritime Mariners which is very exciting.

Dr. True concluded her report by noting that we are now busy planning for the fall and welcoming students for a one-day orientation this summer on campus.

Trustee Wellington asked if there has been any discussion regarding requiring students to be vaccinated before returning to campus in the fall. Dr. True responded that we are looking for guidance from the State and other areas and working on a campaign to encourage and highly recommend vaccination but are not ready at this point to require it. There will be certain things that will be a lot easier for a student if he/she/they are vaccinated.

Trustee Oney asked if the University of Maine received guidance from the State as they have already announced their approach. Dr. True noted that private and public institutions have very different decisions to make and that her understanding is that the University System is going to recommend but not require. She also noted that it may be easier to require vaccination of students as opposed to employees but this then becomes a different standard.

Delsie Phillips then announced that she has been here for a little over a month and thinks it is a wonderful institution. She hopes to be able to assist the admissions staff in recruiting students. The number of deposits now stands at 216 with the regiment at 125 and 111 students are from the state of Maine. These are all very positive numbers. The staff has been very busy as spring is the time when we look at seniors depositing and also look at younger students who are beginning to think about college. We are now able to have people on campus which is a great opportunity to encourage students to come here. The first in-person college fair in the area was held about a week ago which is a good sign. We have ways of

monitoring which schools would like in-person visits as opposed to those who would prefer a virtual visit. Ms. Phillips went on to describe the admissions funnel whereby the students move from the inquiry phase to the applicant phase, followed by the admitted student and then enrolled student phase. She would like to see a more granular approach so that admissions staff is more aware of where they stand at each step of the proceedings reported on a month by month basis with goals at each point.

Ms. Phillips remarked that students often leave it until the last minute to make decisions and that's because they are teenagers. One of the issues for recruitment this year is that besides COVID, some of our competitors have been very aggressive in certain majors, particularly engineering. Financial Aid is a big issue and an article appeared today in University Business indicating that 74% of students will choose a college based on cost. Since our costs are greater than some others, this is one of the challenges we face in recruiting. Offering a little extra scholarship money can sometimes make the difference between a student depositing or going elsewhere.

Work on recruiting will continue over the summer with campus visits in order to discuss with students' choices of majors, financial aid, etc.

Trustee Theeman recalled that in the last report we had admitted 403 and asked what MMA does to reach out to those students to encourage them to come here. Ms. Phillips responded that we follow up with those who are undecided with regular phone calls, emails, videos and all manner of things that might help them make a decision. While May 1st is the deadline, we do give extensions particularly for families who want to see what their options are. COVID has made this a very uncertain world which makes it difficult for families to commit to large loans, etc.

Trustee Arntzen commented that he listened to a webinar earlier in the week regarding how you get students more involved in the maritime industry. One of the suggestions is that there has to be greater outreach to high school students and the second was that the shipping industry is now going through a greening and digitalization phase which should create a lot more opportunities for jobs going forward. Ms. Phillips referred to this as a cost/benefits piece that the admissions office is currently working on. This will stress that there are tremendous and well-paid opportunities in the maritime industry and perhaps make the cost less onerous once families understand that their student is going to have an excellent job after graduating.

In response to a question by Trustee Brodsky, Ms. Phillips noted that while the deadline for deposits is May 1st, students frequently leave things until the last minute so that there is still activity during May and June. We also keep in contact with students who have deposited so that they stay with us and aren't poached by other institutions. She also reiterated that we don't turn away students because of late deposits, but the later they are, the less likely we will be to have scholarship money still available.

Trustee Dey asked what percentage of our students are Pell eligible. Dr. True will make that figure available shortly but commented that it is fairly high percentage.

Trustee Fryer asked what changes have come out of the consulting arrangement and whether a report could be presented on that and what changes have been instituted as a result. Ms. Phillips assured him that we can do that.

Chair Cianchette then suggested that a discussion of the Capital Campaign be engaged in before the Advancement Report.

The Chair noted that at the last Board meeting the video by New York Medical School discussing free tuition was presented. The video inspired Chair Cianchette as the initiative provided life changing

opportunities for students and their families and prompted him to think about Maine Maritime Academy. He went on to say that he is not naïve enough to think that we can pay for all tuition for four years here but believes that we can do something more than what we have been doing. Because of his own three children there are regularly a large group of kids gathered at his house and it is heartbreaking to hear how many of them have had to drop out of college because of finances. All of this has prompted him to ask what we can do to make this college more attractive and referred to Delsie's comment that 74% of applicants make their decision based on cost.

Chair Cianchette went on to suggest that if we put in place a capital campaign with the aim of raising \$34.5 million we could provide one semester of in state tuition to every student that comes to Maine Maritime Academy. If we assume that tuition will increase by 1.5% per year after that and that we got a 6% return on our money over twenty-five years, the fund would be self-sustaining. At the current rate, we could provide every student a grant of \$5,750 to come to the school. Out of state students would receive the same amount even though their tuition costs are greater than that per semester. The existing scholarship money would still be available to students who fit into the proscribed criteria set by the donors. In addition to the usual cast of people who donate to a capital campaign, we would go out to the industry; the maritime industry, shipyards, the energy sector, to whom we provide the best graduates in the country. This would provide our enrollment team with the ability to recruit the best students and assist them with the finances that may be standing in their way of obtaining a first-class education. The Chair went on to say that he feels confident that we can do this, set MMA apart from other colleges and continue to attract the best and the brightest to our school. Furthermore, if we care this much about our students, they, in turn, will care about the Academy and its future.

The Chair then invited comments or suggestions regarding this subject.

Trustee Theeman asked if the Chair is looking for any Board action today on this initiative to which the Chair responded that he has been seeking input from many different people and is not looking for a vote at this time, just more feedback, thoughts, support and discussion on how we can accomplish this.

Trustee Watson commented that he concurs with Chair Cianchette to a certain extent but worries about giving incoming freshmen free tuition as the caliber of the student is not known at that point. He suggested that providing those funds for the first semester of the second year would be more effective. This would serve as a sort of reward rather than a free ride.

Trustee Brodsky expressed the opinion that the Chair's estimate of 1.5% inflation over subsequent years is not realistic. She also struggles with the word "free". Her research has indicated that the colleges that are offering free tuition are wealthy and well-endowed and are able to offer this incentive to students whose family income is below a certain level. She has concerns about discounting and then not getting the caliber of students that we want. She suggested that we look at this from a marketing perspective rather than as strictly a financial issue.

Trustee Wellington suggested that perhaps we could pay for the last semester so that students feel that they have a stake in it. The Chair commented that he had that thought as well since during their last year here, students should be focused on obtaining their degree, their Coast Guard license and their future employment but after speaking with the athletic coaches, who believe that once we get a student here, the level of attrition is minimal, he sees the advantage of reducing the initial costs in order to recruit the kind of numbers we would like to have. He does agree that this should be tied to some kind of performance.

Trustee Fryer noted that this is a huge discussion which cannot be concluded today because of time constraints. He also suggested that rather than focusing on how to distribute the money we should be discussing where the money is going to come from and which population we are going to solicit.

Chair Cianchette agreed that we cannot raise this kind of money solely on the back of alumni as there are always competing needs. What he would like is for the consultant to do a dive into this, what the possibilities are and where the money can come from so that we can determine if this is doable or is just a pipe dream.

President Brennan noted that the consultant we have hired will soon be contacting each Trustee to try to ascertain what the campaign should look like. He stressed that it is clear that this conversation needs to be had when there is much more time available. The consultant will help us to determine where the money should come from and how it gets expended.

Trustee Dey commended Chair Cianchette on this effort and stated that he believes there is a way to find a solution. He suggested that it might be good to take a look at the program in place at the University of New Hampshire which provides free tuition for four years to eligible students.

The Chair went on to say that the Consultant will be contacting Board members to find out their opinions. It seems clear that whatever we do, we will always be having capital campaigns.

Trustee Arntzen commented that the industry segment that we provide talent to are going through a rough patch. The cruise industry, in particular, is suffering greatly from the COVID pandemic. The tanker market is also going through its worst period in a decade or two. The offshore industry is also in great trouble at the moment. None of this is said to throw cold water on the campaign under consideration but to stress that some of the industries who have the ability to be generous are not currently able to do so. The one exception is the container industry which is stronger than it has ever been.

Chair Cianchette agreed that the timing couldn't be worse but that we need to think outside the normal channels, such as the renewables industry, such as offshore wind, battery storage, the hydro industry etc. and all of these industries will, in the future need our graduates. He then went on to say that he appreciates text messages, emails and in particular phone calls so that we can further explore this initiative and continue to put 1,000 good students out into the industry every year. In the interests of time, the Chair then moved the meeting on to the Advancement report.

ADVANCEMENT REPORT

Vice President Haley began by noting that our contract with the consultants starts tomorrow and it is for four months. All Trustees will be contacted and before that occurs a background statement will be sent out to each Trustee. This will include scholarships and six or seven other items. Sixty or seventy interviews will be performed and we expect that at the August Board meeting the consultants will present their findings.

Instead of going through the report provided in the Trustees' packets, Vice President Haley asked if there were any questions regarding the report.

Trustee Dey asked if the Night at the Bay event is going to happen this year. Vice President Haley responded that it will take place on Saturday November 13th in Portland. Many sponsorships were obtained for the event which was to have taken place a year and a half ago but we will gratefully receive any additional sponsorships that may be forthcoming.

Trustee Arntzen asked for clarification on the scope of the assignment the consultants will be undertaking. Vice President Haley stated that in March that he, Tade Sullivan (Director of Development), and Amanda Kral (Data Specialist) met with their staff and we have been uploading data. The first thing they will do is financial modeling which may help to identify some people we may not be aware of. The background

statement will be sent out this afternoon: this does not get into the depth of a case statement. A planning committee has been put together to work with the consultants for the four months. They will help review the statement as well as the list of 90 to 100 people we would like to approach to be interviewed. The list will include some of our better donors and prospects. During the four-month period in which we have the consultants, we will have three meetings with the planning committee to identify the issues that are resonating with our donors and the amount they think MMA can raise in a comprehensive campaign.

President Brennan commented that fundamentally, what the consultants will tell us is whether the areas we put forward as potential fundraising needs are going to resonate with donors and how to message around that so that we can achieve the greatest success.

Vice President Haley then read the following Resolution:

RESOLUTION #3
THE A&N WARD AND SON ('71E) ENDOWED SCHOLARSHIP FUND

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the A&N WARD AND SON ('71E) ENDOWED SCHOLARSHIP FUND, as described in the Trustees' packets and appended to these minutes as Attachment Bis hereby established.

On a MOTION by Trustee Theeman and seconded by Trustee Oney, the Board voted to establish The A&N Ward Endowed Scholarship Fund as described in Attachment B appended to these minutes.

FINANCIAL REPORT

Trustee Theeman began by welcoming Wayne Norton to the Finance Committee. He then announced that Vice President Rosen would present the report regarding the third quarter financial information and provide an update on the institutional recovery plan. He reminded members of the Board that at the February meeting comments were made regarding scholarship money and whether we are leaving scholarship money on the table. President Brennan, Vice President Haley and Vice President Rosen were extremely helpful in providing a wealth of information regarding the numbers of restricted and unrestricted scholarships, the dollars available, and a lot of other information. While it is undoubtedly true that we don't have enough scholarship money, there is no evidence that we are leaving any scholarship money unspent. He went on to say that the scholarship process is more complex than he imagined and believes that the entire Board would benefit from a presentation on the current system and is asking that such a presentation be scheduled for the August meeting, if at all possible, since the issue is so important.

Chair Cianchette then excused himself due to a prior commitment noting that the August meeting will take place here in Castine in person and that spending time on campus is where the real work happens as the Board is able to interact with each other, the students, faculty and staff. The Chair closed by thanking President Brennan and all of his crew for getting the Academy safely through the last fourteen months of COVID challenges.

Vice President Rosen began his report by noting that the Finance Committee met yesterday and had an in-depth discussion with a detailed review of the materials presented in the Trustees' packets. The major highlights of our status at the end of the third quarter indicate that we are on track with what we had planned. Revenues are down due to the enrollment figures, the shortening of the term and the density of the population which translates into lower levels of room and board revenue. We received an increase in Federal emergency funding and that came in over budget and our efforts to conserve expenditures and freeze hiring has us tracking with where we hoped to be at this point. No huge surprises are expected for the fourth quarter. Vice President Rosen pointed out the distribution of the emergency relief funds the

Academy received which were direct grants to students. A group of students in the fall and a group in the spring received 100% of the \$877,000 through an application process in which they outlined their costs associated with the disruption caused by COVID.

A year ago, at this time, our endowment funds took a major hit because of the collapse of the market but we have recovered about \$10 million and the endowment now stands at approximately \$60 million.

Vice President Rosen pointed out that in the report included in the Trustees' packets in bullet point form, they will find some of the initiatives that have occurred in the various operating units. Many of these actions occurred under the surface, even with all the extra energy and activity that has been required of the teams during the pandemic.

Finally, looking ahead to the summer, many of the usual activities which we did not host last year are on the calendar again. Class reunions are being booked which is an encouraging sign and as the rate of vaccination increases we'll be in a better position to accommodate all of those.

Trustee Wellington asked a question regarding the discrepancy between undergraduate and graduate instruction figures. President Brennan responded that since the graduate program is online, the delivery costs are much less. Vice President Rosen suggested that he prepare a cost analysis based on head count which should make this issue much clearer.

Vice President Rosen then moved on to the Curtis Hall issue. A year and a half ago, President Brennan was engaged with the administration pursuing an effort to secure funding for the systems upgrades that are required in Curtis Hall. Because of the early adjournment related to COVID, the issue was not addressed during the last legislative session. The Vice President went on to explain that Curtis Hall is a 200,000 square foot building constructed from 1969 to 1973 with a major renovation about twenty years ago and an assessment was performed in 2019 that determined that the building required about \$18 million in upgrades to mechanical, plumbing and electrical systems. Yesterday, Vice President Rosen received a call from the administration indicating that the Governor would like to put forward in her supplemental budget that will be presented to the legislature next week a commitment to provide annual debt service funding to support an \$18 million borrowing package. We are in discussion with MEHEFA, the authority that facilitates borrowing on behalf of the non-profit higher education institutions and the non-profit hospitals in the state in order to secure the funding, and the State of Maine would provide an annual appropriation for that debt service interest and principal payment. This is an encouraging offer and an opportunity to make an investment in Curtis Hall that we could not otherwise contemplate without state support. To be included in the Governor's supplemental budget is a huge advantage, but it is just the beginning of the process. The legislature will then give the matter due consideration and make a determination some time before the end of June as to whether they will support this. Vice President Rosen believes that the legislature will be supportive as the issue has already received support from the education committee.

President Brennan noted that though there are a number of steps to go through, the end result may be that we will have to come back to the Board requesting a change to the By-Laws regarding the amount of debt the Academy is authorized to incur. That would be affected in statute as well. He went on to say that today we would like to receive the Board's endorsement of the effort to secure funding. The Board was then shown a Resolution which the administration was not able to present earlier since word of this was just received. No dollar amount is specified as we don't know what will occur during the Legislative process. The Resolution reads as follows:

RESOLUTION #4
Resolution Concerning Curtis Hall Renovation

BE IT RESOLVED: that the Board of Trustees of the Maine Maritime Academy approves the Administration's effort to secure a Maine Health and Higher Education Facilities Authority (MHHEFA) Loan for the Renovation and Rehabilitation of Curtis Hall.

On a MOTION by Trustee Theeman and seconded by Trustee Brodsky, the Board voted unanimously to approve the Administration's efforts to secure a Maine Health and Higher Education Facilities Authority (MEHEFA) loan for the renovation and rehabilitation of Curtis Hall.

Trustee Theeman then drew attention to the Endowment Resolution noting that at the June 2020 Board meeting it was noted that we have been with the University of Maine System for over a decade and due to the amount of money involved, it is always good to validate this type of decision. There were a couple of Trustees who felt that in spite of the fact that our endowment continued to grow, we are not particularly pleased with the performance that has been demonstrated as well as the costs associated with being part of that group. Because of the pandemic, the issue was tabled until now and has resulted in the proposal which is to follow. At the Finance Committee meeting yesterday there was a spirited discussion about this matter and Vice President Rosen provided critical background and explained that the rules governing this differ considerably between the private and public sectors because of State of Maine requirements. Based on this information we can solicit organizations to apply or respond to the RFP. Vice President Rosen will appoint an internal review committee which will include one or two Board members. When the draft of the RFP is finalized, Trustee Theeman would be glad to send it to each member of the Board for comment as this is so important.

RESOLUTION #5
ENDOWMENT MANAGEMENT

BE IT RESOLVED that the Board of Trustees authorizes the issuance of a Request for Proposal for the management of its Endowment.

Trustee Theeman asked if there were any questions before the Resolution was put to a vote.

Trustee Watson commented that it is a good idea to review and get the best possible result for Maine Maritime Academy. Trustee Theeman noted that we are not including the University of Maine System in this solicitation as our goal is to find a vendor, or possibly two if we should decide to split the \$60 million, and then ask the University to present their performance information and compare the two. In that way we will have an objective view which will allow us to decide whether to say with the University or to switch vendors.

There being no further questions or discussion, Vice Chair Oney asked for a vote.

On a MOTION by Trustee Theeman and seconded by Trustee Oney, the Board voted unanimously to authorize the issuance of a Request for Proposal (RFP) for the management of its endowment.

Trustee Theeman went on to compliment Vice President Rosen and his team noting that the quality of the information they receive at the Finance Committee meetings is really terrific. The candor with which the questions are answered and the give and take of those meetings is excellent. Vice President Rosen remarked that he will pass along those kind words to his team. Vice Chair Oney thanked the Finance Committee for a great meeting yesterday.

GOVERNANCE REPORT

Trustee Wellington began by saying that all Board members should have received a copy of the Committee assignments. Each member is assigned to three different committees except for the Chair and Vice Chair who are ex officio on all of them.

Before presenting a Resolution, Trustee Wellington asked if there were any questions or comments. There being none, he presented the following:

RESOLUTION #6

Resolution Concerning Committee Assignments

BE IT RESOLVED that the Board of Trustees of the Maine Maritime Academy approves the Committee Assignments as shown in the attachment included in the Trustees' folders and dated 2021-2022.

On a MOTION by Trustee Theeman and seconded by Trustee Oney, the Board voted unanimously to approve the Committee Assignments as included in the Trustees' folders and appended to these minutes as Attachment C.

Vice Chair Oney then asked for a Resolution as follows:

RESOLUTION #7

ACCEPTANCE OF GIFTS AND GRANTS

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 D appended to these minutes.

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

Trustee Wellington asked if the real estate included in the gifts will be sold. To which President Brennan remarked that since real estate is a potential liability we prefer to liquidate and receive the proceeds.

President Brennan then asked if there were any other business to bring before the Board. There being none, Vice Chair Oney asked for a Motion to adjourn.

On a MOTION by Trustee Sawyer and seconded by Trustee Brodsky, the Board voted adjourn.

The meeting was adjourned at 11:19 a.m.

Respectfully Submitted,

Janet Acker

Janet Acker

Secretary to the Board of Trustees

Maine Maritime Academy