

**BOARD OF TRUSTEES
SALEM STATE UNIVERSITY
SALEM, MASSACHUSETTS**

MINUTES OF THE MEETING OF

April 9, 2014

MEETING OF THE BOARD OF TRUSTEES

April 9, 2014 – 5:00 p.m.

Marsh Hall, Room 210, Central Campus

Salem State University

Salem, Massachusetts

AGENDA-Revised

I. Call to Order

II. Consent Agenda: Approval of Minutes & Committee Reports

III. Committee Actions

- ▶ Academic Affairs & Student Life – Action Needed..... *Trustee Abdo*
- ▶ Finance & Facilities – Action Needed..... *Trustee Quiroga*

IV. Report of the President.....*President Meservey*

V. Report of the Chair.....*Chair Scott*

VI. Old Business

- ▶ Board off-site..... *Chair Scott & President Meservey*

VII. New Business

- ▶ Nominating Committee..... *Chair Scott*

VIII. Open Forum

IX. Executive Session

- ▶ Purpose: To discuss property rentals – Action Needed..... *President Meservey*

X. Adjournment

MEETING OF THE BOARD OF TRUSTEES
April 9, 2014

PRESENT: Trustees Abdoo, Booker, Burns, Davis, Lancome, Mattera, Quiroga, Scott (Chair) and Segal; President Meservey; Executive Vice President Cahill and Secretary to the Board Fleischman.

ABSENT: Trustees Ansara and Stringer

The provisions of General Laws, Chapter 30A, having been complied with and a quorum of the Board being present, the Board of Trustees of Salem State University held a meeting in Marsh Hall, Room 210, Central Campus, Loring Avenue, Salem, Massachusetts, on April 9, 2014 with Pamela C. Scott, Chair, presiding. This meeting was electronically recorded.

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I. CALL TO ORDER

Call to Order

Chair Scott called the meeting to order at 5:04 p.m.

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II. CONSENT AGENDA

*Acceptance
of the
Consent Agenda*

Chair Scott read the items contained on the Consent Agenda (Attachment A) and asked for any objections or modifications. With no corrections or modifications, she asked for a motion to accept the agenda as presented.

Upon a motion duly made by Trustee Burns and seconded by Trustee Lancome, it was unanimously

VOTED: To approve the Consent Agenda for the Meeting of April 9, 2014. (CA-14-03)

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III. COMMITTEE ACTIONS

*Academic Affairs
& Student Life
Committee*

Academic Affairs & Student Life: Chair Scott asked Trustee Abdoo to present the committee action for consideration. Trustee Abdoo read the motion regarding the establishment of a graduate program in Behavior Analysis. Trustee Quiroga seconded the motion; there was no further discussion. The chair called the question.

Upon a motion duly made by Trustee Abdoo on behalf of the Academic Affairs & Student Life Committee, seconded by Trustee Quiroga, it was unanimously

VOTED: The Salem State University Board of Trustees hereby approves the M.S. program in Behavior Analysis for submission to the Department of Higher Education. (AA-14-02)

Chair Scott thanked the committee for its work and noted the detailed presentation and discussion that occurred at the AASL meeting.

Finance & Facilities: Chair Scott invited Trustee Quiroga to present the actions for the committee. Trustee Quiroga read the motion presented by the committee regarding the Student Government Association budget for fiscal year 2014-15 and the maintenance of the \$80/FT student fee. Chair Scott commented on the thorough SGA review process for fund allocation, characterizing it as impressive, then called the question.

Upon a motion duly made by Trustee Quiroga on behalf of the Finance & Facilities Committee, it was unanimously

VOTED: The Board of Trustees of Salem State University hereby approves the Fiscal Year 2014-15 Student Government Association Trust Fund budget as recommended by the president. The Board of Trustees, further, approves maintaining the Student Government Fee rate of \$80 per full-time student for the 2014-15 academic year. (FF-14-06)

The second committee action for board consideration was regarding undergraduate student fees for fiscal year 2014-15. Trustee Quiroga directed the board's attention to the recommendation of the committee in the materials distributed prior to the meeting:

MOTION: The Board of Trustees of Salem State University hereby approves the following increases in fees for the categories of students indicated. All tuition rates will remain at FY2013-14 levels.

- **Full-time, day undergraduate in-state students:** The University Fee shall increase \$183 per semester, which, when combined with the current fees of \$3,610 and in-state tuition of \$455, represents an increase of 4.5% over FY2013-14. The University Fee is to be pro-rated for part-time in-state students.
- **Full-time, day undergraduate out-of-state students:** The University Fee shall increase \$428 per semester, which, when combined with the current fees of \$3,610 and out-of-state tuition of \$3,525, represents an increase of 6% over FY2013-14. The University Fee is to be pro-rated for part-time out-of-state students.
- **Part-time, evening undergraduate in-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$13 per credit hour, which, when combined with the current fee of \$172.33 and in-state tuition of \$115, represents an increase of 4.5% over FY2013-14.
- **Part-time, evening undergraduate out-of-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$20 per credit hour, which, when combined with the current fee of \$172.33 and out-of-state tuition of \$150, represents an increase of 6% over FY2013-14.

The new rates shall become effective for the fall term of the 2014-15 Fiscal Year

Trustee Quiroga then explained that an amendment was needed to correct an error in the sections of the committee motion pertaining to out-of-state students. There was discussion of in-state vs. out-of-state student costs, the former being used as the basis for the latter. The correction would be to the benefit of the students and was less that was originally stated in the committee motion.

Upon a motion duly made by Trustee Burns, seconded by Trustee Lancome, it was unanimously

VOTED: The Board of Trustees of Salem State University hereby accepts the following amendments to the motion: 1) Amend the motion regarding full-time, out-of-state students to change the dollar rate to \$244 per semester and the percentage increase to 3.4%; and 2) Amend the motion regarding part-time, out-of-state students to change the dollar rate to \$13 per semester and the percentage increase to 4%. (FF-14-07)

Trustee Quiroga offered the clarification that the undergraduate fee increases would be rescinded if funding increases are received through the state budget process for the coming fiscal year. Trustee Booker inquired into the detailing of the rescission and Trustee Segal asked about the fee related to the operation of the fitness center – both were to be addressed in separate motions. Chair Scott then called for a vote on the amended motion.

Upon a motion duly made by Trustee Quiroga on behalf of the Finance & Facilities Committee, amended by Trustee Burns, it was unanimously

VOTED: The Board of Trustees of Salem State University hereby approves the following increases in fees for the categories of students indicated. All tuition rates will remain at FY2013-14 levels.

- **Full-time, day undergraduate in-state students:** The University Fee shall increase \$183 per semester, which, when combined with the current fees of \$3,610 and in-state tuition of \$455, represents an increase of 4.5% over FY2013-14. The University Fee is to be pro-rated for part-time in-state students.
- **Full-time, day undergraduate out-of-state students:** The University Fee shall increase \$244 per semester, which, when combined with the current fees of \$3,610 and out-of-state tuition of \$3,525, represents an increase of 3.4% over FY2013-14. The University Fee is to be pro-rated for part-time out-of-state students.
- **Part-time, evening undergraduate in-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$13 per credit hour, which, when combined with the current fee of \$172.33 and in-state tuition of \$115, represents an increase of 4.5% over FY2013-14.
- **Part-time, evening undergraduate out-of-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$13 per credit hour, which, when combined with the current fee of \$172.33 and out-of-state tuition of \$150, represents an increase of 4% over FY2013-14.

The new rates shall become effective for the fall term of the 2014-15 Fiscal Year (FF-14-08)

Trustee Quiroga then presented a new motion related to the previous motion that would require the university to make an adjustment to undergraduate student fees pending budgetary action by the state legislature. Trustee Quiroga read the motion; Trustee Lancome seconded it.

MOTION: The Board of Trustees of Salem State University will make an adjustment to the full-time, undergraduate fee increase pending action by the legislature.

There was discussion of the latest house budget action, which was the same amount as the governor's budget, released in January. The board needs to learn the Senate's budget in late May and discuss it at the June meeting.

Trustee Mattera asked for clarification on what the pending motion would do. It was clarified that the fee increase assumes no new funds from the legislature, but that if any were to be included in the FY15 budget there would be an appropriate adjustment to the fees and a reimbursement to the students. Trustee Mattera felt that the motion as written did not accomplish that and asked if a sense of the board would be that the board anticipates making an adjustment when the budget is finally set. Trustee Segal reviewed the history of the fee setting timeline and its rationale. Trustees Quiroga and Davis expressed support for a clear statement of the Board's intent to adjust the fees. New language was offered in a motion by Trustee Lancome, seconded by Trustee Burns.

Upon a motion duly made by Trustee Lancome, seconded by Trustee Burns, it was unanimously

VOTED: The Board of Trustees of Salem State University hereby accepts the following amendments to the motion: 1) substitute the word "consider" for "make"; and 2) replace "increase pending action by the legislature" with "depending on the final amount of the state appropriation." (FF-14-09)

The chair called for a vote on the amended motion.

Upon a motion duly made by Trustee Quiroga on behalf of the Finance & Facilities Committee, amended by Trustee Burns, it was unanimously

VOTED: The Board of Trustees of Salem State University will consider an adjustment to the full-time, undergraduate fee depending on the final amount of the state appropriation. (FF-14-10)

The final committee action for board consideration was regarding a capital improvement fee. Trustee Quiroga reminded the board that the fee had been approved at a level of \$150/year to help cover the cost of the Gassett Fitness & Recreation Center. The fee has not yet been implemented. It is the recommendation of the committee to implement the fee. Trustee Quiroga read the motion.

There was discussion about the use of the fee to cover the debt service. In response to a question from Trustee Segal, President Meserve informed the board that debt costs not covered by the fee are paid for through the operating budget. Trustee Quiroga reminded Trustee Segal that financial information on the various projects was reviewed at the Finance & Facilities Committee meeting and that the relative document was distributed to the Board. Trustee Mattera also confirmed that the financial soundness of the Fitness Center project was reviewed at the time the project was approved and that this is implementation of something that was already approved. Chair Scott suggested that discussion of the financial issues related to the master vision be included in the offsite meeting in May. Trustee Booker inquired into the term "capital improvement fee" and asked whether it just pertained to the Gassett Center. President Meserve explained that the fee is currently for the Gassett Center debt but that future capital projects could be included.

Upon a motion duly made by Trustee Quiroga on behalf of the Finance & Facilities Committee, it was unanimously

VOTED: The Board of Trustees of Salem State University hereby approves the establishment of a Capital Improvement Fee for FY2014-15 in the following categories of students indicated.

- **Full-time, day undergraduate students:** A Capital Improvement Fee of \$75 per semester (1.85%) shall be approved. The Capital Improvement Fee is to be pro-rated for part-time students. The same fee shall apply to out-of-state students.
- **Part-time, evening undergraduate students enrolled through the university's School of Continuing and Professional Studies:** A Capital Improvement Fee of \$6 per credit hour (2.11%) shall be approved. The same fee shall apply to out-of-state students.
- **Graduate students enrolled through the university's School of Graduate Studies:** A Capital Improvement Fee of \$6 per credit hour (1.73%) shall be approved. The same fee shall apply to out-of-state students.

The new rates shall become effective for the fall term of the 2014-15 Fiscal Year. (FF-14-10)

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IV. REPORT OF THE PRESIDENT

Report of the President

- President Meservey began by expressing congratulations to two members of university leadership who will be leaving soon for new opportunities: Provost Kristin Esterberg is leaving in June to take on the presidency of SUNY/Potsdam; Dean of the School of Graduate Studies Carol Glod is also leaving in June to become the new provost at Merrimack College. She stated how proud we are of their accomplishments and assured the board that we would be working hard in the difficult task of finding replacements.
- Enrollments are showing positive movement. Fall daytime numbers are up by 400 from this time last year while graduate trends are looking positive for the fall. We had 1300 students attend for a recent open house and there is an accepted students open house scheduled for the coming weekend.
- This is the fourth year of the Civic Engagement Hall of Fame event, which occurred last week. This year's inductees included: Isabel Vargas (student), Robin Benton (School of Movement Science), Margo Steiner (Marketing Communications), and Anthony Guerreiro (Alumni). Trustee Segal was a nominee.
- Salem State's Student Veterans group received a \$10,000 competitive grant from Home Depot for renovation of the Veterans Center in the Ellison building.
- Salem State's Residence Hall Association (RHA) and National Residence Hall Honorary (NRHH) both went to a regional conference last month, the NEACURH conference in Troy, NY at Rensselaer Polytechnic Institute. Salem State's RHA was awarded the NEACURH School of the Year Award. The NEACURH region is home to 70 colleges and universities throughout New England and New York. The award description states that it is "the highest honor a NEACURH member school can attain, recognizes outstanding achievements on the campus level by RHA and associated groups as well as contributions to the regional and national level."
- Salem State student Isabel Vargas addressed the General Assembly at the National Feminist Leadership Conference in Washington, DC.
- Salem State was part of a consortium of four local schools to receive a \$5M grant from the Massachusetts Life Sciences Center. Salem State will receive \$500K of that total for

equipment; Gordon and Endicott will receive the bulk of the funding for capital improvements, for which SSU is prohibited from using the funds. The fourth institution in the partnership is North Shore Community College and North Shore Innoventures is the industry partner.

- The president announced the 2014 Commencement Speakers and Honorary Degree Recipients: May 15, School of Graduate Studies: Speaker: Billy Starr, founder and executive director, Pan Mass Challenge; Honoree: Lori Abrams Berry, executive director, Lynn Community Health, Inc.; May 17, College of Arts & Sciences/School of Education: Speaker: Joe Andruzzi, president, Joe Andruzzi Foundation; Honoree: Ira & Judith Rosenberg, Prime Motor Group and Salem State benefactors; College of Health & Human Services/Bertolon School of Business: Speaker: U.S. Senator Edward J. Markey; Honoree: Joanne Holbrook Patton, owner/partner Green Meadows Farm.
- The president alerted the Board to forthcoming information on the planning of the parking structure. Three sites are under consideration. There will be more discussion at the May Finance & Facilities Committee meeting with a vote in the fall.
- Salem State University will be commemorating the Marathon with a gathering at the Ellison Center on April 15, 2014 to remember those lost and affected by the bombing.
- The Campaign Launch is happening on April 12, 2014 in the O'Keefe Complex.

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V. REPORT OF THE CHAIR

*Report of
the Chair*

Chair Scott that there was an increasing collaboration and spirit between the Department of Higher Education and the public universities. The two are working together to influence legislative budget decision making. The DHE convened a conference call with the institutions and encouraged lobbying local representatives. The Legislative Breakfast here at SSU on March 24, 2014 was very successful; the local representatives were very supportive of increased allocation to public higher education.

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VI. OLD BUSINESS

*Old
Business*

Offsite planning: Chair Scott reviewed the preliminary planning for the offsite meeting to be held on May 30, 2014 at the Kernwood Country Club. President Meservey reviewed the results of the survey regarding meeting topics and outlined the day's agenda.

Trustee Mattera offered that he anticipated that this meeting would not be a one and only offsite but that he sees discussions around board governance, topics not addressed in regular meetings. He also called for more faculty interaction, not through a reception, but in academic areas of excellence resident at the university. Chair Scott suggested that governance could be built into the board's normal schedule, while Trustee Segal asked about attending classes. Trustee Quiroga agreed that more interaction was important and felt we could brainstorm at the offsite to come up with strategic methods of interaction. Trustee Lancome asked that there be no presentations by non-members, to keep the conversation among the board. Trustee Mattera noted that there is a difference between presentation and stimulation. There was discussion about the need to meet the requirements of the Open Meeting Law and concluded with the decision to hold off until the fall to invite the other boards to participate in a joint meeting.

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VII. NEW BUSINESS

*New
Business*

Nominating Committee: Chair Scott appoints the Nominating Committee to work in advance of the May/June meetings and the annual election of the President and Vice President. The chair asked that nominations be made by May 15, with a copy to the Secretary. The committee is required to meet and have its recommendation to the Secretary 10 days before the Annual Meeting, to be held June 4, 2014. Trustees Ansara, Burns and Lancome have agreed to serve as the 2014 Nominating Committee. There was additional clarifying discussion about process and deadlines.

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VIII. OPEN FORUM

*Open
Forum*

Chair Scott invited comment/questions from those in attendance. There were none from the audience, however Trustee Burns did offer his comments on the strong efforts and contribution of Phil and Joanne Ricciardello during the recent Florida Alumni St. Patrick’s Day celebration. It was determined that a letter of thanks would be drafted and sent on behalf of the Board.

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IX. EXECUTIVE SESSION

*Executive
Session*

At this point, Chair Scott explained the need for the Board to go into Executive Session to discuss potential real estate acquisitions. The meeting would reconvene at the close of the session, however there was no further business to come before the board.

Upon a motion duly made by Trustee Mattera, seconded by Trustee Abdoo, it was unanimously **VOTED: To enter Executive Session for the purpose of discussing property rentals**

Board Secretary Fleischman polled the members:

In favor: Abdoo, Booker, Burns, Davis, Lancome, Mattera, Quiroga, Scott, and Segal

Against: None

The Board went into Executive Session at 6:38 pm.

Upon a motion duly made by Trustee Lancome, seconded by Trustee Abdoo, it was unanimously **VOTED: To conclude the Executive Session.**

Board Secretary Fleischman polled the members:

In favor: Abdoo, Booker, Burns, Davis, Lancome, Mattera, Quiroga, Scott, and Segal

Against: None

The Board came out of Executive Session at 6:59pm and the board meeting resumed.

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X. ADJOURNMENT

Adjournment

There being no further business to come before the Board and on a motion duly made by Trustee Mattera and seconded by Trustee Lancome, it was unanimously

VOTED: To adjourn the meeting at 7:00 p.m.

Respectfully submitted,



Patricia Maguire Meservey
President



Jean E. Fleischman
Secretary to the Board of Trustees



ATTACHMENTS

Attachment A: Consent Agenda, 4/9/14

Minutes from the
Meeting of
April 9, 2014
Salem State University
Board of Trustees

MEETING OF THE BOARD OF TRUSTEES

April 9, 2014 – 5:00 p.m.

Marsh Hall, Room 210, Central Campus

Salem State University

Salem, Massachusetts

Items for inclusion on the Consent Agenda:

Approval of the Minutes of the Meeting of February 12, 2014, Executive Session Notes of February 12, 2014 and the reports of the following committees:

- **Institutional Advancement, Marketing & Communications: March 26, 2014**
- **Risk Management & Audit: March 26, 2014; Risk Management & Audit Executive Session notes of March 26, 2014**
- **Finance & Facilities: March 26, 2014; Finance & Facilities Executive Session notes of March 26, 2014**
- **Academic Affairs & Student Life: March 26, 2014**
- **Executive: March 26, 2014**



REPORTS OF COMMITTEES

Reports from the following committees:

- Risk Management & Audit: March 26, 2014
- Institutional Advancement, Marketing & Communications: March 26, 2014
- Academic Affairs & Student Life: March 26, 2014
- Finance & Facilities: March 26, 2014
- Executive: March 26, 2014

Minutes from the Meeting of
April 9, 2014
Salem State University
Board of Trustees

SUBJECT: Risk Management & Audit Committee Report for Wednesday, March 26, 2014

The Risk Management & Audit Committee of the Board of Trustees met on Wednesday, March 26, 2014, in Marsh Hall, Room 210, on the Central Campus of Salem State University.

Present for the Committee were Trustees Ansara (chair), Segal, Stringer and Davis, Chair Scott (ex-officio) and President Meservey (ex-officio); Advisory Member Zetes, Executive Vice President Cahill (committee liaison) and Ms. Toomey, Staff Assistant, Risk Management. Also present and participating in the meeting: Gene Labonte, Chief of University Police.

Trustee Ansara called the meeting to order at 3 pm.

Trustee Ansara then turned the discussion over to Executive Vice President Cahill. Executive Vice President Cahill talked about BoldPlanning, the university's new partner on a Continuity of Operations Plan (COOP). Before selecting BoldPlanning, Executive Vice President Cahill and Chief Labonte met with key members of BoldPlanning and also checked several of their references. They received favorable feedback from all references.

Key points from the presentation were as follows:

BoldPlanning has:

- 13 Years: Disaster Planning / Emergency Planning
- 10 Years: Specific focus on COOP
- Success with over 4,000 implementations such as:
 - University of Notre Dame
 - Michigan State University
 - University of Colorado
 - California Judicial System
 - Commonwealth of Pennsylvania
 - State of Kansas
 - Cities of Chicago, Denver, and Portland
 - Denver International Airport

A COOP can be thought of as an extra set of keys; the university's back-up plan. It should clearly define the steps an organization would/could take during times of disruption to ensure the university can continue with normal operations.

- What type of events could cause a disruption?
- Where could/would we go? Executive Vice President Cahill stated, for example, the university had a risk assessment done last year and one of the risks identified was the 100 year flood zone. If there were a severe weather event such as a hurricane, the marsh could rise and cause significant flooding at Central Campus. He and Chief Labonte are coordinating/working with the city police/fire personnel to have a back-up plan in place regarding overnight or longer accommodations for students and also for moving campus police operations to the city's station.

- How would we communicate and what would we say?
- What do we do and what functions are most important?
- What equipment and resources are needed to complete our functions?

The following are the major Sections of a COOP:

- Contacts and Teams – People and groups responsible for planning, relocation, support and other continuity functions.
- Orders of Succession – Designating primary positions within the university and the individuals who possess the skills and experience to assume their responsibilities; for example, who is next in line if Executive Vice President Cahill and Gene Labonte are not available.
- Primary and Alternate Facilities – Locations where the university operates and identified locations to move in order to continue necessary operations as required.
- Mission Essential Functions – The essential functions that the university is expected to perform to be considered operational – such as how to continue teaching.
- Vital Records/Resources – The “things” the university relies upon to complete its essential functions.
- Communication – How to communicate the information/status with your staff and the community.

The COOP Planning System:

- Web-based software designed to lead staff through the development of a COOP plan with no previous training or experience; software that is intuitive.
- Developed specifically to address the requirements of COOP planning and constantly updated to meet new requirements and recommendations issued by the Department of Homeland Security and FEMA. The Department of Homeland Security and FEMA update the software regularly which is important.
- The BOLDplanning system is in use by over 4,000 organizations of all types and sizes across the country.
- Password protected and secured with 128-bit encryption.
- COOP information can be accessed at any time 24/7 from any computer having an internet connection.
- Creates a “Living Document” and planners no longer begin with a blank sheet of paper.
- COOP data is stored electronically and can be published out to a standardized, formatted Microsoft Word document.
- Ability to upload supporting documents and files to ensure maximum plan detail - Including but not limited to floor-plans, pictures, existing emergency documents, etc. Over the past five years, floor plans and emergency documents have been established for the university. These documents will be loaded in the COOP software system.

Executive Vice President turned the COOP discussion over to Chief Labonte. Chief Labonte did a demonstration of the new COOP software which is web based and located at www.SalemStatePrepared.com. He praised the software as being very user friendly and intuitive with buttons on the main page that guide users through the different tasks. The Phase I COOP training session was held in February for approximately 30 people. Phase II will be held in April. Trustee Scott asked who at the university was trained. Executive Vice President Cahill stated different personnel across campus such as faculty, staff, and clerical personnel were chosen for training. These employees in turn will train personnel in their respective departments. Trainees provided positive feedback on the training and the intuitiveness of the software.

Key tasks demonstrated by Chief Labonte were:

- **Orders of Succession** –Having an Order of Succession in place will help facilitate an orderly and pre-defined transition of leadership within the university. Orders of Succession are an essential part of the university’s continuity plan and should be of sufficient depth to ensure the university is able to perform its essential functions through any event.
- **Facilities** –This section identifies the locations where the university operates. This information will then be used in other sections of the system to identify the types of amenities and specific requirements needed to operate in the event of a continuity disruption.
- **Delegation of Authority** – The Delegation of Authority section is very similar to the Orders of Succession section. It focuses on identifying personnel who could assume specific capabilities/authorities.
- **Reports** – Contains the Continuity of Government Plan, a reference document. It is automatically populated by areas where data has been entered in the software program.
- **Vital Records/Resources** – Contains the important items the university requires to operate. Some examples are spreadsheets, databases, software/systems, specialized programs (such as Canvas) or any other items the university relies upon to operate.

Summer 2014 is the target for completion/draft master plan.

Trustee Segal questioned where student residents would currently relocate if there was an emergency, for example, at 3 am. Executive Vice President Cahill stated the O’Keefe Center gym and/or rink has been designated as a temporary shelter for the university. Chief Labonte also stated vacant beds in residence halls would be searched out to accommodate students during an emergency.

Advisory Member Zetes asked who had the responsibility to keep information up-to-date in the COOP software. Chief Labonte stated each section has a responsibility to keep their information current. Trustee Zetes asked if there is a cross functional crisis management team. Chief Labonte responded that depending on the type of emergency, an emergency planning group (modeled on the national Incident Management System) convenes. Advisory Member Zetes asked if an alert system could be built into a Blackberry. Chief Labonte responded that alerts can be accessed from a smart phone, iPad or computer.

Trustee Davis asked about primary and secondary emergency alert systems. Chief Labonte stated messages to employees and students are sent simultaneously via phone, text, and email. Employees and students enter how they prefer to receive messages in their contact information on Navigator.

A motion to move into executive session was called for the purpose of discussing legal matters. Trustee Ansara made a motion to enter into executive session and Trustee Segal seconded the motion.

Ms. Toomey took a roll call at 3:30 pm; voting in the affirmative to enter into executive session were Trustees Ansara, Scott, Segal, Stringer, and Davis.

Ms. Toomey took a roll call at 3:48 pm, voting in the affirmative to exit the executive session were Trustees Ansara, Scott, Segal, Stringer, and Davis.

There being no further business to come before the Committee and on a motion duly made by Trustee Davis and seconded by Trustee Scott it was unanimously

VOTED: To adjourn the meeting at 3:48 pm

Prepared by L. Toomey, Staff Assistant, Audit & Risk Management

SUBJECT: Institutional Advancement/Marketing & Communications Committee Meeting Report for March 26, 2014

The Institutional Advancement/Marketing & Communications Committee of the Board of Trustees met on Wednesday, March 26, 2014 in room 210 located in Marsh Hall on the Central Campus of Salem State University.

Present for the Committee: Trustees Quiroga (vice chair), Ansara, Burns, Lancome and Scott; President Meservey, (ex-officio), Vice President McGurren (committee liaison), Vice President Torello, (committee liaison), and Staff Assistant Shahin. Also present and participating: Trustees Abdoo, Booker, Davis, Segal and Stringer; Associate Vice President O'Brien and Assistant Vice President Crouse.

Trustee vice chair Marcel Quiroga called the meeting to order at 3:55 pm.

Campaign Financial Update (Attachment A)

Vice President McGurren reviewed the draft campaign financial update. She discussed the changes made in the format of the report. Some of the goals have been redistributed for the individual priorities on the back of the report. As of February 28, 2014 we have raised a total of \$14,930,481 toward our goal of \$25M. The balance to be raised by June 30, 2016 is \$10,069,519. We have a total of \$1,123,458 in pending asks; 1 scheduled visit totaling \$75,000 and 90 visits to be scheduled totaling \$17,883.750

Scorecard

Vice President McGurren reported the financial campaign report has been reordered to reflect the new timeline (June 30, 2016) to the campaign goal and to mirror the scorecard. For FY11 our goal was \$2,050,000 and we raised \$2,185,493. FY12's goal was \$9,250,000 and we raised \$9,118,466, just slightly below the goal. FY13's goal was \$11,418,466, and we raised \$12,051,456, slightly higher than the actual goal. FY14's goal is \$16,000,000 and we have thus far raised \$14,614,839. FY15 accumulated goal is \$20,500,000 and FY16 is the final accumulated goal of \$25,000,000. We anticipate reaching the \$15M goal by the April 12 public launch event.

McGurren also reported the foundation board of directors voted at their March meeting to lower the age from 70 to 60 at which planned gifts would count towards the campaign and to cap the amount of those bequests that count toward our campaign to 20% of the campaign goal. She asked the trustees to consider committing to a bequest either personally or to ask others to enter into the conversation. President Meservey commented that this is a very easy vehicle to get us to our current benchmark goal of \$15M. She herself has made a commitment to the Crosby Society.

Vice President McGurren then reviewed the comprehensive campaign financial progress which lists the priorities of the campaign. The priorities have not changed however we have revised the amount of the goal for the annual fund and we have adjusted some of the other goals due to the

extension of the campaign to 2016. The overall goal of the annual fund, restricted and unrestricted, has changed from \$5M to \$7, 052,000.

Vice President McGurren also distributed the current RSVP listing for the campaign launch. The list included those individuals who have responded that they would be attending as well as those who have declined. She asked the trustees to review the list and reach out to any of the individuals they know who are still pending to encourage their attendance at the event. We are just 80 shy of our goal of 300 attendees so anything the trustees could do would be appreciated.

Marketing & Communications – Branding Campaign Update (Attachment B)

Vice President Tom Torello reviewed branding campaign update. He reported most of the media has run. We were seen on cable, during prime time and during the Olympics, news, radio and online. Total impressions to date are 13,450,295. Trustee Lancome asked for clarification of “impressions”. Torello explained it is the number of people watching a program at a time when the ad was running. Trustee Ansara asked about the targeted audience. Torello explained we were mostly targeting adults between the ages of 35-54, higher income bracket and certain influences or habits. The secondary audience was parents with college age children and hiring managers. There have also been 11,000+ visitors to our passion.salemstate.edu website. In concluding his presentation, Vice President Torello said we have built the foundation for the campaign. President Meservey commented that we need to update our website. Torello also commented that he would be putting together a proposal to come before the trustees for additional funding for the branding campaign.

There being no further business to come before the committee and on a motion duly made by Trustee Lancome and seconded by Trustee Burns, it was unanimously

VOTED: To adjourn the meeting at 4:20 pm.

Prepared by: Diane Shahin, staff assistant, Institutional Advancement

Salem State University Foundation
 Campaign Snapshot
 July 1, 2010 – February 28, 2014

ATT. A

CONFIDENTIAL

To: Institutional Advancement and Marketing and Communications Trustee Committee
 From: Cheryl Crouse, Assistant Vice President and Campaign Manager
 Date: March 26, 2014
 RE: Campaign financial update – as of 2/28/2014 - DRAFT REPORT

This snapshot reports giving from July 1, 2010 through February 28, 2014. The totals include pledges, cash raised and planned gifts from any person who reaches the age of 60 prior to June 30, 2016.

I. STATISTICAL REVIEW

Campaign Snapshot - Year Three

\$25,000,000 Campaign Goal
\$14,930,481 Raised 7/1/2010 through 2/28/2014
 \$10,069,519 Balance to be raised by 6/30/16

\$1,123,458 Pending (16)
 \$75,000 Visits scheduled (1)
\$17,883,750 Visits to be scheduled (90)

TIMELINE TO CAMPAIGN GOAL

Date	FY11	FY12	FY13	FY14 - draft	FY15 - draft	FY16 - draft
Cumulative Goal	\$2,050,000	\$9,250,000	\$11,418,466	\$16,000,000	\$20,500,000	\$25,000,000
Dollars Raised	\$2,185,493	\$9,118,466	\$12,051,456	\$14,930,481		
Balance to be raised				\$1,069,519		
Actual % to Goal	9%	36%	48%	60%		
Benchmark % to Goal				64%	82%	100%
				as of 2/28/2014		

PLANNED GIFTS TO DATE

Total Amount to Report \$5,000,000
 Amount Raised to-date \$1,400,000
 Percent to cap 28%

Note: Total Amount to Report is maximum allowable to goal (20%) of \$25M.

COMPREHENSIVE CAMPAIGN FINANCIAL PROGRESS

Area	Goal	Documented	Verbal	Total Raised (Verbal & Documented)	Balance	% to Goal	Cash Received as of 2/28/2014
Annual Fund Unrestricted	\$2,814,200	\$1,952,753		\$1,952,753	\$861,447	69.39%	\$1,263,112
Annual Fund Restricted	\$4,237,800	\$2,808,633	\$32,500	\$2,841,133	\$1,396,667	67.04%	\$2,395,415
Faculty	\$1,948,000	\$84,328		\$84,328	\$1,863,672	4.33%	\$70,752
Students	\$4,000,000	\$2,045,510 ^a		\$2,045,510	\$1,954,490	51.14%	\$2,045,510
Financial Assistance	\$4,000,000	\$2,911,129	\$480,000	\$3,391,129	\$608,871	84.78%	\$2,493,111
Academic Programs	\$3,000,000	\$239,901	\$12,500	\$252,401	\$2,747,599	8.41%	\$239,526
Unrestricted Endowment	\$125,000	\$125,000		\$125,000	\$0	100.00%	\$75,000
Gordon Center Campaign	\$3,400,000	\$1,103,687		\$1,103,687	\$2,296,313	32.46%	\$604,482
Comprehensive Campaign Unrestricted	\$1,475,000	\$1,048,540		\$1,048,540	\$426,460	71.09%	\$558,031
Designation to be determined	n/a	\$900,000	\$1,186,000	\$2,086,000		n/a	n/a
Campaign totals	\$25,000,000	\$13,219,481	\$1,711,000	\$14,930,481	\$10,069,519	59.72%	\$9,744,939

Note: The \$1.2 million Bertolon Goal was attained 3/1/12. Those funds are now included in Annual Fund Restricted, Faculty, Students, and Financial Aid. In total Salem State raised \$6,023,788 in a prior capital campaign for the Sophia Gordon Creative and Performing Arts Center.

^a \$400,000 included in the students area is spendable and not endowed funds.

ANNUAL FUND PROGRESS

Area	Goal	Documented	Verbal	Total Raised (Verbal & Documented)	Balance	% to Goal	Cash Received as of 2/28/2014
Annual Unrestricted FY11	\$250,000	\$362,883	\$0	\$362,883	\$0	145.15%	
Annual Unrestricted FY12	\$475,000	\$925,929**	\$0	\$925,929	\$0	194.93%	
Annual Unrestricted FY13	\$475,000	\$502,561	\$0	\$502,561	-\$27,561	105.80%	\$389,481
Annual Unrestricted FY14	\$517,200	\$161,380	\$0	\$161,380	\$355,820	31.20%	\$200,312
Annual Unrestricted FY15	\$548,500	\$0	\$0	\$0	\$548,500		
Annual Unrestricted FY16	\$548,500	\$0	\$0	\$0	\$548,500		
Annual Unrestricted Total	\$2,814,200	\$1,952,753	\$0	\$1,952,753	\$861,447	69.39%	
Annual Restricted FY11	\$800,000	\$638,180	\$0	\$638,180	\$0	79.77%	
Annual Restricted FY12	\$500,000	\$985,919*	\$0	\$985,919	\$0	197.18%	
Annual Restricted FY13	\$480,000	\$749,783	\$0	\$749,783	-\$269,783	156.20%	\$707,330
Annual Restricted FY14	\$670,800	\$434,750	\$0	\$434,750	\$236,050	64.81%	\$468,504
Annual Restricted FY15	\$893,500	\$0	\$0	\$0	\$893,500		
Annual Restricted FY16	\$893,500	\$0	\$0	\$0	\$893,500		
Annual Restricted Total	\$4,237,800	\$2,808,633	\$0	\$2,808,633	\$1,429,167	66.28%	
Annual Unrestricted + Restricted	\$7,052,000	\$4,761,386	\$0	\$4,761,386	\$2,290,614	67.52%	\$1,765,626

**FY12 Annual Unrestricted total: \$925,929

this includes \$350,000 in multi-year \$25,000 or greater campaign commitments that are not expected to be replicated in FY13 totals (\$575,929 without \$25k+ multi-year campaign commitments)

*FY12 Annual Restricted total: \$985,919 this includes \$275,000 in multi-year \$25,000 or greater campaign commitments that are not expected to be replicated in FY13 totals (\$707,919 without \$25k+ multi-year campaign commitments)

DRAFT

	Enrollment										1 Yr Chg			Chg from Base			Comparators (5 Comp. State U's)					Target		
	FL'09	FL'10	FL'11	FL'12	FL'13	Abs	Pct	Abs	Pct	Out of 6	Low	Mid	High	FL'14	FL'15	FL'16	FL'14	FL'15	FL'16	FL'14	FL'15	FL'16		
										(1=High)														
Total enrollment	10,125	9,993	9,646	9,456	9,301	-155	-2%	-824	-8%	2	6,370	6,447	11,267	9,542	9,713	9,890	9,542	9,713	9,890	9,542	9,713	9,890		
Degree seeking undergraduate	7,085	7,296	7,136	7,143	7,134	-9	0%	49	1%	2	4,056	5,033	9,489	7,277	7,349	7,423	7,277	7,349	7,423	7,277	7,349	7,423		
Non-degree undergraduate	678	543	568	598	530	-68	-11%	-148	-22%	1	126	189	523	600	630	662	600	630	662	600	630	662		
Degree seeking graduate	1,440	1,452	1,402	1,348	1,350	2	0%	-90	-6%	1	522	789	1,307	1,375	1,444	1,516	1,375	1,444	1,516	1,375	1,444	1,516		
Non-degree graduate	922	702	540	367	287	-80	-22%	-635	-69%	4	157	345	1,646	290	290	290	290	290	290	290	290	290	290	
New Students (Number)																								
Freshman	994	998	1,005	1,095	1,087	-8	-1%	93	9%	3	780	809	1,474	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	
Transfer	852	892	868	860	782	-78	-9%	-70	-8%	2	398	439	1,019	860	860	860	860	860	860	860	860	860	860	
Graduate	371	349	320	319	330	11	3%	-41	-11%	1	134	188	314	360	396	436	360	396	436	360	396	436	436	
Market Attractiveness																								
Freshman applications	5,835	5,697	4,760	4,855	5,216	361	7%	-619	-11%	3	3,819	5,145	5,927	5,477	5,751	6,038	5,477	5,751	6,038	5,477	5,751	6,038		
Freshman admission yield	28.3%	30.5%	31.5%	32.6%	29.1%	-3.5%		1%		4	27%	31%	33%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	
Student Profile																								
Average HS GPA	2.94	2.94	3.08	3.09	3.13	0.04	1%	0.19	7%	3	3.01	3.13	3.18	3.15	3.16	3.17	3.15	3.16	3.17	3.15	3.16	3.17	3.17	
Freshman average Combined SAT (V+M)	979	995	998	989	990	1		11		6	993	1002	1024											
Freshman Pell eligible (Fall '11)	38.3%	37.1%	37.7%	39.5%	38.3%	-1.1%		0.0%		1	28.7%	31.3%	35.3%											
Freshman students-of-color (%)	21.2%	20.4%	23.6%	25.7%	25.5%	-0.2%		4.2%		2	17.6%	22.2%	25.7%	26%	27%	28%	26%	27%	28%	26%	27%	28%	28%	
Undergraduate enrollment, students-of-color (%)	20.8%	22.7%	24.0%	25.0%	26.4%	1.4%		5.7%		1	17.0%	19.8%	22.4%	26%	27%	28%	26%	27%	28%	26%	27%	28%	28%	
Graduate enrollment, students-of-color (%)	4.6%	7.7%	8.5%	9.6%	11.8%	2.2%		7.1%		3	6.0%	9.8%	15.7%	13%	14%	15%	13%	14%	15%	13%	14%	15%	15%	
Housing																								
Freshmen in residence halls (%)		61%	67%	71%	66%	-4.4%		5.4%		4	54%	67%	87%	66%	67%	68%	66%	67%	68%	66%	67%	68%	68%	
Total Undergrads (degree) in res halls (%)		25%	27%	28%	28%	-0.2%		2.8%		5	24%	40%	55%	28%	30%	30%	28%	30%	30%	28%	30%	30%	30%	
Student Satisfaction																								
Would enroll again: probably/definitely yes		52%	52%	52%				61%																
Exceeds met expectations: better than expected		40%	40%	40%				45%																
Overall satisfaction: satisfied or very satisfied		46%	46%	48%				56%																
Retention and Graduation (period is year measured)																								
1-year retention rate, freshman	74.8%	81.2%	73.3%	73.8%	78.1%	4.3%		3.3%		5	73.1%	79.0%	81.4%	80%	81%	82%	80%	81%	82%	80%	81%	82%	82%	
1-year retention rate, transfer	82.4%	82.3%	81.7%	81.0%	82.9%	1.9%		0.5%		6	50.8%	51.5%	59.8%	84%	85%	86%	84%	85%	86%	84%	85%	86%	86%	
6-year graduation rate, freshman	43.4%	42.4%	41.6%	45.3%	45.6%	0.2%		2.2%		6	50.8%	51.5%	59.8%	46%	48%	50%	46%	48%	50%	46%	48%	50%	50%	
6-year graduation rate, transfer	57.9%	56.9%	59.0%	58.6%	59.4%	0.8%		1.5%						62%	63%	64%	62%	63%	64%	62%	63%	64%	64%	
Disparities, 6-year grad rate (period is year measured)																								
Black - White, freshman	-4%	-7%	-11%	-9%	-4%	-5.1%		0.2%		5	-20%	-14%	0%											
Black - White, transfer	-7%	6%	3%	-11%	-13%	2.0%		6.0%																
Hispanic - White, freshman	-9%	-8%	-10%	-10%	-3%	-6.7%		-5.9%		4	-22%	-10%	8%											
Hispanic - White, transfer	-10%	-17%	2%	-14%	-11%	-3.0%		1.0%																
Global																								
Number of International students (Total)	339	340	341	366	385	19	5%	46	14%	1	12	72	85	455	469	483	455	469	483	455	469	483	483	
Number of International students (UG)	305	303	299	320	318	-2	-1%	13	4%	1	9	30	72	388	400	412	388	400	412	388	400	412	412	

Salem State University Board of Trustees Scorecard (p. 2)

DRAFT

	FL'09	FL'10	FL'11	FL'12	FL'13	1 Yr Chg		Chg from Base		Out of 6 Rank (1=High)	Comparators (5 Comp. State U's 5 Non-SSU)			FL'14	FL'15	FL'16
	AY '08-'09	AY '09-'10	AY '10-'11	AY '11-'12	AY '12-'13	Abs	Pct	Abs	Pct		Low	Mid	High	AY '13-'14	AY '14-'15	AY '15-'16
Civic Engagement																
Number of Service Learning Courses	1,203	1,246	1,330	1,458	1,500	42	3%	297	25%	2	735	923	1,914			
Enrollment in Service Learning Courses	511	556	527	512	458	-54	-11%	-53	-10%	1	185	425	453			
Annual Hours of Community Service	55	82	24	52	67	15	29%	12	22%	3	26	47	179			
Student Learning																
Metrics TBD																
Degrees/Certificates Conferred																
Bachelor's degrees																
Masters degree																
Certificates																
Finances																
Tuit & Fee revenue / Annual FTE Enrollment	\$5,477	\$5,613	\$5,881	\$6,439		558	9%	962	18%	3	\$5,569	\$5,693	\$7,194			
State Approp revenue / Annual FTE Enrollment	\$5,428	\$4,427	\$5,517	\$5,639		122	2%	210	4%	2	\$4,459	\$4,780	\$5,801			
Revenue from Non-credit instruction																
Total E&G Expenditures/ Annual FTE Enrollment	\$11,951	\$12,161	\$13,353	\$14,513		1,160	9%	2,562	21%	1	\$11,011	\$12,140	\$12,791			
Instructional Expend / Annual FTE Enrollment	\$5,296	\$6,443	\$7,230	\$7,677		447	6%	2,381	45%	1	\$5,109	\$6,742	\$7,275			
Advancement																
Campaign Cumulative Goal (includes annual fund)			\$2,050,000	\$9,250,000	\$11,418,466											
Actual cumulative dollars raised			\$2,185,493	\$9,118,466	\$12,051,456											
Campaign Cumulative Goal (as % of final)			8%	37%	46%											
Actual cumulative dollars raised (as % of final)			9%	36%	48%											
Facilities																
Spending on Deferred Maintenance																
Faculty and Staff																
Total Full-Time Faculty	331	333	337	340	346	6	2%	15	5%	1	176	187	316			
Full-Time Faculty of Color	31	34	37	44	47	3	7%	16	52%	2	14	29	45			
Percent Faculty of Color	9.4%	10.2%	11.4%	12.9%	13.6%	0.6%		4.2%		5	8.1%	14.4%	19.4%			
Total Full-Time Staff	498	501	502	523	548	25	5%	50	10%	2	292	310	648			
Full-Time Staff of Color	65	62	69	73	83	10	14%	18	28%	1	13	41	60			
Percent Staff of Color	13.7%	13.1%	14.4%	14.7%	15.1%	0.5%		1.4%		2	4.4%	12.0%	15.5%			

Notes: Comparator rank/values are for: Finance (FY12); Enrollments & Student-based (Fall '13), Faculty & Staff (Fall '11).
 *FY13 as of 1/31/2014.
 The 5 comprehensive State Universities forming the comparator group include: Bridgewater, Fitchburg, Framingham, Westfield and Worcester State Universities
 Sources include the HERS State Data System and IPEDS. Source for Satisfaction is the Noel-Levitz Student Satisfaction Inventory.

Att. C

Branding Campaign Update

Media Impact

Institutional Brand

Feb 17-Mar 24, 2014

Media	Format	Impressions
Cable TV (A35-54)	Cable television	1,361,800
Radio (A35-54)	Broadcast radio	482,943
Display	Digital display (+mobile)	10,631,764
Google Adwords*	Digital PPC-paid search	161,342
LinkedIn Advertising*	Digital PPC-paid social	812,446
	TOTALS to date	13,450,295

**Pay-per-click digital advertising running through 3/31; final impressions TBD.*



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SUBJECT: Academic Affairs and Student Life Committee Meeting Report for March 26, 2014

The Academic Affairs and Student Life Committee of the Board of Trustees met on Wednesday, March 26, 2014 in room 210 at Marsh Hall on the Central Campus of Salem State University.

Present for the Committee were Trustees Abdoo (chair), Davis, Segal, Stringer and Booker, Advisory Member Contreras, Chair Scott (ex-officio) and President Meservey (ex-officio); Provost Esterberg (committee liaison), Vice President James (committee liaison) and staff assistant Longo, academic affairs. Also in attendance and participating in the meeting were Trustees Lancome, Burns and Quiroga; Associate Provost Fogg; Director Hubacheck; Dean Glod; and Professor Aparicio.

Committee Chair Abdoo called the meeting to order at 4:25 pm. He welcomed the Committee, noted the full agenda and turned the meeting over to Provost Esterberg (Attachment A).

Provost Esterberg opened by bringing to the Committee's attention two recent articles in *Trusteeship* in which Salem State University received favorable mentions (Attachment B). The articles highlight the work that the University participated in the Association of Governing Boards (AGB) Teagle Project, and she encouraged the Committee to read them at their leisure. She then turned the meeting over to Associate Provost Fogg to discuss the first item on the agenda, the Scorecard (Attachment C).

Associate Provost Fogg began by stating that the Scorecard provides five year trends in areas of enrollment, retention, student profile, housing, degrees conferred and student satisfaction; showing how we've changed over time, how we compare to other state universities and where we are headed. He explained that the year change numbers in black indicate that there is either a plus or minus five percent change, with green indicating a positive percentage change and red indicating a negative one. Areas such as enrollment, number of new students and branding show clear goals while other areas such as housing and student satisfaction do not (yet). These areas are harder to measure and the University is actively working with the Vision Project to quantify them. He concluded by stating that the second page of the Scorecard is still a work in progress as some of the goals (e.g. advancement) are institutional goals as determined by unit heads.

Trustee Lancome thanked Associate Provost Fogg for presenting the Scorecard and also thanked Provost Esterberg for the *Trusteeship* articles. He noted that the articles underscored the importance of measuring student learning outcomes and asked where the University is heading with this. Provost Esterberg responded that learning outcomes is one of the hardest indicators to measure.

She explained that the university is actively working to do this and she is optimistic that the rubrics being incorporated into the new general education curriculum will provide good start. She explained that the learning outcomes must be measured on a broad level as opposed to individual courses or else it would be unwieldy. At the same time, national tests do not accurately measure what is being taught in the classroom. She stated that the new general education will be rolled out in the fall and that in another year or two we will know more.

Trustee Lancome offered two suggestions: 1. Consider developing measurements that talk about the percentage of students meeting goals, irrespective of their programs; and 2. Assessing student outcomes on the Scorecard even if the initial assessments are imperfect so that we have a starting point. Provost Esterberg agreed and thanked Trustee Lancome for his comments.

Advisory Member Contreras questioned why the “Disparities” section of the Scorecard does not have associated target goals. Associate Provost Fogg responded that the 2021 goal is to have disparities eliminated. Provost Esterberg explained that a lot of University programs and services are working toward this – e.g. Center for Academic Excellence, Latino Student Success, Center for Diversity and Multicultural Affairs, etc. She stated that a lot of resources have been put into student retention and that we are now looking at what works and what doesn’t, and making adjustments accordingly.

Trustee Quiroga asked about data on faculty diversity. Provost Esterberg directed the Committee’s attention to the second page of the Scorecard. She stated that from 2009-2013 faculty diversity has increased from 9% to 13.6%. Hiring faculty of color is an annual goal. Trustee Quiroga asked if there is a target for this. President Meservey responded that hiring is tied in with affirmative action. Trustees Quiroga and Lancome both expressed appreciation for the effort.

Trustee Segal noted that in 2009 there was a deliberate effort to be more selective in applications so he does not think that data from this year is an accurate or fair measure. That said, total enrollment between 2010 and 2013 is down and he questioned why, when enrollment at other universities is increasing. Vice President James replied that enrollment for degree seeking undergraduate students is flat. He explained that Salem State was late in changing its admission strategy. In the past, Salem State had recruited and admitted students who were not likely to be successful here. This gave many people a negative perception of the institution and we are now playing catch up. At the same time, he continued, the number of high school students in Massachusetts is declining, so the pool is smaller. In 2013 enrollment at the six state universities that Salem State compares to has remained flat, so we are holding our own.

Trustee Segal commented that in 2012 freshman applications went up but the yield on admitted to enrolled students went down (from 32.6% to 29.1%) and asked why. Vice President James replied that every other year we do a survey called the Admitted Student Questionnaire, which asks admitted students what other universities they were admitted to, where they enrolled, and why. Some students, for example, will choose Bridgewater over Salem State. The primary reasons that applicants cited for this is outdated facilities and concerns over financial aid, both of which we are

working on. Also, as the high school applicant pool shrinks, private institutions are becoming very aggressive with their financial aid packages. Associate Provost Fogg remarked that it is difficult to see the pattern. The low end and high end both show an enrollment drop, but the middle remains constant.

Trustee Stringer asked about applications for fall 2014. Vice President James responded that applications are currently up one percent, which is very good.

Trustee Davis asked if GPA is an indicator of student retention. Provost Esterberg stated that she is not sure if GPA would help us to understand how well our students are progressing. She is hopeful that the assessment used in the new general education will be though, and will also provide benchmarks. She stressed that it is important to note that it will take a couple of academic cycles before we will be able to measure student progress via the general education assessment tools.

Trustee Quiroga asked whether or not AGB or other organizations could be helpful with this. Provost Esterberg replied that Salem State is very involved in the Vision Project. We also have two representatives working with the Massachusetts Department of Higher Education (DHE) on the national level project and additional representatives at the state level. The Provost stated that it is now time to do the work and see what happens.

President Meservey remarked that she is a commissioner of the New England Association of Schools and Colleges (NEASC) and that this is the most common area that universities struggle with because it is hard to quantify. She felt, however, that Salem State is pretty far along comparatively.

Trustee Segal commented that this is the area that we need to concentrate on and that the Board of Trustees needs to be more involved in improving academics. Trustee Scott responded that this would be a good topic for the Trustees' off-site meeting in May and that she would add it to the planning meeting agenda.

Trustee Stringer stated that the Scorecard metric on student satisfaction is concerning and asked what the measurement is for this. Associate Provost Fogg stated that the student satisfaction metric is derived from a national survey and that it is relative to other public institutions. The survey covers a wide range of areas. Overall, Salem State students are satisfied with academics and faculty. They are dissatisfied, however, with the 'business of being a student' – e.g. financial aid, registration, getting the courses they need, parking and food. Provost Esterberg commented that the new One Stop Student Center is intended to solve some of this problem. Associate Provost Fogg stated that parking is the one item on the survey that always floats to the top.

Trustee Abdoo asked what percentage of the student body is non-traditional (not full-time). Vice President James replied that 1/3 of students live on campus, 1/3 live in apartments nearby and 1/3 commute from home. Based on this, 2/3 of the student population is fairly traditional although we do have a number of slightly older students. Trustee Abdoo stated that the Committee would like to look at this number in the future.

Trustee Segal reiterated that focusing on stronger academics is what needs to be improved and made the priority. Trustee Quiroga concurred.

Trustee Quiroga asked for information regarding graduate school numbers. Provost Esterberg responded that graduate school enrollments for non-matriculated students have declined. Some of the decline is purposeful (eliminating professional development programs that are not high quality), some is not. She stated that we have been working hard to increase the attractiveness of degree programs and that the decline in matriculated students has finally leveled off. Vice President James agreed and stated that the number of degree seeking students in summer and fall of 2014 has increased.

Trustee Lancome asked for further clarification in the student satisfaction measure. Associate Provost Fogg responded that student satisfaction asks “would you enroll here again?” He stated that the number one correlate to student success is whether or not students feel a sense of belonging. Vice President James commented that this demonstrates the complexity of retention. Belonging includes many variables such as clubs, places to hang out, etc. – and is hard to measure. He stated that this is why the University is trying to address this matter on so many different fronts.

Provost Esterberg thanked the Committee for their valuable feedback and remarked that it is very helpful as we continue to refine retention efforts. She then turned the meeting over to Vice President James to discuss the second agenda item: Career and Community Outcomes. Vice President James warmly introduced the Director of Career Services Lauren Hubacheck who led the discussion.

Director Hubacheck began by introducing several members of her team – Angelique Kim, Joe Santacroce and Karen Johnson – all of whom were in the audience. She then updated the Committee on two initiatives geared toward helping students graduate with jobs: the State Incentives Internship Program and GoPro! The State Incentives Internship Program is supported by private donations and enables students to participate in internships for credit as well as receive a stipend for their work. In 2013, over \$100,000 was awarded to student internships. In spring 2014, 57 students are participating in internships and over \$170,000 has been awarded. Students primarily participate in in-state internships but a few are national, including placements in Senator Elizabeth Warren’s office in Washington, D.C. GoPro! is a career readiness program that offers a number of workshops and activities for students to improve their job seeking skills. GoPro! is offered in two formats, voluntary workshops and as a one-credit course that runs for six weeks. She explained that the program partners with a number of employers who present subject matter to students and that it is picking up steam. The first class, in fact, began that night.

Direct Hubacheck then introduced student Heroína Taveras, a current recipient of the internship incentive program, interning at Gauthier & Boardway CPAs. Student Taveras is graduating in May and has accepted an offer with CBIZ Tofias to start as a Tax Associate immediately after graduation. Student Taveras thanked the Committee for welcoming her. She stated that when she started

freshman year she lived on campus. She is very shy and did not have a great first year so she decided to get involved. She got involved with a number of groups including Student Government, Hispanic American Society and the Accounting Association, where she serves as President. She worked with Career Services on her resume and cover letter. She helped to host a resume workshop (over 50 attendees) and a Meet the Firms event where she met with representatives from CBIZ and was offered a full-time job. She stated Career Services has been a huge help and that she doesn't think that enough students understand the importance of an internship. She concluded by stating that he is going to deeply miss Salem State and considers it her home.

Trustee Lancome thanked Director Hubacheck and student Taveras for their great presentation. He then asked for more detail about GoPro!, specifically, what students are being taught through this program. Director Hubacheck responded that students are taught a number of modules such as resume building, how to write a cover letter, search strategies, networking and LinkedIn.

Trustee Quiroga asked what type of work/roles internships provide for students. Director Hubacheck responded that students receive academic credit for their internship and that there is a set of learning outcomes and goals. For example, student Taveras received an internship at an accounting office and is working on taxes. She is partnered with both a faculty member and a supervisor, both of whom evaluate her work. Students are expected to learn and develop professional skills.

President Meservey asked Director Hubacheck to say a few words about the recent career fair. Director Hubacheck responded that on Monday, March 25, Career Services held a career fair at the O'Keefe Center. 102 employers registered and over 300 students participated. Employers were very impressed by the space and she has received great feedback regarding the event. Employers are interviewing students now using the Career Services office as their base. It is very exciting.

Provost Esterberg remarked that one of their goals is to increase the number of students participating in an internship. She then introduced the final item on the agenda: the proposed M.S. in Behavior Analysis. She stated the Committee will need to vote on whether or not to present the new program to the full Board meeting on April 9th in order to make the Board of Higher Education submission deadline. She then introduced Dean Glod to present the program.

Dean Glod opened by introducing Professor Carlos Aparicio who was ready to answer questions. She then provided an overview of the M.S. in Behavior Analysis program, explaining that the program would build on the existing certificate in Behavior Analysis and would meet workforce needs and changing licensure requirements. She explained that Massachusetts recently changed Behavior Analyst Licensure requirements which require that anyone who wishes to become licensed needing a minimum of 30 credit hours in behavior analytic coursework. Psychology already has a strong counseling program to build on. Included in the program would be a licensure Exam Preparation course which will help to assess learning outcomes. Dean Glod explained that the program would provide another option for Psychology students (4+1) and that the program would have the only non-human laboratory when compared with similar programs in

Massachusetts. She stated that the program was vetted by two external reviewers and both responded favorably. She concluded by stating that if approved, the program would bring Salem State ahead of the curve licensure wise.

Trustee Stringer asked when the new Massachusetts licensure requirements would be in place. Professor Aparicio responded that it is not yet known when the new requirements would take effect. The program would offer an opportunity to qualify for both licensure and certification.

Advisory Member Contreras asked if the license would be under the Psychology program. Professor Aparicio responded that there are two different associations in Behavior Analysis. Students would qualify for both. The licensure for Massachusetts is a different step. If students apply for licensure they could also apply for national certification. He also acknowledged that it is confusing.

Advisory Member Contreras asked for clarification on the mechanics for preparation. Professor Aparicio responded that the Behavior Analysis process is new. It is not national. In some states, including Massachusetts, agencies require licensure.

Trustee Quiroga remarked that people with a career in finance could get into this specialty and suggested that this is something that Salem State might want to consider. Provost Esterberg agreed and thanked her for the suggestion.

Trustee Scott asked what the deadline is for the Department of Higher Education. Provost Esterberg replied that the deadline for submission is April 15 and that they would need to be present at the board meeting in June.

Trustee Abdoo reminded the Committee that this is why they are being asked to vote on this tonight.

Trustee Scott asked that if the program would be offered in the next academic year (2014-2015) if approved. Provost Esterberg responded that it would be.

Advisory Member Contreras asked if any other Massachusetts universities have this program. Dean Glod replied that University of Massachusetts at Dartmouth and Westfield State University do. A few private colleges do, too. The competitive analysis can be found in the full proposal, a copy of which was mailed to the Board. Professor Aparicio stated that this is a very unique program and would offer certification that accommodates diverse needs. Within the past ten years insurance companies started paying for Behavior Analysis services nationally, which means good employment prospects for students.

Provost Esterberg concluded the discussion by giving the Committee her strongest recommendation to approve the program for Board consideration.

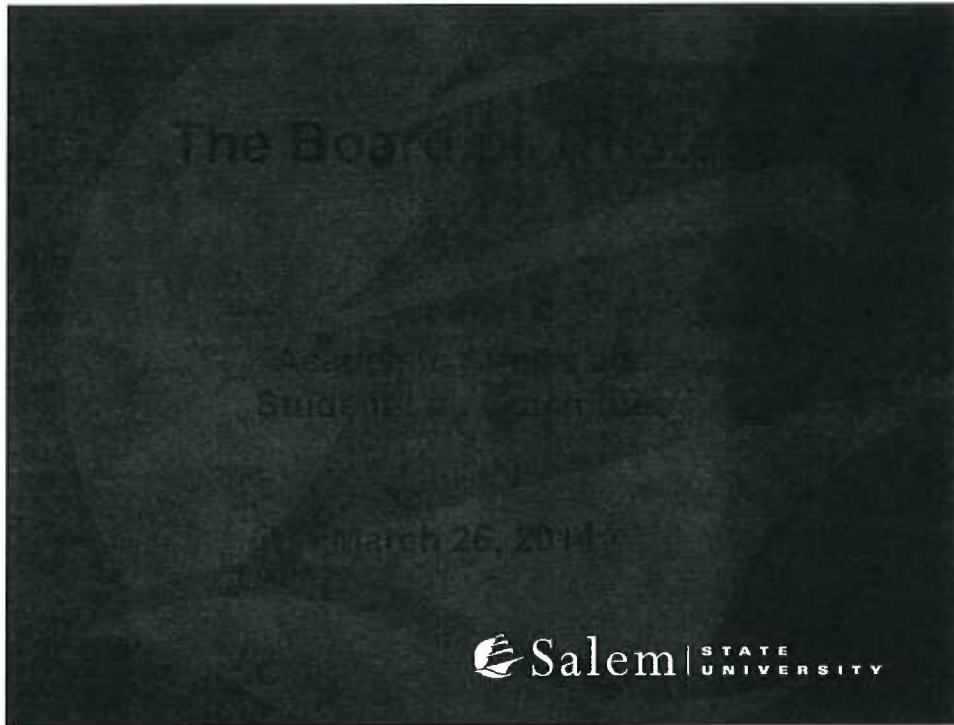
Upon a motion made duly by Trustee Lancome and seconded by Trustee Segal, it was unanimously:

VOTED: to recommend to the full board the approval of a M.S. program in Behavior Analysis.

There being no further business to come before the Committee on a motion made duly by Trustee Stringer and seconded by Trustee Segal, it was unanimously:

VOTED: to adjourn the meeting at 5:40 pm.

Prepared by: D. Longo, staff assistant, academic affairs



Agenda

- I. Scorecard (Discussion)

- II. Career and Community Outcomes (Discussion)
 - a. State Incentives Internship Program
 - b. GoPro! Program
 - c. Student Experience

- III. M.S. in Behavior Analysis (Action Needed)

Scorecard

Career and Community Outcomes

State Incentives Internship Program

Summer 2013

- 37 students completed the internship incentive program
- \$113,900 was awarded to these students based on cost of attendance

Fall 2013

- 27 students completed the internship incentive program
- \$74,116 was awarded to these students based on cost of attendance

Spring 2014

- 54 students are in the process of completing the internship incentive program
- We predict at the end of the semester we will award \$162,000 to these students based on cost of attendance

Internship Locations

- Franklin Park Zoo
- EBSCO Publishing
- Senator Elizabeth Warren's Office
- WCVB-TV Channel 5
- Lahey Health and Behavioral Services
- Kiss 108 Clear Channel Media
- Salem State University
- This Old House
- TJX Companies
- Baker, Newman & Noyes
- March Communications
- Net Atlantic

GoPro! Program

- Go Pro! Is offered in two formats voluntarily and for credit
 - Spring 2013: 30 students participated
 - Fall 2013: 24 students participated
 - Spring 2014: 7 students are participating
- Go Pro! 1 credit class for 6 weeks
 - Fall 2013: 11 students participated
 - Spring 2014: 25 students have expressed interest
 - * First class for the spring semester begins tonight

Heroína Taveras

- Studying Accounting in the Bertolon School of Business
- 3.87 GPA
- President of the Accounting Association
- Recipient of the Internship Incentive Fund for Spring 2014; Interning at Gauthier & Boardway CPAs
- Accepted an offer with CBIZ Tofias to start as a Tax Associate after graduation in May

M.S. In Behavior Analysis

Mission

To prepare students for professional roles in experimental and applied behavior analysis with a curriculum that meets the course content requirements for eligibility for both certification and licensure as a behavior analyst, and capstone projects that allow students to blend science and practice into their approach to solving real-world problems for a variety of populations, and to pursue higher degrees.

Need for Behavior Analysis Program

- Expanding field with many applications; particularly autism, developmental disabilities, gerontology, behavior therapy, etc.
- Very good to excellent outlook for employment
- Strong background in research that will make students desirable for doctoral-level study
- Need for certified and licensed behavior analysts is high, and expected to increase

Behavior Analysts Licensure

Recent changes in Massachusetts require that within 4 months of licensure becoming available, anyone who wishes to become licensed will need a minimum of 30 credit hours in behavior analytic coursework.

Proposed Program Overview

- 39-43.5 credit hours
 - Only requires 2 new didactic courses unique to program

- Options to study experimental and applied fields of behavior analysis
 - Students choose directed study/research courses, practica, or a combination of both
 - Options for thesis or master's-level project

Courses

- Eight Behavior Analytic didactic courses (24 credits; only two new ones)
- Two courses from Psychology research/statistics and any related elective (6 credits; already offered)
- 6 credits in practica or directed study
- 3-6 credits for master's project or thesis
- 1.5 credits for Exam Preparation course; optional for traditional entry, required for non-traditional

Unique Qualities

- Only non-human laboratory when compared with similar programs in Massachusetts
- Traditional and non-traditional application routes
 - All students need strong backgrounds (e.g., GPA, letters of recommendation, and/or experience in the field)
 - Supports in place to help ensure success (e.g., 1.5 credit hour course to help prepare for certification/licensure exams)

Application Routes

Traditional:

- GRE or MAT scores, strong GPA, and Letters of Recommendation

Non-Traditional:

- Direct Entry from the existing post-Baccalaureate certificate program; or
- Direct Entry from a to-be proposed 5 year program in which students earn both an undergraduate and graduate degree (i.e., a "4+1" program)

Alignment with External Bodies

- Aligned with criteria for eventual accreditation process through the Association for Behavior Analysis International
- Includes the current course sequence approved by the Behavior Analyst Certification Board (BACB)

External Reviews

- High quality, cohesive program
- Meets the needs of diverse learners
- Unique strengths regarding inclusion of non-traditional and traditional application routes
- Adequate faculty who are well-regarded in the field to start the program
- Adequate library and laboratory space

Summary

The program meets the needs of an exciting, changing field:

- Behavior Analysts are needed in many areas
- Very good opportunity for employment or further study at doctoral level
- Meets the current and anticipated needs for certification and licensure (e.g., MS with at least 30 credits in behavior analytic courses)

To Quote Reviewer A:

“...the program is likely to be a very good one, good for the University, good for the Commonwealth of Massachusetts, and good for the Psychology specialty known as Behavior Analysis”

Learning Metrics:

How
Can We
Know
That
Students
Know

What They Are Supposed to Know?

BY ELLEN-EARLE CHAFFEE

WHAT DO OUR STUDENTS LEARN? DO OUR STUDENTS GET what they pay for? Are our graduates ready to succeed? How do we know? These questions define higher education. And today, more than ever, such issues surrounding educational quality have risen to the top of the national agenda, stimulated by public concerns about the cost and value of a college degree. For both fiduciary and reputational reasons, boards must effectively oversee the educational quality of their institutions, including the appropriate ways to assess and measure it.



TAKEAWAYS

- 1 Institutions can provide considerable information that helps boards be more accountable for educational quality.
- 2 This information generally addresses: 1) educational inputs, such as students and faculty characteristics, 2) educational processes, such as retention and graduation rates, or 3) educational outcomes such as content knowledge, writing ability, and critical-thinking proficiencies.
- 3 Eight colleges and universities that have participated in a project sponsored by the Teagle Foundation have worked to identify the most appropriate and useful evidence for determining educational quality at their institutions.

Student learning outcomes, as they are called, are the crux of educational quality: Did students learn what they were expected to learn? Was their learning an appropriate return on their investment of time and money? And how can we know? These are profoundly important and difficult questions that cannot be answered as succinctly and quantitatively as can questions about financial issues, which have more standard and established metrics.

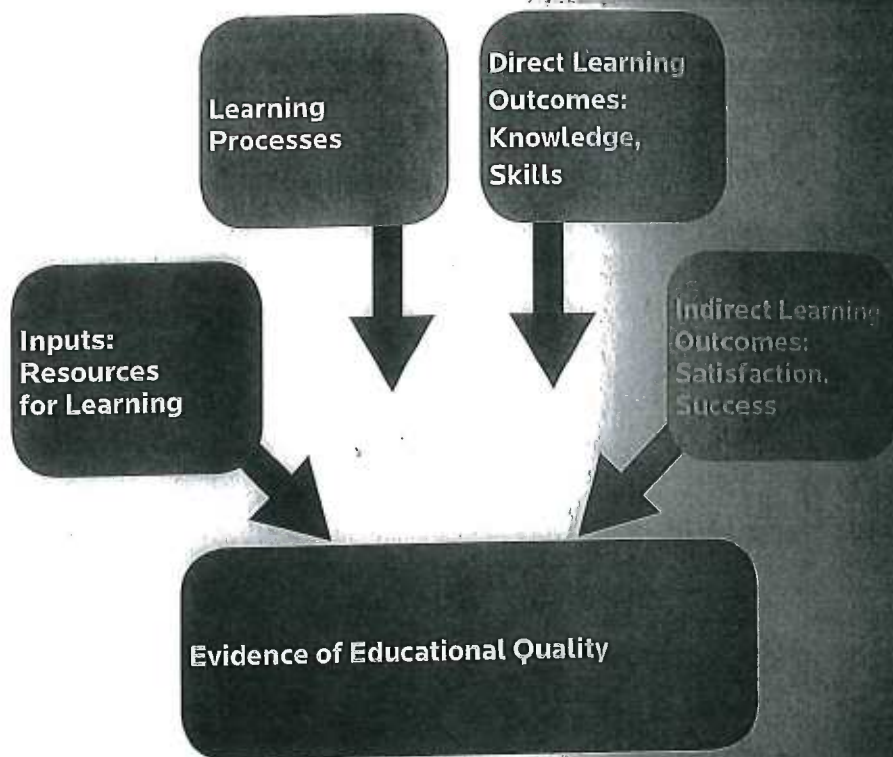
Higher education as an industry is, in fact, only in the early stages of developing and implementing sophisticated, valid, and reliable assessments of student learning. The task is highly complex and likely to develop over a number of years. The number and diversity of learning-outcome expectations among programs and institutional missions make development of standardized tests difficult. Creating authentic assessments and metrics is costly, students are diverse, and expectations for what they will learn are wide-ranging. Most of the work must be done institution-by-institution, primarily by full-time faculty, because the question is not, "Did students learn anything?" Rather, the question is, "Did they learn what the institution says they should have learned?" These issues are at the heart of faculty responsibility, and they vary from one institution and program to another.

Yet while institutions cannot count learning as they count dollars, and direct measures of student learning outcomes are still emerging, institutions can still provide considerable information that helps board members and the public hold them accountable for educational quality. This information generally addresses one of three "domains" of quality:

- Educational inputs, such as student and faculty characteristics;
- Educational processes and experiences, such as retention and graduation rates and participation in high-impact practices; and
- Educational outcomes, such as content knowledge, writing ability, and critical-thinking proficiencies.

Evidence within the third domain—student learning outcomes—concerns what students actually know or can do, and it can be direct or indirect. Direct

Figure 1: Educational Quality: Sources of Evidence



evidence of student learning is typically derived from systematic analysis of their actual work—papers, performances, examinations, projects, presentations, or portfolios, for example. Indirect evidence is most often derived from surveys or interviews with students, alumni, or employers of the institution's graduates.

Research and practice also demonstrate that learning is more likely to occur under certain conditions related to faculty members, students, and other inputs as well as the educational process itself. Assessing these conditions can further inform educational quality oversight. The most meaningful information for board oversight is a thoughtful combination of direct and indirect evidence that reflects the institution's mission and educational goals. (See Figure 1 above.)

What Boards Can Know Now

Boards already receive important information about educational quality, although they may not think of it as such. Accreditation is a major source of external infor-

mation about educational quality, as are academic program reviews. Examinations for professions and standardized tests can also provide insights. In addition, some of the indicators commonly employed on board dashboards are also useful.

Accreditation and Academic Program Review. One of six regional accreditation reviews all aspects of every institution, including educational quality. Accreditors have long required member institutions to demonstrate that they have the essential ingredients to gauge educational quality, assess student learning, and make improvements based on those assessments. Because regional accreditation is required for access to federal student aid, nearly all colleges and universities can use institutional accreditation as a source of information about educational quality.

Specialized program accreditation reports are additional external reviews that focus entirely on field-specific education. In some cases—especially the profession of engineering, medicine, and business—specialized accreditation has led the way in shifting the spotlight from educational

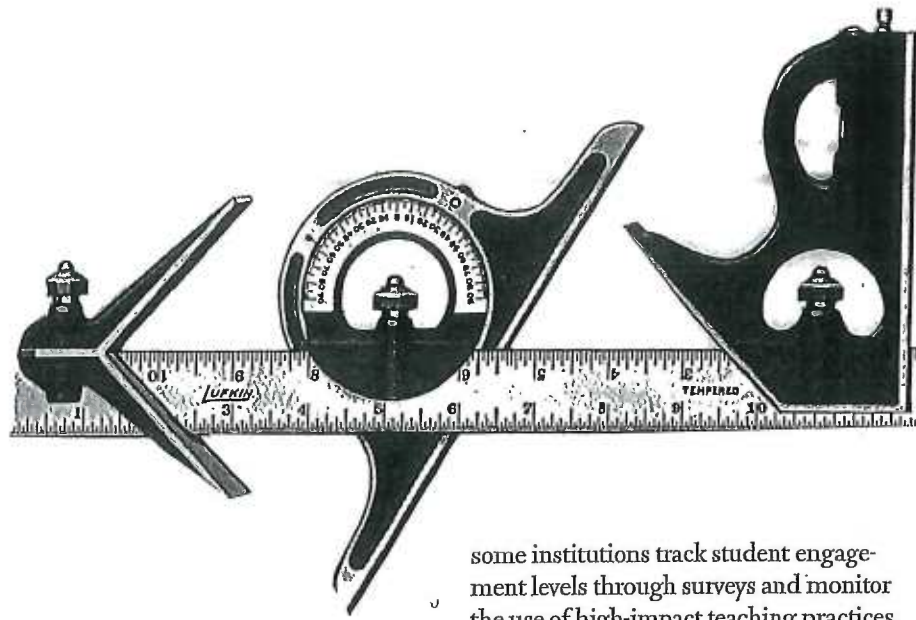
inputs and processes to direct evidence of student learning. However, program accreditation is not available in all fields.

Accreditation reviews occur typically only every five to eight years, and they may take two or three years of work from start to finish. Generally speaking, accreditors attest to whether institutions are doing what they say they are doing. They examine educational inputs such as entering-student test scores and faculty qualifications. They examine dozens of internal resources and activities that represent widely accepted indicators of good education such as those associated with the curriculum and instructional resources. They want to know how graduates perform on exit exams and whether they go on to appropriate advanced study or employment.

Accreditation requires massive amounts of data and information, much more in quantity and detail than governing boards need annually. Accreditation is a meaningful cornerstone, but it is too infrequent, complex, and varied to fulfill all of the requirements of educational quality oversight for governing boards. In addition to accreditation, then, governing boards need more frequent, succinct, high-level evidence of how the institution is ensuring quality.

Direct and Indirect Indicators. The most direct existing quantitative indicators of student learning outcomes are the examinations to qualify for admittance to a profession such as law, nursing, and teaching. Those examinations represent the best judgment of people in the field regarding what new practitioners should know and be able to do. The proportion of examinees from a given institution that passes the test is a direct indication of educational quality in that program. Programs at or near a 100 percent pass rate on such examinations can claim excellent student learning outcomes for that profession.

In addition, several highly regarded standardized instruments are now available to address some aspects of student learning. (See sidebar on "National Instruments for Gathering Evidence of Student Learning" on p. 21.) In a 2010 AGB survey, 68.9 percent of boards reported that the full board or a committee received



such information to monitor student learning outcomes.

Most programs do not have licensure examinations, but acceptance into graduate programs can provide similar, though more subjective, information. Placement rates and satisfaction surveys of graduates and their employers provide useful information that can also help guide program improvements.

Many institutions use a dashboard to track key indicators of institutional health and strategic progress. Some indicators of educational quality may already be on the dashboard, especially those relating to educational inputs and processes. Higher retention and graduation rates suggest that the institution is meeting a variety of students' needs and expectations, including educational quality. Based on research showing impact on student learning,

some institutions track student engagement levels through surveys and monitor the use of high-impact teaching practices.

Evidence of Educational Quality Oversight: Eight Case Studies

How can boards' abilities to effectively fulfill their responsibilities related to the oversight of educational quality be strengthened? In 2011, the **Teagle Foundation** and AGB launched a project to help eight diverse institutions take their work on oversight of educational quality to the next level. One of the four project goals was to develop greater understanding of the evidence that would be most appropriate and useful for this work. Extensive information about the project and each institution is available on AGB's website at www.agb.org/improving-board-oversight-student-learning.

Figure 2, "Sample Board Indicators of Educational Quality," provides

Figure 2: Sample Board Indicators of Educational Quality

Inputs	Educational Process	Student Learning Outcomes
Student characteristics	Retention and graduation rates	Direct Measures:
Faculty characteristics	Student/faculty ratio	Professional examinations pass rate
	Student satisfaction	Multiple measures of cultures, critical thinking, communication, other learning outcomes
	Teaching effectiveness	
	% budget to instruction, academic support	Satisfactory/exemplary student outcomes in Gen Ed & major
	Academic program review	
		Indirect Measures:
		Graduate satisfaction, employer satisfaction
		Graduate placement rate
		Academic program improvements

a high-level summary of participating institutions' educational-quality indicators. Many indicators are quite familiar to board members, but putting them together as an educational-quality cluster helps boards recognize their potential significance, see the whole picture quickly, and consider where they may need more information. (For more detail, see each institution's dashboard at the AGB website listed above.)

All institutions that participated in the AGB-Teagle project use retention and graduation rates as part of their process of board oversight of educational quality. All institutions with programs requiring professional licensure use those examination results, too. The results of periodic academic program review are widely considered, as well.

Like academic program review, some quality indicators are complex and cannot be fully represented in a dashboard format. Listed below are the ways that each participating institution in the AGB-Teagle project assesses student learning, including changes and additions that it made as a result of the project.

Drake University. In the past, Drake presented academic dashboard data such as retention rates, graduation rates, and professional-examination pass rates to the board, but senior administrators became concerned that the language of metrics could interfere with meaningful engagement with academic quality. The information presented to the board now includes a hybrid of previous metrics, along with some additional information and discussion that focuses on a specific aspect of academic quality, such as the academic success of students by race or ethnicity, or assessment of students' critical-thinking skills.

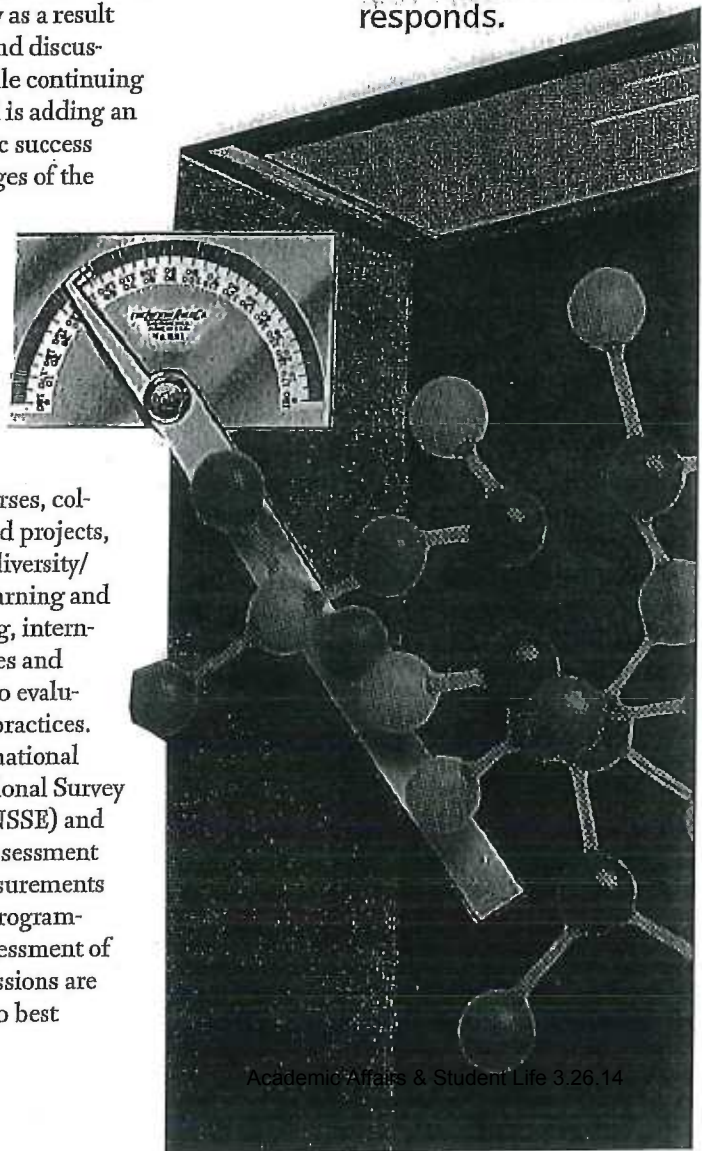
Metropolitan State University in Denver. In addition to retention and graduation information, the board receives the results of academic program reviews and one-year follow-up reports. Data on internships, service learning, and campus climate are also available. All academic programs are required to have a process to assess student learning outcomes. Faculty members in each academic program determine the appro-

priate student learning outcomes and the best sources of evidence of student achievement. The university is now considering how best to summarize results for board review.

Morgan State University. The Morgan State board asked for a dashboard to track progress on the strategic plan. Educational quality was built into the dashboard, the university plan, and the strategic plans of units within the university. The dashboard includes indirect measures such as enrollment, retention, and graduation rates. In addition, the university has provided board members with information about student performance on the university's writing proficiency examination. Oral communication performance is also reviewed, and the university plans to identify additional indicators of educational quality.

Rhodes College. The Rhodes College board has a relatively deep understanding of educational quality as a result of reports, experiences, and discussions held over time. While continuing those activities, the board is adding an initiative to follow specific success markers through four stages of the student lifecycle and track participation in the following high-impact educational practices: first-year seminars and experiences, common intellectual experiences, learning communities, writing-intensive courses, collaborative assignments and projects, undergraduate research, diversity/global learning, service learning and community-based learning, internships, and capstone courses and projects. The college is also evaluating the quality of those practices. In addition, Rhodes uses national indicators such as the National Survey of Student Engagement (NSSE) and the Collegiate Learning Assessment (CLA) as well as local measurements (for example, rubrics for program-level assessment) in its assessment of educational quality. Discussions are underway regarding how to best

What is most similar among them is the commitment to more and better direct student learning assessment at the institution level, the use of both direct and indirect evidence of student learning, and the engagement of board members not only with the indicators; but also with what they mean, how they are developed, and how the institution responds.



summarize and share this information with the board.

Rochester Institute of Technology. RIT has developed a model that integrates its dashboard on academic quality into the institution's strategic vision and assessment framework. In addition to an array of input and process metrics, the institution is developing indicators of learning outcomes to be included in the alumni survey in 2014. The board also reviews the institution's results on the National Survey of Student Engagement, employer surveys, and co-op evaluations.

Salem State University. Board members at Salem State use a

dashboard with inputs and educational process indicators, and they discuss academic-program and accreditation reviews and key quality issues regularly.

Indicators of student learning outcomes are under development. Salem State participates in the Massachusetts Department of Higher Education "Vision Project," which has a process to identify student learning indicators to help enhance student learning and success. Salem State also participates in Liberal Education and America's Promise (LEAP), an initiative of the Association of American Colleges and Universities (AAC&U) that uses rubrics to assess student learning in liberal education.

St. Olaf College. St. Olaf has developed a matrix of indicators of educational quality for a broad array of inputs, processes, and outcomes. The section on student learning outcomes matches results from a variety of institutional-level assessment instruments with the college's stated mission-based outcome expectations. Some of the indicators are derived from direct assessment of student work in courses and on nationally administered tests, such as the Collegiate Learning Assessment. Others are indirect, consisting of items or item clusters from high-quality surveys: the National Survey of Student Engage-

ment, Higher Education Data Sharing Consortium (HEDS)-Alumni, and HEDS-Research Practices. (See Sidebar on page 21.)

Valparaiso University. Valparaiso reports to the board on a variety of input, process, and outcome indicators, including results of academic program reviews and the percent of operating budget devoted to instruction and academic support relative to peers. Discussions and mutual understanding between faculty members and board members about key quality issues, such as academic innovation and MOOCs (massive open online courses), is an important aspect of Valparaiso's approach to board oversight of educational quality.

Variations among the eight institutions reflect each board's prior experiences and culture, the college or university's evolution in student learning assessment, and other factors. The approach used by one institution might make little sense at another. What is most similar among them is the commitment to more and better direct assessment of student learning at the institution level, the use of both direct and indirect evidence of student learning, and the engagement of board members not only with the indicators, but also with what they mean, how they are developed, and how the institution responds.

For example, suppose that the pass rate on a professional examination declines from 98 percent to 90 percent over a three-year period. Worthwhile board discussion might focus on what changes could have led to the decline, what has already been done to reverse the trend, whether employer surveys or placement rates have also suffered, and what it will take to support an effective action plan for recovery.

Next Steps for Boards

Experiences of the eight institutions in the AGB-Teagle project confirm the value of selecting and assembling evidence to support board oversight of educational quality. The questions and discussions along the way are important learning experiences for all involved, and the resulting core set of key indicators provides compelling focal points for joint, ongoing work

Evidence of Educational Quality: Questions for Board Members

- How well does the board understand what the institution aims to accomplish in terms of learning outcomes?
- Do we understand how accreditation works and what accreditations we do or do not have?
- Does the institution use accreditation results to improve student learning and the environment for learning?
- Does the board support efforts to improve educational quality where the evidence indicates improvement is needed?
- Is educational quality here better than it used to be? How do we know?
- Do we understand any special challenges to educational quality that may face the institution?
- Which indicators of educational quality are most important to this institution? What performance levels does the institution need to achieve those indicators?
- Would an educational-quality dashboard be useful for us? Is our existing dashboard useful? Do we use educational quality evidence in our decision making?

for continuous improvement. The AGB-Teagle project has reinforced that, in determining educational quality, boards must grapple with the following questions:

- **What evidence should we use?**

Start with direct indicators of student learning outcomes that are appropriate for institution-level oversight, such as pass rates on professional examinations. Add indirect indicators of student learning outcomes like graduate and employer surveys. Determine which input and process indicators are most appropriate for the institution's mission and goals and are most likely to impact student learning outcomes. Engage board members, select administrators, and faculty members in deciding what to include and revisit the decisions as needed. Consider aligning indicators with key expectations the institution has for its graduates.

Select thoughtfully to develop the smallest reasonable number of sound indicators that are most meaningful for the institution. Do not be surprised if many of your indicators are similar to those of other institutions. Conversely, do not be surprised if some are quite different. The fundamental criterion

Higher education as an industry is, in fact, only in the early stages of developing and implementing sophisticated, valid, and reliable assessments of student learning.



is that they make sense for the institution at this time. Use existing data for indirect indicators, but encourage investment in new measures for direct student learning outcomes.

- **How can we get the most value from the evidence?**

Many of the most important indicators cannot be well represented in numbers, and some of the numbers are less precise than what financial or enrollment information can provide. In most cases, it is more worthwhile to ask, for example, how a rubric works than to wonder whether a metric's change from one year to the next is statistically significant.

Evidence means little unless board members gain some understanding of how the institution produces and assesses quality. Meaningful oversight requires both understanding and evidence. The right indicators are the ones that lead to the right interactions and follow-up.

Discuss the educational quality information contained in accreditation reports and academic program review. Use them as opportunities to build understanding about what it takes to produce and assess educational quality.

Finally, accept that much work remains to be done. As one participant put it, most institutions are "still struggling to find the critical 50,000-foot evidence that will tell the learning story effectively to the board."

Peter T. Ewell, a national leader on educational quality and author of *Making the Grade* (AGB Press, 2nd edition, 2013), encourages board members to expect and demand a culture of evidence, recognize that educational quality evidence raises questions more often than it gives final answers, and review quality evidence as a regular part of board activity. Quality evidence can provide a common language and framework with which to build rewarding new collaborations among faculty, students, board members, and administrators on their most significant shared responsibility. ■

AUTHOR: Ellen-Earle Chaffee is a senior fellow at AGB and president emerita of Valley City State University.

E-MAIL: ellen.chaffee@gmail.com

National Instruments for Gathering Evidence of Student Learning

Collegiate Learning Assessment (CLA)

Developed by the Council for Aid to Education, the CLA uses performance-based tasks to evaluate critical thinking skills of students. CLA+ measures critical thinking, problem solving, scientific and quantitative reasoning, writing, and the ability to critique and make arguments. (www.collegiatelearningassessment.org)

National Survey of Student Engagement (NSSE)

Survey items represent empirically confirmed "good practices" in undergraduate education, those associated with desired outcomes of college. "NSSE doesn't assess student learning directly, but survey results point to areas where colleges and universities are performing well and aspects of the undergraduate experience that could be improved." (nsse.iub.edu)

Community College Survey of Student Engagement (CCSSE)

CCSSE is a tool that helps institutions focus on good educational practice and identify areas in which they can improve their programs and services for students. . . . CCSSE asks about institutional practices and student behaviors that are highly correlated with student learning and retention." (www.ccsse.org)

Collegiate Assessment of Academic Proficiency (CAAP)

ACT offers a "standardized, nationally normed assessment program that enables postsecondary institutions to assess, evaluate, and enhance student learning outcomes and general education program outcomes." (www.act.org/caap)

Association of American Colleges and Universities' (AAC&U)

"Essential Learning Outcomes" Rubrics

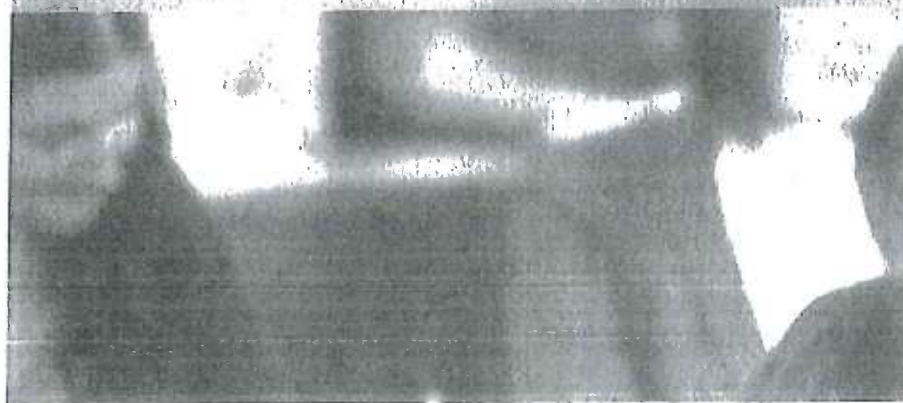
Through its Liberal Education and America's Promise (LEAP) program, AAC&U has identified a robust set of "Essential Learning Outcomes" representing the knowledge and proficiencies developed by a contemporary liberal education. (www.aacu.org/leap/vision.cfm)

HEDS - Alumni

The HEDS Alumni Survey is designed to assess the long-term impact of teaching practices and institutional conditions on liberal-education outcomes such as critical thinking, information literacy, and problem solving. It also examines postgraduate employment outcomes, college debt, and college satisfaction. (www.hedsconsortium.org/alumni-survey)

HEDS - Research Practices Survey

The HEDS Research Practices Survey is a short survey that collects information on students' research experiences and assesses information literacy skills. (www.hedsconsortium.org/research-practices-survey)



Lessons Learned about Student Learning: Eight Test Cases

TAKEAWAYS

The progress—and setbacks—of eight institutions that served as test cases have yielded a set of lessons about board oversight of educational quality from which others can benefit:

- 1 Ensure a sufficient institutional-assessment capacity.
- 2 Start with what you already have.
- 3 Make academic quality a priority of the board and institutional leaders.
- 4 Attach the effort to other activities.
- 5 Educate the board on education.
- 6 Find the right focus.
- 7 Allow for targeted deeper dives.
- 8 Develop new board processes and use time differently.
- 9 Deepen the engagement of the board with faculty.

FOR THE PAST TWO YEARS, AGB, WITH THE GENEROUS support of the Teagle Foundation, has been engaging eight diverse institutions to improve their boards' oversight of educational quality and student learning. Specifically, the project has had four pillars of focus:

- Metrics of student learning (direct and indirect student learning outcomes);
- Board assurance that institutions are engaging their students in high-quality learning experiences;
- Changes in the work of the board to better focus on student learning and academic quality; and
- New ways that faculty, administrators, and board members should engage one another.

The eight institutions—Drake University, Metropolitan State University of Denver, Morgan State University, Rhodes College, Rochester Institute of Technology, Salem State University, St. Olaf College, and Valparaiso University—have served as test cases to understand what information can be valuable to the board and how boards can adopt new practices to better oversee student learning. (See article on student learning metrics on page 15.) The experiences of each of these eight institutions provides insight into the elements that contribute to successful board engagement in the oversight of student learning and educational quality as well as potential pitfalls to be avoided. Their progress—and setbacks—have yielded a set of lessons from which others can benefit:

Ensure a sufficient institutional assessment capacity. The starting point for any institution and board is the capacity to assess student learning and academic quality. Without such institutional capacity—which consists of agreed-upon student learning goals and outcomes, an assessment infrastructure, and an institutional commitment to act on the findings—the board will have little foundation upon which to establish its work. While regional accreditation requires some degree of student learning assessment, not all institutions can provide boards with the necessary, comprehensive information about the institution and its various programs on a regular basis.

The first question boards should ask of academic leaders is: To what extent do we have adequate assessment data? Depending on the answer, the follow-up questions at many institutions may well be: What must happen in order to develop and maintain that ability? And when will this capacity be in place?

Start with what you already have.

Because most institutions have made at least some progress assessing student learning outcomes and academic quality, a board would be wise to start by asking the institu-

tion what data it currently collects and how it uses it. **Drake University** in Iowa began its efforts by undertaking an audit to catalogue all the assessment data that it already had. The administration and staff identified 16 different student learning assessments currently in use or recently used, including standardized national tests such as the Collegiate Learning Assessment (CLA) and the National Survey of Student Engagement (NSSE), student licensure examinations in professional fields such as pharmacy, and institutionally developed assessment efforts that already existed and had legitimacy on the campus. That saved the institution from having to simultaneously build, test, and validate new assessment methods.

In addition, all institutions already have data related to student success and academic quality—such as persistence and graduation rates—that they can draw upon to share with the board on a regular basis. This data can be reported by variables important to the institution such as major or field of study, or race/ethnicity and gender.

Boards of the eight participating institutions learned that by linking the oversight of educational quality to other priorities or activities, they were able to make more tangible progress.

Alumni surveys can also prove to be a source of valuable information. **Rochester Institute of Technology** in New York modified a fairly traditional alumni survey to add dimensions of student learning outcomes and educational impact. The survey now asks alumni to note the levels of effectiveness and importance of outcomes such as critical thinking, ethical reasoning and action, oral communication, and creative and innovative thinking.

Make academic quality a priority of the board and institutional leaders. Institutions that made the most progress in the AGB-Teagle project had a strong partnership between the chief academic officer and the chair of the academic affairs committee. The chief academic officer and the academic affairs committee chair can assemble the right working group and create time in busy agendas to identify valuable metrics and collect needed data. Those individuals are central to creating new board processes

and restructuring board committee agendas. When both leaders make the board's oversight of educational quality a priority, progress happens.

Furthermore, the board chair and president need to be publicly committed to the effort. They may not play a direct role, but their blessing is important to keeping efforts on track and ensuring that attention to educational quality remains a priority for the institution and the board.

Successful efforts to engage the board must also rely on assessment staff, faculty leaders, members of the academic affairs committee, and other campus administrators. That is especially the case because board oversight of educational quality is an endeavor that is likely to take more than a year to launch and embed. Some institutions in the project had turnover in key positions that impeded their progress. While boards cannot avoid that, they can work to ensure some stability on the academic affairs committee and in major leadership positions, recognizing that such efforts require many consistent hands.

Attach the effort to other activities.

Boards of the eight participating institutions learned that by linking the oversight of educational quality to other priorities or activities, they were able to make more tangible progress. For example, **Salem State University** in Massachusetts found value in linking to a statewide "Vision Project" led by the Massachusetts Department of Higher Education. **Morgan State University** in Maryland linked its work on educational quality to its strategic planning work. Similarly, **Metropolitan State University of Denver** linked educational quality activities to its strategic plan and to a "Performance Contract" signed with the State of Colorado. By tapping the momentum of other efforts, boards and institutions can benefit from assessment work done for other purposes, find synergies, and avoid having to re-create the proverbial wheel.

Educate the board on education. Institutions that participated in the AGB-Teagle project found that they needed to educate board members on academic issues, educational quality, student learning goals, and outcomes assessment. They had to explain how and why they do program review, for instance, and the particulars of high-impact

educational practices and the research supporting them. They spent time briefing board members on the language and practices of assessment, as well as the current debate surrounding its application.

Rhodes College in Tennessee sought to educate board members about the concepts of student achievement and educational quality and how these issues are currently thought of across higher education. They wanted boards to understand the topic they were being asked to discuss and the nuances surrounding it. Unlike other issues, such as finance, to which board members often bring deep understanding and personal expertise, academic quality and student



learning, in particular, require additional education and information.

Institutions participating in the project took a variety of approaches to helping board members get up to speed. At some institutions, this education was embedded into committee meeting work. Other boards used retreats to convey this information.

Rochester Institute of Technology gave Peter T. Ewell's book, *Making the Grade* (AGB Press, 2nd edition, 2013), to the education committee and discussed several key questions: What matters when judging academic quality? What does the education committee see its role as? What type of indicators does the board want to receive?

Find the right focus. The challenge at many institutions is not too little data, but rather too much. Institutions have no shortage of folders of data related to student learning and educational quality, ranging from grades in individual courses to student academic portfolios to nationally normed

8 Ways to Gauge Student Learning

By Maurice C. Taylor

A team from Morgan State University participated in the AGB-Teagle project and, based on our experience, we recommend that boards and senior administrators follow these practices:

- 1. Know the major institutional assessments due each year.** Over the course of the AGB-Teagle project, we at Morgan had two significant assessment initiatives underway: 1) a request that each college and school develop a strategic plan with outcomes metrics, along with a dashboard to benchmark progress towards the goals of the university's overall strategic plan, and 2) a "Periodic Review Report" to accreditors that included mission-based assessment goals for student learning, academic programs, services, and administrative processes. Those initiatives contributed to the regents' oversight of student learning outcomes during the project.
- 2. Provide board members with professional-development opportunities.** Boards should ensure that their members attend meetings and engage in other activities focused on educational quality and student learning outcomes. At Morgan, the chair of the academic and student affairs committee participated in the AGB-Teagle project and made sure that other regents were briefed on the university's efforts to develop metrics on student learning outcomes, as well as raised other issues about and called for reports on academic quality.
- 3. Include experts on information technology on board task forces.** The Morgan team also benefitted from having a member who could translate the project goals of developing board-level metrics on learning outcomes into data that could be routinely gathered. Equally important was that person's ability to explain to regents the scope and limitations of metrics.
- 4. Develop university-wide student learning outcomes.** While a university-wide report and those for accreditors and legislators are important, they produce far more data and measures than board members need. As a result of the project, we began to try to develop a concise set of measures related specifically to academic quality and student learning outcomes, linked to Morgan's mission and vision statements.
- 5. Make metrics inform board members' questions.** The purpose of reporting data and metrics specifically related to student learning outcomes is to assist board members in raising the right questions about academic quality at the institution.
- 6. Use meeting agendas effectively.** Often board meetings are organized around hot topics that rarely relate to academic quality or student learning outcomes. Instead, they focus on budgets, facilities, athletics, and capital campaigns. Questions about curriculum, academic performance, and student learning outcomes should be a key part of the agenda.
- 7. Rotate the memberships of the board's standing committees.** Board members are often nominated or selected to serve because they possess a particular skill or expertise. For example, the academic and student affairs committee is often reserved for trustees who work in higher education. But boards should rotate the committee memberships so all board members have some experience with the issues concerning academic performance and student learning outcomes.
- 8. Take the long view.** Board chairs, in particular, should take a view of the institution that extends beyond that of the president and other board members. It is ultimately the chair who is responsible for the board's meeting agenda, committee assignments, the nature of the metrics the board receives, and whether it gives sufficient attention to the long-term measurement of student learning outcomes.

Maurice C. Taylor is a vice president at Morgan State University in Maryland and a board member at Juniata College in Pennsylvania.

tests to academic program review reports. The challenge is to figure out how to “roll up” that data in a meaningful way so as to allow the board to focus on the right top-line data.

Rochester Institute of Technology has two indicators of student learning outcomes in its strategic plan. They roll up program-level assessment data of student learning outcomes from an annual progress report and provide the board with two core met-

rics: 1) the percentage of programs that meet or exceed the established benchmarks of student learning outcomes and 2) the percentage of programs that practice data-driven continuous improvement.

Allow for targeted deeper dives. While the goal is to create high-level metrics for the board, institutions found it beneficial to focus more deeply on some key issues (critical thinking, for example) or on key program areas (graduate education or general education). The opportunities to go more deeply into an issue or a degree program, coupled with the broader, topline overview, helped boards feel comfortable with two levels of oversight.

For instance, the board at **Morgan State University** focused on its junior writing proficiency exam. This focus helped the board concentrate more intentionally on student learning across the institution. At **Metropolitan State University of Denver**, the board undertook an intensive investigation into its aviation programs. The provost’s office provided significant data on that program and engaged the board in a discussion of its strengths and areas for growth.

Rhodes College focused its deeper dive on “high impact practices” that have been shown to lead to deep learning. Examples included the percent of students within each class that have participated in efforts such as learning communities, undergraduate research, study abroad and internships, and senior capstone projects.

At **Metropolitan State University of Denver**, the board held a retreat that dedicated the entire morning to student learning and educational quality. They created a topline summary report (supported by 70+ pages of appendices) that focused on academic goals, strategies, and measures of success to support the discussion. They also piloted a new academic dashboard to begin to build consistent reports over time. As part of the retreat, they developed a “Jeopardy” game of academic issues to engage their nine

board members in creative ways without overwhelming them with data.

Develop new board processes and use time differently. The oversight of student learning by most boards requires that they do things differently, such as developing new processes and habits. A place to start is with the charge of the academic affairs committee. **Valparaiso University**, for instance, realized that it needed a new committee charge that reflected an intensified focus on educational quality. (See box on page 27.)

While student learning and academic quality are important, time must be intentionally scheduled in committee and board agendas to sufficiently engage the board. Otherwise such tasks tend to get short-changed, as boards meet infrequently and often for short periods of time. Complex and nuanced issues and those in which the board has little experience simply require more time.

Institutions also developed the practice of intentionally structuring a 12- to 18-month calendar of topics related to educational quality for their boards to address. For example, at **Rochester Institute of Technology**, the first and third meetings of the education committee now highlight a particular academic quality practice or issue, such as academic program-level assessment, online education and academic

quality, or international programs and global education. During each of these meetings, the committee engages in intentionally structured, focused discussions. The committee’s middle meeting of the year focuses on the academic quality dashboard—the institution’s overall indicators of academic success and student learning. Such intentional scheduling helps embed student learning firmly into busy meeting agendas. It also allows institutions and boards to create a long-term and integrated view of educational quality that can touch upon many elements.

Deepen the engagement of the board with faculty. The boards of the participating

By tapping the momentum of other efforts, boards and institutions can benefit from assessment work done for other purposes, find synergies, and avoid having to re-create the proverbial wheel.

Framing Board Work

At **St. Olaf College** in Minnesota and **Valparaiso University** in Indiana, board leaders and administrators crafted a discussion around what the work of the academic affairs committee should be. To help frame that conversation, they identified a set of action verbs—for example manage, oversee, monitor, ensure, approve, facilitate, review—and topical areas—such as student learning, retention and completion, program quality, academic planning, educational environment. They then had the committee work through their charge by defining, discussing, and applying action verbs to content areas. They discussed, for example, whether the board *monitors* student learning, *ensures* student learning, or *reviews* student learning. What does each of those terms mean in relation to the work the board should be doing? In relation to academic quality?

St. Olaf College’s and Valparaiso University’s Matching Template

Board Work: The *Process* of Finding the Right Verbs and Subjects

<input type="checkbox"/> Monitor	<input type="checkbox"/> Student learning
<input type="checkbox"/> Ensure	<input type="checkbox"/> Student success
<input type="checkbox"/> Oversee	<input type="checkbox"/> Retention and completion
<input type="checkbox"/> Measure	<input type="checkbox"/> Program quality
<input type="checkbox"/> Evaluate	<input type="checkbox"/> Accreditation
<input type="checkbox"/> Approve	<input type="checkbox"/> Academic planning
<input type="checkbox"/> Facilitate	<input type="checkbox"/> Educational environment
<input type="checkbox"/> Review	

institutions were more easily able to oversee academic quality when they and the faculty created new ways to interact. All too often, faculty-board interactions are confined to faculty presentations or “dog and pony shows.” Through this project, institutions experimented with new ways to more deeply expose board members to faculty and to student learning.

For example, at **Rhodes College**, the president initiated “The President’s Common Table,” an informal working group of three board members, three faculty members, one staff member, and one student to serve as a conduit between the board members who charged the group with strategic questions and tasks and the internal college community. The president then, in response to board requests, structured nine additional faculty members, student, and staff cross-functional common tables that further discussed strategic issues related to educational quality. The college developed a



structured way to engage various constituencies, including the faculty, in strategic conversations important to the board.

At **Drake University**, board members participated in “Mini-College,” an experience in which select board members took short, interactive courses consisting of high-impact pedagogies. Board members got to experience cutting-edge education and then debriefed the faculty on their experience during a lunch meeting.

Conclusion: Still Incomplete

The work of the eight teams yielded many insights and helpful materials that other

Valparaiso University’s Revised Academic Affairs Committee Charge (an excerpt)

As its overarching responsibility, the Committee shall foster such policies that contribute to the best possible environment for students to learn and develop their abilities, and that contribute to the best possible environment for the faculty to teach, pursue their scholarship, and perform public service, including the protection of academic freedom.

To that end, the Committee is responsible for the following areas:

- **Academic Programs.** The Committee shall review and recommend to the Board approval of significant academic program changes or administrative changes established in conjunction with such programs that have substantial impact upon either the mission or the financial condition of the university. Such changes might include (a) creation of new academic programs, (b) significant revision of existing academic programs, and (c) discontinuation of academic programs. The Committee shall receive and may endorse reports on other academic program changes.
- **Academic Organizations.** The Committee shall review and recommend to the Board approval of significant academic organizational changes that have substantial impact upon either the mission or the financial condition of the university. Such changes might include (a) the establishment of new academic organizations (e.g., campuses, institutes, colleges or schools), (b) significant changes to existing academic organizations, and (c) the discontinuation of academic organizations. The Committee shall receive and may endorse reports on other academic organizational changes.
- **Academic Relationships.** The Committee shall monitor the policies and practices that govern the many different kinds of academic relationships between the University and other entities, such as joint ventures or contractual relationships with other academic institutions.
- **Assessment.** The Committee shall periodically review the University’s practices in assessing the performance of its academic programs and practices and receive reports of such assessments.
- **Accreditation.** The Committee shall monitor the University’s participation in all accreditation processes.

(For full version, see www.agb.org/improving-board-oversight-student-learning.)

boards might use to engage constructively with academic quality and student learning. Yet, the teams of board members, administrators, and faculty leaders found that progress also raised new and often more difficult questions. Two particularly challenging ones that surfaced and will need attention were:

- How should institutions balance the competing goals of assessment for accountability purposes and for improvement? These two goals easily come into conflict. Assessment findings that show areas of improvement might not be those that the institution wants made public.
- How can institutions demonstrate the value-added of the education they provide? Most assessments focus on a level of demonstrated student proficiency. While that is important, institutions may be better served by understand-

ing how much students learn and the approaches through which they learn the most. Correspondingly, they should know the areas in which students learn the least.

The institutions in the project made tremendous progress in the oversight of educational quality, but all would clearly acknowledge that their work continues. Even those institutions that started the two-year project with robust assessment efforts and growing board engagement would admit that they are only beginning to engage the board in the right way on student learning and educational quality.

Indeed, the work to engage the board appropriately in student learning and educational quality will be a long and complex journey for most colleges and universities. Those that find the work straightforward are probably not asking the necessary questions. ■

DRAFT

	Enrollment										1 Yr Chg		Chg from Base		Comparators (5 Comp. State U's)					Target	
	FL'09	FL'10	FL'11	FL'12	FL'13	Abs	Pct	Abs	Pct	Out of 6	Rank	Low	Mid	High	FL'14	FL'15	FL'16				
										(1=High)											
Total enrollment	10,125	9,993	9,646	9,456	9,301	-155	-2%	-824	-8%	2	6,370	6,447	11,267	9,542	9,713	9,890					
Degree seeking undergraduate	7,085	7,296	7,136	7,143	7,134	-9	0%	49	1%	2	4,056	5,033	9,489	7,277	7,349	7,423					
Non-degree undergraduate	678	543	568	598	530	-68	-11%	-148	-22%	1	126	189	523	600	630	662					
Degree seeking graduate	1,440	1,452	1,402	1,348	1,350	2	0%	-90	-6%	1	522	789	1,307	1,375	1,444	1,516					
Non-degree graduate	922	702	540	367	287	-80	-22%	-635	-69%	4	157	345	1,646	290	290	290					
New Students (Number)																					
Freshman	994	998	1,005	1,095	1,087	-8	-1%	93	9%	3	780	809	1,474	1,100	1,100	1,100					
Transfer	852	892	868	860	782	-78	-9%	-70	-8%	2	398	439	1,019	860	860	860					
Graduate	371	349	320	319	330	11	3%	-41	-11%	1	134	188	314	360	396	436					
Market Attractiveness																					
Freshman applications	5,835	5,697	4,760	4,855	5,216	361	7%	-619	-11%	3	3,819	5,145	5,927	5,477	5,751	6,038					
Freshman admission yield	28.3%	30.5%	31.5%	32.6%	29.1%	-3.5%		1%		4	27%	31%	33%	30%	30%	30%					
Student Profile																					
Average HS GPA	2.94	2.94	3.08	3.09	3.13	0.04	1%	0.19	7%	3	3.01	3.13	3.18	3.15	3.16	3.17					
Freshman average Combined SAT (V+M)	979	995	998	989	990	11		11		6	993	1002	1024								
Freshman Pell eligible (%)(Fall '11)	38.3%	37.1%	37.7%	39.5%	38.3%	-1.1%		0.0%		1	28.7%	31.3%	35.3%								
Freshman students-of-color (%)	21.2%	20.4%	23.6%	25.7%	25.5%	-0.2%		4.2%		2	17.6%	22.2%	25.7%	26%	27%	28%					
Undergraduate enrollment, students-of-color (%)	20.8%	22.7%	24.0%	25.0%	26.4%	1.4%		5.7%		1	17.0%	19.8%	22.4%	26%	27%	28%					
Graduate enrollment, students-of-color (%)	4.6%	7.7%	8.5%	9.6%	11.8%	2.2%		7.1%		3	6.0%	9.8%	15.7%	13%	14%	15%					
Housing																					
Freshmen in residence halls (%)	61%	67%	67%	71%	66%	-4.4%		5.4%		4	54%	67%	87%	66%	67%	68%					
Total Undergrads (degree) in res halls (%)	25%	27%	27%	28%	28%	-0.2%		2.8%		5	24%	40%	55%	28%	30%	30%					
Student Satisfaction																					
Would enroll again: probably/definitely yes			52%	52%																	
Experience met expectations: better than expected			40%	40%																	
Overall satisfaction: satisfied or very satisfied			46%	48%																	
Retention and Graduation (period is year measured)																					
1-year retention rate, freshman	74.8%	81.2%	73.3%	73.8%	78.1%	4.3%		3.3%		5	73.1%	79.0%	81.4%	80%	81%	82%					
1-year retention rate, transfer	82.4%	82.3%	81.7%	81.0%	82.9%	1.9%		0.5%		6	50.8%	51.5%	59.8%	84%	85%	86%					
6-year graduation rate, freshman	43.4%	42.4%	41.6%	45.3%	45.6%	0.2%		2.2%						46%	48%	50%					
6-year graduation rate, transfer	57.9%	56.9%	59.0%	58.6%	59.4%	0.8%		1.5%						62%	63%	64%					
Disparities, 6-year grad rate (period is year measured)																					
Black - White, freshman	-4%	-7%	-11%	-9%	-4%	-5.1%		0.2%		5	-20%	-14%	0%								
Black - White, transfer	-7%	6%	3%	-11%	-13%	2.0%		6.0%		4	-22%	-10%	8%								
Hispanic - White, freshman	-9%	-8%	-10%	-10%	-3%	-6.7%		-5.9%													
Hispanic - White, transfer	-10%	-17%	2%	-14%	-11%	-3.0%		1.0%													
Global																					
Number of international students (Total)	339	340	341	366	385	19	5%	46	14%	1	12	72	85	455	469	483					
Number of international students (UG)	305	303	299	320	318	-2	-1%	13	4%	1	9	30	72	388	400	412					

SUBJECT: Finance & Facilities Committee Meeting Report for March 26, 2014

The Finance & Facilities Committee of the Board of Trustees met on Wednesday, March 26, 2014, in room 210, Marsh Hall, Central Campus of Salem State University.

Present for the Committee: Trustees Quiroga (chair), Burns (vice chair), Booker, Lancome, Chair Scott (ex-officio), President Meservey (ex-officio), advisory member Mr. Gadenne, interim executive director for finance Ainsworth (committee co-liaison), interim executive director of facilities Labonte (committee co-liaison), chief of staff Bower (committee co-liaison), staff assistant Beaulieu. Others present and participating were: Trustees Segal and Stringer, associate vice president Donovan, assistant provost Fogg, SGA treasurer Dylan Davis and SGA assistant treasurer Luis Correa-Garces.

Committee chair Quiroga called the meeting to order at 5:50 pm.

Student Government Association FY2014-15 Budget

Dylan Davis, Student Government Association (SGA) treasurer and Luis Correa-Garces, SGA assistant treasurer presented the SGA FY2014-15 budget proposal (Attachment A). A PowerPoint presentation (Exhibit A1) highlighting the budget proposal was given. Transfers out include \$9,000 to administrative expense (support for secretary); \$6,000 to the Center for Academic Excellence (CAE) donation towards tutoring; \$7,128 to van program (provides transportation for students outside of normal shuttle bus hours) and \$66,000 derived from continuing education students to Student Involvement Activities (SIA). Assistant treasurer Correa-Garces served as chair of a budget committee composed of seven student representatives. Hearings were held over two days to allow student organizations the opportunity to propose initiatives for funding. A new initiative required of student groups and clubs is to commit to a community service event. Groups and clubs are encouraged to offer new events not surrounded by food such as a banquet. The SGA approved a total of \$433,195 in requests. Seven new programs are funded ranging from \$655 (a basic minimum allocation) to \$82,000 (for Program Council which coordinates events and activities for students such as concerts).

Trustee Scott made the following motion, seconded by Trustee Burns.

MOTION

The Finance and Facilities Committee hereby recommends that the Board of Trustees approve the following motion:

The Board of Trustees of Salem State University hereby approves the Fiscal Year 2014-15 Student Government Association Trust Fund budget as recommended by the president. The Board of Trustees, further, approves maintaining the Student Government Fee rate of \$80 per full-time student for the 2014-15 academic year.

On a voice vote, the motion passed unanimously.

FY2014-15 Fees

Trustee Quiroga discussed consideration of student fee increases subject to allocation of the final state appropriation. The House and Senate budget recommendations are anticipated to be released in April and May, respectively. The final state appropriation budget will not be approved until July. For consideration a 4.5% fee increase for in-state students is proposed. Last year the legislature allocated additional funding with the requirement that the state universities not raise student fees. Since the university does not know if the same funding will be allocated again this year, a fee increase of 4.5% to day students should cover the loss of the additional funding. A 6% increase is proposed for out-of-state students. In the past, out-of-state students have paid the same fee rate as in-state students. President Meservey further explained that the arrangement with the legislature was to entail a three year process where ultimately 50% of support for full-time, in-state day undergraduate students would be included in the state appropriation and the other 50% be provided by the university's operating budget. The university had overlooked out-of-state students and is recommending a modest fee increase as the support from the State is intended for in-state students only. Trustee Quiroga further discussed the proposed motions as stated in Attachment B. Trustee Booker inquired how the 4.5% was derived. Trustee Quiroga responded that the last fee increase was 4.9% in FY2012-13. The 4.5% would make up the difference if the university does not receive the additional state allocation it did last year. If the university does receive the additional allocation then the in-state day increase would be rescinded.

Trustee Burns made the following motion, seconded by Trustee Lancome.

MOTION

The Finance and Facilities Committee hereby recommends that the Board of Trustees approve the following motion:

The Board of Trustees of Salem State University hereby approves the following increases in fees for the categories of students indicated. All tuition rates will remain at FY2013-14 levels.

- **Full-time, day undergraduate in-state students:** The University Fee shall increase \$183 per semester, which, when combined with the current fees of \$3,610 and in-state tuition of \$455, represents an increase of 4.5% over FY2013-14. The University Fee is to be pro-rated for part-time in-state students.
- **Full-time, day undergraduate out-of-state students:** The University Fee shall increase \$428 per semester, which, when combined with the current fees of \$3,610 and out-of-state tuition of \$3,525, represents an increase of 6% over FY2013-14. The University Fee is to be pro-rated for part-time out-of-state students.
- **Part-time, evening undergraduate in-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$13 per credit hour, which, when combined with the current fee of \$172.33 and in-state tuition of \$115, represents an increase of 4.5% over FY2013-14.
- **Part-time, evening undergraduate out-of-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$20 per

credit hour, which, when combined with the current fee of \$172.33 and out-of-state tuition of \$150, represents an increase of 6% over FY2013-14.

The new rates shall become effective for the fall term of the 2014-15 Fiscal Year

On a voice vote, the motion passed unanimously.

An excerpt from the November 30, 2011 board of trustees meeting (Attachment C) showed that the board approved initially not to exceed \$150 per full time student per academic year (or \$75 per semester) towards the capital debt incurred for the new fitness center. Due to the moratorium on fee increases by the legislature this fee was not charged to students in FY2013-14. A proposal to establish a capital improvement fee for FY2014-15 (Attachment C-1) is presented. Trustee Scott inquired about the \$6 per credit fee for part-time evening undergraduate students and graduate students. President Meserve explained that the \$75 fee is for students taking at least 12 credits and by prorating and rounding the \$6 per credit was derived.

Trustee Burns made the following motion, seconded by Trustee Lancome.

MOTION

The Finance and Facilities Committee hereby recommends that the Board of Trustees approve the following motion:

The Board of Trustees of Salem State University hereby approves the establishment of a Capital Improvement Fee for FY2014-15 in the following categories of students indicated.

- **Full-time, day undergraduate students:** A Capital Improvement Fee of \$75 per semester (1.85%) shall be approved. The Capital Improvement Fee is to be pro-rated for part-time students. The same fee shall apply to out-of-state students.
- **Part-time, evening undergraduate students enrolled through the university's School of Continuing and Professional Studies:** A Capital Improvement Fee of \$6 per credit hour (2.11%) shall be approved. The same fee shall apply to out-of-state students.
- **Graduate students enrolled through the university's School of Graduate Studies:** A Capital Improvement Fee of \$6 per credit hour (1.73%) shall be approved. The same fee shall apply to out-of-state students.

The new rates shall become effective for the fall term of the 2014-15 Fiscal Year.

On a voice vote, the motion passed unanimously.

Investment Manager RFP

Trustee Quiroga spoke about the requirement in the investment policy to put forth an RFP for an investment manager every five years. This is the fifth year.

Eastern Bank Wealth Management (EBWM) was asked to provide the committee with responses as to how it measures risk and include comparisons of asset allocation and performance with that of peer institutions. In response a memo (Attachment D) from Michael Tyler, Chief Investment Officer for EBWM, addressed to Patricia Ainsworth, interim executive director of finance and other university staff was forwarded to Trustee Quiroga and shared with the trustees. The memo addresses these and other comparisons. The document also includes some suggestions with regards to portfolio allocation.

Trustee Quiroga referred to the current draft RFP (i.e. bid for services) for an investment manager (red-lined draft RFP -Attachment E and accepted text draft RFP-Attachment F. Sections 9.1, 9.7 and 9.9 were revised as of March 25, 2014. Section 9.7 asks the bidder to provide their investment performance record including among other things a brief description of the investment objectives for each strategy used with the corresponding benchmark for that time period. Section 9.9 includes the question how they measure and control risk. The document has been reviewed by Chair Scott and Trustee Quiroga in addition to associate vice president Donovan and previously by vice president Soll before he retired. Chair Scott expressed her concern that the university's investment policy be included in the RFP and that it is clear that the university's asset allocation is more conservative. Trustee Quiroga and associate vice president Donovan confirmed that the RFP does reference and include the university's investment policy and is more robust and in depth than the previous RFP. Mr. Donovan advised that there is usually a pre-bid conference held prior to bid submissions where questions and/or comments will be made available to potential respondents and then to all bidders.

Mr. Gadenne commented on EBWM's report. He did not see any recommendations on making available pools of money from the investment portfolio that can be accessed by the university. Trustee Quiroga agreed and mentioned that she was not personally satisfied with the report. Trustee Quiroga asked if the committee had any further questions. President Meservey suggested that the RFP be released mid-summer so that recommendations can be brought to the board at its October meeting. Trustee Quiroga asked university staff to provide the final RFP with appropriate dates and timelines and present it at the May 2014 finance and facilities committee meeting.

Scorecard review of financials

Trustee Quiroga asked the trustees to refer to the financial section of the scorecard (Attachment G) previously discussed at earlier committee meetings. On page two of the document the finances section requires numbers to be populated in the revenue section from non-credit instruction as well as targets. These will be provided at the May committee meeting. Mr. Gadenne noted that the figures show a loss. Mr. Fogg commented that other sources of revenue such as auxiliary income are not included. He asked if the trustees were looking for total revenue and expenses. Trustee Quiroga confirmed. President Meservey responded that the trustees questions are very helpful. She also noted that the facilities section regarding spending on deferred maintenance will be included at the May meeting.

CFO search update

Trustee Quiroga congratulated the team on a great job during this transition. President Meservey briefed the trustees on the status of the CFO search. Mr. Gadenne will serve on the CFO search committee chaired by Dr. Cahill. Other representatives on the committee include budget director Rich Kelley and other members of the campus community. The university has contracted with the search firm, Brill Newman, with Andy Evans, a former CFO at Wellesley and Oberlin colleges, heading the

searches. The firm has done numerous searches for CFOs and other executives in academia. A search for a vice president for administration is also underway with the same firm. Trustee Stringer will serve on the search committee chaired by vice president Torello. The search committees and firm are working on draft job descriptions for these positions. Trustee Segal asked if the new positions would increase the current headcount. President Meservey responded no. These positions are replacing vice president for finance and facilities formerly held by Mr. Andrew Soll and Dr. Cahill's current position of executive vice president.

Facilities update

Beth Bower, chief of staff, currently overseeing campus planning and development, provided the trustees with an update on capital projects (Attachment H). She highlighted some of the projects. The Mackey building located on Canal Street has been razed as part of the preparation for a parking lot. The geopiers portion of the new residence hall foundation is being installed. The utility work for the new residence hall will be completed by the end of April. The quad of the new library will be finished once the weather is conducive. The One Stop Student Center construction contract has been awarded. The location of the new One Stop is on the upper level of the former interim library on central campus. Completion is expected by the end of June or beginning of July.

Construction manager Daniel O'Connell's Sons have been selected by DCAMM for the new Mainstage Theatre project.

A design study for a parking garage has identified three potential sites. Presentation of options for feedback from both internal and external constituents will be scheduled sometime during April.

Governor Patrick's approval of a spending plan this past October, has kick started the building of a new science laboratory building as part of Meier Hall. DCAMM has selected Payette as the design team for this project. Eighteen proposals were received and only one point separated the first and second firm.

An RFP for a firm to perform a study of the Ellison student center is currently underway for release.

Off campus space projects with the help of the Salem State University Assistance Corporation include renovation of a former synagogue for use by the university.

The City of Salem has recently completed road work on Canal Street. It has approached the university regarding the use of the O'Keefe Center parking lot for a drainage retention system. The O'Keefe parking lot tends to flood during heavy rainstorms. There was a canal under Canal Street at one time. The city, working with the Massachusetts Department of Highways, has placed large drainage pipes under Canal Street this past year. Woodard and Curran has been contracted by the city to address and design a holding tank that would hold water in periods of high rain which then would be pumped up to Forrest Street and out to the harbor. The O'Keefe parking lot has been identified as a possible location for a holding tank. This would preclude any future building of large magnitude. The university has been looking at siting another athletic field. Interim Executive Director of Facilities Labonte talked about the possibility of a one level parking deck where a regulation NCAA field could be built on top. He mentioned that Boston University has built one. President Meservey noted that the university's master plan includes, in addition to parking garages, an additional playing field. Beth Bower added that the city

has some funding from FEMA that needs to be expended by 2016 and would like construction to begin in 2015 of a holding tank and pump station. Trustee Burns suggested that conversations take place regarding what benefits the university could receive if it agreed to house the holding tank. President Meservey offered to discuss more details at the committee's May meeting.

A question was asked about the large hill of sand currently located at the former library location. Ms. Bower responded that part of the area will be used as a staging area for the Mainstage construction.

It was noted that Trustee Booker left the meeting at 6:57 pm.

Chair Scott moved and Trustee Lancome seconded a motion to enter into executive session in accordance with General Laws, Chapter 30A, for the purpose of discussing leasing terms. A roll call vote was taken 6:58 pm.

Roll Call:

- Quiroga – yes
- Burns –yes
- Lancome – yes
- Scott – yes

Chair Scott moved and Trustee Lancome seconded a motion to exit executive session in accordance with General Laws, Chapter 30A. A roll call vote was taken 7:30 pm.

Roll Call:

- Quiroga – yes
- Burns – yes
- Lancome – yes
- Scott – yes

There being no further business to come before the committee, Trustee Burns moved and Trustee Lancome seconded a motion to adjourn.

MOTION: To adjourn the meeting.

On a voice vote, the motion passed unanimously.

The meeting adjourned at 7:31pm.

Prepared by: Ms. Beaulieu, staff assistant, finance and facilities



REQUEST FOR TRUSTEE ACTION

Date: April 9, 2014
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: Student Government Association Trust Fund
FY2014-15 Budget and Fee Rate
Requested Action: Approval

The Salem State University Student Government Association (SGA) has prepared for Board of Trustees consideration a budget proposal for the 2014-15 fiscal year. The budget is based on revenues available through the assessment of a Student Government Fee, which is mandatory for all day undergraduate students. The budget supports various activities of the Student Government Association as well as many groups and clubs that are recognized as official student organizations.

The proposed budget is summarized below.

Table with 2 columns: Description and Amount. Rows include: Beginning Cash Balance (\$66,641), Revenues (SGA Fee \$526,000, Transfers Out (88,128), Total Available Revenue \$437,872), Expenses (Salaries and Benefits \$4,064, Operating Expenses and Services \$415,131, Reserved for Future Club Requests \$14,000, Total Expenses \$433,195), Ending Cash Balance \$71,318.

MOTION

The Board of Trustees of Salem State University hereby approves the Fiscal Year 2014-15 Student Government Association Trust Fund budget as recommended by the president. The Board of Trustees, further, approves maintaining the Student Government Fee rate of \$80 per full-time student for the 2014-15 academic year.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: March 26, 2014

Trustee Action:
Trustee Approval Date:
Effective Date:

Signed:
Title: Secretary, Board of Trustees
Date:

SGA Budget Proposal FY '15

Budget Summary

FY 2014 Budget

SGA Funds Available **\$598,710**
SGA Reserve \$72,710
SGA Fee Revenue \$526,000

Transfers Out

Admin Expense \$9,000
CAE Donation \$6,000
Van Program \$7,128
CE Fees to SIA \$66,000
(\$88,128)

Total Funds Available

Approved SG Requests \$437,872
Anticipated Reserve \$66,641

\$510,582

FY 2015 Proposed

SGA Funds Available **\$592,641**
SGA Reserve \$66,641
SGA Fee Revenue \$526,000

Transfers Out

Admin Expense \$9,000
CAE Donation \$6,000
Van Program \$7,128
CE Fees to SIA \$66,000
(\$88,128)

Total Funds Available

Approved SG Requests \$433,195
Anticipated Reserve \$71,318

\$504,513

Student Organization Budget Process

- 50 of 57 budgeted student organizations submitted proposed budgets for FY'15. These student organizations range from academic, club sports, performance, and social organizations
- A budget committee comprised of 7 student representatives reviewed these proposals
- Student organizations presented their proposals at a budget hearing. These hearings were held over 12 hours to allow all student organizations opportunity to propose for funding
- Budget proposals ranged from \$655-\$82,000 for a total funding request by student organizations of \$670,041.49

Student Organization Budget Process

- **The budget committee specifically looked for the following when allocating funds:**
 - Did the student organization use its current funding appropriately. For example, did they follow through with their original proposed events, did the student organization mishandle funds and go over budget, and did they collaborate with other student organizations.
 - Did a student organization submit new and creative events that were not based around a banquet meal
 - Did each student organization commit to one community service project
 - Has the student organization been innovative with current programs and done exceptional work with the current budget they are provided

Student Organization Budget Process

- **The budget committee allocated \$433,195 of its funds to the student organizations**
- **Within these funds SGA has allotted funds in their operating budget for current student organizations that did not submit proposals to propose in the fall. Funds are set aside in the finance committee for new student organizations to form and receive funding by SGA**
- **All recommendations were submitted to the SGA senate and were approved**



FY09 through FY14 Tuition and Fees Comparison

(All rates are per academic year for in-state undergraduate students)

MA State Universities	FY2009-10			FY2010-11			FY2011-12			FY2012-13			FY2013-14			FY14 Increase		
	Tuition	Fees	Total	Rank	Total	Tuition	Fees	Total	Rank	Total	Tuition	Fees	Total	Rank	Total	Rank \$ Incr.	5 year	
Mass. Maritime Academy (1)	\$1,242	\$4,880	\$6,122	1	\$6,610	\$1,342	\$5,268	\$6,610	1	\$6,840	\$1,465	\$5,737	\$7,202	1	\$7,187	1	-\$15	-0.2%
Bridgewater State University	\$910	\$5,694	\$6,604	3	\$7,054	\$910	\$6,644	\$7,554	2	\$7,554	\$910	\$7,143	\$8,053	2	\$8,053	2	\$0	0.0%
Framingham State University	\$970	\$5,574	\$6,544	2	\$7,066	\$970	\$6,610	\$7,580	3	\$7,580	\$970	\$7,110	\$8,080	3	\$8,080	3	\$0	0.0%
Salem State University (2)	\$910	\$5,940	\$6,850	5	\$7,230	\$910	\$6,820	\$7,730	5	\$8,110	\$910	\$7,200	\$8,110	4	\$8,130	4	\$20	0.2%
Worcester State University	\$970	\$5,636	\$6,606	4	\$7,156	\$970	\$6,684	\$7,654	4	\$7,654	\$970	\$7,187	\$8,157	5	\$8,157	5	\$0	0.0%
Westfield State University	\$970	\$6,048	\$7,018	8	\$7,432	\$970	\$6,918	\$7,888	6	\$7,888	\$970	\$7,327	\$8,297	6	\$8,297	6	\$0	0.0%
Mass. College of Liberal Arts	\$1,030	\$5,846	\$6,876	6	\$7,576	\$1,030	\$7,046	\$8,076	7	\$8,076	\$1,030	\$7,495	\$8,525	7	\$8,525	7	\$0	0.0%
Fitchburg State University (3)	\$970	\$5,930	\$6,900	7	\$7,800	\$970	\$6,830	\$8,300	8	\$8,300	\$970	\$7,740	\$8,710	8	\$8,985	8	\$275	3.2%
Mass. College of Art & Design	\$1,030	\$7,370	\$8,400	9	\$9,000	\$1,030	\$8,670	\$9,700	9	\$9,700	\$1,030	\$9,370	\$10,400	9	\$10,400	9	\$0	0.0%

REQUEST FOR TRUSTEE DISCUSSION/ACTION

Date: April 9, 2014
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: FY2014-15 University Fees
Requested Action: Discussion/Approval

MOTION

The Board of Trustees of Salem State University hereby approves the following increases in fees for the categories of students indicated. All tuition rates will remain at FY2013-14 levels.

- **Full-time, day undergraduate in-state students:** The University Fee shall increase \$183 per semester, which, when combined with the current fees of \$3,610 and in-state tuition of \$455, represents an increase of 4.5% over FY2013-14. The University Fee is to be pro-rated for part-time in-state students.
- **Full-time, day undergraduate out-of-state students:** The University Fee shall increase \$428 per semester, which, when combined with the current fees of \$3,610 and out-of-state tuition of \$3,525, represents an increase of 6% over FY2013-14. The University Fee is to be pro-rated for part-time out-of-state students.
- **Part-time, evening undergraduate in-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$13 per credit hour, which, when combined with the current fee of \$172.33 and in-state tuition of \$115, represents an increase of 4.5% over FY2013-14.
- **Part-time, evening undergraduate out-of-state students enrolled through the university's School of Continuing and Professional Studies:** Fees shall increase \$20 per credit hour, which, when combined with the current fee of \$172.33 and out-of-state tuition of \$150, represents an increase of 6% over FY2013-14.

The new rates shall become effective for the fall term of the 2014-15 Fiscal Year.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: March 26, 2014

Trustee Action:

Trustee Approval Date:

Effective Date:

Signed: _____

Title: Secretary of Board of Trustees

Date: _____

SSU Board of Trustee Minutes November 30, 2011

Upon a motion, duly made by Trustee Gates and seconded by Trustee Donahue Rodriguez, it was unanimously

VOTED: The Board of Trustees of State University hereby approves the Fiscal Year 2011-12 General Operations Budget as recommended by the president and described in EXHIBIT A hereto. The president and other officers of the university are hereby authorized to do all things and take all actions necessary to implement the budget and protect the fiscal health of the university. (FF-12-02)

The next item for discussion was the Fitness and Recreation Center. Trustee Gates reviewed the discussion that took place at the committee meeting on 11/16/11 and at a special meeting just prior to this meeting. In the meeting on 11/16/11, the committee moved the proposal forward for consideration without recommendation. In the 11/30/11 meeting, after further discussion and consideration, the committee voted to recommend the proposal to the full board.

Upon a motion, duly made by Trustee Gates and seconded by Trustee Donahue-Rodriguez, it was unanimously

VOTED: The Board of Trustees of Salem State University, working with the Massachusetts State College Building Authority (MSCBA), hereby approves the Fitness and Recreation Center project (the Project) as recommended by the president at a total project cost not to exceed \$15 million. The Project is to be financed through the sale of revenue bonds issued by the MSCBA. Any necessary adjustments to student fees are to be included in the board's consideration of fees for the fiscal year 2013-14 initially not to exceed \$150 per full-time student per academic year.

Pursuant to Section 22 of chapter 15A of the Massachusetts General Laws, as amended, the trustees hereby delegate to the president the power, and hereby authorize the president, in consultation with the executive committee of the trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the bonds, the payment of and security for the bonds and all other matters authorized by this resolution, including without limitation the approval, acknowledgement, execution and delivery on behalf of Salem State University of contracts, certificates and other documents.

The president and all other officers of the university and all officers of the Trustees, each of the foregoing persons acting alone, are hereby authorized to do all things and take all action and the person acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized. (FF-12-03)

Trustee Gates also noted that the liaison report contained information on the budget trend report and a final report on the ARRA funds.

Upon a motion, duly made by Trustee Gates and seconded by Trustee Scott, it was unanimously

VOTED: To accept the report of the Finance & Facilities Committee for 11/16/11 (FF-12-04)

REQUEST FOR TRUSTEE DISCUSSION/ACTION

Date: April 9, 2014
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: FY2014-15 Capital Improvement Fee
Requested Action: Discussion/Approval

MOTION

The Board of Trustees of Salem State University hereby approves the establishment of a Capital Improvement Fee for FY2014-15 in the following categories of students indicated.

- **Full-time, day undergraduate students:** A Capital Improvement Fee of \$75 per semester (1.85%) shall be approved. The Capital Improvement Fee is to be pro-rated for part-time students. The same fee shall apply to out-of-state students.
- **Part-time, evening undergraduate students enrolled through the university's School of Continuing and Professional Studies:** A Capital Improvement Fee of \$6 per credit hour (2.11%) shall be approved. The same fee shall apply to out-of-state students.
- **Graduate students enrolled through the university's School of Graduate Studies:** A Capital Improvement Fee of \$6 per credit hour (1.73%) shall be approved. The same fee shall apply to out-of-state students.

The new rates shall become effective for the fall term of the 2014-15 Fiscal Year.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: March 26, 2014

Trustee Action:
Trustee Approval Date:
Effective Date:

Signed: _____
Title: Secretary of Board of Trustees
Date: _____

TO: Patricia Ainsworth, Interim Executive Director of Finance

CC: Patricia Meservey, President, Salem State University
Joseph Donovan, Associate VP-Finance, Salem State University
Rich Kelley, Director, Budget & Payroll Services, Salem State
John Doherty, Eastern Bank Wealth Management
William Walsh, Eastern Bank Wealth Management

FROM: Michael A. Tyler, CFA, Chief Investment Officer

RE: Portfolio Risk Assessment and Performance Review

DATE: February 19, 2014

Overview

At the most recent meeting of Salem State's Finance and Facilities Committee, several committee members raised important questions about measuring risk and assessing returns in the endowment portfolio. This memo aims to address these questions. I divide the analysis into four parts:

- Comparison of asset allocation with that of peer institutions
- Comparison of performance with that of peer institutions
- Comparison of performance with measures of inflation
- Risk assessment and attribution analysis

The first section aims to assess whether Salem State University has adopted a reasonable investment policy statement, and whether it is being implemented in a prudent manner. The next two sections address whether Eastern Bank Wealth Management (EBWM) has met Salem State's goals. The last section investigates our risk management and the sources of our investment returns. As these sections will demonstrate, we believe that Salem State University has established a wise investment policy and that Eastern Bank Wealth Management has produced strong risk-adjusted investment returns for the University.

**Peer Institutions:
Asset Allocation**

Salem State's investment policy explicitly describes which types of assets may be included and similarly prohibits certain other types of assets; in general, the policy allows most "traditional" equity and fixed income securities, while banning derivatives. Yet it is silent on most "alternative" asset classes, including private equity, hedge funds, venture capital, real estate, commodities (except within accepted fund vehicles), and so on. Other colleges and universities do make use of many of these asset classes, so apples-to-apples comparisons of asset allocation will necessarily be imperfect.

Salem State University
 Portfolio Risk Assessment and Performance Review
 February 19, 2014
 Page 2

 Macro-Level

The 2013 NACUBO-Commonfund Study of Endowments¹ provides some information about the endowments of peer universities. Table 1 compares Salem State’s asset allocation with that of its peers:

Table 1: Asset Allocation	Salem State University	Small (<\$25 M)	Public Institutions
Equities	67%	57%	35%
U.S.	58%	43%	14%
International	9%	14%	21%
Fixed Income	30%	26%	11%
Alternatives	0%	11%	52%
Cash & Short-Term	3%	6%	2%

Because the data in Table 1 are calculated on a dollar-weighted basis, the portfolios of the nation’s largest public institutions dominate the results – and these institutions have largely adopted the “Yale model” of aggressive investment in alternative asset classes. The giant university endowments can afford to take the risks inherent in such investments, but smaller endowments must be more careful with their asset allocations.² These universities also have a surprisingly small allocation to traditional U.S. equities – only 14% of their portfolios. For this reason, I think it is more appropriate to focus the comparison on smaller institutions (which also include private schools) rather than on publicly supported universities.

Salem State’s asset allocation is reasonably similar to those of its true peers. The most obvious difference is that many smaller institutions maintain some allocations to alternative investment strategies, albeit in lower percentages than the giant universities have done. These strategies inherently entail higher volatility and are often illiquid; they also usually carry high fees.³ We do not recommend these types of investments for our clients, because the returns available do not come close to justifying the risks and fees involved.

¹ I owe Rich Kelley, Director of Budget & Payroll Services at Salem State University, a debt of gratitude for pointing me to this study and the rich trove of data at NACUBO.

² I find it shocking that large institutions still invest heavily in alternative assets. After many of these endowments were ravaged by the 2008 financial crisis specifically *because* they were trapped in illiquid alternatives, I would have hoped that a lesson had been learned – but apparently not.

³ Dare I also mention that these fees and 20% profit participations are uncorrelated with risk-adjusted returns, or that plain vanilla asset classes (used properly) offer comparable hedging and performance for a much lower cost?

Salem State University
 Portfolio Risk Assessment and Performance Review
 February 19, 2014
 Page 3

Allocation vs.
 Spending Policy

Leaving the alternatives category aside, smaller endowments appear to maintain a roughly 2:1 ratio between equities and fixed income – very close to the mix within Salem State’s endowment. We think that this ratio is appropriate *for a perpetual endowment that must outpace inflation while still providing current income to fund university operations.*

Salem State is not exactly like its peers in one important respect, however: The University does not depend on its endowment for any portion of its normal operating budget, and in fact has not made a distribution from the endowment since 2006. Universities that draw smaller portions of their operating budgets from their endowments (or, like Salem State, seldom draw at all) can afford to adopt larger equity allocations since they do not need the current income provided by fixed income instruments.

Unfortunately, the NACUBO data does not appear to include sufficient detail to support or refute this proposition; yet among EBWM institutional clients, we detect a clear positive relationship: Higher spending ratios are highly correlated with higher bond allocations and lower equity levels. At the median of our institutional clients, a 4% spending ratio is most closely associated with a 60% equity allocation. We see clients with 5% or higher annual disbursements using equity ratios as low as 50%, and clients with little or no annual disbursements typically targeting 75% equity ratios.

We encourage the Finance and Facilities Committee to revisit its target allocations with this concept in mind. Perhaps a target of 75% in equities may provide for better growth of the endowment at times when no disbursements are expected. Even when the University *does* expect to use endowment funds, our understanding is that the funds would be designated for a strategic initiative that is likely project-driven and one-time in nature – in other words, something for which we (as your investment manager) can plan well in advance and alter the asset allocation accordingly.

Equity Class

One other observation from the data in Table 1 is relevant. Salem State has considerably less participation in non-U.S. markets than its peers do. Only 13% of Salem State’s equity allocation is outside the United States, compared with 25% for other smaller endowments and 60% for the large public universities. This is less a matter of policy (which is silent on the proportion of equities to be invested internationally) and more a function of EBWM’s judgment; we had been deliberately underweight international stocks, but we have been increasing our exposure over the past 15 months.

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 Portfolio Risk Assessment and Performance Review
 February 19, 2014
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Fixed Income
 Class

Although it does not show up in the high-level data in Table 1, Salem State’s asset allocation policy also differs from its peers with respect to its fixed income constraints. The recently-adopted policy requires that all corporate bonds “shall have a rating of A or better”. We recommend that the University consider changing the policy to allow the purchase of individual BBB/Baa-rated corporate bonds as well. After years of low interest rates, top-quality companies such as Walgreen, Coca-Cola, Kellogg, and others have opted to take on larger debt burdens in order to improve their returns on equity. Consequently, approximately half of the investment-grade corporate fixed income universe today is rated BBB/Baa. To exclude half of the universe is both unnecessary and detrimental to your ability to capture appropriate yield from your fixed income investments.

Another issue related to credit quality is the widespread acceptance of high-yield (non-investment-grade) bond funds. It is unclear whether the policy allows inclusion of mutual funds or exchange-traded funds (ETFs) that invest in bonds rated lower than BBB/Baa. Such high-yield funds greatly reduce credit risk relative to individual “junk” bonds and would enable the endowment to capture higher yield without any meaningful adverse impact to credit quality. Most of our institutional clients allow a limited participation in such funds, and we think Salem State would benefit from considering it as well.

Asset Allocation:
 Conclusion

To summarize, I believe that Salem State has adopted a mostly prudent asset allocation policy – and one that is reasonably similar to that of its true peers. If anything, the policy is too conservative, not too liberal. While our decisions of how to invest within that policy may differ from Salem State’s peers, they are still within the mainstream of current best practices. We make the following recommendations:

- Unless the spending pattern is likely to change, we recommend increasing the target strategic equity allocation to 75%.
- We recommend expanding the allowable universe of individual corporate bonds to include those rated BBB/Baa, and clarifying whether some types of bond ETFs may be included in the portfolio.
- We recommend no change to the prohibition on derivatives, and we support the implied exclusion of alternative asset classes.

Salem State University
 Portfolio Risk Assessment and Performance Review
 February 19, 2014
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Performance:
 Peer Institutions

Table 2 shows the Salem State endowment's performance in comparison with that of other university endowments, again using the 2013 NACUBO-Commonfund Study for comparative data.

Table 2: Performance to June 30, 2013	Salem State University	Median, All Institutions
Fiscal Year Performance:		
July 2012 to June 2013	12.96%	11.7%
July 2011 to June 2012	0.15%	-0.5%
July 2010 to June 2011	21.39%	19.8%
July 2009 to June 2010	6.32%	12.1%
July 2008 to June 2009	-10.32%	-19.1%
Annualized Performance:		
One Year	12.96%	11.70%
Two Years	6.36%	5.42%
Three Years	11.15%	10.01%
Four Years	9.92%	10.53%
Five Years	5.54%	3.84%
Note: Data is net of all management fees and expenses.		

On the surface, Table 2 suggests that EBWM has done a superb job of managing Salem State's endowment: The portfolio outpaced its peer institutions in four of the five most recent fiscal years, by an average of 170 basis points over the full half-decade – leading to a cumulative gain over the past five years of 30.9% versus the peer universe's 20.8% gain.

While it is tempting to toot our own horn here, I caution that these data reflect the huge allocations that large institutions made to alternative asset classes; those allocations may have hedged risk, but they also deflated returns.⁴ Still, EBWM wisely chose not to hedge a bull market with expensive and underperforming alternative asset classes; further, our unhedged approach also outperformed the University's peers and the benchmark indices in the bear market of 2009.

⁴ Unfortunately the available NACUBO-Commonfund data does not distinguish between large and small public universities, so I cannot assess separately the performance of smaller endowments (with less exposure to alternative assets).

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Performance:
 Inflation

At the most recent meeting of the Finance and Facilities Committee, Chair Marcel Quiroga asked whether the endowment's performance was keeping up with inflation – and in particular, whether such an analysis could incorporate an assessment of inflation in higher education rather than the more generic consumer price index. Table 3 below shows the annual inflation rate for the broad U.S. economy (the Consumer Price Index, or CPI) in comparison with inflation in higher education costs (the Higher Education Price Index, or HEPI,⁵ as reported in the Commonfund Institute's 2013 HEPI Update):

Table 3: Inflation	Consumer Price Index	HEPI – All Institutions	HEPI – Public	HEPI – New England
2013	1.5%	1.6%	1.0%	3.0%
2012	1.7%	1.7%	1.6%	2.3%
2011	3.0%	2.3%	2.3%	2.6%
2010	1.5%	0.9%	0.9%	0.4%
2009	2.7%	2.3%	2.0%	3.4%
Mean	2.08%	1.76%	1.56%	2.33%
Cumulative	10.8%	9.1%	8.0%	12.2%

Contrary to the headlines in many consumer publications, the costs of operating colleges and universities have not increased meaningfully faster than the overall national inflation rate – in fact, the opposite has been true over the past half-decade. Nationally, the Higher Education Price Index has risen more slowly than CPI, although costs for New England's institutions of higher learning have outpaced the national averages. The unassailable conclusion is that regardless of which measure is used, inflation has been subdued in recent years, for colleges as much as for any other segment of society.

In these same five calendar years (to use comparable time periods), Salem State University's endowment has produced an annualized gain of 11.4% net of all fees – approximately 900 basis points ahead of the highest average inflation rate shown in Table 3. In short, Eastern Bank Wealth Management's stewardship of the endowment has resulted in meaningful increases in its purchasing power after inflation.

⁵ The HEPI is misleadingly named. It does not measure the *price* of a college education, but rather the *costs* of operating a college or university. In the words of the Commonfund Institute's 2013 HEPI Update, "HEPI measures the average relative level in the price of a fixed market basket of goods and services purchased by colleges and universities each year ... excluding research."

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Attribution Analysis	<p>Finally, I turn to an assessment of whether Eastern Bank Wealth Management's stewardship of the Salem State endowment produced superior returns on a risk-adjusted basis.</p>
Asset Allocation	<p>Looking first at the question of asset allocation, I would ideally want to compare the impact of Salem State's tactical asset allocation with that of its peer institutions; unfortunately, we do not have any way of tracking how the peer group allocations have varied over any time periods (including even just the past year).</p> <p>As a very rough proxy, we can assess the impact of asset allocation under the hypothetical assumption that the allocations shown in Table 1 had pertained throughout the review period. This is patently false, but it may still be directionally useful. Using Salem State's actual equity, fixed-income, and cash asset-class returns for 2013, and depending on whether the 11% allocation to alternatives is included or not, this hypothetical calculation suggests that tactical asset allocation decisions added approximately 200 to 300 basis points to the endowment's performance.⁶</p> <p>Perhaps the best that can be said is that some portion of the endowment's excess return can be attributed to Eastern Bank Wealth Management's tactical asset allocation. Two major decisions drove the success of our asset allocation in 2013: First, we overweighted equities in a year in which equities vastly outperformed all other asset classes; and second, we overweighted the United States in a year in which the American market was (in dollar terms) the strongest major bourse in the world. Neither of these decisions pulled the endowment far from its peers' allocations, but they had a powerful beneficial effect on performance.</p>
Equity Strategy	<p>Turning to the next most likely source of the endowment's superior return, we can examine the internal dynamics of the equity portfolio. Table 4 examines the weightings of the ten major industry sectors (as categorized by Standard & Poors) for the Salem State portfolio and for the blended benchmark at year-end 2013.</p>

⁶ The calculation is necessarily messy, and the range of results therefore broad. If Salem State's year-end allocation had pertained throughout 2013, performance (gross of fees) would have approximated 21.9%. Using the same asset class returns and the peer-group asset allocation (including 11% to hedge funds that returned 11.2% according to the Credit Suisse Hedge Fund Index) would result in a return of 19.8%. The difference between these two figures is 210 basis points. Excluding the alternatives class and rescaling everything else to total 100%, the advantage over the peer group would have been 330 basis points.

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Table 4: Industry Weights	At December 31, 2013			Full-Year 2013 Average		
	Salem State	Blended Benchmk	Over/ Under	Salem State	Blended Benchmk	Over/ Under
Cnsmr Discretionary	12.71%	12.85%	-14	12.50%	12.36%	14
Consumer Staples	10.06%	9.77%	29	10.02%	10.35%	-34
Energy	9.10%	9.84%	-74	9.00%	10.23%	-124
Financials	15.36%	18.05%	-269	15.49%	18.19%	-271
Health Care	14.17%	11.91%	226	13.83%	11.61%	232
Industrials	8.79%	11.00%	-221	8.71%	10.46%	-175
Information Tech	19.84%	15.94%	390	19.45%	15.37%	408
Materials	3.79%	4.44%	-65	3.74%	4.60%	-86
Telecom Services	2.60%	2.96%	-36	2.43%	3.26%	-83
Utilities	3.07%	3.12%	-5	3.09%	3.40%	-31
Cash	0.46%	0.08%	38	1.74%	0.14%	160

Note: Salem State weightings reflect only individual stocks, excluding ETFs. Blended benchmark is 60% S&P 500 and 40% MSCI All-Country World Index. "Over/Under" columns represent, in basis points, the difference between Salem State's weighting and the blended benchmark weighting; positive numbers in these columns indicate that Salem State was overweight versus the benchmark. Columns may not add due to rounding.

The data in Table 4 are instructive. At EBWM, our focus as investors is on managing risk, not chasing returns. In Table 4, the most notable observation is that no sector is more than about 4% overweight or underweight relative to the index. A second conclusion is that none of the overweight sectors in the Salem State portfolio were especially hot; indeed, the largest overweight was in Information Technology, which traded at lower P/E multiples than the market as a whole.

Another way of looking at risk and return is through a two-factor analysis of returns. In 2013, Salem State's equity portfolio returned 32.5% (gross of fees), compared with 28.8% for the blended equity benchmark. This represented 370 basis points of outperformance. Using FactSet data for the benchmark, we can attribute approximately 480 basis points of outperformance to stock selection – within each industry sector, finding those companies whose stock prices did better than their peers; yet inferior sector allocations detracted from performance by about 110 basis points – that is, we picked the wrong sectors to overweight.

To add some color to this assessment, it is worth noting that no single sector weighting or individual holding accounted for a dominant portion of the equity return. Smart overweights in Health Care and Financials were more than offset by poorly timed emphasis on Information Technology

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and Industrials, and by some of our international holdings. Some of our Health Care investments, such as Biogen Idec and Celgene, were our best performers; the worst individual stock last year was Newmont Mining.

These conclusions are borne out by further analysis, as shown in Table 5.⁷ More than anything else, this data demonstrates that we did not introduce imprudent risk in our sector or stock selection. The key measures of volatility all demonstrate that the Salem State portfolio did not deviate excessively from the U.S. market as a whole:

Table 5: 2013 Equity Portfolio Statistics	Salem State University	S&P 500 Index
Standard Deviation	9.0%	8.5%
Beta	1.03	1.00
R-Squared	94.6%	100.0%
Tracking Error	2.12%	0.00%
Sharpe Ratio	3.35	3.11

The Sharpe ratio is highly positive: in 2013, the equity portfolio returned more than three times what could have been expected for the risk taken.⁸ Looking at the endowment's equity portfolio for the past half-decade, the Sharpe ratio was 1.42 – still well ahead of the average asset manager. (Because we do not have separate asset-class returns for the group of smaller endowments, I cannot compare this to Salem State's peers.)

Conclusion

In the course of this analysis, I have attempted to examine whether Eastern Bank Wealth Management's superior investment returns on behalf of the Salem State University endowment were the result of prudent and professional work, or the result of taking inappropriate risks that might expose the University to substantial potential losses.

⁷ Note that for this table, the benchmark shown is the S&P 500; this is not the blended benchmark against which our performance is measured, but statistical analysis on this index is considerably more advanced than it can be for the blended S&P/MSCI-ACWI benchmark.

⁸ Money managers are generally considered to be successful if their Sharpe ratios exceed 1.0 over a sustained period. The ratio is calculated as [(portfolio return – risk-free return) / standard deviation]. The numerator captures the excess return above the average risk-free rate of a 10-year Treasury Note during the review period, and the denominator captures volatility, or risk. Assuming a long-term standard deviation of 8% and a 4% normalized 10-year Treasury note yield, an equity portfolio manager would need to post a long-term annualized return of about 200 basis points over the S&P 500 to produce a 1.0 Sharpe ratio.

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In conducting this analysis, the NACUBO-Commonfund data was quite helpful in comparing Salem State to its peer universities, but the publicly available data from that website are still limited. I would encourage the University to consider participating more actively in NACUBO if in return we might have access to more granular data regarding Salem State's truest peers, the public universities with smaller endowments.

Notwithstanding the limited comparative data available, I believe the following conclusions are warranted:

- The University's investment policy statement is prudent and within the mainstream of its peers, with respect to asset classes allowed or prohibited, and with respect to targeted allocations. If anything, the policy is too conservative. Given the University's history of extremely infrequent distributions from the endowment, we think a target of 75% equity would be more advisable over the long term. Likewise, we recommend inclusion of BBB/Baa bonds. Some guidance on fixed income ETFs and alternative assets might be helpful.
- Eastern Bank Wealth Management maintained a prudent tactical asset allocation strategy throughout the study period, yet still generated substantial excess returns (compared with Salem State's peer university endowments) through its overweight positions in United States equities as an asset class and its avoidance of "alternative" asset classes.
- Salem State's endowment grew substantially in excess of inflation, resulting in meaningful increases in its purchasing power. This is true regardless of whether inflation is measured across the broader economy or more narrowly across a basket of goods and services specific to higher education institutions.
- Within the equity portfolio, Eastern Bank Wealth Management produced superior returns through individual stock selection, but gave up some of that performance because of inopportune sector allocations. Nonetheless, a two-factor attribution demonstrated that no single security or sector was a disproportionate contributor or detractor from the endowment's performance.

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In all of these respects, I believe that Eastern Bank Wealth Management has handled Salem State University's endowment with professionalism, prudence, and care. This comes from a diligent focus on investment process rather than on hot themes, and from managing risk rather than chasing returns. We will occasionally have a bad year, to be sure, but the analysis contained herein suggests that on the whole we are successfully fulfilling our mandate from the University.

**SALEM STATE UNIVERSITY
INVITATION TO BID
THIS IS NOT AN ORDER**

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. The <u>u</u>niversity is an agency of the Commonwealth of Massachusetts and is exempt from any <u>s</u>tate tax or <u>f</u>ederal excise tax. 2. Unless otherwise stated, the unit price shall be the net price. Separate unit and total prices must be shown if applicable. 3. Unless otherwise stated, all quoted prices shall be FOB <u>u</u>niversity address inside delivery. 4. Bid must be received on or before September 15, 2008 by 3:00 P.M. <u>pm</u> in the Purchasing Department, Salem State University, 3524 Lafayette Street, Salem, MA 01970-5353, at which time there will be a public opening. 5. No FAX copies will be accepted. 6. Submit 1 original and ten copies of bid. | <ol style="list-style-type: none"> 7. Salem State University reserves the right to waive informalities and to reject any and all bids; or to accept the bid deemed best for the Commonwealth. 8. Any objections to the above conditions must be clearly indicated in the proposals. 9. For additional information
Joseph F.X. Donovan
Executive Director Finance and Treasurer <u>Associate Vice President for Finance</u>, Salem State University
352 Lafayette Street
Salem, MA 01970
jdonovan@salemstate.edu 10. Bids must be submitted to: Evelyn Wilson, C.P.M., Director of Purchasing & Vendor Relations, Salem State University, Administration Bldg., <u>First second</u> floor, 352-354 Lafayette Street, Salem, MA 01970-5353 11. Reference: Bid# 2009-01 Investment Management Services for Salem State University |
|---|---|

SPECIFICATIONS	UNIT PRICE	TOTAL PRICE
<p align="center">See Attached Specifications</p> <p>A pre bid conference will be held for all investment management contractors on: September 9, 2008, 10:00 am A.M. in the Martin Luther King Conference Room, Ellison Campus Center <u>ROOM, XXX North Campus</u>. Please RSVP to NAME <u>Laurie White</u> 978-542-XXXX <u>6950</u> to obtain parking pass and directions.</p>		

EQUAL OPPORTUNITY

The Contractor agrees not to discriminate against any employee or applicant for employment because of race, sex, color, religious creed, national origin, and/or ancestry. The contractor agrees to post in conspicuous places notices to be provided by the Massachusetts Commission Against Discrimination with respect to the Fair Employment Practice laws of the Commonwealth which are herein made part of this contract reference.

VENDOR IDENTIFICATION

COMPANY _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

TELEPHONE _____

AUTHORIZED SIGNATURE

NAME _____ TITLE _____

FEDERAL EMPLOYER'S ID CODE 9 DIGITS

VENDOR IDENTIFICATION (must be completed)

COMPANY NAME: _____

Dbas: _____

Company's Federal ID Number:

Address: _____

Remit To Address:

CITY _____ STATE _____ ZIP _____

TELEPHONE NO _____ Toll Free or

"800": _____

Fax Number: _____

E-Mail Address: _____

Web address: _____

Name _____

Title _____

Authorized Signature _____

Date: _____

Main Contact:

Person responsible for proposal (if different)



Request For Proposal

***Investment Management Services
for Salem State University***

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1. Purpose

Currently, Salem State University's (uUniversity) investments total approximately ~~9 million dollars~~. Salem State University financial and investment activities are separate from Salem State University Foundation and Salem State University Assistance Corporation.

The primary objective of the uUniversity's investment policy is to provide safety of principal and sufficient liquidity to ensure a reasonable degree of flexibility in the operations of the uUniversity, while increasing the investment balances for the uUniversity. The ~~iInvestment mManager (s) ment Firm and/or Bank's' Trust Department's will be responsible for keeping~~ ~~basic responsibility will be to keep~~ management abreast of the economy, recommend a mix of various eligible investments within the context of laws, regulations and uUniversity policy and transacting ~~-investment~~ activity consistent with objectives and direction as stated in the uUniversity's investment policy. The administration of the uUniversity's funds must comply with Massachusetts General Laws (MGL), Chapter 73, section 14; Chapter 180A; and, all other applicable laws and regulations.

Chapter 73, Section 14 of the Mass General Laws, contains an explicit directive with respect to the vehicles in which a ~~sState~~ uUniversity can invest the moneys it holds in special trusts: a uUniversity is obligated to invest those moneys in "notes or bonds secured by sufficient mortgages or other securities." An opinion of the Attorney General imports into the language just quoted, the standards of conduct and authority that apply, under general principles of laws, to trustees in the management of trusts. These broader standards obligate a trustee "to conduct himself faithfully and to exercise a sound discretion, and to be enlightened by observance as to how men of prudence, discretion and intelligence manage their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the safety of the capital." The trustees have a duty to make the trust property productive and to use due care in maintaining a proper trust portfolio. The field of investment permitted the uUniversity is not confined to notes and bonds that are secured. Other "investment-grade securities" are available to it for the purpose, by which is meant securities of a kind that are permitted by the "prudent-man" rule stated.

2. General Information

The uUniversity's investment policy requires, among other things:

- Maximize total return with a balanced reasonable level of risk
- Inflation protection
- Long-term principal growth

The uUniversity's audited financial statements as of June 30, ~~2007-2013~~ are available for your analysis by emailing jdonovan@salemstate.edu. In order to be considered for selection, the responses in section 9 of this RFP must be answered in their entirety. Only institutions currently managing a minimum of \$250 million in assets will be considered acceptable to make a proposal. Those assets must include public, private, and non-profit funds. Members of Salem State University Board of Trustees Finance and Facilities Committee and uUniversity sSenior managers (the "cCommittee") will interview selected bidders. The selected bidders will be expected to make oral presentations on campus on ~~October 22, 2008~~(fill in date) and (fill in date)~~October 24, 2008~~. It is anticipated that a decision will be made by (fill in date)~~October 27, 2008~~ for a three year renewable contract with a 30 day cancellation clause by either party. A site visit to the finalists' places of business may also be requested at the discretion of the cCommittee. Any additional information you wish to add may also be included in your proposal.

Proposals are due in sealed packages by (fill in date)~~Monday, September 15, 2008 at 3:00 P.M.-pm~~ in the pPurchasing dDepartment at Salem State. Please provide **one original and ten copies** of the proposal. The mailing address for the proposals is:

Salem State University
Attn: Purchasing Department – Bid #2009-01
352 Lafayette Street
Salem, MA 01970

Any questions regarding this proposal must be addressed to the cCommittee and submitted in writing to:

Attn: Investment Management RFP – Bid #2009-01
Evelyn Wilson, C.P.M., Director of Purchasing and Vendor Relations
Purchasing Department
Salem State University
352 Lafayette Street
Salem, MA 01970

We look forward to having you assist us in our quest to further strengthen

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our [uU](#)iversity.

3. Timetable for Selection and Award

Pre-Conference for bidders	Sept. 9, 2008
Proposal Due Date	Sept. 15, 2008
Initial review, selection of finalists and notification of non-qualifiers	Oct. 15, 2008
Presentations by finalists	Oct. 22, 2008 Oct. 24, 2008
Anticipated Award	Nov. 20, 2008
Contract Begins and Assets Transferred by	Dec. 22, 2008

4. Primary Contact for contract

- a. Joseph F.X. Donovan, [associate vice president for finance](#)~~Executive Director Finance and Treasurer~~ will be responsible for the administrative day-to-day functional requirements. He can be reached via email at jdonovan@salemstate.edu.

5. General Conditions

- 5.1 Negotiations may be undertaken with those vendors whose proposals as to price and other factors show them to be qualified, responsible and capable of performing the work. The contract entered into will be that most advantageous to Salem State University considering price and other factors.
- 5.2 The selection of a vendor and the accompanying award of a contract are to be based on evaluation criteria established in this [rRequest for pProposal](#).
- 5.3 Salem State University, at its discretion, may select not to award a contract to any vendor as a result of this RFP. The [uU](#)iversity reserves, at its discretion, the right to reject any and/or all proposals received in response to this RFP if determined that such action is taken in the best interest of the [uU](#)iversity.
- 5.4 All vendors who provide a proposal in response to this RFP are responsible for incurring all costs associated with preparing that proposal, answering all questions, providing Salem State University with requested information, and making oral presentation to the [uU](#)iversity, if requested. The [uU](#)iversity is under no obligation to

incur or reimburse any vendor for proposal costs.

- 5.5 Proposals must include a current financial statement and a statement indicating whether or not their company has been profitable for the three prior fiscal years (and parent company if applicable).
- 5.6 Proposal must be organized in the order presented in this RFP. Proposals not organized in this prescribed manner may be considered nonresponsive and rejected.
- 5.7 The following general instructions are suggested to bring clarity and order to the proposal preparation and subsequent evaluation process:
 - a. Proposals should be prepared simply and economically, providing a straight forward, concise description of the vendor's ability to meet the requirements of the RFP. Fancy binding, colored displays, promotional material, etc. are not desired. Emphasis should be on completeness and clarity of content.
 - b. Supporting documentation may be included in the RFP.
- 5.8 All proposals and attachments become the property of the University. Please indicate any or all portions, which are proprietary and are to be kept confidential.
- 5.9 The selected bidder will be required to assume responsibility for all services offered in this proposal. Further, the University will consider the selected bidder to be the sole point of contact with regard to all contractual matters.
- 5.10 The contents of the successful proposal may become contractual obligations, if a contract ensues. Failure of the successful bidder to accept these obligations may result in the cancellation of the award.
- 5.11 The proposal shall remain valid for a minimum of ninety (90) days. If additional time is needed, the University reserves the right to request an extension.
- 5.12 Questions that arise prior to the bid opening should be submitted in writing to the issuing office and will be answered at that time along with any additional questions.
- 5.13 In the event that it becomes necessary to revise any part of this RFP,

addenda will be provided to all vendors who received the basic RFP.

- 5.14 To be considered, proposal must arrive at the Purchasing Department on or before 3:00 pm P.M. on (fill in date) September 15, 2008. Bidders mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals. No allowance will be made for late delivery for any cause whatsoever.
- 5.15 To be considered, bidders must submit a complete response to this RFP.- ORIGINAL MUST BE CLEARLY MARKED **ORIGINAL plus ten copies**. -The bidder will make no other distribution of proposals. An official authorized to bind the contractor to its provisions must —sign the proposal.
- 5.16 For purposes of this RFP words such as bidder, contractor, respondent, vendor and merchant are used interchangeably but they all refer to the person responding to this RFP.

6. Background

Salem State University has an enrollment of approximately 10,000 students in the fall and spring semesters with approximately 6,000 students enrolled in the summer terms. For further information go to <http://www.salemstate.edu/>

7. Exceptions

Respondents shall provide a detailed description of any exceptions to the requirements in this RFP. Please include any exceptions in item 9.16 of your response below.

8. Vendor References

Provide at least I three (3) references with whom you are currently doing business that are comparable in financial characteristics to Salem State University will be required.

9. Proposal Response

Please provide the following information and refer to the appropriate section in your submission:

9.1. A brief history of the firm since its inception: founding date, size, purpose, funds under management, alliances, and professional memberships/affiliations. Is the firm engaged in any business other than asset management?

Company Type: (choose one)

- Independent Investment Advisor *
- Bank Affiliated Investment Advisor
- Broker Affiliated Investment Advisor
- Insurance Affiliated Advisor
- Holding Company Subsidiary/Affiliate **
- Mutual Fund Company
- Other (describe separately)

*Choose only if your firm is not in any way affiliated with banks, brokerage houses, insurance or mutual fund companies, or any other company.

If your answer is "other", or if your answer needs explanation please provide one below.

Registered under the Investment Advisory Act of 1940? Yes No
 Registered with other regulatory agencies? Yes No.
 If your answer "yes", please list the agencies and their jurisdictions below.

Ownership Type:

Publicly Owned Employee Owned Subsidiary Division Other

If your answer is "other", please list the legal owners and percentages owned below.

Ownership Structure:

Corporation Partnership LLC LLP Other

Percent Employee Owned: % Number of Employee Equity Owners:

If your firm is a subsidiary of a parent organization, provide the full legal name of that entity:

Percent of your firm that is minority-owned: %

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Percent of your firm that is female-owned: _____ %

9.2. Over the past five (5) years has your organization or any officer or principal been involved in any business litigation or other legal proceedings related to your investment activities? If so, provide a brief explanation and indicate current status.

Is there any past, current or pending litigation against your firm (including your parent company) or any of its principals? Yes No

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Are there any past, current or pending regulatory issues/findings against your firm or any of its principals (include any and all fines or disciplinary actions)? Yes No

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Have any of your firm's professionals who have the CFA designation ever been disciplined by the AIMR? Yes No

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If you answered "yes" to any of the above, please provide a detailed explanation in the Appendix.

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9.3 Please breakdown total assets and accounts currently under management by client type. Specify the average size of your firm's non-profit clients.

Accounts	Assets (\$ millions)	# Clients
(as of 12/31/2013)		

Corporate:

Public:

Endowment/Foundation:

High Net-Worth/ Retail Individuals:

Non- U.S. Clients:

Other:

Total:

Breakdown by Type of Investment Vehicle **with benchmarks used**

	Assets(\$millions)	# Clients
<u>Total Separately Managed Assets:</u>		
<u>Total Commingled* Assets:</u>		
<u>*Include all mutual funds, group trusts, limited partnerships, and other commingled vehicles.</u>		
<u>All Other Assets**</u>		
<u>** Describe assets, (i.e., subadvisory, etc.)</u>		

Total:

Provide the account gain and loss history for all assets. Exclude contributions, withdrawals and appreciation of existing accounts' assets.

	2009	2010	2011	2012	2013
	# Clients Assets	# Clients Assets	# Clients Assets	# Clients Assets	# Clients Assets
<u>Gain:</u>					
<u>Loss:</u>					

9.4 Provide a breakdown of your firm-wide staff into the following categories.

<u>Portfolio Managers</u>	<u>Administration</u>
<u>Economists</u>	<u>Marketing/Client Service</u>
<u>Analysts</u>	<u>Legal</u>
<u>Traders</u>	<u>Systems</u>
<u>Other Professionals</u>	<u>Other Staff</u>
<u>Total Investment Staff</u>	<u>Total Non-Investment Staff</u>
<u>(total of the above)</u>	<u>(total of the above)</u>
<u>Grand Total</u>	

9.4—Describe the management team that would be assigned to this portfolio and how it would function. -Please provide brief background — profiles on the key individuals.

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- 9.5 What steps has your firm taken to address the issues raised by the Sarbanes Oxley Act of 2002?
- 9.6 Describe your firm's experience with non-profit organizations that _____have similar characteristics and needs to that of Salem State University. _____What percent of your clients are non-profits and what percent of the _____funds your firm has under management are non-profit? -What is the _____aggregate value of non-profit assets under management?
- 9.7 Please provide your investment performance record for the past ten calendar years showing annual and compound returns on a time-weighted basis for each investment strategy proposed used with the corresponding benchmark for that time period. If possible, _____Differentiate between income and appreciation. Provide Indicate the _____benchmark that should be used for comparison and its performance _____record for the past ten calendar years. Include /or a brief description _____of the investment objectives for each investment strategy proposed. Include the record of those accounts, or composites, that reflect your management approach to a portfolio of our size and purpose.
- 9.8 Explain your firm's investment decision-making process. _____Specifically identify any matrix or economic models utilized in buy/sell _____decisions.
- 9.9 How do you measure and control risk? -How do you report the risk of the portfolio? How do you measure _____performance? Which benchmarks will you use?
- 9.10 Does your firm utilize index funds as a management tool? -Are _____there any fee savings for their use?
- 9.11 Attach a fee schedule which includes fee examples for a fund of our size and purpose. Please also identify any fees associated with mutual funds that may be included in portfolio. Finally, please identify any and other fees, including but not limited to, "pass-through" fees that should be considered in any fee review.
- 9.12 What is your philosophy and practice regarding ongoing communication and reporting to the management and governance bodies of the University? Please submit samples of all statements to _____be _____provided to the uUniversity. (Appendix A)
- 9.13 Provide current financial statements and a statement indicating whether or not the company has been profitable for the three prior

fiscal years (and parent company, if applicable). Provide ADV Filings – Form I, II (Appendix B)

9.14 Describe any insurance coverage maintained by your company in the event of loss due to employees' malfeasance or fraud.

9.15 Include at least three (3) references including the primary client contact, assets managed, investment product, year that relationship began, any other information that you feel would be helpful.

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9.16 Exceptions: please provide a detailed description of any exceptions to the requirements of this RFP.

9.17 Appendix

A. Legal/Regulatory Explanations (9.2)

B. Sample Reports (9.12)

C. ADV Filings – Form I, II (9.13)

D. Other firm information (optional)

10. Evaluation Criteria

All proposals will be evaluated by the cCommittee (members of the uUniversity's bBoard of tTrustees fFinance and fFacilities committee and uUniversity senior managers). Proposal evaluation will be based upon the vendor's ability to meet Salem State University's requirements. Each proposal will be evaluated against specifications outlined in this RFP. A contract may not be awarded solely on price. In addition to price, the following will be considered:

- a. the greatest value with respect to the bidders response and its material content and responsiveness to the requirements of the —RFP,
- b. the quality of the services offered,
- c. -the general reputation of the firm,
- d. the qualifications of the personnel assigned to work on the

- project,
- e. the demonstrated understanding of the respondent of conducting the work as required by the scope of services
- f. the bidders functionality, performance, flexibility, and ability to meet Salem State University goals.

11. Standard Terms and Conditions:

The winning vendor will be required to sign a Commonwealth of Massachusetts Standard Contract (Sample attached, also available http://www.mass.gov/osc/docs/forms/contracts/standard-contract_frm.pdf)(http://www.mass.gov/Aosc/docs/Forms/Contracts/standard_contract_frm.doc)

REVISED 3-25-2014
 Sections 9.1; 9.7 & 9.9

INVITATION TO BID
 THIS IS NOT AN ORDER

1. The university is an agency of the Commonwealth of Massachusetts and is exempt from any state tax or federal excise tax.
2. Unless otherwise stated, the unit price shall be the net price. Separate unit and total prices must be shown if applicable.
3. Unless otherwise stated, all quoted prices shall be FOB university address inside delivery.
4. Bid must be received on or before **by 3:00 pm in the Purchasing Department, Salem State University, 354 Lafayette Street, Salem, MA 01970-5353, at which time there will be a public opening.**
5. No FAX copies will be accepted.
6. Submit **1 original and ten** copies of bid.
7. Salem State University reserves the right to waive informalities and to reject any and all bids; or to accept the bid deemed best for the Commonwealth.
8. Any objections to the above conditions must be clearly indicated in the proposals.
9. For additional information
Joseph F.X. Donovan
Associate Vice President for Finance,
Salem State University
352 Lafayette Street
Salem, MA 01970
jdonovan@salemstate.edu
10. **Bids must be submitted to: Evelyn Wilson, C.P.M., Director of Purchasing & Vendor Relations, Salem State University, Administration Bldg., second floor, 354 Lafayette Street, Salem, MA 01970-5353**
11. Reference: **Bid# Investment Management Services for Salem State University**

SPECIFICATIONS	UNIT PRICE	TOTAL PRICE
<p style="text-align: center;">See Attached Specifications</p> <p>A pre bid conference will be held for all investment management contractors on: (fill in date), 10 am in the ROOM, XXX Campus. Please RSVP to NAME 978-542-XXXX to obtain parking pass and directions.</p>		

EQUAL OPPORTUNITY

The Contractor agrees not to discriminate against any employee or applicant for employment because of race, sex, color, religious creed, national origin, and/or ancestry. The contractor agrees to post in conspicuous places notices to be provided by the Massachusetts Commission Against Discrimination with respect to the Fair Employment Practice laws of the Commonwealth which are herein made part of this contract reference.

VENDOR IDENTIFICATION

 COMPANY

 ADDRESS

 CITY STATE ZIP

 TELEPHONE

 AUTHORIZED SIGNATURE

 NAME TITLE

 FEDERAL EMPLOYER'S ID CODE 9 DIGITS

VENDOR IDENTIFICATION (must be completed)

COMPANY NAME: _____

Dbas: _____

Company's Federal ID Number:

Address: _____

Remit To Address:

CITY _____ STATE _____ ZIP _____

TELEPHONE NO _____ Toll Free or

"800": _____

Fax Number: _____

E-Mail Address: _____

Web address: _____

Name _____

Title _____

Authorized Signature _____

Date: _____

Main Contact:

Person responsible for proposal (if different)



Request For Proposal

***Investment Management Services
for Salem State University***

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1. Purpose

Currently, Salem State University's (university) investments total approximately. Salem State University financial and investment activities are separate from Salem State University Foundation and Salem State University Assistance Corporation.

The primary objective of the university's investment policy is to provide safety of principal and sufficient liquidity to ensure a reasonable degree of flexibility in the operations of the university, while increasing the investment balances for the university. The investment manager (s) will be responsible for keeping management abreast of the economy, recommend a mix of various eligible investments within the context of laws, regulations and university policy and transacting investment activity consistent with objectives and direction as stated in the university's investment policy. The administration of the university's funds must comply with Massachusetts General Laws (MGL), Chapter 73, section 14; Chapter 180A; and, all other applicable laws and regulations.

Chapter 73, Section 14 of the Mass General Laws, contains an explicit directive with respect to the vehicles in which a state university can invest the moneys it holds in special trusts: a university is obligated to invest those moneys in "notes or bonds secured by sufficient mortgages or other securities." An opinion of the Attorney General imports into the language just quoted, the standards of conduct and authority that apply, under general principles of laws, to trustees in the management of trusts. These broader standards obligate a trustee "to conduct himself faithfully and to exercise a sound discretion, and to be enlightened by observance as to how men of prudence, discretion and intelligence manage their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the safety of the capital." The trustees have a duty to make the trust property productive and to use due care in maintaining a proper trust portfolio. The field of investment permitted the university is not confined to notes and bonds that are secured. Other "investment-grade securities" are available to it for the purpose, by which is meant securities of a kind that are permitted by the "prudent-man" rule stated.

2. General Information

The university's investment policy requires, among other things:

- Maximize total return with a balanced reasonable level of risk
- Inflation protection
- Long-term principal growth

The university's audited financial statements as of June 30, 2013 are available for your analysis by emailing jdonovan@salemstate.edu. In order to be considered for selection, the responses in section 9 of this RFP must be answered in their entirety. Only institutions currently managing a minimum of \$250 million in assets will be considered acceptable to make a proposal. Those assets must include public, private, and non-profit funds. Members of Salem State University Board of Trustees Finance and Facilities Committee and university senior managers (the "committee") will interview selected bidders. The selected bidders will be expected to make oral presentations on campus on (fill in date) and (fill in date). It is anticipated that a decision will be made by (fill in date) for a three year renewable contract with a 30 day cancellation clause by either party. A site visit to the finalists' places of business may also be requested at the discretion of the committee. Any additional information you wish to add may also be included in your proposal.

Proposals are due in sealed packages by (fill in date) **at 3 pm** in the purchasing department at Salem State. Please provide **one original and ten copies** of the proposal. The mailing address for the proposals is:

Salem State University
 Attn: Purchasing Department – Bid #
 352 Lafayette Street
 Salem, MA 01970

Any questions regarding this proposal must be addressed to the committee and submitted in writing to:

Attn: Investment Management RFP – Bid #
 Evelyn Wilson, C.P.M., Director of Purchasing and Vendor
 Relations
 Purchasing Department
 Salem State University
 352 Lafayette Street
 Salem, MA 01970

We look forward to having you assist us in our quest to further strengthen our university.

3. Timetable for Selection and Award

Pre-Conference for bidders	
Proposal Due Date	
Initial review, selection of finalists and notification of non-qualifiers	
Presentations by finalists	
Anticipated Award	
Contract Begins and Assets Transferred by	

4. Primary Contact for contract

- a. Joseph F.X. Donovan, associate vice president for finance will be responsible for the administrative day-to-day functional requirements. He can be reached via email at jdonovan@salemstate.edu.

5. General Conditions

- 5.1 Negotiations may be undertaken with those vendors whose proposals as to price and other factors show them to be qualified, responsible and capable of performing the work. The contract entered into will be that most advantageous to Salem State University considering price and other factors.
- 5.2 The selection of a vendor and the accompanying award of a contract are to be based on evaluation criteria established in this request for proposal.
- 5.3 Salem State University, at its discretion, may select not to award a contract to any vendor as a result of this RFP. The university reserves, at its discretion, the right to reject any and/or all proposals received in response to this RFP if determined that such action is taken in the best interest of the university.
- 5.4 All vendors who provide a proposal in response to this RFP are responsible for incurring all costs associated with preparing that proposal, answering all questions, providing Salem State University with requested information, and making oral presentation to the university, if requested. The university is under no obligation to incur or reimburse any vendor for proposal costs.

- 5.5 Proposals must include a current financial statement and a statement indicating whether or not their company has been profitable for the three prior fiscal years (and parent company if applicable).
- 5.6 Proposal must be organized in the order presented in this RFP. Proposals not organized in this prescribed manner may be considered nonresponsive and rejected.
- 5.7 The following general instructions are suggested to bring clarity and order to the proposal preparation and subsequent evaluation process:
 - a. Proposals should be prepared simply and economically, providing a straight forward, concise description of the vendor's ability to meet the requirements of the RFP. Fancy binding, colored displays, promotional material, etc. are not desired. Emphasis should be on completeness and clarity of content.
 - b. Supporting documentation may be included in the RFP.
- 5.8 All proposals and attachments become the property of the university. Please indicate any or all portions, which are proprietary and are to be kept confidential.
- 5.9 The selected bidder will be required to assume responsibility for all services offered in this proposal. Further, the university will consider the selected bidder to be the sole point of contact with regard to all contractual matters.
- 5.10 The contents of the successful proposal may become contractual obligations, if a contract ensues. Failure of the successful bidder to accept these obligations may result in the cancellation of the award.
- 5.11 The proposal shall remain valid for a minimum of ninety (90) days. If additional time is needed, the University reserves the right to request an extension.
- 5.12 Questions that arise prior to the bid opening should be submitted in writing to the issuing office and will be answered at that time along with any additional questions.
- 5.13 In the event that it becomes necessary to revise any part of this RFP, addenda will be provided to all vendors who received the basic RFP.

- 5.14 To be considered, proposal must arrive at the purchasing department on or before 3 pm on (fill in date). Bidders mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals. No allowance will be made for late delivery for any cause whatsoever.
- 5.15 To be considered, bidders must submit a complete response to this RFP. ORIGINAL MUST BE CLEARLY MARKED **ORIGINAL plus ten copies**. The bidder will make no other distribution of proposals. An official authorized to bind the contractor to its provisions must sign the proposal.
- 5.16 For purposes of this RFP words such as bidder, contractor, respondent, vendor and merchant are used interchangeably but they all refer to the person responding to this RFP.

6. Background

Salem State University has an enrollment of approximately 10,000 students in the fall and spring semesters with approximately 6,000 students enrolled in the summer terms. For further information go to <http://www.salemstate.edu/>

7. Exceptions

Respondents shall provide a detailed description of any exceptions to the requirements in this RFP. Please include any exceptions in item 9.16 of your response below.

8. Vendor References

Three (3) references with whom you are currently doing business that are comparable in financial characteristics to Salem State University will be required.

9. Proposal Response

Please provide the following information and refer to the appropriate section in your submission:

- 9.1. A brief history of the firm since its inception: founding date, size, purpose, funds under management, alliances, and professional memberships/affiliations. Is the firm engaged in any business other

than asset management?

Company Type: (choose one)

- Independent Investment Advisor *
 Bank Affiliated Investment Advisor
 Broker Affiliated Investment Advisor
 Insurance Affiliated Advisor
 Holding Company Subsidiary/Affiliate **
 Mutual Fund Company
 Other (describe separately)

*Choose only if your firm is not in any way affiliated with banks, brokerage houses, insurance or mutual fund companies, or any other company.

If your answer is "other", or if your answer needs explanation please provide one below.

Registered under the Investment Advisory Act of 1940? Yes No
 Registered with other regulatory agencies? Yes No.
 If you answer "yes", please list the agencies and their jurisdictions below.

Ownership Type:

Publicly Owned Employee Owned Subsidiary Division Other

If your answer is "other", please list the legal owners and percentages owned below.

Ownership Structure:

Corporation Partnership LLC LLP Other

Percent Employee Owned: ___% Number of Employee Equity Owners: _____

If your firm is a subsidiary of a parent organization, provide the full legal name of that entity:

Percent of your firm that is minority-owned: _____%

Percent of your firm that is female-owned: _____%

- 9.2. Over the past five (5) years has your organization or any officer or principal been involved in any business litigation or other legal proceedings related to your investment activities? If so, provide a brief explanation and indicate current status.

Is there any past, current or pending litigation against your firm (including your parent company) or any of its principals? Yes No

Are there any past, current or pending regulatory issues/findings against your firm or any of its principals (include any and all fines or disciplinary actions)? Yes No

Have any of your firm's professionals who have the CFA designation ever been disciplined by the AIMR? Yes No

If you answered "yes" to any of the above, please provide a detailed explanation in the Appendix.

- 9.3 Please breakdown total assets and accounts currently under management by client type. Specify the average size of your firm's non-profit clients.

Assets (\$ millions) (as of 12/31/2013)	# Clients
--	-----------

Corporate:

Public:

Endowment/Foundation:

High Net-Worth/ Retail:

Non- U.S. Clients:

Other:

Total:

Breakdown by Type of Investment Vehicle with benchmarks used.

Assets (\$millions) # Clients

Total Separately Managed Assets:)

Total Commingled* Assets:

*Include all mutual funds, group trusts, limited partnerships, and other commingled vehicles.

All Other Assets**

** Describe assets, (i.e., subadvisory, etc.)

Total:

Provide the account gain and loss history for all assets. Exclude contributions, withdrawals and appreciation of existing accounts' assets.

2009		2010		2011		2012		2013	
# Clients	Assets	# Clients	Assets	# Clients	Assets	# Clients	Assets	# Clients	Assets

Gain: _____

Loss: _____

9.4 Provide a breakdown of your firm-wide staff into the following categories.

- | | |
|---|--|
| <p>_____ Portfolio Managers</p> <p>_____ Economists</p> <p>_____ Analysts</p> <p>_____ Traders</p> <p>_____ Other Professionals</p>
<p>_____ Total Investment Staff
(total of the above)</p> | <p>_____ Administration</p> <p>_____ Marketing/Client Service</p> <p>_____ Legal</p> <p>_____ Systems</p> <p>_____ Other Staff</p>
<p>_____ Total Non-Investment Staff
(total of the above)</p> |
|---|--|

Grand Total _____

Describe the management team that would be assigned to this portfolio and how it would function. Please provide brief background profiles on the key individuals.

9.5 What steps has your firm taken to address the issues raised by the Sarbanes Oxley Act of 2002?

9.6 Describe your firm's experience with non-profit organizations that have similar characteristics and needs to that of Salem State

University. What percent of your clients are non-profits and what percent of the funds your firm has under management are non-profit? What is the aggregate value of non-profit assets under management?

- 9.7 Please provide your investment performance record for the past ten calendar years showing annual and compound returns on a time-weighted basis for each investment strategy proposed. Differentiate between income and appreciation. Include a brief description of the investment objectives for each investment strategy used, with the corresponding benchmark for that time period. Include the record of those accounts, or composites, that reflect your management approach to a portfolio of our size and purpose.
- 9.8 Explain your firm's investment decision-making process. Specifically identify any matrix or economic models utilized in buy/sell decisions.
- 9.9 How do you measure and control risk? How do you report the risk for the portfolio? How do you measure performance? Which benchmarks do you use?
- 9.10 Does your firm utilize index funds as a management tool? Are there any fee savings for their use?
- 9.11 Attach a fee schedule which includes fee examples for a fund of our size and purpose. Please also identify any fees associated with mutual funds that may be included in portfolio. Finally, please identify any and other fees, including but not limited to, "pass-through" fees that should be considered in any fee review.
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- 9.15 Include at least three (3) references including the primary client contact, assets managed, investment product, year that relationship

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9.17 Appendix

A. Legal/Regulatory Explanations (9.2)

B. Sample Reports (9.12)

C. ADV Filings – Form I, II (9.13)

D. Other firm information (optional)

10. Evaluation Criteria

All proposals will be evaluated by the committee (members of the university's board of trustees finance and facilities committee and university senior managers). Proposal evaluation will be based upon the vendor's ability to meet Salem State University's requirements. Each proposal will be evaluated against specifications outlined in this RFP. A contract may not be awarded solely on price. In addition to price, the following will be considered:

- a. the greatest value with respect to the bidders response and its material content and responsiveness to the requirements of the RFP,
- b. the quality of the services offered,
- c. the general reputation of the firm,
- d. the qualifications of the personnel assigned to work on the project,
- e. the demonstrated understanding of the respondent of conducting the work as required by the scope of services
- f. the bidder's functionality, performance, flexibility, and ability to meet Salem State University goals.

11. Standard Terms and Conditions:

The winning vendor will be required to sign a Commonwealth of Massachusetts Standard Contract (Sample attached, also available <http://www.mass.gov/osc/docs/forms/contracts/standard-contract-firm.pdf>)

Salem State University Board of Trustees Scorecard

Attachment G

DRAFT

	1 Yr Chg										Chg from Base			Comparators (5 Comp. State U's)					Target		
	FL '09		FL '10		FL '11		FL '12		FL '13		Abs	Pct	Out of 6	Rank	Low	Mid	High	FL '14	FL '15	FL '16	
													(1=High)								
Enrollment																					
Total enrollment	10,125	9,993	9,646	9,456	9,301						-155	-2%	-824	-8%	2	6,370	6,447	11,267	9,542	9,713	9,890
Degree seeking undergraduate	7,085	7,296	7,136	7,143	7,134					-9	0%	49	1%	2	4,056	5,033	9,489	7,277	7,349	7,423	
Non-degree undergraduate	678	543	568	598	530					-68	-11%	-148	-22%	1	126	189	523	600	630	662	
Degree seeking graduate	1,440	1,452	1,402	1,348	1,350					2	0%	-90	-6%	1	522	789	1,307	1,375	1,444	1,516	
Non-degree graduate	922	702	540	367	287					-80	-22%	-635	-69%	4	157	345	1,646	290	290	290	
New Students (Number)																					
Freshman	994	998	1,005	1,095	1,087					-8	-1%	93	9%	3	780	809	1,474	1,100	1,100	1,100	1,100
Transfer	852	892	868	860	782					-78	-9%	-70	-8%	2	398	439	1,019	860	860	860	860
Graduate	371	349	320	319	330					11	3%	-41	-11%	1	134	188	314	360	396	396	436
Market Attractiveness																					
Freshman applications	5,835	5,697	4,760	4,855	5,216					361	7%	-619	-11%	3	3,819	5,145	5,927	5,477	5,751	6,038	
Freshman admission yield	28.3%	30.5%	31.5%	32.6%	29.1%					-3.5%		1%		4	27%	31%	33%	30%	30%	30%	30%
Student Profile																					
Average HS GPA	2.94	2.94	3.08	3.09	3.13					0.04	1%	0.19	7%	3	3.01	3.13	3.18	3.15	3.16	3.17	
Freshman average Combined SAT (V+M)	979	995	998	989	990					1		11		6	993	1002	1024				
Freshman Pell eligible (Fall '11)	38.3%	37.1%	37.7%	39.5%	38.3%					-1.1%		0.0%		1	28.7%	31.3%	35.3%				
Freshman students-of-color (%)	21.2%	20.4%	23.6%	25.7%	25.5%					-0.2%		4.2%		2	17.6%	22.2%	25.7%				
Undergraduate enrollment, students-of-color (%)	20.8%	22.7%	24.0%	25.0%	26.4%					1.4%		5.7%		1	17.0%	19.8%	22.4%				
Graduate enrollment, students-of-color (%)	4.6%	7.7%	8.5%	9.6%	11.8%					2.2%		7.1%		3	6.0%	9.8%	15.7%				
Housing																					
Freshmen in residence halls (%)		61%	67%	71%	66%					-4.4%		5.4%		4	54%	67%	87%				
Total Undergrads (degree) in res halls (%)		25%	27%	28%	28%					-0.2%		2.8%		5	24%	40%	55%				
Student Satisfaction																					
Would enroll again: probably/definitely yes			52%	52%																	
Experience met expectations: better than expected			40%	40%																	
Overall satisfaction: satisfied or very satisfied			46%	48%																	
Retention and Graduation (period is year measured)																					
1-year retention rate, freshman	74.8%	81.2%	73.3%	73.8%	78.1%					4.3%		3.3%		5	73.1%	79.0%	81.4%				
1-year retention rate, transfer	82.4%	82.3%	81.7%	81.0%	82.9%					1.9%		0.5%		6	50.8%	51.5%	59.8%				
6-year graduation rate, freshman	43.4%	42.4%	41.6%	45.3%	45.6%					0.2%		2.2%									
6-year graduation rate, transfer	57.9%	56.9%	59.0%	58.6%	59.4%					0.8%		1.5%									
Disparities, 6-year grad rate (period is year measured)																					
Black - White, freshman	-4%	-7%	-11%	-9%	-4%					-5.1%		0.2%		5	-20%	-14%	0%				
Black - White, transfer	-7%	6%	3%	-11%	-13%					2.0%		6.0%									
Hispanic - White, freshman	-9%	-8%	-10%	-10%	-3%					-6.7%		-5.9%		4	-22%	-10%	8%				
Hispanic - White, transfer	-10%	-17%	2%	-14%	-11%					-3.0%		1.0%									
Global																					
Number of International students (Total)	339	340	341	366	385					19	5%	46	14%	1	12	72	85				
Number of International students (UG)	305	303	299	320	318					-2	-1%	13	4%	1	9	30	72				

**Update on Capital Projects
March 26, 2014**

CONSTRUCTION – CURRENT

Viking Hall and Enabling Projects (MSCBA)

- *Utility Relocation* – Phase I Utility Relocation is complete. Phase II continues and should be completed by the second week of April.
- *Canal Street Parking Lot* –The Mackey Building will be demolished by the week of April 7. The Blue Building will be demolished by the end of June. The parking lot will be completed in August.
- *Public Safety Relocation* – The Public Safety Department relocation is complete. The former Public Safety Building is being prepared for demolition.
- *Viking Hall* –Full construction site mobilization is complete and the geopiers portion of the building foundation is being installed.

Frederick E. Berry Library Learning Commons (DCAMM)

- Completion of geothermal work, completion of landscaping and hardscaping of the library quad, and restoration of the portion of the Lot A parking lot taken for construction staging is scheduled to be completed in April- June 2014.
- The Dedication of the Berry Library is scheduled for May 28, 2014 at 3:00 p.m.

CONSTRUCTION – ABOUT TO BEGIN

One-Stop Student Center (Salem State Capital Project)

- The One-Stop Student Center construction contract has been awarded, and the contractor will start work in April.
- Construction is scheduled to be completed by July 2014.

Sophia Gordon Center for the Creative & Performing Arts Theater Renovation (DCAMM)

- DCAMM has selected Daniel O’Connell’s Sons as the Construction Manager (CM). We expect the CM to be under contract in April 2014.
- Pending confirmation by the CM, we expect construction site mobilization in May 2014.

DESIGN STUDIES

Parking Garage I (MSCBA)

- The Desman study team has analyzed potential sites for a parking garage and will be presenting the options to a broad range of internal and external constituents during April.

Meier Hall Laboratory Expansion (DCAMM)

- The Commonwealth’s Designer Selection Board (DSB) selected Payette as the design team for the Meier Hall Laboratory Expansion Project. We expect the firm to start work late April.

**Update on Capital Projects
March 26, 2014**

Ellison Campus Center Study (MSCBA)

- MSCBA and Salem State intend to procure a firm to perform a study of the Ellison Student Center to determine how to renovate and/or expand it to meet our current student population's needs.

OFF-CAMPUS SPACE (Salem State University Assistance Corp.)

287 Lafayette Street (Salem Renewal, LLC)

Salem Renewal, LLC has completed a design for the renovation of the Temple building for use by Salem State University. Specifications and plans have been drafted to support the lease agreement.

RCG LLC

We continue to work with RCG, the real estate development company that has proposed a building on Washington and Dodge Streets in downtown Salem. We hope to provide off-campus graduate student housing in this location.

CITY OF SALEM

South Salem Drainage Improvement Project (City of Salem)

- The City of Salem has approached Salem State regarding the use of the O'Keefe Center Parking lot for a drainage retention system that would support the improvement of drainage in South Salem.

Horace Mann School Study

- The City of Salem is in the process of procuring a design firm to study the feasibility of relocating the Horace Mann School to the Harrington Building on South Campus and returning the Horace Mann School to Salem State for university use.

Federal Street Courthouses

- The City of Salem is working with DCAMM to transfer the property to the Salem Redevelopment Authority. Salem State continues to express its interest in being an anchor tenant providing academic programming at that location.

SUBJECT: Executive Committee Meeting Report of March 26, 2014

The Executive Committee of the Board of Trustees met Wednesday, March 26, 2014, in room 210 of Marsh Hall located on the Central Campus of Salem State University.

Present for the Committee were Trustees Scott (Chair), Quiroga and Segal; President Meservey (ex-officio and Committee Liaison); and Secretary to the Board Fleischman. Also present and participating in the meeting was Executive Vice President Cahill.

Chair Scott called the meeting to order at 7:32 pm.

Search Update: The status of the searches for Chief Financial Officer (CFO) and Vice President for Administration (VPA) had been reviewed at earlier committee meetings. It was felt that repetition of the information was not necessary. For purposes of the Executive Committee meeting record, the searches are being run concurrently. The searches have begun with the selection of the search firm, Brill Newman. Trustee Stringer has agreed to serve on the VPA search committee, while Francois Gadenne, advisory member of the Finance & Facilities Committee, has agreed to serve on the CFO search.

Commencement Update: President Meservey reviewed for the committee the efforts to date made in developing the slate of speakers and honorary degree recipients for this year's three commencement ceremonies. The president reported that progress was being made and that four of the six slots were filled; two of the three ceremonies were set. Invitations have been made for the remaining two positions and we are hopeful to have the 2014 platform finalized shortly.

Scorecard: As with the searches, this matter had been addressed in detail at earlier committee meetings. It was the consensus of the committee that no further discussion was needed at this time.

There being no further business to come before the Committee, Chair Scott asked for a motion to adjourn.

Upon a motion duly made by Trustee Segal and seconded by Trustee Quiroga, it was unanimously **VOTED: To adjourn the meeting at 7:41 pm.**

Prepared by: J. Fleischman, Secretary to the Board of Trustees

