

BOARD OF
TRUSTEES MEETING
MINUTES
February 13, 2019

Approval of the following Meeting Minutes and Committee Reports:

Board of Trustees: October 17, 2018 (filed separately & here(

Risk Management & Audit: October 10, 2018

Academic Affairs & Student Life: January 30, 2019

Institutional Advancement, Marketing & Communications: January 30, 2019 Finance & Facilities:
January 30, 2019

Risk Management & Audit: January 30, 2019

Executive: January 30, 2019

Meeting of the Board of Trustees

February 13, 2019 at 5pm

Agenda page 2

Petrowski conference room, Marsh 210

Salem State University

Salem, Massachusetts

Consent Agenda

Approval of the following Meeting Minutes and Committee Reports:

Board of Trustees: October 17, 2018

Risk Management & Audit: October 10, 2018

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Institutional Advancement, Marketing & Communications: January 30, 2019

Finance & Facilities: January 30, 2019

Risk Management & Audit: January 30, 2019

Executive: January 30, 2019

Committee Motions for Consideration:

Finance & Facilities

Motion: **The Board of Trustees approves the following actions with regard to the property located at 410 Lafayette Street:**

- 1. Modification of the lease between the Salem State University Assistance Corporation and Salem State University if needed to facilitate a sale;**
- 2. Directive to the Salem State University Assistance Corporation to sell the property if said sale price is fiscally prudent based on a realtor’s assessment of market value, subject to approval by Salem State University of the offering and final sale price;**
- 3. Directive to the Salem State University Assistance Corporation that proceeds from the sale be used to offset any costs related to the sale, with the remainder to be deposited to the university’s fund for facility projects. The university’s president and vice president for finance and facilities are authorized to do all things and take all actions deemed necessary or desirable to carry into effect the matters hereby authorized.**

Risk Management & Audit

Motion: **The Board of Trustees hereby approves the Equal Opportunity, Diversity and Affirmative Action Plan dated September 18, 2018, as amended.**

Meeting of the Board of Trustees

February 13, 2019 at 5pm

Agenda page 3

Petrowski conference room, Marsh 210

Salem State University

Salem, Massachusetts

Executive

Motion 1: **The Board of Trustees of Salem State University hereby makes the following appointment to the Board of Directors of the Salem State University Assistance Corporation: Gordon Hall as chair for a three year term renewable to commence March 1, 2019.**

Motion 2: **The Board of Trustees of Salem State University hereby makes the following appointment to the Board of Directors of the Salem State University Assistance Corporation: Helen Corbett for a three year term renewable to commence March 1, 2019.**

 REQUEST FOR TRUSTEE ACTION

Date: February 5, 2019
To: Board of Trustees
From: Karen P. House, Vice President for Finance and Facilities
Subject: Sale of 410 Lafayette Street
Requested Action: Approval

MOTION

The Board of Trustees approves the following actions with regard to the property located at 410 Lafayette Street: 1. Modification of the lease between the Salem State University Assistance Corporation and Salem State University if needed to facilitate a sale; 2. Directive to the Salem State University Assistance Corporation to sell the property if said sale price is fiscally prudent based on a realtor's assessment of market value, subject to approval by Salem State University of the offering and final sale price; 3. Directive to the Salem State University Assistance Corporation that proceeds from the sale be used to offset any costs related to the sale, with the remainder to be deposited to the university's fund for facility projects. The university's president and vice president for finance and facilities are authorized to do all things and take all actions deemed necessary or desirable to carry into effect the matters hereby authorized.

Trustee Action:

Trustee Approval Date:

Effective Date:

APPROVED

FEB 13 2019

Board of Trustees
Salem State University

Signed:

Title: Secretary of the Board of Trustees

Date:

2/13/2019

REQUEST FOR TRUSTEE ACTION

Date: January 7, 2019
To: Board of Trustees
From: Rita Colucci, Esq., General Counsel
Subject: Equal Opportunity, Diversity and Affirmative Action Plan
Requested Action: Approval

This motion seeks Board approval to accept changes to Salem State's Equal Opportunity, Diversity and Affirmative Action Plan pursuant to new federal guidance.

Background

Salem State University has shared an Equal Opportunity, Diversity and Affirmative Action Policy (hereinafter "EOP"), approved by the Board of Higher Education, with the other eight (8) state universities/colleges for at least the past 30 years. In 2015, the EOP underwent substantial changes, specifically with regard to its policy and complaint processes related to sexual misconduct and Title IX of the Education Amendments of 1972. These changes were implemented after the U.S. Department of Education (hereinafter "DOE") released guidance, in both 2011 and 2014, on how schools should respond to complaints of sexual misconduct. While the guidance was not technically "law," it was enforced by the USDOE as a federal mandate.

In 2017, the U.S. Department of Education withdrew the 2011 and 2014 guidance, and referred institutions back to the original law, its regulations, and guidance issued in 2001 and reaffirmed in 2006. This led the state universities to make changes to the EOP. The BHE approved the changes on September 28, 2018. The revised EOP is now before this board for approval.

Changes to the EOP

The changes to the policy are summarized as follows:

1. The Policy Statement on Non-Discrimination has been moved to page 2 for emphasis and to make it easier to locate.
2. In the Definitions, section the following changes were made:
 - The Plan's restrictions on informal resolution or mediation in sexual violence, domestic violence, dating violence or stalking cases have been

removed. The Plan addresses the applicability of those resolution processes in such situations within the text of the Complaint Investigation and Resolution Procedures.

- The "Timeframes" and general overview of the investigation process has been changed to conform to the current guidance (the 60-day timeframe for investigations, however, remains).
 - The role of the Advisor has been clarified: (1) only parties (not witnesses) are entitled to advisors; and (2) union members who are respondents may elect to have a union representative present at meetings which the union member reasonably believes may result in discipline, but the union member may not have both a union representative *and* an advisor.
3. In the Sexual Violence Policy section, the following changes were made
- Where applicable, references to "victim" have been changed to the more neutral "complainant." However, the plan also makes it clear that all investigations will be conducted using a "trauma- informed approach" to support complainants, while ensuring that appropriate support and due process protections are provided to all parties.
 - For domestic and/or dating violence, there is clarification that a finding is typically based on the totality of the circumstances, and that a single occurrence of behavior may not necessarily lead to a finding of domestic and/or dating violence.
 - The contacts for the Victim Advocate/Assistance Office for each county have been added.
 - The "Interim Measures" section has been changed to reflect the current OCR guidance.
 - The "Parties Rights" section has been altered to reflect the changes in the current OCR guidance concerning the sharing of the investigation report prior to submission for administrative review. It has also been changed to clarify that parties do not have the right to see all "documents" pertaining to an investigation, but rather the evidence used in making the determination of a policy violation.
4. A Policy Against Discrimination in Employment Based on Pregnancy and Pregnancy Related Conditions has been added to comply with the requirements of the Massachusetts Pregnant Workers Fairness Act.
5. The following amendments were made to the Complaint Investigation and Resolution Procedures:
- The prohibition against use of the Informal Process for complaints under the Sexual Violence Policy has been removed pursuant to current OCR guidance.
 - A subsection on counterclaims has been added to address a procedural gap (and consequent due process concerns) in the

Formal Investigation Process.

- Pursuant to current OCR guidance, the Formal Investigation Process now includes a step at which the parties are entitled to review the draft investigation report prior to its submission for administrative review.
- The time period for filing an appeal has increased from 5 to 10 days to better afford the parties more time to consider their options and review the investigation materials in advance of filing their appeal.
- The following provision has been added to take into account situations in which the University, upon review, discovers an error or problem in the procedure, determination of responsibility, sanction, or other investigation or appeal-related process:

"Under limited, exceptional circumstances, and in compliance with the principles of due process, the University reserves the right to correct, amend, supplement or modify a finding, conclusion or sanction to ensure that an investigation has been prompt, fair, impartial and thorough."

- Regarding sanctions, a provision has been included to clarify that additional disciplinary action shall be taken against an employee or student who violates a sanction(s) imposed under the Plan (subject to all provisions of applicable collective bargaining agreements, personnel policies or code of conduct).
6. A Position Description for a dedicated EO Investigator has been added, establishing standard credentials and qualifications, and also creating helpful guidance when hiring outside investigators.

MOTION

The Risk Management and Audit Committee recommends that the Board of Trustees approve the following motion regarding Salem State's Equal Opportunity, Diversity and Affirmative Action Plan (hereinafter "EOP"), attached.

Recommended motion

The Board of Trustees hereby approves the Equal Opportunity, Diversity and Affirmative Action Plan dated September 18, 2018, as amended.

Committee Assigned: Risk Management and Audit

Committee Action: Approved

Date of Action: January 30, 2019

Trustee Action:

Trustee Approval Date:



Effective Date:

Signed: *Gene Mordis*

Title: Secretary of the Board of Trustees

Date: *2/13/2013*

**BOARD OF TRUSTEES
October 17, 2018**

PRESENT: Trustees Mattera (chair), Zahlaway-Belsito, Butts, Chisholm, Contreras, DeSimone, Katzman (phone), Lutts, Russell and Wilkens. Also participating at the meeting were President Keenan and Board Secretary Montague and Assistant Secretary Sadowski.

ABSENT: Murphy

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 regular meeting in Viking Hall 123, Central Campus, Loring Avenue, Salem, Massachusetts, on October 17, 2018 with Paul Mattera, Chair, presiding.

Note - In accordance with the Open Meeting Law all meeting votes are taken by roll call when there is remote participation.

* * *

I. CALL TO ORDER - Chair Mattera called the meeting to order at 5:00 pm. The Chair announced that all votes would be taken via roll call in accordance with the Open Meeting Law.

Call to Order

II. CONSENT AGENDA - Chair Mattera read the items contained on the Consent Agenda and asked for any objections or modifications and hearing none he asked if there was a motion. Trustee DeSimone duly offered a motion to approve which was seconded by Trustee Lutts, upon a roll call vote it was unanimously

Consent Agenda

VOTED: To approve the Consent Agenda of October 17, 2018 (CA-18-01).

Voting in the affirmative: Chisholm, Contreras, DeSimone, Katzman, Lutts, Russell, Wilkens and Mattera (chair)
 Voting in the negative: None
 Absent: Zahlaway Belsito, Butts and Murphy

* * *

III. COMMITTEE ACTIONS –

Committee Actions

Academic Affairs and Student Life - Trustee DeSimone presented the committee’s recommended motion and hearing no further discussion asked for a second. Trustee Contreras seconded the motion and upon a roll call vote it was unanimously,

Academic Affairs:

VOTED: To recommend to the full board the personnel actions for Associate Professor Tiffany Chenault for Faculty Promotion to the rank of Full Professor as presented. (AA-18-01)

MSCA Personnel Action Promotion to Full Professor (Chenault)

Voting in the affirmative: Chisholm, Contreras, DeSimone, Katzman, Lutts, Russell, Wilkens and Mattera (chair)
 Voting in the negative: None
 Absent: Zahlaway-Belsito, Butts and Murphy

**Trustee Butts joined the meeting at 5:05 pm*

Finance and Facilities: As Trustee Katzman was participating by phone, Trustee Russell presented the recommended motions on behalf of the committee. Trustee Russell offered the first motion, Trustee Katzman moved and Trustee DeSimone seconded the motion, hearing no further discussion and upon a unanimous roll call vote it was,

Finance & Facilities:

Amend Finance & Facilities Charter

VOTED: The Board of Trustees of Salem State University hereby amends the Finance and Facilities Committee charter as presented. (FF -18-01)

Voting in the affirmative: Butts, Chisholm, Contreras, DeSimone, Katzman, Lutts, Russell, Wilkens and Mattera (chair)
Voting in the negative: None
Absent: Zahlaway-Belsito and Murphy

Trustee Russell read the next motion regarding St. Jean’s Credit Union, Trustee Lutts made the motion which was duly seconded by Trustee DeSimone and with no further discussion and upon a unanimous roll call vote it was,

St. Jean’s Credit Union Bank Account

VOTED: The Board of Trustees authorizes the university to open a bank account at St. Jean’s Credit Union bank to deposit daily receipts. Authorized signers on the account will be the vice president for finance and facilities/CFO, university controller, associate director of accounts payable and associate director of payroll. (FF-18-02)

Voting in the affirmative: Butts, Chisholm, Contreras, DeSimone, Katzman, Lutts, Russell, Wilkens and Mattera (chair)
Voting in the negative: None
Absent: Zahlaway-Belsito and Murphy

Trustee Russell then presented the committee’s final motion regarding the Peabody/Bowditch residential hall bathroom renovation. Trustee Contreras offered the motion which was duly seconded by Trustee DeSimone. Trustee Wilkens expressed appreciation for the Board’s transparency regarding the issue of rising fees and Vice President House’s willingness to speak on the topic to the Student Government Association. Wilkens provided feedback from various student groups. Chair Mattera added that transparency and this level of student engagement are important and beneficial for the university. Trustee Katzman noted that with more than \$200M of deferred maintenance the university will have more projects similar to this renovation coming up from time to time. Hearing no further discussion and upon a unanimous roll call vote it was,

Peabody/ Bowditch Bathroom Renovations (MSCBA Joint project)

**Trustee Zahlaway-Belsito joined the meeting at 5:09 pm.*

VOTED: The Board of Trustees of Salem State University, working with the Massachusetts State College Building Authority (MSCBA), hereby approves the Peabody/Bowditch Bathroom Renovations project described in Exhibit A. The total project cost will not exceed \$9.5 million. The project is to be financed through a combination of previous project savings of \$200,000, system reserves of \$2 million and proceeds through the sale of revenue

bonds issued by the MSCBA not to exceed a maximum of \$7.3 million for this project. The increase in Salem State's assessment expense will be covered through future rate increases for residential students (approximately \$260 per residential student per year, at current occupancy levels, or 2.6% rent increase per year).

The president and vice president for finance and facilities of the university are hereby authorized to do all things and take all actions necessary to implement this decision. This action shall be effective upon its approval by the Board of Trustees. (FF-18-03)

Voting in the affirmative: Zahlaway-Belsito, Butts, Chisholm,
Contreras, DeSimone, Katzman, Lutts,
Russell, Wilkens and Mattera (chair)
Voting in the negative: None
Absent: Murphy

Chair Mattera then called attention to the Risk Management and Audit motion that was distributed for action and turned the gavel to Trustee Lutts.

Risk Management and Audit: Trustee Lutts reminded the trustees that the Risk Management and Audit Committee met with the Auditors on September 10th to review and approve the draft audits. He then presented the recommended motion. Trustee Zahlaway-Belsito seconded the motion and upon a roll call it was unanimously,

VOTED: The Board of Trustees of Salem State University hereby accepts the following draft audits:

Salem State University Financial Statements and Management's Discussion and Analysis June 30, 2018 and 2017

Independent Auditor's Reports as required by the Uniform Guidance and Government Auditing Standards, June 30, 2018

Further, the Board of Trustees delegates authority to accept the final financial statement package to Vice President Karen House, with the proviso that significant changes from the draft statements, if any, be discussed with the chair of the Risk Management and audit committee. (FF-18-04)

Voting in the affirmative: Zahlaway-Belsito, Butts, Chisholm,
Contreras, DeSimone, Katzman, Lutts,
Russell, Wilkens and Mattera (chair)
Voting in the negative: None
Absent: Murphy

Executive Committee - Chair Mattera reminded the trustees that there was unanimous committee approval for the motion to approve Pam Scott as Trustee Emeritus and that he

Risk Mgmt & Audit:

Acceptance of draft audits:

SSU Financial Statements and Management Discussion & Analysis 6/30/2018 and 2017

Independent Auditor's Reports as required by the Uniform Guidance and Government Auditing Standards.

valued Trustee Scott's institutional knowledge and looked forward to working with her in the future. President Keenan concurred.

VOTED: The Board of Trustees affirms the nomination of Pam Scott as Trustee Emeritus (EX-18-01).

Voting in the affirmative: Zahlaway-Belsito, Butts, Chisholm, Contreras, DeSimone, Katzman, Lutts, Russell, Wilkens and Mattera (chair)
Voting in the negative: None
Absent: Murphy

*Executive
Trustee Emeritus
Pam Scott*

Chair Matter then moved to the next matter of business which was to amend the Board's bylaws. University counsel Colucci explained that the recommended motion would amend the bylaws to include the new section for the creation of Trustee Emeritus (previously approved by the board the section clarifies the nomination process), updates to bylaws to comply with the Open Meeting Law (specifically with regard to remote participation in public meeting, and finally a revision to incorporate by mention the committee charters into the Board bylaws.

Chair Mattera presented the committee's recommended motion and hearing no further discussion it was seconded by Trustee Chisholm. Upon a roll call vote it was unanimously,

VOTED: The Board of Trustees approve the amended bylaws as presented in the attached "Exhibit B". (EX-18-02)

Voting in the affirmative: Zahlaway-Belsito, Butts, Chisholm, Contreras, DeSimone, Katzman, Lutts, Russell, Wilkens and Mattera (chair)
Voting in the negative: None
Absent: Murphy

*Bylaw
Amendment*

* * *

*President's
Report*

IV. REPORT OF THE PRESIDENT – President Keenan began his report by saying it was good to have everyone back on campus. He wanted to address the contract issues as the MSCA contract has been a challenge. Cost factors and equivalencies are not equal. The COP continues to advocate as best as they can for the contract to be completed. MSCA President Gubbins concurred. President Keenan thanked Provost Silva and Debra Longo for bringing TEDx to Salem State. The Salem State faculty did a fabulous job on their inaugural TEDx talks which will be available online shortly. In other good news, President Keenan reported that the university is certain that. Certain deficiencies were noted and the school has made the necessary improvements in the areas as needed. The passing rate improved to 79 percent in 2017 and to 89 percent in 2018.

* * *

Chair's Report

V. REPORT OF THE CHAIR - Chair Mattera began his report by thanking the Committee Chairs for their work and noted that the board had some good conversations about how to engage more with students and the campus community.

Chair Matter then took a few minutes to acknowledge departing student trustees Dan Veira and Andrew Duperval. Trustee Dan Veira was selected by his peers to join the Board in April of 2018. A member of the Salem State Class of 2018, Dan graduated with major in psychology. Dan was a passionate member of the SGA (serving as both a senator and SGA President) and the Alpha Sigma Phi fraternity. Dan participated on the University’s All University Committee, the Academic Policies Committee, and he contributed to the North Campus Precinct Plan. Dan was a tour guide through the Admissions office at one point, and also worked for multiple years as a Building Manager for Student Involvement/Student Life Operations. Trustee Dan Veira served on the following Board Committees: Finance & Facilities and Academic Affairs & Student Life. Trustee Veira thanked the Trustees for the opportunity to serve on the Board and for his time at Salem State.

The Chair then recognized Trustee Andrew Duperval who could not join the Board meeting. Trustee Duperval was a special student and brought a lot of honesty to the Board. He was always engaging and ready to ready to participate in any discussion. Trustee Duperval was elected by his peers to join the Board in September of 2017. A member of the Class of 2018, Andrew majored in corporate finance and accounting and minored in economics. He was the president of the Salem State chapter of the Association of the Brotherhood, which aims to provide welcoming support and improve the retention rate for men of color at Salem State. He was also a member of Black, Brown, and Proud, a student formed group created to give a supportive environment to minorities from all backgrounds and social identities. Since 2016, Andrew has served as the founding president of EntreDupe Investment Club. The club’s mission is to partner with organizations and community leaders to support the families in our communities to create financial stability. Currently Andrew works as the small business coordinator at the North Shore Community Development Corporation

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VI. OLD BUSINESS – None (Institutional Advancement Agenda item removed to a later date TBD.)

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VII. NEW BUSINESS:

Inclusive Excellence/Campus Climate Learning Exercise – As part of the Board’s continuing discussion about the Campus Climate, Interim Chief Diversity Officer Comage began the discussion by providing background information on the Climate Study Project (Attachment NB - 1). She then discussed the Association of Governing Boards of Colleges & Universities’(AGB) Campus Climate statement regarding Campus Climate that had been previously distributed and asked the trustees to break into work groups and to consider some questions concerning:

- How well equipped do trustees feel to navigate issues of diversity, equity, and inclusion as board members?
- In a crisis, who speaks for the board?
- Are diversity and inclusion initiatives, directly tied to the mission and strategic goals of the institution? And if so, how does the board play an instrumental role in creating accountability measures to sustain and/or enhance those goals?

All of the trustees participated in open discussions and the conversations were wide-ranging. The trustees agreed that there would always room for improvement and suggested exploring diversity in the curriculum at a later conversation. CDIO Comage took the trustees feedback and agreed to address comments and questions at a later meeting.

*Old
Business*

*New
Business:*

*Inclusive
Excellence/
Campus
Climate
Learning
Exercise*

*Conflict of
Interest &
Open
Meeting Law*

Conflict of Interest & Open Meeting Law Overview – General Counsel Colucci provided an overview of the Open Meeting, Public Records and Conflict of Interest Laws as well as a discussion of Trustee Indemnification and Insurance (Attachment NB - 2). The Open Meeting Law covers all meetings of a public body where deliberations occur with respect to any matter with the body’s jurisdiction. Public Records law provides that every person has a right of access to public information. All Books, papers, maps, photographs, recorded tapes, financial statements, statistical tabulations, or other documentary materials or data, regardless of physical form or characteristics, made or received by any officer or employee of any Massachusetts governmental entity. This includes records kept electronically. There are some exemptions (student records, domestic violence reports, and more.) The General Counsel serves as the Records Access Officer for the university and reviews and responds to most records request. The conflict of interest law seeks to prevent conflicts between private interests and public duties, foster integrity in public service, and promote the public's trust and confidence in that service by placing restrictions on what state employees may do on the job, after hours, and after leaving public service. For advice on State Ethics trustees were urged to contact the attorney of the day at 617-371-9500. The Commonwealth indemnifies trustees so long as trustee’s actions were within scope of their official duties, made in good faith, made without malice. Additionally, the university purchases Directors and Officers insurance. She cautioned that her discussion would extend only as the matters applied to the trustees and should the trustees have any additional questions that they should contact her either by phone or email.

**Trustee Katzman left the meeting (phone) at 6:36 pm*

* * *

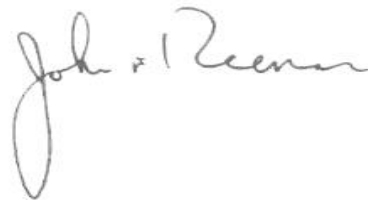
VIII. OPEN FORUM - Chair Mattera announced the open forum portion of the meeting and asked for any comments or discussion. Hearing no comments Chair Mattera then closed the forum.

* * *

IX. ADJOURNMENT - There being no further business to come before the Board and on a motion made by Trustee Lutts and seconded by Trustee DeSimone, it was unanimously:

VOTED: to adjourn the meeting at 6:45 pm

Respectfully submitted,



John Keenan
President

Open Forum

Adjournment

Lynne Montague

Lynne Montague
Secretary to the Board of Trustees

Meeting of the Board of Trustees

Agenda

October 17, 2018 at 5pm

Viking Hall 123

Salem State University

Salem, Massachusetts

Consent Agenda

Approval of the following Meeting Minutes and Committee Reports: *

Board of Trustee Meeting: June 6, 2018 (posted separately)

Academic Affairs & Student Life: September 26, 2018

Institutional Advancement, Marketing & Communications: September 26, 2018

Finance & Facilities: September 26, 2018

Risk Management & Audit: September 26, 2018

Executive: September 26, 2018

*Committee reports are omitted here. They may be viewed in the current meeting book on Sharepoint.

 REQUEST FOR TRUSTEE ACTION

Date: September 5, 2018
To: Board of Trustees
From: Karen P. House, vice president for finance and facilities
Subject: Finance and Facilities Committee charter
Requested Action: Approval

Reorganization within the university administration requires an amendment to the staff designee(s) for the Finance and Facilities Committee. The assigned staff is the vice president for finance and facilities; a vice president for administration no longer exists. A mark up of the change is below.

Staff Designee:

The vice president for finance and ~~business~~ facilities is the senior staff member supporting the committee for financial and capital planning matters. ~~The general counsel/vice president for administration is the senior staff member supporting the committee for capital planning matters~~

MOTION


The Finance and Facilities Committee recommends that the Board of Trustees approve the following motion regarding the Finance and Facilities Committee Charter.

Recommended motion

The Board of Trustees of Salem State University hereby amends the Finance and Facilities Committee charter as presented.

Committee Assigned: Finance and Facilities
 Committee Action: Approved
 Date of Action: September 26, 2018

Trustee Action: Approved
 Trustee Approval Date: October 17, 2018
 Effective Date: October 17, 2018

Signed: 
 Title: Secretary of Board of Trustees
 Date: 10/17/2018



Board of Trustees Finance and Facilities Committee Charter

Purpose:

The Finance and Facilities Committee of the Board of Trustees shall be a permanent committee which will exercise fiduciary responsibilities and financial oversight for the university to assist management in discharging its responsibilities to ensure financial stability and to develop and maintain the long term economic health of the university in support of its mission and priorities. The Committee will exercise fiduciary responsibilities to assist management in discharging its responsibilities to ensure appropriate capital planning and development for the university, inclusive of facilities and information technology. The Committee makes recommendations to the Board of Trustees regarding financial policies, capital planning, and related matters.

Responsibilities:

Financial Affairs

1. Advise the Board on policies relating to financial matters (accounting, budgeting, financial reporting, investment, and debt management).
2. Advise the Board on proposed debt issuance.
3. In conjunction with the Risk Management and Audit Committee, review the annual financial statements.
4. Review reports, studies, information and recommendations as deemed necessary for the proper and effective exercise of financial oversight responsibilities. Periodic reports reviewed may include budget, fiscal condition, investment and debt information and, to the degree appropriate, will include past, current and future (projected) data.
5. Meet periodically with the university's investment advisor and assess investment performance consistent with the university's investment policy.
6. Review on a periodic basis the financial metrics by which the university's financial health is measured, including debt capacity reports.
7. Review the short term and long term financial plans of the university.
8. Review and recommend an annual plan of financial operation (budget).
9. Review and recommend to the Board fee rates to be charged to students as applicable under state law; this typically includes mandatory fees charged to all students. Tuition is set by the Commonwealth; the rent component of the room rate is set by the Board of Higher Education; fees not applicable to all students, including a variety of miscellaneous fees and board rates are the responsibility of the president.

Capital Planning

1. Review and recommend policies relating to property, buildings, land acquisition/sale/exchange, site development, and construction.
2. Review and recommend plans relating to facilities and long-range capital outlay budgets.
3. Oversee the development and continuing review of a master vision (capital plan) for the university.
4. Recommend capital projects, real property transactions, and major IT acquisitions that should be undertaken.
5. Periodically review the progress on major capital projects.

Membership:

The committee shall have not fewer than three Trustees appointed by the chair of the Board. The president shall be a member of the committee, ex officio, non-voting. The chair shall be a member of the committee, officio voting. Committee members may include individuals who are not trustees so long as the majority membership of the committee is comprised of trustees. The chair shall have the authority to appoint non-trustee members advisory, non-voting to the committee to serve until the next annual meeting. Members may be appointed to the committee, on a temporary basis, by the chair, as may be required.

Quorum:

A majority of the members shall constitute a quorum.

Meetings:

The committee is expected to meet at least four times each fiscal year and more if needed to facilitate prudent and timely decision making. The meetings shall be conducted in conformity with the state's Open Meeting Law. Executive sessions may be conducted periodically and shall be limited to those matters permitted by the state's Open Meeting Law.

Staff Designee:

The vice president for finance and facilities is the senior staff member supporting the committee for financial and capital planning matters.

Agenda, Minutes, and Reports:

The chair of the committee, in collaboration with the staff designees, shall be responsible for establishing the agendas for meetings. An agenda, together with relevant materials shall be made available to committee members at least five days in advance of the meeting. Minutes for all meetings shall be drafted by the staff

12/2/2015 Approved by the Salem State University Board of Trustees
3/29/2017 Reviewed by the Finance and Facilities Committee, no changes.
10/17/2018 Revision approved by the Salem State University Board of Trustees

designee, reviewed by the committee chair, and approved by committee members at the following meeting.

12/2/2015 Approved by the Salem State University Board of Trustees
3/29/2017 Reviewed by the Finance and Facilities Committee, no changes.
10/17/2018 Revision approved by the Salem State University Board of Trustees



 REQUEST FOR TRUSTEE ACTION

Date: September 24, 2018
To: Board of Trustees
From: Karen P. House, vice president for finance and facilities
Subject: St. Jean's Credit Union – University Bank Account
Requested Action: Approval

Background

Salem State University has bank accounts at Eastern Bank; the location on Loring Avenue across from the university will be closing soon. Cash and other receipts are deposited at this Eastern Bank location daily. Other Eastern Bank locations are not in close enough proximity to allow the university police to courier deposits. The university plans to open an account at St. Jean's Credit Union at 336 Lafayette Street in Salem where deposits can be couriered cost effectively. Deposits will be transferred daily or as needed from St. Jean's Credit Union to Eastern Bank via ACH.

The following university administrators will be authorized signers on the account: vice president for finance and facilities/CFO, university controller, associate director of accounts payable and associate director of payroll.

Authorization by the Board of Trustees is requested on the motion below.

MOTION

The Finance and Facilities Committee recommends that the Board of Trustees approve the following motion for the university to open a bank account at St. Jean's Credit Union.

Recommended motion

The Board of Trustees authorizes the university to open a bank account at St. Jean's Credit Union bank account to deposit daily receipts. Authorized signers on the account will be the vice president for finance and facilities/CFO, university controller, associate director of accounts payable and associate director of payroll.

Committee: Finance and Facilities

Committee Action: Approved

Date of Action: September 26, 2018

Trustee Action: Approved

Trustee Approval Date: October 17, 2018

Effective Date: October 17, 2018

Signed: *Leanne M. Searles*

Title: Secretary of Board of Trustees

Date: *10/17/2018*



 REQUEST FOR TRUSTEE ACTION

Date: September 25, 2018
To: Board of Trustees
From: Karen P. House, vice president for finance and facilities
Subject: Peabody/Bowditch residence halls plumbing project
Requested Action: Approval

MOTION

The Finance and Facilities Committee recommends that the Board of Trustees approve the following motion regarding the Peabody/Bowditch residence halls plumbing project and debt.

Recommended motion

The Board of Trustees of Salem State University, working with the Massachusetts State College Building Authority (MSCBA), hereby approves the Peabody/Bowditch Bathroom Renovations project described in Exhibit A. The total project cost will not exceed \$9.5 million. The project is to be financed through a combination of previous project savings of \$200,000, system reserves of \$2 million and proceeds through the sale of revenue bonds issued by the MSCBA not to exceed a maximum of \$7.3 million for this project. The increase in Salem State's assessment expense will be covered through future rate increases for residential students (approximately \$260 per residential student per year, at current occupancy levels, or 2.6% rent increase per year).

The president and vice president for finance and facilities of the university are hereby authorized to do all things and take all actions necessary to implement this decision. This action shall be effective upon its approval by the Board of Trustees.

Committee Assigned: Finance and Facilities
Committee Action: Approved
Date of Action: September 26, 2018

Trustee Action: Approved
Trustee Approval Date: October 17, 2018
Effective Date: October 17, 2018

Signed: *Ceyane Soxell*
Title: Secretary of Board of Trustees
Date: *10/17/2018*



Peabody & Bowditch Bathroom Renovations – Description of Project

The primary driver of the bathroom renovation project is to replace aging and failing bathroom infrastructure. MSCBA engaged a design and construction team in Spring 2018 to begin looking into the issues at Peabody and Bowditch. The team did exploratory work over the summer of 2018 to inform the design and provide the most accurate cost information. The engineers made these recommendations regarding the plumbing:

“The existing extra heavy cast iron gravity sanitary waste and vent piping for the toilet rooms’ fixtures and floor drains shall be completely removed up to the underside of the roof. System shall be replaced by new no-hub cast iron stacks and branches on each floor. All piping should be removed. All new piping to serve the toilets shall be installed for the new fixtures and equipment. Materials shall either be copper with press-fit fitting or CPVC piping with solvent welded fittings.”

However, the design will also implement code improvements, reconfigure the layout to create two multi user bathrooms and a single user gender-neutral accessible bathroom on each floor, and provide an updated aesthetic. Renovated bathrooms in these buildings will surely become an attractive feature for prospective students and will raise these older buildings to the standards that the newer buildings have set for the quality of Salem State’s on-campus housing. It will also put Salem’s first year housing in line with that of other State Universities.

The project may be implemented in one or two phases based on conditions and pricing information acquired from exploratory investigations completed by the Design and Construction team in the summer of 2018.

 REQUEST FOR TRUSTEE ACTION

Date: September 25, 2018
To: Board of Trustees
From: Karen P. House, vice president for finance and facilities
Subject: Peabody/Bowditch residence halls plumbing project
Requested Action: Approval

MOTION

The Finance and Facilities Committee recommends that the Board of Trustees approve the following motion regarding the Peabody/Bowditch residence halls plumbing project and debt.

Recommended motion

The Board of Trustees of Salem State University, working with the Massachusetts State College Building Authority (MSCBA), hereby approves the Peabody/Bowditch Bathroom Renovations project described in Exhibit A. The total project cost will not exceed \$9.5 million. The project is to be financed through a combination of previous project savings of \$200,000, system reserves of \$2 million and proceeds through the sale of revenue bonds issued by the MSCBA not to exceed a maximum of \$7.3 million for this project. The increase in Salem State's assessment expense will be covered through future rate increases for residential students (approximately \$260 per residential student per year, at current occupancy levels, or 2.6% rent increase per year).

The president and vice president for finance and facilities of the university are hereby authorized to do all things and take all actions necessary to implement this decision. This action shall be effective upon its approval by the Board of Trustees.

Committee Assigned: Finance and Facilities
Committee Action: Approved
Date of Action: September 26, 2018

Trustee Action: Approved
Trustee Approval Date: October 17, 2018
Effective Date: October 17, 2018

Signed: *Ceyane Soxell*

Title: Secretary of Board of Trustees

Date: *10/17/2018*



Peabody & Bowditch Bathroom Renovations – Description of Project

The primary driver of the bathroom renovation project is to replace aging and failing bathroom infrastructure. MSCBA engaged a design and construction team in Spring 2018 to begin looking into the issues at Peabody and Bowditch. The team did exploratory work over the summer of 2018 to inform the design and provide the most accurate cost information. The engineers made these recommendations regarding the plumbing:

“The existing extra heavy cast iron gravity sanitary waste and vent piping for the toilet rooms’ fixtures and floor drains shall be completely removed up to the underside of the roof. System shall be replaced by new no-hub cast iron stacks and branches on each floor. All piping should be removed. All new piping to serve the toilets shall be installed for the new fixtures and equipment. Materials shall either be copper with press-fit fitting or CPVC piping with solvent welded fittings.”

However, the design will also implement code improvements, reconfigure the layout to create two multi user bathrooms and a single user gender-neutral accessible bathroom on each floor, and provide an updated aesthetic. Renovated bathrooms in these buildings will surely become an attractive feature for prospective students and will raise these older buildings to the standards that the newer buildings have set for the quality of Salem State’s on-campus housing. It will also put Salem’s first year housing in line with that of other State Universities.

The project may be implemented in one or two phases based on conditions and pricing information acquired from exploratory investigations completed by the Design and Construction team in the summer of 2018.

REQUEST FOR TRUSTEE ACTION

As has been discussed, GASB Statement No. 75 – Other Post-Employment Benefits (OPEB) is being adopted for the first time in the FY18 financial statements, with retroactive restatement of prior year(s) figures as required. Please recognize that the university’s auditors cannot finalize the audited financial statements until the Commonwealth’s GASB 75 audit is completed. That audit, performed by others, is well advanced but not yet complete. Figures and disclosures related to GASB 75 were recently received and have been incorporated in the draft financial statement package for FY18, but it is possible that there will be subsequent changes. The university’s auditors will be in attendance at the Oct. 10 Risk Management and Committee meeting and will review the drafts with the committee in detail.

Trustee Lutts **MOVED** that the Risk Management and Audit Committee hereby recommends the Board of Trustees approve the following motion pertaining to the FY18 Salem State University audited financial statements, **SECONDED** by Trustee Zahlaway-Belsito:

RECOMMENDED MOTION

The Board of Trustees of Salem State University hereby accepts the following draft audits:

Salem State University Financial Statements and Management’s Discussion and Analysis June 30, 2018 and 2017

Independent Auditor’s Reports as Required by the Uniform Guidance and Government Auditing Standards, June 30, 2018

Further, the Board of Trustees delegates authority to accept the final financial statement package to Vice President Karen House, with the proviso that significant changes from the draft statements, if any, be discussed first with the chair of the Risk Management and Audit committee.

Committee Assigned: Risk Management and Audit

Committee Action: Approved

Date of Action: October 10, 2018

Trustee Action: Approved

Trustee Approval Date: October 17, 2018

Effective Date: October 17, 2018

Signed: *Cynthia Norcia*

Title: Secretary of the Board of Trustees

Date: *10/17/2018*



Adopted by the Salem State University Board of Trustees, 10/10/12

**BOARD OF TRUSTEES
SALEM STATE UNIVERSITY**

The Salem State University Board of Trustees is established and responsibilities defined by the General Laws of Massachusetts, as referenced at the end of this document.

ARTICLE 1: ORGANIZATION AND OFFICERS OF THE BOARD OF TRUSTEES

SECTION 1: COMPOSITION AND FUNCTIONS OF THE BOARD. The composition, functions, duties, powers and responsibilities of the Board of Trustees, its committees, or subcommittees, shall be as provided and authorized by the laws of the Commonwealth as in effect from time to time, subject to such rules, regulations, policies or guidelines as the Board of Higher Education may, from time to time, adopt, amend or repeal for the management, control, administration, or regulation of the system of public higher education, or any part thereof.

SECTION 2: BOARD MEMBERSHIP. The Board of Trustees shall consist of eleven members, one of whom shall be an alumnus of Salem State University; one member to be elected thereto by the Alumni Association of Salem State University who shall serve a term of five years; and one full-time undergraduate student member to be elected by the student body annually.

The members appointed by the Governor shall serve for a term of five years, but no member shall be appointed for more than two consecutive terms. Succeeding appointments shall be made for five year terms and any vacancy on the Board shall be filled for the duration of the term, in the same manner as the prior appointment. The Chair shall notify the Governor when any vacancy exists.

The term of office for the elected student member shall be for one year beginning on July 1 following his/her election. The student member shall be eligible for re-election for as long as said student remains a full-time undergraduate student. If at any time during the elected term of office said student member ceases to be a full-time undergraduate student, the membership of said student on the Board shall be terminated and the office of the elected student member shall be deemed vacant. A vacancy in the office of the elected student member prior to the expiration of a term shall be filled for the remainder of the term in the same manner as student elections to full terms, except in the case of the trustee's graduation from the university. Per MGL Ch. 15A, Sect. 21, if a successor trustee has been selected by the student body at the time of the trustee's graduation from the institution, the successor may assume the seat of the student trustee upon the latter's graduation.

The members of the Board recognize and acknowledge that, by taking up their appointments as such, they have assumed an obligation, fiduciary in its nature, to conduct themselves, to exercise their authorities and to discharge their responsibilities for the benefit of the University and of those whom it serves and not for any other purpose. They also therefore recognize and acknowledge that it is both necessary and appropriate for all members of the Board to be regular in their attendance at meetings of the Board and at meetings of the committees on which they

Adopted by the Salem State University Board of Trustees, 10/10/12

serve, to assume an equitable share of the responsibilities that fall to members of the Board individually, to inform themselves concerning the University's mission and purpose and to commit themselves to promoting the University's success in its efforts to provide an excellent and accessible education to its students.

SECTION 3: OFFICERS OF THE BOARD. The elected officers of the Board of Trustees shall be a Chair and a Vice Chair. Each officer shall have the duties, functions, powers and responsibilities of her/his office as prescribed by the laws of the Commonwealth, these Bylaws, and parliamentary custom.

Such officers shall be elected by the Board of Trustees at its annual meeting in June, upon nomination by the Nominating Committee as provided in Article III, Section 2, or otherwise, and they shall hold office for a term of one year commencing on the first day of July, or until their respective successors are elected. The Chair and Vice Chair of the Board shall be Trustees.

The President of the University shall also be an officer of the Board of Trustees, ex officio, non-voting and shall have such duties, functions, powers and responsibilities as the Board of Trustees may from time to time prescribe consistent with the laws of the Commonwealth.

SECTION 4: THE CHAIR OF THE BOARD OF TRUSTEES. The Chair of the Board of Trustees shall have the following powers and duties:

- (a) To preside at all meetings of the Board of Trustees at which s/he is present. In her/his absence, the Vice Chair of the Board shall preside. In the absence of both, a chair pro tempore shall be elected.
- (b) To call regular and special meetings of the Board of Trustees.
- (c) To serve as Chair of the Executive Committee.
- (d) To serve as an ex officio voting member of all standing committees of the Board of Trustees.
- (e) To appoint Standing Committees, Nominating Committee, and other special committees of the Board of Trustees, and the Chair thereof. All committee assignments shall be co-terminus with the Chair.
- (f) To appoint successor members and the chairs of standing committees, other than the Executive Committee, in the event that for any reason a vacancy occurs in any such office. A successor so appointed shall serve until the next June 30th.
- (g) To appoint substitute members and chairs of standing committees, other than the Executive Committee, in the event that any such member or chairs thereof declares

Adopted by the Salem State University Board of Trustees, 10/10/12

her/his inability to serve for any period. A substitute so appointed shall serve during such inability.

SECTION 5: THE VICE CHAIR OF THE BOARD OF TRUSTEES. The Vice Chair of the Board of Trustees shall have the following powers and duties:

- (a) To perform all duties of the Chair of the Board of Trustees at her/his request or in case of her/his absence or incapacity.
- (b) To serve as a member of the Executive Committee.

SECTION 6: THE SECRETARY. The secretary shall have the following duties:

- (a) To give written or electronic notice of all regular and special meetings of the Board of Trustees and of special committees thereof, and to compile and distribute agendas therefor.
- (b) To record the proceedings and to prepare minutes of the meetings of the Board of Trustees.
- (c) To preserve all documents, papers and records of the Board of Trustees determined by the Secretary to be a part of its official records or necessary to the performance of its duties.
- (d) To conduct correspondence on behalf of the Board of Trustees and to certify official documents and proceedings.
- (e) To perform duties, not inconsistent with those prescribed by these Bylaws or by the Board of Trustees, as prescribed from time to time by the Chair of the Board of Trustees or the President of the University.
- (f) The Secretary to the Board of Trustees shall be an employee of Salem State University who is appointed by the President of the University and approved by the Chair of the Board of Trustees.
- (g) An Assistant Secretary to the Board of Trustees shall also be appointed by the President of the University and approved by the Chair of the Board of Trustees. The Assistant Secretary shall be an employee of Salem State University whose responsibilities will be to assist the Secretary and to support the Board in the absence of the Secretary.

SECTION 7: TRUSTEE EMERITUS

This Board may include up to three fully participating, but non-voting Trustee Emeritus positions. Nominations for trustee emeritus must be approved unanimously by the executive committee and a majority of the full board. Only those Trustees who have completed two (2) full five (5) year terms and one term as Board chair are eligible for nomination. Nominations may be made by any current Trustee to the Board Chair no later than one year after completion of the former Trustee's second term.

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ARTICLE II: MEETINGS OF THE BOARD.

SECTION 1: ANNUAL AND REGULAR MEETINGS. Four regular meetings, including the annual meeting, shall be held unless otherwise determined by the Board of Trustees. The time and place of such meetings shall be fixed by the Chair of the Board of Trustees in consultation with the President with the exception of the annual meeting to be held in June of each year. All meetings shall be held within the Commonwealth.

SECTION 2: SPECIAL MEETINGS. Special meetings of the Board of Trustees may be held at any time and place within the Commonwealth when called by the Chair of the Board of Trustees or the President of the University or by three Trustees in writing or electronically given to the President specifying the purpose(s) of said meeting. The time and place of such meeting shall be fixed by the Chair of the Board of Trustees in consultation with the President. Notice of such meeting shall be sent to each Trustee as early as possible in advance of the meeting, which notice shall state the time, place, and purpose(s) for which it has been called.

SECTION 3: NOTICE OF REGULAR MEETINGS. Written or electronic notice of each regular meeting of the Board of Trustees shall be sent to each Trustee by mail at least seven days prior to the date fixed for said meeting, which notice shall state the time and place.

SECTION 4: AGENDA OF REGULAR BOARD MEETINGS. A written agenda of matters to be considered at each regular meeting of the Board of Trustees shall be sent to each Trustee by mail at least five days prior to the date fixed for said meetings.

Items to be included on the agenda for a regular meeting shall be submitted to the President in writing or electronically by (a) recommendation of a standing or other committee of the Board of Trustees, or (b) the Chair of the Board of Trustees.

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No item shall be included on the agenda for a regular meeting except upon consideration and recommendation by a standing or other committee of the Board of Trustees; provided, that at any regular meeting the Chair of the Board of Trustees and the President of the University, and any Trustee upon majority vote of said Board, shall be entitled to present matters to the Board of Trustees for its consideration without prior reference to a committee.

SECTION 5: QUORUM. The number of Trustees necessary to constitute a quorum for the transaction of business shall be six. When a quorum is present at any meeting, a majority of the Trustees present may take action on behalf of the Trustees, except that an affirmative vote of two-thirds of the entire voting membership of the Board is required for the appointment or removal of the President of the University.

SECTION 6: EXECUTIVE SESSIONS. Unless the Board shall otherwise direct at any time or from time to time, executive sessions of the Board will include the Trustees and the president and shall be convened and conducted in conformity with the state's Open Meeting Law. Other individuals may be invited to attend an executive session in order to give information or advice as deemed necessary or appropriate by the Board. The topics and purposes of executive sessions shall be limited to those matters permitted by the state's open-meeting law.

SECTION 7: REMOTE PARTICIPATION. Under the Massachusetts Open Meeting Law, Gen. Laws c.30A, sect.18-25, Trustees may participate in public meetings remotely via the use of technology if physical attendance would be unreasonably difficult; provided Trustees who participate remotely and all persons present at the meeting location shall be clearly audible to each other, as required by M.G.L. c. 30A, §20(d).

A quorum of the body, including the chair or, in the chair's absence, the person authorized to chair the meeting, shall be physically present at the meeting location. Trustees who participate remotely may vote and shall not be deemed absent. Trustees shall be permitted to participate remotely in a meeting provided they notify the person chairing the meeting prior to the meeting as soon as reasonably possible of their desire to do so and the reason for and facts supporting their request.

At the start of the meeting, the chair shall announce the name of any member who will be participating remotely. This information shall also be recorded in the meeting minutes. All votes taken shall be by roll call vote.

The following media, with accommodations if necessary, are acceptable methods for remote participation: telephone, internet, satellite enabled audio or video conferencing, or any other technology that enables the remote participant and all persons present at the meeting location to be clearly audible to one another. When video technology is in use, the remote participant shall be clearly visible to all persons present in the meeting location.

SECTION 8: RULES OF PROCEDURE. Business before the Board shall be conducted according to the latest edition of Standard Code of Parliamentary Procedures by the American Institute of Parliamentarians when not inconsistent with these bylaws unless otherwise provided in these By-Laws or by the Board.

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Deleted: may participate in public meetings remotely via the use of technology under prescribed circumstances. These circumstances include: 1) personal illness; 2) personal disability; 3) emergency; 4) military service; or 5) geographic distance. A member wishing to participate remotely must first receive a determination from the secretary that one of the above requirements has been met. For the meetings to proceed, the chair of the convening body – or his/her replacement – must be present and a quorum must exist in the meeting location. Votes taken during meetings where there is remote participation shall be by roll call.¶

Adopted by the Salem State University Board of Trustees, 10/10/12

ARTICLE III: COMMITTEES OF THE BOARD OF TRUSTEES.

SECTION 1: STANDING COMMITTEES. There shall be five standing committees of the Board of Trustees: (1) Executive Committee, (2) Academic Affairs and Student Life, (3) Finance and Facilities, (4) Institutional Advancement, Marketing and Communications, and (5) Risk Management and Audit.

SECTION 2: NOMINATING AND OTHER SPECIAL COMMITTEES. There shall be a Nominating Committee of the Board of Trustees, whose members shall consist of such Trustees as may be appointed by the Chair of the Board of Trustees and who shall serve until the next annual meeting. The Board of Trustees may establish other special committees from time to time to have such duties as it may determine, the members of which shall be appointed by the Chair of the Board of Trustees.

SECTION 3: MEMBERS OF COMMITTEES. Each standing Committee, except the Executive Committee, shall have not fewer than three Trustees appointed by the Chair of the Board. The President shall be a member of each Committee, ex officio, non-voting. The Chair shall be a member of each committee, ex officio, voting. Committee members may include individuals who are not trustees so long as the majority membership of the committee is comprised of trustees. The Chair shall have the authority to appoint non-trustee members advisory, non-voting to committees to serve until the next annual meeting. Members may be appointed to Committees, on a temporary basis, by the Chair, as may be required.

SECTION 4: COMMITTEE MEETINGS. Committee meetings may be held at any time and place when called by the Chair of the Committee, the Chair of the Board of Trustees, the President of the University, or a majority of the members of the committee. The President of the University chooses a University Liaison for each Committee. A University Liaison is the Area Head or the individual with the greatest responsibility in said area.

Notice of each regular committee meeting shall be sent to each Trustee at least seven days prior to the date fixed for said meeting, which notice shall state the time and place. Notice for a special committee meeting shall be sent to each Trustee as early as possible in advance of the meeting, also stating the time and place as well as the purpose(s) for which it has been called.

The Chair of the Board of Trustees or the President of the University may call a meeting of the Executive Committee by declaring that an emergency condition exists. An emergency condition shall be defined as a sudden set of circumstances arising which require the need for immediate action. The Chair of the Board of Trustees or the President of the University shall fix the time and place of such emergency meeting. The Secretary of the Board of Trustees shall send a written or electronic notice of the time and place of the Executive Committee Emergency Meeting to each member.

Adopted by the Salem State University Board of Trustees, 10/10/12

The members present at any meeting of a standing committee shall constitute a quorum for the transaction of business, provided that in the case of the Executive Committee, a majority of the members shall constitute a quorum.

SECTION 5: AGENDA OF COMMITTEES OF THE BOARD. A written or electronic agenda of matters to be considered at each meeting of a committee of the Board of Trustees shall be sent to each committee member as early as possible in advance of the meeting. Items to be included on committee agendas shall be submitted in writing or electronically to the President by the Committee Liaison or Chair of the Committee.

SECTION 6: THE EXECUTIVE COMMITTEE. The Executive Committee shall be composed of the Chair and Vice Chair of the Board of Trustees, the President of the University, and three additional Board members elected to this committee by the Trustees at the annual meeting. This Committee shall have the following powers and duties:

- (a) To act upon matters for the Board of Trustees, when immediate action is necessary.
- (b) To consider and act upon proposals by the President for action which the Board may have generally or specifically authorized the President to take with the concurrence of the Executive Committee.
- (c) To review and recommend a prospective list of potential speakers and honorary degree recipients being considered for baccalaureate and graduate commencements. Final approval of all commencement speakers and honorary degree recipients shall rest with the Board of Trustees.
- (d) To conduct upon referral from the Board formal hearings as required by law for the Board of Trustees or any Committee of the Trustees and to make recommendations to the Board concerning any matter heard, provided that hearings required by law to be conducted as adjudicatory proceedings shall be governed by General Laws, Chapter 30A.
- (e) To review recommendations of the President and to recommend all actions required to be taken by the Board of Trustees on personnel (excluding faculty and librarians) from appointment to termination in accordance with collective bargaining agreements, Board of Higher Education and Board policies.
- (f) To review, update, and implement current affirmative action policies of the Board of Trustees and the Board of Higher Education, and to insure compliance with State and Federal Laws.
- (g) To consider legislative and public relations policy interests of the Board of Trustees and of the University and to make recommendations to the Board of Trustees with respect thereto.
- (h) To consider, propose and recommend to the Board of Trustees the adoption, amendment or revision of the Bylaws.

Adopted by the Salem State University Board of Trustees, 10/10/12

- (i) To review recommendations of the President and recommend to the Board of Trustees the naming of buildings, streets, ways, and other properties relating to the campus. Final approval regarding the adoption of said names rests with the Board of Trustees.
- (j) To recommend to the Board of Trustees for appointment four members of the Salem State University Assistance Corporation Board of Directors and the SSUAC Board Chair.
- (k) To review litigation matters involving the university.

SECTION 7: THE COMMITTEE ON ACADEMIC AFFAIRS AND STUDENT LIFE. The Committee on Academic Affairs and Student Life shall have the following powers and duties:

To review and recommend to the Board of Trustees:

- (a) Policies relating to the quality, character, and extent of academic programs, including admissions, instruction, curriculum, degrees, accreditation, public service, and research, in accordance with collective bargaining agreements and the Board of Higher Education's policies.
- (b) Proposals for major new programs and program changes.
- (c) Actions to be taken by the Board of Trustees on the granting of emeritus status to retired faculty.
- (d) Procedures, policies, rules and regulations pertaining to student life.
- (e) Plans and policies concerning health and athletic programs.

To review recommendations of the President and to recommend all actions required to be taken by the Board of Trustees on faculty and librarians from appointment to termination in accordance with collective bargaining agreements, Board of Higher Education and Board policies.

To conduct such inquiries as may be necessary with respect to student matters not of a judicial or academic nature and to report their findings and recommendations to the Board.”

SECTION 8: THE COMMITTEE ON FINANCE AND FACILITIES. The Committee on Finance and Facilities shall have the following powers and duties:

To review and recommend to the Board of Trustees:

- (a) Student fees.
- (b) The operating budget for the University.
- (c) Policies relating to property, buildings, land acquisition, site development, and construction.
- (d) Policies and plans relating to facilities and long-range capital outlay budgets.

And

- (e) To oversee the development and continuing review of a master plan for the University.

SECTION 10: THE INSTITUTIONAL ADVANCEMENT, MARKETING AND COMMUNICATIONS COMMITTEE. The Committee on Institutional Advancement, Marketing and Communications shall have the following powers and duties:

To review and recommend to the Board of Trustees:

- (a) Recommendations with regard to policies and programs related to the advancement of the institution, including fundraising, marketing and communications and activities involving alumni, the community and other external bodies, in order to foster understanding of, and support for, the University and its mission.
- (b) Plans, proposals and the acceptance of major gifts to the foundation on behalf of the University. This will be inclusive of all private funds, including: special gifts, endowments, bequests, and other means.
- (c) Significant branding and positioning strategies for the institution.

SECTION 11: THE NOMINATING COMMITTEE. The Nominating Committee shall nominate candidates for election as officers of the Board of Trustees and shall submit its nominations in writing or electronically to the Secretary at least ten days prior to the date of the annual meeting of the Board of Trustees.

SECTION 12: THE RISK MANAGEMENT AND AUDIT COMMITTEE. The Risk Management and Audit Committee shall have the following powers and duties:

To review and recommend to the Board of Trustees:

- (a) The selection of the independent accountants to perform the annual audit;
- (b) The University's financial statements, ensuring that the statements reflect the University's financial condition;
- (c) The University's internal controls, including those established for financial information systems;
- (d) Actions to address any regulatory compliance issues,
- (e) The University's pending legal cases.
- (f) The University's conflict of interest policy,
- (g) The guidelines and policies that govern the processes by which the University assesses and manages its exposure to risk,
- (h) The University's major financial and other risk exposures and actions to monitor and control such exposures.

SECTION 13: COMMITTEE CHARTERS.

Each committee shall draft a charter which is incorporated by reference into these by-laws. Committee charters shall be reviewed annually at the first committee meeting of each academic

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Adopted by the Salem State University Board of Trustees, 10/10/12

year. Charters may be approved, amended, revised or repealed by vote of a majority of the entire number of Trustees at any meeting of the Board of Trustees; provided, however, that the text of any charter, amendment, revision or repeal as originally proposed shall be sent to the Trustees at least thirty days before the meeting.

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ARTICLE IV: MISCELLANEOUS.

SECTION 1: THE SEAL OF THE UNIVERSITY. The Common Seal of the University and of the Board of Trustees shall consist of a flat faced circular die with the words Salem State University, Salem, Massachusetts, Progre~~di~~, the date 1854, and a symbol of a clipper ship engraved thereon.

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SECTION 2: AMENDMENT, REVISION OR REPEAL OF THE BYLAWS. These Bylaws may be amended, revised or repealed by vote of a majority of the entire number of Trustees at any meeting of the Board of Trustees; provided, however, that the text of any amendment, revision or repeal as originally proposed shall be sent to the Trustees at least thirty days before the meeting.

Last updated: October 17, 2018

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Adopted by the Salem State University Board of Trustees, 10/10/12

APPENDIX 1: LIST OF REFERENCES.

Conflict of Interest and Annual Disclosure

All members of the Board are state employees within the meaning of the state's ethics statute (chapter 268A of the General Laws). Violations of the statute may give rise to both civil and criminal penalties. Each member of the Board is therefore expected to be familiar with the requirements of the ethics statute and to comply with them.

All Trustees are advised to disclose to the Board any possible conflict of interest at the earliest practical time and to take such other action in that regard as the law may require. Further, each Trustee is advised to absent her/his self or herself from discussions of and to abstain from voting on any matters under consideration by the Board of Trustees or its committees if to do otherwise would constitute a conflict of interest. The minutes of such meeting shall, as appropriate, reflect that a disclosure was made and that the Trustee having a conflict or possible conflict abstained from voting.

Indemnification

Trustees of State Universities are indemnified under Massachusetts General Laws Ch. 15A: "The Commonwealth shall indemnify a trustee of a community college or state university against loss by reason of the liability to pay damages to a party for any claim arising out of any official judgment..."

Pertinent Legislation

1. MA General Laws, Chapter 15A
2. MA General Laws, Chapter 28 of the Acts of 2009

APPENDIX 2: DEFINITION OF NOTICE.

Notice shall be defined as being either written or electronic and shall clearly state the date, place and time of the meeting(s).

Salem State Climate Study Project Snapshot

Definition of Campus Climate

- The Climate Study measure cultural attitudes, behaviors, and standards and practices of employees and students of an institution.

Project Overview

- Phase I: Focus Groups
- Phase II: Assessment Tool Development & Implementation (*Survey Availability: Feb. 17th -March 24th*)
- Phase III: Data Analysis
- Phase IV: Final Report and Presentation
- (CURRENT) Phase V: Additional Data Analysis & Implementation of recommendations supported by data

Overall Response Rate

31% overall response

79% Staff (n=201)

77% Administrator (n=247)

45% Faculty (n=393)

28% Undergraduate Students (n=1920)

21% Graduate Student (n=325)

Additional Information

- In the spring of 2016, Salem State University partnered with Rankin & Associates Consulting to conduct its first ever comprehensive climate study survey.
- Executive Summary released on October 30, 2017, and presented by Dr. Susan Rankin via open community forums on November 2, 2017.
- **Climate Study findings**
 - Transient Student Numbers
 - Sexual Assault Prevention
 - Issues around work fatigue and sense of value
- **Overview of the 2017-2018 Implementation Team Work**
 - a. Sub-Committees were established
 - i. Deep Reads of the Report/ Additional analyses
 - ii. Review of the Action Forums
 - iii. Communication Plan: Commitment to monthly communication
- **Emerging Trends Identified from Action Forums (Spring 2018)**
 1. Defining the Inclusive Excellence Mission
 2. Transforming Campus Culture
 3. Addressing Needs of our Culturally Diverse Student body
 4. Improving and Enhancing Communications
 5. Increase Professional Development and Training Opportunities
 6. Increase Hiring and Retention of Employees from Culturally Diverse Backgrounds
 7. Increase Support for all Employees
- **2018-2019 Implementation Team Work**
 - Connecting Emerging Trends to data points
 - Individualized Reports (available Fall 2018)
 - Qualitative Data Analysis

AGB BOARD OF DIRECTORS' STATEMENT ON

Governing Board Accountability for

**CAMPUS CLIMATE,
INCLUSION,
AND CIVILITY**

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*e, care, and **skill in protecting** the various assets for which they are responsible. They also have a fiducia*

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*, including those that **prohibit discrimination** based on age, race, gender, sexual orientation, re*

*sability, and other characteristics, and those that protect the freedom of speech and **academic freedom***

This statement was approved on August 19, 2016, by the Board of Directors of the Association of Governing Boards of Universities and Colleges (AGB). AGB Board Statements are formal assertions of the critical importance of a particular issue or topic to higher education governance. They are intended to guide boards in the governance of colleges, universities, and systems; inform them of their roles and responsibilities; and clarify their relationship with chief executives, administration, faculty, and others involved in the governance process.

ACKNOWLEDGMENTS

The Association of Governing Boards of Universities and Colleges and its Board of Directors are grateful to the many people who contributed to the development of this statement. We are especially grateful to Thomas K. Hyatt, AGB's general counsel, who served as principal author of the statement and who contributes regularly to knowledge development for AGB's membership; and to Artis Hampshire-Cowan, AGB Senior Fellow and former senior vice president and secretary at Howard University, for her thought leadership and facilitation of a task force that helped to identify the complexity of issues, fundamental values, and foundational principles to anchor the statement.

We also extend our gratitude to members and friends of AGB who added value to the statement through their responses to the association's invitation for public comment, which proved invaluable in strengthening the piece.

ABOUT AGB

Since 1921, the Association of Governing Boards of Universities and Colleges (AGB) has had one mission: to strengthen and protect this country's unique form of institutional governance through its research, services, and advocacy. Serving more than 1,300 member boards, 1,900 institutions, and 36,000 individuals, AGB is the only national organization providing university and college presidents, board chairs, trustees, and board professionals of both public and private institutions and institutionally related foundations with resources that enhance their effectiveness.

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www.agb.org



AGB Board of Directors' Statement on

Governing Board Accountability for Campus Climate, Inclusion, and Civility

Introduction

CONSIDER THESE ACTUAL EVENTS:

- A group of more than 1,000 demonstrators marches through a campus in support of racial equity and social justice, catalyzed by a police shooting of a young African American off campus, less than a mile away.
- Students and other stakeholders on campus urge changes in institutional policies through protests and teach-ins.
- Students request “trigger warnings” for the teaching of potentially offensive or upsetting material and “safe spaces” in which those with differing identities and viewpoints are not permitted to be present.
- A student group presents a long list of non-negotiable demands to a college president and governing board for: changes in admissions and personnel policies and academic offerings; an immediate increase in the diversity of the faculty and the administration; direct involvement in the hiring of the president; and remedies to asserted inequities both on and off campus.
- A student gains national attention while carrying a mattress with her on campus every day to protest a university’s failure to expel another student she accused of sexually assaulting her.
- A university offers gender-free housing and provides a resource center for LGBT students, while another denies housing to a transgender student on religious grounds.
- Students in some states may now carry loaded, concealed weapons in college and university buildings.

In ways large and small, students and other stakeholders on college and university campuses across the United States are making themselves heard, by speech and by action, and are challenging higher education leaders and faculty to create campus climates that are diverse and inclusive; that promote academic freedom, freedom of expression, and civility; and that enable all members of the community to feel welcome and safe from harm. At the same time, a lingering intolerance and impatience by some, both within and outside the campus community, can put at risk the ability of colleges and universities to provide an environment in which a full range of opinions and ideas are welcome and can be aired and debated in a respectful manner.

At the center of these tensions lie governing boards and institution and system chief executive officers, who bear ultimate accountability and responsibility for risk management, institutional reputation, educational quality, and the creation of an open and safe campus environment, and who are just as often taken to task for their failure to act as they are for the actions they take.

Governing boards are stewards for the institution or system that they serve, and more broadly are stewards for higher education writ large across the nation. Board members have a fiduciary duty of care—the duty to act in good faith and with diligence, care, and skill in protecting the various assets for which they are responsible. They also have a fiduciary duty of obedience—the duty to ensure that the institution acts in compliance with its mission and with applicable law.¹ Accordingly, higher education governing bodies must ensure institutional compliance with applicable federal, state, and local laws, including those that prohibit discrimination based on age, race, gender, sexual orientation, religion, disability, and other characteristics,² and those that protect freedom of speech and academic freedom.³

Students and other stakeholders on college and university campuses across the United States are making themselves heard, by speech and by action, and are

challenging higher education leaders and faculty.

¹ For a fuller discussion of board fiduciary duties, see the 2015 “AGB Board of Directors’ Statement on the Fiduciary Duties of Governing Board Members” and the 2014 final report of the National Commission on College and University Board Governance, “Consequential Boards: Adding Value Where It Matters Most.”

² See, for example, under federal law, Titles IV, VI, VII, and IX of the Civil Rights Act; the Americans with Disabilities Act of 1990, as amended in 2008; and Section 504 of the Rehabilitation Act of 1973.

³ See, for example, the free speech and press provisions in the First Amendment to the U.S. Constitution and similar provisions in state constitutions and statutes, as well as faculty contractual protections, particularly in private institutions.

A successful resolution of these complex and high-profile issues, and the building of a campus climate and culture that can generate sustained buy-in and support, mandate that institutional and system governing boards meet their fiduciary responsibilities in a manner that demonstrates leadership based on shared values and institutional mission, as well as an appropriate partnership with the institution's stakeholders.

In order to effectively undertake these duties, governing boards should ensure that they understand the history and culture of their institutions, as well as the historical context for past institutional actions, and the impact they have on current events and constituencies. Similarly, boards and chief executives should share a common understanding of the institution's mission and values (and revisit and refresh them as warranted) and integrate them into everything the institution does to address matters of diversity, inclusion, freedom of expression, academic freedom, safety, and campus climate and culture.

However, the mission, history, culture, symbols, traditions, and even the founders of an institution must also be viewed through a lens of current campus and community values and principles. We do this so as to be aware of, and address as necessary, their impact on today's students, faculty, alumni, and communities. For example, one university community has considered how to make amends for a time when the institution was sustained financially through the sale of slaves. Another institution's board of trustees has re-examined the naming of campus buildings and programs after a United States president who demonstrated racist views in his administration. Institutional history is likely to receive much closer student and faculty scrutiny now as values evolve and the effectuation of mission is re-evaluated.

Boards, by their nature, are usually steeped in their college or university's traditions and symbols and often see themselves as the protectors of those things, particularly when board members are alumni of the institution. It should come as no surprise, then, that some boards might be resistant to change when constituencies and events cry out for a different approach. A governing board should demonstrate courage in recognizing the need for change and supporting or even requiring it, for the betterment of the institution's students and the community. Institutions may need to come to terms with new realities, and while these situations are rarely easy, strong leadership is essential.

A successful resolution

of these complex and high-profile issues, and the building of a campus climate and culture that can generate sustained buy-in and support, mandate that institutional and system governing boards meet their fiduciary responsibilities in a manner that demonstrates leadership.

This AGB statement presents values, principles, recommendations, and discussion questions for governing bodies and chief executives to consider in addressing the issues of campus climate, diversity, inclusion, and civility. The purpose of this statement is not to suggest specific resolutions for these critical issues; the remedies, like the issues, are specific to each institution. Rather, the statement provides guidance to governing boards and chief executives to help ensure that a collaborative governance process and effective policies are in place that can successfully achieve those remedies.

The AGB Board of Directors, in approving this important statement, realizes that some of the recommended practices presented herein will raise concerns. Some will prompt difficult conversations and will challenge boards to address the questions that result. However, governing bodies bear ultimate responsibility to ensure that effective policies are in place and followed in order to uphold institutional mission, values, and educational quality for all who are part of their institutional community. As stated in the 2007 “AGB Board of Directors’ Statement on Board Accountability,” governing board members are accountable to institutional mission, the public interest, and the “legitimate and relevant interests of the institution’s various constituencies.” It is what fiduciary bodies are required to do and are expected to do.

This AGB statement presents

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Respecting the Values and Principles of Higher Education

American higher education is steeped in values that have developed over nearly four centuries. Two of the most fundamental and influential values across the sector are institutional independence and academic freedom. Institutional independence protects colleges and universities from undue external influence and enables each institution to set a mission and goals that are distinct and that achieve the institution's unique purposes. Public and private colleges and universities operate within a collaborative leadership model while assigning ultimate responsibility to a duly constituted governing board⁴ that is expected to honor and guard that independence in its decision making.

Academic freedom recognizes the right of faculty members to conduct research and publish results without interference, instruct students in subject matter according to their own professional judgment, and to express themselves freely as citizens and not as representatives of the institution.⁵ This value also urges institutions to ensure an academic environment that welcomes diverse opinions and a healthy openness to candid exchanges of ideas and perspectives among all stakeholders.

It is from these inherent higher education values that institutional policy related to campus climate, diversity, inclusion, and civility should be developed, viewed, affirmed, and welcomed. Each college and university community is unique. In the ideal, each should approach ongoing discussions of the values and principles described herein inclusively, respectfully, honestly, with open hearts and minds, and without undue concern for uncomfortable or awkward exchanges, to determine what is the right path, now and for future generations.

The principles of a vital campus climate are undergoing extensive examination across the higher education sector, although the very definition of campus climate is broad and varies among institutions. For the purposes of this statement, we rely upon the following, which is referenced often in this larger conversation: "The atmosphere or ambience of an organization as perceived by its members. An organization's climate is reflected in its structures, policies, and practices; the demographics of its membership; the attitudes and values of its members and leaders; and the quality of personal interactions."⁶

⁴ See the 2015 "AGB Board of Directors' Statement on the Fiduciary Responsibilities of Governing Board Members"; and the 2010 "AGB Statement on Board Responsibility for Institutional Governance."

⁵ This is a paraphrasing of the discussion of academic freedom offered in the American Association of University Professors (AAUP) *1940 Statement of Principles on Academic Freedom and Tenure*. Importantly, the policies of some religiously affiliated institutions delimit academic freedom in keeping with their missions. Still others define academic freedom for themselves. Despite some differences in interpretation, the value of academic freedom undergirds the governance of virtually all colleges and universities in the United States.

⁶ See, for example, the University of Wisconsin-Madison Provost's Office, *Definition of Campus Climate* (2004).

The following principles amplify higher education’s central values of independence and core freedoms and should be reflected throughout institutional and system policies:

Diversity. Diversity is a part of the value proposition for the institution and for higher education because of its demonstrated educational benefits for all students. Diversity comes in many forms, including: race, gender, gender identity and expression, ethnicity, national origin, religion, sexual orientation, age, socio-economic background, physical ability and disability, neurodiversity, and student and faculty intellectual and political beliefs. Diversity also includes beliefs and practices that are strongly held by some religiously affiliated colleges and universities but that may differ from those of other higher education institutions. Diversity is not merely about demographics but also about campus climate, culture, and norms. Institutions cannot merely claim to be diverse. Rather, diversity is a dynamic institutional choice whose scope and characteristics will vary over time and place and circumstance.

Inclusion. Diversity without inclusion is only a metric. Inclusion recognizes and embraces the need for all members of the institutional community to have a sense of ownership in the institution and a place of belonging. It requires sustained and intentional institutional commitment and action. Tolerance is passive and may be a starting point. Inclusion is active and reflects the continuing character of a campus.

An inclusive campus climate is manifested by the ideas, policies, actions, and shared culture of its governing body, chief executive, administration, faculty, students, alumni, and local community. Respect and civility, even in a clash of passionately expressed beliefs and values, are essential to the ability of a college or university to thrive and sustain over generations.

Campus safety is fundamental to protecting and implementing these ideals. In this context, being “safe” does not mean being shielded from potentially challenging ideas and beliefs, which may be uncomfortable for some. Rather, individuals should have the right to be safe from physical or emotional harm or harassment in their expression of ideas, beliefs, values, lifestyles, diversity, and personal characteristics.

Diversity

is not merely about demographics but also about campus climate, culture, and norms.

Inclusion

recognizes and embraces the need for all members of the institutional community to have a sense of ownership in the institution and a place of belonging.

Freedom of Expression. Freedom of expression is both an American constitutional right and a principle that is central to an open and engaged institution of learning. It must be established by meaningful and consistent policies and remedies for its infringement, or there is no freedom. Tolerance—the willingness to permit the free expression of ideas, beliefs, and values that may be at odds with your own, rooted in a climate of mutual respect—is an essential characteristic of a campus climate that promotes this principle. With respect to engagement, civility is an essential response, but it is also an element of campus culture. Civility is not the opposite of passion. Conversations, discussions, debates, protests, and demonstrations do not need to be passive or unduly constrained in the name of civility, although they must respect the rights and safety of those who participate and those who do not. Tolerance and civility are at the heart of true freedom of expression.

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Recommendations for Leadership

The following recommendations apply higher education's core values and principles and embrace the obligations of a shared educational, legal, and business imperative for effective governance on the issues of campus climate, inclusion, and civility.

Developing a campus culture that enables students, faculty, and the community to feel safe, included, and valued and that can endure challenges, missteps, and times of unrest is an ongoing process. While certain actions can make a meaningful difference in the near term, fundamental policy and operational change requires a longer time horizon and sustained attention and support. In many instances, leaders seeking to respond to a situation or crisis lack complete or perfect information. Situations often evolve over time, and thoughtful reflection and restraint may be called for by boards and chief executives alike to respond appropriately and with the needs and interests of all constituencies in mind.

The statement encourages boards and institutional leaders to consider the recommendations below in order to be confident that policies are in place to ensure a healthy, vibrant, and safe campus community.

1. *An institutional or system governing board should support the chief executive officer with trust, confidence, and the delegation of authority necessary to make critical and timely decisions consistent with institutional and system policy.*

While not delegating away their fiduciary decision-making authority, governing boards should avoid micromanaging the chief executive in responding to campus climate matters, particularly in moments of crisis. The responsibility and attention of the governing board must focus on the assurance of policy adequacy, while recognizing and supporting strong and effective administrative leadership. These are often time-sensitive matters; chief executives need to be confident in the support of their governing board.

The statement encourages boards and institutional leaders to consider these recommendations in order to be confident that policies are in place to ensure a

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Chief executives, too, can benefit from the opportunity, such as at a board retreat or dedicated committee meeting, to examine and address campus climate issues with the board.

2. *Chief executives should be fully transparent and collaborative with the governing board on campus climate issues.*

Chief executives should support the governing board's fiduciary authority to consider and establish policies related to campus climate, diversity, and inclusion issues by regularly updating the board on current challenges and instances of stakeholder protest and engagement, potential risk areas, and a periodic review of related policies. In addition, chief executives should advise the board on those instances when efforts to advance diversity, equity, inclusion, and free and open discourse have been successful and when they have been unsuccessful. Chief executives can support the board in developing meaningful metrics for assessing achievement of campus climate goals.

3. *Boards should periodically review campus climate policies and ensure that those policies are up-to-date and consistent with institutional mission and relevant laws and regulations.*

In order to be prepared for the implementation of sound and effective decisions, under sometimes intense scrutiny and duress, governing boards should be proactive to ensure that institutional or system policies that clearly articulate principles of diversity and inclusion, free and open discourse, academic freedom, and personal safety are developed, updated, and followed. The board should periodically review the timeliness of these policies and be aware of their content and scope. Chief executive officers should also include in board or board committee meetings, as needed, those institutional administrators who bear responsibility for policy implementation so as to discuss campus climate policies, related risk factors, and compliance with mission and applicable law.

Institutional policies should also protect the rights of students who are not involved in campus protests, unrest, and interventions by uniformly enforcing reasonable "time, place, and manner" guidelines for such events. This enforcement should be consistent irrespective of the point of view being expressed.

Mission and values should be the touchstone of everything a college or university board and chief executive do in developing policies to effectuate an inclusive and welcoming campus climate. In addition, governing board members, as fiduciaries, must always consider their overall responsibility to protect and promote the business operations of the institution through their practices and policies. Without a comprehensive strategy to address matters of diversity and inclusion as discussed in this statement, institutions

risk being unsuccessful in achieving their human capital goals (regarding students, faculty, staff, and administration). In addition, individuals and organizations that are key sources of institutional funding—via tuition dollars, sponsored and funded research, philanthropy, and government support—will rightly view diversity and inclusion as key drivers of quality and excellence. Institutions that commit to creating environments that foster diversity and inclusion and a welcoming campus climate are most likely to attain both the human and financial capital needed to thrive in the long term.

4. *Boards should exercise their fiduciary duty of care by ensuring that the institution has allocated appropriate resources to address campus climate needs.*

Consistent with their fiduciary duties, boards should ensure that necessary budget resources and staff assistance are available to properly address campus climate, diversity, inclusion, and safety needs. Chief executives should work with appropriate board committees to ensure that they are current on the identification and timing of these needs. The governance practice of evaluating resource deployment should not be simply reactive, but rather should be timely and proactive while considering both short-term and long-term needs.

5. *Governing boards should ensure the implementation of an effective communication plan and receive regular updates from the chief executive and other administrators who are responsible for the implementation of campus and system policies regarding campus climate.*

The governing board should approve an institution-wide communications plan that provides consistent support for the policies that are developed and for the chief executive, staff, and faculty members who carry them out. Boards and institutional leadership must be transparent, clear, and consistent in their response to campus climate matters for the institution and the community. Board decisions made only behind closed doors without appropriate input and communicated without explanation or sensitivity put the board at an immediate leadership disadvantage. Transparency and consistency, through explanation and example, breed trust.

*Transparency and consistency,
through explanation and example,
breed trust.*

Boards should receive regular reports from appropriate sources, both among institutional staff and within the campus and local communities, that provide current information and context about instances of campus and community social unrest. Boards should also receive reports on institutional efforts and metrics that can guide their responses, including campus climate surveys, student engagement surveys, academic achievement results, and retention rates of various student groups and subgroups.

The communications plan provisions on crisis response must be adequate to address a campus protest or other campus climate concern. In responding to these issues, and in demonstrating and supporting leadership, boards should speak with one voice. Most often, this will be through the chief executive and the board chair. The chair of the governing board should be prepared to publicly support institutional leadership during a campus protest or act of hate or violence that threatens the safety or personal freedoms of the college or university community.

And, while the chair is the voice of the board's actions and deliberations, all board members are fiduciaries and ambassadors for their institution and all should be prepared to communicate with a uniform message developed through board deliberation and agreement and careful consideration of impact and consequences. When urgent circumstances preclude a timely board discussion on messaging, the chief executive, board chair, and institutional communications professionals should provide support for an immediate board communication.

Boards should ensure that they are attuned to risks to reputation and culture by meeting on these matters with the chief executive and others as appropriate, including faculty leaders, the general counsel, the diversity and inclusion officer, the communications officer, student leaders, outside experts, and officers charged with ensuring institutional compliance under Title IV, Title VI, Title VII, and Title IX.

6. *Governing boards should actively lead in addressing campus climate issues through effective governance practices that are proactive, responsive, and adaptive.*

It is difficult to be credible in providing stewardship and leadership on campus climate issues of diversity and inclusion if the governing board itself is not diverse and inclusive. Governing boards of private institutions should work on diversity objectives through their governance committees, while boards of public colleges and universities should work with the authorities who hold board appointment responsibilities for

those institutions. In that effort, board selection, the choice of board officers and committee chairs, and board education must effectuate the diversity that should be present in today's higher education environment. The campus community pays close attention to the make-up and values of the governing body. If diverse pools of available trustees are limited, training and sensitization with such boards around diversity, equity, and inclusion can help to bridge the gap.

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to bridge the gap.

The chief executive should also ensure that the appropriate balance is found between efforts to acknowledge when instruction and speech may be distressing or offensive to some and the unbridled freedom to inquire, teach, learn, experiment, and debate ideas and values.

Governing boards should work with their chief executives to ensure that the governance and administrative structure of the institution are aligned with needs in this area. Effective governance practices include these actions:

- Designate one or more board committees or task forces, as appropriate, to review campus climate issues and progress towards resolution of any problems or concerns.
- Include a review of campus climate issues in the board's enterprise risk management efforts; risks related to crisis response, reputation, and community relations are appropriate for full board review, but may also be delegated to an executive or dedicated committee.
- Define and measure attainment of campus climate goals.
- Ensure that committees and task forces report to the board regularly on their findings.
- Include feedback on progress in this area in board self-assessments.

Boards need to be able to adapt to changing circumstances, beliefs, and laws surrounding diversity, inclusion, and free speech on campus and in the community. Reliance on bylaws, charters, and policies that have not been specifically updated for this purpose may result in an inadequate response.

Education and training on campus climate, diversity, and inclusion for boards and for the chief executive and senior administrators are also essential. Seek out resources and make time for these efforts on the board and staff agendas.

7. *Governing boards, as a collective body, should seek direct engagement with students, faculty, staff, alumni, local communities, and other stakeholders to be certain that they have an understanding of their concerns and current priorities.*

Boards should seek to understand the current priorities, issues, sensitivities, and needs of the institution's students, faculty, and campus community. Forums for listening can

Governing boards should work with their chief executives

to ensure that the governance and administrative structure of the institution are aligned with needs in this area.

occur on the spur of the moment in a seemingly instantaneous student demonstration; in planned events that are designed to reach students where they live and socialize; in response to a crisis that can become a teachable moment; in conversations with alumni; in a physical environment that supports real dialogue; and with a single trustee or the whole board, as appropriate. It is important to be authentic in conversations and in actions. Boards should strive to overcome their tendency, in reality and in appearance, to be insular and detached. Boards should also look beyond the snapshot and not shy away from what may be an uncomfortable exchange. For example, one board demonstrated its commitment to listen by adjourning its meeting and joining protestors on campus.

Partnership is key. In many instances, students may be doing the heavy lifting in addressing campus climate and inclusion matters and by expressing their passion and commitment. Be partners with students in their education and in their efforts to understand and resolve these issues. Be partners with chief executives in their leadership on these matters, as well. As was said at a Lumina Foundation event on race gaps in higher education, the focus must be not only on “college-ready students,” but also on “student-ready colleges.”

Engagement with the community around the campus—serving as “stewards of place”⁷—is also essential. When the correct response is unclear, mission and values (along with legal obligation) provide the way forward.

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“college-ready students,”
but also on
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colleges.”*

8. *Chief executives should demonstrate compliance with governing board policy and governance expectations on diversity and inclusion and show leadership in staff development.*

In partnership with the board, chief executives should champion diversity and equal opportunity throughout the staff and faculty hiring and development process. Progress on these goals should be included in the chief executive’s annual assessment or key performance indicators. CEOs should ensure that the institution’s staff structure and assignments correlate with campus climate needs and with the board governance structure in these areas.

⁷ See, for example, the 2002 report of the American Association of State Colleges and Universities, “Stepping Forward as Stewards of Place.”

Conclusion

Effectively addressing campus climate, inclusion, and civility issues can be a daunting task for volunteer governing board members and institutional chief executives alike. Providing board and institutional leadership on these matters is not easy, and working through them can be messy. These issues are often fraught with conflict and emotionally charged. There is no one-size-fits-all answer, and campus communities may address the same issues from very different religious and socio-political perspectives.

These issues must also be viewed against the backdrop of rapid social change, substantial polarization in the political arena, political challenges to the freedoms of expression and religion, and high-profile instances of violence and terrorism.

Catalytic events—even those that take place far from a campus—unrecognized needs, and pent-up demand for social change can alter the climate and reputation of a campus in the blink of an eye.

It is here that board members' fidelity to the fiduciary duties of care, loyalty, and obedience is most critical. The core values and principles set forth in this AGB statement, along with recommendations for action, provide boards and chief executives with effective tools to carry out these duties.

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Discussion Questions for Boards

- Does the board understand its fiduciary responsibilities related to campus climate, inclusion, and civility matters?
- Is the board up-to-date on federal, state, and local laws and rules in these areas?
- In a crisis, who speaks for the board? For the institution or system?
- Are the lines and methods of crisis communication between the chief executive and the board well understood and documented?
- How diverse is the board itself? Does the board (or appropriate state authorities for public institutions) have a plan for recruiting members with varied gender, racial, ethnic, and other diverse characteristics, and for identifying capable new members with diverse experiences, skills, and backgrounds?
- Does the chief executive have adequate authority, resources, and board support to champion diversity and equal opportunity throughout the staff and faculty hiring and development process?
- Does the institution support a nurturing campus environment where every member can express him or herself openly and civilly and learn from others who may have a different point of view, without fear of sanction or harm? Or, conversely, does the institution restrict expressions of free speech in the interest of maintaining order and keeping conflict at a minimum?
- Does the campus have current and educationally effective policies that protect the essential values of freedom of speech and academic freedom and that encourage civil discourse?
- Are diversity and inclusion initiatives directly tied to the mission and strategic goals of the institution?

*Are diversity and inclusion
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strategic goals
of the institution?*

- What process is in place for the board to respond to student petitions and demonstrations?
- How has the board impacted the culture of the institution in establishing institutional policy?
- How well does the board model civility in its discussions and decisions?
- Does the institution provide a platform for individuals to confront those who engage in intolerance, disrespect, and hostility? Should it?
- Has the institution recently reviewed and updated its practices and policies to protect students' safety? Does the board understand and support the role of the campus police in these areas?
- From a risk management perspective, what considerations should the board address to help protect institutional reputation and ensure student safety? Those considerations might include:
 - ⌘ campus climate and the environment on campus
 - ⌘ statements and affirmations of institutional mission and values
 - ⌘ the structure of the board to be responsive to these issues
 - ⌘ allocation of resources
 - ⌘ policies regarding campus protest and speech
 - ⌘ the responsibilities and jurisdiction of campus and local police
 - ⌘ crisis management planning
- How well-equipped do board members feel to navigate issues of diversity, equity, and inclusion as a board member?

*How well-equipped do board
members feel to navigate issues of
diversity, equity,
and inclusion
as a board member?*

“
*At the outset, we simply talked
and listened to one another.
We worked to find areas of
understanding and agreement—
and not dwell on our differences.
Throughout those discussions, we
in positions of leadership strove
to speak using the poetry of
compassion, respect, and dignity,
rather than the prose of fear,
power, and threats.*”

*Fred P. Pestello
President, Saint Louis University*

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Open Meeting Law

ATTCHMT NB-2

Public Records Law

Conflict of Interest Law

Trustee Indemnification and Insurance

Prepared by: Rita P. Colucci, Esq.

General Counsel

OPEN MEETING LAW

M.G.L. c. 30A, §19(a)

What Meetings Are Covered by Open Meeting Law?

All meetings of a public body where **DELIBERATIONS** occur with respect to any matter within the body's jurisdiction

What constitutes a deliberation?

Oral or written communication through any medium, between or among a quorum of a public body, on any public business within its jurisdiction

**Includes EMAIL COMMUNICATIONS,
CONFERENCE CALLS, SUBCOMMITTEE
MEETINGS AND COMMITTEE MEETINGS**

A communication among less than a quorum is not considered a deliberation unless there are multiple communications

Does this mean you can never have a private conversation?

No.

You can converse with one or more of your board colleagues – just not with a quorum all at once.

BUT . . . expressing your opinion to a quorum of your board colleagues, even if no-one responds, is considered a deliberation

Reasons to go into executive session

Discuss character, reputation, mental or physical health

Union negotiations

Litigation

Criminal misconduct

Real property

Security personnel or devices

Grant-in-aid requirements

Review of applicants by a preliminary screening committee

Trade secrets, competitively-sensitive or other proprietary information

Is remote participation allowed?

Yes, if physical attendance would be unreasonably difficult

- Quorum and chair/substitute must be physically present
- All votes taken must be by roll call
- At start of meeting, Chair must announce who is participating remotely
- Members participating remotely in executive session must state that no other person is present or able to hear the discussion

Public Participation

- Individuals may not address the public body without permission of the chair
- Public participation is within the chair's discretion

What records must be kept from meetings?

- Minutes – including executive session, which must be made public when the “purpose for which a valid executive session was held has been served”
- Roll calls (no secret votes)
- Minutes, documents and exhibits (which are also public records)

Public Records Law

M.G.L. c. 4, § 7(26)

M.G.L. c. 66, §§10, 10A, 10B and 19

Mass public records law provides that every person has a right of access to public information

What is a public record?

- All books, papers, maps, photographs, recorded tapes, financial statements, statistical tabulations, or other documentary materials or data, regardless of physical form or characteristics, made or received by any officer or employee of any Massachusetts governmental entity
- Includes records kept electronically

Does this really happen?

ALL THE TIME

Exemptions

Every record that is made or received by a state university is presumed to be a public record unless it falls within an exemption:

- Student records
- Domestic violence reports
- Personnel and medical files
- And more . . .

Records Access Officer

- General Counsel
- Reviews and responds to most records requests
- University Police respond to their own records requests
- Per state law, all requests and their dispositions are recorded in a state-wide database

CONFLICT OF INTEREST LAW

M.G.L. c. 268A

“The conflict of interest law seeks to prevent conflicts between private interests and public duties, foster integrity in public service, and promote the public's trust and confidence in that service by placing restrictions on what state employees may do on the job, after hours, and after leaving public service”

Gifts and Gratuities

Valued at \$50 or more

- Given to influence your official actions or because of your official position

Like what?

- Meals, entertainment event tickets, golf, gift baskets, and payment of travel expenses
- A number of smaller gifts together worth \$50

Misuse of Position

- Using your official position to get something you are not entitled to, or to get someone else something they are not entitled to, is prohibited. Causing someone else to do these things is also prohibited

Disclosure Forms

- There are instances where you can do something that feels like it might be a violation so long as you disclose it

Advice on State Ethics Violations

Call attorney of the day to get advice before
a violation occurs

617.371.9500

Indemnification of Trustees

MGL c. 15A, section 22

“The Commonwealth shall indemnify a trustee of a community college or state university against loss by reason of the liability to pay damages to a party for any claim arising out of an official judgment, decision, or conduct of said trustee;

Indemnification, cont'd

provided, however that said trustee has acted in good faith and without malice;

Indemnification, cont'd

and provided further that the defense or settlement of such claim shall have been made by the attorney general or his designee.”

No limit on the amount a Trustee may be indemnified

So long as Trustee's actions were

1. Within scope of their official duties
2. Made in good faith
3. Made without malice

Includes intentional torts or civil rights violations, except those committed in a grossly negligent, willful or malicious manner

Insurance

- Salem State is self insured for \$100,000
- Salem State purchases Directors and Officers insurance
- Coverage is \$1M per occurrence and in the aggregate after a \$100K deductible
- Excess liability insurance is shared with MassArt at \$4M

D&O/ELL Covers:

- All officers, administrators, directors, chairs, all employees
- Three Salem State boards including Board of Trustees, Foundation Board and Assistance Corporation Board
- Covers a broad range of non-bodily injury/non-property damage liability claims including employment practices, failure to promote, failure to educate, class action suits, whistle blower coverage, wrongful termination, wrongful dismissal, failure to grant tenure, and negligent counseling

Questions?

Call me

- 978.542.8600 (office)
- 978.578.1702 (cell)

SUBJECT: Risk Management and Audit Committee Meeting Report for October 10, 2018

The Risk Management and Audit Committee of the Board of Trustees met on Wednesday, October 10, 2018, in the Paul Petrowski Conference Room located in Marsh Hall on the Central Campus of Salem State University.

Present for the Committee: Trustees Lutts (chair), Zahlaway-Belsito (vice chair), DeSimone, Chair Mattera, President Keenan (ex-officio), Vice President House (committee co-liaison), staff assistant Beaulieu. Also participating was University Controller Bethoney.

Absent for the Committee: Trustee Katzman

Trustee Lutts, committee chair, called the meeting to order at 4:03 pm.

FY18 audits for discussion and acceptance

Representatives from O'Connor & Drew, the university's external auditing firm present were David DiIulis, managing partner and Zach Laflash, audit manager.

Required communications (Attachment A) noted a clean unmodified opinion issued on the university's financial statements and no material weaknesses regarding internal controls. Significant accounting policies included the implementation of GASB No. 75 Other Post-Employment Benefits (OPEB). The Commonwealth's OPEB audit and final numbers have not been completed as of this date. The OPEB allocation to the university provided in the draft financial statements may change.

The university draft financial statements for fiscal year ending June 30, 2018 and 2017 (Attachment B) along with the management's discussion and analysis and related footnotes were reviewed. The independent auditors' reports as required by the uniform guidance and government auditing standards and related information (Attachment C) includes a report on federal programs and internal controls. There were four findings disclosed that are required to be reported in accordance with the Uniform Guidance. These findings are common and have either been addressed or management has put a plan of action in place. No material weaknesses and no significant deficiencies regarding internal control over the federal programs had been identified.

Trustee Lutts **MOVED** that the Risk Management and Audit Committee hereby recommends the Board of Trustees approve the following motion pertaining to the FY18 Salem State University audited financial statements, **SECONDED** by Trustee Zahlaway-Belsito:

Recommended motion

The Board of Trustees of Salem State University hereby accepts the following draft

audits and reports:

Salem State University Financial Statements and Management's Discussion and Analysis June 30, 2018 and 2017

Independent Auditor's Reports as Required by the Uniform Guidance and Government Auditing Standards and Related Information, June 30, 2018

Further, the Board of Trustees delegates authority to accept the final financial statement package to Vice President Karen House, with the proviso that substantive changes from the draft statements, if any, be discussed first with the chair of the Risk Management and Audit committee.

On a voice vote, the motion passed unanimously.

As a best practice, the university's management team voluntarily left the room to provide the trustees with an opportunity for a discussion with the auditors without the presence of management.

There being no further business to come before the committee, Trustee Lutts moved and Trustee Zahlaway-Belsito seconded a motion to adjourn.

MOTION: To adjourn the meeting.

On a voice vote, the motion passed unanimously.

The meeting adjourned at 5:35 pm.

Prepared by D. Beaulieu, staff assistant, finance and facilities

REQUEST FOR TRUSTEE ACTION

As has been discussed, GASB Statement No. 75 – Other Post-Employment Benefits (OPEB) is being adopted for the first time in the FY18 financial statements, with retroactive restatement of prior year(s) figures as required. Please recognize that the university’s auditors cannot finalize the audited financial statements until the Commonwealth’s GASB 75 audit is completed. That audit, performed by others, is well advanced but not yet complete. Figures and disclosures related to GASB 75 were recently received and have been incorporated in the draft financial statement package for FY18, but it is possible that there will be subsequent changes. The university’s auditors will be in attendance at the Oct. 10 Risk Management and Committee meeting and will review the drafts with the committee in detail.

Trustee Lutts **MOVED** that the Risk Management and Audit Committee hereby recommends the Board of Trustees approve the following motion pertaining to the FY18 Salem State University audited financial statements, **SECONDED** by Trustee Zahlaway-Belsito:

RECOMMENDED MOTION

The Board of Trustees of Salem State University hereby accepts the following draft audits:

Salem State University Financial Statements and Management’s Discussion and Analysis June 30, 2018 and 2017

Independent Auditor’s Reports as Required by the Uniform Guidance and Government Auditing Standards, June 30, 2018

Further, the Board of Trustees delegates authority to accept the final financial statement package to Vice President Karen House, with the proviso that significant changes from the draft statements, if any, be discussed first with the chair of the Risk Management and Audit committee.

Committee Assigned: Risk Management and Audit

Committee Action: Approved

Date of Action: October 10, 2018

Trustee Action:

Trustee Approval Date:

Effective Date:

Signed: _____

Title: Secretary of the Board of Trustees

Date: _____

Salem State University

October 10, 2018

25 Braintree Hill Office Park, Suite 102
Braintree, MA 02184
617.471.1120

Required Communications

AUDITORS' RESPONSIBILITY UNDER GAAS

- We have a responsibility to conduct our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
- In carrying out this responsibility, we planned and performed the audit to obtain reasonable – not absolute – assurance about whether the basic financial statements are free of material misstatement, whether caused by error or fraud.
- An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion.

Required Communications - Continued

AUDITORS' RESPONSIBILITY UNDER GAAS - Continued

- We issued an unmodified opinion on the University's financial statements.
- No material weaknesses/significant deficiencies were noted within the Report on Internal Control over Financial Reporting and on Compliance and Other Matters
- Findings while performing the Single Audit:
 - Timely reporting of student enrollment changes to NSLDS
 - Correct return of federal awards for a withdrawn student
 - Resolving discrepancies between conflicting information
 - Reporting current participants of the Trio program.

Required Communications - Continued

Significant Accounting Policies and Transactions

- Initial Selection of or Changes in Policies
 - Retroactive implementation of GASB 75- recording the Universities share of the OPEB obligation.
 - All accounting policies are discussed in Note 1 of the financial statements.
- Significant Transactions
 - Prior period adjustment recording the approximate \$96,300,000 OPEB obligation, as of July 1, 2017.

Independence

- We are not aware of any relationships between O'Connor & Drew and the University that in our professional judgment may reasonably impact our independence.
- Related to our audit for 2018, we are independent with respect to the University within the meaning of the pronouncements of the Independence Standards Board, *Government Auditing Standards*, and under Rule 101 of the AICPA Code of Professional Conduct.

Required Communications - Continued

Significant Accounting Policies and Transactions – Continued

Audit Adjustments and Uncorrected Misstatements

- There were no audit differences recorded as a result of the audit that are required to be communicated to the Committee.
- There were no uncorrected misstatements that are required to be communicated to the Committee.

Required Communications - Continued

MANAGEMENT'S JUDGMENTS AND ACCOUNTING ESTIMATES

- Allowance for doubtful accounts
- Depreciable lives of capital assets
- Fringe benefits
- Net position classifications
- Net pension liability
- Net OPEB liability

OTHER COMMUNICATIONS

- Disagreements with management – None
- Consultation with other accountants/auditors:
 - Auditors for the Massachusetts State Employees' Retirement and OPEB Plans
- Major issues discussed with management prior to retention – None
- Difficulties encountered in performing the audit – None
- Significant written communications between the auditor and management:
 - Engagement letter
 - Management representation letter
 - Uniform Guidance Report

Required Communications - Continued

MANAGEMENT ADVISORY SERVICES/TAX SERVICES

- No management advisory services were performed by O'Connor & Drew during 2018.
- O'Connor & Drew performed a Single Audit as required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements.

Financial Statement Fraud Risks

PERVASIVE RISK

- No pervasive financial statement fraud risks were identified.

SPECIFIC RISKS PRESUMED BY AUDITING STANDARDS

- Risk of misstatement relating to revenue recognition
- Risk of management override of controls
 - Journal entries and adjustments
 - Revenue recognition
 - Significant accounting estimates
 - Significant unusual transactions

UNIVERSITY'S SPECIFIC RISKS

- General economic factors affecting all entities

GASB Statement 87, *Leases*

- Effective for periods beginning after December 15, 2019
- A lease will be defined as a contract that conveys control of the right to use another entity's nonfinancial asset (e.g. building) for a period of time
- GASB 87 will require lessees to recognize on their balance sheet the rights as an asset and obligations as a liability
- Leases with terms of less than twelve months will not be required to be recognized on the balance sheet under GASB 87
- Currently, leases that meet the capital lease test in which the lessee has ownership rights are recognized on the balance sheet. Leases that do not meet the capital lease test are not recognized on the balance sheet but their terms are disclosed in the notes to the financial statement

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

**FINANCIAL STATEMENTS AND
MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2018

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Financial Statements

June 30, 2018 and 2017

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Salem State University
Salem, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of Salem State University (an agency of the Commonwealth of Massachusetts, the "Commonwealth") (the "University"), and its discretely presented component units, the Salem State University Foundation, Inc. (the "Foundation") and Salem State University Assistance Corporation (the "Assistance Corp.") which comprise the statements of net position as of June 30, 2018, and 2017 the related statements of revenues, expenses and changes in net position, cash flows, combining statements of net position of major component units, combining statements of revenues and expenses of major component units for the year then ended, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of Salem State University as of June 30, 2018, and 2017 and the changes in net position and cash flows, and combining statements of net position of major component units, combining statements of revenues and expenses of major component units for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, is effective for fiscal year 2018 and required the College to restate beginning net position at July 1, 2016 to recognize its proportionate share of the net postemployment benefits other than pensions obligation determined for the State Retirees' Benefit Trust. Our opinion is not modified with respect to that matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions of the University's basic financial statements. The supplemental schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE** on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University 's internal control over financial reporting and compliance.

**Certified Public Accountants
Braintree, Massachusetts**

DATE

Draft

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

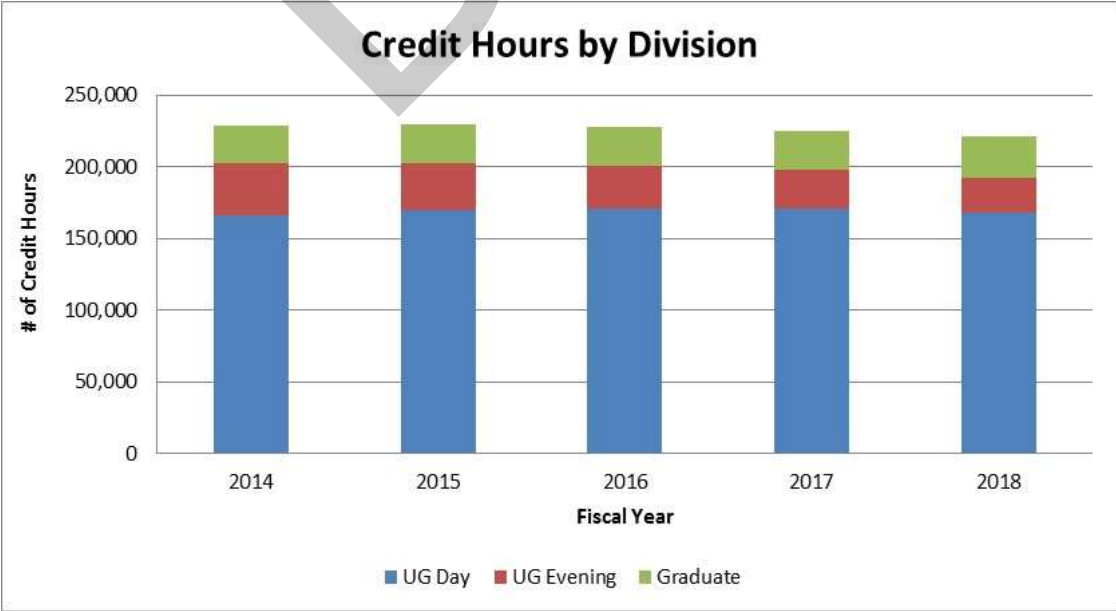
Management’s Discussion and Analysis - Continued
(Unaudited)

Introduction

Salem State University (the “University”) offers readers this narrative overview and analysis of the financial statements and activities of the University for fiscal years ended June 30, 2018 and 2017. Readers are encouraged to consider the information presented here in conjunction with the financial statements and related footnotes. In accordance with Governmental Accounting Standards Board (“GASB”) requirements, the University financial statements report the Salem State University Assistance Corporation (“Assistance Corporation”) and Salem State University Foundation, Inc. (“Foundation”) as component units.

Background

The University was founded in 1854 as the Salem Normal School, at which time it offered innovative, ground-breaking education for women pursuing careers in education. Today, the University thrives as a comprehensive institution of academic strength offering high quality education at the undergraduate and graduate levels. The 115 acre University is spread across six sites: North Campus, Central Campus, South Campus, School of Social Work & International Programs, Cat Cove and the O’Keefe Athletic Complex. The curriculum spans the arts, sciences and professional programs contained within the College of Arts and Sciences, the Bertolon School of Business, the Maguire Meserve College of Health and Human Services, the School of Education, the School of Graduate Studies and the School of Continuing and Professional Studies. The undergraduate level has approximately 6,231 and the graduate level has approximately 891 Fall Full-Time Equivalent (“FTE”) credit enrollment. Total credit hour enrollment by division for the past five years is shown below:



SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

University students are diverse, hailing from 31 states and 58 countries. Thirty-six and a half percent of first year students (freshman and transfer) self-identified as students of color (fall semester 2017). The approximate gender breakdown is 38% male and 62% female.

In support of the University, there are two component units. The Assistance Corporation, formed in 1995 by the legislature, promotes the orderly growth and development of the University. The Foundation, a separate 501(c) (3) corporation is the primary recipient of endowments, alumni funds and various other donations made to benefit the University.

The University's mission and vision statements provide direction in the quest to provide the best education possible for its diverse student body and are as follows:

University Mission

Salem State's mission is to provide a high quality, student-centered education that prepares a diverse community of learners to contribute responsibly and creatively to a global society, and serve as a resource to advance the region's cultural, social and economic development.

University Vision

Salem State University will be a premier teaching university that engages students in an inspiring transformational educational experience.

- We put students first in all that we do and are committed to their success.
- We are a community of learners where all faculty, staff and students have the opportunity to grow as individuals.
- We are innovators, offering a unique brand of public higher education that inspires students to reach higher and achieve more.
- We remain true to our heritage as a liberal arts university while we prepare students for today's workforce.
- We serve the communities of the North Shore while we create an ever more globally aware and culturally diverse campus environment.

The mission and vision statements guide decisions by University management on campus and help to create an environment of student success and inclusive excellence.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

Accreditations

The University is accredited by the New England Commission of Higher Education (“NECHE”) and the next comprehensive review will occur in Spring 2021. In addition, many of the University’s programs are accredited by program-specific accrediting bodies.

Significant Events and Accomplishments

In January 2018 Salem State formally inaugurated John D. Keenan as the university’s 14th president. The university’s strategic plan was completed during the year and established four strategic goal areas (academic excellence; student success; collaboration, inclusion, and stewardship; and financial vitality.) Highlights of accomplishments for each of the strategic goals are noted below.

ACADEMIC EXCELLENCE

The university received approval to begin offering three new academic programs – master of science degree in accounting, master of science degree in athletic training, and bachelor of science degree in information technology. In addition, fall semester 2018 is the first semester for a graduate certificate program in writing and rhetoric.

STUDENT SUCCESS

The university’s 6-year graduation rate increased to 57.9%, up dramatically from 52.1% in the prior year. There were 2,271 total degrees and certificates awarded in academic year 2017-18. A sampling of our students’ academic achievements include:

- Six regional awards at the Kennedy Center’s American College Theatre Festival
- Counseling graduate students (21) presented original research at the 2018 Massachusetts School Counselors Association conference
- A recent graduate student in English received a Fulbright US Student Program award, which will take her to India for 2018-2019
- A recent graduate (certificate program) with the Center for Holocaust and Genocide Studies was selected to join the Warren Fellowship for Future Teachers in Houston

COLLABORATION, INCLUSION AND STEWARDSHIP

In the area of Inclusive Excellence and Campus Climate work:

- The university is participating in National Coalition Building Institute (NCBI) and completed training in the NCBI Welcoming Diversity Workshop as well as the NCBA Controversial Issue Process
- Ten faculty and staff members are taking part in a year-long Racial Equity and Justice Institute program of the Leading for Change Diversity Consortium hosted at Bridgewater State University

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

Community engagement/volunteer service remains an important priority. In that regard:

- The Center for Civic Engagement (CCE) continues to provide opportunities and information about engagement in the community and as a citizen, with several signature programs and numerous activities throughout the academic year.
- SSU students voted at a rate well above the national average in the 2016 election. 85% were registered to vote and of that cohort, 77 percent voted.
- Students in the Bertolon School of Business provided service to the community through the Volunteer Income Tax Assistance program.
- Numerous students participated in the Habitat for Humanity programs and traveled to Texas or South Carolina to help build homes.
- Graduate students in Occupational Therapy fundraised to assist local nonprofits

Sustainability accomplishments in FY2018 include:

- The Sophia Gordon Center for the Performing Arts was awarded a LEED Gold certificate and is the university's sixth LEED certified building.
- The university divested its investment portfolio of fossil fuels, following a lengthy review process and determination made by the board of trustees.
- Salem State was awarded the EPA's Regional Food Recovery Achievement Certificate again this past year.

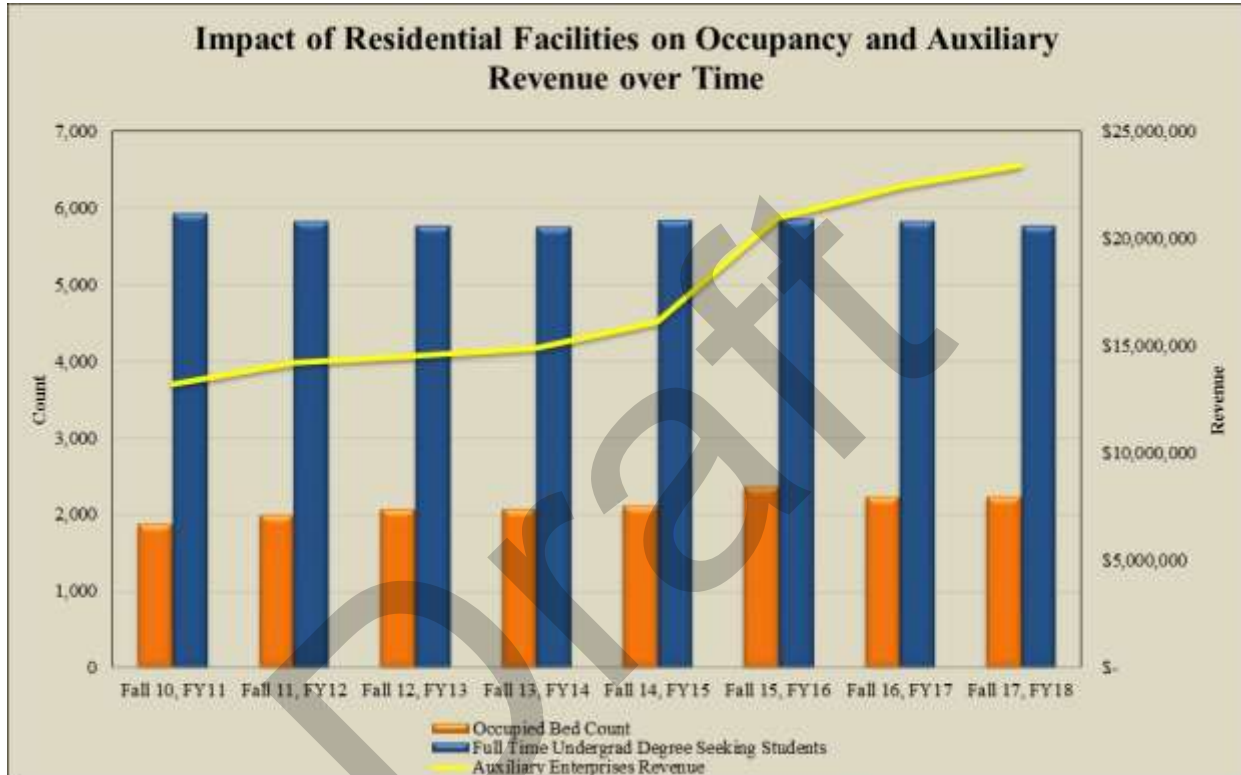
FINANCIAL VIABILITY

- The university expanded summer conferencing revenue streams by creating a partnership with Capstone on Campus Management (COCM). In its initial summer, the program hosted Education First, which brought young students from China, Venezuela and Russia to our campus for its English immersion program, and other conference guests. The startup season was deemed a success and is a growth opportunity for the future.
- The university completed a thorough assessment of the physical state of the campus with Sightlines. The process documented a backlog of \$253 million in deferred maintenance.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

The University has intentionally grown its housing capacity to aid in enrollment management and student success. The chart below shows the relationship between undergraduate student enrollment, residential hall occupancy, and auxiliary revenues over the last eight years.



Capital Projects

Sophia Gordon Center for Creative and Performing Arts (Formerly known as the Main Stage Theatre Conversion Project)

During August 2014, construction commenced under the project management of the Division of Capital Asset Management and Maintenance (DCAMM) for the renovation of the Mainstage to become the Sophia Gordon Center for Creative and Performing Arts. Located on the North Campus, the state-of-the-art center was opened in April 2017. With project closeout expenses occurring in FY2018, the total project cost was \$27.8 million. Approximately \$13.3 million was funded by the University from the issuance of an MSCBA bond during January 2014, additional cash funds of \$5.2 million was contributed by donors and the University in addition to capitalized interest of \$1.9 million recorded since FY 2015, and DCAMM funded \$7.4 million in capital grant funds through June 30, 2018.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

Overview of University Financial Statements

Salem State University reports its activity as a business-type activity under GASB using the economic resources measurement focus and full accrual basis of accounting. The University is an agency of the Commonwealth of Massachusetts. Therefore, the results of the University's operations and non-operating activities, its net position and cash flows are also summarized in the Commonwealth's Comprehensive Annual Financial Report in its government-wide financial statements on an annual basis.

The financial statements, accompanying notes and supplemental information are presented separately from this discussion and analysis and will provide details not included in the below discussion.

Statement of Net Position Summary & Analysis

The Statement of Net Position presents information on the University's assets and deferred outflows of resources, less its liabilities and deferred inflows of resources, with the residual balance being reported as net position. The University's total net position for fiscal year 2018 increased \$3.9 million from fiscal year 2017, excluding the impact of the current year expenses for pensions and other post-employment benefits (see below.)

GASB No. 68 and 75 - Accounting and Financial Reporting for Pensions and Other Post-Employment Benefits ("OPEB")

The Governmental Accounting Standards Board (GASB) issued two standards that materially impacted the presentation of the university's financial statements over the last several years, notably GASB Statement No. 68 - Accounting and Financial Reporting for Pensions and GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (commonly referred to as OPEB.). GASB 68 was implemented by Salem State University in its FY 2016 financial statements which required, among other impacts, restating the net position as of June 30, 2015. GASB 75 has been implemented by Salem State University in its FY 2018 financial statements which required, among other things, restating net position as of July 1, 2016 in order to provide comparability with FY 2018. The table below shows the financial statement impact of GASB statements 68 and 75 in fiscal years 2018 and 2017:

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

	FY 2018	FY 2017
	(In Thousands)	
Statement of Net Position (Balance Sheet)		
Deferred Outflows (like an Asset):		
GASB 68 - Pension	\$ 14,492	\$ 19,627
GASB 75 - Other Post Employment Benefits	12,267	2,182
Total deferred outflows	26,759	21,809
Net Pension & OPEB liability (Non-Current Liability):		
GASB 68 - Pension	(44,565)	(46,974)
GASB 75 - Other Post Employment Benefits	(98,032)	(96,287)
Total Net Pension & OPEB Liability	(142,597)	(143,261)
Deferred Inflows (like a Liability):		
GASB 68 - Pension	(4,749)	(3,891)
GASB 75 - Other Post Employment Benefits	(13,048)	-
Total deferred outflows	(17,797)	(3,891)
Net position impact - decrease	\$ (133,635)	\$ (125,343)
One-year Change**	(8,292)	(98,814)
Statement of Revenues Expenses & Changes in Net Position		
Pension & OPEB Expenses:*		
GASB 68 - Pension	\$ 3,583	\$ 4,711
GASB 75 - Other Post Employment Benefits	4,709	-
Total Net Pension & OPEB Expense	\$ 8,292	\$ 4,711

* These Pension and OPEB amounts are related solely to the GASB 68 & 75 adjustments and have been allocated among the Operating Expense categories.

**This amount includes the GASB 68 pension of \$4,711 and the GASB 75 OPEB restatement of \$94,105 to the beginning unrestricted net position for FY 2017.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

The table below shows the impact of GASB 68 (Pension) and GASB 75 (OPEB) on unrestricted net position for the years as presented.

Unrestricted Net Position Impacted by GASB 68 (Pension) and 75 (OPEB)					
<i>(In Thousands)</i>					
	Without Pension & OPEB	Pension Adjustment	OPEB Adjustment	With Pension and OPEB	Difference
Unrestricted Net Position at June 30, 2016	\$ 9,738	\$ (26,527)	\$ -	\$ (16,789)	
Unrestricted net decrease for FY 2017	(4,920)	(4,711)	-	(9,631)	
Restatement (See Note 2)	-	-	(94,105)	(94,105)	
Unrestricted Net Position at June 30, 2017, Restated	4,818	(31,238)	(94,105)	(120,525)	\$ (125,343)
Unrestricted net increase (decrease) for FY 2018	3,869	(3,583)	(4,709)	(4,423)	
Unrestricted Net Position at June 30, 2018	<u>\$ 8,687</u>	<u>\$ (34,821)</u>	<u>\$ (98,814)</u>	<u>\$ (124,948)</u>	<u>\$ (133,635)</u>

The total net pension liability balance in the June 30, 2018 and 2017 financial statements amounted to approximately \$45.0 million and \$47.0 million, respectively. The total net OPEB liability balance in the June 30, 2018 and 2017 financial statements amounted to approximately \$98.0 million and \$96.3 million, respectively.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

A summarized comparison of the University's assets, deferred outflows, liabilities, deferred inflows and net position at June 30, 2018, 2017 and 2016 is as follows:

<u>Assets</u>	<i>(In Thousands)</i>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Current Assets	\$ 44,435	\$ 39,909	\$ 46,113
Capital Assets (net)	169,691	172,648	163,705
Noncurrent Assets	3,854	3,956	3,815
Total Assets	<u>217,980</u>	<u>216,513</u>	<u>213,633</u>
Deferred Outflows of Resources	26,759	21,809	19,078
Total Assets and Deferred Outflows	<u>\$ 244,739</u>	<u>\$ 238,322</u>	<u>\$ 232,711</u>
<u>Liabilities</u>			
Current Liabilities	\$ 24,041	\$ 23,686	\$ 26,552
Noncurrent Liabilities	190,282	193,189	92,453
Total Liabilities	<u>214,323</u>	<u>216,875</u>	<u>119,005</u>
Deferred Inflows of Resources	18,542	4,888	2,726
<u>Net Position</u>			
Net investment in capital assets	130,219	131,099	122,165
Restricted	6,603	5,985	5,604
Unrestricted	(124,948)	(120,525)	(16,789)
Total Net Position	<u>11,874</u>	<u>16,559</u>	<u>110,980</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 244,739</u>	<u>\$ 238,322</u>	<u>\$ 232,711</u>

Total assets increased in FY 2018 by \$1.5 million or 0.7% over the prior year compared with a 1.3% increase of \$2.9 million in FY 2017. Most of the changes within the asset categories are associated with increases in cash and investments offset by a decrease in capital asset driven by depreciation outpacing the capital asset additions. Total liabilities decreased in FY 2018 by \$2.6 million or 1.1% over prior year. This change is primarily attributable to the recording of an OPEB liability increase of \$1.7 million, offset by a decrease in the Pension liability of \$2.4 million and payments on outstanding debt of \$2.3 million. In FY 2017, total liabilities increased by \$97.9 million or 82.2% almost all of which is attributable to implementation of the GASB No. 75 OPEB accounting standard.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

For fiscal 2018, 2017 and 2016, total net position amounted to \$11.9 million, \$16.6 million and \$111.0 million, respectively. The University's net position in the investment in capital assets (e.g. land, buildings and equipment) less any related debt used to acquire those assets is the largest positive component of the total net position, which is consistent with prior years and is detailed below in the next section. The University uses its capital assets to provide services to students, faculty and administration; consequently, these assets are not available for future spending. Although the University's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, such as room rents, auxiliary and other fees, since the capital assets themselves cannot be used to satisfy these liabilities.

Capital Assets

A summarized comparison of the University's capital assets categories at June 30, 2018, 2017 and 2016 is as follows:

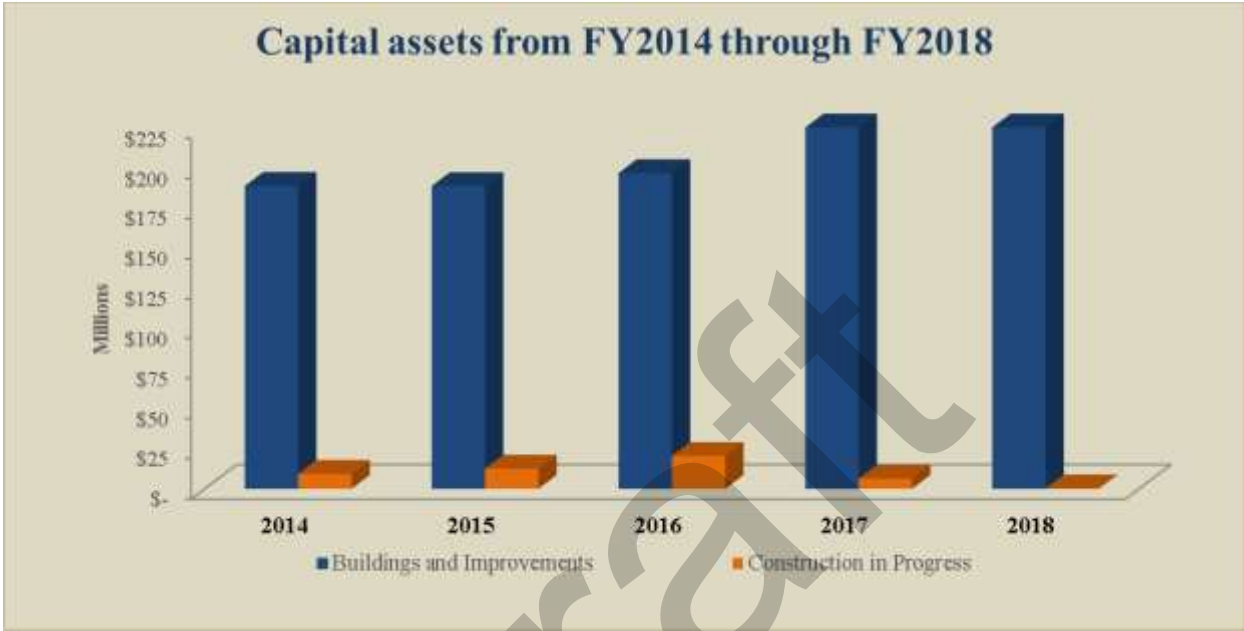
Capital Asset Summary

	<i>(In Thousands)</i>		
	2018	2017	2016
Building and improvements	\$ 238,793	\$ 227,079	\$ 196,564
Construction in Progress	187	6,372	20,361
Land	2,536	2,536	2,536
Furniture and Equipment	30,818	30,401	29,508
Total	<u>272,334</u>	<u>266,388</u>	<u>248,969</u>
Less: accumulated depreciation	<u>(102,643)</u>	<u>(93,740)</u>	<u>(85,264)</u>
Total capital assets, net	<u>\$ 169,691</u>	<u>\$ 172,648</u>	<u>\$ 163,705</u>

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management’s Discussion and Analysis - Continued
(Unaudited)

The following graph shows the progression of capital project values over the last five years:



SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis - Continued
(Unaudited)

Capital Assets Changes

The University's total capital asset changes as of June 30, 2018, 2017 and 2016 are depicted below:

Changes in Capital Assets

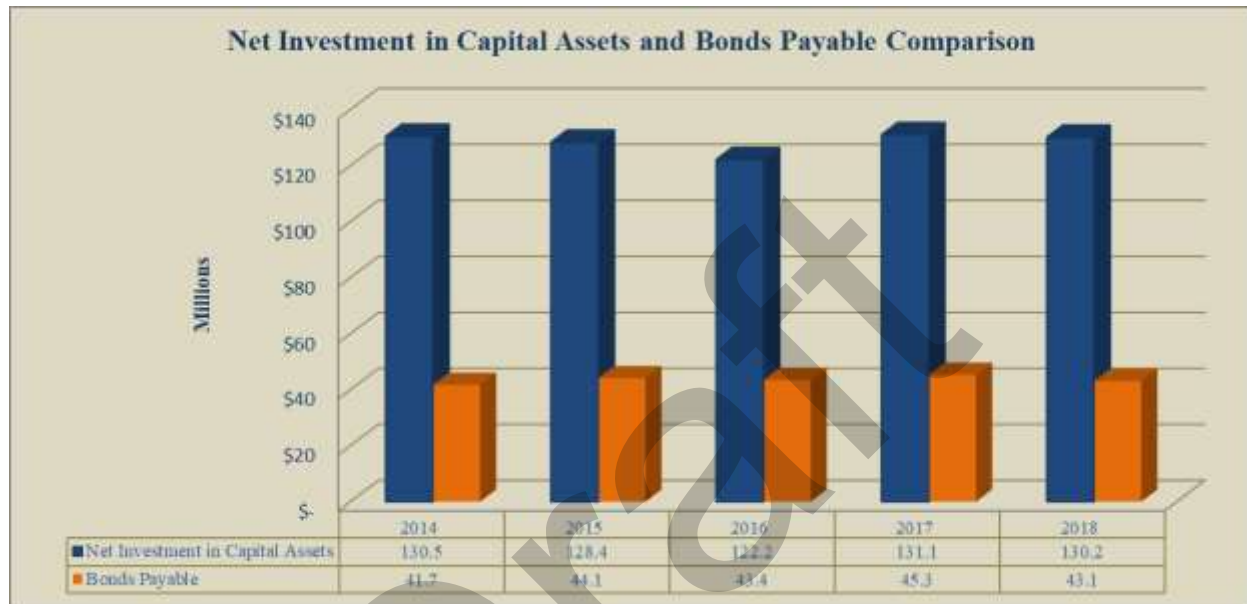
	(In Thousands)		
	2018	2017	2016
<u>Building and Land Improvements</u>			
Sophia Gordon Center	\$ 824	\$ 27,005	\$ -
331 Lafayette Street	1,236	-	-
Meier Hall Renovation	557	-	321
Library and Learning Commons Improvements	152	272	521
Administration Building Renovation	-	1,736	-
Steam Pipe Repairs	430	366	-
O'Keefe Improvements	810	-	-
Equipment purchases for IT and Biology Departments	1,421	-	1,675
Comprehensive Energy Performance Contract Project	5,577	317	4,799
Various Other Improvements	708	820	745
Net Additions to Buildings and Improvements	11,715	30,516	8,061
<u>Construction in Progress ("CIP")</u>			
Sophia Gordon Center	824	10,709	10,619
Various Ongoing Renovation Projects	3,132	908	2,073
Comprehensive Energy Performance Contract Project	2,126	3,920	1,208
IT Projects	78	1,178	774
Capitalized Bond Interest (For Sophia Gordon Center)	-	452	554
Additions to Construction in Progress	6,160	17,167	15,228
Transfer of Construction in Progress to Capital Assets	(12,345)	(31,157)	(7,323)
Net Additions (Reductions) to CIP	(6,185)	(13,990)	7,905
<u>Furniture & Equipment</u>			
O'Keefe, Dining, IT & Art Design	416	642	228
Maintenance Equipment	-	252	-
Net Additions to Furniture and Equipment	416	894	228
Total Net Asset Additions	5,946	17,420	16,194
Depreciation Expense for the Year	8,903	8,477	7,877
Net Increase (Decrease) in Capital Assets	\$ (2,957)	\$ 8,943	\$ 8,317

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Net Investment in Capital Assets and Bonds Payable Comparison

The following graph displays long-term debt for Bond Payables on the university's books and the Net Investment in Capital Assets balances for fiscal years ended 2014 through 2018:



It should be noted that the asset category “Capital assets, net” is not the same as the “Net Investment in Capital Assets” in the net position category. Net Investment in Capital Assets includes the same activity as the Capital Assets but also includes any related debt liabilities and deferred inflow of resources that are attributable to the acquisition, construction or improvement of those capital assets.

Statements of Revenues and Expenses and Changes in Net Position Summary & Analysis

The Statement of Revenues, Expenses and Changes in Net Position Analysis shows how the University's net position changed during the last three fiscal years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. the accrual for compensated absences).

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

A summarized comparison of the University's operating and non-operating revenues and expenses and the resulting increase or decrease in net position at June 30, 2018, 2017 and 2016 is as follows. Note that this information includes the impact of the Pension and OPEB accounting standards:

Statement of Revenues, Expenses, and Changes in Net Position Summary & Analysis

	<i>(In Thousands)</i>		
	2018	2017	2016
<u>Operating Revenues</u>			
Tuition and Fees, Net	\$ 69,566	\$ 66,893	\$ 62,685
Federal, State, and Private Grants	19,472	19,306	18,820
Sales and Services	1,296	1,333	1,426
Auxiliary and Other	23,876	22,762	21,274
Total Operating Revenues	114,210	110,294	104,205
<u>Operating Expenses</u>			
Compensation and benefits	117,761	118,273	112,436
Supplies and services	38,659	37,324	35,957
Utilities	4,107	4,179	4,276
Depreciation	8,903	8,477	7,877
Scholarships	6,185	5,627	4,789
Change for Pension and OPEB activity	8,292	4,711	4,368
Total Operating Expenses	183,907	178,591	169,703
<u>Non-Operating Revenues (Expenses)</u>			
State appropriations	60,128	58,768	56,416
Contribution to the Assistance Corporation	-	(897)	(911)
Gifts	2,160	1,801	2,665
Investment Income	1,511	1,755	(111)
Interest Expense	(1,736)	(1,157)	(1,269)
Total Non-Operating Revenues, Net	62,063	60,270	56,790
Capital Grants	2,950	7,711	783
Increase (Decrease) in Net Position	\$ (4,684)	\$ (316)	\$ (7,925)

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Highlights for Operating Revenues

The increase in total operating revenues of \$3.9 million (3.6%) and \$6.1 million (5.8%) in FY 2018 and FY 2017, respectively, over prior year resulted primarily from the following changes:

Tuition and Fees, net: The tuition and fees, net of scholarships and fellowships improved by 4.0% in FY 2018 and 6.7% in FY 2017 (\$2.7 million in FY 2018 and \$4.2 million in FY 2017) over prior year due to increases in fee rates as well as new fees.

Federal, State and Private Grants: Federal, state and private grant revenues remained stable for FY 2018 when compared to FY 2017. The federal, state and private grant revenues increased in FY 2017 by \$0.5 million (2.6%) due primarily to increases in federal grants.

Auxiliary Enterprises and Other: Auxiliary enterprises and other revenues increased in FY 2018 by \$1.1 million (4.9%) over prior year primarily due to increases in dormitory room revenue of \$0.7 million and student fees for permits, meals and ancillary revenue of \$0.4 million. In FY 2017, auxiliary and other revenues increased \$1.5 million (7.0%) over the prior year and was primarily due to increases in dormitory room revenue of \$0.8 million and student fees for permits, meals and ancillary revenue of \$0.7 million.

Highlights for Operating Expenses

The increase in total operating expenses of \$5.3 million (3.0%) and \$8.9 million (5.2%) in FY 2018 and FY 2017, respectively, over prior year resulted primarily from the following changes:

Compensation and Benefits: Compensation and benefits remained fairly stable during FY 2018, decreasing by \$0.5 million (0.4%) compared to FY 2017 which increased by \$5.8 million (5.2%) over prior year. FY2018 does not reflect salary increases for three union labor contracts that have expired. The University is awaiting the contract to receive final approval and funding and the expected retroactive payment of salaries will be paid out during fiscal year 2019. This payroll amount, along with its related fringe benefits is estimated to range between \$2.0 and \$2.2 million.

Supplies and Services: The \$1.3 million (3.6%) increase in supplies and services during FY 2018 over prior year is primarily due to a \$1.0 million in non-capitalizable repairs and maintenance combined with a \$0.3 million increase in the MSCBA assessment. The \$1.4 million (3.8%) increase in supplies and services during FY 2017 over prior year is primarily due to a \$1.2 million increase in the MSCBA assessment. MSCBA charges the University an assessment to cover the cost of financing residence hall and garage facilities on the university campus.

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Depreciation: The \$426 thousand (5.0%) increase in depreciation expense in FY 2018 over prior year is due to the increase in depreciation for buildings and building improvements. Projects that were previously included in construction in progress have been completed and have begun to be depreciated in fiscal 2018. For similar reasons during FY 2017, depreciation increased \$600 thousand (7.6%) over the prior year.

Changes for Pension and OPEB Activity: The fourth year of adoption of GASB 68 for pensions resulted in an expense of \$3.6 million in FY 2018 and was a decrease of \$1.1 million over the prior year. This is due to changes in salaries and in the discount rate utilized in calculating the pension liability, as provided by the Comptroller's Office.

The adoption of GASB 75 for other post-employment benefits resulted in a decrease to the July 1, 2016 unrestricted net position balance of \$94.1 million. The annual expense of \$4.7 million was recorded in FY 2018. The change in expense from FY 2017 to FY 2018 are due to changes in salaries and in the discount rate utilized in calculating the other post-employment benefits liability, as provided by the Comptroller's Office.

Highlights for Non-Operating Revenues (Expenses)

The increase in non-operating revenues (expenses) in FY 2018 and FY 2017 of \$1.8 million (3.0%) and \$3.5 million (6.1%), respectively, resulted primarily from the following net changes:

State Appropriations: State appropriations increased by \$1.4 million (2.3%) and \$2.4 million (4.2%) in FY 2018 and FY 2017, respectively, over prior year primarily to support employee payroll and related fringe benefit costs. General Appropriation Act (GAA) funding increased by 1.2% or \$508 thousand for FY 2018; the majority of the appropriations increase was related to fringe benefits for the approximately half of the University's payroll that is funded by the state operating appropriation.

Contributions to the Assistance Corporation: In FY 2017 property was purchased amounting to \$897 thousand for the Assistance Corporation. There were no purchases in FY 2018 of this nature.

Gifts: Gift revenue is a variable source. During FY 2018, gifts increased over the prior year by \$359 thousand (19.9%) primarily due to the transfer to the university of \$400 thousand in funds received by the Salem State University Foundation to support debt service for the Sophia Gordon Center. During FY 2017, gifts decreased over the prior year by \$864 thousand (32.4%).

Investment Income: Investment income decreased by \$244 thousand in 2018 compared to an increase of \$1.9 million in FY 2017 and is attributable to fluctuating market conditions.

Interest Expense: Interest expense increased \$579 thousand (50.4%) since interest paid during construction could not be capitalized, but was required to be expensed due to the completion of the Sophia Gordon Center in FY 2017.

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Managed Revenue and Expense Report

The university operates using an internal Managed Revenues and Expenses Report format which is not intended to conform to Generally Accepted Accounting Principles (GAAP); this report distinguishes between managed and non-cash revenue and expense activity. The Managed Revenues and Expenses format allows the reader to focus on the elements of financial activity that university administration must control and manage while displaying certain non-cash GAAP based revenue and expense items in a section at the bottom. Importantly, Managed Revenue and Managed Expense are calculated on an accrual basis; thus, they are not intended to represent cash in and cash out. To illustrate, while the Managed Net Income figure for FY2018 is \$9.998 million, the actual increase in cash for the year is \$3.053 million. Other classification differences between the management report and GAAP basis report exist. For example, in the management report all financial aid expenses are displayed as a deduction from revenue rather than how they are reported in the GAAP report as a contra revenue in some cases and an expense in other cases.

At the bottom line, Increase (Decrease) in Net Position per the management report is the same as per the GAAP-basis audited Statement of Revenues and Expenses for completed years. The next page shows the Managed Revenue and Expense report for the three fiscal years 2018, 2017 and 2016.

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

The description of the Managed Revenue and Expense Report below is on the preceding page and must be read to understand the intent and meaning of this non-GAAP report.

Managed Revenue and Expense Format

	<i>(In Thousands)</i>		
	FY2018	FY2017	FY2016
Managed Revenue:			
Net Tuition and Fees	\$ 63,381	\$ 61,239	\$ 57,896
Federal, State, Private Grants	19,472	19,306	18,820
Auxiliary Enterprises	23,423	22,519	21,149
State General Appropriations	60,128	58,768	56,416
Other Revenue	5,858	4,422	4,593
Total Managed Revenue	<u>172,263</u>	<u>166,254</u>	<u>158,874</u>
<i>Year over Year Change</i>	<i>3.6%</i>	<i>4.6%</i>	<i>5.8%</i>
Managed Expenses:			
Compensation	117,761	118,273	112,436
Support	18,365	17,991	18,568
Facility-related	26,138	24,669	22,934
Total Managed Expenses	<u>162,264</u>	<u>160,934</u>	<u>153,939</u>
<i>Year over Year Change</i>	<i>0.8%</i>	<i>4.5%</i>	<i>5.8%</i>
Managed Net Income	<u>9,998</u>	<u>5,320</u>	<u>4,935</u>
Non-Cash Revenue/(Expenses):			
Capital Grants	2,950	7,711	783
Depreciation	(8,903)	(8,477)	(7,877)
Contributions to SSUAC	-	(896)	(911)
Unrealized Gains/Losses	(438)	738	(487)
GASB 68 Pension	(3,583)	(4,711)	(4,368)
GASB 75 OPEB	(4,709)		
Total Non-Cash Revenue/(Expenses)	<u>(14,683)</u>	<u>(5,636)</u>	<u>(12,859)</u>
<i>Year over Year Change</i>	<i>160.5%</i>	<i>-56.2%</i>	<i>67.1%</i>
Total Increase/(Decrease) in Net Position	<u>\$ (4,684)</u>	<u>\$ (316)</u>	<u>\$ (7,925)</u>

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Statement of Cash Flows

The Statement of Cash Flows is reported on the direct method. The direct method portrays net cash flows from operations as major classes of operating receipts (e.g., tuition and fees) and disbursements (e.g., cash paid to employees for services).

A summarized comparison of the University's cash flows and the resulting decrease in cash at June 30, 2018, 2017 and 2016 follows. *It should be noted that for the presentation below, the appropriations are shown in Operating Activities rather than Non-Capital Financing Activities since the State appropriations are intended and used to support operations.* According to accounting standards, on the Cash Flow Statement of the Financial Statements, the appropriations are presented as required in Non-Capital Financing Activities.

Summary of Cash Flows

(In Thousands)

	2018	2017	2016
Operating Activities	\$ 8,420	\$ 4,194	\$ 5,502
Non Capital Financing Activities	1,355	(419)	941
Capital Financing Activities	(6,972)	(9,088)	(17,500)
Investing Activities	250	539	1,239
Net Increase/(Decrease) in Cash	<u>\$ 3,053</u>	<u>\$ (4,774)</u>	<u>\$ (9,818)</u>

Highlights for Cash Flows

The overall increase in cash and cash equivalents for FY 2018 amounted to approximately \$3.1 million and is associated with increases in auxiliary enterprise receipts, appropriations and gifts.

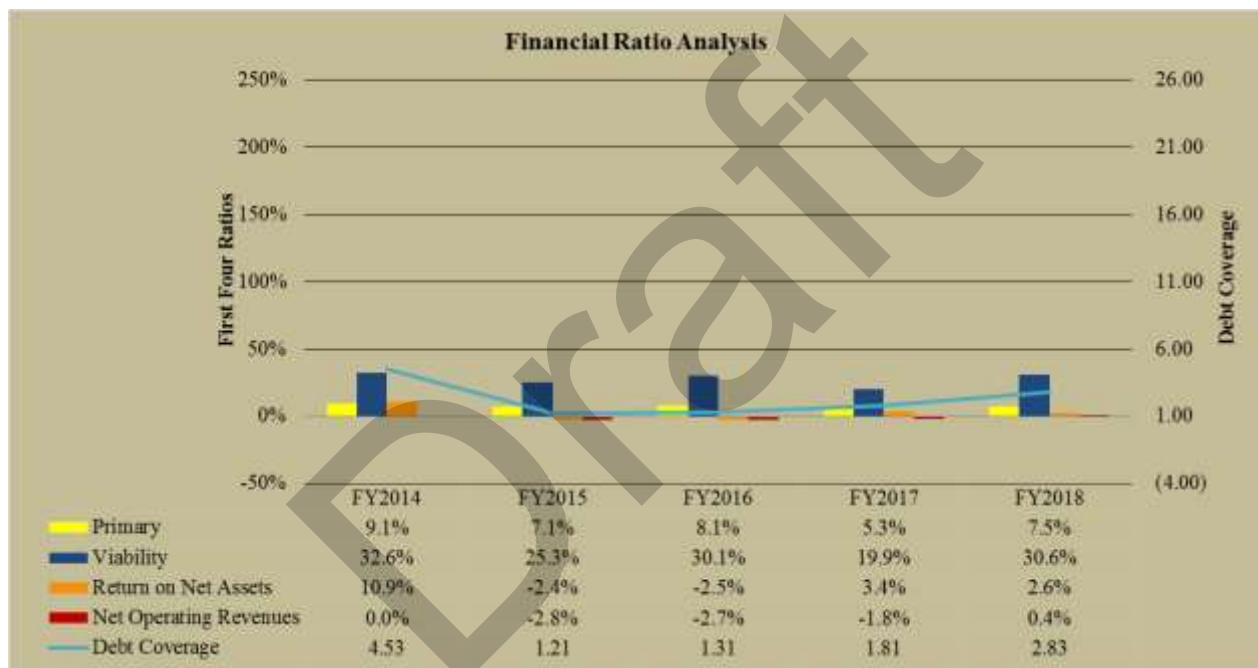
The overall decrease in cash and cash equivalents for FY 2017 and FY 2016 amounted to approximately \$4.8 million and \$9.8 million, respectively, and is primarily associated with the purchases of capital assets and repayment of bond principal and interest.

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Ratio Analysis

Ratio analysis is a management tool which indicates the University's effective use of its resources, its overall financial viability, its direction in achieving institutional strategic goals, and its ability to meet short and long-term obligations in a managed fashion. Ratios are also useful in analyzing trends of an institution over time. A one-year fluctuation in a ratio may be indicative of an aberration for that year or may indicate a relevant trend. The ratios presented here are calculated without the inclusion of the University's component units and without factoring in the effect of the implementation of GASB 68 and 75.



Comments on Ratio Trends

Primary

This ratio provides a snapshot of the University's financial strength and flexibility by indicating how long it may be able to operate using expendable reserves without relying on additional new assets generated by operation.

Viability

This ratio measures a university's management of resources, including debt, and the availability of expendable net assets (cash and other liquid assets) to pay off long-term debt.

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Return on Net Assets

This ratio measures asset performance and management. By measuring total economic return, this ratio indicates whether a university's resources are growing, and if the university is better off financially than in previous years.

Net Operating Revenues

This ratio measures operating results. It indicates whether total operating activities produced a surplus or deficit and answers the question, "Did the university live within its means during a fiscal year?"

Debt Service Coverage

This ratio measures actual margin of protection for annual debt service payments from annual operations. The higher the number, the better able the institution can cover its debt obligations.

Looking Ahead to FY 2019

In the next fiscal year, the university will continue to execute its strategic plan, focusing on academic excellence; student success; collaboration, inclusion, and stewardship; and financial vitality. In fall semester 2018, Salem State will offer college level courses to cohorts of Salem High School students as part of the Forten Scholars Early College Program (healthcare or business/ information technology track). Salem State University is one of five programs in the state to be awarded a Formal Early College Designation. Also in fall semester 2018, the university will welcome its first group of sophomore-level English majors from Nanjing Normal University's (NNU) Ginling College (China) which represents a broadening of our longstanding "China 1+2+1" program. During academic year 2018-2019, the university is preparing to request permission to host our first-ever doctoral program, a clinical doctorate in occupational therapy. Students will be recruited to the new academic programs approved in FY 2018 and a variety of other enrollment and retention initiatives are underway.

The university's physical development continues, and in the coming year Salem State will participate in a "readiness determination" project. This partnership with the Department of Capital Asset Management and Maintenance (DCAMM) will focus on developing plans for new science teaching laboratories while addressing deferred maintenance. In addition, in FY 2019 the university will begin to execute a new five-year plan to address critical maintenance needs which will qualify us for \$8.4 million in funding from DCAMM. Three new solar projects are anticipated to be developed, for Berry Library, Gassett Fitness Center, and Marsh Hall. In addition, the university expects to complete a new roof on the main classroom building on North Campus, Meier Hall.

SALEM STATE UNIVERSITY
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Management's Discussion and Analysis - Continued
(Unaudited)

Requests for Further Information

This financial report is designed to provide a general overview of Salem State University's finances for all those with an interest in the University's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Vice President for Finance and Facilities/CFO, 352 Lafayette Street, Salem, Massachusetts 01970-5353

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SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Net Position

June 30, 2018 and 2017

Assets and Deferred Outflows of Resources

	<u>Primary Government</u>		<u>Component Units</u>	
	<u>2018 University</u>	(Restated) <u>2017 University</u>	<u>2018 Combined</u>	<u>2017 Combined</u>
Current Assets:				
Cash and cash equivalents	\$ 15,367,405	\$ 14,010,653	\$ 2,250,754	\$ 1,840,935
Restricted cash and cash equivalents	3,213,500	2,930,861	717,772	861,762
Deposits held by State Treasurer	2,850,506	1,751,316	-	-
Cash held by State Treasurer	1,106,109	969,059	-	-
Deposits held by MSCBA and DCAMM	971,179	792,862	-	-
Investments	14,121,886	12,867,542	-	-
Accounts, grants and other receivable, net	6,506,901	5,958,760	14,410	16,158
Pledges receivable, net	-	-	672,225	1,303,299
Note receivable	-	-	40,000	40,000
Loans receivable	250,410	221,611	-	-
Other current assets	47,107	406,681	4,396	2,407
Total Current Assets	44,435,003	39,909,345	3,699,557	4,064,561
Non-Current Assets:				
Investments	667,464	676,501	31,457,365	29,486,822
Loans receivable, net of current portion	1,713,034	1,806,097	-	-
Pledges receivable, net	-	-	3,857,094	4,174,556
Note receivable, net of current portion	-	-	166,667	206,667
Capital assets, net	169,690,567	172,648,089	11,618,094	11,755,930
Debt service reserve	1,473,340	1,473,340	-	-
Total Non-Current Assets	173,544,405	176,604,027	47,099,220	45,623,975
Total Assets	217,979,408	216,513,372	50,798,777	49,688,536
Deferred Outflow of Resources:				
Deferred outflows for pensions	14,492,026	19,626,524	-	-
Deferred outflows for other post employment benefits	12,267,234	2,181,990	-	-
Total Deferred Outflows of Resources	26,759,260	21,808,514	-	-
Total Assets and Deferred Outflows of Resources	\$ 244,738,668	\$ 238,321,886	\$ 50,798,777	\$ 49,688,536

See accompanying notes to the financial statements.

Liabilities, Deferred Inflows of Resources and Net Position

	Primary Government		Component Units	
	2018 University	(Restated) 2017 University	2018 Combined	2017 Combined
Current Liabilities:				
Accounts payable and accrued expenses	\$ 4,485,626	\$ 4,035,476	\$ 335,697	\$ 340,824
Accrued payroll	7,850,759	7,711,373	-	-
Accrued compensated absences	5,865,631	6,120,020	-	-
Accrued workers' compensation	263,326	222,168	-	-
Unearned revenues	3,025,622	3,143,250	27,153	-
Note payable	19,032	81,546	66,127	70,135
Bonds payable	2,169,871	2,071,341	366,725	350,010
Deposits	360,700	299,677	-	-
Total Current Liabilities	24,040,567	23,684,851	795,702	760,969
Non-Current Liabilities:				
Accrued compensated absences	3,725,574	3,640,196	-	-
Accrued workers' compensation	947,526	955,150	-	-
Notes payable, net of current portion	-	12,698	1,287,476	1,352,031
Bond payable, net of current portion	40,865,545	43,131,082	775,854	1,297,681
Loans payable - Federal financial assistance programs	2,145,448	2,190,173	-	-
Net pension liability	44,564,278	46,973,396	-	-
Net other post employment benefits liability	98,032,317	96,286,721	-	-
Other non-current liabilities	-	-	22,139	26,953
Total Non-Current Liabilities	190,280,688	193,189,416	2,085,469	2,676,665
Total Liabilities	214,321,255	216,874,267	2,881,171	3,437,634
Deferred Inflows of Resources:				
Service concession arrangements	745,820	997,902	-	-
Deferred inflows for pensions	4,747,854	3,890,105	-	-
Deferred inflows for other post employment benefits	13,048,344	-	-	-
Total Deferred Inflows of Resources	18,542,018	4,888,007	-	-
Net Position:				
Net investment in capital assets	130,219,350	131,099,107	9,121,912	8,686,073
Restricted:				
Nonexpendable	866,367	810,323	23,618,957	23,048,262
Expendable	5,737,349	5,174,752	12,772,099	12,580,873
Unrestricted	(124,947,671)	(120,524,570)	2,404,638	1,935,694
Total Net Position	11,875,395	16,559,612	47,917,606	46,250,902
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 244,738,668	\$ 238,321,886	\$ 50,798,777	\$ 49,688,536

SALEM STATE UNIVERSITY
 (an agency of the Commonwealth of Massachusetts)
Statements of Revenues and Expenses
For the Years Ended June 30, 2018 and 2017

	<u>Primary Government</u>		<u>Component Units</u>	
	<u>2018 University</u>	<u>2017 University</u>	<u>2018 Combined</u>	<u>2017 Combined</u>
Operating Revenues:				
Tuition and fees	\$ 88,009,192	\$ 84,587,147	\$ -	\$ -
Less: scholarships and fellowships	(18,442,753)	(17,694,347)	-	-
Net tuition and fees	69,566,439	66,892,800	-	-
Federal grants and contracts	14,514,728	14,101,909	-	-
State grants and contracts	4,669,873	4,861,321	-	-
Private grants and contracts	287,535	342,932	-	-
Gifts and contributions	-	-	1,703,556	6,088,753
Sales and services of educational departments	1,295,944	1,333,282	-	-
Auxiliary enterprises	23,423,196	22,398,146	1,932,069	860,594
Other operating revenues	452,743	364,117	68,723	116,443
Total Operating Revenues	114,210,458	110,294,507	3,704,348	7,065,790
Operating Expenses:				
Educational and general:				
Instruction	66,301,101	64,462,316	-	-
Public service	1,611,369	1,755,239	1,553,939	1,979,892
Academic support	17,583,644	16,898,704	-	-
Student services	19,214,409	19,222,838	-	-
Institutional support	26,786,786	27,765,194	709,430	244,062
Operation and maintenance of plant	17,676,642	15,599,380	-	-
Scholarships	6,185,534	5,626,549	497,287	445,941
Depreciation	8,902,845	8,476,817	161,727	165,798
Auxiliary enterprises	19,645,530	18,784,153	1,602,668	1,452,665
Total Operating Expenses	183,907,860	178,591,190	4,525,051	4,288,358
Net Operating Income (Loss)	(69,697,402)	(68,296,683)	(820,703)	2,777,432
Non-Operating Revenues (Expenses):				
State appropriations, net	60,128,013	58,767,638	338,049	1,194,450
Contribution to the Assistance Corporation	-	(896,488)	-	896,488
Gifts	2,160,161	1,800,982	-	-
Investment income	1,511,417	1,755,476	2,262,026	2,757,774
Other non-operating revenue	-	-	1,815	3,600
Interest expense	(1,736,609)	(1,157,237)	(114,483)	(130,268)
Net Non-Operating Revenues	62,062,982	60,270,371	2,487,407	4,722,044
Increase (Decrease) in Net Position Before Capital Grants	(7,634,420)	(8,026,312)	1,666,704	7,499,476
Capital grants	2,950,203	7,710,621	-	-
Total Increase (Decrease) in Net Position	\$ (4,684,217)	\$ (315,691)	\$ 1,666,704	\$ 7,499,476

See accompanying notes to the financial statements.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Changes in Net Position

For the Years Ended June 30, 2018 and 2017

	<u>University</u>				<u>Total</u>
	<u>Net Investment in Capital Assets</u>	<u>Restricted Nonexpendable</u>	<u>Restricted Expendable</u>	<u>Unrestricted</u>	
Balance at July 1, 2016, as previously reported	\$ 122,164,882	\$ 732,690	\$ 4,871,719	\$ (16,789,257)	\$ 110,980,034
Prior Period Adjustment- Implementation of newly effective accounting standard (Note 2)	-	-	-	(94,104,731)	(94,104,731)
Balance at July 1, 2016, restated	122,164,882	732,690	4,871,719	(110,893,988)	16,875,303
Changes in net position for 2017	8,934,225	77,633	303,033	(9,630,582)	(315,691)
Balance, June 30, 2017, restated	131,099,107	810,323	5,174,752	(120,524,570)	16,559,612
Changes in net position for 2018	(879,757)	56,044	562,597	(4,423,101)	(4,684,217)
Balance, June 30, 2018	<u>\$ 130,219,350</u>	<u>\$ 866,367</u>	<u>\$ 5,737,349</u>	<u>\$(124,947,671)</u>	<u>\$ 11,875,395</u>
	<u>Component Units</u>				<u>Total</u>
	<u>Net Investment in Capital Assets</u>	<u>Restricted Nonexpendable</u>	<u>Restricted Expendable</u>	<u>Unrestricted</u>	
Balance at June 30, 2016	\$ 7,399,040	\$ 19,058,482	\$ 11,033,273	\$ 1,260,631	\$ 38,751,426
Changes in net position for 2017	1,287,033	3,989,780	1,547,600	675,063	7,499,476
Balance, June 30, 2017	8,686,073	23,048,262	12,580,873	1,935,694	46,250,902
Changes in net position for 2018	435,839	570,695	191,226	468,944	1,666,704
Balance, June 30, 2018	<u>\$ 9,121,912</u>	<u>\$ 23,618,957</u>	<u>\$ 12,772,099</u>	<u>\$ 2,404,638</u>	<u>\$ 47,917,606</u>

See accompanying notes to the financial statements.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Cash Flows

For the Years Ended June 30, 2018 and 2017

	Primary Government	
	2018 University	2017 University
Cash Flows from Operating Activities:		
Tuition and fees	\$ 68,605,024	\$ 66,908,026
Grants and contracts	19,460,215	19,403,996
Payments to suppliers and vendors	(41,940,233)	(41,637,267)
Payments to employees	(90,903,191)	(91,278,270)
Payments for benefits	(11,204,412)	(11,390,707)
Payments to students	(6,185,534)	(5,626,549)
Loans issued to students	(287,316)	(443,455)
Collection of loans to students	326,065	410,001
Auxiliary enterprises receipts	23,488,503	20,931,923
Sales and services of educational departments	1,311,895	1,552,996
Other	342,178	426,508
Net Cash Used in Operating Activities	<u>(36,986,806)</u>	<u>(40,742,798)</u>
Cash Flows from Non-Capital Financing Activities:		
State appropriations	45,404,188	44,935,946
Tuition remitted to State	(926,090)	(934,235)
Student interest received (paid)	(34,149)	(56,355)
Contributions to the Assistance Corporation	-	(896,488)
Gifts	2,318,535	1,468,970
Net Cash Provided by Non-Capital Financing Activities	<u>46,762,484</u>	<u>44,517,838</u>
Cash Flows from Capital Financing Activities:		
Purchases of capital assets	(3,196,369)	(9,141,741)
Principal paid on bonds payable and notes payable	(1,826,339)	(1,776,053)
Interest paid on bonds payable	(1,949,078)	(1,965,733)
Proceeds from bond financing	-	3,795,907
Net Cash Used in Capital Financing Activities	<u>(6,971,786)</u>	<u>(9,087,620)</u>
Cash Flows from Investing Activities:		
Investment income	613,290	410,114
Proceeds from sale of investments	7,081,327	6,132,241
Purchase of investments	(7,444,561)	(6,003,481)
Net Cash Provided by Investing Activities	<u>250,056</u>	<u>538,874</u>
Net Increase (Decrease) in Cash and Equivalents	3,053,948	(4,773,706)
Cash and Cash Equivalents, Beginning of the Year	<u>20,454,751</u>	<u>25,228,457</u>
Cash and Cash Equivalents, End of the Year	\$ 23,508,699	\$ 20,454,751

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Cash Flows - Continued

For the Years Ended June 30, 2018 and 2017

	Primary Government	
	2018 University	2017 University
Reconciliation of Net Operating Loss to Net Cash Applied to Operating Activities:		
Net operating loss	\$ (69,697,402)	\$ (68,296,683)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
Depreciation	8,902,845	8,476,817
Bad debts	717,039	446,812
Fringe benefits provided by State	15,649,915	14,765,927
Changes in assets and liabilities:		
Accounts receivable	(1,418,077)	2,611,309
Accounts payable and accrued liabilities	359,575	489,678
Accrued payroll and benefits	447,993	838,565
Other assets	3,908	(369,514)
Loans to/from students	64,263	(21,905)
Deposits	61,022	43,057
Unearned revenues	(117,628)	(4,016,794)
Deferred inflows	13,654,009	2,162,097
Deferred outflows	(4,950,746)	(548,434)
Net pension activity	(2,409,118)	2,676,270
Net OPEB activity	1,745,596	-
Net Cash Used in Operating Activities	<u>\$ (36,986,806)</u>	<u>\$ (40,742,798)</u>

Cash Flow Information

	Primary Government	
	2018 University	2017 University
For purposes of the statement of cash flows, cash and equivalents are comprised of the following at June 30:		
Cash and cash equivalents	\$ 15,367,405	\$ 14,010,653
Deposits held by State Treasurer	2,850,506	1,751,316
Cash held by State Treasurer	1,106,109	969,059
Deposits held by MSCBA and DCAMM	971,179	792,862
Restricted cash and cash equivalents	3,213,500	2,930,861
	<u>\$ 23,508,699</u>	<u>\$ 20,454,751</u>

Schedule of noncash investing and financing activities

	Primary Government	
	2018 University	2017 University
Acquisition of capital assets	\$ 6,160,286	\$ 17,419,919
Accounts payable beginning of year	115,077	-
Accounts payable end of year	(128,791)	(115,077)
Payments made by DCAMM	(2,950,203)	(7,710,621)
Interest capitalized in CIP	-	(452,480)
Cash payments for capital assets	<u>\$ 3,196,369</u>	<u>\$ 9,141,741</u>
Unrealized gain (loss) on marketable securities	<u>\$ 438,220</u>	<u>\$ 737,752</u>
Fringe benefits paid by the Commonwealth of Massachusetts	<u>\$ 15,649,915</u>	<u>\$ 14,765,927</u>

See accompanying notes to the financial statements.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

**Combining Statements of Revenues and Expenses
of Major Component Units**

For the Years Ended June 30, 2018 and 2017

	2018			2017		
	Foundation	Assistance Corp.	Combined	Foundation	Assistance Corp.	Combined
Operating Revenues:						
Gifts and contributions	\$ 1,703,556	\$ -	\$ 1,703,556	\$ 6,088,753	\$ -	\$ 6,088,753
Auxiliary enterprises	-	1,932,069	1,932,069	-	860,594	860,594
Other operating revenues	-	68,723	68,723	-	116,443	116,443
Total Operating Revenues	1,703,556	2,000,792	3,704,348	6,088,753	977,037	7,065,790
Operating Expenses:						
Educational and general:						
Public service	1,553,939	-	1,553,939	1,979,892	-	1,979,892
Institutional support	709,430	-	709,430	244,062	-	244,062
Scholarships	497,287	-	497,287	445,941	-	445,941
Depreciation and amortization	-	161,727	161,727	-	165,798	165,798
Auxiliary enterprises	-	1,602,668	1,602,668	-	1,452,665	1,452,665
Total Operating Expenses	2,760,656	1,764,395	4,525,051	2,669,895	1,618,463	4,288,358
Net Operating Income	(1,057,100)	236,397	(820,703)	3,418,858	(641,426)	2,777,432
Non-Operating Revenues (Expenses):						
State appropriations, net	-	338,049	338,049	-	1,194,450	1,194,450
Contribution to the Assistance Corporation	-	-	-	-	896,488	896,488
Investment income	2,262,026	-	2,262,026	2,757,774	-	2,757,774
Other non-operating revenue	-	1,815	1,815	-	3,600	3,600
Interest expense	-	(114,483)	(114,483)	-	(130,268)	(130,268)
Net Non-Operating Revenues	2,262,026	225,381	2,487,407	2,757,774	1,964,270	4,722,044
Total Increase (Decrease) in Net Position	1,204,926	461,778	1,666,704	6,176,632	1,322,844	7,499,476
Net Position, Beginning of Year	37,188,644	9,062,258	46,250,902	31,012,012	7,739,414	38,751,426
Net Position, End of Year	\$ 38,393,570	\$ 9,524,036	\$ 47,917,606	\$ 37,188,644	\$ 9,062,258	\$ 46,250,902

See accompanying notes to the financial statements.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies**

Organization

Salem State University (the “University”) is a public, State-supported, comprehensive four-year university, located in Salem, Massachusetts, and governed by a local Board of Trustees under the direction of the Massachusetts Department of Higher Education. The University is empowered to award baccalaureate and master’s degrees in education, business and arts and sciences, as well as conduct programs of continuing education. The University is accredited by the New England Association of Schools and Colleges.

Basis of Presentation and Accounting

The University is an agency of the Commonwealth of Massachusetts (the “State” or the “Commonwealth”). The accompanying financial statements reflect only the transactions of the University and its discretely presented component units. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed if the University had been operated independently of the State.

The following discretely presented component units have been aggregated into a single combined column:

The Salem State University Foundation, Inc. (the “Foundation”) was formed in 1977 to render financial assistance and support to the educational programs and development of the University. The Foundation is legally separate from the University, and the University is not financially accountable for the Foundation. The Foundation has been included because of the nature and significance of its relationship with the University. Complete financial statements can be obtained from the Foundation’s administrative offices in Salem, Massachusetts.

In 1995, Salem State University Assistance Corporation (the “Assistance Corporation”) was formed as a result of legislation established by the Commonwealth of Massachusetts. The Assistance Corporation was created to promote the orderly growth and development of the University and to assist the University in securing physical and financial resources necessary for the acquisition and development of a site formerly known as the GTE Sylvania plant. In June 2012, legislation was approved further defining the parameters of this “site” to include other such properties determined by the Assistance Corporation to fulfill its mission.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Basis of Presentation and Accounting - continued

The Assistance Corporation owns and operates commercial rental properties at this site in Salem, Massachusetts and is legally separate from the University, and the University is not financially accountable for the Assistance Corporation. The Assistance Corporation has been included because of the nature and significance of its relationship with the University. Complete financial statements can be obtained from the Assistance Corporation's administrative offices in Salem, Massachusetts.

During the years ended June 30, 2018 and 2017, the Foundation distributed scholarships in the amount of \$497,287 and \$445,941, respectively, directly to students of the University. Complete financial statements for the Foundation and the Assistance Corporation can be obtained from the Office of the Vice President for Finance and Business, Salem State University, 352 Lafayette Street, Salem, MA 01970.

The University has determined that it functions as a business-type activity, as defined by the Governmental Accounting Standards Board ("GASB"). The effect of inter-fund activity has been eliminated from these financial statements. The basic financial statements and required supplementary information for general-purpose governments consist of management's discussion and analysis, basic financial statements and required supplementary information. The University presents statements of net position, revenues and expenses, changes in net position and cash flows on a combined University-wide basis.

The University's financial statements have been prepared using the "economic resources measurement focus" and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Salem State University Foundation, as a nonprofit organization, reports under Financial Accounting Standards Board ("FASB") guidance on financial reporting for Not-for-Profit Entities. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. Other than the reclassification of certain items, no modifications have been made to the Foundation's financial information in the University's financial statements.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Basis of Presentation and Accounting - continued

The University's policy for defining operating activities in the statements of revenues and expenses are those that generally result from exchange transactions such as the payment received for services and payment made for the purchases of goods and services. Certain other transactions are reported as non-operating activities in accordance with GASB Statement No. 35. These non-operating activities include the University's operating and capital appropriations from the Commonwealth of Massachusetts, net investment income, gifts and interest expense.

The accompanying statements of revenues and expenses demonstrate the degree to which the direct expenses of a given function are offset by programs revenues. Direct expenses are those that are charges to students or others who enroll or directly benefit from services that are provided by a particular function. Items not meeting the definition of program revenues are instead reported as general revenue.

In accordance with the requirements of the Commonwealth of Massachusetts, the University's operations are accounted for in several trust funds. All of those trust funds have been consolidated and are included in these financial statements.

Net Position

GASB Statement No. 34 requires that resources be classified for accounting purposes into the following three net position categories:

Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt are also included in this component of net position.

Restricted:

Nonexpendable - Component of net position whose net assets are subject to externally-imposed stipulations that they be maintained permanently by the University. Such assets include the University's permanent endowment funds.

Expendable - Component of net position whose use by the University is subject to externally-imposed stipulations that can be fulfilled by the actions of the University pursuant to those stipulations or that expire by the passage of time.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Basis of Presentation and Accounting - continued

Unrestricted: All other categories of net position. Unrestricted net assets may be designed for specific purposes by action of management or the Board of Trustees.

When both restricted and unrestricted resources are available for use, it is the University's policy to use the restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents and Deposits

The University's cash and cash equivalents are considered cash on hand, cash deposits held with the Commonwealth's State Treasurer and Receiver-General, Massachusetts State College Building Authority ("MSCBA") and the Division of Capital Asset Management and Maintenance ("DCAMM"), which are short-term, highly liquid investments with original maturities of three months or less from the date of acquisition.

Accounts Receivable

Accounts receivable are stated at the amount the University expects to collect from outstanding balances. Provisions for losses on accounts receivables are determined on the basis of loss experience, known and inherent risks in the loan and receivable portfolio, the estimated value of underlying collateral and current economic conditions.

Pledges Receivable - Foundation

Unconditional promises to give that are expected to be collected or paid within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected or paid in future years are recorded at the present value of their estimated cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received or paid. Amortization of the discounts is included in contribution revenue or expenses. Conditional promises to give are not included in support or expenses until the conditions are substantially met.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - Summary of Significant Accounting Policies - Continued

Investments

Investments held with the Commonwealth's State Treasurer and Receiver-General in the Massachusetts Municipal Depository Trust ("MMDT") are reported at amortized cost. The MMDT is an investment pool for political subdivisions in the Commonwealth that was designed as a legal means to safely invest temporarily available cash. Its primary purpose is to provide a safe, liquid, high-yield investment vehicle offering participation in a diversified portfolio of high quality money market instruments. The MMDT, an instrumentality of the State Treasurer, is not a bank, savings institution or financial institution, and is not subject to FDIC insurance. MMDT operates as a qualifying external investment pool and is valued by MMDT's management on an amortized cost where the net asset value is \$1 per share.

Investments include marketable debt and equity securities which are carried at their readily determinable fair values. Realized and unrealized gains and losses are included in non-operating revenues. Gains and losses on the disposition of investments are determined based on specific identification of securities sold or the average cost method. Investment income is recognized when earned and is generally credited to the trust fund holding the related assets.

Dividends, interest and net gains or losses on investments are reported in the Statement of Revenues and Expenses. Any net earnings not expended are included in net position categories as follows:

- i. as increases in restricted - nonexpendable net position if the terms of the gift require that they be added to the principal of a permanent endowment fund;
- ii. as increases in restricted - expendable net position if the terms of the gift or the University's interpretation of relevant state law impose restrictions on the current use of income or net gains. The University has relied upon the Attorney General's interpretation of state law that unappropriated endowment gains should be classified as restricted - expendable; and,
- iii. as increases in unrestricted net position in all other cases.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Investments - continued

Massachusetts General Law, Chapter 15, grants authority to the University's Board of Trustees to administer the general business of the University. Inherent in this is the authority to invest the funds of the University. Chapter 15 further grants the Trustees the authority to delegate to the President any said powers or responsibilities. The Board of Trustees of Salem State University has delegated the authority to make specific investment decisions to the President of the University and the Finance Committee of the Board of Trustees. The University's investments consist of debt, marketable equity securities, mutual funds and other investments which are carried at their fair values. The primary cash equivalent funds are within the MMDT, the external investment pool for political subdivisions of the Commonwealth.

The Foundation's investments consist of debt, marketable equity securities, mutual funds and other investments which are carried at their fair value. Unrealized gains and losses are included in revenue. Restricted investment income and gains are reported as increases in unrestricted net position, unless a donor or law temporarily (expendable) or permanently (non-expendable) restricts their use. Gains and losses on the disposition of investments are principally determined based on the first-in, first-out method or specific identification of securities sold. Investment income is recognized when earned. Dividends are recorded on the ex-dividend date.

Loans Receivable and Payable

Loans receivable consist primarily of the Federal Perkins Loan Program ("Perkins") and the Federal Nursing Student Loan Program ("NSL"). The Federal Government provides the majority of the funds to support these programs. Loan payments received from students made under the Perkins and NSL loan programs provided by the Federal Government is refundable to the Federal Government upon ending (liquidation) of the University's participation in the programs. The amount due to the Federal Government upon liquidation is included as a noncurrent liability in the accompanying financial statements. See Note 8 for changes in the Perkins Loan Program.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Loans Receivable and Payable- continued

The prescribed practices for the Perkins and NSL programs do not provide for accrual of interest on student loans receivable or for the provision of an allowance for doubtful loans. Accordingly, interest on loans is recorded as received and loan balances are reduced subsequent to the determination of their uncollectability and have been accepted (assigned) by the Department of Education and the Department of Health and Human Services. Management closely monitors outstanding balances and assigns loans to the Department of Education based upon such factors as student payment history, current status of applicable students, and the results of collection efforts.

Capital Assets

Capital assets are controlled but not owned by the University. The University is not able to sell or otherwise pledge its assets, since the assets are all owned by the Commonwealth of Massachusetts. Capital assets, which include land, construction in process, buildings, building and land improvements and furniture and equipment, are reported in the statement of net position at cost or fair market value, if donated. Capital assets are defined by the University as assets with an initial individual cost of more than \$50,000 for equipment and \$100,000 for Buildings and improvements in accordance with the Commonwealth's capitalization policy.

The University does not hold collections of historical treasures, works of art or other items not requiring capitalization or depreciation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets, with the exception of land, are depreciated using the straight-line method over estimated useful lives which range from 3 to 40 years.

The land on which the residence halls stand is leased by the MSCBA from the Commonwealth of Massachusetts at a yearly cost of one dollar. The residence halls have various lease terms and can be extended at the end of these terms for additional 10-year periods each.

SALEM STATE UNIVERSITY
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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Capital Assets - continued

The University, in accordance with a management and services agreement between the MSCBA and the Commonwealth of Massachusetts, is charged a semi-annual revenue assessment which is based on a certified occupancy report, the current rent schedule and the design capacity for each of the residence halls. This revenue assessment is used by MSCBA to pay principal and interest due on its long-term debt obligations. These obligations may include the costs of periodic renovations and improvements to the residence halls. The revenue assessment amounts are included in the residential life auxiliary enterprises in the accompanying statements of revenue and expenses. All facilities and obligations of the MSCBA are included in the financial statements of the MSCBA. It is not practical to determine specific asset cost or liability attributable to the University. The leases, therefore, are accounted for under the operating method for financial statement purposes.

The Assistance Corporation capitalizes property and equipment in excess of \$1,000. Purchased property and equipment is capitalized at cost and depreciated using the straight-line method over the estimated useful lives of the respective assets.

Contributions - Foundation

In-kind rent and services contributed are recorded as contributions in revenues and other support at their fair market values on the date of receipt. The related expenses or assets are also recorded depending on the form of benefits received.

Deposits Held by Other State Agencies

Funds held by the MSCBA and the DCAMM are primarily for ongoing construction projects and are from bond proceeds and University sources.

Pensions

For purposes of measuring the net pension liability, deferred outflow of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Massachusetts State Employees' Retirement System plan ("SERS") and the additions to/deductions from SERS' fiduciary net position have been determined on the same basis as they are reported by SERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Postemployment Benefits Other Than Pensions (“OPEB”)

For purposes of measuring the University's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State Retirees' Benefit Trust (“SRBT”) and additions to/deductions from SRBT’s fiduciary net position have been determined on the same basis as they are reported by SRBT. For this purpose, SRBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Fringe Benefits

The University participates in the Commonwealth’s fringe benefit programs, including health insurance, unemployment and pension and workers’ compensation benefits. Health insurance, unemployment and pension costs are billed through a fringe benefit rate charged to the University. Workers’ compensation costs are assessed separately based on the University’s actual experience.

Compensated Absences

Employees earn the right to be compensated during absences for vacation and sick leave. Accrued vacation is the amount earned by all eligible employees through June 30th each year. Compensated sick leave represents 20% of amounts earned by those employees with ten or more years of state service at the end of each year. Upon termination of employment, these employees are entitled to receive payment for this accrued balance.

Deposits and Unearned Revenues

Deposits and advance payments received for tuition and fees related to certain summer programs and for the following academic year are deferred. Funds received in advance from various grants and contracts are deferred. Deposits and unearned revenues are recorded as revenue when earned.

Student Fees

Student tuition and other fees are presented net of scholarships and fellowships applied to students’ accounts. Other scholarships or financial aid in excess of tuition and fees are generally reflected as expenses.

SALEM STATE UNIVERSITY
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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

Interest Costs and Capitalization

The University follows the policy of capitalizing interest expense as a component of the cost of capital assets constructed for its own use. During 2018 and 2017, total interest costs incurred were approximately \$1,737,000 and \$1,684,000, respectively. During 2017, total interest costs capitalized were approximately \$453,000. There were no interest costs capitalized in 2018.

Tax Status

The University is an agency of the Commonwealth of Massachusetts and is therefore generally exempt from income taxes under Section 115 of the Internal Revenue Code.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions about future events. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Management evaluates the estimates and assumptions on an ongoing basis using historical experience and other factors that management believes to be reasonable under the circumstances. Adjustments to estimates and assumptions are made as facts and circumstances require. As future events and their effects cannot be determined with certainty, actual results may differ from the estimates used in preparing the accompanying financial statements. Significant estimates and assumptions are required as part of estimating an allowance for doubtful accounts, depreciation, net position classification, and determining the net pension and OPEB liabilities.

New Governmental Accounting Pronouncements

GASB Statement 83 – Certain Asset Retirement Obligations (“AROs”) is effective for periods beginning after June 15, 2018. An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs and requires that recognition occur when the liability is both incurred and reasonably estimable. Management has not completed its review of the requirements of this Statement and its applicability.

SALEM STATE UNIVERSITY
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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

New Governmental Accounting Pronouncements – continued

GASB Statement 84 – *Fiduciary Activities* is effective for periods beginning after December 15, 2018. The objective of this Statement is to establish criteria for identifying fiduciary activities. Activity meeting the established criteria would then be presented in a statement of net position and a statement of changes in net position. Pension and other employee benefit trust funds, investment trust funds, private-purpose trust funds and custodial funds would be reported, as applicable, according to this Statement. Information of component units of a primary government would be shown in the aggregate with the fiduciary funds of the primary government. Under this Statement, a liability could be recognized to the beneficiaries in a fiduciary fund if the government has been compelled to disburse fiduciary resources. Management has not yet evaluated the effects of the implementation of this Statement.

GASB Statement 87 – *Leases* is effective for periods beginning after December 15, 2019. Implementation of this standard will require lessees to recognize on their statement of net position the rights and obligations resulting from leases categorized as operating leases as assets, liabilities, or deferred inflows / outflows of resources. It provides for an election on leases with terms of less than twelve months to be excluded from this Statement. Management is in the process of evaluating this Statement and has not yet determined its impact on the financial statements.

GASB Statement 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements* is effective for periods beginning after June 15, 2018. The objective of this statement is to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement requires that additional essential information related to debt be disclosed in notes to the financial statements, including unused lines of credit, assets pledged as collateral for the debt, and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences and significant subjective acceleration clauses. The university is in the process of evaluating this standard and does not currently expect a material impact to the financial accounting and reporting framework.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 1 - **Summary of Significant Accounting Policies - Continued**

New Governmental Accounting Pronouncements – continued

GASB Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* is effective for periods beginning after December 15, 2019. The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement establishes accounting requirements for interest cost incurred before the end of a construction period and requires that interest cost incurred before the end of a construction period be recognized as an expense for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The university is in the process of evaluating this standard and does not currently expect a material impact.

Reclassifications

Certain amounts in the 2017 financial statements have been reclassified to conform to the 2018 presentation.

Note 2 - **Restatement**

In fiscal year 2018, the University implemented the provisions of Governmental Accounting Standards Board (“GASB”) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Net position, as of July 1, 2017 and 2016 was restated to reflect the net OPEB liability as a result of retroactive application of the new standard. Deferred outflows of resources for 2017 was restated and represents the fiscal year 2017 contributions to the plan. Beginning deferred outflows and inflows due to changes in plan assumptions and differences resulting from projected versus actual gains and losses on investments were not provided, and accordingly the restatement of 2017 was focused on the effect as of the end of the year and does not present the changes in net position impact on the year ended June 30, 2017. As a result, those amounts were not presented in the restatement footnote below.

	July 1, 2016 (As Previously Reported)	Effect of GASB 75 Implementation	July 1, 2016 (As Restated)
Statement of Net Position:			
Deferred outflows of resources	\$ -	\$ 2,181,990	\$ 2,181,990
Net OPEB obligation	\$ -	\$ (96,286,721)	\$ (96,286,721)
Unrestricted net position	\$ (16,789,257)	\$ (94,104,731)	\$ (110,893,988)

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 3 - **Cash and Cash Equivalents and Deposits**

The carrying amounts of the University's cash and cash equivalents and deposits, net of amounts in transit at June 30, 2018 and 2017 were \$18,580,905 and \$16,941,514 respectively. This includes amounts held in deposit at MMDT of \$13,619,472 and \$11,672,504, as of June 30, 2018 and 2017, respectively.

At June 30, 2018 and 2017, the University had deposits of \$5,064,476 and \$5,026,475, respectively, held in a money market account which was insured by a third party up to a maximum of \$5 million.

Custodial Credit Risk

Custodial credit risk is the risk associated with the failure of a depository financial institution. The occurrence of such an event would limit the University's recovery of funds deposited with the institution to those amounts covered by the Federal Deposit Insurance Corporation ("FDIC") and other third-party insurance in effect at the time of the failure. The University's goal is to mitigate as much custodial risk associated with its cash assets as possible. Deposits in the bank in excess of the insured amounts are uninsured and uncollateralized.

The University places funds with the MMDT, which is an instrumentality of the Treasurer of the Commonwealth and therefore is not covered by FDIC insurance and its political sub-divisions. It is designed as a legal means to temporarily invest available cash in safe, liquid and high yield investment vehicles by offering participation in a diversified portfolio of high quality money market instruments.

The University does not have a formal policy with respect to the custodial credit risk. Custodial credit risk is that, in the event of a failure of the counterparty, the University will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

Amounts remaining that may be exposed to custodial risk at June 30, 2018 and 2017 were \$422,245 and \$541,734, respectively, which are primarily maintained as part of the University's investment portfolio.

The University maintains a \$50,000 target balance in its clearing account which is fully covered under FDIC limits. Any amounts greater than the target balance are transferred based on an overnight purchase agreement. The investments in these agreements are U.S. agency issued securities fully backed by the U.S. Government.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 3 - **Cash and Cash Equivalents and Deposits - Continued**

Credit Risk

The University is required to comply with the Commonwealth of Massachusetts' deposit and investment policies which are principally defined in the Massachusetts General Laws, Chapter 29. State Statutes permit investment in obligations of the U.S. Treasury, authorized bonds of all states, bankers' acceptances, certificates of deposit, commercial paper rated within the three highest classifications established by Standard & Poor's Corporation and Moody's Commercial Paper Record and repurchase agreements secured by any of these obligations. The University has also adopted its own formal investment policy, the objectives of which are: safety of principal; liquidity for operating needs; and return on investment. The University's investment policy generally limits the maturities of investments to not more than seven years. The University may also appoint a professional fund manager and invest in equity and bond funds. Eligible investments shall be consistent with those permitted by State Statutes.

As of June 30, 2018, and 2017, the fair values of the University's deposits held at the Massachusetts Municipal Depository Trust were \$13,619,472 and \$11,672,504, respectively. At June 30, 2018, the approximate percentage of the University's deposits held at the MMDT and the respective investment maturities in days were as follows: 71% at 30 days or less; 20% at 31-90 days; and 9% at 91-180 days. At June 30, 2017, the approximate percentage of the University's deposits held at the MMDT and the respective investment maturities in days were as follows: 59% at 30 days or less; 25% at 31-90 days; 14% at 91-180 days; and 2% at 181 days or more.

Note 4 - **Cash Held By State Treasurer**

Cash forwarded by the University to and held by the State Treasurer for payment of so-called "non-appropriated" liabilities at June 30, 2018 and 2017 through Massachusetts Management Accounting Reporting System ("MMARS") were recorded in the sums of \$2,850,506 and \$1,751,316, respectively.

Liabilities to be funded by state appropriations at June 30, 2018 and 2017 were \$1,106,109 and \$969,059, respectively.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 5 - **Investments**

The University investments have been categorized based upon the fair value hierarchy in accordance with GASB 72 below. The Foundation follows similar guidance in accordance with Financial Accounting Standards Codification ASC 820-10 which prioritizes the inputs to valuation techniques used to measure fair value of investment assets into three levels also.

Level 1 - Observable market prices (unadjusted) in active markets for identical assets or liabilities that the University can access at measurement date.

Level 2 - Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 - Unobservable inputs that are not corroborated by observable market data.

Mutual funds and common stock are valued at daily closing prices as reported by the fund while common stocks and corporate bonds are valued either by using pricing models maximizing the use of observable inputs for similar securities or valued by the investment manager. The stock and mutual funds are classified as Level 1 and are deemed to be actively traded. U.S. Government obligations are valued using quoted prices, documented trade history in the security, and pricing models maximizing the use of observable inputs.

University

The University's investments at fair value measurement are as follows at June 30, 2018:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
International equities	\$ 1,044,578	\$ -	\$ -	\$ 1,044,578
U.S. equities	852,932	-	-	852,932
Global equities (US & international)	498,496	-	-	498,496
Corporate bonds	502,235	-	-	502,235
U.S. Treasuries	654,026	-	-	654,026
International emerging	313,863	-	-	313,863
Small Cap equities	306,837	-	-	306,837
Short-term fixed income	207,774	-	-	207,774
Total mutual funds	4,380,741	-	-	4,380,741
Common stocks	6,317,319	-	-	6,317,319
Corporate bonds	-	4,091,290	-	4,091,290
Total investment assets	<u>\$ 10,698,060</u>	<u>\$ 4,091,290</u>	<u>\$ -</u>	<u>\$ 14,789,350</u>

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 5 - **Investments - Continued**

University - continued

The University's investments at fair value measurement are as follows at June 30, 2017:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
International equities	\$ 792,724	\$ -	\$ -	\$ 792,724
U.S. equities	1,195,212	-	-	1,195,212
Corporate bonds	465,470	-	-	465,470
U.S. Treasuries	455,276	-	-	455,276
International emerging	252,038	-	-	252,038
Mid Cap equities	273,741	-	-	273,741
Short-term fixed income	182,090	-	-	182,090
Total mutual funds	3,616,551	-	-	3,616,551
Common stocks	6,407,622	-	-	6,407,622
Corporate bonds	-	3,494,845	-	3,494,845
U.S. Government obligations	-	25,025	-	25,025
Total investment assets	\$10,024,173	\$ 3,519,870	\$ -	\$13,544,043

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 5 - **Investments - Continued**

Foundation

The Foundation's investments at fair value measurement are as follows at June 30, 2018:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
International equities	\$ 3,246,112	\$ -	\$ -	\$ 3,246,112
U.S. equities	2,531,940	-	-	2,531,940
Large cap equities	1,204,789	-	-	1,204,789
International emerging	993,606	-	-	993,606
Short-term fixed income	704,492	-	-	704,492
International bonds	658,007	-	-	658,007
Hard assets	654,906	-	-	654,906
Corporate bonds	530,669	-	-	530,669
Fixed income	497,192	-	-	497,192
Small and mid-cap equities	429,136	-	-	429,136
U.S. bonds and notes	250,227	-	-	250,227
Total mutual funds	11,701,076	-	-	11,701,076
Common stocks	9,982,330	-	-	9,982,330
Corporate bonds	-	6,958,125	-	6,958,125
Money market	2,031,476	-	-	2,031,476
U.S. Government obligations	667,272	-	-	667,272
Certificates of deposits	-	116,586	-	116,586
Other	-	500	-	500
Total investment assets	\$ 24,382,154	\$ 7,075,211	\$ -	\$ 31,457,365

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 5 - **Investments - Continued**

Foundation - continued

The Foundation's investments at fair value measurement are as follows at June 30, 2017:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
International equities	\$ 2,996,051	\$ -	\$ -	\$ 2,996,051
U.S. equities	2,216,383	-	-	2,216,383
Large cap equities	1,019,785	-	-	1,019,785
International emerging	619,887	-	-	619,887
Short-term fixed income	545,401	-	-	545,401
International bonds	632,583	-	-	632,583
Hard assets	629,337	-	-	629,337
Corporate bonds	475,171	-	-	475,171
Fixed income	421,279	-	-	421,279
Small and mid-cap equities	737,405	-	-	737,405
U.S. bonds and notes	197,975	-	-	197,975
Other	328,971	-	-	328,971
Total mutual funds	10,820,228	-	-	10,820,228
Common stocks	9,228,960	-	-	9,228,960
Corporate bonds	-	5,999,953	-	5,999,953
Money market	2,670,673	-	-	2,670,673
U.S. Government obligations	649,922	-	-	649,922
Certificates of deposits	-	116,586	-	116,586
Other	-	500	-	500
Total investment assets	\$ 23,369,783	\$ 6,117,039	\$ -	\$ 29,486,822

University

The University categorizes short-term investments according to the level of risk assumed by the University. At June 30, 2018 and 2017, investments totaled \$14,789,350 and \$13,544,043, respectively. These holdings represent investments that are insured, registered and held by the University's investment agent in the University's name. At June 30, 2018 and 2017, there were no individual investments that represented 5% or more of the University's portfolio. The University currently follows investment policies largely defined by the Commonwealth of Massachusetts as well as internal policies approved by the University's Board of Trustees.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 5 - **Investments - Continued**

University - continued

Investments of the University are exposed to interest rate and market risk. They are stated at fair market value and consist of the following:

June 30, 2018 Investment Maturity in Years					
Investment Type:	Fair Value	Less than 1	1-5	6-10	> 10
Corporate bonds	\$ 4,091,290	\$ 248,808	\$ 3,524,627	\$ 317,855	\$ -
Corporate bond funds	502,235	-	14,513	470,422	17,300
Short-term fixed income	207,774	-	207,774	-	-
U.S. Treasuries	654,026	-	347,801	306,225	-
Total fixed income	5,455,325	\$ 248,808	\$ 4,094,715	\$ 1,094,502	\$ 17,300
Equity securities	9,334,025				
Total investments	<u>\$ 14,789,350</u>				

June 30, 2017 Investment Maturity in Years				
Investment Type:	Fair Value	Less than 1	1-5	6-10
Corporate bonds	\$ 3,494,845	\$ -	\$ 2,076,238	\$ 1,418,607
Corporate bond funds	465,470	-	221,602	243,868
U.S. Government obligations	25,025	-	25,025	-
Short-term fixed income	182,090	182,090	-	-
U.S. Treasuries	455,276	-	48,058	407,218
Total fixed income	4,622,706	\$ 182,090	\$ 2,370,923	\$ 2,069,693
Equity securities	8,921,337			
Total investments	<u>\$ 13,544,043</u>			

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Notes to the Financial Statements –Continued

June 30, 2018 and 2017

Note 5 - **Investments - Continued**

University - continued

The following table summarizes the quality ratings of the University's debt investments at June 30, 2018:

	Quality Ratings							
	Fair Value	Ba2	Baa1	Baa2	A1	A2	A3	Not Rated
Corporate bonds	\$ 4,091,290	\$ 145,671	\$ 1,336,842	\$ 1,762,990	\$ 24,843	\$ 223,610	\$ 597,334	\$ -
Corpoarte bond funds	502,235	-	-	-	-	-	-	502,235
Short-term fixed income	207,774	-	-	-	-	-	-	207,774
U.S. Treasuries	654,026	-	-	-	-	-	-	654,026
Totals	\$ 5,455,325	\$ 145,671	\$ 1,336,842	\$ 1,762,990	\$ 24,843	\$ 223,610	\$ 597,334	\$ 1,364,035

The following table summarizes the quality ratings of the University's debt investments at June 30, 2017:

	Quality Ratings								
	Fair Value	Ba2	Baa1	Baa2	A1	A2	A3	AGCY	Not Rated
Corporate bonds	\$ 3,494,845	\$ 147,185	\$ 1,034,966	\$ 1,008,232	\$ 231,042	\$ 354,301	\$ 719,119	-	-
Corpoarte bond funds	465,470	-	-	-	-	-	-	-	465,470
U.S. Government obligations	25,025	-	-	-	-	-	-	25,025	-
Short-term fixed income	182,090	-	-	-	-	-	-	-	182,090
U.S. Treasuries	455,276	-	-	-	-	-	-	455,276	-
Totals	\$ 4,622,706	\$ 147,185	\$ 1,034,966	\$ 1,008,232	\$ 231,042	\$ 354,301	\$ 719,119	\$ 480,301	\$ 647,560

Investment Income, net

The following schedule summarizes the investment income in the statements of revenues and expenses for the University and Foundation for the years ended June 30:

	University 2018	University 2017	Foundation 2018	Foundation 2017
Interest and dividends	\$ 696,883	\$ 502,758	\$ 689,064	\$ 598,409
Net realized and unrealized gains	882,074	1,312,778	1,680,080	2,254,172
Investment fees	(67,540)	(60,060)	(107,118)	(94,807)
Total investment income	\$ 1,511,417	\$ 1,755,476	\$ 2,262,026	\$ 2,757,774

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 6 - **Accounts, Grants and Other Receivables**

The accounts, grants and other receivables balances were comprised of the following at June 30:

	2018	2017
Student accounts	\$ 12,535,024	\$ 11,452,495
Grants	752,514	620,278
Other	894,959	1,067,392
Total gross receivables	14,182,497	13,140,165
Less: allowance for doubtful accounts	(7,675,596)	(7,181,405)
Total accounts, grants and other receivables, net	\$ 6,506,901	\$ 5,958,760

Note 7 - **Pledges Receivable and Notes Receivable**

Pledges Receivable - Foundation

Pledges receivable for the Foundation consisted of the following as of June 30 and are expected to be realized as follows:

	2018	2017
Within one year	\$ 672,225	\$ 1,303,299
Between one to five years	4,320,771	4,696,662
More than five years	17,417	103,417
Total pledges receivables	5,010,413	6,103,378
Less:		
Allowance for doubtful accounts	(85,000)	(85,000)
Discount to net present value at 3%	(396,094)	(540,523)
Pledges receivable, net	4,529,319	5,477,855
Less: current portion of receivable	(672,225)	(1,303,299)
Long-term pledges receivable, net	\$ 3,857,094	\$ 4,174,556

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Notes to the Financial Statements - Continued
June 30, 2018 and 2017

Note 7 - **Pledges Receivable and Notes Receivable - Continued**

Notes Receivable - Foundation

During 2014, the Foundation provided a loan of \$600,000 to the Assistance Corporation to be used to purchase a property that was then leased to the University. The loan consisted of two notes: the first in the amount of \$200,000, requiring monthly principal payments of \$5,555 plus interest at 1.25%, maturing in August 2016; the second in the amount of \$400,000, requiring monthly principal payments of \$3,333 plus interest at 6.98% through August 2018, at which point the interest will be adjusted to the Federal Home Loan Bank of Boston Classic Rate for five-year maturities (3.17% and 2.28% at June 30, 2017 and 2016, respectively) plus 475 basis points. This note matures in August 2023. Funding was provided from the Foundation's investment portfolios and all repayments, including principal and interest, will be reinvested therein.

Note 8 - **Loans Receivable and Payable**

Loans receivable and payable consist primarily of the Federal Perkins Loan Program ("Perkins") and the Federal Nursing Loan Program ("NSL"). The Federal Government originally provided the majority of the funds to support these programs. The portion of the Perkins and NSL Programs provided by the Federal Government is refundable to the Federal Government upon the ending ("liquidation") of the University's participation in the programs.

The Federal Perkins Loan Program Extension Act of 2015 (the "Extension Act"), enacted on December 18, 2015, extended the Perkins Loan Program through September 30, 2017. The Extension Act states that new Perkins Loans cannot be disbursed to students after September 30, 2017. Students that received a fall semester Perkins loan disbursement before October 1, 2017 were eligible to receive a spring semester Perkins loan disbursement. No further extensions were granted for the program as of the date of issuance of these financial statements.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 8 - **Loans Receivable and Payable - Continued**

Loans receivable from students include the following at June 30:

	2018	2017
Perkins	\$ 1,363,700	\$ 1,433,891
Nursing	589,093	573,197
Other	10,651	20,620
Total loans receivable	1,963,444	2,027,708
Less: amount due in one year	(250,410)	(221,611)
Long-term loan receivables	\$ 1,713,034	\$ 1,806,097

As of June 30, amounts that are expected to be repaid to the Federal Government by the University upon ending of the University's participation in the program (liquidation), are as follows:

	2018	2017
Perkins	\$ 1,374,294	\$ 1,425,966
Nursing	771,154	761,207
Total loans payable	\$ 2,145,448	\$ 2,187,173

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 9 - **Capital Assets**

University

Capital asset activity for the University for the year ended June 30, 2018 is as follows:

	<u>Beginning Balance</u>	<u>Additions/ (Reductions)</u>	<u>Transfer to Capital Assets</u>	<u>Ending Balance</u>
Capital assets not depreciated:				
Land	\$ 2,536,173	\$ -	\$ -	\$ 2,536,173
Construction in process	6,371,516	6,160,286	(12,345,178)	\$ 186,624
Total capital assets not depreciated	<u>8,907,689</u>	<u>6,160,286</u>	<u>(12,345,178)</u>	<u>2,722,797</u>
Capital assets depreciated:				
Buildings	90,129,935	-	-	90,129,935
Buildings and land improvements	136,949,564	(214,963)	11,928,838	148,663,439
Furniture and equipment	30,401,235	-	416,340	30,817,575
Total capital assets depreciated	<u>257,480,734</u>	<u>(214,963)</u>	<u>12,345,178</u>	<u>269,610,949</u>
Total capital assets	<u>266,388,423</u>	<u>5,945,323</u>	<u>-</u>	<u>272,333,746</u>
Less: accumulated depreciation:				
Buildings	26,826,030	1,928,975	-	28,755,005
Building improvements	41,060,591	5,720,256	-	46,780,847
Furniture and equipment	25,853,713	1,253,614	-	27,107,327
Total accumulated depreciation	<u>93,740,334</u>	<u>8,902,845</u>	<u>-</u>	<u>102,643,179</u>
Capital assets, net	<u>\$ 172,648,089</u>	<u>\$ (2,957,522)</u>	<u>\$ -</u>	<u>\$ 169,690,567</u>

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 9 - **Capital Assets - Continued**

University - continued

Capital asset activity for the University for the year ended June 30, 2017 is as follows:

	Beginning Balance	Additions	Transfer to Capital Assets	Ending Balance
Capital assets not depreciated:				
Land	\$ 2,536,173	\$ -	\$ -	\$ 2,536,173
Construction in process	20,361,280	17,167,580	(31,157,344)	6,371,516
Total capital assets not depreciated	<u>22,897,453</u>	<u>17,167,580</u>	<u>(31,157,344)</u>	<u>8,907,689</u>
Capital assets depreciated:				
Buildings	90,129,935	-	-	90,129,935
Buildings and land improvements	106,433,382	-	30,516,182	136,949,564
Furniture and equipment	29,507,734	252,339	641,162	30,401,235
Total capital assets depreciated	<u>226,071,051</u>	<u>252,339</u>	<u>31,157,344</u>	<u>257,480,734</u>
Total capital assets	<u>248,968,504</u>	<u>17,419,919</u>	<u>-</u>	<u>266,388,423</u>
Less: accumulated depreciation:				
Buildings	24,897,058	1,928,972	-	26,826,030
Building improvements	35,878,971	5,181,620	-	41,060,591
Furniture and equipment	24,487,488	1,366,225	-	25,853,713
Total accumulated depreciation	<u>85,263,517</u>	<u>8,476,817</u>	<u>-</u>	<u>93,740,334</u>
Capital assets, net	<u>\$ 163,704,987</u>	<u>\$ 8,943,102</u>	<u>\$ -</u>	<u>\$ 172,648,089</u>

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 9 - **Capital Assets - Continued**

Assistance Corporation

Capital asset activity of the Assistance Corporation for the year ended June 30, 2018 was as follows:

	Beginning Balance	Additions	Ending Balance
Capital assets not depreciated:			
Land	\$ 8,161,482	\$ -	\$ 8,161,482
Total capital assets not depreciated	<u>8,161,482</u>	<u>-</u>	<u>8,161,482</u>
Capital assets depreciated:			
Buildings	1,785,560	-	1,785,560
Building improvements	4,214,941	17,373	4,232,314
Furniture and equipment	191,112	6,518	197,630
Total capital assets depreciated	<u>6,191,613</u>	<u>23,891</u>	<u>6,215,504</u>
Total capital assets	<u>14,353,095</u>	<u>23,891</u>	<u>14,376,986</u>
Less accumulated depreciation:			
Buildings	569,381	44,639	614,020
Buildings improvements	1,843,556	111,248	1,954,804
Furniture and equipment	184,228	5,840	190,068
Total accumulated depreciation	<u>2,597,165</u>	<u>161,727</u>	<u>2,758,892</u>
Capital assets, net	<u>\$ 11,755,930</u>	<u>\$ (137,836)</u>	<u>\$ 11,618,094</u>

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 9 - **Capital Assets - Continued**

Assistance Corporation - continued

Capital asset activity of the Assistance Corporation for the year ended June 30, 2017 was as follows:

	Beginning Balance	Additions	Ending Balance
Capital assets not depreciated:			
Land	\$ 7,621,892	\$ 539,590	\$ 8,161,482
Total capital assets not depreciated	<u>7,621,892</u>	<u>539,590</u>	<u>8,161,482</u>
Capital assets depreciated:			
Buildings	1,446,719	338,841	1,785,560
Building improvements	4,214,941	-	4,214,941
Furniture and equipment	191,112	-	191,112
Total capital assets depreciated	<u>5,852,772</u>	<u>338,841</u>	<u>6,191,613</u>
Total capital assets	<u>13,474,664</u>	<u>878,431</u>	<u>14,353,095</u>
Less accumulated depreciation:			
Buildings	533,213	36,168	569,381
Buildings improvements	1,723,433	120,123	1,843,556
Furniture and equipment	174,721	9,507	184,228
Total accumulated depreciation	<u>2,431,367</u>	<u>165,798</u>	<u>2,597,165</u>
Capital assets, net	<u>\$ 11,043,297</u>	<u>\$ 712,633</u>	<u>\$ 11,755,930</u>

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 10 - **Accounts Payable and Accrued Expenses**

Accounts payable and accrued expenses include the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Accounts payable - trade	\$ 2,678,429	\$ 2,230,457
Accrued interest payable	379,470	391,022
Tuition due to state	94,996	77,450
Other	1,332,731	1,336,547
Total accounts payable and accrued expenses	<u>\$ 4,485,626</u>	<u>\$ 4,035,476</u>

Note 11 - **Unearned Revenues**

Unearned revenues include tuition received in advance from students for courses commencing after June 30 primarily for following fiscal year's summer and fall semesters revenue and grant funds received in advance. Unearned revenues of the University include the following at June 30,:

	<u>2018</u>	<u>2017</u>
Tuition and fees	\$ 2,514,395	\$ 2,726,159
Grants	511,227	415,797
Other	-	1,294
Total unearned revenue	<u>\$ 3,025,622</u>	<u>\$ 3,143,250</u>

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities**

Long-term liabilities of the University at June 30, 2018 consist of:

	(Restated) Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bond, loans and note payable:					
Bonds payable	\$ 41,819,483	\$ -	\$ 1,966,115	\$ 39,853,368	\$ 1,968,979
Bond premiums	3,382,940	-	200,892	3,182,048	200,892
Loans payable	2,190,173	-	44,725	2,145,448	-
Note payable	94,244	-	75,212	19,032	19,032
Total bonds, loans and note payable	<u>47,486,840</u>	<u>-</u>	<u>2,286,944</u>	<u>45,199,896</u>	<u>2,188,903</u>
Other long-term liabilities:					
Accrued compensated absences	9,760,216	-	169,011	\$ 9,591,205	5,865,631
Workers' compensaton	1,177,318	33,534	-	1,210,852	263,326
Net pension liability	46,973,396	-	2,409,118	44,564,278	-
Net OPEB liability	96,286,721	1,745,596	-	98,032,317	-
Total other long-term liabilities	<u>154,197,651</u>	<u>1,779,130</u>	<u>2,578,129</u>	<u>153,398,652</u>	<u>6,128,957</u>
Total long-term liabilities	<u>\$ 201,684,491</u>	<u>\$ 1,779,130</u>	<u>\$ 4,865,073</u>	<u>\$ 198,598,548</u>	<u>\$ 8,317,860</u>

Long-term liabilities of the University at June 30, 2017 consist of:

	Beginning Balance	(Restated) Additions	Reductions	(Restated) Ending Balance	Current Portion
Bond, loans and note payable:					
Bonds payable	\$ 39,806,037	\$ 3,795,907	\$ 1,782,461	\$ 41,819,483	\$ 1,870,449
Bond premiums	3,583,843	-	200,903	3,382,940	200,892
Loans payable	2,259,532	-	69,359	2,190,173	-
Note payable	161,919	-	67,675	94,244	81,546
Total bonds, loans and note payable	<u>45,811,331</u>	<u>3,795,907</u>	<u>2,120,398</u>	<u>47,486,840</u>	<u>2,152,887</u>
Other long-term liabilities:					
Accrued compensated absences	9,557,763	202,453	-	9,760,216	6,120,020
Workers' compensaton	958,082	219,236	-	1,177,318	222,168
Net pension liability	44,297,126	2,676,270	-	46,973,396	-
Net OPEB liability	-	96,286,721	-	96,286,721	-
Total other long-term liabilities	<u>54,812,971</u>	<u>99,384,680</u>	<u>-</u>	<u>154,197,651</u>	<u>6,342,188</u>
Total long-term liabilities	<u>\$ 100,624,302</u>	<u>\$ 103,180,587</u>	<u>\$ 2,120,398</u>	<u>\$ 201,684,491</u>	<u>\$ 8,495,075</u>

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities - Continued**

Bonds Payable - University

Over the past 13 years, the University, in association with the MSCBA, DCAMM and the Massachusetts Development Finance Agency (“MDFA”), has entered into financing and construction agreements for various campus projects. The projects are as follows:

O’Keefe Athletic Complex Fields

During fiscal year 2005, the University entered into an agreement with the MSCBA to initiate a construction project to upgrade the University’s athletic field at the O’Keefe Athletic Complex. The scope of the services provided by MSCBA included planning and design as well as project management and construction. The project was completed during fiscal year 2006. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2005A via First Albany Capital, Public Finance).

Through its agreement with MSCBA, the University has an agreement to re-pay this debt in semi-annual installments, which started June 30, 2005 and ends June 30, 2025 at an annual variable coupon rate averaging approximately 4.25%. The outstanding balance of this obligation including unamortized bond premium was \$1,428,553 and \$1,600,839 at June 30, 2018 and 2017, respectively.

Central Campus Athletic Field and Tennis Court

During fiscal year 2006, the MSCBA issued Project 2006A bonds to support a project for the construction of a multi-purpose athletic field and tennis courts on the Central Campus of the University. The University has an agreement with the MSCBA to re-pay this debt in semi-annual installments, which started May 1, 2006 and ends May 1, 2026, at an annual coupon rate of approximately 4.26%. The outstanding balance of this obligation including unamortized bond premium was \$1,812,335 and \$1,989,833 at June 30, 2018 and 2017, respectively.

Clean Renewable Energy Initiatives

During fiscal year 2008, the MDFA issued Clean Renewable Energy Bonds totaling \$214,500 on behalf of the University. The proceeds from this issue were used to install solar panels on various buildings on campus. Through its agreement with MDFA, the University agreed to re-pay this interest free debt with annual principal installments of \$14,300. The term of the issue is from December 31, 2007 to December 31, 2020. The outstanding balance of this obligation was \$57,200 and \$71,500 at June 30, 2018 and 2017, respectively.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities - Continued**

In September 2010, the Commonwealth of Massachusetts issued Clean Renewable Energy Bonds (“CREBS”) at 3.5%. From this bond issue, the University received \$289,995 for the purpose of acquiring and installing solar panels on the O’Keefe Center. The University makes semi-annual payments of interest and principal. The bond holder is Century Bank. The term of the bond extends to May 2027. The outstanding balance of the obligation was \$153,528 and \$170,585 at June 30, 2018 and 2017, respectively.

Harold E. and Marilyn J. Gassett Fitness & Recreation Center at the O’Keefe Athletic Complex

In January of 2012, the MSCBA issued 2012A Project Bonds. The University was allotted \$16,028,603 for the construction of a Fitness Center as part of the O’Keefe Athletic Complex. The University’s portion of this issue consisted of principal of \$14,230,000 with a premium of \$1,798,603. The term of this debt extends to June 30, 2036 with a true interest cost (“TIC”) of 3.94%. The outstanding balance of this obligation including unamortized bond premium was \$13,615,849 and \$14,114,243 at June 30, 2018 and 2017, respectively.

With this issue, the 2005 and 2006 bond issues were refinanced at the lower TIC. This resulted in lower interest payments on both the 2005 and 2006 bond issues starting with the MSCBA 2012 spring assessment until the respective maturity date of each bond. The Debt Service Reserve for the 2005 bond was also reduced by approximately \$159,000 leaving a balance of \$66,505. A debt service reserve remains for the 2006 bond in the amount of \$245,737, which is unchanged from FY 2012.

Sophia Gordon Center for Creative and Performing Arts Theatre and Other Projects

During January 2014, the MSCBA issued 2014 project bonds on behalf of the University. These bond proceeds along with other University funds are being used to fund the construction of various projects on campus. These projects include the creation of the Student Navigation Center, comprehensive renovations to the Sophia Gordon Center for Creative and Performing Arts Theatre, relocation of the Public Safety station and the development and creation of a parking lot on Assistance Corporation owned land. These bonds consist of principal in the amount of \$19,030,000, issued at a premium of \$2,243,187. The average annual coupon rate is approximately 4.0% over the life of the issue, and the term of this debt extends to June 30, 2033. The outstanding balance of this obligation including unamortized bond premium was \$18,262,953 and \$19,108,461 at June 30, 2018 and 2017, respectively. A debt service reserve remains for the 2014 bonds in the amount of \$1,161,098.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities - Continued**

Land Acquisition Bond

In addition to the MSCBA issued 2014 project bonds, the MSCBA held additional bond proceeds for the University to use for future land acquisitions. These bond proceeds were used for land acquisitions on behalf of the Assistance Corporation during the 2016 fiscal year and have been included as a contribution (expense) to the Assistance Corporation in these financial statements under Non-Operating Revenues (Expenses). This bond amount consists of principal in the amount of \$1,090,000, issued at a premium of \$53,758. The average annual coupon rate is approximately 4.8% over the life of the issue, and the term of this debt extends to June 30, 2048. The outstanding balance of this obligation including unamortized bond premium was \$1,093,865 and \$1,110,500 at June 30, 2018 and 2017, respectively.

Clean Energy Investment Program

During July 2013, the University entered into a Memorandum of Agreement with the Commonwealth of Massachusetts' DCAMM to undertake a Comprehensive Energy Performance Contracting Project – Phase 1 (the project). In addition, during February 2014, the University entered into a second Memorandum of Agreement with DCAMM related to the same project but known as Phase 2. The project's goal is to upgrade the University campus wide lighting and lighting controls, water conservation and vending machine controls, motors, steam traps, pipe insulation, kitchen hood controls, energy management system upgrades, high efficiency gas boilers and HVAC modifications.

During March 2016, the University entered into a Memorandum of Agreement with the Commonwealth of Massachusetts' DCAMM to undertake a Comprehensive Energy Performance Contracting Project - Phase 3 (the project). The project's goal is a comprehensive energy and water saving performance contract which includes ice rink renovations, lighting upgrades, EMS and HVAC upgrades.

The total project cost for Phase 1 is \$1,694,560 and is to be repaid over 15 years at 4.0% interest per annum. Annual payments of principal and interest for Phase 1 in the amount of \$152,411 commenced in January 2015. The total project cost for Phase 2 is \$2,291,402 and is to be repaid over 15 years at 3.75% interest per annum. Annual payments of principal and interest for Phase 2 in the amount of \$202,505 commenced in January 2015. The total project cost for the University for Phase 3 is \$2,801,950 and will be repaid over 20 years at 3.0% interest per annum commenced on January 1, 2018. The annual payments of principal and interest for Phase 3 amount to \$188,335 per annum. The outstanding balance of the obligations for Phase 1, 2 and 3 was \$5,831,064 and \$6,160,724 at June 30, 2018 and 2017, respectively.

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Notes to the Financial Statements - Continued

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities - Continued**

Property Acquisition - Garage Bond

MSCBA held excess bond proceeds on behalf of the University for future real estate Acquisitions. These bond proceeds were used for property acquisitions on behalf of the Assistance Corporation during June 2017 and have been included as a contribution (expense) to the Assistance Corporation in these financial statements under Non-Operating Revenues (Expenses). This bond amount consists of principal in the amount of \$780,069 and \$875,738 as of June 30, 2018 and 2017, respectively. There was a reduction of this bond by MSCBA during 2018. The average annual coupon rate is approximately 5.0% over the life of the issue, and the term of this debt extends to June 30, 2044.

Debt Service Reserves

Total debt service reserves held by the MSCBA for past bond issuances amount to \$1,473,340 at June 30, 2018 and 2017.

Bond Payable Maturities

Maturities of the bonds payable subsequent to June 30, 2018 are as follows:

Years Ending June 30,	Principal	Amortization of Premium	Interest	Total
2019	\$ 1,968,979	\$ 200,892	\$ 1,873,236	\$ 4,043,107
2020	2,064,279	200,892	1,788,802	4,053,973
2021	2,153,821	200,892	1,696,180	4,050,893
2022	2,243,219	200,892	1,604,842	4,048,953
2023	2,334,294	200,892	1,498,991	4,034,177
2024-2028	12,132,725	980,307	5,767,371	18,880,403
2029-2033	12,210,502	952,698	2,892,042	16,055,242
2034-2038	3,945,271	228,295	558,724	4,732,290
2039-2043	453,667	8,145	149,647	611,459
2044-2048	346,611	8,143	43,530	398,284
Total	<u>\$ 39,853,368</u>	<u>\$ 3,182,048</u>	<u>\$ 17,873,365</u>	<u>\$ 60,908,781</u>

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities - Continued**

Note Payable University

During September 2013, a note payable was acquired for \$363,653 to purchase various equipment for use in the Gasset Fitness Center. The note payable term is for five years, requires monthly payments of \$6,364, has an average interest rate of 2% and is payable through August 2018. As of June 30, 2018 the outstanding balance on this note was \$19,032.

Long-term Liabilities - Assistance Corporation

Long-term liabilities for the Assistance Corporation at June 30, 2018 consisted of:

	Beginning Balance	Reductions	Ending Balance	Current Portion	Non-Current Portion
Notes Payable	\$ 1,422,166	\$ 68,563	\$ 1,353,603	\$ 66,127	\$ 1,287,476
Bonds payable	1,647,691	505,112	1,142,579	366,725	775,854
Total	<u>\$ 3,069,857</u>	<u>\$ 573,675</u>	<u>\$ 2,496,182</u>	<u>\$ 432,852</u>	<u>\$ 2,063,330</u>

Long-term liabilities for the Assistance Corporation at June 30, 2017 consisted of:

	Beginning Balance	Reductions	Ending Balance	Current Portion	Non-Current Portion
Notes payable	\$ 1,507,857	\$ 85,691	\$ 1,422,166	\$ 70,135	\$ 1,352,031
Bonds payable	2,136,400	488,709	1,647,691	350,010	1,297,681
Total	<u>\$ 3,644,257</u>	<u>\$ 574,400</u>	<u>\$ 3,069,857</u>	<u>\$ 420,145</u>	<u>\$ 2,649,712</u>

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities - Continued**

Notes Payable Assistance Corporation

The Assistance Corporation has a promissory note outstanding with the Salem State University Foundation (“the Foundation”). Under the terms of this promissory note, the Assistance Corporation agreed to pay the Foundation \$400,000 plus interest accruing at 6.98% per annum. Principal payments in the amount of \$3,333 plus interest are due monthly. Subsequent to June 30, 2018, the University paid the remaining balance of \$206,667 on behalf of the Assistance Corporation.

The Assistance Corporation maintains a loan with a bank. The loan is a five-year adjustable rate mortgage due September 2022 with a 25-year amortization. Payments in the amount of \$6,856, including principal and interest at 3.95% are due monthly through August 2017 at which time the interest rate will be adjusted to 4.625% for the remainder of the term and the payments were reduced to \$6,625. A final balloon payment representing the outstanding balance is due in September 2022. The loan is secured by a mortgage on real estate owned by the Assistance Corporation.

The annual debt service requirements to maturity for the note payable are as follows:

Years Ending June 30,	Principal	Interest
2018	\$ 70,135	\$ 68,187
2019	70,187	65,420
2020	71,613	61,199
2021	73,107	56,893
2022	74,671	52,517
Thereafter	1,062,453	13,724
Total	<u>\$ 1,422,166</u>	<u>\$ 317,940</u>

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 12 - **Long-Term Liabilities – Continued**

Bonds Payable Assistance Corporation

In August 2010, the Higher Education Funding Agency (“HEFA”) issued Revenue Bonds, Salem State University Assistance Corporation Issue, Series 2010A bearing interest at 3.26% with a maturity date of September 15, 2020 in the amount of \$4,700,000. HEFA sold the bonds to TD Bank and loaned the proceeds to the Assistance Corporation.

The loan proceeds were used to acquire additional rental property that would be leased to the University for approximately \$4,500,000 and to pay for associated financing and closing costs. This property is currently being leased under an agreement with Salem State University. Subsequent to June 30, 2018, principal and interest payments on the revenue bond payable for the remaining amounts due are as follows:

Years Ending June 30,	Principal	Interest
2019	\$ 366,725	\$ 31,801
2020	378,860	19,665
2021	396,994	2,973
Total	\$ 1,142,579	\$ 54,439

Note 13 - **Pensions**

Defined Benefit Plan Description

Certain employees of the University participate in a cost-sharing multiple-employer defined benefit pension plan – the Massachusetts State Employees’ Retirement System – administered by the Massachusetts State Board of Retirement (the “Board”), which is a public employee retirement system (“PERS”). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits through the plan, regardless of the status of the employers’ payment of its pension obligations to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries.

The Massachusetts State Employees’ Retirement System does not issue stand-alone financial statements. Additional information regarding the Plan is contained in the Commonwealth’s financial statements, which is available on-line from the Office of State Comptroller’s website.

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 13 – **Pensions - Continued**

Benefit Provisions

SERS provides retirement, disability, survivor and death benefits to members and their beneficiaries. Massachusetts General Laws (“MGL”) establishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member’s highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated based on the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member’s age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Massachusetts State Legislature (the “Legislature”).

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65; for certain hazardous duty and public safety positions, normal retirement is at age 55. Most employees who joined the system after April 1, 2012 are not eligible for retirement until they have reached age 60.

Contributions

The SERS’ funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the SERS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

Member contributions for SERS vary depending on the most recent date of membership:

<u>Hire Date</u>	<u>Percent of Compensation</u>
Prior to 1975	5% of regular compensation
1975 - 1983	7% of regular compensation
1984 to 6/30/1996	8% of regular compensation
7/1/1996 to present	9% of regular compensation except for State Police which is 12% of regular compensation
1979 to present	An additional 2% of regular compensation in excess of \$30,000

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June 30, 2018 and 2017

Note 13 – **Pensions - Continued**

Contributions - continued

The Commonwealth does not require the University to contribute funding from its local trust funds for employee paid by state appropriations. Pension funding for employees paid from state appropriations are made through a benefit charge assessed by the Commonwealth. Such pension contributions amounted to \$8,336,988, \$7,462,847 and \$6,866,271 the years ended June 30, 2018, 2017 and 2016, respectively.

For employees covered by SERS but not paid from state appropriations, the University is required to contribute at an actuarially determined rate. The rate was 11.78%, 9.95% and 9.45% of annual covered payroll for the fiscal years ended June 30, 2018, 2017, and 2016, respectively. The University contributed \$3,117,853, \$2,716,688 and \$2,446,187 for the fiscal years ended June 30, 2018, 2017 and 2016, respectively, equal to 100% of the required contributions for each year. Annual covered payroll was approximately 68%, 68% and 70% of total related payroll for fiscal years end 2018, 2017 and 2016, respectively.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018 and 2017, the University reported a liability of \$44,564,278 and \$46,973,396 respectively, for its proportionate share of the net pension liability related to its participation in SERS. The net pension liability as of June 30, 2018, the reporting date, was measured as of June 30, 2017, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017 rolled forward to June 30, 2017. The net pension liability as of June 30, 2017, the reporting date, was measured as of June 30, 2016, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016 rolled forward to June 30, 2016.

The University's proportion of the net pension liability was based on its share of the Commonwealth of Massachusetts' collective pension amounts allocated on the basis of actual fringe benefit charges assessed to the University for the fiscal years 2018 and 2017, respectively. The Commonwealth's proportionate share was based on actual employer contributions to the SERS for fiscal years 2018 and 2017 relative to total contributions of all participating employers for the fiscal years. At June 30, 2018 and 2017, the University's proportion was 0.347% and 0.341%, respectively.

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June 30, 2018 and 2017

Note 13 – **Pensions - Continued**

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – continued

For the years ended June 30, 2018 and 2017, the University recognized pension expense, as a result of GASB 68, of \$3,583,131 and \$4,420,084, respectively. These amounts are reported net of contributions made subsequent to the measurement date of \$3,117,853 and \$2,713,688 during the years ended June 30, 2018, and 2017, respectively. The University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at June 30,

<u>Deferred Outflows of Resources Related to Pension</u>	<u>2018</u>	<u>2017</u>
Difference between expected and actual experience	\$ 1,723,036	\$ 2,231,111
Net differences between projected and actual earnings on pension plan investments	-	3,153,237
Change in plan actuarial assumptions, net	4,637,593	5,209,037
Changes in proportion from Commonwealth	152,634	104,648
Changes in proportion due to internal allocation	4,860,910	6,211,803
Contributions subsequent to the measurement date	<u>3,117,853</u>	<u>2,716,688</u>
Total deferred outflows related to pension	<u>\$14,492,026</u>	<u>\$19,626,524</u>

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 13 – **Pensions - Continued**

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – continued

	<u>2018</u>	<u>2017</u>
<u>Deferred Inflows of Resources Related to Pension</u>		
Difference between expected and actual experience	\$ 1,212,481	\$ -
Net differences between projected and actual earnings on pension plan investments	530,984	-
Changes in proportion from Commonwealth	15,886	22,631
Changes in proportion due to internal allocation	<u>2,988,503</u>	<u>3,867,474</u>
Total deferred inflows related to pension	<u>\$ 4,747,854</u>	<u>\$ 3,890,105</u>

The University's contributions of \$3,117,853 and \$2,716,688 made during the fiscal years ending 2018 and 2017, respectively, subsequent to the measurement date will be recognized as a reduction of the net pension liability in each of the succeeding years. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases (decreases) in pension expense as follows:

Years Ending <u>June 30,</u>	
2018	\$ 1,974,002
2019	3,265,499
2020	1,701,741
2021	(283,023)
2022	<u>(31,900)</u>
	<u>\$ 6,626,319</u>

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 13 – **Pensions - Continued**

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement date	June 30, 2017	June 30, 2016
Inflation	3.00%	3.00%
Salary increases	4.00% to 9.00%	4.00% to 9.00%
Investment rate of return	7.50%	7.50%
Interest rate credited to annuity savings fund	3.50%	3.50%

For measurement dates June 30, 2017, mortality rates were based on:

- Pre-retirement - reflects RP-2014 Blue Collar Employees Table projected with Scale MP-2016 and set forward 1 year for females
- Post-retirement - reflects RP-2014 Blue Collar Healthy Annuitant Table projected with Scale MP-2016 and set forward 1 year for females
- Disability - the mortality rate is assumed to be in accordance with the RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct)

For measurement dates June 30, 2016, mortality rates were based on:

- Pre-retirement - reflects RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Post-retirement - reflects RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Disability - the mortality rate is assumed to be in accordance with the RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct)

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 13 – **Pensions – Continued**

Actuarial Assumptions – continued

The 2018 pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of January 2017 and rolled forward to June 30, 2017. The 2017 pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of January 2016 and rolled forward to June 30, 2016.

Investment assets of SERS are with the Pension Reserves Investment Trust (“PRIT”) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund’s target asset allocation as of June 30, are summarized in the following table:

Asset Class	2018		2017	
	Target Allocation	Long-term expected real rate of return	Target Allocation	Long-term expected real rate of return
Global Equity	40%	5.00%	40%	6.90%
Core Fixed Income	12%	1.10%	13%	1.60%
Hedge Funds	0%	3.60%	9%	4.00%
Private Equity	11%	6.60%	10%	8.70%
Real Estate	10%	3.60%	10%	4.60%
Portfolio Completion Strategies	13%	3.60%	4%	3.60%
Value Added Fixed Income	10%	3.80%	10%	4.80%
Timber/Natural Resources	4%	3.20%	4%	5.40%
	100%		100%	

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June 30, 2018 and 2017

Note 13 – **Pensions – Continued**

Discount Rate

The discount rate used to measure the total pension liability was 7.5% at June 30, 2018 and 2017. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rates. Based on those assumptions, the net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the sensitivity of the net pension liability calculated using the discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate.

June 30, 2018		
Current		
1.00% Decrease (6.50%)	Discount Rate (7.50%)	1.00% Increase (8.50%)
\$ 60,694,691	\$44,564,278	\$ 31,570,844
June 30, 2017		
Current		
1.00% Decrease (6.50%)	Discount Rate (7.50%)	1.00% Increase (8.50%)
\$ 61,213,612	\$46,973,396	\$ 34,904,261

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 14 – **Other Post-Employment Benefits**

Plan Description

As an agency of the Commonwealth, certain employees of the University participate in the Commonwealth's single employer defined benefit-OPEB plan – the State Retirees' Benefit Trust ("SRBT"). Benefits are managed by the Group Insurance Commission ("GIC") and investments are managed by the Pension Reserves Investment Management ("PRIM") Board. The GIC has representation on the Board of Trustees of the State Retirees' Benefits Trust ("Trustees").

The SRBT is set up solely to pay for OPEB benefits and the cost to administer those benefits. It can only be revoked when all such health care and other non-pension benefits, current and future, have been paid or defeased. The GIC administers benefit payments, while the Trustees are responsible for investment decisions.

Management of the SRBT is vested with the board of trustees, which consists of 7 members including the Secretary of Administration and Finance, the Executive Director of the GIC, the Executive Director of PERAC, the State Treasurer, the Comptroller, 1 person appointed by the Governor and 1 person appointed by the State Treasurer. These members elect 1 person to serve as chair of the board.

The SRBT does not issue a stand-alone audited financial statements, but is reflected as a fiduciary fund in the Commonwealth's audited financial statements.

Benefits Provided

Under Chapter 32A of the Massachusetts General Laws, the Commonwealth is required to provide certain health care and life insurance benefits for retired employees of the Commonwealth, housing authorities, redevelopment authorities and certain other governmental agencies. Substantially all of the Commonwealth's employees may become eligible for these benefits if they reach retirement age while working for the Commonwealth. Eligible retirees are required to contribute a specified percentage of the health care / benefit costs, which are comparable to contributions required from employees. Dental and vision coverage may be purchased by these groups with no subsidy from the Commonwealth.

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 14 – **Other Post-Employment Benefits - Continued**

Contributions

Employer and employee contribution rates are set by MGL. The Commonwealth recognizes its share of the costs on an actuarial basis. As of June 30, 2017 and 2016 and as of the valuation date (January 1, 2017), participants contributed 0% to 20% of premium costs, depending on the date of hire and whether the participant's status is active, retired, or survivor. As part of the fiscal year 2010 General Appropriation Act, all active employees pay an additional 5% of premium costs.

Effective beginning in fiscal year 2014, by statute the Commonwealth is required to allocate, to the SRBT, a portion of revenue received under the Master Settlement Agreement with tobacco companies, increasing from 10% in fiscal year 2014 to 100% by fiscal year 2023. In fiscal year 2017, 10% of tobacco settlement proceeds or approximately \$25 million was allocated to the SRBT. The percentage of proceeds to be transferred to the SRBT in fiscal year 2017 was set at 10%, overriding existing statute.

The Massachusetts General Laws governing employer contributions to SRBT determine whether entities are billed for OPEB costs. Consequently, SRBT developed an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner (based on an employer's share of total covered payroll). The University is required to contribute based on Massachusetts General Laws; the rate was 8.92% and 7.99% of annual covered payroll for the fiscal years ended June 30, 2018 and 2017, respectively. The University contributed \$2,360,585 and \$2,181,990 for the fiscal years ended June 30, 2018 and 2017, respectively, equal to 100% of the required contribution for the year.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018 and 2017, the University reported a liability of \$98,032,317 and \$96,286,721, respectively, for its proportionate share of the net OPEB liability related to its participation in SRBT. The total OPEB liability for the June 30, 2016 measurement date was determined by an actuarial calculation as of January 1, 2017 rolled back to June 30, 2016. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2017.

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 14 – **Other Post-Employment Benefits - Continued**

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - continued

The University's proportion of the net OPEB liability was based on its share of the Commonwealth's collective OPEB amounts allocated on the basis of an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner based on the University's share of total covered payroll for the fiscal years ended June 30, 2017 and 2016. The University's proportionate share was based on the actual employer contributions to the SRBT for fiscal years 2017 and 2016 relative to total contributions of all participating employers for the fiscal year. At June 30, 2018 and 2017, the University's proportion was 0.496% and 0.441%, respectively.

For the years ended June 30, 2018 the University recognized OPEB expense of \$4,708,696. The University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources at June 30, 2018:

<u>Deferred Outflows of Resources Related to OPEB</u>	
Contributions subsequent to the measurement date	\$ 2,360,585
Changes in the proportion from Commonwealth	208,995
Changes in the proportion due to internal allocation	<u>9,697,654</u>
Total deferred outflows related to OPEB	<u>\$12,267,234</u>
<u>Deferred Inflows of Resources Related to OPEB</u>	
Net differences between projected and actual earnings on OPEB plan investments	\$ 158,498
Differences between expected and actual experience	256,704
Changes in OPEB plan actuarial assumptions	<u>12,633,142</u>
Total deferred inflows related to OPEB	<u>\$13,048,344</u>

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 14 – **Other Post-Employment Benefits - Continued**

Contributions

The University's contribution of \$2,360,585 and \$2,181,990 for the years ended June 30, 2018 and 2017, respectively, are reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the following year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending <u>June 30,</u>	
2019	\$ (749,283)
2020	(749,283)
2021	(749,283)
2022	(749,283)
2023	<u>(144,563)</u>
	<u>\$ (3,141,695)</u>

Actuarial Assumptions

The total OPEB liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of January 1, 2017 rolled back to June 30, 2016. The total OPEB liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of January 1, 2017. The following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	June 30, 2017 and 2016
Inflation	3.00%
Salary increases	4.5% per year
Investment rate of return	7.5%, net of OPEB plan investment expense, including inflation
Health care cost trend rates	8.5%, decreasing by 0.5% each year to an ultimate rate of 5.0% in 2024 for Medical; 5.0% for EGWP; 5.0% for administrative costs

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Note 14 – **Other Post-Employment Benefits - Continued**

Actuarial Assumptions- continued

The mortality rate was in accordance with RP 2014 Blue Collar Mortality Table projected with scale MP-2016 from the central year, with females set forward one year.

The participation rates are actuarially assumed as below:

- 100% of all retirees who currently have health care coverage will continue with the same coverage, except that retirees under age 65 with POS/PPO coverage switch to Indemnity at age 65 and those over 65 with POS/PPO coverage switch to HMO.
- All current retirees, other than those indicated on the census data as not being eligible by Medicare, have Medicare coverage upon attainment of age 65, as do their spouses. All future retirees are assumed to have Medicare coverage upon attainment of age 65.
- 80% of current and future contingent eligible participants will elect health care benefits at age 65, or current age if later.
- Actives, upon retirement, take coverage, and are assumed to have the following coverage:

	<u>Retirement Age</u>	
	<u>Under 65</u>	<u>Age 65+</u>
Indemnity	40.0%	85.0%
POS/PPO	50.0%	0.0%
HMO	10.0%	15.0%

The actuarial assumptions used in the January 1, 2017 valuation were based on the results of an actuarial experience study for the periods ranging July 1, 2015 through December 31, 2016, depending upon the criteria being evaluated. As a result of this actuarial experience study, the mortality assumption was adjusted in the January 1, 2017 actuarial valuation to more closely reflect actual experience as a result of the recent experience study completed by the Public Employee Retirement Administration Commission ("PERAC").

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Note 14 – **Other Post-Employment Benefits - Continued**

Actuarial Assumptions- continued

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage.

The SRBT is required to invest in the PRIT Fund. Consequently, information about SRBT's target asset allocation and long-term expected real rate of return as of June 30, 2018, are the same as discussed in the Pension footnote number 13.

Discount Rate

The discount rates used to measure the total OPEB liability as of June 30, 2017 and 2016 were 3.63% and 2.88%, respectively. These rates were based on a blend of the Bond Buyer Index rates of 3.58% and 2.85%, respectively as of the measurement dates June 30, 2017 and 2016 and the expected rates of return. The OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments for current plan members. The projected "depletion date" when projected benefits are not covered by projected assets is 2023. Therefore, the long-term expected rate of return on OPEB plan investments of 7.50% per annum was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2017 and 2016.

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Note 14 – **Other Post-Employment Benefits - Continued**

Sensitivity of the University's proportionate share of the net OPEB liability to changes in the discount rate

The following presents the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

June 30, 2018		
Current		
1.00% Decrease	Discount Rate	1.00% Increase
2.63%	3.63%	4.63%
\$ 119,123,945	\$ 98,032,317	\$ 81,824,436
June 30, 2017		
Current		
1.00% Decrease	Discount Rate	1.00% Increase
1.88%	2.88%	3.88%
\$ 118,221,565	\$ 96,286,721	\$ 79,584,493

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Note 14 – **Other Post-Employment Benefits - Continued**

Sensitivity of the University's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates.

The following presents the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Fiscal Year End	1.00% Decrease (B)	Current Healthcare Cost Trend Rate (A)	1.00% Increase (C)
June 30, 2017	\$ 80,640,112	\$ 98,032,317	\$ 121,455,908
June 30, 2016	78,863,170	96,286,721	119,682,729

(A) - The current healthcare cost trend rates are as follows: 9.0% (June 30, 2017) and 8.5% (June 30, 2016) for medical and 5.0% for both fiscal years 2017 and 2016 EGWP and administrative costs

(B) - The healthcare cost trend rates after a 1% decrease are as follows: 8.0% (June 30, 2017) and 7.5% (June 30, 2016) for medical and 4.0% for both fiscal years 2017 and 2016 EGWP and administration costs

(C) - The healthcare cost trend rates after a 1% increase are as follows: 10.0% (June 30, 2017) and 9.5% (June 30, 2016) for medical and 6.0% for both fiscal years 2017 and 2016 EGWP and administration costs

Note 15 - **Deferred Inflows of Resources**

Service Concession Arrangements

Deferred inflows of resources include contributions made by certain vendors. The University's food service operations are managed under an agreement by an outside party. In accordance with an agreement and subsequent amendments, the vendor has made several contributions over the period from January 2002 through October 2015 totaling \$4,380,000.

The term of the agreement was extended until 2022, and the amortization tables were adjusted accordingly. Either party may terminate this agreement at any time, without cause, by providing sixty days written notice. In the event of termination, the unamortized portion is to be returned. At June 30, 2018 and 2017, the unamortized portion of these contributions approximated \$501,000 and \$658,000, respectively.

Amounts related to agreements with other vendors at June 30, 2018 and 2017 approximated \$245,000 and \$340,000, respectively.

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June 30, 2018 and 2017

Note 16 - **Rental Income**

Assistance Corporation

The Assistance Corporation has long-term operating leases with lessees, including Salem State University. Minimum future rentals under the non-cancellable operating leases subsequent to June 30, 2018 are as follows:

Years Ending June 30,	Amount
2019	\$ 1,545,290
2020	1,343,126
2021	1,230,868
2022	769,055
2023	788,281
Thereafter	18,341,902
Total	<u>\$ 24,018,522</u>

The base rent under one of the lease agreements with the University is equal to the monthly debt service on the debt held by TD Bank. The terms of the lease agreement require the University to remit monthly rent directly to TD Bank. The University, at its discretion, may make additional rent payments to be applied to the outstanding debt balance.

Note 17 - **Operating Lease Commitments**

The University has numerous operating leases for property at various locations from the Assistance Corporation and for equipment from outside vendors. These leases contain options to extend from one to five years, and contain escalation clauses for increases in base rent.

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Note 17 - **Operating Lease Commitments - Continued**

These leases expire in various years through 2040. Future minimum payments related to these leases are as follows:

Years Ending June 30,	Assistance Corporation	Outside Vendors	Total
2019	\$ 1,757,506	\$ 364,676	\$ 2,122,182
2020	1,791,377	10,539	1,801,916
2021	1,261,764	10,539	1,272,303
2022	963,398	2,635	966,033
2023	984,655	-	984,655
Thereafter	18,349,751	-	18,349,751
Total	<u>\$ 25,108,451</u>	<u>\$ 388,389</u>	<u>\$ 25,496,840</u>

The rent expense on these leases amounted to approximately \$1,589,909 and \$1,423,000 for fiscal years 2018 and 2017, respectively.

Note 18 - **Restricted Net Position**

The University is the recipient of funds that are subject to various external constraints upon their use, either as to purpose or time. These funds are comprised of the following at June 30:

	2018	2017
Restricted - nonexpendable:		
Scholarship and fellowship	<u>\$ 866,367</u>	<u>\$ 810,323</u>
Restricted - expendable:		
Scholarship, fellowship loans, research grants and contracts	<u>\$ 5,737,349</u>	<u>\$ 5,174,752</u>

The Foundation's restricted - nonexpendable and expendable net position consists of investments to be utilized for various scholarships and program support.

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Note 19 - **Commitments and Contingencies**

The University is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions and natural disasters for which the Commonwealth is self-insured.

Various lawsuits are pending or threatened against the University which arise in the ordinary course of operations. In the opinion of management, no litigation is now pending, or threatened which would materially affect the University's financial position.

The University receives significant financial assistance from federal and state agencies in the form of grants. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenditure resulting from such audits becomes a liability of the University. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of the University.

The University participates in the Massachusetts College Savings Prepaid Tuition Program (the "Program"). This Program allows individuals to pay in advance for the future tuition at the cost of tuition at the time of election to participate, increased by changes in the Consumer Price Index plus 2%. The University is obligated to accept as payment of tuition the amount determined by this Program without regard to standard tuition rates in effect at the time of the individual's enrollment at the University. The effect of the program cannot be determined as it is contingent on future tuition increases and the Program participants who attend the University.

The U.S. Environmental Protection Agency ("EPA") notified the University in August 1998 that it is a potential responsible party with respect to environmental impacts resulting from contaminated soil upon the removal of underground oil tanks in 1991. The EPA has not closed out their investigation. During fiscal year 2018 and 2017, the University paid no remediation costs and received no communication from federal or state agencies. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of the University.

Several of the employee collective bargaining agreement contracts have expired. Negotiations for most but not all have been completed. Some retroactive payments will likely be made when all required steps of having the contracts be ratified, signed, formally approved and funded have occurred. The university has not recognized a liability for the retroactive compensation as of the date of these financial statements because the legal requirements to establish the obligation for retroactive payments have not been fulfilled in the entirety as of balance sheet date. The estimated amount of retroactive payments of salary and related fringe benefits is approximately \$2.1 million.

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Notes to the Financial Statements

June 30, 2018 and 2017

Note 20 - **Operating Expenses**

The University's operating expenses, on a natural classification basis, are comprised of the following at June 30:

	2018	2017
Compensation and benefits	\$ 126,053,251	\$ 122,984,490
Supplies and services	38,659,003	37,324,136
Utilities	4,107,227	4,179,198
Depreciation	8,902,845	8,476,817
Scholarships and fellowships	6,185,534	5,626,549
Total operating expenses	\$ 183,907,860	\$ 178,591,190

Note 21 - **Fringe Benefit Program**

The University participates in the Commonwealth's Fringe Benefit programs, including active employee and post-employment health insurance, unemployment, pension and workers' compensation benefits. Health insurance costs for active employees and retirees are paid through a fringe benefit rate charged to the University by the Commonwealth.

The overall fringe benefit charge increased from 35.16% in 2017 to 36.27% in 2018 which includes 1.66% and 1.41% in payroll taxes, respectively. The retirement portion of the fringe benefit charge increased from 9.95% in 2017 to 11.78% in 2018. In addition to providing pension benefits, under Chapter 32A of the Massachusetts General Laws, the Commonwealth is required to provide certain health care and life insurance benefits for retired employees of the Commonwealth, housing authorities, redevelopment authorities and certain other governmental agencies. Substantially all of the Commonwealth's employees may become eligible for these benefits if they reach retirement age while working for the Commonwealth. Eligible retirees are required to contribute a specified percentage of the health care benefit costs which is comparable to contributions required from employees. The Commonwealth is reimbursed for the cost of benefits to retirees of the eligible authorities and non-state agencies.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements

June 30, 2018 and 2017

Note 21 - **Fringe Benefit Program - Continued**

The amount of funding by the University related to benefits other than pensions for the years ended June 30, 2018, 2017, and 2016 were \$5,963,606, \$6,528,137, and \$5,202,742, respectively, which equaled the required contributions each year charged to it through the Commonwealth's fringe benefit recovery program.

Insurance

The Group Insurance Commission ("GIC") was established by the Legislature in 1955 to provide and administer health insurance and other benefits to the Commonwealth's employees, retirees, their dependents and survivors. The GIC also covers housing and redevelopment authorities' personnel, participating municipalities and retired municipal employees and teachers in certain governmental units.

Health coverage options include an Indemnity plan, Preferred Provider-type Organizations ("PPO"), an Exclusive Provider Organization ("EPO") and multiple HMO plans. The GIC also manages basic and optional life insurance coverage. As part of its UniCare State indemnity and active employee Tufts Health plans, it manages mental health/substance abuse benefits and also manages pharmacy benefits for the indemnity plans.

For active state employees only, the GIC offers a long-term disability ("LTD") program, two pre-tax employee programs - Health Care Spending Account ("HCSA") and Dependent Care Assistance Program ("DCAP"), and for managers, legislators, legislative staff and certain Executive Office staff, a dental/vision plan. The GIC also offers a discount vision and a dental plan for Commonwealth retirees.

The GIC administers a plan included within the State Retiree Benefits Trust Fund, an irrevocable trust. Any assets accumulated in excess of liabilities to pay premiums or benefits or administrative expenses are retained in that fund. The GIC's administrative costs are financed through Commonwealth appropriations and employee investment returns. The Legislature determines employees' and retirees' contribution ratios. The GIC does not issue separately audited financial statements. The financial position and results of operations of the plan are incorporated in the Commonwealth's financial statements, a copy of which may be obtained from the Office of the State Comptroller, Commonwealth of Massachusetts, One Ashburton Place, Room 901, Boston, MA 02108.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements

June 30, 2018 and 2017

Note 21 - **Fringe Benefit Program - Continued**

Insurance – continued

The GIC is a quasi-independent state agency governed by an 17-member body (the "Commission") appointed by the Governor. The GIC is located administratively within the Executive Office of Administration and Finance, and is responsible for providing health insurance and other benefits to the Commonwealth's employees and retirees and their survivors and dependents. During the fiscal years ended June 30, 2018 and 2017, the GIC provided health insurance for its members through indemnity, PPO and HMO plans. The GIC also administered carve-outs for the pharmacy benefit and mental health and substance abuse benefits for certain of its health plans. In addition to health insurance, the GIC sponsors life insurance, long-term disability insurance (for active employees only), dental and vision coverage for employees not covered by collective bargaining, a retiree discount vision plan and retiree dental plan, and finally, a pre-tax health care spending account and dependent care assistance program (for active employees only).

Note 22 - **Massachusetts Management Accounting Reporting System ("MMARS")**

Section 15C of Chapter 15A of the Massachusetts General Laws requires Commonwealth Colleges and Universities to report activity of campus-based funds to the Comptroller of the Commonwealth on the Commonwealth's Statewide Accounting System, MMARS, using the statutory basis of accounting. The statutory basis of accounting is a modified accrual basis of accounting and differs from the information included in these financial statements. The amounts reported on MMARS meet the guidelines of the Comptroller's Guide for Higher Education Audited Financial Statements.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements

June 30, 2018 and 2017

Note 22 - **Massachusetts Management Accounting Reporting System (“MMARS”) – Continued**

The University’s state appropriations are composed of the following at June 30:

	<u>2018</u>	<u>2017</u>
General Appropriations	\$ 44,505,633	\$43,997,174
Other Appropriations	898,555	938,772
Total Appropriations	<u>\$ 45,404,188</u>	<u>\$44,935,946</u>
 <u>Add:</u>		
Fringe benefits for benefited employees on the state payroll	15,649,915	14,765,927
 <u>Less:</u>		
Day school tuition remitted to the state and included in tuition and fee revenue	<u>(926,090)</u>	<u>(934,235)</u>
Total unrestricted appropriations	<u>\$ 60,128,013</u>	<u>\$58,767,638</u>

A reconciliation between the University and MMARS fund 901 activity as of June 30 is as follows (unaudited):

	<u>2018</u>	<u>2017</u>
Revenue per MMARS	\$ 129,190,586	\$67,280,576
Revenue per University	<u>129,190,586</u>	<u>67,280,576</u>
Difference	<u>\$ -</u>	<u>\$ -</u>

Note 23 - **Pass-Through Student Federal Loans**

The University distributed approximately \$49,009,000 and \$48,492,000 for the years ended June 30, 2018 and 2017, for student loans through the William D. Ford Federal Direct Lending Program. These distributions and related funding sources are not included in the accompanying financial statements.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements

June 30, 2018 and 2017

Note 24 - **Massachusetts State College Building Authority (“MSCBA”)**

The MSCBA was created pursuant to Chapter 703 of the Act of 1963 of the Commonwealth as a public instrumentality for the general purpose of providing residence halls and other facilities for use by students of the state universities of the Commonwealth, as well as major construction projects on their campuses. The residence halls are leased from the MSCBA for various terms, allowing for periods of up to 10 years.

The University is charged a semi-annual revenue assessment that is based on a certified occupancy report, the current rent schedule and the design capacity for each of the residence halls, as well as debt service on instruments issued for dormitory and other major construction projects for the University. This revenue assessment is used by MSCBA to pay principal and interest due on its long-term debt obligations.

These obligations may include the costs of periodic renovations and improvements to the residence halls, as well as other major construction performed on campus, which has included athletic field construction and repair.

The portions of the semi-annual Revenue Assessments paid to the MSCBA by the University for residence halls, related maintenance, insurance, other costs, historical pooled obligations and other major renovations and improvements for the University for the years ended June 30, 2018 and 2017 were \$14,354,200 and \$14,049,442, respectively, and are included in auxiliary enterprises and operation and maintenance of plant in the accompanying statements of revenues and expenses. All facilities and obligations of the MSCBA are included in the financial statements of the MSCBA.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Draft

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Proportionate Share of Net Pension Liability (Unaudited)

Massachusetts State Employees' Retirement System

Year ended	June 30, 2018	June 30, 2017	June 30, 2016
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015
Valuation date	January 1, 2017	January 1, 2016	January 1, 2015
Proportion of the collective net pension liability	0.347%	0.341%	0.389%
Proportionate share of the collective net pension liability	\$ 44,564,278	\$ 46,973,396	\$ 44,297,126
University's covered- payroll	\$ 27,303,392	\$ 25,885,577	\$ 23,448,807
University's proportionate share of the net pension liability as a percentage of its covered payroll	163.22%	181.47%	188.91%
Plan fiduciary net position as a percentage of the total pension liability	67.21%	63.48%	67.87%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Contributions - Pension (Unaudited)

Massachusetts State Employees' Retirement System

For the Years Ended June 30,

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$ 3,117,853	\$ 2,716,688	\$ 2,446,187
Contributions in relation to the statutorily required contribution	<u>(3,117,853)</u>	<u>(2,716,688)</u>	<u>(2,446,187)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered- payroll	\$ 26,467,350	\$ 27,303,397	\$ 25,885,577
Contribution as a percentage of covered payroll	11.78%	9.95%	9.45%

Notes:

Employers participating in the Massachusetts State Employees' Retirement System are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Required Supplementary Information - Pension (Unaudited)

For the Years Ended June 30, 2018, 2017 and 2016

Note 1 - **Change in Plan Actuarial and Assumptions**

Measurement date – June 30, 2017

The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Employees Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Pre-retirement – was changed from RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Employees Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Disability – did not change

Measurement date – June 30, 2016

The assumption for salary increases changed from a range of 3.5% to 9.0% depending on group and length of service to a range of 4.0% to 9.0% depending on group and length of service.

Chapter 176 of the Acts of 2011 created a one-time election for eligible members of the Optional Retirement Plan (“ORP”) to transfer to the SERS and purchase service for the period while members of the ORP. As a result, the total pension liability of SERS increased by approximately 400 million as of June 30, 2016.

Measurement date – June 30, 2015

The discount rate to calculate the pension liability decreased from 8.0% to 7.5%

In May 2015, Chapter 19 of the Acts of 2015 created an Early Retirement Incentive (“ERI”) for certain members of SERS who upon election of the ERI retired effective June 30, 2015. As a result, the total pension liability of SERS increased by approximately \$230 million as of June 30, 2015.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Required Supplementary Information - Pension (Unaudited)

For the Years Ended June 30, 2018, 2017 and 2016

Note 1 - **Change in Plan Actuarial and Assumptions - Continued**

The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected 20 years with Scale AA (gender distinct) to RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Post-retirement – was changed from RP-2000 Healthy Annuitant table projected 15 years with Scale AA (gender distinct) to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Disability – was changed from RP-2000 table projected 5 years with Scale AA (gender distinct) set forward three years for males to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct)

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Proportionate Share of Net OPEB Liability (Unaudited)

State Retirees' Benefit Trust

	June 30, 2018	June 30, 2017
Year ended	June 30, 2017	June 30, 2016
Measurement date	June 30, 2017	June 30, 2016
Valuation date	January 1, 2017	January 1, 2016
Proportion of the collective net OPEB liability	0.496%	0.441%
Proportionate share of the collective net OPEB liability	\$ 98,032,317	\$ 96,286,721
University's covered payroll	\$ 27,303,392	\$ 25,885,577
University's proportionate share of the net OPEB liability as a percentage of its covered payroll	359.05%	371.97%
Plan fiduciary net position as a percentage of the total OPEB liability	4.80%	3.81%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Contributions - OPEB (Unaudited)

State Retirees' Benefit Trust

For the Years Ended June 30,

	<u>2018</u>	<u>2017</u>
Statutorily required contribution	\$ 2,360,585	\$ 2,181,990
Contributions in relation to the statutorily required contribution	<u>(2,360,585)</u>	<u>(2,181,990)</u>
Contribution (excess)/deficit	<u>\$ -</u>	<u>\$ -</u>
University's covered payroll	\$ 26,467,350	\$ 25,885,577
Contribution as a percentage of covered payroll	8.92%	8.43%

Notes:

Employers participating in the State Retirees' Benefit Trust are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Required Supplementary Information – OPEB (Unaudited)

For the Years Ended June 30, 2018 and 2017

Note 1 - **Change in Plan Assumptions**

Assumptions

The discount rate was increased to 3.63% based upon a blend of the Bond Buyer Index rate as of the measurement date as required by GASB Statement 74. The June 30, 2016 discount rate was calculated to be 2.80%. This increase in the discount rate resulted in a decrease in the net OPEB liability of approximately \$3.08 billion as of June 30, 2017.

Draft

**SUPPLEMENTARY
INFORMATION**

Draft

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedules of Net Position
Dormitory Trust Fund Report (Unaudited)

June 30, 2018 and 2017

	<u>Assets</u>	
	<u>2018</u>	<u>2017</u>
Assets:		
Cash and equivalents	\$ 1,721,284	\$ 1,608,759
Accounts receivable, net	213,955	169,855
Other receivables, net	<u>3,640</u>	<u>-</u>
 Total Assets	 \$ 1,938,879	 \$ 1,778,614
	 <u>Liabilities and Net Position</u>	
Liabilities:		
Accounts payable	\$ 85,856	\$ 78,756
Accrued payroll and fringe benefits	122,641	139,944
Accrued compensated absences	<u>254,431</u>	<u>260,155</u>
 Total Liabilities	 462,928	 478,855
 Net Position	 <u>1,475,951</u>	 <u>1,299,759</u>
 Total Liabilities and Net Position	 \$ 1,938,879	 \$ 1,778,614

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedules of Revenues, Expenses, and Changes in Net Position
Dormitory Trust Fund Report (Unaudited)

For the Years Ended June 30, 2018 and 2017

	2018	2017
Revenues:		
Student fees	\$ 19,747,000	\$ 18,929,872
Less: scholarships and fellowships	(1,225,911)	(1,007,558)
Commissions	62,135	55,501
Rentals	173,852	269,019
Total Revenues	18,757,076	18,246,834
Expenses:		
Regular employee compensation	2,264,418	2,419,958
Regular employee related expenses	413	259
Special employee compensation	782,093	821,780
Pension and insurance related	742,724	831,956
Administrative	824,048	279,957
Facility operational	169,237	182,046
Energy and space rental	1,461,606	1,465,616
Operational services	54,093	33,681
Equipment purchase	73,971	22,232
Equipment maintenance	776,273	726,971
Loans and special payments	12,213,027	11,848,929
Information technology	12,186	8,047
Total Expenses	19,374,089	18,641,432
Excess of Expenses over Revenues Before Transfers	(617,013)	(394,598)
Net Transfers	793,205	450,563
Total Increase (Decrease) in Net Position	176,192	55,965
Net Position, Beginning of Year	1,299,759	1,243,794
Net Position, End of Year	\$ 1,475,951	\$ 1,299,759

**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
*Government Auditing Standards***

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

To the Board of Trustees of
Salem State University
Salem, Massachusetts

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Salem State University (the "University"), which comprise the statements of net position as of June 30, 2018, the related statements of revenues, expenses and changes in net position, cash flows, the combining statements of net position of major component units, and combining statements of revenues and expenses of major component units for the year then ended, and the related notes to the financial statements, which collectively comprise Salem State University's basic financial statements and have issued our report thereon dated **DATE** We also performed the audit of the Salem State University Foundation and the Salem State University Alumni Association's financial statements, as of and for the year ended June 30, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Salem State University's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Salem State University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Certified Public Accountants
Braintree, Massachusetts**

DATE

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

**INDEPENDENT AUDITORS' REPORTS AS REQUIRED
BY THE UNIFORM GUIDANCE AND *GOVERNMENT*
AUDITING STANDARDS AND RELATED
INFORMATION**

JUNE 30, 2018

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

**Independent Auditors' Reports as Required by the Uniform Guidance and
Government Auditing Standards and Related Information**

June 30, 2018

C O N T E N T S

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM
GUIDANCE**

To the Board of Trustees of
Salem State University
Salem, Massachusetts

Report on Compliance for Each Major Federal Program

We have audited Salem State University's (the "University") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2018. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding 2018-001 through 2018-004. Our opinion on each major federal program is not modified with respect to these matters.

The University's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the University, as of and for the year ended June 30, 2018. We issued our report thereon dated **DATE**, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Certified Public Accountants
Braintree, Massachusetts

DATE

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

To the Board of Trustees of
Salem State University
Salem, Massachusetts

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Salem State University (the "University"), which comprise the statements of net position as of June 30, 2017, the related statements of revenues, expenses and changes in net position, cash flows, the combining statements of net position of major component units, and combining statements of revenues and expenses of major component units for the year then ended, and the related notes to the financial statements, which collectively comprise Salem State University 's basic financial statements and have issued our report thereon dated **DATE**.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Salem State University 's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University 's internal control. Accordingly, we do not express an opinion on the effectiveness of the University 's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University 's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Salem State University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Certified Public
Accountants Braintree,
Massachusetts**

DATE

**SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

Draft

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2018

	CFDA Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER					
U.S. Department of Education:					
Direct Awards:					
Federal Supplemental Educational Opportunity Grant	84.007	N/A	N/A	\$ 409,638	\$ -
Federal Work-Study Program	84.033	N/A	N/A	396,834	-
Federal Perkins Loan Program (beginning of year)	84.038	N/A	N/A	1,433,891	-
Federal Perkins Loan Program (current year expenditure)	84.038	N/A	N/A	146,566	-
Federal Pell Grant Program	84.063	N/A	N/A	12,142,284	-
Federal Direct Student Loans	84.268	N/A	N/A	49,009,163	-
Teachers Education Assistance for College Grant	84.379	N/A	N/A	20,072	-
Nursing Student Loans (beginning of year)	93.364	N/A	N/A	573,197	-
Nursing Student Loans (current year expenditures)	93.364	N/A	N/A	140,750	-
Total Student Financial Assistance Cluster				<u>64,272,395</u>	<u>-</u>
TRIO CLUSTER					
U.S. Department of Education:					
Direct Awards:					
Student Support Services	84.042	N/A	N/A	455,312	-
Upward Bound	84.047	N/A	N/A	420,582	-
Total TRIO Cluster				<u>875,894</u>	<u>-</u>

See accompanying notes to the schedule of expenditures of federal awards.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2018

	CFDA Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
RESEARCH AND DEVELOPMENT CLUSTER					
National Science Foundation:					
Direct Awards:					
Agricultural Research	47.076	N/A	N/A	30,360	-
Learning of Physics and Programing	47.076	N/A	N/A	11,572	-
Subtotal - Direct Awards				<u>41,932</u>	-
U.S. Department of Health and Human Services					
Pass- through Awards:					
Title X Family Planning	93.217		N/A	5,708	-
Phonological Research	93.173		N/A	60,511	-
Subtotal - Pass-through Awards				<u>66,219</u>	-
Total Research and Development Cluster				<u>108,151</u>	-
NON-CLUSTER					
U.S. Small Business Administration					
Pass-through Awards:					
Small Business Development Center	59.037	University of Massachusetts	N/A	374,993	-
Subtotal - Direct Awards				<u>374,993</u>	-

See accompanying notes to the schedule of expenditures of federal awards.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2018

	CFDA Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Education:					
Direct Awards:					
English as a Second Language	84.195	N/A	N/A	7,616	-
Subtotal - Pass-through Awards				7,616	-
U.S. Department of Justice:					
Direct Awards:					
Violence Against Women	16.525	N/A	N/A	70,195	-
Subtotal - Direct Awards				70,195	-
Total Non-Cluster				452,804	-
Total Federal Funds				\$ 65,709,244	\$ -

See accompanying notes to the schedule of expenditures of federal awards.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2018

Note 1 - **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Salem State University (the “University”) under programs of the Federal Government for the year ended June 30, 2018. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position or cash flows of the University.

Note 2 - **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note 3 - **Indirect Cost Rate**

The University has elected to not use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

Note 4 - **Federal Student Loan Programs**

Perkins Loan Program

The Federal Perkins Loan Program (“Perkins”) is administered directly by the University and balances and transactions relating to this program are included in the University’s basic financial statements. During the year ended June 30, 2018, \$146,566 of loans were advanced under the Perkins program and no administrative costs were incurred. As of June 30, 2018, loan balances receivable, under Perkins was \$1,363,700.

There was no federal capital contribution or match by the University during the current year.

Nursing Student Loans

The Nursing Student Loan Program is administered by Salem State University. Fiscal year 2017 activity included loan funds disbursed of \$140,750. As of June 30, 2018, the loan balances receivable for this program was \$589,093.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2018

Note 4 - **Federal Student Loan Programs - Continued**

Direct Student Loan Program

The University disbursed \$49,009,163 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. It is not practical to determine the balances of the loans outstanding to students of the University under the program as of June 30, 2018. The University is only responsible for the performance of certain administrative duties and, accordingly, these loans are not included in the University's financial statements.

Draft

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs

Year Ended June 30, 2018

Section I – Summary of Auditors’ Results:

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

Noncompliance material to the financial statements noted? yes no

Federal Awards

Type of auditors’ report issued on compliance for major programs: Unmodified

Internal control over major programs:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? yes no

SALEM STATE UNIVERSITY
 (an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Identification of Major Programs

Name of Federal Program or Cluster	CFDA Number
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grant Program	84.007
Federal Work-Study Program	84.033
Federal Perkins Loan Program	84.038
Federal Pell Grant Program	84.063
Federal Direct Student Loans	84.268
Teachers Education Assistance for College Grant	84.379
Nursing Student Loans	93.364
Trio Cluster	
Student Support Services	84.042
Upward Bound	84.047
Small Business Development Center	59.037

Dollar threshold used to distinguish between
 type A and type B programs:

\$750,000

Auditee qualified as a low-risk auditee?

yes no

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Section II – Financial Statement Findings:

None

Draft

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Section III – Federal Award Findings and Questioned Costs:

Finding number: 2018-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.063
Award year: 2018

Criteria

According to 34 C.F.R. Section 668.22(j)(1):

An institution must return the amount of Title IV funds from which it is responsible as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew.

Condition

Federal regulations state that any unearned Title IV grant or loan assistance received by a student must be refunded to the Title IV programs upon a student's withdrawal from the institution. The academic institution is responsible for the calculation of the earned and unearned portion of Title IV assistance using a standard Return of Title IV Funds form ("R2T4"). In our testing sample of 14 students who were determined to have withdrawn from the University, we noted one student for whom funds were not returned within the required 45 days. Our audit disclosed that the funds were not returned until 85 days after the 45-day disbursement timeframe. The total amount to return was \$851.

Cause

The University has policies and procedures in place to perform this calculation for all students who withdraw. However, in this instance the student stopped attending and was placed on an administrative leave of absence (ADML) and notified of such by the University. This withdrawal code, ADML, was not included on the in-semester query performed by the University. As such, the R2T4 calculation was not performed until the University conducted their end of semester enrollment procedures to identify students who had unofficially withdrawn.

Effect

The University did not complete the R2T4 Form or return the unearned portion of aid within the established time frame.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Questioned Costs

None - Funds have been returned.

Perspective

Our sample was not, and was not intended to be, statistically valid. Of fourteen students selected for testing, aid for one student (7.1%) was not returned within the required 45 days.

Identification as a Repeat Finding, if applicable

See finding 2017-001 included in Management's Summary Schedule of Prior Audit Findings.

Recommendation

The University should review their current procedures to ensure students who are placed on ADML are captured on the withdrawn student listing.

Views of Responsible Officials and Implementation Dates

The University agrees with this finding. The source of the discrepancy was identified and has been corrected. All reporting for the purposes of identifying students requiring a return of Title IV funds has been altered to include the administrative leave of absence. All future changes in business process or coding regarding leaves and withdrawals will be developed in consultation with the institutional officer responsible for performing R2T4 calculations to ensure that any changes are properly incorporated into reporting moving forward.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Finding number: 2018-002
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.063
Award year: 2018

Criteria

According to 34 C.F.R. Section 668.16(f):

An institution must develop and applies an adequate system to identify and resolve discrepancies in the information that the institution receives from different sources with respect to a student's application for financial aid under Title IV, HEA programs.

Condition

Federal regulations state that a school must designate a capable individual as the coordinating official whose responsibilities include, but are not limited to, resolving discrepancies between conflicting information received by offices within the institution. Our testing of forty students with enrollment status changes noted one instance where the withdrawal date reported to the National Student Loan Data System ("NSLDS") was inconsistent with the withdrawal date used by the University in the Return of Title IV Funds form ("R2T4") calculation.

Cause

The Financial Aid and Registrar's office were contacted by the student on different dates. Each office completed their respective tasks independent of one another. This lack of communication resulted in each office using a different effective date of withdrawal.

Effect

The University reported the student's status as withdrawn to the NSLDS with an effective date of March 5, 2018 while the R2T4 calculating the earned portion of the student's Federal Aid used February 20, 2018.

Questioned Costs

N/A

Perspective

Our sample was not, and was not intended to be, statistically valid. Of forty students selected for testing, one instance (2.5%) where the withdrawal date reported to the National Student Loan Data System ("NSLDS") was inconsistent with the withdrawal date used by the University in the Return of Title IV Funds form ("R2T4") calculation

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Identification as a Repeat Finding, if applicable

Not applicable.

Recommendation

The University should review its current policies and procedures to ensure the various departments involved in reporting student status changes to the NSLDS and calculating the return of Federal aid appropriately address situations where conflicting information exists between the various departments of the University.

Views of Responsible Officials and Implementation Dates

The University agrees with this finding. This occurred due to very unusual circumstances in which a student directly contacted the school financial aid officer responsible for R2T4 calculations regarding their attendance status. The employee correctly calculated the R2T4 based on the verbal report from the student that they were no longer attending and the employee's direct knowledge of the student's situation. Typically, the financial aid office is not the initial recipient of the information from the student that they are no longer attending. The discrepancy arose as the official paperwork was not submitted by the student to another office until several days later. The paperwork was processed according to normal business processes based on the date of the official notification to the university of the withdrawal. It is very unlikely that this specific set of circumstances would arise in future, but to ensure that it does not, any R2T4 calculations performed as a result of a direct report to Financial Aid will also be reported to the responsible staff person in the Registrar's Office to ensure a consistent determination of the last date of attendance.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Finding number: 2018-003
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.063
Award year: 2018

Criteria

According to 34 C.F.R. Section 668.22(E)(4):

The unearned amount of Title IV assistance to be returned is calculated by subtracting the amount of Title IV assistance earned by the student as calculated under paragraph (e) (1) of this section from the amount of Title IV aid that was disbursed to the student as of the date of the institution's determination that the student withdrew.

Condition

The Financial Aid Office is responsible for completing the Return of Title IV calculation to determine how much Title IV aid the student earned and how much the University must return to the Department of Education. Once the Return of Title IV calculation is completed, the University is responsible for adjusting the student's billing statement and returning unearned Title IV funds through the U.S. Department of Education's Grant Management System ("G5"). The University has 45 days from the date they determined the student withdrew to return any unearned portions of Title IV funds. During our testing of fourteen students we noted one student where the aid returned was different than the amount correctly calculated on the R2T4. The actual amount of aid returned was \$1,610 whereas the correct amount of aid that should have been returned was \$1,645.76. The University corrected this error in August 2018.

Cause

The University correctly completed the Return of Title IV Funds form ("R2T4") calculation. However, human error resulted in an incorrect adjustment amount entered into the University's student information system, PeopleSoft. This resulted in the University returning the incorrect amount of Title IV aid.

Effect

The amount of unearned Title IV funds removed from the student's account and returned to the Department of Education was incorrect.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Perspective

Our sample was not, and was not intended to be, statistically valid. Of fourteen students selected for testing, one student (7.1%) had the incorrect amount of funds returned.

Identification as a Repeat Finding, if applicable

Not applicable.

Recommendation

The University should review their current procedures to ensure the amount of Federal aid returned agrees with the amount calculated on the R2T4 form.

Questioned Costs

None – proper amount of funds have been returned.

Views of Responsible Officials and Implementation Dates

The University agrees with this finding. This is a result of a key entry error in the manual piece of this process. We spot check on a daily basis as part of our quality control, but because the data varies so widely an error is difficult to detect. We will continue our quality control for the manual transfer of data between systems and also explore opportunities to automate this process.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Finding number: 2018-004
Federal agency: U.S. Department of Education
Programs: Trio Cluster
CFDA #'s: 84.042
Award year: 2018

Criteria

According to the U.S. Department of Education all grantees under the Student Support Services (SSS) Program must submit an annual performance report (APR) as a condition of the grant award. Specifically, Section II of the APR requires the detailed information on SSS participants as defined in 34 CFR 646.3 which states:

A student is eligible to participate in a Student Support Services project if the student meets all of the following requirements: (a) Is a citizen or national of the United States or meets the residency requirements for Federal student financial assistance. (b) Is enrolled at the grantee institution or accepted for enrollment in the next academic term at that institution. (c) Has a need for academic support, as determined by the grantee, in order to pursue successfully a postsecondary educational program. (d) Is— (1) A low-income individual; (2) A first generation college student; or (3) An individual with disabilities.

Condition

The Student Support Services department at the University is responsible for compiling the necessary information required to complete the APR, as well as preparing and filing the APR. During our testing of thirty SSS students we noted one instance where an individual was included as a continuing participant for the academic year after they had graduated from the University.

Cause

The University incorrectly included this former student and SSS participant in the listing of participants for year covered by the APR under audit.

Effect

The APR report listed an incorrect number of participants.

SALEM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2018

Perspective

Our sample was not, and was not intended to be, statistically valid. Of thirty SSS individuals selected for testing, one individual (3.3%) was noted to have not been a student at the University or received services from SSS during the period reported in the APR.

Identification as a Repeat Finding, if applicable

Not applicable.

Recommendation

The University should review its procedures and controls used to listings of SSS participants to ensure the information included on the ARP is accurate.

Questioned Costs

Not Applicable.

Views of Responsible Officials and Implementation Dates

The University agrees with this finding. Human error was the cause of this particular compliance issue.

Management's Summary Schedule of Prior Audit Findings
Year Ended June 30, 2018

Finding number: 2017-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #: Multiple
Award year: 2017

Condition

The Federal Government requires the University to report student enrollment changes to NSLDS within 60 days. Our testing of forty students with enrollment status changes had the following:

Three students' status changes were not reported to NSLDS within the 60-day required time frame. Reporting of this status change occurred between 61 and 107 days after the required deadline.

Current Year Status:

Corrective action was taken during the year.

Draft

Management's Summary Schedule of Prior Audit Findings
Year Ended June 30, 2018

Finding number: 2017-002
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: Multiple
Award year: 2017

Condition

Federal regulations state that any unearned Title IV grant or loan assistance received by a student must be refunded to the Title IV programs upon a student's withdrawal from the institution. The academic institution is responsible for the calculation of the earned and unearned portion of Title IV assistance using a standard Return of Title IV Funds form ("R2T4"). In our testing sample of 12 students who were determined to have withdrawn from the University, we noted one student for whom funds were not returned within the required 45 days. Our audit disclosed that the funds were not returned until 227 days after the 45-day disbursement timeframe, respectively. The total amount to return was \$1,692.

Current Year Status

As noted in finding 2018-001 there was one student whose aid was not returned within the established timeframe.

Management's Corrective Action Plan
Year Ended June 30, 2018

Finding number: 2018-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.063
Award year: 2018

Corrective Action

The source of the discrepancy was identified and has been corrected. All reporting for the purposes of identifying students requiring a return of Title IV funds has been altered to include the administrative leave of absence. All future changes in business process or coding regarding leaves and withdrawals will be developed in consultation with the institutional officer responsible for performing R2T4 calculations to ensure that any changes are properly incorporated into reporting moving forward.

Timeline for Implementation of Corrective Action Plan:

Corrective action was taken during the year.

Contact Person:

Judy Cramer
Financial Aid Director

Management's Corrective Action Plan
Year Ended June 30, 2018

Finding number: 2018-002
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.063
Award year: 2018

Corrective Action

The discrepancy arose as the official paperwork was not submitted by the student to another office until several days later. The paperwork was processed according to normal business processes based on the date of the official notification to the university of the withdrawal. It is very unlikely that this specific set of circumstances would arise in future, but to ensure that it does not, any R2T4 calculations performed as a result of a direct report to Financial Aid will also be reported to the responsible staff person in the Registrar's Office to ensure a consistent determination of the last date of attendance.

Timeline for Implementation of Corrective Action Plan:

Corrective action was taken during the year.

Contact Person:

Judy Cramer
Financial Aid Director

Management's Corrective Action Plan
Year Ended June 30, 2018

Finding number: 2018-003
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.063
Award year: 2018

Corrective Action

This is a result of a key entry error in the manual piece of this process. We spot check on a daily basis as part of our quality control, but because the data varies so widely an error is difficult to detect. We will continue our quality control for the manual transfer of data between systems and also explore opportunities to automate this process.

Timeline for Implementation of Corrective Action Plan:

Corrective action was taken during the year.

Contact Person:

Judy Cramer
Financial Aid Director

Draft

Management's Corrective Action Plan
Year Ended June 30, 2018

Finding number: 2018-004
Federal agency: U.S. Department of Education
Programs: Trio Cluster
CFDA #'s: 84.042
Award year: 2018

Corrective Action

The University will review all students who are included in the Student Support Service Annual Performance Report against their attendance records and University enrollment to ensure all active students are included.

Timeline for Implementation of Corrective Action Plan:

Corrective action was taken during the year.

Contact Person:

Martine Francois
Director Trio Student Support Services

Draft

SUBJECT: Academic Affairs and Student Life Committee Meeting Report for January 30, 2019

The Academic Affairs and Student Life Committee of the Board of Trustees met on Wednesday, January 30, 2019, in the Paul Petrowski Conference Room of Marsh Hall on the Central Campus of Salem State University.

Present for the Committee were Trustees DeSimone (chair), Russell (vice chair; via phone), Zahlway Belsito, Contreras, Murphy, and Wilkens; Chair Mattera (ex-officio); President Keenan (ex-officio); Provost Silva (committee liaison), Executive Vice President James (committee liaison), and staff associate Longo, academic affairs.

Trustee DeSimone called the meeting to order at 3:05 pm. In accordance with the Open Meeting Law all votes taken during this meeting, in which a member participated remotely, were by roll call vote.

The following items were discussed:

Accreditation & Regulatory Approval Update

Provost Silva updated the Committee on program accreditations and regulatory approvals (Attachment A). NECHE site visit will be in 2021. Biology/Nuclear Med Tech remains in good standing. NASD accreditation for art & design has been deferred. NASM accreditation for music is at associate level; facilities concerns remain. The university's response to BORN is complete and there will be a site visit within the next 30 days. The AACSB mentor site visit was in December 2018; we are awaiting written feedback, but mentor was positive. Our AACSB "initial self-evaluation" is due February 19. Social Work accreditation site visit was held on January 28 and 29 and went extremely well; one point of potential vulnerability is in human resources – faculty and field placement support.

Enrollment Update

Executive Vice President James updated the Committee on the fall admissions cycle. There is cautious optimism regarding the incoming class, but this optimism is offset by continued challenges with retention. As such, an overall decline in enrollment is projected next year.

Student Life Initiatives Update

Assistant Vice President Panzella provided the Committee with an update on student life initiatives (Attachment B). Discussion included the vision for student life, cluster framework and support structure, systemized student support, and student engagement.

Inclusive Excellence Update

Interim Chief Diversity and Inclusion Officer Comage provided the Committee with an update on inclusive excellence. The 29th MLK Convocation was held on Monday, January 28, and was a great success. The search for a director of education and training is progressing and expected to be finalized within the next three weeks. The draft individual reports from the campus climate study have been reviewed and will be distributed in mid-February.

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

VOTED: To adjourn the meeting at 4:05 pm.

**Voting in the affirmative: Zahlaway Belsito, Contreras, DeSimone (chair),
Murphy, Russell (vice chair; phone), Wilkins**

Voting against: None

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

Salem State University Academic Accreditations and Regulatory Approvals

	A	B	C	D	E	F	G	H	I	J	K
1	College	Department(S)	Program Areas	Degree(s)	Type A=Accreditation R=Regulation	Accrediting Agency	Status as of 9/1/18	Annual Fees	Last Visit	Next Visit	Notes
2	Salem State University	All	All	All	A	NECHE-New England Commission of Higher Education	Accredited	\$ 20,749.00	2011	Spring 2021	
3	College of Arts and Sciences	Art + Design	Art	BA, MAT	A	NASAD-National Association of Schools of Art & Design	Deferral of Action	\$ 1,653.00	2017	TBD	Waiting for comments; facilities concerns
4	College of Arts and Sciences	Biology	Biology, Nuclear Medicine Technology	BS	A	JRCNMT-Joint Review Committee on Educational Programs in NMT	Accredited	\$ 1,300.00	2018	TBD	
5	College of Arts and Sciences	Chemistry & Physics	Chemistry	BS	A	ACS-American Chemical Society	Accredited		2015	2020	Annual reports every 5 years
6	College of Arts and Sciences	Computer Science	Computer & Information Studies	BS	A	CAC-ABET-Computing Accreditation Commission-Accreditation Board of Engineering and Technology, Inc.	Accredited	\$ 1,370.00	2015	2021-2022	Supplemental report due Jan 2019
7	College of Arts and Sciences	Music	Music	BA	A	NASM-National Association of Schools of Music	Accredited - Associate Member	\$ 1,482.00	Spring 2016	2020-2021	Facility concerns
8	College of Arts and Sciences	Sport and Movement Science	Physical Education Concentration	BS	A	CAEP/NASPE- Council for the Accreditation of Educator Preparation/National Association for Sport & Physical Education	We have opted not to renew		2013	N/A	DESE approval in future
9	College of Arts and Sciences	Sport and Movement Science	Athletic Training	BS	A	CAATE-Commission on Accreditation of Athletic Training Education	Accredited for BS	\$ 4,500.00	2009-2010	2020-2021	Teaching out BS, application for MS in preparation. New students Fall 2021
10	College of Arts and Sciences	Theatre & Speech	Theatre Arts	BFA, BA	A	NAST-National Association of Schools of Theatre	Accredited	\$ 1,398.00	Fall 2010	2020-2021	
11	School of Education	Childhood Education and Care/Secondary and Higher Education	Early Childhood Education, Elementary Education, Middle School Education, Teacher of Students with Moderate Disabilities, Specialist Teacher of Reading, Supervisor/Director, Principal	BS, M.Ed.	A	CAEP-Council for the Accreditation of Educator Preparation	Accredited for Initial and Advanced Teacher Preparation	\$3,350/avg 200 program completers	2013	Fall 2020	We will not apply for re-accreditation in 2020
12	School of Education/College of Arts and Sciences	Program Area for Content Educators (PACE) includes members from Mathematics, English, History, Biology, World Languages, Sports and Movement Science, Theatre Arts, Visual Arts and Secondary and Higher Education	Spanish, Physical Education, Biology, Chemistry, English, History, Mathematics, English as a Second Language	BS, BA, MAT	A						
13	Maguire Meservey College of Health and Human Services	Nursing	Nursing	BSN, MSN	A	CCNE - Commission on Collegiate Nursing Education (AACN Accrediting Body)		\$8668 (\$5,383-AACN \$3,285-CCNE)	Fall 2012	Fall 2022	Nursing submitted the Interim Report to CCNE on June 1, 2018. Reviews are behind schedule and we have not received a date as to when Interim Report review will be completed
14	Maguire Meservey College of Health and Human Services	Occupational Therapy	Occupational Therapy	MS	A	ACOTE-Accreditation Council for Occupational Therapy Education	Accredited	\$ 4,065.00	Spring 2018	2027	Only entry-level doctoral occupational therapy degree programs will be eligible to receive or maintain ACOTE accreditation status as of July 1, 2027.
15	Maguire Meservey College of Health and Human Services	Social Work	Social Work	BS, MSW	A	CSWE-Council on Social Work Education	Accredited	\$ 8,000.00	Spring 2010	2018-2019	The School of Social Work submitted their MSW and BSW self-study report on August 1, 2018. Site visit will be held in January 2019.
16	Bertolon School of Business	Accounting & Finance, Management, Marketing & Decision Sciences	Business Administration (all)	BS, MBA, MSA	A	AACSB International-The Association to Advance Collegiate Schools of Business	Seeking Accreditation	\$ 9,250.00	Fall 2013	TBD	Initial Eligibility Application Accepted - 8/16; Initial Self-Evaluation Report Due - 2/19

Salem State University Academic Accreditations and Regulatory Approvals

	A	B	C	D	E	F	G	H	I	J	K	
	College	Department(S)	Program Areas	Degree(s)	Type A=Accreditation R=Regulation	Accrediting Agency	Status as of 9/1/18	Annual Fees	Last Visit	Next Visit	Notes	
1												
17	Maguire Meservey College of Health and Human Services	Nursing	Nursing	BSN	R	BORN-Massachusetts Board of Registration in Nursing	Approval with Warning	N/A	Mar-18	Jan/Feb 2019	On 5/9/18 the Board of Registry in Nursing (BORN) conducted a review of the Baccalaureate Degree RN (Program), including the Program's 2017 NCLEX-RN evaluation reports and the findings of the Board's March 2018 site survey. The program was judged to be in noncompliance and placed on "approval with warning". Next report due to BORN 12/31/18, site visit Jan/Feb 2019, possibly on BORN agenda for March 2019.	
18	Maguire Meservey College of Health and Human Services	Criminal Justice	Criminal Justice	BS, MS	R	Quinn Bill-Massachusetts Board of Higher Education	Approved		Fall 2018	Fall 2019	The last Quinn Bill submission was in August 2016. The state is in transition with this program and we are researching how any changes might affect us.	
19	School of Education	Childhood Education and Care/Secondary and Higher Education & PACE	Early Childhood Education, Elementary Education, Middle School Education, Teacher of Students with Moderate Disabilities, Specialist Teacher of Reading, Supervisor/Director, Principal, Spanish, Physical Education, Biology, Chemistry, English, History, Mathematics, English as a Second Language, School Counseling, Visual Art, Theatre	BS, BA, MAT, M.Ed.	R	DESE-Massachusetts Department of Elementary and Secondary Education	Approved	N/A	Fall 2013	Fall 2020	Will reduce to only post-baccalaureate approval In Fall 2020 Application	
20							annual spend (approximate) =	\$65,785				
21	* cost of Accreditation and periodic reaccreditation includes preparation, self-study, consultants, and site visit \$20,000-\$60,000											

Massachusetts Board of Registration in Nursing

<https://www.mass.gov/service-details/about-board-approved-preclicensure-nursing-programs>

Percent of First-time Licensure Candidates Educated in Massachusetts Regardless of State of Initial Licensure

Data reported by the National Council of State Boards of Nursing

2012-2018 REGISTERED NURSE

Sorted by 2018 Annual Pass Rates (high to low) and then alphabetically

Nursing Education Program	2018	2017	2016	2015	2014	2013	2012
Boston College MSN	100%	100%	100%	97%	100%	100%	100%
Massachusetts Bay CC	100%	100%	89%	88%	75%	88%	96%
Our Lady of the Elms College	100%	96%	78%	75%	72%	70%	87%
Simmons Direct Entry	100%	89%	100%	96%	100%	100%	100%
Worcester State	100%	95%	100%	98%	98%	93%	100%
Becker College AD	98%	96%	90%	100%	97%	100%	98%
University of Massachusetts - Dartmouth - BS	98%	97%	81%	87%	84%	86%	89%
Bristol Community College	97%	97%	84%	87%	90%	95%	91%
Curry College	97%	93%	90%	86%	62%	76%	95%
MCPHS University -Accelerated BSN (Boston)	97%	99%	68%	73%	76%	55%	90%
Regis Direct Entry	97%	96%	93%	91%	90%	98%	100%
Simmons BSN	97%	94%	88%	94%	86%	90%	94%
University of Massachusetts -Worcester	97%	97%	92%	89%	90%	100%	97%
MGH Institute of Health Professions BSN	96%	91%	90%	83%	76%	77%	93%
University of Massachusetts - Lowell	96%	90%	89%	63%	70%	89%	90%
Fitchburg State University	95%	95%	94%	97%	93%	94%	98%
Holyoke Community College	95%	90%	77%	85%	77%	95%	78%
University of Massachusetts - Amherst	95%	88%	86%	83%	87%	88%	93%
Bunker Hill Community College	94%	76%	78%	81%	78%	73%	89%
MCPHS University -2nd Bachelors (Worc)	94%	92%	91%	93%	87%	90%	97%
Becker College BSN	93%	92%	86%				
Brockton Hospital	93%	86%	88%	91%	92%	72%	93%
Cape Cod Community College	93%	69%	79%	93%	84%	82%	95%
Endicott College	93%	92%	80%	85%	82%	73%	87%
MGH Institute of Health Professions MSN	93%	96%	91%	91%	88%	91%	90%
Northeastern University - MSN	93%	100%	88%	89%	95%	96%	100%
University of Massachusetts -Boston	93%	86%	88%	75%	74%	78%	84%
Northeastern University - BS	92%	93%	92%	91%	91%	98%	95%
Westfield State University	92%	97%	89%	86%	81%		
Boston College BSN	91%	92%	94%	94%	92%	92%	96%
Quinsigamond Community College	90%	83%	86%	88%	84%	80%	90%
American International College	89%	95%	90%	77%	79%	81%	97%
Massasoit Community College	89%	78%	86%	80%	75%	92%	92%
Northern Essex Community College	89%	84%	90%	73%	58%	73%	97%
Regis BSN	89%	83%	79%	85%	60%	74%	89%
Salem State University - BS	89%	79%	74%	76%	82%	83%	90%
University of Mass - Dartmouth - Accelerated - BSN	89%						
Springfield Tech Community College	88%	84%	76%	84%	88%	88%	87%
Anna Maria College	87%	76%	78%	93%			
Bay State College	87%	80%	80%	84%	57%	41%	54%
Greenfield Community College	86%	90%	80%	83%	83%	83%	93%
Middlesex Community College	86%	89%	86%	88%	85%	88%	92%
Mt Wachusett Community College	85%	93%	88%	82%	87%	72%	83%
Berkshire Community College	84%	74%	91%	90%	81%	85%	92%
North Shore Community College	84%	93%	80%	84%	87%	86%	90%
Northeastern University - Accelerated BSN	84%	88%	85%				
LMH/Regis Collee Nursing Program	83%	86%	82%	86%	89%	80%	93%
Laboure College	80%	79%	59%	64%	60%	75%	82%
Roxbury Community College	78%	85%	74%	43%	68%	85%	89%
Quincy College	62%	54%	59%	72%	83%	83%	89%
Massachusetts Total by Quarter (G1)	89%	86%	83.61%	83.61%	80.83%	82.82%	90.78%
NATIONAL Total (US Educated) (G1)	88%	87%	84.56%	84.51%	81.79%	83.04%	90.34%

Student Life Overview & Updates

Carla Panzella, Ph.D.
Assistant Vice President for Student Life
Dean of Students



Student Life Vision

"As an educational partner, Student Life holds campus culture for the university in such a way that students have intentionally structured learning opportunities and systems of support to produce the skills and sense of belonging that contribute to persistence and success."



Student Life Vision

“As an educational partner, Student Life holds campus culture for the university in such a way that students have intentionally structured learning opportunities and systems of support to produce the skills and sense of belonging that contribute to persistence and success.”

Cluster Strategic Priorities

*Experience and Transition
Student Wellness
Student Engagement*

Dimensions of Learning

*Self-Authorship
Community Engagement
Courageous Leadership*

Learning Goals

Dept./Cluster Programs



Challenges That Lead Us to Change

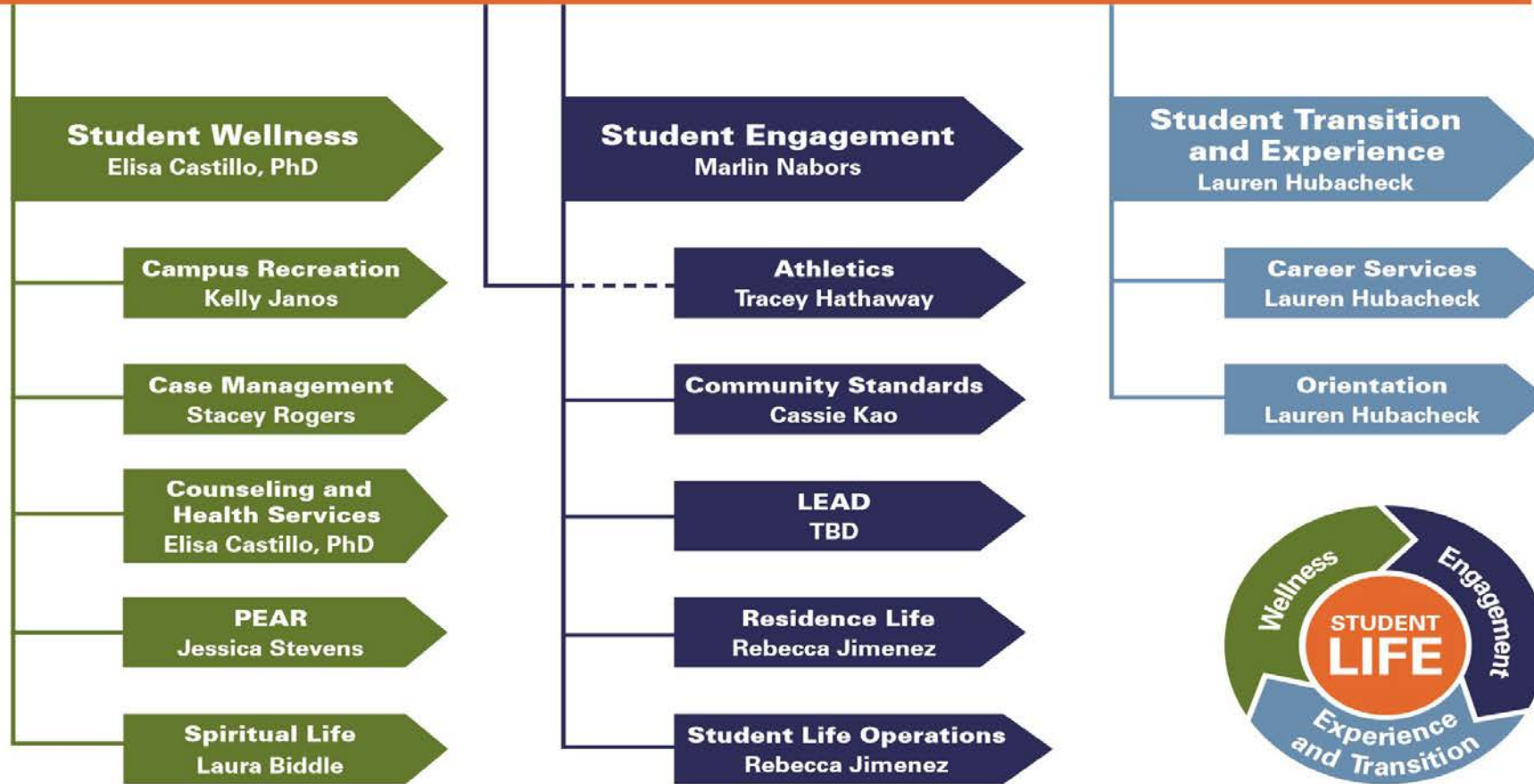
- Complex student population
 - First Gen, financial(SES), diverse, ability, mental health, family dynamics
- Limited resources (human and financial)
- Strong history of high touch...for some, but not all students
- ...And now student retention

Approach to Change

- Resist deficit perspective; see our students
- Focus on student needs (our north star)
 - Not what others have done in the past
 - Not what fits for the staff but not the students
- Notice talent: promote or reposition
- Hire leadership to match student population
- Efficiencies: cross train, shared resources; sunset
- Focus on high impact (and low resources when possible)
- Standardize and normalize everyday functions
- Create a sustainable foundation of policies, procedures and systems

Student Life and Dean of Students

Carla Panzella, PhD



Student Engagement

- Technology Updates:
 - Maxient
 - Online reporting
- Policies and Procedures
 - Student Life Weekly
 - Student emergency and incident protocols (not just Reslife)
 - Code of Conduct updates
- Reimagined Departments:
 - Leadership, Activities and Diversity (LEAD); and SL Operations
 - Housing: Partnership with North Shore Community College and premium singles (FA19)
- Student Engagement Strategic Plan
 - Focus on growing campus life and other forms of student engagement

Student Wellness

- Systematizing support and care:
 - Care and Concern Team: Careandconcern@salemstate.edu & online reporting
 - Case Manager approach
- Compliance
 - Title IX procedures
 - Alcohol and Other Drugs (AOD): Edgar requirements & AOD Taskforce
 - ADA
- Updating policies and procedures:
 - Concussion Protocols (revised – internal)
 - Absence Guidance (proposed)
 - Medical Leave (new -to be submitted to governance)
 - Interim & Involuntary Leaves (revised- to be submitted to governance)
- Collaborative Programming Model

Student Transition & Experience

- Orientation & Viking Plunge
 - Just-in-time information: Compliance, diversity and integration
 - Reduced number of sessions
 - Updating the program: SL Workbook and Parent Presentation
 - Requiring Viking Plunge: Outstanding attendance –over 1000 FY students!
- Career
 - Reviewed delivery method: Credit courses (go pro), online canvas, business peer career fellows in business school
 - Handshake: mobile friendly & access to thousands of jobs
 - Focus on largescale programming-JC Penny suited up event (40% off)

Questions and Discussion

Thank You



How to report....

- www.salemstate.edu/reporting



SUBJECT: Institutional Advancement/Marketing & Communication Committee Meeting Report for
January 30, 2019

The Institutional Advancement/Marketing & Communications Committee of the Board of Trustees met on Wednesday, January 30, in the Petrowski Conference Room located in Marsh Hall on the Central Campus of Salem State University.

Present for the committee were Trustees Zahlaway Belsito and Contreras (vice chair). Chisholm (chair), Butts and Russell participated via conference call; President Keenan (ex-officio), Vice President McGurren (committee liaison), Associate Vice President Crouse, Interim Director Campaign and Advancement Events Dunn, and Staff Associate Shahin

As Trustee Chisholm was participating by phone, Trustee Contreras served as chair and called the meeting to order at 4:00 pm. In accordance with the Open Meeting Law all votes taken during this meeting, in which a member participated remotely, were by roll call vote.

Campaign II

There was discussion about the importance of reviewing the background paper and providing feedback as to how it can be improved upon. Is it a compelling statement for our top prospects, do we need to include more data, are there other priorities which we need to incorporate? Trustees were encouraged to review the background paper and provide feedback.

Vice President McGurren reviewed the timeline for proposed campaign II, outlining a pre-planning phase from January 2019 – December 2019, a joint vote of the Board of Trustees and the Foundation Board sometime in January or February of 2020, the quiet phase running from February 2020 through April 2022 and the public phase from April 2022 – with the campaign end TBD.

Vice President McGurren gave a high level and very brief outline of the 10,000 Reasons Campaign timeline and its ultimate success. Her intention was to provide the trustees with an understanding that the process which we are currently going through and will be during the remainder of 2019 are standard operating procedures for a campaign.

Vice President McGurren reported that the Salem State Foundation, Inc. has now engaged Marts & Lundy to assist IA with what we are temporarily calling “Campaign II”. Multiple conversations have been had with President Keenan’s Executive Council or PEC. Those conversations have identified what we deem as “institutional priorities”, based on our university strategic plan. We are sharing the background paper, which everyone has received, and we ask for your feedback on our institutional priorities which will help to form the campaign priorities.

Vice President McGurren then asked to hear feedback on the paper. There was discussion about whether we plan to highlight the success of our previous campaign and if we should be focusing on the difference between the last campaign and this campaign. There was also general discussion about the goals for this campaign. Crouse stated the goals will come out of the feasibility study which we will be undertaking.

It was noted that the board of trustees will be kept apprised of any revisions to the background paper.

A question was raised about the university and foundation's combined financial ranking amongst other state universities and their Foundations.

The good work and numerous accomplishments by Vice President McGurren, during her tenure at the university, was noted by the trustees.

A Motion was made by Belsito, seconded by Russell and unanimously voted to adjourn the meeting. Trustee Contreras asked for a roll call vote.

Magnolia Contreras – yea

Teresa Chisholm – yea (on call)

Jamie Zahlaway Belsito – yea

Cherie Butts – yea (on call)

Ruthanne Russell – yea (on call)

The meeting was adjourned at 4:39 pm

Salem State University
 Comprehensive Campaign II
 Pre-planning timeline - IA/MC Committee

DATE	STEP
Early January	Feasibility Study: Contract signed by the Foundation
1/9/2019	IA/MC Committee to receive draft background paper
1/30/2019	IA/MC Committee meeting agenda: Discuss DRAFT of background paper
2/13/2019	BOT meeting: Campaign 101 and Feasibility Study Overview (provided with outside campaign counsel)
3/7/2019	Recruit Adhoc Committee comprised of previous campaign co-chair leadership and top prospects for the campaign
3/27/2019	IA/MC Committee meeting: Charter review, IA VP Transition plan shared, Fundraising report and Cynthia's final meeting
5/18/2019	Feasibility study: interviews with potential top donors and keystakeholders
5/22/2019	IA/MC Committee meeting: Fundraising Report and MG prospect identification progress report
9/TBD/2019	IA/MC Committee meeting: Feasibility findings report presentation (provided with outside campaign counsel)

MEMORANDUM

To: Members of the Board of Trustees
From: Cynthia McGurren'83, Vice President and Executive Director, SSU Foundation
Cheryl Crouse, Associate Vice President
Cc: President John Keenan
Taylor Dunn, Interim-Director, Campaign and Advancement Events
Date: Friday, January 11, 2019
Subject: IA/MC Subcommittee Campaign II – Background paper

As we embark on the pre-planning phase of Campaign II to address immediate priorities identified in our recent strategic plan, the Salem State University Foundation will be signing a contract to hire campaign consultants by February 1. In anticipation of their work launching, we're presenting a draft of the background paper developed from the university's strategic plan that seeks to shape the priorities of the next campaign.

We are undertaking a Readiness and Feasibility Study that seeks opinions and advice from alumni, board members, friends, faculty/staff and other community leaders. This study will be our opportunity to seek candid thoughts and opinions regarding priorities, potential campaign goal and philanthropic appetite as we seek to decide together, with the Foundation Board and university leadership, in early 2020.

Enclosed is the draft background paper. Please review it keeping in mind for us to discuss at the January 30 IA/MC Committee meeting. If you are unable to attend the committee meeting, you may also provide feedback electronically or via phone through February 4. Questions to keep in mind as you are reviewing: does it grab your attention, are their ways we can strengthen the background paper, do we articulate our opportunities for the reader to understand, and is it supported with sufficient data? If you have any questions about this please contact Cynthia McGurren, Vice President, Institutional Advancement and Executive Director of the Salem State University Foundation 978-542-7590/cmcgurren@salemstate.edu or Cheryl Crouse, Associate Vice President, Institutional Advancement or 978-542-7527/ccrouse@salemstate.edu.

Thank you for your continued support and guidance.

THE RESPONSIBILITY

President Keenan, the Salem State University Board of Trustees and the Salem State University Foundation Board of Directors have launched the planning phase of a proposed \$XX million campaign. The primary objective in this planning phase is to seek the advice and guidance of close friends, donors, alumni and community members on key campaign matters, including: goal, timing, strategic approach, potential leadership and fundraising priorities. Building on the momentum Salem State has experienced and the reputation it has acquired over the last decade, the future campaign will provide critical support for student success.

THE HISTORY

Since its founding in 1854, Salem State has served as a vital resource to our region, with a special emphasis on empowering individuals through education. Women first came to the Salem Normal School to pursue intellectual advancement and learn how to be educators themselves. In 1898, the school expanded to provide co-educational experiences. As the needs and opportunities of the state evolved, so too did the institution. Students arriving at the newly named Salem Teachers College found academic programming framed by best practices in teaching and learning. Eventually evolving into today's comprehensive, regional Salem State University. As a remarkable educational asset, Salem State is positioned to further evolve into a leader in education, access and outreach.

Salem State University has always prided itself on its student-centric mission, focusing on their success and college completion. As evidenced by the institution's remarkable increased six-year graduation rate, which climbed from 37 percent in 2007 to 58 percent in 2018, Salem State has cultivated success by implementing strong practices that yield high impact. These programs include: the First Year Experience which provides students with the resources and support needed to successfully navigate their first year at Salem State; the creation of the Navigation Center to provide a centralized location for students to conduct their university business; and the creation of the Center for Academic Excellence, a nexus for academic support that houses tutoring, supplemental instruction, a variety of coaching programs, and the University's Commonwealth Honors Program.

Salem State pairs a liberal arts education with professional programs to create a dynamic community of learners. This is made possible with the university's outstanding faculty, who utilize a supportive approach built on individualized attention, ultimately creating Vikings that are versatile and prepared for an ever-changing world. As part of the university's visionary and purposeful commitment to its faculty as a path to student success, it endowed its first chair, and only the second within the Massachusetts State University system, the Gassett-Schiller '83 Endowed Chair in Accounting and Finance. Endowed chairs have an important role in a university. Recognized as among the very best in their discipline, they raise the bar for research and scholarship, they offer solutions for issues facing our communities and they elevate an institution's visibility and stature. In addition, the university has created nine new academic programs in the last decade: baccalaureate degrees in Healthcare Studies which currently is the fastest growing academic program on campus, Information Technology, Philosophy, Dance, as well as masters degrees in Accounting, Athletic Training,

Applied Behavioral Science. The university has also responded to the Commonwealth's need for a highly-trained, diverse K12 teacher workforce by instituting a 4+1 program in Education, which leads to both a masters degree and a streamlined path toward professional licensure.

Fundraising plays a crucial role in giving students of the North Shore the possibility to experience the power of a transformative education. In 2016, the university successfully completed the 10,000 Reasons campaign, its first ever comprehensive campaign, surpassing its \$25 million goal by raising \$26.5 million. The campaign strengthened Salem State's ability to provide every student a truly world-class education with the creation of 49 new scholarships. Additionally the Foundation's endowment doubled resulting in significant campus enhancements in several areas including: the transformation of our main stage auditorium into the Sophia Gordon Center for Creative and Performing Arts with support for its important programming; establishment of the new Center for Holocaust and Genocide Studies enabling a series of programs and events for teachers, students, survivors and refugees to benefit from learnings to aid in reducing hatred, prejudice, ignorance and indifference; and our campus student and wellness programs that were significantly enhanced with the opening of the Gasset Fitness Center and support of funding for campus-wide Wellness U programming.

Salem State's goals, whether that be obtaining Carnegie Classification in the area of Civic Engagement, achieving AACSB Accreditation for our Bertolon School of Business, boosting graduation rates or becoming the first state university to be designated a Hispanic Serving Institution by the U.S. Department of Education, are rooted in the university's strategic plan. The strategic plan was created via an inclusive process, using over 2,000 touchpoints from across all facets of the university and is being implemented under the leadership of the 14th president of Salem State University John D. Keenan. As outlined in the plan, Salem State seeks to achieve the following:

- **Student Success:** Create a challenging and supportive learning environment that fully engages students in their learning and promotes attainment of academic, personal and career goals.
- **Academic Excellence:** Develop and support high-quality academic programs and innovative educational experiences that equip Salem State graduates to thrive in an evolving workforce and to navigate confidently in an increasingly complex and global society.
- **Collaboration, Inclusion and Stewardship:** Foster a university-wide culture of inclusion, accountability, collaboration and stewardship.
- **Financial Vitality:** Strengthen Salem State's financial foundation, align resources with priorities and foster innovation to drive new revenue streams. Identify and implement additional opportunities to contain, reduce or avoid future growth in costs.

THE MOMENT

As a premier teaching university, Salem State is leading the region with a clear vision of engaging students in an inspiring transformational educational experience. The Salem State University of the future will be defined as much by collaboration as it is by individual student success. As new financial, workforce and societal challenges present themselves, so do remarkable opportunities.

The strategic plan imagines Salem State as a thriving, welcoming, inclusive and adaptive community that graduates well-rounded, comprehensively-educated, civically-minded, socially-conscious individuals ready to tackle any challenge they face. Salem State students engage in addressing societal problems and are well-prepared to succeed and lead in their communities and careers.

The university's academic programming is intentionally aligned with the workforce needs and continually strives to enhance students' professional development. There is vast opportunity to boost experiential learning by adopting a centralized model for internships and to integrate programs and enhanced spaces to steward resources responsibly.

Salem State serves students from traditionally underrepresented and underserved backgrounds and is steadfast in its commitment to educating, mentoring and launching them into successful careers. The majority of entering first year students are first-generation, over 60 percent in 2018). For the first time, half of all undergraduates are Pell-eligible (compared to 23.1% a decade ago). Federal Pell Grant eligibility is essentially household income below \$50,000 and more than half are below \$30,000. In addition, 34 percent of undergraduates in 2018 are students of color. Not even a decade ago, a Salem State student could easily afford their education, through summer employment, that would prepare them for a well-defined range of professions. That is no longer possible for today's students. They face costs that constrain their potential and leave them discouraged by debt.

Through intentional investment, a Salem State education can, and will, change an individual's options, opportunities and life trajectory. The challenges of the era are too imminent to ignore and Salem State's ability to address them is too promising to delay.

THE OPPORTUNITY

Advancing Dreams

Be the region's university of opportunity by investing in students' dreams and the future of the global community.

Access

Educational costs have increased (150% since early 1980s) and funding from the Commonwealth has decreased (50% since early 1980s). Salem State students are therefore left with an intimidating gap between the cost of their college degree and what they and their families can afford. With nearly all students in need of financial support, the financial shortfall that inhibits them from returning to the university is between \$400 and \$2,000. As the state

university with the highest concentration of Pell-eligible students, student need exceeds university resources. Many students also carry additional private or parental loans.

Global research has been conducted by United Nations Educational, Scientific and Cultural Organization linking the progress of a region with the education of its citizens. Education generates productivity gains and 90 percent of Salem State graduates live and work in the Commonwealth and fuel its economic growth. As a regional educational hub, the potential economic impact from failed college completion means: skills gaps, loss of productivity, outsourcing costs and lower consumption from small and large businesses. The region must play a critical role in filling this financial gap. Salem State seeks to target financial resources to students with the most need and the highest academic merit.

Student Support

Salem State has made significant strides in traditional measures of student success at the undergraduate level, but as the diversity of our population continues to expand, so does the need for increasing support. National achievement gaps for students of color, first generation and low-income students underscore the critical importance of addressing barriers to enable more students to succeed, especially students from communities that have been historically underrepresented in higher education, such as Salem, Lawrence, Lynn and Gloucester. The university has made several strategic investments, such as the Center for Academic Excellence which provides academic support services, such as advising, tutoring, mentoring, supplemental instruction, reading, and test-taking strategies. The Center for Academic Excellence was accessed by nearly 8,000 students in 2016. These services and the respective numbers of students using them include advising (over 5,000), tutoring (nearly 1,500) and mentoring (nearly 500). Collaboration across departments ensures that students have the appropriate academic support to be successful.

Financial Literacy

Financial literacy for Salem State students is a top priority. In 2018 the total indebtedness of a Salem State undergraduate student with financial aid grew to \$15,000, of which 40 percent of those matriculated students do not graduate, likely due to financial and personal challenges. The Navigation Center reports that 90 percent of the information requested by students is related to counseling them on financial decisions around funding their education in the wake of challenging family circumstances, multiple work commitments or individual financial challenges and all too often some combination of all three.

Launching Careers

Become the premier public higher education institution in the Commonwealth for career preparation and job placement and a partner with the business community.

Entrepreneurship

Graduates are preparing to enter the workforce in which small and independent businesses are increasingly taking advantage of short-term contracts or freelance work. This gig economy will

require graduates to have entrepreneurial know-how if they are to be successful in finding, securing and excelling in short-term and freelance projects for clients. Salem State strives to launch its graduates successfully into such a job market, and to do so in a way that distinguishes them from others by providing a central hub for activity and entrepreneurial experiences.

Internships

Internships are invaluable to a student's success as a professional; therefore, the enhancement and development of internship opportunities are essential to a graduate's preparedness. Research by the National Association of Colleges and Employers (NACE) shows that internships increase student achievement in post-graduation employment; in fact, according to NACE's 2017 Internship and Co-op Survey, 51 percent of interns accepted full-time positions with their internship employers. The university plans to expand internship opportunities for students and work collaboratively with the business community to successfully build paths for professional preparation.

Educational Spaces

The university will be even more widely recognized and respected for programmatic centers of excellence in science, healthcare and the "helping professions" (human services), all of which are rooted in a robust general education program and a commitment to the timeless, transcendent value of the liberal arts. The academic programs in these areas generate high student and workforce demand and with the revitalization of educational spaces (science teaching laboratories), we will leverage and attract more professional opportunities and prospective employers for students.

Empowering Leaders

Facilitate and create reciprocal relationships between Salem State University and the local and global community ensuring our students and graduates are active and involved citizens of the region, the nation, and the world.

Civically and Globally Engaged

Salem State students are motivated to address societal problems. They and the university will continue to be an exemplar for civic leadership locally, regionally and nationally. For Salem State, community engagement is embedded in the very fabric and history of the university—it frames who we are and guides how we approach the role of higher education. The Center for Civic Engagement partners internally with faculty and staff and externally with regional partners to provide our students with the pedagogy and experiential learning opportunities to become engaged members of their communities, the nation and the world. Its work has been recognized by its inclusion on the national President's Honor Roll for Civic Engagement. Moreover, the university is committed to bringing the students into important discussions, thereby inspiring them to "think globally" and "act locally."

Salem State offers educational experiences that are distinctive on the global stage. Whether it's exposing students to the aftermath and systematic recovery of genocide through service

learning and cultural immersion in Rwanda; delving deeper into the social, cultural and political history of colonial America; or pursuing a passion for human rights and social justice of the sort tested in 1692 by the Witch Trials, they are poised to bring its intellectual capital to bear on local issues that have global implications.

Epicenter of Social and Political Discourse

Salem State has an obligation to foster a climate that inspires students to lead lives of purpose that shape the future of politics, policy and public service, and leave future generations with a world better than today's. Uniting and engaging students with today's change-makers on a non-partisan basis, the faculty provide a foundation for fostering success among those who will serve as the next generation of academics, politicians, activists and policymakers. Through programming such as the Salem State Series, the Sonia Schreiber Weitz Series of the Center for Holocaust and Genocide Studies and the university's newly-established TEDxSalemStateUniversity, the institution will be the region's premier convener of great understanding and collaboration. In doing so, not only encouraging students to examine critically and think creatively about public issues, but also inviting the larger community into important discussions, thereby unequivocally connecting the university to the world in which it operates.

Inclusive Leadership

Focused attention on the principles of inclusive excellence, which promotes a more just and equitable global society, is an important aspect of the strategic plan and the university's mission. Salem State's success critically depends on a campus climate in which diversity in its many forms is acknowledged, valued, celebrated and integrated into the student. The university seeks to develop student leaders through thoughtful and intentional programs that inspire inclusive leadership and transformative identity development. With the establishment of its Leadership, Engagement, Advocacy, and Diversity (LEAD) office, the institution will expand upon its excellence in student leadership. LEAD will build upon this campus culture by engaging every student in educational and social growth designed to empower them through an awareness of self and others. The university is ever dedicated to providing its students with staff and faculty that demonstrate a strong commitment to inclusivity.

Your candid advice and opinions will help shape the university's campaign plans. Thank you for sharing your time and thoughts in this important planning step.

SUBJECT: Finance & Facilities Committee Meeting Report for January 30, 2019

The Finance & Facilities Committee of the Board of Trustees met on Wednesday, January 30, 2019, in the Petrowski Room, Marsh Hall on the Central Campus of Salem State University.

Present for the Committee: Trustees Katzman (chair), Murphy (vice chair), Butts (via phone), Lutts, Russell (via phone), Wilkens, Chair Mattera (ex-officio), President Keenan (ex-officio). Also present and participating: Vice President House (committee liaison) and staff associate Beaulieu.

Absent for the Committee: Francois Gadenne (advisory member)

Trustee Katzman, committee chair, called the meeting to order at 4:44 pm.

*In accordance with the Open Meeting Law all votes taken during this meeting, in which a member participated remotely, were by roll call vote.

**Trustee Butts participating via phone left prior to the facilities discussion of the meeting.

Review of FY19 Q1 financials (Attachment A)

There were no questions regarding the FY19 Q1 financials.

Investment advisors – 1 of 2 required annual meetings (Attachment B)

Eastern Bank Wealth Management representatives discussed the Salem State University's investment portfolio calendar 2018 performance. John Doherty, Michael Tyler and Rose Grant from Eastern participated in the conversation. A question and answer period took place.

Upcoming revision to FY18 financial statements

There were some clarifying comments about the need to reissue FY18 financial statements. The cause was a material error made by actuaries of the Commonwealth which requires Salem State and our sister campuses to reissue. The Commonwealth will pay for the extra audit cost.

Dashboard (Attachment C)

The financial dashboard provided incorporated previous input from the trustees. Any further suggestions should be forwarded to Chair Katzman who will in turn share with Vice President House. Vice President House acknowledged the excellent work of Graham Morris and Mark Stuart in producing the dashboard. The amount of time to produce the dashboard has been greatly reduced through their efforts. The trustees asked if periodically the university could provide a larger picture of the university's financial health to include the financial support provided by the Salem State University Foundation. The audited financial statements include SSUF (and

SSUAC). In addition, the Multi-Year Financial Plan (MYFP) reflects projections for future contributions to the University raised by the Foundation.

Vice President House invited all the trustees to attend the Finance and Facilities Committee business model meeting scheduled February 13, 2019 at 3:30 pm. The topic is business intelligence (BI), with a focus on the core academic function. Provost Silva, Executive Vice President James, Director of Business Intelligence and Integration McAuliffe and Vice President House will present an interactive session using the live BI system. As such, participating by telephone will be challenging.

Capital projects status update (Attachment D)

Brief updates were provided on capital projects underway or recently completed. A press release was issued regarding the addition of new solar panels for three campus buildings. A grant was received from the State for this project.

Real estate matter (Attachment E and F)

Discussion took place on the possibility of selling a property (410 Lafayette Street). A description of 410 Lafayette Street, reasons for sale or to hold, and the steps required to sell the property were presented in a PowerPoint (Attachment E) by Associate Vice President Szalewicz. The property is owned by the Salem State University Assistance Corporation and leased by the university. Labor and a negligible amount of money has been invested by the university in the property.

Trustee Lutts **MOVED** and Trustee Murphy **SECONDED** that the Finance and Facilities Committee recommends that the Board of Trustees approve the following motion regarding the sale of 410 Lafayette Street.

Recommended motion:

That the Board of Trustees recommends modification of the lease and the sale of the property at 410 Lafayette Street in Salem, MA. Proceeds from this sale would be used to assist with deferred maintenance and capital projects.

Discussion ensued. Trustees expressed a desire for the property to be sold if financially prudent, and to encourage the SSUAC to maximize the sales price.

An amendment to the motion was made by Trustee Katzman.

Amended motion:

The Finance and Facilities committee recommends that the university's general counsel develop an appropriate motion the Finance and Facilities committee can support at the full board meeting on February 13, 2019 regarding the sale of 410 Lafayette Street if financially prudent.

A roll call vote was taken.

Voting in the affirmative: Katzman, Lutts, Mattera, Murphy, Russell (via phone), Wilkens

Voting against: None

The motion passed.

Subsequent to the meeting and as directed by the committee, the general counsel developed the following proposed motion for the full board of trustees.

Proposed motion for full board of trustees:

The Board of Trustees approves the following actions with regard to the property located at 410 Lafayette Street: 1. Modification of the lease between the Salem State University Assistance Corporation and Salem State University if needed to facilitate a sale; 2. Directive to the Salem State University Assistance Corporation to sell the property if said sale price is fiscally prudent based on a realtor's assessment of market value, subject to approval by Salem State University of the offering and final sale price; 3. Directive to the Salem State University Assistance Corporation that proceeds from the sale be used to offset any costs related to the sale, with the remainder to be deposited to the university's fund for facility projects. The university's president and vice president for finance and facilities are authorized to do all things and take all actions deemed necessary or desirable to carry into effect the matters hereby authorized.

General Discussion

The Finance and Facilities Committee work plan (Attachment G) approved in September by the committee was included in the Jan. 30 packet for convenience. Trustees are encouraged to review it and provide feedback to committee chair Katzman. FY20 budget planning will be a key focus area for the March 27 committee meeting.

The committee decided that the Eastern advisors should return for their second annual meeting at the May meeting in lieu of March 27, 2019 date as originally planned.

A brief update was given on the status of Division of Capital Planning and Maintenance and Repairs (DCAMM)'s Science Teaching Lab (STL) readiness project. Proposals for the STL project were submitted by two consultants. The study is expected to be completed by the end of the summer. A more substantive update is anticipated for the May committee meeting. Legislation has been filed to sell Upper South Campus.

The trustees relayed their appreciation for the information provided in the packet and recommended focus on specific agenda items.

There being no further business to come before the committee, Trustee Lutts **MOVED** and Trustee Wilkens **SECONDED** a motion to adjourn.

A roll call vote was taken.

Voting in the affirmative: Katzman, Lutts, Mattera, Murphy, Russell (via phone), Wilkens

Voting against: None

MOTION: to adjourn the meeting.

The motion passed.

The meeting adjourned at 6:14 pm.

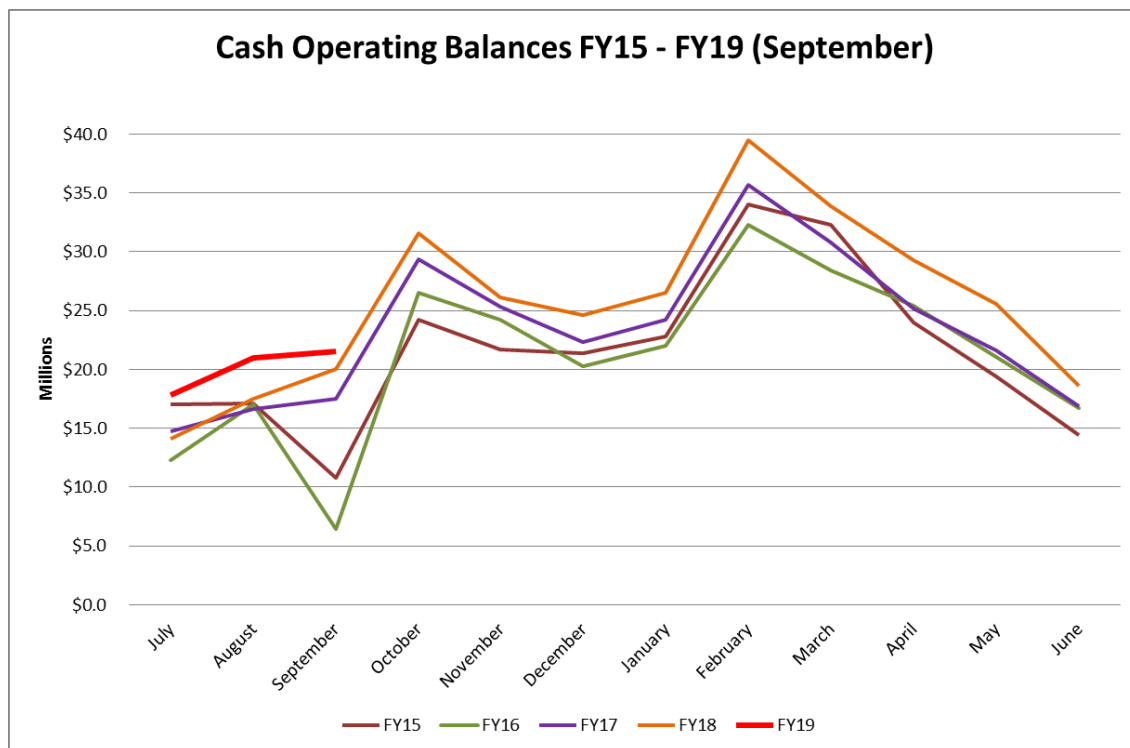
Prepared by: D. Beaulieu, staff associate, finance and facilities

Salem State University Interim Financial Review through the First Quarter (Q1) of FY19 (9/30/18) Commentary

Introduction – The attached package includes a summarized Management Revenue & Expense Report that distinguishes between managed and non-cash revenue and expense activity, in addition to the traditional GAAP-style financial statements. Thus, the package for the period ending September 30, 2018, includes the following unaudited financial statements:

- Management Revenue & Expense Report
- Management Revenue & Expense Report by Trust Fund
- Statements of Net Position
- Statement of Cash Flows
- Statements of Revenues, Expenses and Changes in Net Position by Natural Classification

KEY ITEMS SUMMARY:



Note: Operating Cash excludes cash with state and other agencies.

Summary Financial Information for FY18Q1 and FY19Q1

	<i>(In Thousands)</i>				Budget	Projection
	FY18Q1	FY19Q1	\$ Change	% Change	FY19	FY19
Managed Revenues	\$ 70,844	\$ 71,656	\$ 812	1.1%	\$ 172,318	\$ 172,164
Managed Expenses	35,437	35,174	(263)	-0.7%	172,318	171,433
Managed Net Income	35,407	36,482	▲ 1,075	3.0%	-	▲ 731
Non Cash Revenue/(Expenses)	(1,831)	(1,801)	▲ 30	-1.6%	(9,319)	(9,319)
Total Increase/(Decrease) in Net Position	\$ 33,576	\$ 34,681	▲ \$ 1,105	3.3%	\$ (9,319)	▲ \$ (8,588)

Balance Sheet – Cash and cash equivalents remained fairly stable since June 30, 2018 with only a slight increase of \$0.3 million. At September 30, 2018, the accounts receivable balance stood at \$41.0 million, an increase of \$34.5 million since June 30, 2018 due to the billing of the fall semester. The September 2018 balance is 2.5% higher than the first quarter of the previous year. Capital assets have decreased \$1.8 million primarily due depreciation taken during the first quarter, partially offset by additions. Investments have risen by 4.0% or \$0.6 million to \$15.4 million since June 30 due to market conditions. No new debt was incurred during the first quarter of FY19.

Cash Operating Balances FY15 through FY19 (September) – The cash graph displays operating cash balances by month and excludes cash with State and other agencies. Operating cash flows are cyclical as depicted in the cash graph, especially after October. MSCBA assessments and financial aid receipts have fallen on various sides of September 30. Operating cash on hand at September 30, 2018 is higher than over the last several years and is slightly higher than September 30, 2017.

Managed Revenue and Expense - For the three months ending September 30, 2018 (FY19), Salem State's net position increased by \$34.7 million overall which is 3.3% higher than the same period in FY18. For managed net income, the YTD result through the first quarter of FY19 is \$36.5 million which is \$1.1 million or 3.0% higher than the same period in FY18. For the three months ending September 30, 2018 (FY19), tuition and fee revenue net of scholarships and fellowships decreased 0.9% or \$0.4 million year over year. This is predominately due to decreases in enrollment partially offset by increases in University fee rates. Auxiliary enterprise revenue was 1.9% or \$0.2 million lower due to decreased occupancy in the residence halls. For Fall 2018, there are 123 or 5.5% fewer students living in the residence halls than for Fall 2017. The overall occupancy rate for Fall 2018 is 92.9%. Managed expenses of \$35.2 million were 0.7% or \$0.3 million lower than the same period in the prior year. Compensation is being tightly managed and is \$0.7 million or \$2.6% lower than for the first quarter of FY18. Support costs are up by \$0.6 million, due to increased investment in marketing expenses to improve enrollment for the future.

Changes in Non-Cash Revenues and Expenses – Non-cash revenues and expenses for the first quarter of FY19 remained constant year over year at \$1.8 million.

Comparison of Current FY19 Projection to Approved FY19 Budget – The forecast for the full fiscal year FY19 excluding an estimate for GASB 68 pension and GASB 75 OPEB adjustments is a decrease in net position of \$8.6 million, which is favorable compared to the budgeted \$9.3 million decrease. Managed net income before non-cash revenue and expenses is projected to be \$0.7 million positive. Projected managed net income is \$0.7 million favorable to budget. Significant projected FY19 budget variances are discussed below.

Managed Revenue and Expense Projections:

- An unfavorable variance of \$1.2 million in tuition and fees is projected, related to Graduate credit hours falling short of the budget target, an increase in Continuing Education non-bill courses, and a higher proportion of in-state students compared to budget.
- A favorable variance of \$2.1 million in State appropriations is caused by the final General Appropriations Act (GAA) appropriation amount being \$0.7 million higher than budget estimates, funding for the Association of Professional Administrators contract of \$0.7 million that was not included in the Commonwealth's original budget, \$0.3 million in state assistance with fringe benefits and \$0.3 million in other appropriations.
- A favorable variance of \$0.7 million in compensation is attributable primarily to effective management of vacant positions and a 0.5% favorable variance in the final fringe benefit rate established after the budget was finalized.
- An unfavorable variance of \$1.0 million in Auxiliary Enterprises revenue is due to occupancy in the residence halls being lower than budgeted.

Non-Cash Revenue and Expenses:

- As is the university's practice, the budget does not include a calculation of the impact of GASB 68 pension and GASB 75 OPEB liability adjustments for FY19. Information to book these adjustments is maintained by and received from the Commonwealth as the books are closed for the fiscal year. As the University has not received any estimate for these amounts from the Commonwealth, the projection does not include any estimate for GASB 68 or GASB 75.

The Management Revenue & Expense Report displays the year to date activity through the applicable quarter of the prior year compared to the current year. The Statement of Net Position and related analysis compares the prior year's fiscal year-end balance to the balance at the end of the applicable quarter in the current year. This is done in order to focus on what changed in the current fiscal year. Similarly, the Statement of Cash Flows is presented through the end of the applicable quarter in the current year and shows the change in cash from the end of the prior fiscal year.

Financial reports and information herein are hereby certified by the President or designee, VP for Finance and Facilities Karen House, that all records were maintained in accordance with proper procedures, including documentation of receipts, disbursements and bank accounts, and that all expenditures were made to advance Salem State University's mission. The information is for the University without the inclusion of the Assistance Corporation and Foundation and is derived from the financial system of record (PeopleSoft) as the numbers stood when the period being reported was closed.

Management Revenue & Expense Report
(In Thousands)

	1st Qtr FY 2018 (\$K)	1st Qtr FY 2019 (\$K)	Change from FY 2017 2nd Qtr (\$K)	Change %	Year End FY 2018 (\$K)	Original Budget FY 2019 (\$K)	Projection FY 2019 (\$K)
Revenues:							
Tuition and Fees	\$ 43,807	\$ 43,722	\$ (85)	-0.2%	\$ 88,009	\$ 89,686	\$ 88,451
Less: Scholarships, Fellowships & Waivers	(793)	(1,104)	(311)	39.2%	(24,628)	(25,424)	(25,399)
Net Tuition and Fees	43,014	42,618	(396)	-0.9%	63,381	64,262	63,052
Federal, State, Private Grants	546	862	316	57.9%	19,472	19,180	19,140
Auxiliary Enterprises	11,206	10,991	(215)	-1.9%	23,423	24,383	23,363
State General Appropriations	14,996	15,711	715	4.8%	60,128	60,767	62,841
Other Revenue	1,082	1,474	392	36.2%	5,858	3,726	3,768
Managed Revenues (A)	70,844	71,656	812	1.1%	172,262	172,318	172,164
Expenses:							
Compensation	28,196	27,460	(736)	-2.6%	117,761	123,561	122,883
Support	4,592	5,151	559	12.2%	18,364	21,303	21,211
Facility-related	2,649	2,563	(86)	-3.2%	26,138	27,454	27,339
Managed Expenses (B)	35,437	35,174	(263)	-0.7%	162,263	172,318	171,433
Managed Net Income (A-B)=(C)	35,407	36,482	1,075	3.0%	9,999	-	731
Non-Cash Revenue/(Expenses):							
Capital Grants	-	-	-	-	2,950	-	-
Depreciation	(2,229)	(2,318)	(89)	4.0%	(8,903)	(9,183)	(9,183)
Unrealized Gains/Losses	398	517	119	29.9%	(438)	(136)	(136)
GASB 68 Pension	-	-	-	-	(3,583)	-	-
GASB 75 OPEB	-	-	-	-	(4,709)	-	-
Total Non-Cash Revenue/(Expenses)	(1,831)	(1,801)	30	-1.6%	(14,683)	(9,319)	(9,319)
Total Increase/Decrease in Net Position	\$ 33,576	\$ 34,681	\$ 1,105	3.3%	\$ (4,684)	\$ (9,319)	\$ (8,588)
Management Cash Flow Ratio (C)/(A)					5.80%	0.00%	0.42%

Management Revenue & Expense Report by Trust Funds
 September 30, 2018

Account Description	FY 2018 Year-End (\$K)	Unrestricted Auxiliaries	Educational & General Funds	Grants	Gifts & Contributions	Residence Halls	Restricted Other	Total Restricted Endowments	Net Invested in Capital Assets	FY 2019 YTD-Sep Actuals (\$K)
Managed Revenues:										
Net Tuition and Fees	63,381		43,007	(374)		(314)	299			42,618
Federal, State, Private Grants	19,472			862						862
Auxiliary Enterprises	23,423	756	222			9,939	74			10,991
State General Appropriations	60,128		15,660	51						15,711
Other Revenue	5,858	50	338	6	1,045		32	3		1,474
Total Managed Revenues	172,262	806	59,227	545	1,045	9,625	405	3	-	71,656
Managed Expenses:										
Compensation	117,761	27	26,061	433	56	875	8			27,460
Support	18,364	37	4,780	115	58	108	53			5,151
Facility-related	26,138	(763)	3,259	18		360	82		(393)	2,563
Total Managed Expenses	162,263	(699)	34,100	566	114	1,343	143	-	(393)	35,174
Managed Net Income	9,999	1,505	25,127	(21)	931	8,282	262	3	393	36,482
Non-Cash Revenues/(Expenses):										
Capital Grants	2,950									
Depreciation	(8,903)								(2,318)	(2,318)
Unrealized Gains/Losses	(438)		488	2				27		517
GASB 68 Pension	(3,583)									
GASB 75 OPEB	(4,709)									
Total Non-Cash Revenue/(Expenses)	(14,683)	-	488	2	-	-	-	27	(2,318)	(1,801)
Total Increase/(Decrease) in Net Position	(\$4,684)	\$1,505	\$25,615	(\$19)	\$931	\$8,282	\$262	\$30	(\$1,925)	\$34,681

Statements of Net Position
(In Thousands)

	FY 2018	FY 2019 YTD	Change	
	Year End	September 30	\$	%
Assets:				
Cash	\$ 18,581	\$ 21,517	\$ 2,936	15.8%
Cash with State and other agencies	4,928	2,287	(2,641)	-53.6%
Accounts and other receivables	6,507	41,019	34,512	530.4%
Capital assets	169,691	167,885	(1,806)	-1.1%
Investments	14,789	15,378	589	4.0%
Loans receivable, net	1,964	1,928	(36)	-1.8%
Debt Service Reserve	1,473	1,473	-	0.0%
Other Assets	47	1	(46)	-97.9%
Total Assets	<u>217,980</u>	<u>251,488</u>	<u>33,508</u>	<u>15.4%</u>
Deferred Outflows	<u>26,759</u>	<u>26,759</u>	<u>-</u>	<u>0.0%</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 244,739</u></u>	<u><u>\$ 278,247</u></u>	<u><u>\$ 33,508</u></u>	<u><u>13.7%</u></u>
Liabilities:				
Accounts payable and accrued expenses	\$ 4,486	\$ 8,312	\$ 3,826	85.3%
Accrued Payroll	7,851	5,120	(2,731)	-34.8%
Bonds and notes payable	43,054	42,985	(69)	-0.2%
Compensated absences	9,591	9,591	-	0.0%
Loan payable, federal financial assistance programs	2,145	2,145	-	0.0%
Other liabilities	4,599	2,452	(2,147)	-46.7%
Net Pension Liability	44,564	44,564	-	0.0%
Net OPEB Liability	98,032	98,032	-	0.0%
Total Liabilities	<u>214,322</u>	<u>213,201</u>	<u>(1,121)</u>	<u>-0.5%</u>
Deferred Inflows	<u>18,542</u>	<u>18,491</u>	<u>(51)</u>	<u>-0.3%</u>
Total Liabilities and Deferred Inflows of Resources	<u>232,864</u>	<u>231,692</u>	<u>(1,172)</u>	<u>-0.5%</u>
Net Position:				
Invested in capital assets	130,219	128,018	(2,201)	-1.7%
Restricted	6,604	16,169	9,565	144.8%
Unrestricted	(124,948)	(97,632)	27,316	-21.9%
Total Net Position	<u>11,875</u>	<u>46,555</u>	<u>34,680</u>	<u>292.0%</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 244,739</u></u>	<u><u>\$ 278,247</u></u>	<u><u>\$ 33,508</u></u>	<u><u>13.7%</u></u>



Statement of Cash Flows
(In Thousands)

	YTD 09/30/18 FY 2019
	<u> </u>
Cash flow from operating activities:	
Tuition and fees (net)	\$ 4,156
Grants and contracts	987
Payments to vendors, employees and students	(17,499)
Auxiliary and other receipts	<u>362</u>
Net cash used in operating activities	<u>(11,994)</u>
Cash flow from non-operating activities:	
State appropriations (net)	12,107
Gifts, investment and other sources	<u>715</u>
Net cash provided by non-operating activities	<u>12,822</u>
Cash flow from capital, financing and investing activities:	
Purchases of capital assets	(642)
Debt service payments on bond payables	(19)
Investment activities (net)	<u>128</u>
Net cash used in capital financing, and investing activities	<u>(533)</u>
Net increase in cash and cash equivalents	295
Cash and cash equivalents at beginning of period	23,509
Cash and cash equivalents at end of period	<u><u>\$ 23,804</u></u>



Statements of Revenues, Expenses and Changes in Net Position by Natural Classification
(In Thousands)

	Year to Date through September 30		Full Fiscal Year		
	FY 2018 Actual	FY2019 Actual	FY 2018 Actual	FY2019 Budget	FY2019 Projection
Operating Revenues:					
Tuition and fees	\$ 43,807	\$ 43,722	\$ 88,009	\$ 89,686	\$ 88,451
Less: scholarships and fellowships	(725)	(970)	(18,443)	(18,969)	(18,969)
Net tuition and fees	43,082	42,752	69,566	70,717	69,482
Federal, state and private grants	546	862	19,472	19,180	19,140
Sales and services of educational departments	317	181	1,296	1,139	1,139
Auxiliary enterprises	11,206	10,991	23,423	24,383	23,363
Other operating revenues	11	7	453	281	361
Total Operating Revenues	55,162	54,793	114,210	115,700	113,485
Operating Expenses:					
Compensation and benefits	28,196	27,460	126,053	123,561	122,883
Supplies and services	6,283	6,704	38,658	42,693	42,487
Utilities	510	591	4,107	4,208	4,208
Depreciation	2,229	2,318	8,903	9,183	9,183
Scholarships and fellowships	68	134	6,186	6,455	6,430
Total Operating Expenses	37,286	37,207	183,907	186,100	185,191
Non-Operating Revenues/Expenses:					
State appropriations, net	14,996	15,711	60,128	60,767	62,841
Gifts	591	1,080	2,160	2,044	2,007
Investment income	561	722	1,511	125	125
Interest expense on bonds & other debt	(448)	(418)	(1,736)	(1,855)	(1,855)
Net Non-Operating Revenues/Expenses	15,700	17,095	62,063	61,081	63,118
Capital grants	-	-	2,950	-	0
Total Increase (Decrease) in Net Position	\$ 33,576	\$ 34,681	\$ (4,684)	\$ (9,319)	\$ (8,588)
Operating Cash Flow Ratio			19.6%	15.7%	16.0%

WEALTH MANAGEMENT REVIEW



January 30, 2019

Michael Tyler, CFA
Chief Investment Officer
617-897-1122

John F. Doherty, CFP®
Vice President
781-581-4215

Agenda

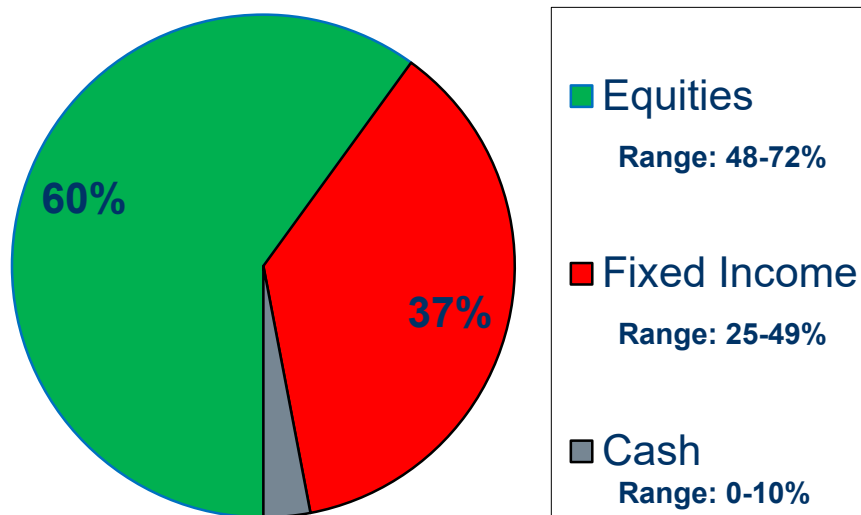
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Current Investment Objective

- To generate long term total return through a diversified mix of equity securities and to provide current income through fixed income securities
- Equities invested primarily in large-cap United States based companies, along with selected international equities and alternative asset classes

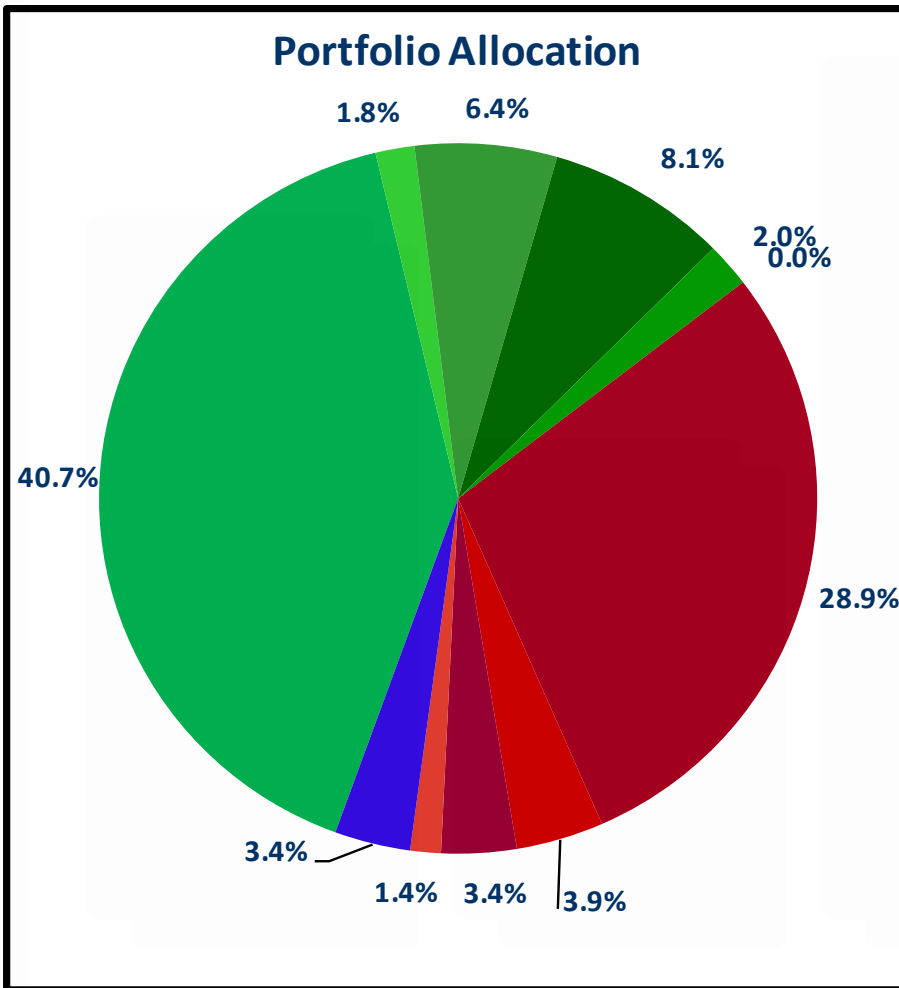
Growth with Income Strategy



Current Tactical Allocation

Equities	62.3%
U.S. Large Cap	45.3%
U.S. Sector Funds	3.8%
U.S. Small & Mid-Cap	1.9%
Developed Europe	3.7%
International Ex-U.S.	2.8%
International Small-Cap	1.6%
Emerging Markets	3.2%
Fixed Income	35.7%
Individual Bond Ladder	26.5%
Short Duration HY	1.9%
Investment Grade Corp.	3.6%
Government	3.7%
Money Market	2.0%

Review for Account # 2427524



Account Value as of 12/31/2018:
\$13,743,003

Equities 59.0%

- Individual Stocks 40.7%
- Small/Mid-Cap ETFs 1.8%
- Sector & Tactical ETFs 6.4%
- Internat'l - Developed ETFs 8.1%
- Internat'l - Emerging ETFs 2.0%
- Global ex-USA ETFs 0.0%

Fixed Income 37.6%

- Laddered Bonds & ETFs 28.9%
- Intermediate Term ETF's 3.9%
- Floating Rate & TIPS ETFs 3.4%
- High Yield Mutual Fund 1.4%

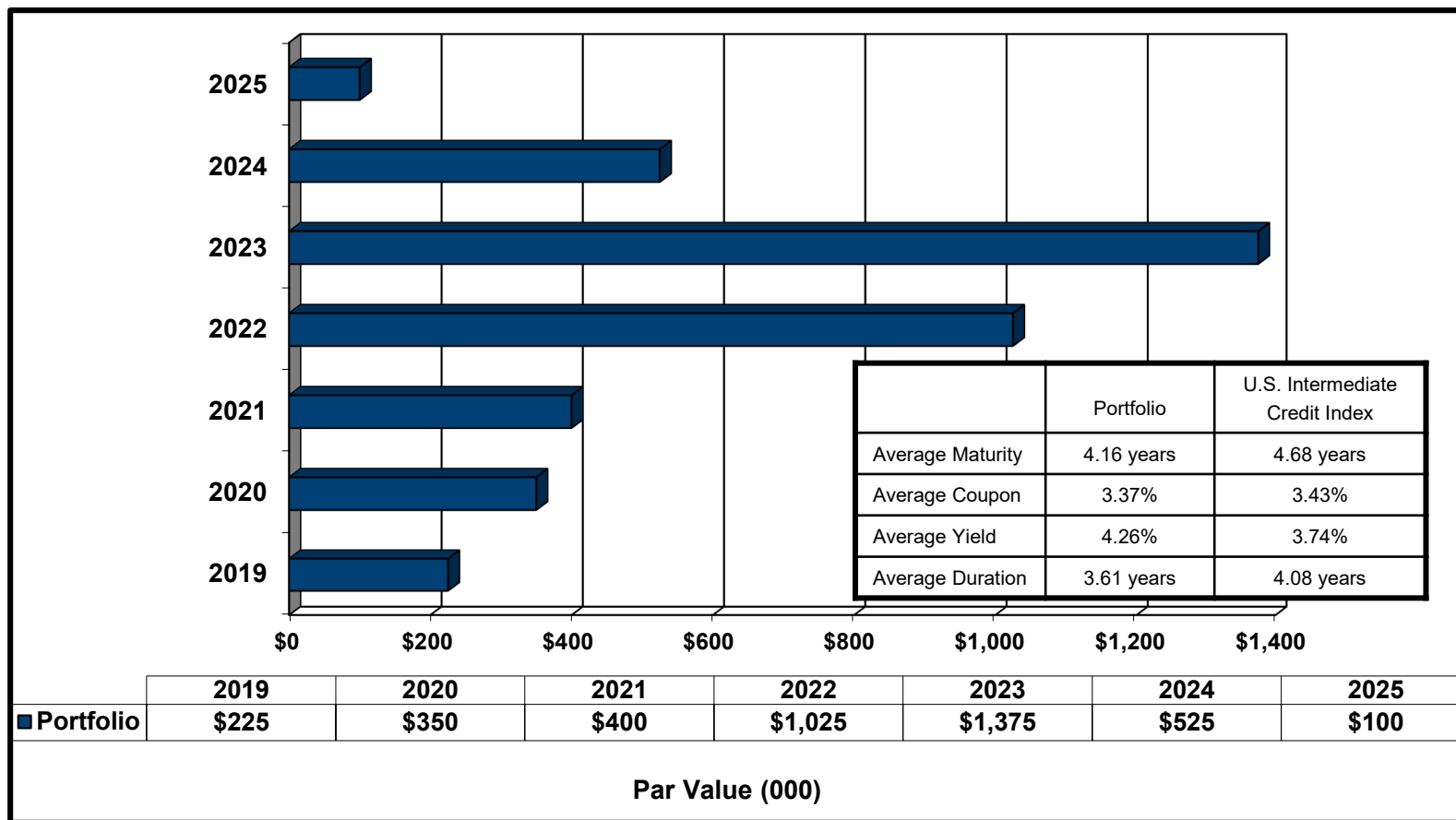
Money Market 3.4%

- Cash 3.4%

Investment Policy Checklist

Key Item (as of Dec. 31, 2018)	Policy	Salem State	Compliant?
Equity ratings: Common stocks: S&P Stock Guide Mutual funds: Morningstar	B+ 3 Star or better	B+ 3 & 4 Star	Yes Yes
Fixed Income: Corporate bonds position limit Maximum maturity Minimum individual bond rating	<35% of fund 7 years Baa / BBB	28.8% 6.8 years Baa2 / BBB	Yes Yes Yes
Alternative investments: Derivatives, forwards, swaps, futures	Prohibited	None held	Yes
Asset allocation range: Equities Fixed Income Cash	50% - 75% 25% - 50% 0% - 10%	59% 37.6% 3.4%	Yes Yes Yes
Fossil fuel divestment: Carbon Underground 200 Alternative energy suppliers	Divest prudently Seek options	None held Several new holdings	Yes Yes

Bond Maturity Distribution



Individual Corporate Bond Ratings

Description	Units	Purchase Date	Time of Purchase	Current	Time of Purchase	Current
			Moody's Rating	Moody's Rating	S&P Rating	S&P Rating
ACE INA HOLDINGS 2.7% 03/13/2023	100,000	10/11/2016	A3	A3	A	A
AMERIPRISE FINANCIAL, INC. 4% 10/15/2023	175,000	12/15/2016	A3	A3	A	A
AT&T INC 3.6% 2/17/2023	200,000	7/18/2017	Baa2	Baa2	BBB	BBB
AUTO DESK 3.125% 06/15/2020	100,000	9/12/2016	Baa1	A3	BBB+	A-
BANK OF AMERICA CORP 3.3% 01/11/2023	150,000	7/21/2016	Baa2	Baa2	A-	BBB+
CARDINAL HEALTH, INC. 3.2% 3/15/2023	150,000	4/28/2017	Baa2	Baa2	BBB	BBB
CBS 3.7% 08/15/2024	200,000	12/15/2016	Baa2	Baa2	BBB+	BBB+
CELGENE CORP 4% 08/15/2023	150,000	7/21/2016	Baa1	Baa1	BBB+	BBB+
CITIGROUP 3.375% 03/01/2023	175,000	4/28/2017	Baa1	Baa1	BBB+	BBB+
CSX CORP 3.4% 08/01/2024	200,000	1/19/2017	Baa1	Baa2	BBB+	BBB
CVS 3.5% 07/20/2022	125,000	2/26/2014	A2	Baa3	A	BBB-
DEUTSCHE BANK 2.50% 02/13/19	150,000	7/28/2014	A1	Ba2	A	BB-
E M C CORP. 2.50% 06/01/20	200,000	1/19/2017	Baa2	Baa3	BBB	BBB
EBAY INC 3.8% 3/9/2022	125,000	12/20/2017	Baa2	Baa2	BBB	BBB
FORD MOTOR 4.25% 09/20/2022	100,000	11/17/2014	A3	A3	BBB+	BBB
HEWLETT-PACKARD CO 4.05% 9/15/2022	125,000	10/5/2016	Baa2	Baa2	BBB	BBB
HYATT HOTES 3.375% 07/15/2023	150,000	10/5/2016	Baa1	Baa1	BBB+	BBB+
KEYCORP 4.15% 10/29/2025	100,000	12/18/2013	A2	A2	A+	A-
MONSANTO CO. 2.75% 07/15/21	100,000	2/3/2015	A2	A2	A+	A-
TIME WARNER, INC. 3.4% 06/15/2022	200,000	12/20/2017	Baa1	Baa1	BBB	BBB
VODAFONE GROUP 2.95% 02/19/2023	200,000	11/17/2014	A3	A3	A-	N/R
WELLS FARGO & CO 2.15% 01/15/19	100000	12/21/2018	Baa1	Baa1	BBB+	BBB+
WELLS FARGO & CO 3.00% 01/22/21	225000	1/26/2018	Baa1	Baa2	BBB+	BBB
WHIRLPOOL 4% 03/01/2024	250000	1/26/2018	Baa1	Baa1	BBB+	BBB+
XILINX, INC. 3.00% 03/15/21	250000	1/26/2018	Baa2	Baa2	BBB	BBB

ESG Equity Holdings (as of 12/31/18)

Portfolio Weightings vs 60/40 Blended Benchmark

Industry Weightings	% Of Portfolio	% Of Blend	Industry Weightings	% Of Portfolio	% Of Blend
CONSUMER DISCRETIONARY	7.61%	10.51%	HEALTH CARE	12.33%	14.19%
MCDONALD'S	1.24%		BECTON DICKINSON	1.57%	
THE HOME DEPOT, INC.	1.52%		MERCK & CO	2.06%	
AMAZON.COM, INC.	2.73%		DANAHER CORP	1.38%	
BURLINGTON STORES	1.11%		JOHNSON & JOHNSON	1.57%	
ROYAL CARIBBEAN CRUISES	1.01%		ABBVIE	1.09%	
CONSUMER STAPLES	4.86%	7.79%	UNITEDHEALTH GROUP	1.69%	
COSTCO WHOLESALE CORP.	1.46%		CVS HEALTH	1.25%	
PEPSICO	1.14%		ABBOTT LABS	1.72%	
PROCTER & GAMBLE CO	1.10%		INDUSTRIALS	6.16%	9.38%
SYSCO CORP	1.16%		FEDEX CORP	0.92%	
ENERGY		5.39%	EATON CORP	1.03%	
FINANCIALS	9.10%	15.41%	3M CO.	1.18%	
BANK OF AMERICA CORP.	1.56%		CATERPILLAR	1.08%	
MORGAN STANLEY	1.14%		UNITED TECHNOLOGIES	0.90%	
JPMORGAN CHASE & CO.	2.05%		NORTHROP GRUMMAN	1.05%	
ALLSTATE CORP.	1.15%		INFORMATION TECH	13.83%	18.27%
PNC FINANCIAL	0.91%		BROADCOM	1.61%	
BLACKROCK, INC.	1.10%		ADOBE SYSTEMS INC.	1.88%	
SCHWAB CORP.	1.19%		ANALOG DEVICES, INC.	1.10%	
FUNDS	30.62%	0.44%	APPLE INC	2.30%	
SPDR BIOTECH ETF	2.01%		SALESFORCE.COM, INC.	2.26%	
SPDR INDUSTRIAL ETF	1.81%		VISA INC	1.98%	
CALVERT GLOBAL WATER	1.85%		INTUIT INC	1.83%	
CALVERT GLOBAL ENERGY	1.70%		COGNIZANT TECHNOLOGY	0.87%	
INVESCO WILDERHILL CLEAN ENER	1.84%		MATERIALS	2.03%	3.56%
INVESCO SOLAR ETF	1.55%		AIR PRODUCTS & CHEMICALS	0.93%	
DFA US SUSTAINABILITY CORE	4.55%		DOWDUPONT INC	1.10%	
CALVERT INTERNATIONAL	2.60%		COMMUNICATION SERVICES	7.90%	8.24%
DFA INTERNATIONAL SUSTAINABILIT	3.64%		ALPHABET CLASS C	0.75%	
DOMINI IMPACT INTERNATIONAL	3.04%		ALPHABET CLASS A	2.04%	
CALVERT SMALL CAP FUND	2.86%		COMCAST	1.26%	
CALVERT EMERGING MARKETS	3.17%		FACEBOOK	1.81%	
UTILITIES	2.25%	3.46%	VERIZON COMMUNICATIONS	2.04%	
XCEL ENERGY INC	1.36%		REAL ESTATE		3.16%
NEXTERA ENERGY INC	0.89%		CASH	3.31%	0.20%

Target allocation as of 12/31/2018; Allocation may not reflect EWM's current view and should not be used as the base of an investment decision.

Securities listed are not to be considered as a recommendation to buy or sell and are not guaranteed to be in portfolios. *Benchmark is a blend of 60% S&P 500 and 40% MSCI ACWI

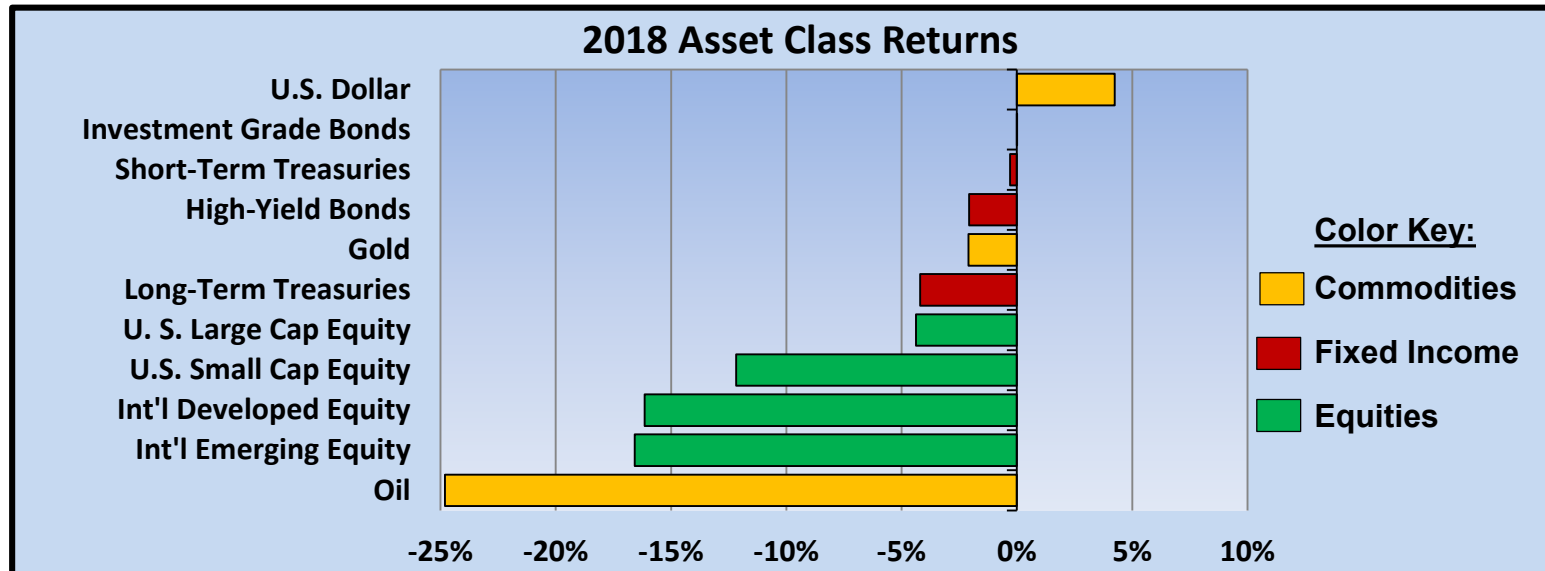
Portfolio Performance

Investment Performance Strategy: Growth with Income (Corp) As of December 31, 2018			4TH QTR 2018	1 Year	3 Year	5 Year
Asset Class / Benchmark	Ending Market Value	Allocation	3 month Return	Annualized Total Return	Annualized Total Return	Annualized Total Return
Salem State University Portfolio	\$13,742,997	100.0%	-7.77%	-3.68%	5.87%	4.61%
Total Benchmark		100.0%	-7.69%	-3.47%	6.10%	5.27%
Equities	\$8,112,547	59.0%	-12.82%	-6.28%	7.91%	6.24%
Multi Asset Equity Blend*		60.0%	-13.17%	-6.21%	8.44%	7.03%
Fixed Income	\$5,161,184	37.6%	0.49%	-0.30%	1.98%	1.57%
Barclays Interm Credit Index		37.0%	0.75%	0.01%	2.44%	2.47%
Money Market	\$469,266	3.4%	0.46%	1.42%	0.63%	0.00%
Lipper Money Market Index		3.0%	0.51%	1.63%	0.80%	0.48%
Portfolio Return Gross of Fee			-7.77%	-3.68%	5.87%	4.61%
Portfolio Return Net of Fee			-7.87%	-4.12%	5.40%	4.17%
*Consists of Blended 60/40 S&P 500/MSCI All Country World Index						

Source: First Rate

Asset Allocation

- Nothing worked in 2018 – every asset class except cash produced negative returns (first time since 1972)
- Global stocks were awful, but U.S. large-cap (S&P 500) was the best equity asset class & justified our tilt



Source: FactSet, Bloomberg, Eastern Bank Wealth Management

Performance Review: 4Q 2018

- Core U.S. equity beat benchmarks and peers again in 2018
 - Outperformed peer group by 321 bps, S&P 500 by 199 bps
 - Despite 4Q revival, value funds still lagged growth funds for the year
 - Sector allocation, profit-taking, and torpedo avoidance helped EBWM
- Sector and stock dispersion increased in 2018
 - This is the opposite from the low-vol / high-dispersion 2017 market
- Longer-term Core U.S. equity remains ahead of peers
 - Performance is above peer group median for 1, 3, and 5-year periods
- Asset allocation did not meaningfully contribute or detract from overall results
 - EBWM portfolios tilted slightly toward equities, which underperformed Treasury and corporate debt
 - Within equities, U.S. tilt helped avoid the worst of international markets

Performance Review: Equities

- Morningstar surveyed ~4,000 active U.S. large-cap managers
- Growth beat value throughout 2017 and 2018
- Our returns have been steadily first or second quartile

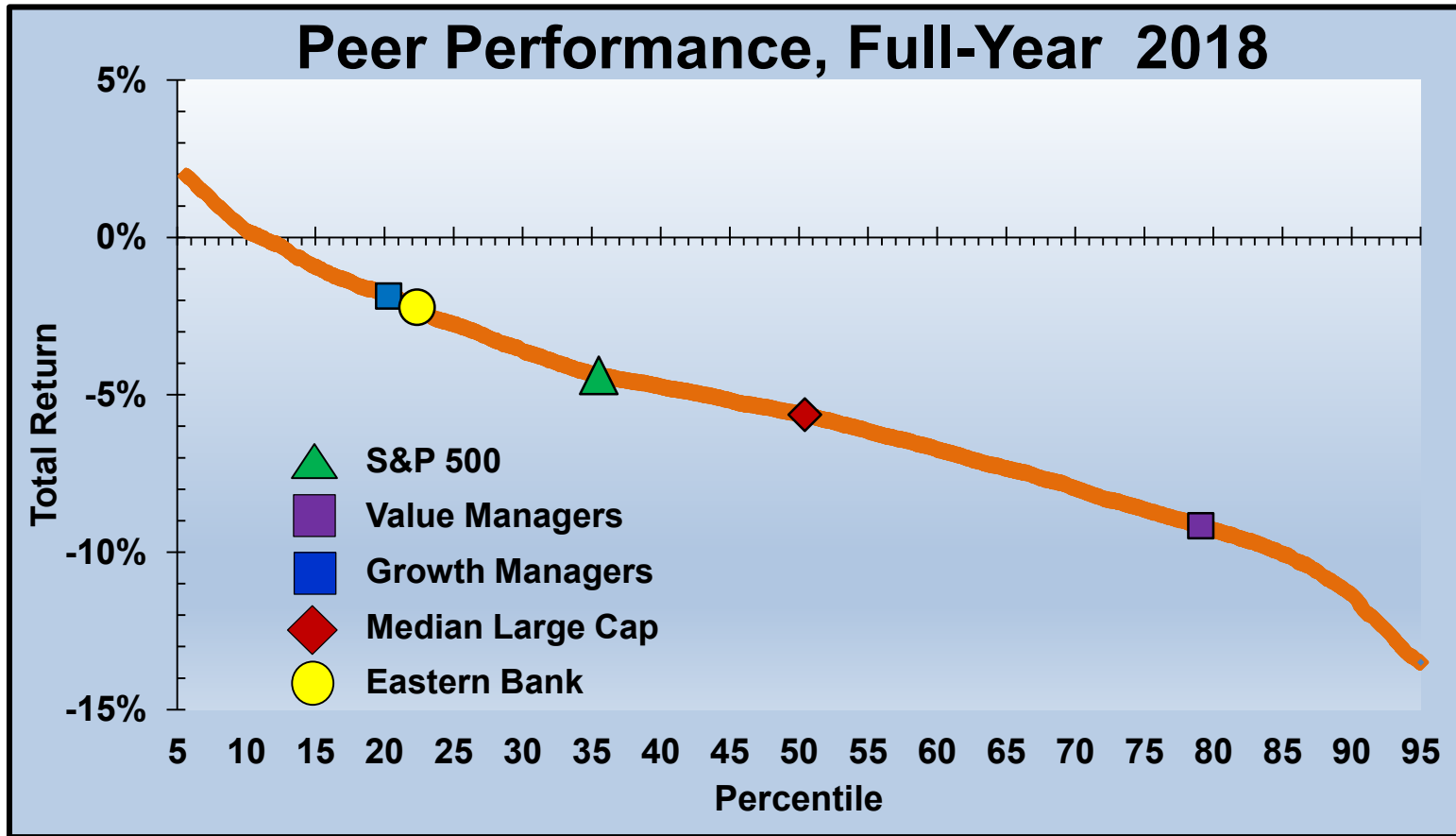
As of December 31, 2018	2016	2017	2018	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Eastern Bank	9.66%	23.69%	-2.39%	-0.92%	4.14%	7.58%	-12.62%
EBWM Percentile	51	32	23	53	27	30	27
Large-Cap Peer Group	9.80%	20.78%	-5.60%	-0.82%	2.93%	6.78%	-14.09%
Core (Blended)	10.49%	20.80%	-6.02%	-0.89%	2.86%	7.00%	-13.79%
Growth	3.09%	28.31%	-2.01%	2.54%	5.23%	7.59%	-15.65%
Value	14.19%	16.01%	-8.94%	-2.44%	1.43%	5.55%	-12.58%
S&P 500	11.98%	21.84%	-4.38%	-0.76%	3.44%	7.71%	-13.52%

Source: Morningstar, Eastern Bank Wealth Management

As of December 31, 2018	1-Year	3-Years	5-Years
Eastern Bank	-2.39%	9.81%	7.87%
EBWM Percentile	23	23	31
Large-Cap Peer Group	-5.60%	7.78%	6.82%
Core (Blended)	-6.02%	7.86%	6.92%
Growth	-2.01%	9.15%	8.52%
Value	-8.94%	6.51%	5.22%
S&P 500	-4.38%	9.27%	8.50%

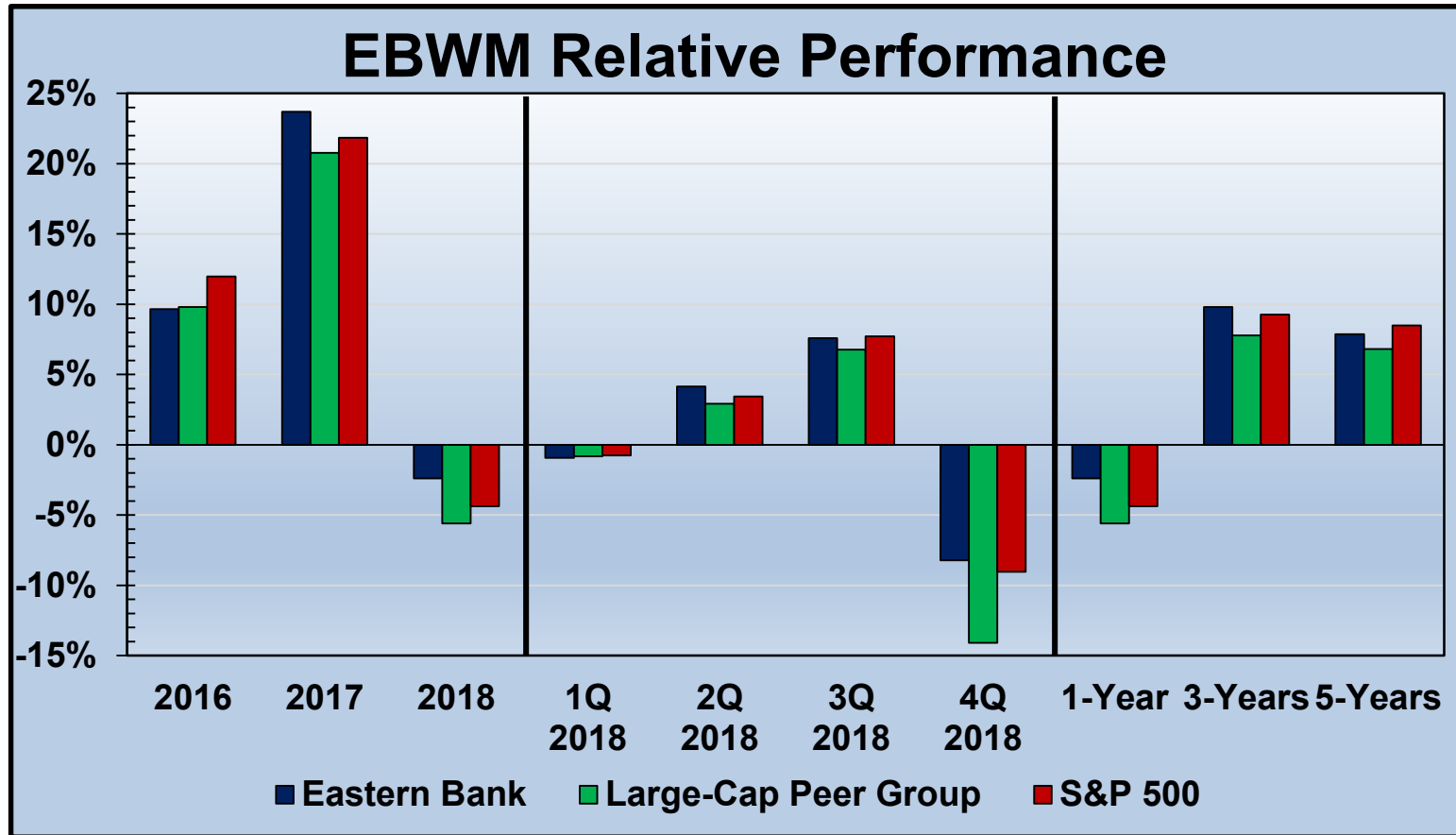
Source: Morningstar, Eastern Bank Wealth Management

Performance Review: Last 12 Months



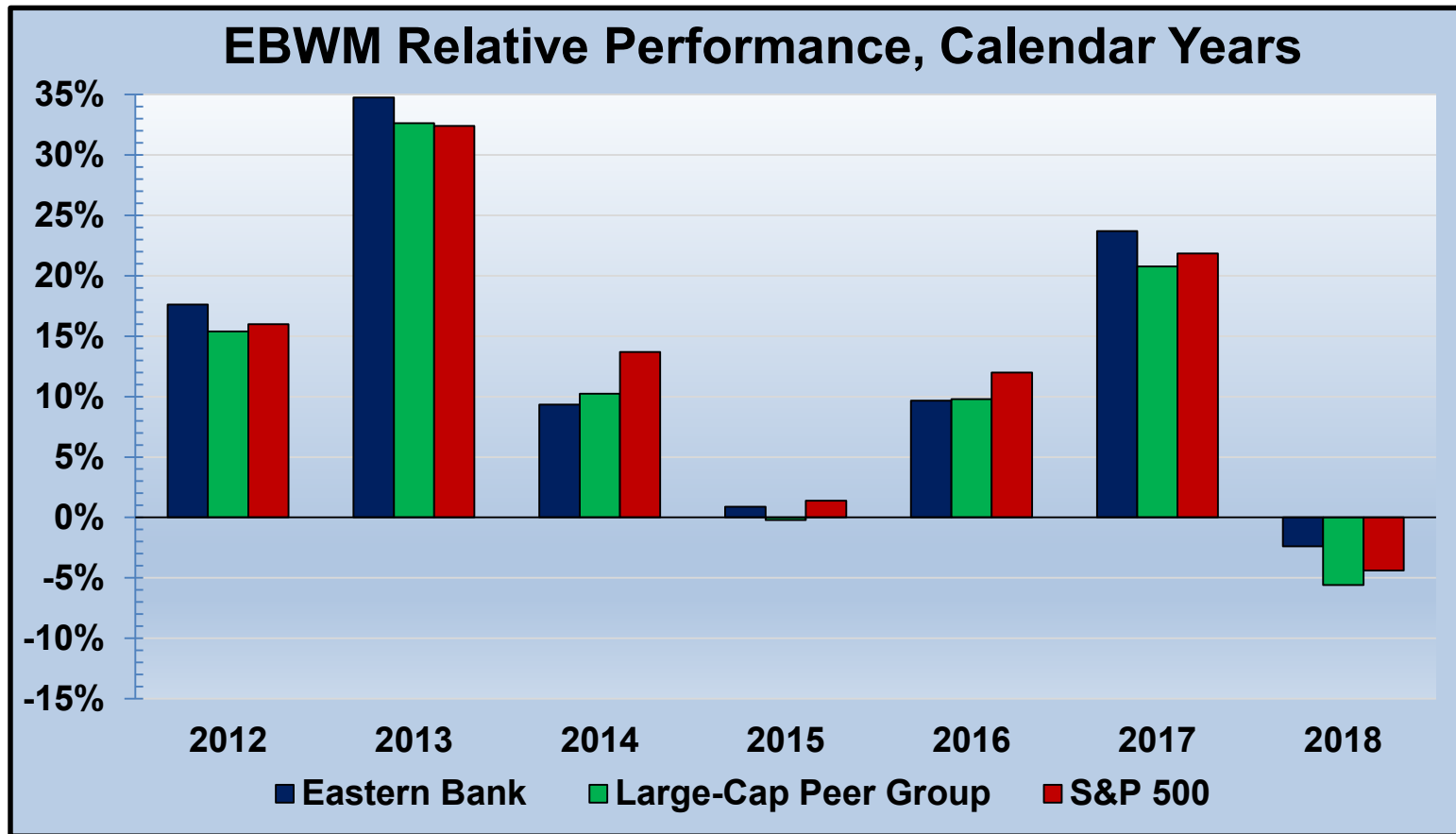
Source: Morningstar, Eastern Bank Wealth Management

Eastern Bank vs. Peers



Source: Morningstar, Eastern Bank Wealth Management

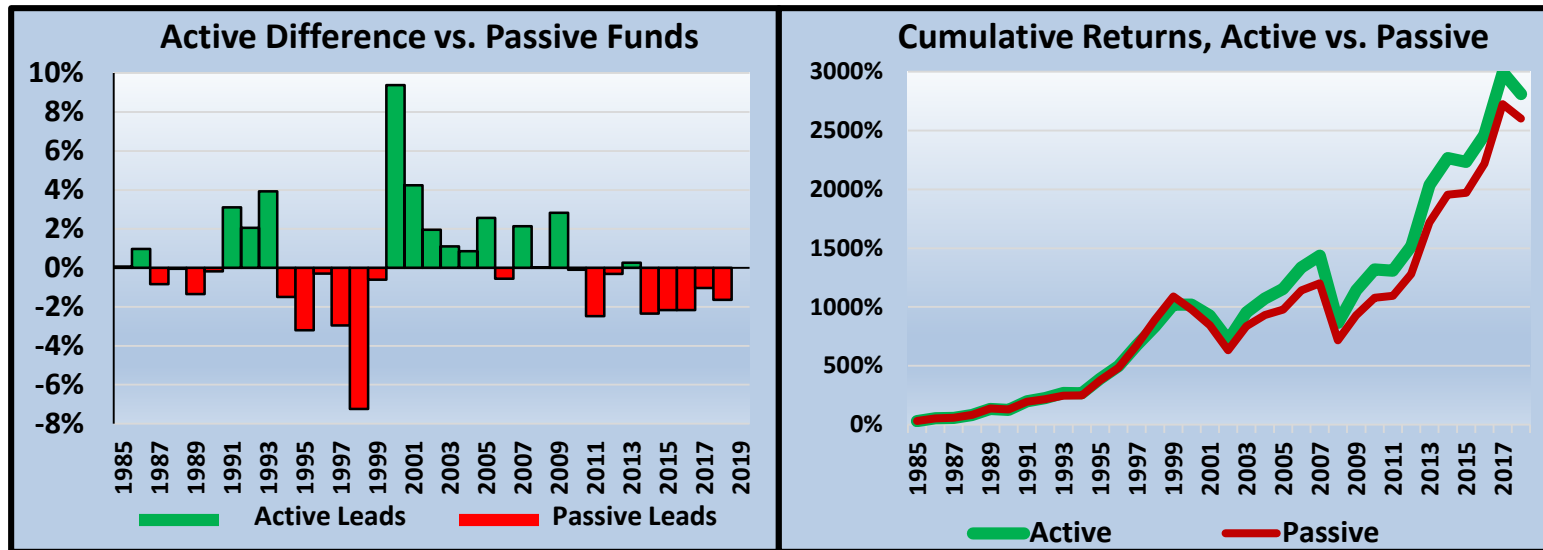
Eastern Bank vs. Peers



Source: Morningstar, Eastern Bank Wealth Management

The Case for Active Management

- Active managers tend to outperform during bear markets, while passive managers mostly do well during bull runs
- Despite five straight bad years, active managers still have a cumulative 210 bps lead since 1985

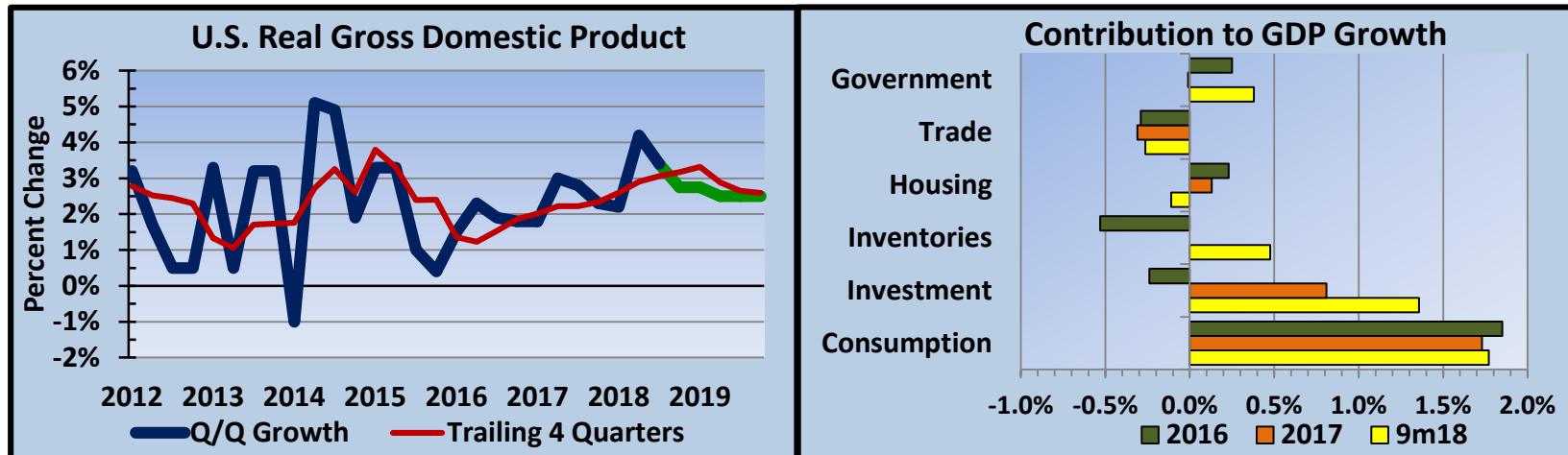


Source: Morningstar, Eastern Bank Wealth Management

Recent Portfolio Changes

- Tactical asset allocation
 - Adjusted equities position to neutral, vs. 4.5% overweight in 2018
 - Shifted sector tilts toward biotech, away from financials & energy
 - In global portfolios, shifted slightly to emerging markets
- Equity trades (not all names in all accounts)
 - Purchases and additions: Air Products & Chemicals, AT&T, Burlington Stores, Motorola Solutions, Occidental Petroleum, Pepsico, Travelers
 - Sales and trims: Analog Devices, Eaton, Federated Investors, Halliburton, JPMorgan Chase, MetLife, Microsoft, Nike
- Fixed income transactions
 - Purchases: BMO TCH Corporate Income Fund, iShares AAA-A Rated Corporate Bond Fund, Vanguard Short-Term Bond Fund
 - Sales and Trims: Shenkman Short-Duration High-Yield Bond Fund, iShares Floating Rate Fund, iBoxx USD Investment Grade Bond Fund, iShares Treasury Inflation Protected Bond Fund

Economic Outlook

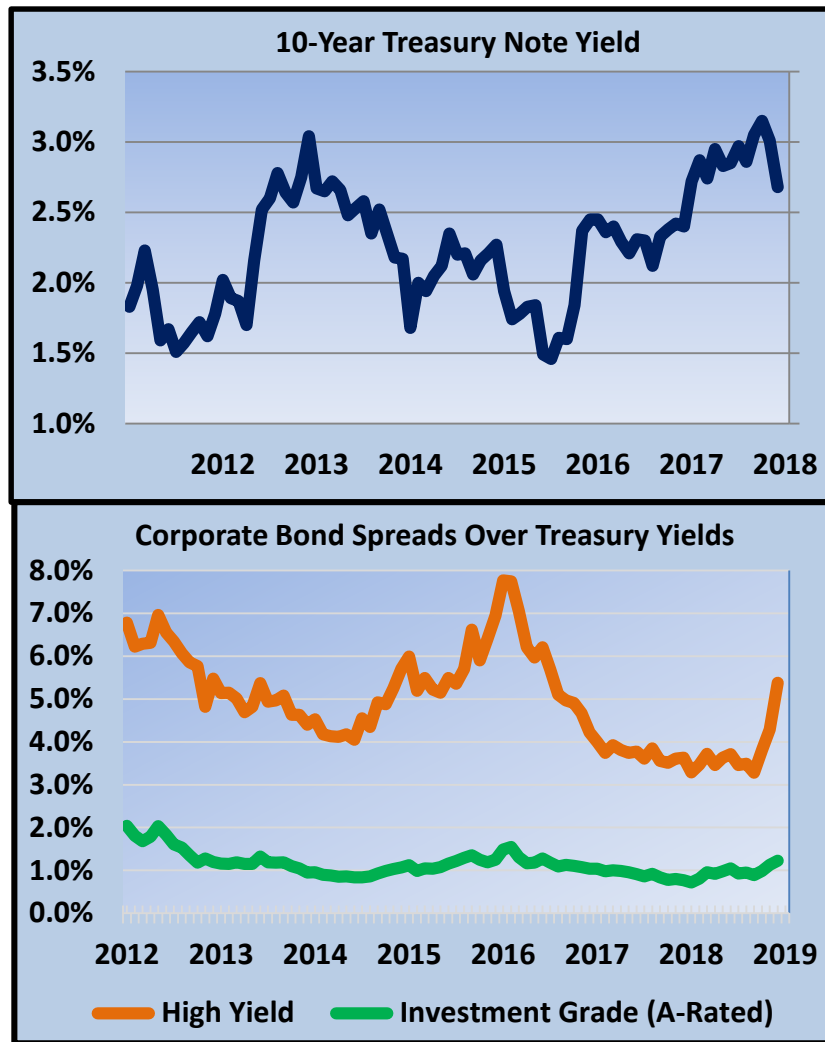


- Third-quarter GDP growth moderated slightly from a torrid 2Q pace, as exports slowed and housing softened. Consumer spending and business investment both remained healthy.
- The U.S. economy grew at about 3% in 2018, but is likely to slow modestly this year due to higher interest rates and labor shortages.
- The prospect of a trade war with China threatens to undermine an otherwise healthy outlook. Neither the U.S. nor China would benefit from a trade war, nor from uncertainty during current negotiations.

Asset Allocation: Current Posture

- Outlook
 - Fundamentals remain healthy and earnings growth is still robust; yet prospect of recession is beginning to come into forward view.
 - Short-term interest rates remain on a slowly upward path, but perhaps not for much longer; the Fed may halt its rate hikes soon.
 - The prospect of an inverted yield curve in the U.S. can't be ignored, even as the European yield curve has steepened.
- Strategy
 - We are now neutral between equities and bonds, after six years of favoring equities. Valuations are attractive but the outlook is increasingly uncertain.
 - In our global equity portfolios, we remain focused on the United States and emerging markets.
 - Our fixed income duration remains close to neutral. Issuers have strong balance sheets even as credit spreads have widened.

Market Monitor: Fixed Income



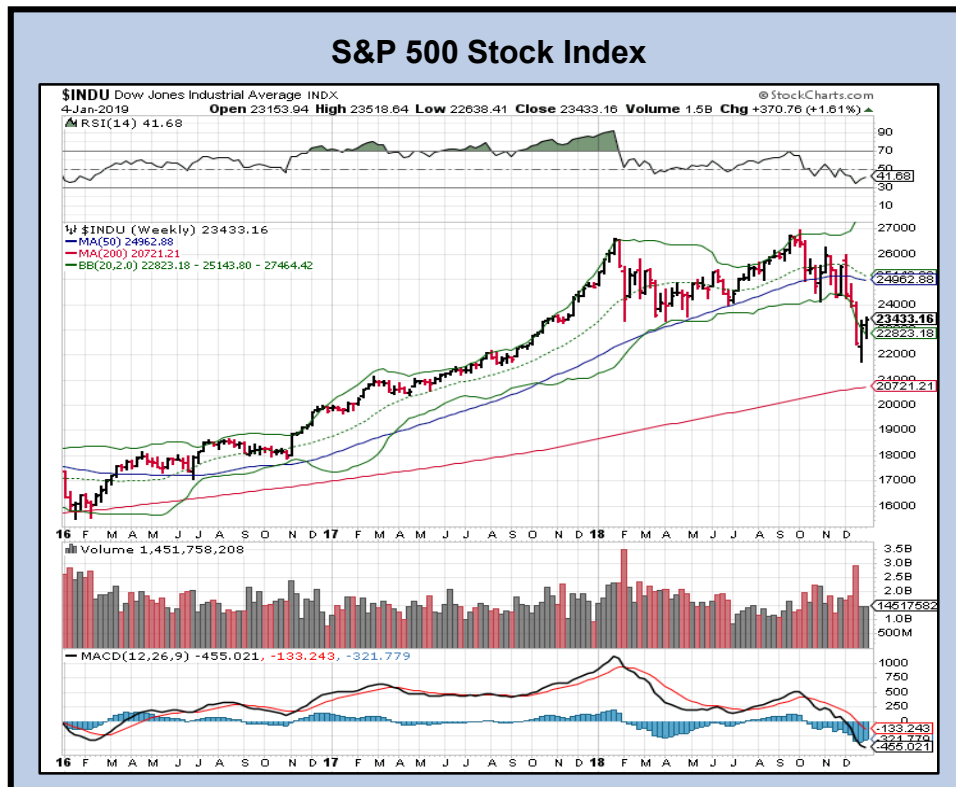
- Longer-term bond yields collapsed in recent weeks as investors began to fear that the Fed may not end its rate-hike cycle in a timely manner. For the same reason, credit spreads have widened sharply.
- The U.S. Treasury yield curve inverted between 2- and 5-year maturities, and is essentially flat from overnight to 10 years.
- Investors now expect the Fed not to raise interest rates at all in 2019, while the Fed's own "dot plot" implies two hikes. Yet Fed Chair Jerome Powell has emphasized that the Fed is not on a pre-set "autopilot."

Active Fixed Income Strategy

- Outlook
 - Inflation has moderated after a steady march upward last year, largely because the housing market has softened and oil prices have fallen sharply. This takes some pressure off the Fed, despite continued wage pressures, suggesting that short-term rates may have crested. We think CPI will remain about 2.5%.
 - Long-term bond yields have been constrained by ultra-low global rates and more recently by fears of recession, but the European Central Bank has said it will halt its bond purchases. This could send long-term yields higher and steepen the yield curve just when most investors think it's flattening.
- Strategy
 - We remain slightly underweight fixed income. We have trimmed our duration (interest rate) and credit risk profiles, shifting some funds from high-yield to A-rated corporate bonds.

Market Monitor: Domestic Equity

- U.S. stocks suffered their worst December since 1931, producing the first annual loss since 2008. Fears of recession, President Trump's apparent desire to fire Fed Chair Powell, trade tensions with China, and slowing global demand all weighed on investor sentiment.

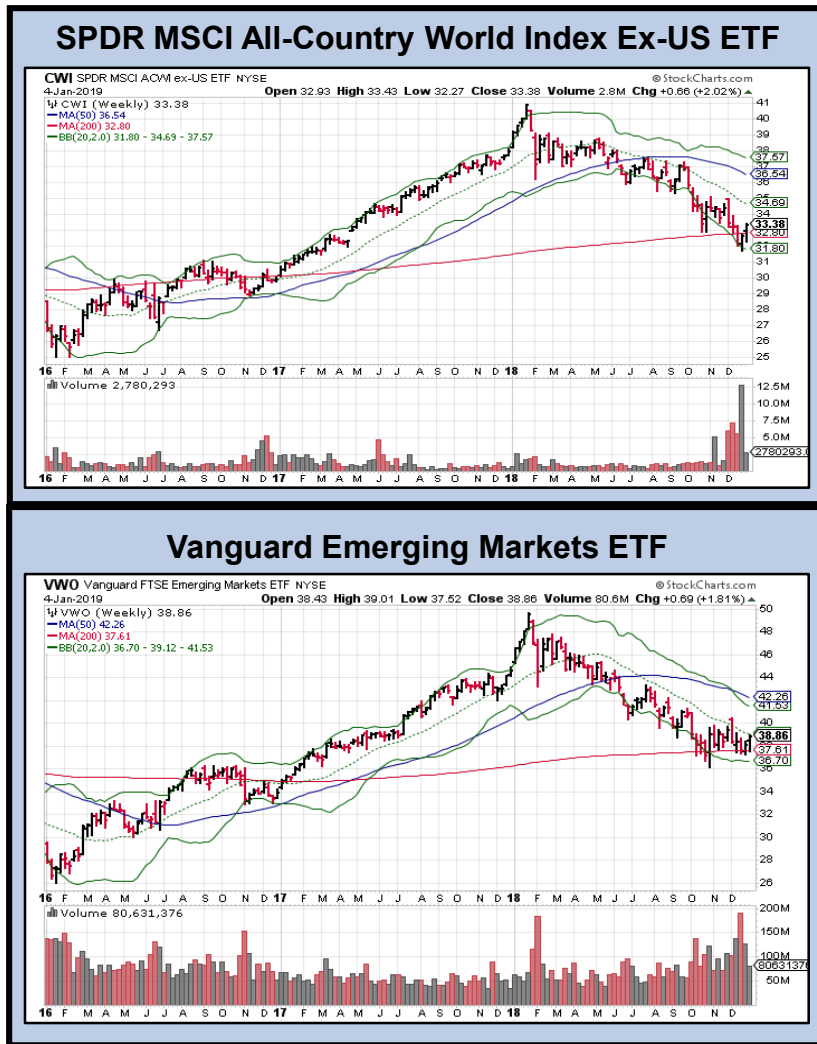


- Defensive sectors have behaved well recently, while all of the FANG stocks have lost more than 20% of their peak values.
- For 2018, health care and utilities advanced, while all other sectors retreated. Technology and consumer discretionary stocks lost less than the broad market. Energy was the worst sector, down 21%.

Domestic Equity Strategy Review

- Outlook
 - The Federal Reserve appears to be tilting its policy stance away from further tightening, which could remove a major obstacle to an early 2019 rally; on the other hand, higher mortgage rates are clearly causing some sticker shock in the housing market, which may ripple through the broader economy.
 - Investors may already be assuming that pending tariffs on imports from China will be avoided; full implementation could shave more than 0.5% from GDP growth, and put a damper on corporate EPS.
- Strategy
 - The drivers of long-term performance remain intact but with some additional uncertainty from slowing global demand and from political issues that we view as temporary.
 - Domestic equity portfolios remain diversified across all sectors of the economy. We have recycled some consumer discretionary and technology profits into health care and consumer staples companies.

Market Monitor: International Equity

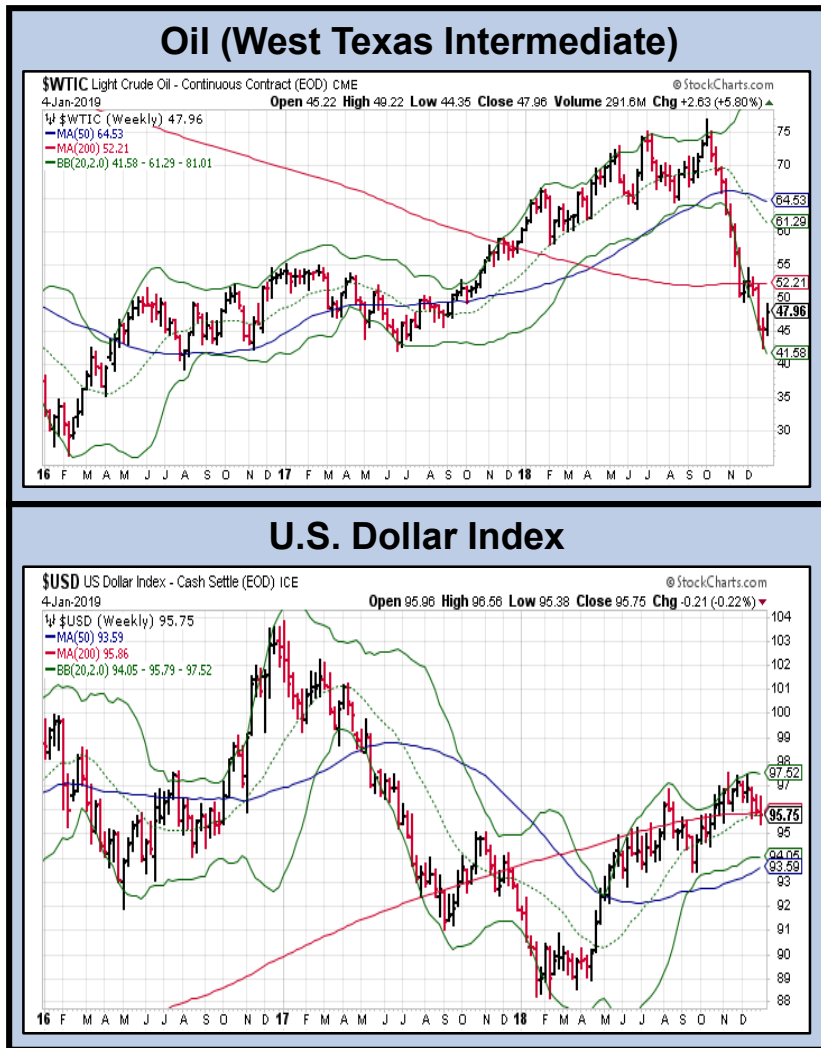


- Developed and emerging international markets posted sharply lower returns than the U.S. stock markets in 2018, victims of sputtering economic growth, trade tensions, political upheaval, and a stronger dollar.
- Brexit is a hot topic in the U.K., but a yawner elsewhere.
- Central bank policy is diverging after years of unity. The Bank of Japan remains accommodative, while the European Central Bank has indicated that its quantitative easing program will end soon; the Fed's rate hikes give the ECB cover to help Europe's commercial banks.

International Equity Strategy Review

- Outlook
 - We think international markets offer both diversification and risk-management benefits for Multi-Asset investors. Valuations remain below U.S. levels, which limits downside risk. These are long-term investments that may take time to play out fully.
- Strategy
 - Multi-Asset portfolios are underweight foreign markets compared with their benchmarks. Outside the U.S., we favor emerging markets, where a weaker dollar and strong consumer demand are favorable factors. Developed markets remain under pressure from Brexit and political turmoil in core Eurozone countries.
 - In Europe, the combination of low valuations and possibly reviving earnings growth is attractive, but bank profits have been under pressure from the European Central Bank's aggressive monetary policy. The ECB recently indicated that its bond-buying program is nearly complete, but interest rates will remain low for now.

Market Monitor: Other Asset Classes



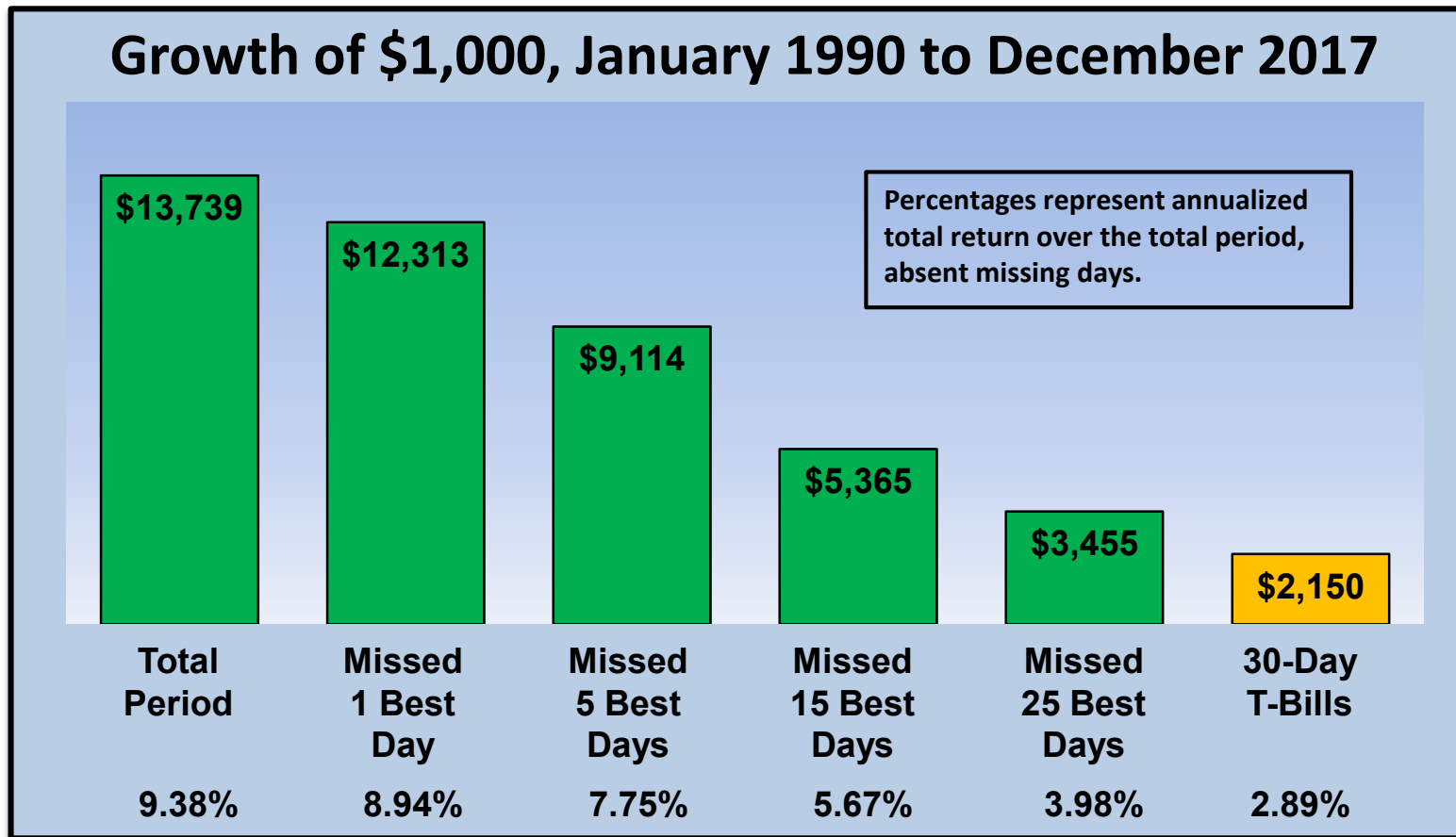
- Oil prices have plunged from nearly \$80 in October, and finally appear to be settling into a \$45 to \$60 trading range. Higher American production has been offset by pipeline capacity shortages. Demand remains strong worldwide, although recent data suggest some softening may be underway.
- The dollar's rally has stalled. Other central banks are beginning to tighten policy, diluting the dollar's appeal.
- Alternative asset class returns have been unimpressive, due to high fees and crowded trades.

Other Asset Classes Strategy

- Outlook
 - Higher interest rates and a strong dollar have driven most commodity prices down sharply this year; natural gas is the only notable exception, due to distribution capacity constraints. We think oil sector dynamics support a trading range of \$45 to \$60 per barrel.
 - Hedge funds, private equity, and venture capital are still tied to the U.S. corporate economy and are more correlated with public equities than their sponsors want to admit; higher interest rates hurt returns.
- Strategy
 - We don't hold commodities, an asset allocation decision that has benefited our clients this year. With stable inflation and a strong dollar, we remain skeptical that commodities can rally much.
 - We do not recommend hedge funds, private equity, or venture capital. Historical returns have been lackluster, too much money is chasing too few ideas, and fees remain too high, even for the “liquid alternatives” that package such assets into mutual funds.

Appendix

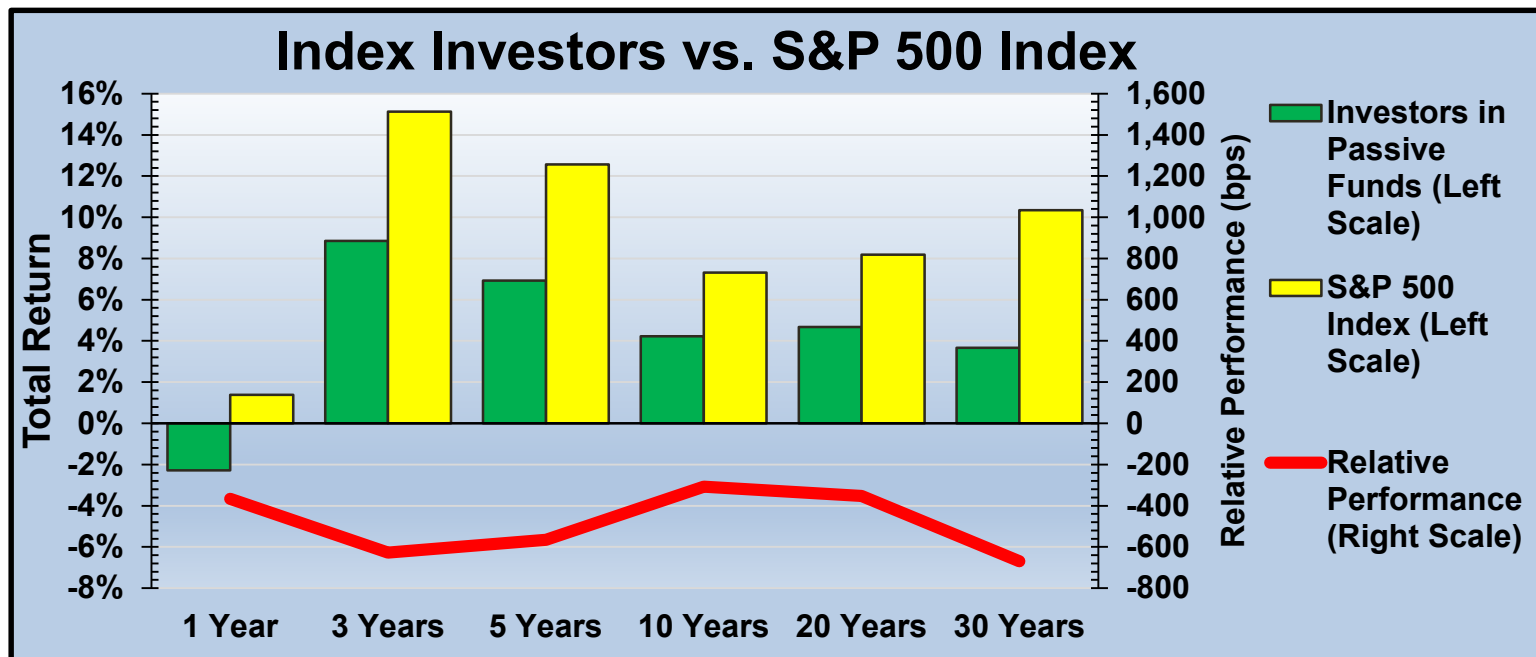
The Cost of Missing Out



Source: Dimensional Fund Advisors

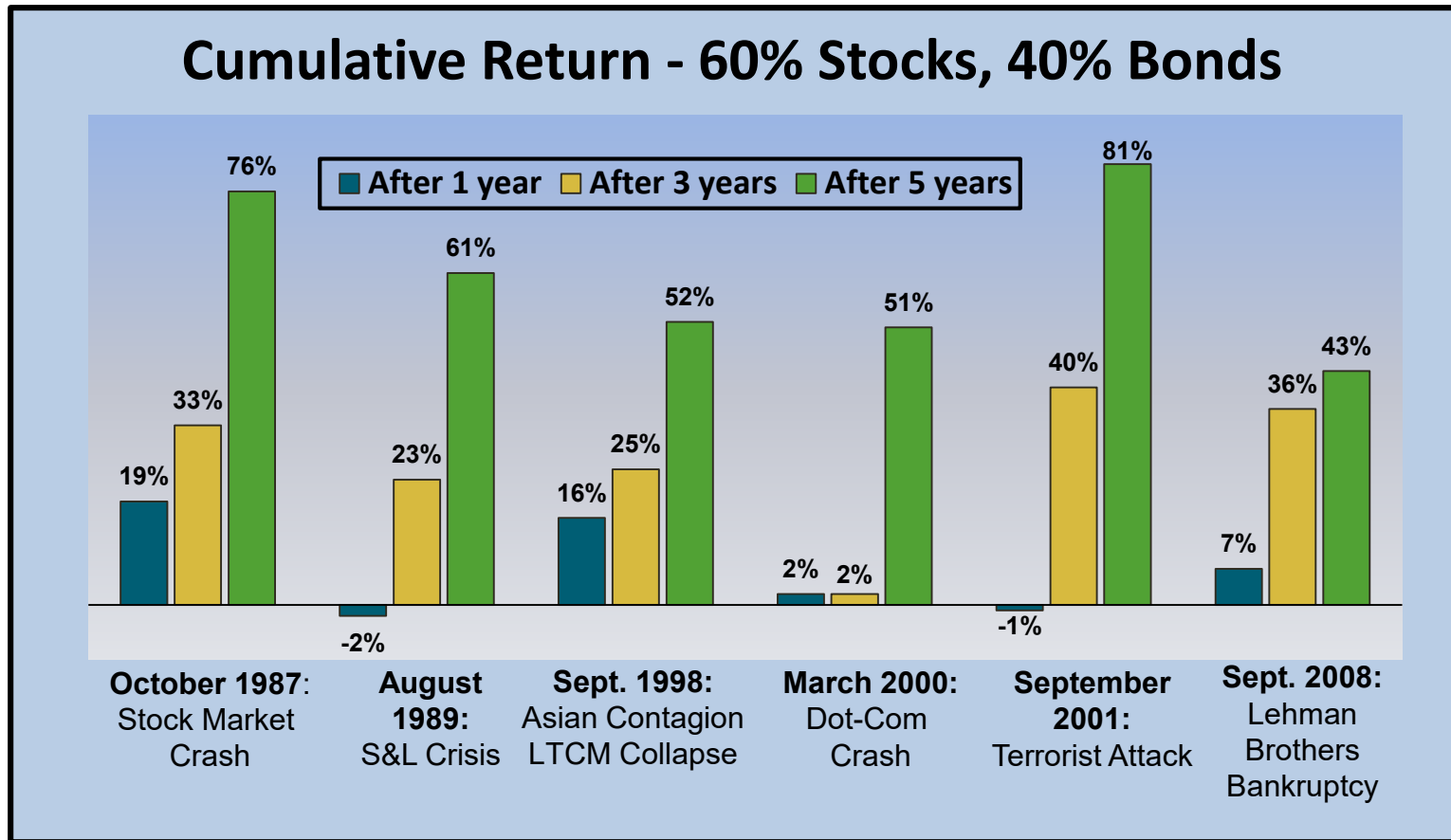
The Perils of Market Timing

- Do-it-yourself investors buy high, sell low
 - Index fund investors lag the index by 7% per year
 - Over 30 years, cumulative returns lag the index by 89%



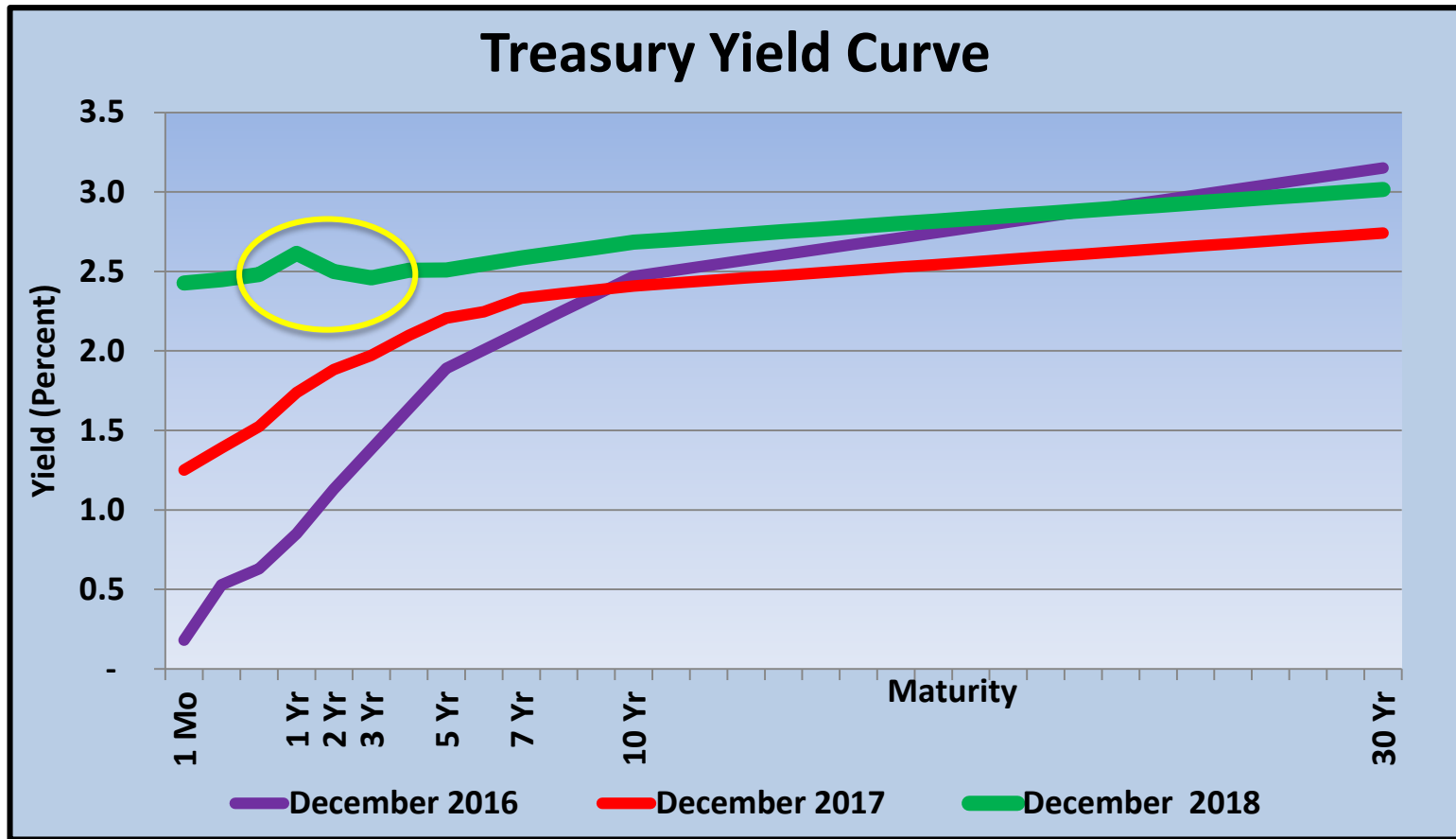
Source: Dalbar Inc.

Resilient Response to Crisis



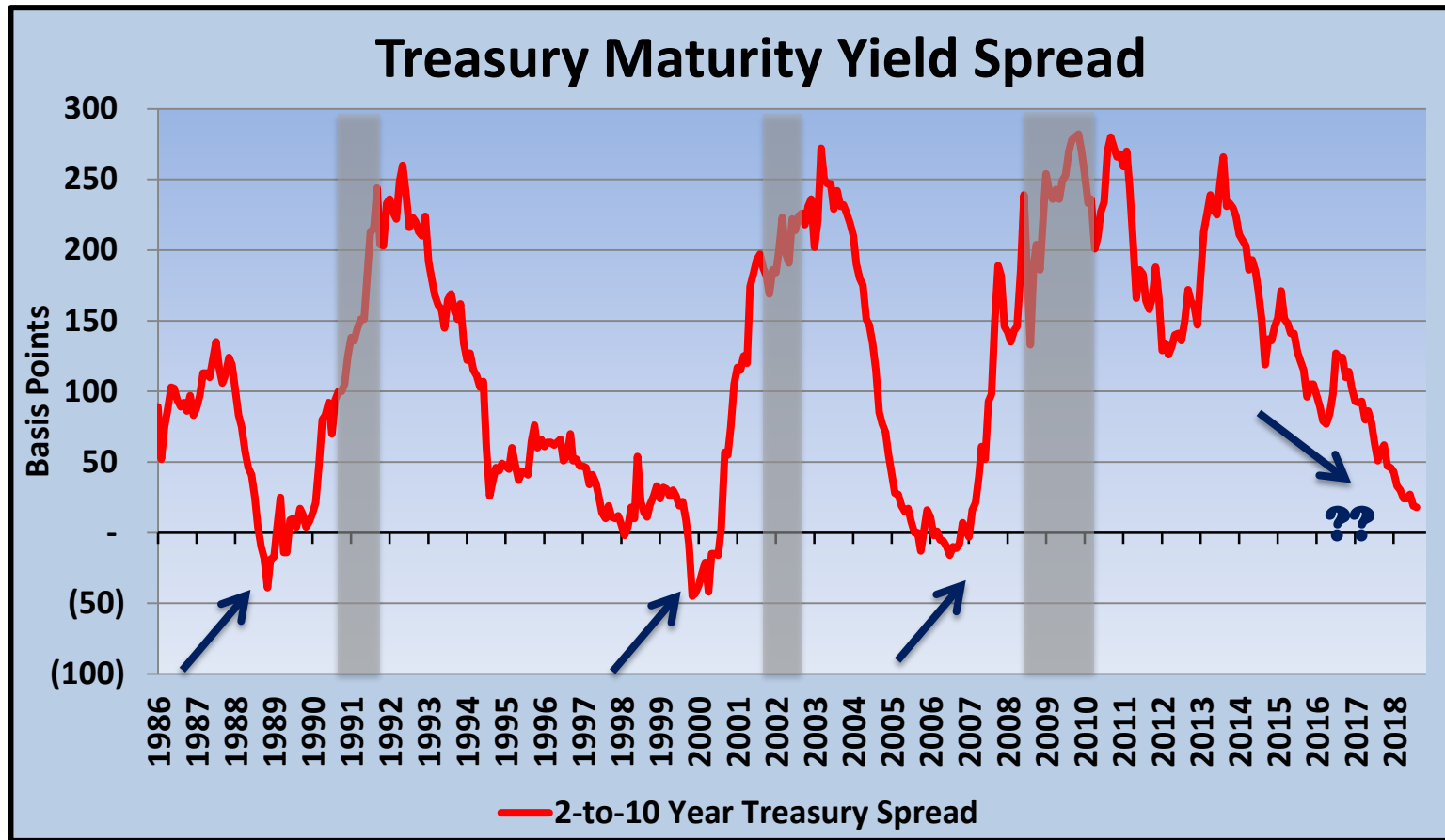
Source: Dimensional Fund Advisors

A Kink in the Yield Curve



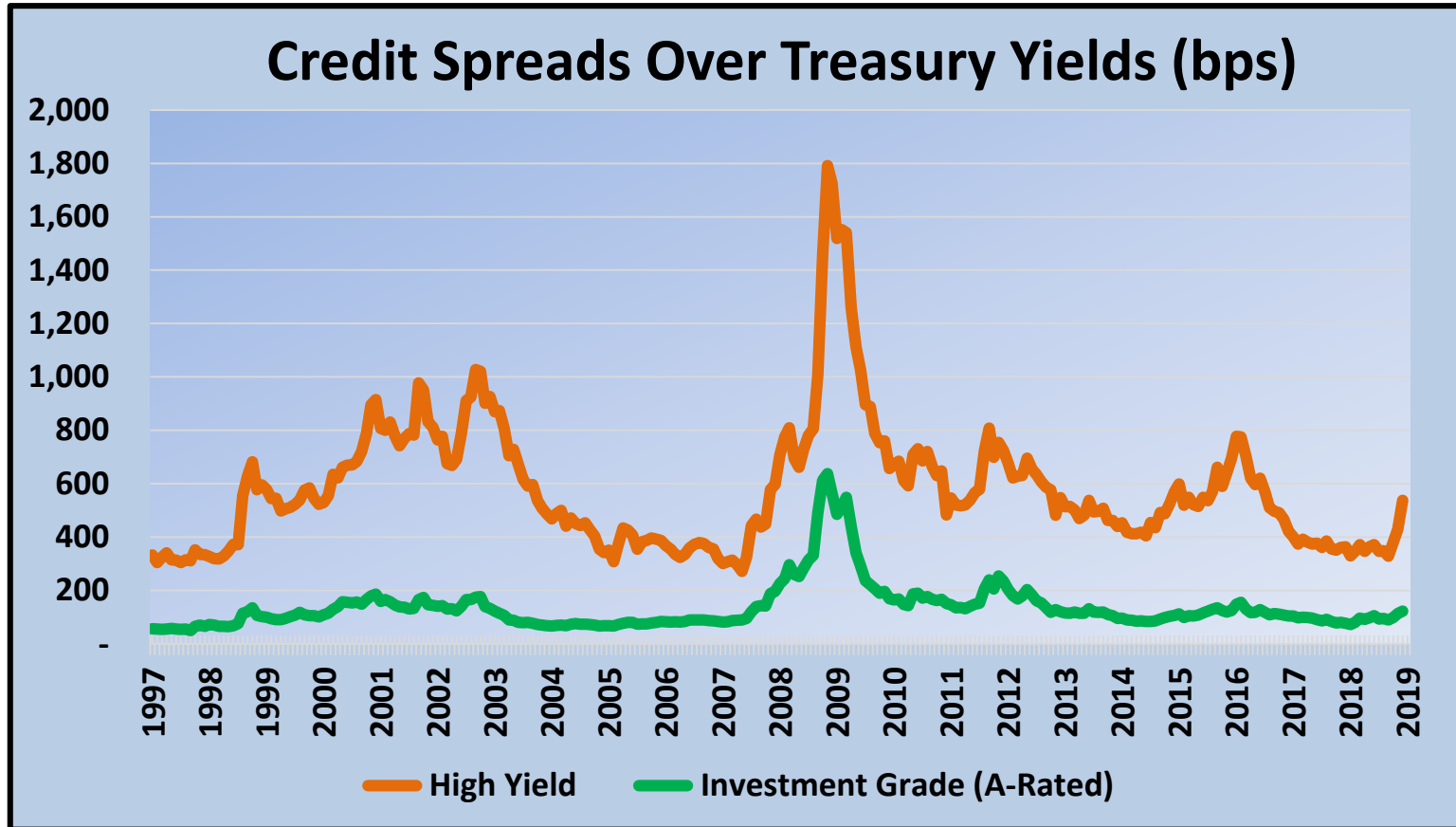
Source: FactSet

Risk of Inverted Yield Curve



Source: FactSet

Credit Risk: Corporate Bonds



Sources: Bank of America Merrill Lynch, Federal Reserve Bank of St. Louis

Eastern Bank Wealth Management



Eastern Bank

- Serving our communities in eastern Mass. and New Hampshire since 1818
- Largest and oldest mutual bank in the United States, with over 1,900 employees and 100 branches
- #1 SBA lender in New England for 7 consecutive years

Wealth Management

- Based in Boston, with offices in Saugus, Lynn, Brockton, & Duxbury
- Over \$2 billion individual & institutional client assets
- Team of 50, comprising investments, financial planning, client service, trust administration, and operations

Michael A. Tyler, CFA

- Chief Investment Officer, Eastern Bank Wealth Management
- Former Partner at Wellington Management in Boston
 - Built and led telecom investment practice
- Founder/CEO of investment boutique
 - Advised institutional clients on corporate takeovers and managed hedge fund
- Board Memberships
 - Align Impact, helping us invest congruently with our mission and values
 - Associated Industries of Massachusetts, state's largest trade group
- Frequent commentator on national (CNBC) and regional TV
- Harvard MBA, Princeton BA



John F. Doherty, CFP[®], CTFA

- Vice President, Eastern Bank Wealth Management since 2006
 - Over 20 years previously with BankBoston, Fleet National Bank, and Bank of America
- Expertise in trust, investments & banking
 - Clients include non-profit organizations, individuals, families, and trusts
- Board Memberships
 - Essex County Estate Planning Council, Lynn Home for Women
 - Active in youth activities in Melrose
- Suffolk University BS-Finance, Bentley University MBA
 - National Graduate Trust School (Northwestern University)
 - Certification in Financial Planning (Boston University)



William J. Walsh, CFP

- Director, Eastern Wealth Management
 - Oversees 50 experienced professionals committed to providing trust and estate management, investment management, and financial planning to individuals and organizations across eastern Mass. & NH
- Over 25 years of leadership experience
 - Director / Planning Officer at Weston Financial Group, a wealth management firm in Wellesley
 - Senior Vice President, City Executive & Market Leader at Bank of America / US Trust in Boston; managed a team of 14 private client advisors and managers dedicated to serving high-net-worth clients.
 - Adjunct Professor, Boston University
- Salem State College BS – Business Administration;
Boston University diploma in Financial Planning



Notices and Disclosure

- ***Investment Products:*** *Not insured by FDIC or any federal government agency. Not deposits of or guaranteed by any bank. May lose value.*
 - Eastern Bank Wealth Management is a division of Eastern Bank. Views are as of the date above and are subject to change based on market conditions and other factors. This material is for your private information and we are not soliciting any action based on it. All material has been obtained from sources believed to be reliable but its accuracy is not guaranteed. There is neither representation nor warranty as to the accuracy of, nor liability for the decisions based on such information.
 - Opinions expressed are our current opinions as of the date appearing on this material only. All opinions herein are subject to change without notice.
 - Past performance does not guarantee future performance. Investments made through Eastern Bank Wealth Management are not insured by FDIC or any federal government agency, are not deposits of or guaranteed by any bank, and may lose value.

Investment Review

Account Name	SALEM STATE	Account Number	2427524
		Assets Held As Of	DEC 31, 2018
		Valued As Of	DEC 31, 2018

Important Information

GAINS TAXED TO.....	EXEMPT	INCOME TAXED TO.....	EXEMPT
TRUST TAX YEAR END.....		TRUST TAX FILING STATUS.....	AGENCY
LONG TERM CARRYOVER LOSS....		SHORT TERM CARRYOVER LOSS...	
OFFICER.....	JOHN DOHERTY	INVESTMENT OBJECTIVE.....	GROWTH WITH INCOME
REVOCABILITY.....		INVESTMENT AUTHORITY.....	SOLE
FINAL TERMINATION DATE.....		DATE OF DEATH.....	
		TRUST SITUS.....	MASSACHUSETTS

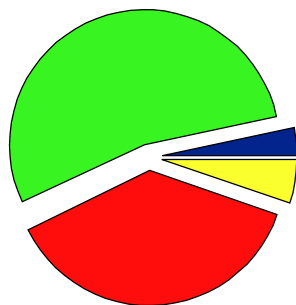
TRUSTEE RESTRICTIONS:

REMARKS:

RECOMMENDED CHANGES:						
SECURITY	PRICE	VALUE	COST	INCOME	EST INCOME CHANGE:	
					EST GAIN/LOSS:	
					RATIONALE FOR	
					RECOMMENDATION:	

SUMMARY OF INVESTMENTS

Investment Allocation



3.4%	■	CASH ITEMS	469,266.13
53.7%	■	EQUITIES	7,380,757.32
37.6%	■	FIXED INCOME SECURITIES	5,161,184.40
5.3%	■	MUTUAL FUNDS	731,789.58
<hr/>			
100.0%		Total	13,742,997.43

Investment Review

Account Name	SALEM STATE	Account Number	2427524
		Assets Held As Of	DEC 31, 2018
		Valued As Of	DEC 31, 2018

SUMMARY OF INVESTMENTS

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH ITEMS				
PRINCIPAL CASH				
MONEY MARKET FUNDS	469,266.13	3.41	8,822	1.88
TOTAL CASH ITEMS	469,266.13	3.41	8,822	1.88
FIXED INCOME SECURITIES				
MUTUAL FUND - GOV. BONDS MUTUAL FUNDS	301,314.80	2.19	5,877	1.95
CORPORATE/OTHER BONDS	3,964,946.50	28.85	137,882	3.48
MUTUAL FUND - FIXED INCOME MUTUAL FUNDS	701,993.94	5.11	27,146	3.87
MUTUAL FUND - SHORT TERM FIXED INCOME MUTUAL FUNDS	192,929.16	1.40	4,643	2.41
TOTAL FIXED INCOME SECURITIES	5,161,184.40	37.56	175,548	3.40
EQUITIES				
COMMON STOCKS				
COMPUTER SOFTWARE and SERVICES	76,239.48	0.55	961	1.26
COMMUNICATION SERVICES	674,510.12	4.91	9,828	1.46
CONSUMER DISCRETIONARY	652,826.46	4.75	8,297	1.27
CONSUMER STAPLES	410,839.07	2.99	10,014	2.44
FINANCIALS	758,440.14	5.52	20,389	2.69
HEALTH CARE	1,026,732.28	7.47	22,987	2.24
INDUSTRIALS	522,471.59	3.80	13,796	2.64
INFORMATION TECHNOLOGY	1,107,077.93	8.06	14,290	1.29
MATERIALS	173,137.58	1.26	4,848	2.80
UTILITIES	197,026.73	1.43	5,668	2.88
TOTAL COMMON STOCKS	5,599,301.38	40.74	111,078	1.98
MUTUAL FUND - LARGE CAP EQUITIES MUTUAL FUNDS	507,268.77	3.69	8,005	1.58
MUTUAL FUND - INTERNATIONAL EQUITIES MUTUAL FUNDS	756,600.78	5.51	18,872	2.49

Investment Review

Account Name	SALEM STATE	Account Number	2427524
		Assets Held As Of	DEC 31, 2018
		Valued As Of	DEC 31, 2018

SUMMARY OF INVESTMENTS**Investment Summary**

	Market Value	%	Estimated Income	Current Yield
MUTUAL FUND-SMALL AND MID CAP EQUITIES MUTUAL FUNDS	241,070.17	1.75	630	0.26
MUTUAL FUND - INTERNATIONAL EMERGING MKTS MUTUAL FUNDS	276,516.22	2.01	3,442	1.24
TOTAL EQUITIES	7,380,757.32	53.71	142,027	1.92
MUTUAL FUNDS				
MUTUAL FUNDS				
MUTUAL FUNDS ENERGY	600,937.88 130,851.70	4.37 0.95	8,850 910	1.47 0.70
TOTAL MUTUAL FUNDS	731,789.58	5.32	9,760	1.33
TOTAL FUND	13,742,997.43	100.00	336,157	2.45

For the Tax Year Ending 12/31

Net Short Term Gain/Loss 108,779.28

Net Long Term Gain/Loss * 1,095,582.99

* Includes Long Term Capital Gains Dividends

SUMMARY OF INVESTED INCOME**Investment Summary**

	Market Value	%	Estimated Income	Current Yield
CASH ITEMS				
INCOME CASH				
TOTAL FUND				

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**SCHEDULE OF INVESTMENTS**

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST CURRENT INC	YIELD	PLG COD
CASH ITEMS									
	PRINCIPAL CASH	0			0			0.0	
MONEY MARKET FUNDS									
	FEDERATED GOV'T OBLIGATION TAX MANAGED FUND # 637	469,266			469,266	1.88	8,822	1.9	
	TOTAL CASH ITEMS	469,266			469,266		8,822	1.9	
FIXED INCOME SECURITIES									
MUTUAL FUND - GOV. BONDS									
MUTUAL FUNDS									
2,482	I SHARES BARCLAYS 3-7 YR T	296,854	119.60	121.40	301,315	2.37	5,877	2.0	
CORPORATE/OTHER BONDS									
100,000	WELLS FARGO & CO 2.15% 01/15/2019	100,065	100.06	99.971	99,971	2.15	2,150	2.2	
125,000	DEUTSCHE BANK AG LONDON 2.5% 02/13/2019	125,129	100.10	99.81	124,763	2.50	3,125	2.5	
150,000	E M C CORP 2.65% 06/01/2020	150,442	100.29	96.042	144,063	2.65	3,975	2.8	
200,000	AUTODESK, INC. 3.125% 06/15/2020	202,979	101.49	99.607	199,214	3.13	6,250	3.1	
100,000	WELLS FARGO & CO 3% 01/22/2021	102,142	102.14	99.554	99,554	3.00	3,000	3.0	
200,000	XILINX, INC. 3% 03/15/2021	200,889	100.44	99.647	199,294	3.00	6,000	3.0	
100,000	MONSANTO CO 2.75% 07/15/2021	99,800	99.80	97.54	97,540	2.75	2,750	2.8	
250,000	EBAY INC 3.8% 03/09/2022	256,427	102.57	100.417	251,043	3.80	9,500	3.8	
125,000	TIME WARNER INC 3.4% 06/15/2022	130,045	104.04	98.655	123,319	3.40	4,250	3.4	
200,000	CVS 3.5% 07/20/2022	204,276	102.14	99.314	198,628	3.50	7,000	3.5	
250,000	HEWLETT-PACKARD CO 4.05% 09/15/2022	258,281	103.31	101.394	253,485	4.05	10,125	4.0	
200,000	FORD MOTOR CREDIT CO 4.25% 09/20/2022	205,570	102.78	95.865	191,730	4.25	8,500	4.4	

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**SCHEDULE OF INVESTMENTS**

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST CURRENT INC	YIELD	PLG COD
100,000	BANK OF AMERICA CORP 3.3% 01/11/2023	102,243	102.24	98.486	98,486	3.30	3,300	3.4	
225,000	A T & T INC 3.6% 02/17/2023	228,238	101.44	99.38	223,605	3.60	8,100	3.6	
150,000	VODAFONE GROUP 2.95% 02/19/2023	152,604	101.74	96.275	144,413	2.95	4,425	3.1	
150,000	CITIGROUP 3.375% 03/01/2023	154,770	103.18	98.436	147,654	3.38	5,063	3.4	
100,000	ACE INA HOLDINGS 2.7% 03/13/2023	102,298	102.30	97.72	97,720	2.70	2,700	2.8	
150,000	CARDINAL HEALTH, INC. 3.2% 03/15/2023	154,943	103.30	96.501	144,752	3.20	4,800	3.3	
125,000	HYATT HOTELS CORP 3.375% 07/15/2023	127,760	102.21	98.438	123,048	3.38	4,219	3.4	
200,000	CELGENE CORPORATION 4% 08/15/2023	206,542	103.27	100.455	200,910	4.00	8,000	4.0	
175,000	AMERIPRISE FINANCIAL INC 4% 10/15/2023	180,515	103.15	102.862	180,009	4.00	7,000	3.9	
200,000	WHIRLPOOL CORP. 4% 03/01/2024	208,867	104.43	99.817	199,634	4.00	8,000	4.0	
175,000	CSX CORPORATION 3.4% 08/01/2024	179,630	102.65	99.871	174,774	3.40	5,950	3.4	
150,000	CBS 3.7% 08/15/2024	153,440	102.29	97.177	145,766	3.70	5,550	3.8	
100,000	KEYCORP 4.15% 10/29/2025	101,100	101.10	101.575	101,575	4.15	4,150	4.1	
	TOTAL CORPORATE/OTHER BONDS	4,088,995			3,964,950		137,882	3.5	
MUTUAL FUND - FIXED INCOME									
MUTUAL FUNDS									
15,485.75	CALVERT INCOME FUND	255,979	16.53	15.54	240,649	0.60	9,260	3.8	
2,482	I SHARES TIPS BOND ETF	284,170	114.49	109.51	271,804	2.97	7,359	2.7	
30,424	PAX WORLD HIGH YIELD BOND-I	206,275	6.78	6.23	189,542	0.35	10,527	5.6	
	TOTAL MUTUAL FUNDS	746,424			701,995		27,146	3.9	
MUTUAL FUND - SHORT TERM FIXED INCOME									

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**SCHEDULE OF INVESTMENTS**

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST CURRENT INC	YIELD	PLG COD
MUTUAL FUNDS									
3,831	ISHARES FLOATING RATE BOND ETF	194,551	50.78	50.36	192,929	1.21	4,643	2.4	
	TOTAL FIXED INCOME SECURITIES	5,326,824			5,161,189		175,548	3.4	
EQUITIES									
COMMON STOCKS									
COMPUTER SOFTWARE and SERVICES									
1,201	COGNIZANT TECHNOLOGY SOL	97,119	80.87	63.48	76,239	0.80	961	1.3	
COMMUNICATION SERVICES									
61	ALPHABET, INC. CL C	20,896	342.55	1035.61	63,172	0.00	0	0.0	
164	ALPHABET, INC. CL A	71,731	437.38	1044.96	171,373	0.00	0	0.0	
3,086	COMCAST CORP NEW CL A	100,819	32.67	34.05	105,078	0.76	2,345	2.2	
1,223	FACEBOOK CL A	141,848	115.98	131.09	160,323	0.00	0	0.0	
3,105	VERIZON COMMUNICATIONS INC	126,555	40.76	56.22	174,563	2.41	7,483	4.3	
	TOTAL COMMUNICATION SERVICES	461,849			674,509		9,828	1.5	
CONSUMER DISCRETIONARY									
150	AMAZON.COM, INC	126,003	840.02	1501.97	225,296	0.00	0	0.0	
661	BURLINGTON STORES, INC.	104,448	158.01	162.67	107,525	0.00	0	0.0	
745	HOME DEPOT INC	58,653	78.73	171.82	128,006	4.12	3,069	2.4	
606	MCDONALD'S CORP	95,992	158.40	177.57	107,607	4.64	2,812	2.6	
863	ROYAL CARIBBEAN CRUISES, LTD.	70,040	81.16	97.79	84,393	2.80	2,416	2.9	
	TOTAL CONSUMER DISCRETIONARY	455,136			652,827		8,297	1.3	
CONSUMER STAPLES									
591	COSTCO WHOLESALE CORP, NEW	65,888	111.49	203.71	120,393	2.28	1,347	1.1	
875	PEPSICO INC	102,148	116.74	110.48	96,670	3.71	3,246	3.4	
1,029	PROCTER & GAMBLE CO	69,876	67.91	91.92	94,586	2.87	2,952	3.1	

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**SCHEDULE OF INVESTMENTS**

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST CURRENT INC	YIELD	PLG COD
1,583	SYSCO CORP	82,438	52.08	62.66	99,191	1.56	2,469	2.5	
	TOTAL CONSUMER STAPLES	320,350			410,840		10,014	2.4	
	FINANCIALS								
1,179	ALLSTATE CORP	78,202	66.33	82.63	97,421	1.84	2,169	2.2	
5,384	BANK AMERICA CORP	81,923	15.22	24.64	132,662	0.60	3,230	2.4	
229	BLACKROCK INC.	84,286	368.06	392.82	89,956	12.52	2,867	3.2	
1,746	J P MORGAN CHASE & CO	114,244	65.43	97.62	170,445	3.20	5,587	3.3	
2,397	MORGAN STANLEY	44,011	18.36	39.65	95,041	1.20	2,876	3.0	
640	PNC BANK CORP	96,675	151.05	116.91	74,822	3.80	2,432	3.3	
2,362	CHARLES SCHWAB	100,957	42.74	41.53	98,094	0.52	1,228	1.3	
	TOTAL FINANCIALS	600,298			758,441		20,389	2.7	
	HEALTH CARE								
2,038	ABBOTT LABORATORIES INC	124,266	60.97	72.33	147,409	1.28	2,609	1.8	
1,020	ABBVIE INC	115,342	113.08	92.19	94,034	4.28	4,366	4.6	
592	BECTON DICKINSON CO	65,596	110.80	225.32	133,389	3.08	1,823	1.4	
1,568	CVS HEALTH CORPORATION	123,249	78.60	65.52	102,735	2.00	3,136	3.1	
1,137	DANAHER CORP	97,955	86.15	103.12	117,247	0.64	728	0.6	
1,021	JOHNSON & JOHNSON	80,244	78.59	129.05	131,760	3.60	3,676	2.8	
2,109	MERCK & CO INC. NEW	92,032	43.64	76.41	161,149	2.20	4,640	2.9	
558	UNITEDHEALTH GROUP, INC.	124,886	223.81	249.12	139,009	3.60	2,009	1.4	
	TOTAL HEALTH CARE	823,570			1,026,732		22,987	2.2	
	INDUSTRIALS								
711	CATERPILLAR INC.	97,169	136.66	127.07	90,347	3.44	2,446	2.7	
486	FEDEX CORPORATION	46,877	96.45	161.33	78,406	2.60	1,264	1.6	
366	NORTHROP GRUMMAN	111,597	304.91	244.90	89,633	4.80	1,757	2.0	

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**SCHEDULE OF INVESTMENTS**

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST CURRENT INC	YIELD	PLG COD
520	3M CO	125,567	241.48	190.54	99,081	5.44	2,829	2.9	
732	UNITED TECHNOLOGIES CORP	91,394	124.86	106.48	77,943	2.94	2,152	2.8	
1,268	EATON CORP PLC	101,874	80.34	68.66	87,061	2.64	3,348	3.8	
	TOTAL INDUSTRIALS	574,478			522,471		13,796	2.6	
	INFORMATION TECHNOLOGY								
684	ADOBE INC.	74,235	108.53	226.24	154,748	0.00	0	0.0	
1,083	ANALOG DEVICES	53,934	49.80	85.83	92,954	1.92	2,079	2.2	
1,285	APPLE	127,290	99.06	157.74	202,696	2.92	3,752	1.9	
535	BROADCOM INC	123,421	230.69	254.28	136,040	10.60	5,671	4.2	
807	INTUIT	131,925	163.48	196.85	158,858	1.88	1,517	1.0	
1,417	SALESFORCE.COM	81,281	57.36	136.97	194,086	0.00	0	0.0	
1,271	VISA, INC	44,811	35.26	131.94	167,696	1.00	1,271	0.8	
	TOTAL INFORMATION TECHNOLOGY	636,897			1,107,078		14,290	1.3	
	MATERIALS								
490	AIR PRODUCTS & CHEMICALS	79,291	161.82	160.05	78,425	4.40	2,156	2.7	
1,771	DOWDUPONT INC.	96,308	54.38	53.48	94,713	1.52	2,692	2.8	
	TOTAL MATERIALS	175,599			173,138		4,848	2.8	
	UTILITIES								
445	NEXTERA ENERGY INC	63,183	141.99	173.82	77,350	4.44	1,976	2.6	
2,429	XCEL ENERGY, INC.	65,259	26.87	49.27	119,677	1.52	3,692	3.1	
	TOTAL UTILITIES	128,442			197,027		5,668	2.9	
	TOTAL COMMON STOCKS	4,273,738			5,599,302		111,078	2.0	

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**SCHEDULE OF INVESTMENTS**

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST CURRENT INC	PLG YIELD	COD
MUTUAL FUND - LARGE CAP EQUITIES									
MUTUAL FUNDS									
18,686.66	DFA U S SUSTAINABILITY CORE 1	404,504	21.65	19.27	360,092	0.26	4,840	1.3	
2,285	SPDR INDUSTRIAL SELECT	145,341	63.61	64.41	147,177	1.39	3,165	2.2	
	TOTAL MUTUAL FUNDS	549,845			507,269		8,005	1.6	
MUTUAL FUND - INTERNATIONAL EQUITIES									
MUTUAL FUNDS									
14,551.86	CALVERT INTERNATIONAL OPPORTUNITIES FUND	195,811	13.46	14.20	206,636	0.28	4,002	1.9	
32,244.27	DFA INTERNATIONAL SUSTAINABILITY CORE	365,871	11.35	9.12	294,068	0.25	8,029	2.7	
36,194.72	DOMINI IMPACT INTERNATIONAL EQUITY FUND INSTITUTIONAL	334,324	9.24	7.07	255,897	0.19	6,841	2.7	
	TOTAL MUTUAL FUNDS	896,006			756,601		18,872	2.5	
MUTUAL FUND-SMALL AND MID CAP EQUITIES									
MUTUAL FUNDS									
10,681	CALVERT SMALL CAP FUND	278,143	26.04	22.57	241,070	0.06	630	0.3	
MUTUAL FUND - INTERNATIONAL EMERGING MKTS									
MUTUAL FUNDS									
18,810.63	CALVERT EMERGING MARKETS EQUITY FUND	339,444	18.05	14.70	276,516	0.18	3,442	1.2	
	TOTAL EQUITIES	6,337,176			7,380,758		142,027	1.9	
MUTUAL FUNDS									
MUTUAL FUNDS									
MUTUAL FUNDS									
8,685	CALVERT GLOBAL WATER FUND	181,007	20.84	17.60	152,856	0.29	2,501	1.6	
23,036	CALVERT GLOBAL ENERGY SOLUTIONS	179,545	7.79	6.03	138,907	0.12	2,787	2.0	

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**SCHEDULE OF INVESTMENTS**

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST INC	CURRENT YIELD	PLG COD
7,145	INVESCO BUYBACK WILDERHILL CLEAN ENERGY ETF	183,071	25.62	21.39	152,832	0.44	3,122	2.0	
2,179	SPDR S&P BIOTECH	176,665	81.08	71.75	156,343	0.20	440	0.3	
	TOTAL MUTUAL FUNDS	720,288			600,938		8,850	1.5	
	ENERGY								
7,054	INVESCO EX SOLAR ETF	183,262	25.98	18.55	130,852	0.13	910	0.7	
	TOTAL MUTUAL FUNDS	903,550			731,790		9,760	1.3	
	TOTAL FUND	13,036,816			13,743,003		336,157	2.4	

SCHEDULE OF INCOME INVESTMENTS

UNITS	DESCRIPTION	TAX COST	UNIT COST	CURRENT PRICE	MARKET VALUE	INC RATE	EST INC	CURRENT YIELD	PLG COD
	INCOME CASH	0			0			0.0	

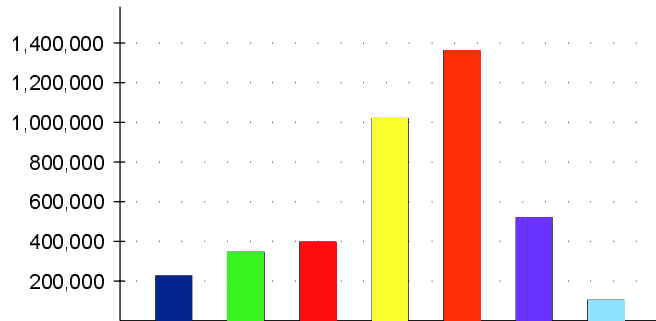
Investment Review

Account Name SALEM STATE

Account Number 2427524
 Assets Held As Of DEC 31, 2018
 Valued As Of DEC 31, 2018

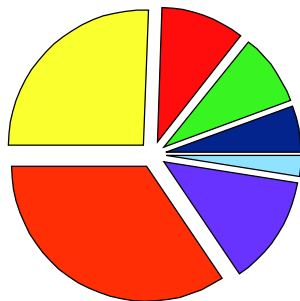
MATURITY SCHEDULE

Maturities by Year



2019	224,733.50
2020	343,277.00
2021	396,388.00
2022	1,018,204.25
2023	1,360,595.00
2024	520,173.75
2025	101,575.00
Total	3,964,946.50

Percent at Market by Year



5.7%	2019	224,733.50
8.7%	2020	343,277.00
10.0%	2021	396,388.00
25.7%	2022	1,018,204.25
34.2%	2023	1,360,595.00
13.1%	2024	520,173.75
2.6%	2025	101,575.00
100.0%	Total	3,964,946.50

Investment Review

Account Name SALEM STATE

Account Number 2427524
Assets Held As Of DEC 31, 2018
Valued As Of DEC 31, 2018**MATURITY SCHEDULE**

Maturing :	Federal Tax Cost	Current Market Value	Face Value	% at Market
2018				
2019	225,194.44	224,733.50	225,000.00	5.67
2020	353,421.80	343,277.00	350,000.00	8.66
2021	402,830.10	396,388.00	400,000.00	10.00
2022	1,054,598.70	1,018,204.25	1,025,000.00	25.68
2023	1,409,912.89	1,360,595.00	1,375,000.00	34.32
2024	541,936.15	520,173.75	525,000.00	13.12
2025	101,100.00	101,575.00	100,000.00	2.56
2026				
2027				
TEN TO TWENTY YEARS				
OVER TWENTY YEARS				
TOTAL	4,088,994.08	3,964,946.50	4,000,000.00	100.00
MATURING NEXT 365 DAYS	225,194.44	224,733.50	225,000.00	5.67

Information may be a combination of maturity and prerefunded dates

Your Performance Statement

Investment activity through 12/31/2018

Your Portfolio Summary

Reporting period: December 31, 2017 to December 31, 2018

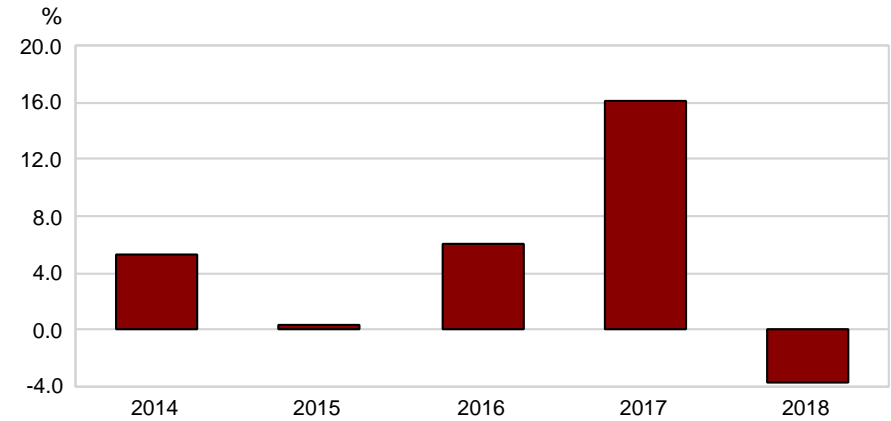
EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

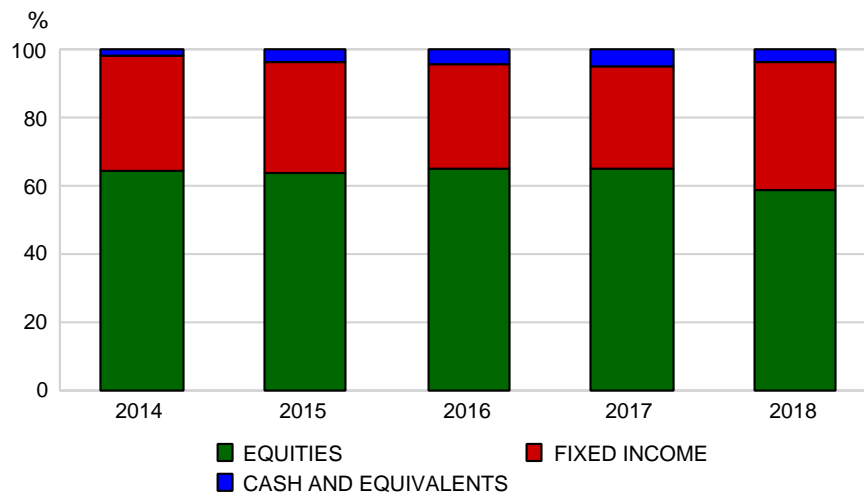
Portfolio Value - YTD

Beginning portfolio value	14,387,694.62
Contributions	51,997.27
Income earned	352,022.17
Withdrawals	-116,985.99
Market Appreciation	-879,266.54
Ending portfolio value	13,795,461.53
Total return	-3.68

Annual Portfolio Returns



Annual Portfolio Allocation



Portfolio Values By Asset Class

	Market value	% of Mkt val
DOMESTIC EQUITY	7,085,094	51.4
DOMESTIC FIXED INCOM	5,204,493	37.7
INTERNATIONAL EQUITY	1,033,117	7.5
CASH AND EQUIVALENTS	472,758	3.4
Total	13,795,462	100.0

Your Portfolio Performance

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

	Market Value	Month to Date	Quarter to Date (3 Months)	Year to Date (1 Year)	1 Year	3 Years	5 Years	Inception to Date (265 Months)
TOTAL FUND	13,795,462	-4.71	-7.77	-3.68	-3.68	5.87	4.61	5.73
TOTAL NET OF FEES	13,795,462	-4.74	-7.87	-4.12	-4.12	5.40	4.17	5.45
Strategy: Growth with Income (Corp)		-4.52	-7.69	-3.47	-3.47	6.10	5.27	6.48
EQUITIES	8,118,211	-8.13	-12.82	-6.28	-6.28	7.91	6.24	6.31
Benchmark: Multi-Asset Equity Blend		-8.22	-13.17	-6.21	-6.21	8.44	7.03	7.11
DOMESTIC EQUITY	7,085,094	-8.59	-12.91	-4.44	-4.44	9.03		
COMMON STOCK	5,604,966	-8.24	-12.22	-1.80	-1.80	10.28		
DOMESTIC EQUITY FUNDS	1,480,129	-9.91	-15.56	-14.14	-14.14	3.97		
ETF - DOMESTIC EQUITY	440,027	-11.79	-15.89	-25.20	-25.20			
ETF - DOMESTIC EQUITY	147,177	-10.66	-17.26	-13.57	-13.57	5.42		
MUTUAL FUND - DOMESTIC EQUITY	360,092	-9.99	-16.64					
MUTUAL FUND - DOMESTIC EQUITY	241,070	-10.28	-17.12	-8.57	-8.57			
MUTUAL FUND - DOMESTIC EQUITY	291,763	-6.09	-12.13	-17.61	-17.61			
INTERNATIONAL EQUITY	1,033,117	-4.85	-12.06	-15.53	-15.53	1.96		
INTERNATIONAL EQUITY FUNDS	1,033,117	-4.85	-12.06	-15.53	-15.53	1.96		
MUTUAL FUND - INTERNATIONAL EQUITIES	756,601	-5.70	-14.17	-16.74	-16.74	4.96		
MUTUAL FUND - INTERNATIONAL EQUITIES	276,516	-2.39	-5.42	-17.61	-17.61			
FIXED INCOME	5,204,493	.77	.49	-.30	-.30	1.98	1.57	4.49
Benchmark: Barclays US Interm Credit TR USD		1.10	.75	.01	.01	2.44	2.47	5.09
DOMESTIC FIXED INCOME	5,204,493	.77	.49	-.30	-.30	1.98		
DOMESTIC BONDS	4,008,255	.92	.80	.04	.04	1.71		
CORPORATE BOND	4,008,255	.92	.80	.04	.04	1.73		
DOMESTIC BOND FUNDS	1,196,238	.28	-.53	-1.43	-1.43	2.83		
ETF - GOVERNMENT BONDS	573,119	1.18	1.14	-.88	-.88	.69		
CORPORATE BOND FUNDS	623,119	-.54	-2.01	-1.95	-1.95	3.64		

Your Portfolio Performance

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

	Market Value	Month to Date	Quarter to Date (3 Months)	Year to Date (1 Year)	1 Year	3 Years	5 Years	Inception to Date (265 Months)
ETF - CORPORATE BONDS	192,929	-.24	-.39	.90	.90	4.13		
MUTUAL FUND - CORPORATE BONDS	430,190	-.68	-2.72	-3.17	-3.17			
CASH AND EQUIVALENTS	472,758	.16	.46	1.43	1.43	.63	.38	2.09
CASH UNINVESTED	3,492	.00	.00	.00	.00	.00		
MONEY MARKET FUNDS	469,266	.15	.46	1.42	1.42	.63		
Benchmark: Lipper Money Mkt Fd IX		.18	.51	1.63	1.63	.80	.48	2.01

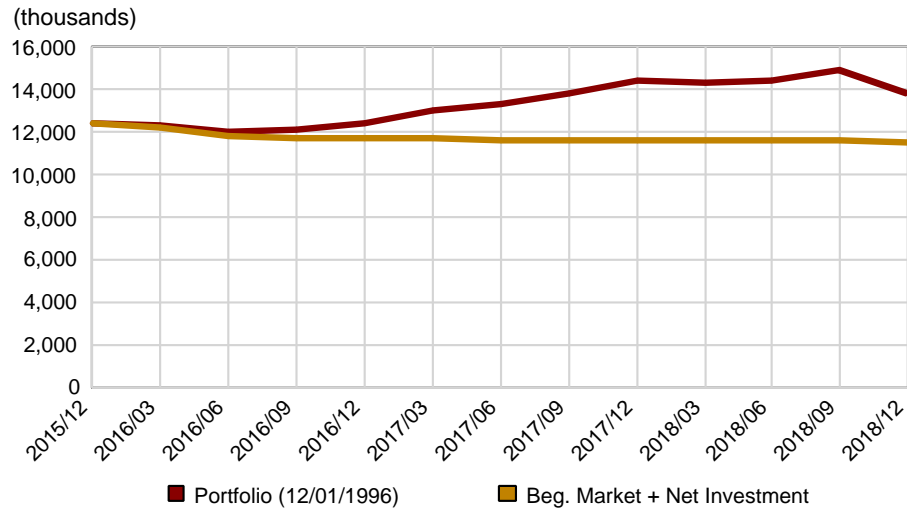
Your Portfolio Performance - Continued

Reporting period: December 31, 2017 to December 31, 2018

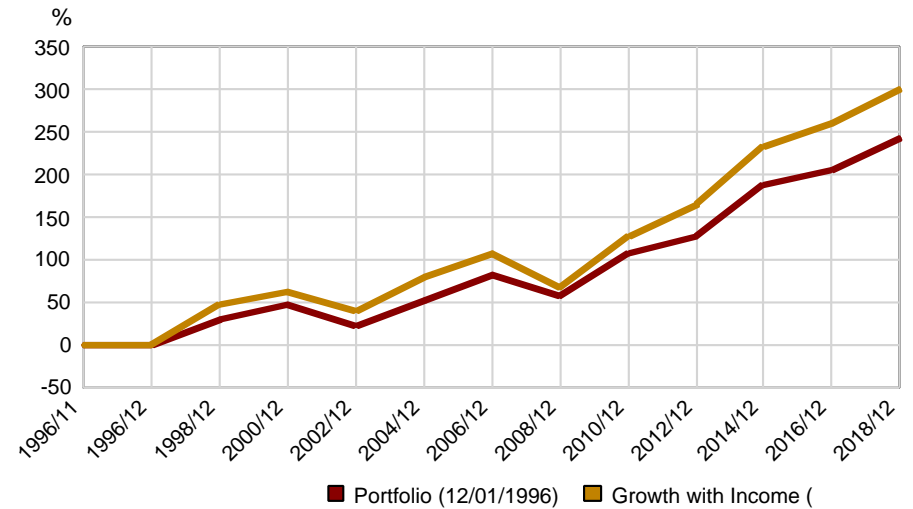
EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Trailing Three-Year Growth



Cumulative Returns Compared To Benchmark - ITD



Top 10 Performers - YTD

	Market value	% of Mkt val	Return
MERCK & CO INC. NEW	162,309	1.2	40.35
SALESFORCE.COM	194,086	1.4	34.41
ADOBE INC.	154,748	1.1	29.66
AMAZON.COM, INC	225,296	1.6	28.58
NIKE INC. CL B	0	.0	23.42
INTUIT	158,858	1.2	21.15
ABBOTT LABORATORIES INC	147,409	1.1	20.16
VISA, INC	167,696	1.2	16.67
MCDONALD'S CORP	107,607	.8	15.01
NEXTERA ENERGY INC	77,350	.6	14.32

Bottom 10 Performers - YTD

	Market value	% of Mkt val	Return
FEDEX CORPORATION	78,722	.6	-33.88
FACEBOOK CL A	160,323	1.2	-24.98
DOWDUPONT INC.	94,713	.7	-22.91
MORGAN STANLEY	95,041	.7	-22.45
BLACKROCK INC.	89,956	.7	-21.38
CALVERT GLOBAL ENERGY SOL	138,907	1.0	-21.08
COGNIZANT TECHNOLOGY SOL	76,239	.6	-20.87
PNC BANK CORP	74,822	.5	-20.75
ALLSTATE CORP	97,963	.7	-19.65
INVESCO EX SOLAR ETF	130,852	1.0	-19.59

Your Allocation Overview

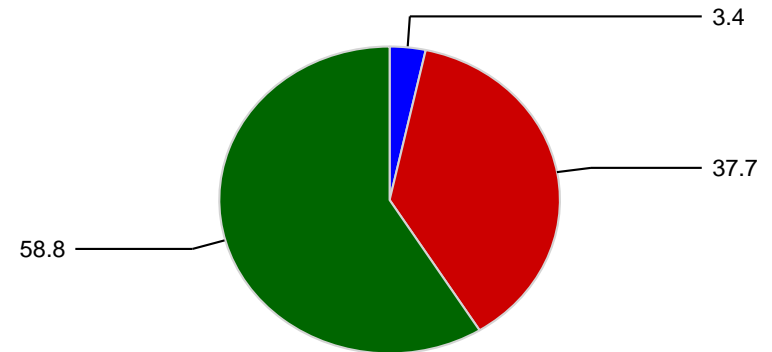
Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Sector Allocation

	Market value	% of Mkt val
■ EQUITIES	8,118,211	58.8
■ FIXED INCOME	5,204,493	37.7
■ CASH AND EQUIVALENTS	472,758	3.4
Total	13,795,462	100.0



Top Holdings

	Classification	Unit cost	Total cost	Price	Market value	Accrual	% of Mkt val	Unrealized gain loss
FEDERATED GOV'T OBLIGATION TAX	MONEY MARKET FUNDS	1.00	469,266.13	1.000	469,266.13	.00	3.4	.00
DFA U S SUSTAINABILITY CORE 1	MUTUAL FUND - DOMEST	21.65	404,504.00	19.270	360,091.92	.00	2.6	-44,412.08
I SHARES BARCLAYS 3-7 YR T	ETF - GOVERNMENT BON	119.60	296,853.65	121.400	301,314.80	.00	2.2	4,461.15
DFA INTERNATIONAL SUSTAINABILI	MUTUAL FUND - INTERN	11.35	365,828.53	9.120	294,067.71	.00	2.1	-71,760.82
CALVERT EMERGING MARKETS EQUIT	MUTUAL FUND - INTERN	18.04	339,370.65	14.700	276,516.22	.00	2.0	-62,854.43
I SHARES TIPS BOND ETF	ETF - GOVERNMENT BON	114.49	284,169.84	109.510	271,803.82	.00	2.0	-12,366.02
DOMINI IMPACT INTERNATIONAL	MUTUAL FUND - INTERN	9.24	334,258.89	7.070	255,896.66	.00	1.9	-78,362.23
HEWLETT-PACKARD CO 4.05%	CORPORATE BOND	103.80	259,507.50	101.394	253,485.00	2,981.25	1.8	-6,022.50
EBAY INC 3.8% 03/09/2022	CORPORATE BOND	103.00	257,500.00	100.417	251,042.50	2,955.56	1.8	-6,457.50
CALVERT SMALL CAP FUND	MUTUAL FUND - DOMEST	26.04	278,143.09	22.570	241,070.17	.00	1.8	-37,072.92
CALVERT INCOME FUND	MUTUAL FUND - CORPOR	16.53	255,979.49	15.540	240,648.60	.00	1.8	-15,330.89
All Others			9,479,544.12		10,531,285.62	43,035.57	76.6	1,051,741.50
Total			13,024,925.89		13,746,489.15	48,972.38	100.0	721,563.26

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank	
COMMON STOCK												
COMMUNICATION SERVICES												
Assets Held During Period												
ALPHABET, INC. CL C	02079K107	63,172	41,941	-84	.3	-353		65	-.01	32	-.71	2
ALPHABET, INC. CL A	02079K305	171,373	83,436	-.62	.6	-517		68	-.01	33	-1.03	3
COMCAST CORP NEW CL A	20030N101	105,665	121,700	-12.68	.8	-15,437	-.11	95	-.37	47	-30.90	4
FACEBOOK CL A	30303M102	160,323	204,710	-24.98	1.4	-51,131	-.36	122	-1.22	64	-102.35	5
VERIZON COMMUNICATIONS INC	92343V104	174,563	155,718	11.23	1.1	17,483	.12	9	.42	9	35.00	1
Total: COMMUNICATION SERVICES		675,096	607,506		4.2	-49,954	-.35		-1.19		-100.00	
CONSUMER DISCRETIONARY												
Assets Held During Period												
AMAZON.COM, INC	023135106	225,296	180,903	28.58	1.2	51,701	.36	1	1.23	1	3.89	1
HOME DEPOT INC	437076102	128,006	134,910	-7.39	.9	-9,972	-.07	88	-.24	41	-.75	6
ROYAL CARIBBEAN CRUISES, LTD.	V7780T103	84,997	100,718	-16.02	.7	-16,135	-.11	96	-.38	48	-1.21	7
Assets Purchased During Period												
BURLINGTON STORES, INC.	122017106	107,525	26,110	2.95	.2	3,077	.02	40	.07	24	.23	4
MCDONALD'S CORP	580135101	107,607	86,436	15.01	.6	14,155	.10	12	.34	12	1.07	3
Assets Sold During Period												
NIKE INC. CL B	654106103	0	88,371	23.42	.6	24,837	.17	7	.59	7	1.87	2
STARBUCKS CORP	855244109	0	15,773	-1.30	.1	-1,229	-.01	71	-.03	34	-.09	5
Total: CONSUMER DISCRETIONARY		653,431	633,221	5.00	4.3	66,434	.46		1.58		5.00	
CONSUMER STAPLES												
Assets Held During Period												
COSTCO WHOLESALE CORP, NEW	22160K105	120,393	114,196	10.15	.8	11,593	.08	14	.28	14	28.51	1
PROCTER & GAMBLE CO	742718109	94,586	81,092	3.44	.6	2,792	.02	43	.07	26	6.86	3
SYSCO CORP	871829107	99,191	98,741	5.43	.7	5,358	.04	31	.13	22	13.18	2
Assets Purchased During Period												
PEPSICO INC	713448108	97,482	17,025	-4.57	.1	-4,667	-.03	80	-.11	37	-11.48	4
Assets Sold During Period												
MONSTER BEVERAGE CORP	61174X109	0	109,529	-13.55	.8	-16,193	-.11	97	-.39	49	-39.82	5
Total: CONSUMER STAPLES		411,651	420,583	-2.75	2.9	-1,117	-.01		-0.03		-2.75	
ENERGY												
Assets Sold During Period												
CHEVRON CORP	166764100	0	13,270	5.21	.1	8,290	.06	19	.20	19	-30.51	1

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

	ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank
CONOCOPHILLIPS	20825C104	0	10,822	7.44	.1	9,663	.07	16	.23	16	-35.57	3
HALLIBURTON CO	406216101	0	11,806	6.50	.1	9,215	.06	17	.22	17	-33.92	2
Total: ENERGY		0	35,899		.2	27,168	.19		.65		-100.00	
FINANCIALS												
Assets Held During Period												
ALLSTATE CORP	020002101	97,963	123,070	-19.65	.8	-24,181	-.17	111	-.58	60	-2.74	9
BANK AMERICA CORP	060505104	132,662	141,993	-14.37	1.0	-20,399	-.14	104	-.49	55	-2.31	6
BLACKROCK INC.	09247X101	89,956	112,197	-21.38	.8	-23,989	-.17	110	-.57	59	-2.72	8
J P MORGAN CHASE & CO	46625H100	170,445	158,981	-6.39	1.1	-10,157	-.07	89	-.24	42	-1.15	4
MORGAN STANLEY	617446448	95,041	118,886	-22.45	.8	-26,689	-.19	114	-.64	61	-3.03	10
CHARLES SCHWAB	808513105	98,094	121,608	-18.78	.8	-22,843	-.16	107	-.54	57	-2.59	7
Assets Purchased During Period												
PNC BANK CORP	693475105	74,822	94,846	-20.75	.7	-19,677	-.14	100	-.47	52	-2.23	5
Assets Sold During Period												
WELLS FARGO & CO	949746101	0	12,841	3.92	.1	6,044	.04	28	.14	21	.69	1
Assets Purchased And Sold During Period												
PRUDENTIAL FINANCIAL	744320102	0	0	.00	.0	0		61		30		2
TRIAD GUARANTY INC.	895925105	0	0	.00	.0	0		62		31		3
Total: FINANCIALS		758,982	884,423	-16.10	6.1	-141,891	-.99		-3.38		-16.10	
HEALTH CARE												
Assets Held During Period												
BECTON DICKINSON CO	075887109	133,389	129,206	6.65	.9	8,594	.06	18	.20	18	1.07	5
CVS HEALTH CORPORATION	126650100	102,735	104,242	-6.32	.7	-6,586	-.05	81	-.16	38	-.82	7
DANAHER CORP	235851102	117,429	106,404	12.00	.7	12,770	.09	13	.30	13	1.59	4
JOHNSON & JOHNSON	478160104	131,760	141,397	-4.85	1.0	-6,855	-.05	83	-.16	39	-.85	8
MERCK & CO INC. NEW	58933Y105	162,309	117,666	40.35	.8	47,481	.33	3	1.13	3	5.92	1
Assets Purchased During Period												
ABBOTT LABORATORIES INC	002824100	147,409	112,995	20.16	.8	24,854	.17	6	.59	6	3.10	2
ABBVIE INC	00287Y109	94,034	95,760	-15.99	.7	-18,371	-.13	99	-.44	51	-2.29	10
UNITEDHEALTH GROUP, INC.	91324P102	139,009	124,756	12.86	.9	16,048	.11	10	.38	10	2.00	3
Assets Sold During Period												
BRISTOL MYERS SQUIBB CO.	110122108	0	22,377	.99	.2	1,324	.01	49	.03	27	.17	6
CELGENE CORPORATION	151020104	0	34,023	-14.80	.2	-20,142	-.14	101	-.48	53	-2.51	11
HOLOGIC	436440101	0	25,783	-10.46	.2	-10,789	-.08	91	-.26	44	-1.34	9
Total: HEALTH CARE		1,028,074	1,014,610	6.02	7.0	48,329	.34		1.15		6.02	

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

	ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank	
INDUSTRIALS													
Assets Held During Period													
	CATERPILLAR INC.	149123101	90,347	108,632	-16.83	.7	-18,282	-.13	98	-.44	50	-2.79	5
	FEDEX CORPORATION	31428X106	78,722	117,672	-33.88	.8	-39,862	-.28	121	-.95	63	-6.08	8
	NORTHROP GRUMMAN	666807102	89,633	110,430	-19.10	.8	-21,089	-.15	105	-.50	56	-3.22	6
	EATON CORP PLC	G29183103	87,061	94,067	-9.84	.6	-9,254	-.06	86	-.22	40	-1.41	2
Assets Purchased During Period													
	3M CO	88579Y101	99,081	124,633	-18.98	.9	-23,658	-.17	109	-.56	58	-3.61	7
	UNITED TECHNOLOGIES CORP	913017109	77,943	60,155	-13.74	.4	-12,400	-.09	93	-.30	45	-1.89	3
Assets Sold During Period													
	HONEYWELL INT'L INC.	438516106	0	11,502	2.09	.1	2,885	.02	42	.07	25	.44	1
	MASCO CORP	574599106	0	40,840	-14.59	.3	-14,299	-.10	94	-.34	46	-2.18	4
Total: INDUSTRIALS		522,787	667,932	-20.75	4.6	-135,959	-.95			-3.24		-20.75	
INFORMATION TECHNOLOGY													
Assets Held During Period													
	ADOBE INC.	00724F101	154,748	122,099	29.66	.8	36,211	.25	4	.86	4	2.11	2
	ANALOG DEVICES	032654105	92,954	84,036	-1.59	.6	-1,338	-.01	72	-.03	35	-.08	8
	APPLE	037833100	202,696	203,778	-5.29	1.4	-10,770	-.08	90	-.26	43	-.63	9
	SALESFORCE.COM	79466L302	194,086	145,259	34.41	1.0	49,982	.35	2	1.19	2	2.91	1
	VISA, INC	92826C839	167,696	147,631	16.67	1.0	24,603	.17	8	.59	8	1.43	4
Assets Purchased During Period													
	BROADCOM INC	11135F101	136,040	121,946	9.28	.8	15,093	.11	11	.36	11	.88	5
	COGNIZANT TECHNOLOGY SOL	192446102	76,239	80,503	-20.87	.6	-20,159	-.14	102	-.48	54	-1.17	10
	INTUIT	461202103	158,858	132,096	21.15	.9	27,941	.20	5	.67	5	1.63	3
Assets Sold During Period													
	PAYPAL HLDGS INC	70450Y103	0	40,908	3.16	.3	5,168	.04	34	.12	23	.30	6
Assets Purchased And Sold During Period													
	BROADCOM, LTD.	Y09827109	0	15,860	.62	.1	586		55	.01	28	.03	7
Total: INFORMATION TECHNOLOGY		1,183,317	1,094,116	7.41	7.5	127,318	.89			3.03		7.41	
MATERIALS													
Assets Held During Period													
	DOWDUPONT INC.	26078J100	94,713	123,857	-22.91	.9	-28,381	-.20	116	-.68	62	-13.64	3
Assets Purchased During Period													
	AIR PRODUCTS & CHEMICALS	009158106	78,964	31,260	.28	.2	211		59	.01	29	.10	1
Assets Sold During Period													
	P P G INDUSTRIES	693506107	0	57,913	-4.86	.4	-4,218	-.03	79	-.10	36	-2.03	2
Total: MATERIALS		173,677	213,030	-15.56	1.5	-32,388	-.23			-.77		-15.56	

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

	ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank	
UTILITIES													
Assets Held During Period													
	NEXTERA ENERGY INC	65339F101	77,350	68,898	14.32	.5	9,863	.07	15	.23	15	5.36	1
	XCEL ENERGY, INC.	98389B100	120,600	114,150	5.81	.8	6,632	.05	23	.16	20	3.60	2
Total: UTILITIES		197,950	183,048	8.96	1.3	16,495	.12			.39		8.96	
Total: COMMON STOCK		5,604,966	5,754,367	-1.80	39.5	-75,566	-.53			-1.80			
DOMESTIC EQUITY FUNDS													
ETF - DOMESTIC EQUITY													
Assets Held During Period													
	SPDR INDUSTRIAL SELECT	81369Y704	147,177	168,552	-13.04	1.2	-21,972	-.15	106	-1.37	10	-19.79	5
Assets Sold During Period													
	SPDR S&P 500 ETF TRUST	78462F103	0	15,589	3.25	.1	6,081	.04	27	.38	4	5.48	3
	SPDR HEALTH CARE SELECT SPDR ETF	81369Y209	0	15,441	3.45	.1	6,395	.04	24	.40	2	5.76	1
	SPDR FINANCIAL INDEX	81369Y605	0	140,119	-7.04	1.0	-11,837	-.08	92	-.74	8	-10.66	4
	SPDR TECHNOLOGY IDX	81369Y803	0	17,096	3.05	.1	6,263	.04	26	.39	3	5.64	2
Total: ETF - DOMESTIC EQUITY		147,177	356,796	-13.57	2.5	-15,071	-.11			-.94		-13.57	
ETF - DOMESTIC EQUITY													
Assets Sold During Period													
	I SHARES RUSSELL MIDCAP GROWTH	464287481	0	24,088	2.84	.2	8,211	.06	20	.51	1	-72.63	2
	I SHARES RUSSELL 2000 VALUE INDEX FUND	464287630	0	21,053	1.22	.1	3,094	.02	39	.19	6	-27.37	1
Total: ETF - DOMESTIC EQUITY		0	45,140		.3	11,305	.08			.70		-100.00	
MUTUAL FUND - DOMESTIC EQUITY													
Assets Purchased During Period													
	DFA U S SUSTAINABILITY CORE 1	233203215	360,092	236,283	-10.64	1.6	-37,697	-.26	118	-2.35	16		1
Total: MUTUAL FUND - DOMESTIC EQUITY		360,092	236,283		1.6	-37,697	-.26			-2.35			
MUTUAL FUND - DOMESTIC EQUITY													
Assets Purchased During Period													
	CALVERT SMALL CAP FUND	13161P862	241,070	269,278	-8.57	1.8	-23,065	-.16	108	-1.44	11	-8.57	1
Total: MUTUAL FUND - DOMESTIC EQUITY		241,070	269,278	-8.57	1.8	-23,065	-.16			-1.44		-8.57	
ETF - DOMESTIC EQUITY													

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

	ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank
Assets Purchased During Period												
INVESCO BUYBACK WILDERHILL CLEANENERGY ETF	46137V134	152,832	105,732	-15.14	.7	-27,434	-.19	115	-1.71	14	-6.99	5
INVESCO EX SOLAR ETF	46138G706	130,852	95,587	-19.59	.7	-32,104	-.22	117	-2.00	15	-8.18	6
SPDR S&P BIOTECH	78464A870	156,343	44,168	-11.49	.3	-20,296	-.14	103	-1.26	9	-5.17	3
Assets Purchased And Sold During Period												
GUGGENHEIM SOLAR ETF	18383Q739	0	76,357	2.85	.5	5,220	.04	32	.33	5	1.33	1
POWERSHARES WILDERHILL CLEAN ENERGY	73935X112	0	89,194	.18	.6	316		58	.02	7	.08	2
POWERSHARES SOLAR PORTFOLIO	73936Q520	0	31,414	-13.06	.2	-24,618	-.17	112	-1.53	12	-6.27	4
Total: ETF - DOMESTIC EQUITY		440,027	442,452	-25.20	3.0	-98,916	-.69		-6.16		-25.20	
MUTUAL FUND - DOMESTIC EQUITY												
Assets Purchased During Period												
CALVERT GLOBAL WATER FUND	13161P698	152,856	181,195	-14.16	1.2	-25,651	-.18	113	-1.60	13	-7.11	1
CALVERT GLOBAL ENERGY SOLUTIONS	13161P813	138,907	179,544	-21.08	1.2	-37,855	-.26	120	-2.36	17	-10.49	2
Total: MUTUAL FUND - DOMESTIC EQUITY		291,763	360,739	-17.61	2.5	-63,506	-.44		-3.96		-17.61	
Total: DOMESTIC EQUITY FUNDS		1,480,129	1,710,689	-14.14	11.7	-226,950	-1.59		-14.14			
INTERNATIONAL EQUITY												
ETF - INTERNATIONAL EQUITIES												
Assets Sold During Period												
I SHARES EMU INDEX FUND	464286608	0	16,297	3.21	.1	6,284	.04	25	.44	2	-54.65	2
WISDOM TREE EUROPE HEDGED EQUITY	97717X701	0	14,584	2.98	.1	5,215	.04	33	.37	4	-45.35	1
Total: ETF - INTERNATIONAL EQUITIES		0	30,881		.2	11,499	.08		.81		-100.00	
MUTUAL FUND - INTERNATIONAL EQUITIES												
Assets Held During Period												
CALVERT INTERNATIONAL OPPORTUNIT	131649857	206,636	258,406	-14.64	1.8	-37,831	-.26	119	-2.66	6	-3.46	1
Assets Purchased During Period												
DFA INTERNATIONAL SUSTAINABILITYCORE	233203199	294,068	431,160	-17.57	3.0	-75,769	-.53	125	-5.33	9	-6.94	3
DOMINI IMPACT INTERNATIONAL EQUITY FUN	257132811	255,897	365,561	-18.91	2.5	-69,127	-.48	124	-4.86	8	-6.33	2
Total: MUTUAL FUND - INTERNATIONAL EQUITIES		756,601	1,055,126	-16.74	7.2	-182,726	-1.28		-12.85		-16.74	
ETF - INTERNATIONAL EQUITIES												
Assets Sold During Period												
I SHARES MSCI RUSSIA ETF	46434G798	0	6,369	7.79	.0	5,957	.04	30	.42	3	-32.84	2
SPDR MSCI ACWI EX-US ETF	78463X848	0	15,883	2.70	.1	5,145	.04	35	.36	5	-28.36	1

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

	ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank
VANGUARD EMERGING MARKETS ETF	922042858	0	16,283	3.60	.1	7,039	.05	22	.50	1	-38.80	3
Total: ETF - INTERNATIONAL EQUITIES		0	38,534		.3	18,141	.13		1.28		-100.00	
MUTUAL FUND - INTERNATIONAL EQUITIES												
Assets Purchased During Period												
CALVERT EMERGING MARKETS EQUITY FUND	131649774	276,516	384,367	-17.61	2.6	-67,702	-.47	123	-4.76	7	-17.61	1
Total: MUTUAL FUND - INTERNATIONAL EQUITIES		276,516	384,367	-17.61	2.6	-67,702	-.47		-4.76		-17.61	
Total: INTERNATIONAL EQUITY		1,033,117	1,508,909	-15.53	10.4	-220,788	-1.54		-15.53			
TAXABLE FIXED INCOME												
CORPORATE BOND												
Assets Held During Period												
ACE INA HOLDINGS 2.7% 03/13/2023	00440EAP2	98,530	95,259	1.13	.7	1,077	.01	51	.03	12	.01	10
AMERIPRISE FINANCIAL INC 4% 10/15/2023	03076CAF3	181,486	150,184	.52	1.0	775	.01	53	.02	14	.01	12
AUTODESK, INC. 3.125% 06/15/2020	052769AC0	199,492	199,473	1.78	1.4	3,556	.02	37	.11	3	.03	2
BANK OF AMERICA CORP 3.3% 01/11/2023	06051GEU9	100,044	111,087	-.46	.8	-514		67	-.02	21		18
CBS 3.7% 08/15/2024	124857AM5	147,862	159,067	-1.91	1.1	-3,032	-.02	77	-.09	28	-.02	24
CSX CORPORATION 3.4% 08/01/2024	126408HB2	177,253	150,878	.58	1.0	868	.01	52	.03	13	.01	11
CVS 3.5% 07/20/2022	126650CK4	201,759	196,519	.97	1.3	1,908	.01	48	.06	10	.01	8
CARDINAL HEALTH, INC. 3.2% 03/15/2023	14149YAY4	146,165	154,249	-.39	1.1	-605		69	-.02	22		19
CELGENE CORPORATION 4% 08/15/2023	151020AJ3	203,932	224,441	-.67	1.5	-1,506	-.01	73	-.05	24	-.01	20
CITIGROUP 3.375% 03/01/2023	172967GL9	149,342	139,028	.38	1.0	527		57	.02	17		14
DEUTSCHE BANK AG LONDON 2.5% 02/13/2019	25152RVS9	125,960	123,872	2.37	.9	2,939	.02	41	.09	5	.02	4
E M C CORP 2.65% 06/01/2020	268648AQ5	144,394	115,169	-.05	.8	-62		64		19		16
FORD MOTOR CREDIT CO 4.25% 09/20/2022	345397WF6	194,115	207,870	-4.56	1.4	-9,488	-.07	87	-.29	33	-.07	25
HYATT HOTELS CORP 3.375% 07/15/2023	448579AE2	124,993	153,753	-.30	1.1	-462		66	-.01	20		17
MONSANTO CO 2.75% 07/15/2021	61166WAT8	98,808	201,991	-.76	1.4	-1,541	-.01	74	-.05	25	-.01	21
TIME WARNER INC 3.4% 06/15/2022	887317AQ8	123,508	97,482	.12	.7	120		60		18		15
VODAFONE GROUP 2.95% 02/19/2023	92857WBC3	146,035	154,794	-1.15	1.1	-1,778	-.01	75	-.05	26	-.01	22
WELLS FARGO & CO 2.15% 01/15/2019	94974BFQ8	100,962	99,472	1.97	.7	1,960	.01	47	.06	9	.01	7
WELLS FARGO & CO 3% 01/22/2021	94974BFR6	100,879	98,551	1.15	.7	1,129	.01	50	.03	11	.01	9
WHIRLPOOL CORP. 4% 03/01/2024	963320AR7	202,301	217,007	-1.15	1.5	-2,506	-.02	76	-.08	27	-.02	23
XILINX, INC. 3% 03/15/2021	983919AH4	201,061	197,403	1.81	1.4	3,572	.02	36	.11	2	.03	1
Assets Purchased During Period												
A T & T INC 3.6% 02/17/2023	00206RCS9	226,620	222,929	1.10	1.5	2,446	.02	45	.07	7	.02	5
EBAY INC 3.8% 03/09/2022	278642AN3	253,998	249,806	.91	1.7	2,277	.02	46	.07	8	.02	6

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

	ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank	
HEWLETT-PACKARD CO 4.05%	09/15/2022	428236BX0	256,466	254,048	1.29	1.7	3,287	.02	38	.10	4	.03	3
KEYCORP 4.15% 10/29/2025		49326EEH2	102,290	8,513	.52	.1	533		56	.02	16		13
Total: CORPORATE BOND			4,008,255	3,982,843	.04	27.4	5,480	.04		.17		.04	
ETF - GOVERNMENT BONDS													
Assets Held During Period													
I SHARES TIPS BOND ETF		464287176	271,804	254,916	-1.42	1.8	-3,624	-0.03	78	-.11	29	-1.02	2
Assets Purchased During Period													
I SHARES BARCLAYS 3-7 YR T		464288661	301,315	171,489	2.75	1.2	8,095	.06	21	.25	1	2.28	1
Assets Sold During Period													
I SHARES BARCLAYS 7-10 YR TREAS		464287440	0	117,025	-3.25	.8	-7,599	-0.05	84	-.23	31	-2.14	3
Total: ETF - GOVERNMENT BONDS			573,119	543,430	-0.88	3.7	-3,127	-0.02		-0.10		-0.88	
ETF - CORPORATE BONDS													
Assets Held During Period													
ISHARES FLOATING RATE BOND ETF		46429B655	192,929	189,204	1.47	1.3	2,777	.02	44	.08	6	1.50	1
Assets Purchased And Sold During Period													
I SHARES I BOXX INVESTMENT GRADECORPORATE		464287242	0	20,477	-0.45	.1	-1,112	-0.01	70	-0.03	23	-0.60	2
Total: ETF - CORPORATE BONDS			192,929	209,681	0.90	1.4	1,666	0.01		0.05		0.90	
MUTUAL FUND - CORPORATE BONDS													
Assets Held During Period													
CALVERT INCOME FUND		131582793	240,649	213,790	-3.19	1.5	-6,810	-0.05	82	-.21	30	-1.55	2
Assets Purchased During Period													
PAX WORLD HIGH YIELD BOND-I		704223809	189,542	199,578	-3.90	1.4	-7,787	-0.05	85	-.24	32	-1.77	3
Assets Sold During Period													
SHENKMAN SHORT DURATION HIGH INCOME FUN		00770X709	0	13,707	.40	.1	658		54	.02	15	.15	1
Total: MUTUAL FUND - CORPORATE BONDS			430,190	427,075	-3.17	2.9	-13,939	-0.10		-0.43		-3.17	
Total: TAXABLE FIXED INCOME			5,204,493	5,163,029	-0.30	35.5	-9,921	-0.07		-0.30			
CASH AND EQUIVALENTS													
CASH UNINVESTED													
Assets Held During Period													
			3,492	0	.00	.0	0		63		2		1
Total: CASH UNINVESTED			3,492	0	0.00	0.0	0						

Your Holdings Detail

Reporting period: December 31, 2017 to December 31, 2018

EASTERN BANK INVEST MGR FOR SALEM STATE UNIV (2427524)

Performance Measured Since: December 01, 1996

Holdings By Asset Class - YTD

ID	Ending Market Value	Average Market Value	Total Return	Average Weight	Total Earnings	Total Port Cont	Total Port Rank	Asset Class Cont	Asset Class Rank	Sector Cont	Sector Rank
MONEY MARKET FUNDS											
Assets Held During Period											
FEDERATED GOV'T OBLIGATION TAX MANAGED FU 60934N849	469,266	422,447	1.42	2.9	5,981	.04	29	1.43	1	1.42	1
Total: MONEY MARKET FUNDS	469,266	422,447	1.42	2.9	5,981	.04		1.43		1.42	
Total: CASH AND EQUIVALENTS	472,758	422,447	1.43	2.9	5,981	.04		1.43			
Total	13,795,462	14,559,441	-3.68	100.0	-527,244	-3.68					

Investment Commentary

Investors rolled through 2018's good times and were rocked by its bad times – and that was *before* December's market dropped like a lead zeppelin, leaving nearly everyone dazed and confused. When the dust settled, no one made much money: 2018 was the first year since 1972 in which no asset class earned at least 5%. Nothing worked.

On the other hand, 2018 wasn't a disaster either; rattled investors may just be feeling something of a communication breakdown. Properly diversified portfolios ended the year close to where they began, as dividend and bond interest income mostly offset modest price declines. The S&P 500 stock market index, for example, dipped only 4% after including dividends.

What shook investors wasn't the end result but the tumult that led to it. From January's rocket launch through February's nosedive, then a September rally to record highs followed by a collapse in October, investors had to wonder how many more times the market would reverse itself. After yet another rally in November, investors suffered the worst December since 1931 – and the first time in history that December was the worst month in a calendar year.

Through it all, our client portfolios held their ground. We had reduced equity allocations sharply last January, from a 13.5% overweight to only 4.5% over the neutral long-term target. This move helped insulate our clients from the stock market's wild swings while still generating good dividend income along the way.

In equities, we took profits in some big winners, shifting funds into cheaper stocks that have that performed well as the market wilted. In December and for the full year, our clients' equity portfolios beat both their benchmarks and other active managers.

In fixed income, our relatively short bond ladders provided stable cash flows and reinvestment opportunities. Credit spreads widened in December and inflation expectations dropped, which mildly hurt performance of some of our bond funds.

Looking ahead into 2019, we see tremendous political and economic uncertainty, but the backbone of the U.S. economy remains solid and securities prices are quite reasonable. We will be publishing our annual tactical review later this month with more details.

Michael A. Tyler, CFA
Chief Investment Officer

Notes and Disclosures

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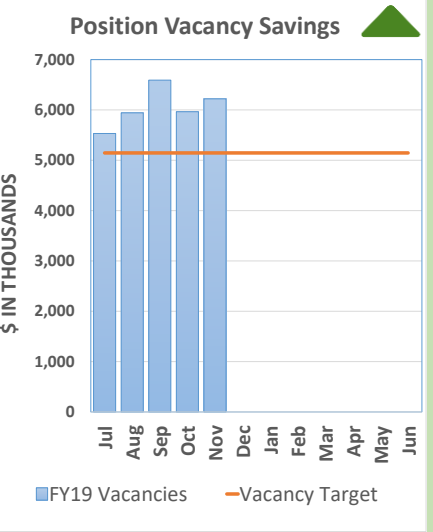
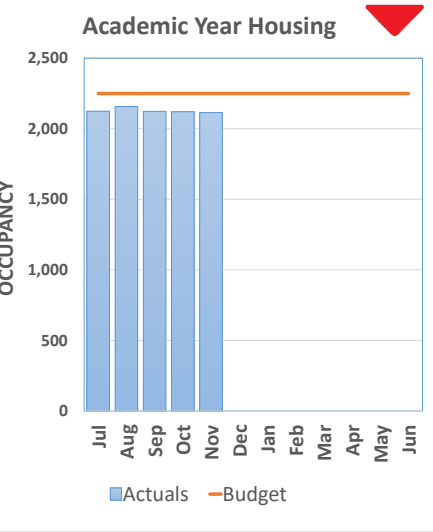
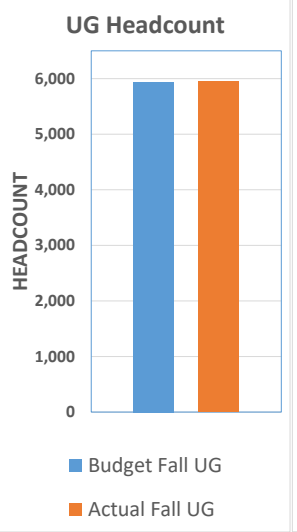
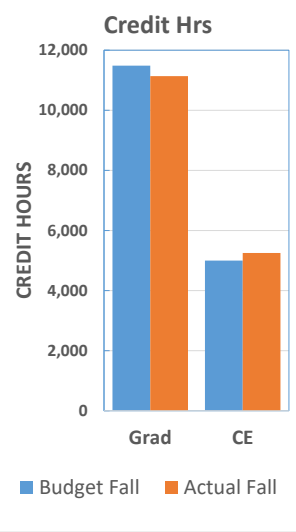
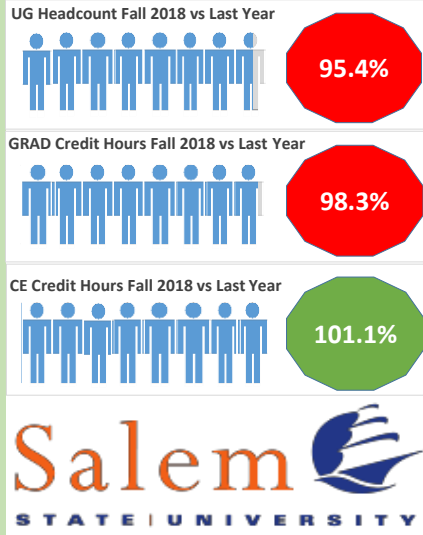
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Past performance does not guarantee future performance.

Investment Products: Not insured by FDIC or any federal government agency. Not deposits of or guaranteed by any bank. May lose value.

Salem State University Financial Dashboard

Statistics



Key Managed Revenues as of 11/30/2018 (current fiscal year) and November month end, closed (prior fiscal year)

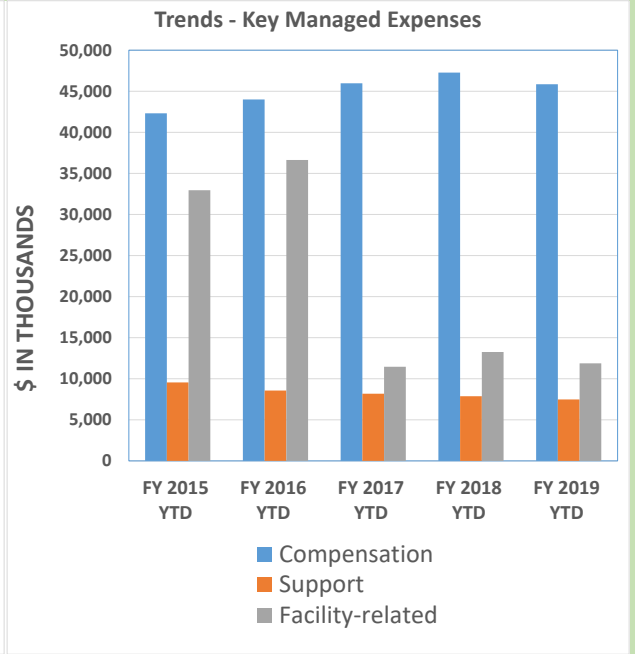
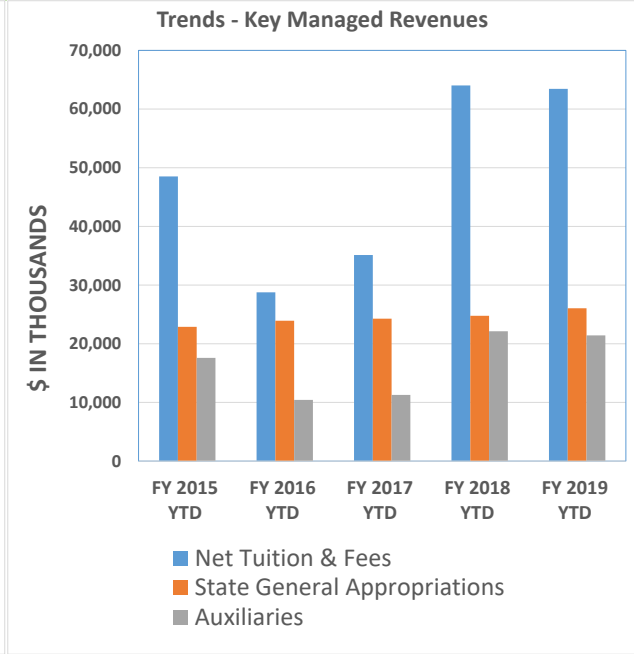
Net Tuition & Fees			State General Appropriations			Auxiliaries		
Full Year 2019 Budget: \$64.3M 37.3% of Total Managed Revenue Budget			Full Year 2019 Budget: \$60.8M 35.3% of Total Managed Revenue Budget			Full Year 2019 Budget: \$24.4M 14.1% of Total Managed Revenue Budget		
% Attainment	Prior FY 96.0%	Current FY 98.7%	% Attainment	Prior FY 41.0%	Current FY 42.6%	% Attainment	Prior FY 94.4%	Current FY 87.9%
\$ Actual	\$64,027K	\$63,444K	\$ Actual	\$24,767K	\$26,048K	\$ Actual	\$22,128K	\$21,424K

Managed Expenses as of 11/30/2018 (current fiscal year) and November month end, closed (prior fiscal year)

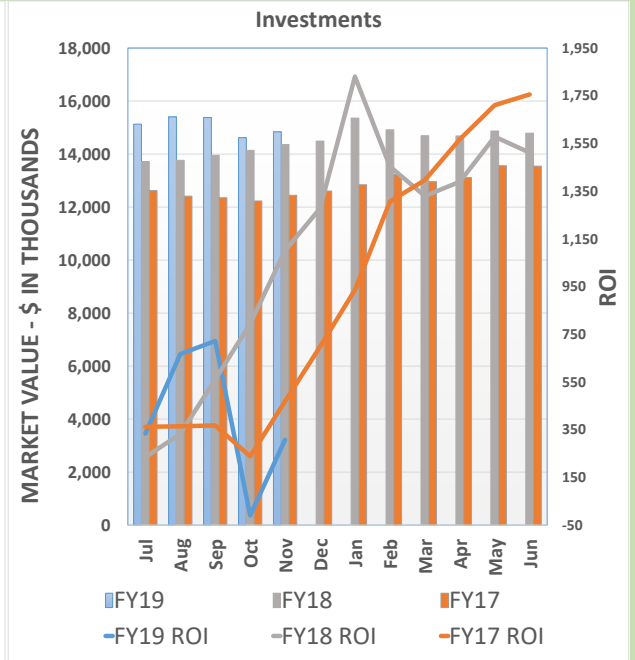
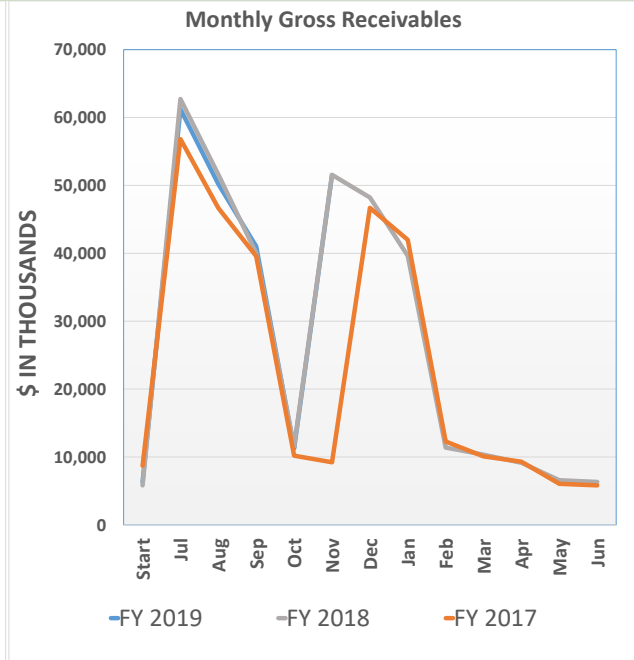
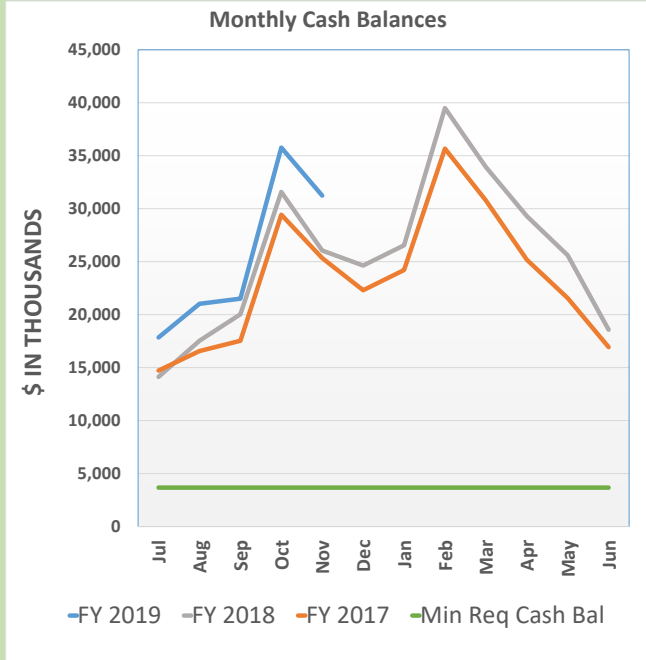
Compensation			Support			Facility Related		
Full Year 2019 Budget: \$123.6M 71.7% of Total Managed Expenses Budget			Full Year 2019 Budget: \$21.3M 12.4% of Total Managed Expenses Budget			Full Year 2019 Budget: \$24.4M 15.9% of Total Managed Expenses Budget		
% Attainment	Prior FY 38.0%	Current FY 37.0%	% Attainment	Prior FY 42.7%	Current FY 35.3%	% Attainment	Prior FY 49.5%	Current FY 42.9%
\$ Actual	\$47,274K	\$45,854K	\$ Actual	\$7,874K	\$7,480K	\$ Actual	\$13,257K	\$11,875K

Salem State University Financial Dashboard

Managed Net Income Trends as of 11/30/2018 (current fiscal year) and November Month end, closed (prior fiscal years)



Balance Sheet Trends



BOT/Finance & Facilities Update January, 2019

We are constantly assessing our use of real estate and facilities to ensure we are optimizing them, and achieving cost savings where possible. Below is a brief update of some of the key items we are working on.

DCAMM Funding and Five Year Plan

Division of Capital Asset Management and Maintenance (DCAMM) is implementing a new five-year capital improvement plan. Salem State University (SSU) will receive a total of \$8.2 million to be used on critical repairs (previously called deferred maintenance) projects over the next five years. This funding requires that the institution provide a \$4.2 million match over the five-year period. Additionally, DCAMM will no longer fund emergencies; it is now SSU's responsibility to address emergencies through reallocation.

Our five year plan has been approved. The first round of funding focuses on a study for the replacement of the roof at O'Keefe and a campus wide audit of our building controls systems.

DCAMM Science Teaching Laboratory Addition (STLA) Readiness Project

Payette Associates and Sasaki have been retained to work on the readiness project. The work has been strategically divided between the two firms. Payette will complete a program needs assessment, program prioritization, and conceptual alternatives. Sasaki will conduct an existing conditions assessment, cost estimates, phasing, schedule and consensus solution.

Sustainability update

Awards: Salem State received a [Leading by Example award](#) for outstanding clean energy and environmental work. Department of Transportation (DOT) honored Salem State with a silver [Excellence in Commuting Options \(ECO\) award](#).

Solar: Department of Energy Resources (DOER) [awarded \\$193,500](#) to Salem State for three rooftop solar systems totaling 387 KW, the first in a new \$5 million solar grant program. The panels will be installed on Gasset, Berry Library and Marsh Hall and will triple the amount of solar energy generated on campus. We will save at least \$500,000 on our electricity charges over the 20-year life of the project.

Impact Reductions:

- Water use dropped 22% from FY14 – FY18
- Energy efficiency projects are saving SSU approximately \$500,000 per year, helping GHG emissions to fall 21% from FY04 – FY18.
- SSU owned vehicle fuel use is down 21% from FY14 - FY18.

Transportation:

- Distributed 600+ discounted Charlie Cards and educated students on public transportation options.
- Zagster bike program is extremely popular, reaching just under 10,000 trips.

BOT/Finance & Facilities Update January, 2019

Capital Projects Status Update

CONSTRUCTION – CURRENT

Meier Hall roof replacement - Phase 1

Anticipated completion: Winter 2019

Budget: \$1,892,875 (\$753,344 DCAMM funds)

- Replacement of half of the Meier Hall roof
- Additional scope has been added to address water infiltration through masonry walls of the 6th floor.

Berry Library, Gassett Fitness Center and Marsh Hall solar panel installation

Anticipated completion: Spring 2019

Budget: performance partnership agreement (PPA) with Power Options and DCAMM. \$193,500 grant was also received from DOER to buy down the installation costs.

- 387 KW photovoltaic system installed between the three buildings.

CONSTRUCTION – COMPLETED

Berry Library perimeter heating upgrade

Substantially complete/awaiting closeout: December 2018

Budget: \$232,000 (\$232,000 DCAMM funds)

- Installation of additional perimeter radiation to address heating issues

PROJECTS IN PLANNING/STUDIES

Meier Hall roof replacement bid documents, phase 2

Anticipated completion: February 2019

Budget: \$90,000

- Bid documents for phase 2 roof replacement for Meier Hall

Meier Hall roof study, phase 3

Anticipated completion: Summer 2019

Budget: \$16,500 (\$16,500 DCAMM funds)

- Study to investigate building envelope issues discovered in phase 1 roof replacement.

Sullivan basement structural repairs

Anticipated completion: Summer 2019

Budget: \$500,000

- Demolition of former coalbunker in parking lot
- Additional scope has been added to improve ADA access to the building
- Currently in design

O'Keefe facility condition assessment and master plan

Anticipated completion: Spring 2019

Budget: \$30,000

BOT/Finance & Facilities Update January, 2019

O'Keefe roof study

Anticipated completion: Summer 2019

Budget: \$33,320 (\$33,320 DCAMM funds)

- Study for roof replacement and 3rd floor window upgrade.

Administration Building roof replacement study

Anticipated completion: March 2019

Budget: \$26,200

- DCAMM certified study for roofing replacement

Gordon Center HVAC review

Anticipated completion: March 2019

Budget: \$50,000

- Peer review for HVAC system to investigate humidity issues

Berry Library study and repair of HVAC equipment

Anticipated completion: March 2019

Budget: \$200,000

- Study and repair of heat pump system which is failing

Peabody and Bowditch bathroom renovation

Anticipated completion: Summer 19

Budget: \$9 million (MSCBA administered project)

- Structural failures with the plumbing distribution and waterproofing
- A full renovation of the bathrooms is required to replace the plumbing and waterproofing system.





Bates building assessment/study

Anticipated completion: Spring 2019 (MSCBA administered project)

Budget: \$80,000 (MSCBA funded)

- Assessment of the complex to understand investment required to keep the facilities operational for the next 5, 10, and 15 years.
- The complex is aging and needs an upgrade of the bathrooms and kitchens to address chronic plumbing issues.

Salem State University Sustainability Update – December 17, 2018

 <p>Awards, Grants and Solar Projects</p>	<ul style="list-style-type: none"> • Salem State received a Leading by Example award for outstanding clean energy and environmental work. • DOT honored Salem State with a silver Excellence in Commuting Options (ECO) award. • DOER awarded \$193,500 to Salem State for three rooftop solar systems totaling 387 KW, the first in a new \$5 million solar grant program. The panels will be installed on Gasset, Berry Library and Marsh Hall and will triple the amount of solar energy generated on campus.
 <p>Buildings, Energy and Water</p>	<ul style="list-style-type: none"> • The Sophia Gordon Center for Creative and Performing Arts renovation received a LEED Gold (sustainability) certification. SSU now has five LEED certified buildings. • Water use dropped 22% from FY14 – FY18 • Energy efficiency projects are saving SSU approximately \$500,000 per year • GHG emissions fell 21% from FY04 – FY18. • SSU owned vehicle fuel use is down 21% from FY14 - FY18.
 <p>Transportation</p>	<ul style="list-style-type: none"> • Distributed 600+ discounted Charlie Cards to students and educated them on public transportation options. • Zagster bike share program has 2,400 members who have taken 9,800 trips. The two hubs on campus account for 30 percent of the system activity. • Blue Cross Blue Shield will fund 30 additional bikes for the system including one to two new hubs on SSU's campus – in effect in March 2019.
 <p>Behavior Change/Awareness</p>	<ul style="list-style-type: none"> • The Geography Department and Sustainability Office hosted "A Conversation on Climate Change" to discuss the recent IPCC report urging stepped-up action. • Class presentations, signage, Instagram stories and other social media postings have targeted behavior change in these areas: <ul style="list-style-type: none"> ○ Recycling and composting ○ Taking shorter showers ○ Using cold water for laundry ○ Reducing energy use over break ○ Reducing food waste ○ Taking public transportation

410 LAFAYETTE STREET

Salem State University Board of Trustees Finance and Facilities Committee

January 30, 2019

410 LAFAYETTE STREET

Attachment E

- Purchased in 2016 for \$415,000
- SSUAC owned / SSU leased
- 4 bedroom 1.5 bath, 2,264 sq ft



Sullivan Hall

Meier Hall

410 Lafayette

Reason for sale

- The property was acquired in 2016 as a strategic buffer to the upper faculty lot and future science building and a potential reception/long term visiting faculty space.
- The science teaching lab addition was not funded, and DCAMM has shifted its focus to renovating existing buildings therefore new construction on the former library site is unlikely.
- Neighbors have expressed strong opposition to any construction on this site (Lot A) and preference for future expansion in Central Campus area (Stanley, Weir)
- Proceeds from the sale would be used to assist with the deferred maintenance/capital projects.

Reason to hold

- While new construction is unlikely in the next 10 years, the former Library site and faculty parking lot are one of the few open building sites on North Campus.
- Provides buffer to the neighborhood.

Steps required to sell the property

Attachment E

1. Appraisal
2. Modification of lease
3. SSU BOT approval
4. SSUAC Board approval
5. MA Board of Higher Education notification
6. Realtor selection
7. Marketing and sale of the property



Website	Estimated Value
Patriot Properties	\$389,500 (assessed value)
Realtor.com	\$531,800
Redfin.com	\$458,564
Zillow.com	\$465,040

Nearby Similar Homes on the Market - Similar homes are listed between \$341K to \$777K (average of \$265/sqf)

Address	Asking Price	SQF
1 Mansell Pkwy	\$425,000	1,847
16 Ropes Street	\$499,700	2,028
7 Riverway Road	\$489,000	2,126

REQUEST FOR TRUSTEE ACTION

Date: January 30, 2019
To: Board of Trustees
From: Karen P. House, Vice President for Finance and Facilities
Subject: Sale of 410 Lafayette Street
Requested Action: Approval

This property was acquired in 2016 as a strategic buffer to the upper faculty lot and future science building and as potential reception or long term visiting faculty space. Given that the science teaching lab addition was not funded, and DCAMM has shifted its focus to renovating existing buildings, new construction on the former library site is unlikely. Proceeds from the sale of 410 Lafayette would be used to assist with deferred maintenance/ capital projects. See the attachment for more information.

MOTION

The Finance and Facilities Committee recommends that the Board of Trustees approve the following motion regarding the sale of 410 Lafayette Street.

Recommended motion

That the Board of Trustees recommends modification of the lease and the sale of the property at 410 Lafayette Street in Salem, MA. Proceeds from this sale would be used to assist with deferred maintenance and capital projects.

Committee Assigned: Finance and Facilities

Committee Action:

Date of Action:

Trustee Action:

Trustee Approval Date:

Effective Date:

Signed: _____

Title: Secretary of the Board of Trustees

Date: _____

410 Lafayette Street

January 2019

PROJECT GOALS

Sale of 410 Lafayette Street

Background

- Salem State University Assistance Corporation (SSUAC) purchased the structure as a neighborhood buffer for the science teaching lab addition in 2016 for \$415,000 using excess MSCBA bond proceeds from the parking garage.
- SSUAC owns the property and would technically be the seller.
- Salem State University (SSU) has a ten-year lease beginning 1/26/2016 for \$1 per year.

Property information

4-bedroom, 1.5 bath, 2,264 sq. ft. single family home built in 1920 located adjacent to the faculty parking lot on north campus.

Justification for sale

- The property was acquired in 2016 as a strategic buffer to the upper faculty lot and future science building and a potential reception/long term visiting faculty space.
- The science teaching lab addition was not funded, and DCAMM has shifted its focus to renovating existing buildings therefore new construction on the former library site is unlikely.
- Proceeds from the sale would be used to assist with deferred maintenance/ capital projects.

Steps required to sell the property

1. Appraisal
2. Modification of lease for sale
3. SSU Board of Trustee approval
4. SSUAC Board approval
5. MA Board of Higher Education notification
6. Selection of realtor
7. Marketing and closing on the property

Website	Estimated Value
Patriot Properties	\$389,500 (assessed value)
Realtor.com	\$531,800
Redfin.com	\$458,564
Zillow.com	\$465,040

Nearby similar homes on the market - similar homes are listed between \$341K to \$777K (average of \$265/sq. ft.)

Address	Asking Price	SQF
11 1/2 Albion Street	\$369,900	1,037
1 Mansell Pkwy	\$425,000	1,847
2907 Witch Hazel Lan NW	\$340,995	2,038
16 Ropes Street	\$499,700	2,028
7 Riverway Road	\$489,000	2,126

Nearby Recently Sold Homes

Address	Sale Price	Date
8 Hayes Road	\$447,500	11/1/2018
22 Sumner Road	\$402,000	8/30/2018
25 Savoy Road	\$569,000	7/12/2018
229 Loring Avenue	\$392,000	10/1/2018
8 Marion Road (Marblehead)	\$665,000	11/2/2018

Finance and Facilities Committee Work Plan for FY19

September 26, 2018 w BOT Oct. 17, 2018

- Organizational
 - Committee charter (action)
 - Committee work plan for the year (discussion)
- Finance and Investment Matters
 - FY18 preliminary results (information)
 - Investment performance for period ending June 30, 2018 (information)
 - Summer conference and hospitality initiative (information)
 - FY18 consulting expenses (information)
 - FY19 budget status (information)
- Monitoring Performance
 - Dashboard-Work in Process (discussion)
 - DHE Performance Measurement (verbal)
- Real estate, facilities, and sustainability
 - DCAMM funding and five-year critical repairs plan (information)
 - Science Teaching Laboratories (discussion)
 - Upcoming residence halls maintenance projects (information)
 - Salem Diner Lease (information)
 - Sustainability update (information)
 - Capital projects status update (information)

Meeting date - TBD

- Residence Hall Repair Bond - Debt issuance (approval)
- Review FY18 financial results – metrics (information)

January 30, 2019 – w/BOT February 13, 2019

- Finance and Investment Matters
 - Investment advisors – 1 of 2 required annual meetings, review calendar 2018 performance (discussion)
 - Review of FY19 Q1 financials (information)
 - FY19 Financial Dashboard (information)
- Real estate, facilities, and sustainability
 - Capital projects status update (information)
 - Sustainability update (information)

March 27, 2019 w BOT April 10, 2019

- Finance and Investment Matters
 - Review of FY19 Q2 financials
 - FY19 Financial Dashboard (information)
 - Investment advisors – 2 of 2 required annual meetings (strategy)
 - Graduate & CE Fees for FY20 (approval)
 - SGA FY20 fees (approval)
 - FY20 budget planning
- Real estate, facilities, and sustainability
 - Capital projects status update

May 22, 2019 w BOT June 5, 2019

- Finance and Investment Matters
 - Review of FY19 Q3 financials
 - FY19 Financial Dashboard (information)
 - Undergraduate Fees for FY20 (approval)
 - FY20 all funds budget (approval) (includes trust funds & contracts > \$500K)
- Real estate, facilities, and sustainability
 - Capital projects status update

*Business model discussions may be conducted at Finance and Facilities Committee meetings at 3:30 pm prior to the following full board meetings: February 13, 2019, April 10, 2019, and June 5, 2019. This is pending with the Board leadership and Secretary.

SUBJECT: Risk Management and Audit Committee Meeting Report for January 30, 2019

The Risk Management and Audit Committee of the Board of Trustees met on Wednesday, January 30, 2019, in the Paul Petrowski Conference Room located in Marsh Hall on the Central Campus of Salem State University.

Present for the Committee: Trustees Lutts (chair), Zahlaway-Belsito (vice chair), DeSimone, Katzman, Chair Mattera (ex-officio), President Keenan (ex-officio). Also present and participating: Vice President House (committee co-liaison), Assistant Vice President Labonte (committee co-liaison), General Counsel Colucci and staff associate Beaulieu.

*Note: Trustee Zahlaway-Belsito left the meeting prior to executive session.

Trustee Lutts, committee chair, called the meeting to order at 6:16 pm.

GASB 75/FY18 (Attachment A)

Vice President House briefed the committee on the reasons for the pending reissuance of the FY2018 Salem State University financial statements, as described in the meeting packet. The trustees agreed there is no need for the auditors to return to the committee when the statements are reissued and requested that a written summary of the changes be provided instead.

Clery Report (Attachment B)

Assistant Vice President Labonte discussed the 2017 Clery report (Annual Security Report and Fire Safety Report). The university is in compliance for reporting 2017 crime statistics by the October 1, 2018 due date. Statistics remained flat or decreased. As of today, calendar 2018 shows no dramatic changes. Proactiveness and robust education programs have attributed to the drop in some of the statistics.

Dashboard (Attachment C)

A mocked-up risk management dashboard for discussion purposes was examined. Feedback is welcome and should be directed to Chair Lutts.

Equal Opportunity Plan changes (Attachment D, E)

General Counsel Colucci explained the changes in the Equal Opportunity, Diversity and Affirmative Action Plan, dated September 18, 2018 as approved by the Board of Higher Education, in a PowerPoint presentation. New Title IX regulations are expected this summer or in the fall of academic year 2019-2020 and will lead to additional changes in the EOP. These changes will need to be made for the EOP to be in compliance.

Trustee Katzman **MOVED** and Trustee DeSimone **SECONDED** that the Risk Management and Audit Committee recommends that the Board of Trustees approve

the following motion regarding Salem State's Equal Opportunity, Diversity and Affirmative Action Plan (hereinafter "EOP"), attached:

Recommended motion

The Board of Trustees hereby approves the Equal Opportunity, Diversity and Affirmative Action Plan dated September 18, 2018, as amended.

On a voice vote, the motion passed unanimously.

Executive session

Trustee Lutts **MOVED**, and Trustee DeSimone **SECONDED** a motion to enter into executive session in accordance with General Laws, Chapter 30A, for discussing litigation. A roll call vote was taken at 6:33 pm and it was unanimous to enter into executive session.

Voting in the affirmative: DeSimone, Katzman, Lutts, Mattera
Voting against: None

Trustee Mattera **MOVED**, and Trustee Lutts **SECONDED** a motion to exit executive session in accordance with General Laws, Chapter 30A. A roll call vote was taken at 7:03 pm and it was unanimous to exit executive session.

Voting in the affirmative: DeSimone, Katzman, Lutts, Mattera
Voting against: None

There being no further business to come before the committee, Trustee Lutts **MOVED**, and Trustee Katzman **SECONDED** a motion to adjourn.

MOTION: to adjourn the meeting

The motion passed.

The meeting adjourned at 7:04 pm.

Prepared by: D. Beaulieu, staff associate, finance and facilities

GASB 75/FY18 Audit Update as of Jan. 11, 2019

Summary: We learned in December that the Other Post-Employment Benefits (OPEB, or GASB 75) information provided to the university from the state Comptroller's Office for the FY18 audited financial statements was materially incorrect. The Commonwealth's auditors distributed their final OPEB report and allocation schedule to us on January 7, 2019. Our auditors have researched the revised amounts and determined that we must reissue our FY18 audited financial statements. The narrative below provides more information about this developing situation.

Details: On December 17, 2018 the Comptroller's Office contacted all Massachusetts State Universities and Community Colleges. They indicated that there was an error affecting each of the institutions in the calculated amounts from the third-party actuary related to the previously issued audited GASB 75 report, and with the Other Post-Employment Benefits (OPEB) allocation schedules that depend on that report. Those reports were used by Salem State in preparing the audited financial statements for FY18.

The Comptroller's Office distributed to all affected institutions a corrected final GASB 75 report and associated allocation schedules, on January 7, 2019. When comparing the amounts applicable to Salem State at June 30, 2018 to this corrected report, there is a decrease in the OPEB liability of approximately \$11.4 million from the \$98.0 million in our published audited financial statements, contributing to an improvement in our net position of approximately \$13 million.

Initially, the Comptroller's Office indicated individual campus' FY18 financial statements were required to be restated to reflect updated GASB 75 OPEB amounts. Following consultation with the State's auditors (KPMG), the Comptroller's office decided to make a manual top sided adjustment to the Commonwealth's financial statements to reflect the final GASB 75 OPEB amounts and communicated that they were not requiring institutions to reissue FY18 financial statements. However, each institution was directed to discuss the situation with their own auditors with respect to individual FY18 financial statements.

We received confirmation from our auditors, O'Conner & Drew on January 10 that due to the materiality of the error impacting Salem State's FY18 financial statement, the statements do in fact need to be re-issued. The Commonwealth will be paying the costs of the extra audit services. However, there will be an operational impact to the university's finance team as we work to update the information, reports, ratios, and the like. As well, we will need to rescind original audited statements from regulatory parties and other recipients, replacing with the new statements once they are available.



Jeanne Clery Disclosure of Campus Security Policy and Campus Crimes
Statistics Act

2017 ANNUAL SECURITY REPORT

And

Fire Safety Report

Published September 2018



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Message from the Chief of Police

Gene Labonte

To the University Community,

On behalf of the members of the Salem State University Police Department, thank you for your interest in our Annual Security Report and Fire Safety Report. We publish this report because it contains valuable information for our campus community and in order to comply with the essential provisions of the federal Crime Awareness and Campus Security Act of 1990 and the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act of 1998. Additionally, this report contains information demonstrating compliance with the 2013 reauthorization of the Violence Against Women Act (VAWA), which incorporates the Campus Sexual Violence Elimination Act (SaVe Act).

We encourage you to review the information available to you in this report. You will find information about our organization, including descriptions of various programs available to you. The report details our strong commitment to victims of crime and outlines the extensive services made available to them by the university as well as our extensive network of external partners. Additionally, this report provides important information about security policies and procedures on the Salem State University campus as well as crime data and crime prevention information.

The men and women of the Salem State University Police Department are committed to making Salem State University a safe place to live, work and study.



Gene Labonte

Assistant Vice President for Public Safety and Risk Management

Chief of Police

September 2018

PREPARATION OF THE ANNUAL SECURITY REPORT AND DISCLOSURE OF CRIME STATISTICS

This report has been prepared in compliance with the:

Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act

The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act, part of the Higher Education Act of 1965, is a federal law that requires colleges and universities to disclose certain timely and annual information about campus crime and security policies. Institutions must publish a report every year by October 1st that contains three years of campus crime statistics and certain security policy statements including sexual assault policies which assure basic victims' rights, the law enforcement authority of the university police and where students should go to report crimes. Each school must disclose crime statistics for the campus, public areas immediately adjacent to or running through the campus, and non-campus facilities.

The full text of this report is available online at: <https://www.salemstate.edu/clery>

This report is prepared by the Salem State University Police Department in cooperation with the Offices of Student Life and Residence Life and other offices as deemed necessary. For issues concerning this report, please call the University Police Department at 978-542-6511.

Paper copies of this report may also be obtained at the Salem State University Police Department, located at 71 Loring Avenue Salem, MA 01970

ABOUT THE SALEM STATE UNIVERSITY POLICE DEPARTMENT

The Salem State University Police Department provides protection to the SSU community around the clock, year- round. Police department staff work with university community members to prevent crime, solve problems, and take proactive steps to make the university as safe as possible. Police department personnel include the chief, captain, lieutenants, sergeants, police officers, communications dispatchers, institutional security officers and support staff.

The department is prepared to deal with the same types of incidents handled by municipal police agencies in cities or towns. All SSU police officers attend full-time police academies and have full police authority on campus and throughout the City of Salem. The Salem State



University Police enforce state laws, including motor vehicle laws, as well as university rules and regulations.

Follow the Salem State University Police on the web at: www.salemstate.edu/police

Follow the Salem State University Police on Twitter at: @SSUPolice

SAFETY, OUR NUMBER ONE PRIORITY

The SSU Police Department takes great pride in the community at Salem State University. This community is a great place to live, learn, work, and study; however, this does not mean that the campus community is immune from problems that arise in other communities. With that in mind, SSU has taken progressive measures to create and maintain a reasonably safe environment on campus.

Though the university is progressive with its polices, programs, and education, it is up to each of us to live with a sense of awareness and use reasonable judgment when living, working, or visiting on campus.

UNIVERSITY LAW ENFORCEMENT AUTHORITY AND JURISDICTION

Salem State University, with a population of over 10,000 students and employees, including 2,000 plus resident students, is both a center for higher education and a vibrant, active community. As with any community of similar size, criminal activity and emergencies can and do occur on campus.

To combat crime and preserve public order, the Salem State University Police Department is a visible part of campus life. The SSUPD is organized, trained, and equipped to provide progressive law enforcement and emergency services to the university community.

Pursuant to the General Laws of Massachusetts, Chapter 15A, § 22, and Chapter 73, § 18, the Board of Trustees at Salem State University has established the Salem State University Police Department; and the Board has invested the department all the same powers, authority, immunities, and privileges of state and municipal police officers including, but not limited to, the power to make arrests, to handle prisoners, and to enforce all traffic laws on streets and highways, throughout the property owned, leased, used, or controlled by the university.

In addition to the enforcement of state law, Salem State University Police officers enforce the rules, regulations, and policies of Salem State University, including but not limited to parking and traffic regulations, whether or not violation thereof constitutes a criminal offense.

Police officers' authority has also been interpreted by case law to include the vicinity of the campus – the “environs and passageways” – in certain circumstances.

Police officers are also granted limited police authority under G.L., Chapter 147 § 10F for the enforcement of university parking regulations. Parking enforcement officers also receive grants of authority under this law.

Subject to the approval of the Chief of Police, Salem State University Police officers may also receive supplemental police authority through special appointment as City of Salem police officers under G.L., Chapter 41§ 99, or as special state police officers pursuant G.L., Chapter 22C § 63.

Salem State University Police officers attend full-time Municipal Police Training Committee academies located throughout the Commonwealth or the Special State Police Officer Academy under the direction of the Massachusetts State Police. The Salem State University Police Department operates 24 hours per day, seven days a week, providing all patrol, investigation, specialized, and emergency response, as well as crime prevention and educational services at the Salem State University campus.

By mutual agreement with state and federal agencies, SSUPD maintains a Criminal Justice Information Services terminal which provides department personnel with access to the National Crime Information Computer Network as well as the Criminal History Systems Board of the Commonwealth of Massachusetts. These computer databases are used to enhance public safety by accessing criminal history data, nationwide police records, driver/vehicle identification information, as well as other local, state and federal law enforcement information.

The sworn personnel and support staff of the Salem State University Police Department are dedicated to ensuring that the Salem State University campus is a safe environment for studying, teaching, researching, recreating, and living. Our department strives toward this goal through problem-solving partnerships with the faculty, staff, and students, as well as state and local governmental bodies, and our community's neighbors.



MEMORANDUM OF UNDERSTANDING WITH LOCAL, STATE, AND REGIONAL AGENCIES

The Salem State University Police Department maintains a close working relationship with the Salem Police Department (SPD). The SSUPD routinely works with other public safety agencies in Salem, including the Salem Fire Department, MBTA Transit Police, Essex County Sheriff's Department, and the Massachusetts State Police. Meetings are held between the leaders of these agencies on both a formal and informal basis. The officers of SSUPD and SPD communicate regularly on the scene of incidents that occur in and around the campus area. The SSUPD detectives work closely with the investigative staff at SPD when incidents arise that require joint investigative efforts, resources, crime related reports and exchanges of information, as deemed necessary. The SSUPD and SPD have entered into a Memorandum of Understanding with respect to the request for supplemental law enforcement services as well as the use of prisoner holding facilities.

STATEMENT OF POLICY ON REPORTING A CRIME OR EMERGENCY ON CAMPUS

Community members, students, faculty, staff, and guests are encouraged to report all crimes and public safety related incidents to the university police department in a timely manner. While this publication focuses primarily on reporting to the university police department, we recognize that members of our university community may witness or be involved in incidents off campus or immediately adjacent to campus. In these instances if assistance is required from the city police department, fire department or emergency medical service, the university police will contact the appropriate department and coordinate a response.



Crimes should be reported to the university police department to ensure inclusion in the annual crime statistics and to aid in providing timely warning notices to the community when appropriate. When calling for either emergency or non-emergency service, be prepared to:

- Clearly identify yourself;
- State where you are calling from;
- State briefly the nature of your call.

If possible, stay on the line unless otherwise advised by the dispatcher. If assistance is required from off campus, the dispatcher will summon the appropriate police, fire, and/or medical service.

The Salem State University Police Department emergency number is:

- 6111 from an on-campus phone
- 978-542-6111 from a cell phone

Salem State University Mandatory Crime Reporting Policy

Except for victims of sexually based offenses (including instances of sexual conduct under Title IX of the Education Amendments of 1972), all Salem State University students, staff, and faculty are required under this policy to report any crime occurring on campus to the Salem State University Police Department. Victims of sexual offenses may report such crimes on a voluntary, confidential basis for inclusion in the university's annual disclosure of crime statistics by mailing a written statement to the chief of police, Salem State University Police Department.

Legally Mandated Crime Reporting

In addition to SSU's policy mandating the reporting of all crimes to the Salem State University Police Department, the following individuals on campus are legally required to report crimes under certain circumstances:

Campus Security Authorities (CSA)

For the purposes of the federal Clery Act, a "campus security authority" is any university official who has "significant responsibility for student and campus activities," including, but not limited to, student housing or student disciplinary proceedings. See 20 U.S.C. § 1092(f).

Campus security authorities are required by law to receive Clery crime reports and to:

- Report them to law enforcement
- Forward all crime reports received for statistical purposes to the institution's coordinator of campus security authorities. (At SSU, the university's chief of police.)

Examples of individuals who meet the criteria for being campus security authorities include:

- A vice president for student life who oversees student housing, a student center or student extracurricular activities.
- A director of athletics, a team coach or a faculty advisor to a student group.
- A student resident assistant or a student who monitors access to dormitories.
- A coordinator of Greek Life.

Examples of individuals who would not meet the criteria for being campus security authorities include:

- A faculty member who does not have any responsibility for student and campus activity beyond the classroom.
- Clerical or cafeteria staff.

Limited Voluntary Confidential Reporting:

As previously stated it is Salem State University's policy that all crimes be reported to the university police department or other appropriate law enforcement agency. Anyone who is the victim of a crime or witness to a crime on campus is encouraged to promptly report the incident to the university police. The University has no formal procedures for victims or witnesses to make voluntary confidential reports other than those made through Counseling and Health Services.

Campus "pastoral counselors" and "professional counselors," when acting as such, are not considered to be campus security authorities for the purposes of the Clery Act and are not required to report crimes for inclusion in the annual disclosure of crime statistics. However, as a matter of policy, counselors at Salem State University are encouraged; if and when they deem it appropriate, to report incidents on a voluntary basis that is personally non-identifiable for inclusion in the university's report of annual crime statistics.

Counselors are defined as:

Pastoral Counselor- An employee of the university who is associated with a religious order or denomination, recognized by that religious order or denomination as someone who provides confidential counseling and who is functioning within the scope of that recognition as a pastoral counselor.

Professional Counselor- An employee of the university whose official responsibilities include providing psychological counseling to members of the institution's community and who is functioning within the scope of his or her license or certification.

Mandated Reporters of Child Abuse or Neglect

Certain professionals are required under state law to report child abuse or neglect to the Massachusetts Department of Children and Families. They may also report the abuse or neglect to law enforcement or the state Child Advocate. See G.L. c. 119, § 51A.

Mandated reporters include (but are not limited to):

- Health care professionals, including physicians, nurses, psychological therapists, drug and alcohol counselors, and EMTs
- Educational administrators
- Child care workers
- Police officers
- Social workers
- Religious leaders, priests, ministers, rabbis, and other members of the clergy

Reports of child abuse or neglect must be made to the Salem State University Police Department, which will assist with the notification to the Department of Children and Families in conformance with G.L. c. 119, § 51A.

Mandated Reports of Elder Abuse

As with child abuse reporting, certain professionals are required to report elder abuse. Reports of elder abuse must be made to the Salem State University Police Department, which will assist with the notification to the Department of Elder Affairs in conformance with G.L. c. 19A, § 15.

Witnesses to Certain Violent Crimes

Massachusetts state law requires a witness to a murder, manslaughter, rape, armed robbery, or hazing to report that crime to law enforcement "to the extent that such person can do so without danger or peril to himself or others." See G.L. c. 268, § 40; G.L. c. 269, § 18. Reports of violent crimes must be made to the Salem State University Police Department.

Physicians Treating Rape or Sexual Assault

Massachusetts law requires any physician who provides treatment to a rape or sexual assault victim to report the offense to law enforcement, but without including the victim's name or other identifying information. See G.L. c. 112, § 12A 1/2. Physician reports of sexual assault must be made to the Salem State University Police Department.

Witnesses to Carrying a Firearm or Other Dangerous Weapon on Campus

Faculty and administrators are required to report the unlawful carrying of a firearm or other dangerous weapon on campus in conformance with G.L. c. 269, § 10(j). Reports of unlawful weapons-carrying must be made to the Salem State University Police Department.

Contacting the SSU Police Department to Report a Crime

Salem State University Police headquarters are located in the rear of 71 Loring Avenue Salem, MA and the department's communication center can be reached (24 hours a day, year-round) by dialing 6111 from an on-campus telephone, or 978-542-6111 from a mobile phone. The office of the chief of police can be reached (from 8 a.m. to 4 p.m. Monday through Friday) at 978-542-6542 regarding administrative and business matters.

The Salem State University Police Department responds to all reports of criminal incidents or emergencies and investigates crimes and takes whatever action is necessary to resolve emergencies.

To report a crime that occurs at an off-campus location, contact the appropriate local police department. In the case of an emergency it is always best to dial 911 and follow the procedures outlined above.

Daily Crime Log

The Salem State University Police Department maintains a daily crime and fire log, which is available to the public for review during normal business hours. For a copy or to review the log, please visit the SSU Police station located 71 Loring Avenue Salem, MA.

STATEMENT OF POLICY ADDRESSING TIMELY WARNINGS

The purpose of this policy is to establish guidelines for the University's issuance of (a) "Clery Act Timely Warnings" in compliance with the timely warning requirement of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act of 1990 (Clery Act) and (b) Community Safety Notices for off-campus crimes and other incidents that are deemed to pose a danger to the SSU community or are otherwise determined, in the University's sole discretion, to be disclosed to promote safety and security awareness.

Please also see the University's Policy Regarding Emergency Notifications – Immediate Threat. If there is an immediate significant threat to the health or safety of students or employees occurring on campus,

the University will follow its Policy Regarding Emergency Notifications – Immediate Threat in the University’s current Annual Security Report in lieu of this policy.

Crime Alerts

It is the policy of Salem State University to alert the campus community – via the issuance of “Clery Act Timely Warnings” – to the occurrence of certain crimes occurring on campus in compliance with the Clery Act. The Clery Act requires Clery Act Timely Warnings following incidents constituting “Clery Act crimes” that are considered to represent a potentially serious or continuing threat to the campus community. These crimes may include the Uniform Crime Reporting Program (UCR)/National Incident based Reporting System (NIBRS) classifications¹ of murder, non-negligent manslaughter, rape and other sex offenses, robbery, aggravated assault, burglary, major incidents of arson and hate crimes, among others. Crimes, such as aggravated assault and sex offenses (including rape, fondling, incest and statutory rape), are considered on a case-by-case basis, depending upon the facts of the case and the information known to the SSUPD. For example, if an aggravated assault occurs between two students who have had a disagreement and there is no ongoing threat to other SSU community members, then a Clery Act Timely Warning would not be distributed.

The purpose of the Clery Act Timely Warning is to aid in the prevention of similar crimes by alerting the University community about the incident and providing information on the actions people can take to diminish their chances of being victimized.

The Chief of Police or designee reviews all reports of these crimes to determine if there is an ongoing threat to the community and, if time permits, consults with other University administrators as deemed necessary. The Chief of Police or designee also considers the timing of the issuance of a Clery Act Timely Warning regarding the possible risk of compromising law enforcement efforts.

Community Safety Notice

While not required by the Clery Act, as an additional service to the campus community, SSU may, in its discretion, distribute a Community Safety Notice for on or off campus crimes and other incidents (e.g., kidnapping, suspicious activity) that are deemed to pose a danger to the SSU community or are otherwise determined, in the University’s sole discretion, to be disclosed to promote safety and security awareness.

Authority and Responsibility for Issuance of Timely Warnings

Clery Act Timely Warnings and Community Safety Notices are usually written and approved for distribution by the Chief of Police, Police Captain or Police Lieutenant. If time permits, SSUPD may

¹ Federal crime definitions apply even if state law differs from federal law.

consult any other administrator as deemed necessary to determine the content of a Community Safety Notice.

If it is determined that a Clery Act Timely Warning or Community Safety Notice will be issued, the Chief of Police, Captain, or Lieutenant will approve the content, timing, and dissemination method.

Means of Dissemination of Clery Act Timely Warnings

Dissemination methods of Clery Act Timely Warnings may include but are not limited to the following:

- Campus-wide email
- Text messages
- Phone
- Twitter
- Facebook
- University homepage (<https://www.salemstate.edu/>)

Clery Act Timely Warnings- System to Use	Primary Message Creator	Backup Message Creator	Authority for Approving and Sending Messages	Primary Message Sender	Backup Message Sender
PRIMARY					
<ul style="list-style-type: none"> • <i>Campus-Wide email</i> • <i>Text Messages</i> • <i>Phone</i> • <i>Twitter</i> 	<i>Chief of Police</i>	<ul style="list-style-type: none"> • <i>Captain</i> • <i>Lieutenant</i> • <i>Director of Public Relations</i> 	<ul style="list-style-type: none"> • <i>Chief of Police</i> • <i>Captain</i> • <i>Lieutenant</i> 	<i>Chief of Police</i>	<ul style="list-style-type: none"> • <i>Captain</i> • <i>Lieutenant</i> • <i>Director of Public Relations</i>
SECONDARY					
<ul style="list-style-type: none"> • <i>SSU Police website</i> • <i>University homepage</i> 	<i>Chief of Police</i>	<ul style="list-style-type: none"> • <i>Captain</i> • <i>Lieutenant</i> • <i>Director of Public Relations</i> 	<ul style="list-style-type: none"> • <i>Chief of Police</i> • <i>Captain</i> • <i>Lieutenant</i> 	<i>Chief of Police</i>	<ul style="list-style-type: none"> • <i>Captain</i> • <i>Lieutenant</i> • <i>Director of Public Relations</i>

Clery Act Timely Warnings are primarily distributed to the University community via campus-wide email, text messages, and phone; provided, however, that the Chief of Police, Police Captain, or Lieutenant may use other methods of dissemination as determined in their sole discretion.

Means of Dissemination of Community Safety Notice

Dissemination methods of Community Safety Notices may include, but are not limited to, the following:

- Campus-wide email
- Twitter
- SSU Police Website
- Community Announcements/Flyers/Posters
- University website

POLICY REGARDING IMMEDIATE EMERGENCY RESPONSE AND EVACUATION PROCEDURES**Emergency Response and Evacuation Procedures and Policies**

Salem State University's Emergency Plans are designed to provide a resource for Salem State University personnel and administrators in assisting with information and guidelines for planning and responding in a crisis. While the plans do not cover every conceivable situation, they supply the basic administrative guidelines necessary to cope with most campus emergencies.

All campus administrators, especially those whose responsibilities and authority include the operational areas responsible for primary emergency operations, must adhere to these guidelines. Only those University administrators responsible for directing and/or coordinating emergency operations may approve exceptions to any crisis management procedure as required to fulfill the emergency response.

The SSU Emergency Plans include information regarding shelter-in-place and evacuation guidelines. During the school year, the university conducts evacuation drills coordinated by the university police department. These drills are conducted twice a year at a minimum and more frequently as deemed necessary or if facilities are altered. During evacuation drills, every building is evacuated and all persons are instructed to proceed to pre-determined evacuation assembly areas. The university also publishes an emergency information guide that is available to all students and employees. This guide contains detailed information regarding a variety of emergencies and hazardous conditions.

Evacuation Procedures

Every person in the building, including staff, faculty, students, visitors, and contractors where the fire alarm is sounding, regardless of known or suspected cause, is required to evacuate immediately. Persons evacuating must leave via the closest exit. Any equipment that could cause a fire should be turned off before exiting if it can be done quickly and safely. All occupants will assemble at a safe distance from the building and await further instructions from fire or police personnel. No occupant will re-enter a building until clearance is given by fire or police personnel.

The following evacuation procedures are in place for the residence halls. These procedures are to be followed when a fire alarm sounds. All residents and their guests must exit the building when a fire alarm sounds, regardless of whether it is a fire drill, false activation, or actual fire. Any persons physically unable to exit the building should immediately contact the SSU Police Department at 978-542-6111 from a cell phone or 6111 from a campus phone. Questions regarding the procedures should be directed to The Office of Residence Life or the SSU Police Department.



Please use the emergency exits available in your building. **DO NOT USE ELEVATORS.** It is important to be aware of all possible exit locations in your residence hall in the event that one or more of the fire exits are unsafe.

When Evacuation is Not Possible

In a fire or fire alarm situation, always check doors to see if they are hot or warm to the touch before you open them. If heat or smoke prevents you from evacuating, return to your room and use towels or other cloth items to seal around the door. Hang a white object in the window and reclose the window (if it opens) as much as possible. Do not reopen your window (if it opens) unless forced to do so by smoke. After you have sealed your door, immediately call 911 and advise emergency responders of your location and situation. Wait for help to arrive.

Sheltering In Place

Because sheltering in place may be the protective action recommendation for several emergencies with differing risks, and because sometimes the initial recommendation is to shelter in place followed by relocation, there is no single set of shelter in place procedures. Based on the type of emergency, such as Tornado, Hostile Intruder, or Hazardous Material Release Outside, you should consult each relevant section of the Emergency Information Guide for guidance. Emergencies change as they progress. The questions to ask yourself are: Am I safer inside or outside? Where am I safest inside? Where am I safest outside?

POLICY REGARDING EMERGENCY NOTIFICATIONS- IMMEDIATE THREAT

Salem State University has various systems in place, such as an Emergency Notification System and Siren/Public Address System (see chart below for a list of all systems) that may be used to communicate official information during an emergency or crisis situation that disrupts normal campus operation. SSU will immediately notify the campus community upon confirmation of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students or staff occurring on campus. The SSU Police Department receives information from various offices/departments on campus, such as the Emergency Management Team. Some or all of the below listed systems will be used to immediately notify the campus community that a dangerous situation or emergency exists involving

an immediate threat to the health or safety of students or staff on campus and when immediate action is required by the recipient.

If the SSU Police Department confirms (when possible, with the assistance of key campus administrators, local first responders or the National Weather Service) that there is an emergency or dangerous situation that poses an immediate threat to the health or safety of some or all members of the SSU community, SSUPD has the authority to distribute an immediate notification message without approval. If time permits, SSUPD will collaborate with the university’s General Counsel and any other administrator as deemed necessary to determine the content of the message and the messages will be initiated by the systems described below to communicate the threat to the SSU community or to the appropriate segment of the community, if the threat is limited to a particular building or segment of the population.

Follow up information pertaining to a significant emergency or dangerous situation on campus will be sent using some or all of the systems listed under “Timely” warnings.

System to Use	Primary Message Creator	Backup Message Creator	Authority for Approving and Sending Messages	Primary Message Sender	Backup Message Sender
PRIMARY					
Outdoor Siren	<i>Police Command Staff/Dispatcher</i>	<i>Police Dept. Staff</i>	<i>Police Command Staff</i>	<i>Police Command Staff</i>	<i>Dispatcher/Police Dept. Staff</i>
Emergency Text Messaging	<i>Police Command Staff/Dispatcher</i>	<i>Police Dept. Staff</i>	<i>Police Command Staff</i>	<i>Police Command Staff</i>	<i>Dispatcher/Police Dept. Staff</i>
SECONDARY					
Network Emails	<i>Chief of Police</i>	<i>Police Command Staff</i>	<i>Police Command Staff</i>	<i>Chief of Police</i>	<i>Police Command Staff</i>

Emergency Notification System includes:

- Text messaging
- Email
- Voice Messaging (including messages to all University Phones)

NOTE: If technology fails, SSU may communicate using face to face communication and loudspeakers installed on SSUPD cruisers.

Members of the Larger Community:

In the event of an incident requiring significant emergency response and evacuation of the campus, the university will without delay, and taking into account the safety of the community, determine the content of the notification and initiate the notification system unless issuing a notification will, in the

professional judgment of responsible authorities, compromise efforts to assist a victim or to contain, respond to or otherwise mitigate the emergency.

SAFETY AND SECURITY AWARENESS AND CRIME PREVENTION PROGRAMS

Salem State University believes that through crime prevention and security awareness education, community members are better prepared to prevent crime and to respond if crime does occur. During New Student Orientation, students and their parents are informed of safety and crime prevention resources offered by the university. They are informed of crime on-campus and in surrounding neighborhoods. Similar information is presented to new employees. Crime prevention programs and sexual assault prevention programs are offered on a continual basis. Periodically, during the academic year, the Salem State University Police Department, in cooperation with other university organizations and departments, presents crime prevention awareness sessions on sexual assault, domestic/dating violence, theft, and vandalism, as well as educational sessions on personal safety and residence hall security. A common theme of all security awareness and crime prevention programs is to encourage students and employees to be aware of their responsibility for their own security and the security of others.

Specific Education in Sexual Assault, Domestic Violence, Dating violence and Stalking:

The university is committed to providing on-going education and support programs aimed at the eradication of sexual misconduct and relationship violence.

The university has implemented primary and on-going prevention and awareness programs for students and employees focused on sexual misconduct, relationship violence, risk reduction and bystander intervention (e.g., safe and positive options that may be carried out to prevent harm or intervene when there is a risk of sexual misconduct or relationship violence), and promotion of positive behaviors that foster healthy, mutually respectful relationships and sexuality. Additional information regarding these programs can be found in this report under the section detailing our Policies and Procedures regarding Sexual Assault, Domestic Violence, Stalking and Dating Violence, Title IX and the Violence Against Women Act.

Rape Aggression Defense System (R.A.D.)

The R.A.D. Program is designed to teach women about awareness, prevention, risk reduction and avoidance while progressing into the basics of hands-on defense training. R.A.D.'s objective is to "develop and enhance the options of self-defense, so they may become viable considerations to the woman who is attacked." Rape affects all people, no matter what their age, race or economic status. It is one of the most rapidly growing



crimes in American society. FBI projections suggest that one out of three women can expect to be sexually assaulted in their lifetime. In the United States, one forcible rape occurs every seven minutes. Each year, about 90,000 forcible rapes are reported to the police, but it is estimated that almost 90% of all rapes and attempted rapes are not reported. Each situation is different, making rape prevention especially challenging. Steps can be taken, however, to lessen the chances of being raped. The Rape Aggression Defense System is a program of realistic, self-defense tactics and techniques. R.A.D. is dedicated to teaching women defensive concepts and techniques against various types of assaults, by utilizing easy, effective and proven self-defense tactics. This system of realistic defense will provide women with the knowledge to make an educated decision about resistance.

The Salem State University Police Department invites female students and staff to take advantage of the woman's self-defense course that is provided free of charge. The course requires a 14-hour commitment from each participant. Certified R.A.D. instructors teach each course and courses are offered every semester or upon request. Classes are generally held in the evenings during the academic year.

Additional Safety Tips

The following safety tips are offered to all community members to help protect themselves from crime:

Know Your Environment:

- Emergency phones are located throughout all areas of campus. Familiarize yourself with the location of the emergency phones and how they function.
- Dial Ext. 6111 or 978-542-6111 to reach the university police department 24/7. Notify the police department of anything suspicious and an officer will gladly respond and investigate.
- Stay in well-lit areas.
- Know where to obtain help when you need it.
- Keep items left in vehicles inside a locked compartment such as a trunk or glove box so that they are out of view.
- Keep all valuables under your direct control. Do not leave valuables unattended.

Safety in Numbers:

- Walk with a friend.
- Use the student shuttle service when vans are available.
- If you are uncomfortable or concerned walking from a building to your vehicle then call the university police department to request a safety escort.

Residence Hall:

- Keep the doors locked
- Do not allow or encourage unauthorized visitors in your residence hall, room or apartment.
- Know the location of fire extinguishers and fire alarms.
- Follow campus rules about candles, combustibles, microwaves, refrigerators etc.

- Mark all equipment using an identifier and keep a record of all serial numbers.
- Use a cable-locking device to secure computers, TV, gaming devices etc.

SSU Viking Shuttle & SGA Shuttle

The SSU Viking Shuttle provides free and continuous on-campus transportation and limited scheduled transportation to the Salem MBTA Station for all members of the SSU Community in an effort to:

- Provide safe, efficient, and courteous passenger service
- Achieve fuel conservation and reduction of traffic congestion on campus
- Provide part-time student employment and management experience
- Increase student mobility and campus security
- Increase utilization of mass transportation



SHUTTLE SERVICES

HOURS OF OPERATION:

Viking Shuttle

Monday – Friday 7:00AM-6:00PM

No weekend Service

Student Run Shuttle

Monday 5:00PM – 12:00AM

Tues-Wed 7:00 PM – 12:00AM

Thurs-Fri 7:00PM – 1:00 AM

Sat-Sun 12:00PM- 12:00AM

**Please note that inclement weather, vehicle maintenance, and heavy traffic conditions may affect the times listed on the schedules. All Viking Shuttle vehicles are handicapped accessible.

The shuttle service is free of charge and is available to all students, employees, and guests of Salem State University.

A detailed shuttle schedule is posted on the university website at:

<https://www.salemstate.edu/community/campus-map/campus-shuttle-bus-information>

Blue Light Phones -emergency notification

There are blue light emergency communication towers throughout campus. With the push of a button the user can communicate directly with the University Police Communications Center. Upon receiving notification from the blue light emergency phone, SSU police officers will respond immediately to the location and render aid.



Video Cameras

Salem State University seeks to enhance public safety and security by utilizing video cameras, in a professional and ethical manner, in select locations on campus.

Response to Medical Emergencies

All Salem State University police officers are trained as First Responders in emergency medical care. Several officers are trained to the Emergency Medical Technician (E.M.T.) level in emergency medical care. All patrol vehicles are equipped with E.M.T. emergency equipment and automatic defibrillators.



STATEMENT OF POLICY CONCERNING FACILITY SECURITY AND ACCESS

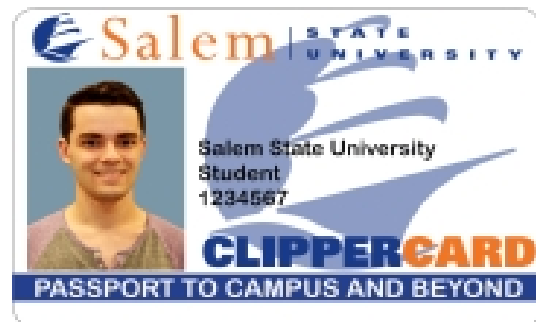
Administrative and Academic Building Security & Access

Academic and administrative buildings are typically open and accessible during normal business hours. Salem State University utilizes a state-of-the-art card access system –using an ID card called a “Clipper Card” – and secondary locking devices in most of its campus buildings. Officers conduct routine patrols of academic and administrative buildings to monitor and maintain security protocols.

Residential Facilities Security Access

Residential facilities are locked 24/7 and are only accessible to building residents and their authorized guests. Residents are helpful in maintaining a safe living environment if they avoid allowing unknown individuals to follow them into the building. All residence halls with the exception of the Bates Townhouse Complex are monitored 24/7 by student desk receptionists. These student employees monitor access to all residence halls and ensure that only authorized residents and guests are permitted entry. Residence Life staff members and SSUPD officers routinely patrol residential facilities to observe and report any security related matters.

The Clipper Card is the official Salem State University identification card. Students, faculty, staff and other campus community members are eligible to obtain Clipper Cards. Students must be registered for classes and provide a photo ID (such as a driver's license) in order to obtain a card.



These systems help ensure that only faculty, staff, students, and guests with proper authorization are allowed to enter university facilities. Individuals found on university property without a legitimate purpose may be directed to leave campus. Failure to comply with a warning will result in arrest for trespassing.

POLICY ADDRESSING SECURITY CONSIDERATIONS USED IN THE MAINTENANCE OF FACILITIES

Salem State University is committed to maintaining a safe physical campus. The campus is maintained in a manner that minimizes hazardous conditions, by providing well-lit walkways and parking areas. Additionally, SSUPD works closely with Facilities Management to promptly address malfunctioning door locks, burned out lights or other issues relating to physical security.

STATEMENT OF POLICY FOR ADDRESSING CRIMINAL ACTIVITY OFF CAMPUS

Criminal activity occurring off-campus is addressed by the appropriate law enforcement agency having jurisdiction where the crime occurs.

Salem State University has entered into an agreement with the City of Salem to hold students accountable for their off-campus behavior. When a Salem State University student is involved in an off-campus offense, SSU police officers may assist with the investigation in cooperation with local, state, or federal law enforcement. Salem Police routinely work and communicate with SSU officers on any serious incidents occurring on-campus or in the immediate neighborhood and business areas surrounding campus. Salem State University operates no off-campus housing or off-campus student organization facilities. However, many students live in the neighborhoods surrounding Salem State University. While the City of Salem Police have primary jurisdiction in all areas off campus, Salem State University officers can and do respond to student-related incidents that occur in close proximity to campus. Salem State University officers have direct radio communications with the city police, fire department, and ambulance services to facilitate rapid response in any emergency situation.

STATEMENT OF POLICY ADDRESSING ALCOHOL, ILLEGAL DRUGS, AND SUBSTANCE ABUSE EDUCATION**Alcohol, Drugs and Hazing Policy Information**

The use of illicit drugs and alcohol at Salem State University, on university property or at university activities impairs the safety and health of students and employees, inhibits the personal and academic growth of students, lowers the productivity and quality of work performed by employees and undermines the public's confidence in the university. Only in an environment free of substance abuse can Salem State University fulfill its mission of developing the professional, social, cultural and intellectual potential of each member of this community.

In compliance with the Drug-Free Schools and Campuses Regulations (EDGAR Part 86), the information which follows outlines the standards of conduct that clearly prohibit the unlawful possession, use or distribution of illicit drugs and alcohol by students and employees on university property or as a part of any university activities and describes the applicable legal sanctions, associated health risks and support programs and services available to employees and students. All members of this community – faculty, staff and students – are urged to carefully and seriously reflect on their personal responsibility to remain drug free, and further, to demonstrate care and concern for others through timely intervention, support and referral.

The university's policy on hazing and the responsibilities of students, student groups and organizations together with the penalties for involvement in such activities is also contained herein.

VIOLATIONS TO ALCOHOL POLICY

It is the established practice of Salem State University to disclose the result of a disciplinary proceeding to a parent or guardian as long as the student is under the age of 21 at the time of the incident and the proceeding has resulted in a violation of university alcohol policies, or any federal, state, or local law (affiliated with alcohol). Such notification is standard practice. In compliance with the Drug Free Schools and Communities Act Amendments of 1989, the Dean of Students office publishes the following procedural guidelines with respect to violations of the alcohol policy:

First violation may include:

- Parental Notification (if under 21) Written Warning
- 5 Engagement Hours

Second violation may include:

- Parental Notification (if under 21) General Probation
- 10 Engagement Hours
- \$100 fine

Third violation may include:

- Range from disciplinary probation to suspension from the residence halls or the university

Good Samaritan Policy

In order to ensure that students receive prompt and appropriate attention for alcohol intoxication and that there are no impediments to seeking such assistance, the university upholds a Good Samaritan Policy.

In those instances in which a student calls university police or another university office for assistance with an intoxicated or impaired student, neither the individual calling nor the student in need of assistance will be charged with violations of the university's policies on alcohol and other drugs. (This policy does not preclude disciplinary action regarding other violations of university standards, such as causing or threatening physical harm, sexual abuse, damage to property, harassment, hazing, etc. Students should also be aware that this university policy does not prevent action by local and state authorities.) Students who are taken to the hospital for treatment related to alcohol will be referred to the university's Counseling and Health Services. Serious or repeated incidents will prompt a higher degree of intervention from the Dean of Students office with possible disciplinary actions. This policy is designed to save lives. The spirit of the Good Samaritan Policy is that we all have an ethical responsibility to help people in need. There is an expectation that students will take active steps to protect the safety and well-being of our community.

Students found in violation of the alcohol policy through report of a sexual assault, psychological or medical emergency will not be automatically subject to the minimum sanction. Such sensitive situations will be handled on a case by case basis.

SANCTIONS FOR STUDENT ABUSE OF THE UNIVERSITY ALCOHOL POLICY

1. Individuals who are in violation of the laws of the Commonwealth regarding alcoholic beverages on campus property or at a duly sponsored campus function off campus will be disciplined by the appropriate authority.
2. Individuals in violation of university policy regarding the use of alcoholic beverages on campus property or at a duly sponsored university function off campus shall be subject to disciplinary action as described in the Student Conduct Code, which can be found in its entirety at <http://salemstate.edu/studentconductcode>.

SANCTIONS FOR STUDENT VIOLATION OF THE DRUG-FREE CAMPUS POLICY

1. Alleged violators of the drug policy are subject to immediate suspension from the university or any area thereof pending completion of due process as outlined in the Student Conduct Code.
2. If following due process the alleged violator is found responsible, he/she/they may be subject to expulsion from the university and may also be subject to criminal prosecution under applicable state and federal laws.

Disciplinary Sanctions for Marijuana Use for All Students

State criminal laws on possessing, distributing and using illicit and prescription drugs and drug paraphernalia are in effect on the university's property, which includes an elementary school on north campus and a daycare center on south campus, and one adjacent to central campus. Students violating the state, and university regulations, face serious student conduct and legal action. On university property, no one may possess, use, sell, distribute, or manufacture illegal drugs or drug paraphernalia. This policy also applies to any legal drugs for which the possessor does not have a legal prescription.

As marijuana is not allowed to be possessed or used under Federal law, the use and/or possession of marijuana, including marijuana prescribed for medical purposes, on any University property, owned or leased, is prohibited.

Salem State University has created a policy specifically for marijuana use and possession. The possible actions available to the student conduct board procedural advisor or designee are described below. In order to maintain the spirit of the law regarding the decriminalization of marijuana (use of or possession of up to an ounce), Salem State University has implemented the following as procedural guidelines:

First violation may include:

- Written Warning
- 5 Engagement Hours
- \$100 citation from the Police

Second violation may include:

- General Probation 10 Engagement Hours
- \$100 fine (if not cited)

Third violation may include:

- Range from disciplinary probation to suspension from the residence halls or the university

EMPLOYEE DRUG AND ALCOHOL POLICY AND SANCTIONS

The employees of Salem State shall not unlawfully manufacture, distribute, dispense, possess or use controlled substances or alcohol on university property, in conjunction with any university activity or in the University workplace. Any individual who violates this prohibition will be subject to disciplinary action in accordance with any applicable bargaining agreement. Such disciplinary action may include suspension from employment, mandatory participation in an alcohol/drug abuse assistance or rehabilitation program, and termination of employment as well as referral of the matter for prosecution to an appropriate enforcement agency.

As a condition of employment, all employees will abide by this statement of policy. Employees will notify the university's Assistant Vice President of Human Resources and Equal Opportunity within five (5) days of being convicted of violating a criminal drug statute in the workplace. The employer will notify a grantor agency that an employee has been convicted of a drug-related offense within ten (10) days.

STUDENT EMPLOYEE DRUG POLICY AND SANCTIONS

Any student who is also employed in any capacity by the university, as a condition of such employment, will abide by the policies outlined in this document and applicable sections of the Student Conduct Code.

Student employees will notify the university's director of financial aid within five (5) days of being convicted of violating a criminal drug statute in the workplace. The university will notify a grantor agency that a student employee has been convicted of a drug-related offense within ten (10) days.

GENERAL POLICY FOR FACULTY, STAFF, ADMINISTRATORS AND STUDENTS

The acquisition, possession, transportation and consumption of alcoholic beverages, including but not limited to ale, beer and wine are governed by various provisions of the laws of the Commonwealth of Massachusetts. These statutes fully apply on campus.

These statutes are part of the criminal laws of the Commonwealth of Massachusetts. Penalties for violations include fines of varying amounts and imprisonment for varying terms. They are enforced by police authorities, but the university requires that all members of the university community comply with them; violations of laws or policies governing alcohol use will constitute grounds for disciplinary action in accordance with university policies and procedures.

- Alcoholic beverages shall not be offered gratuitously, sold to or consumed by a person under age 21 under any circumstances.
- Alcoholic beverages shall neither be offered nor consumed at university events, whether indoors or outdoors, except in places and at times, and under circumstances approved by the

Alcohol Review Board and/or Office of Risk Management. Alcoholic beverages will not be offered as a raffle or door prize.

- Safeguards must be taken by the sponsor of an event of which alcoholic beverages are a component, in order to insure an orderly function in compliance with these regulations. These safeguards must be presented to the Alcohol Review Board and the Office of Risk Management in order to gain approval for alcoholic beverages to be served. Adequate assurance must be given to the review board that there will be no violation of civil law.
- If a violation occurs, the violators may face civil prosecution which may result in fines or confinement, and they also may be subject to disciplinary action in accordance with university policies and procedures.
- No alcohol beverage will be served in any academic classroom setting.
- Open containers, including but not limited to bottles, cans, cups, mugs, pitchers and pouches of alcoholic beverages or previously opened containers (seal broken) of alcoholic beverages are prohibited from all university buildings and grounds except for areas designated by the university via application through the Alcohol Review Board or Office of Risk Management.
- Alcoholic beverages may not be sold on campus for profit.
- Whenever alcohol is a component of an event, ample food and non-alcoholic beverages must be readily available. If under-aged students are present all students must present a valid government issued ID to verify age before being served alcohol.
- University property includes property owned by the Commonwealth and used by the university, as well as property owned or leased by the university.
- No advertising of alcoholic beverages or related products is allowed on campus.

General Policy for Students

Students who are under 21 are not permitted to consume alcohol on campus at any time; to do so is a violation of state law and university policy, and will result in legal and/or student conduct action. You and your guests are subject to the laws of the Commonwealth of Massachusetts. Underage students who are cited for alcohol violations off campus may also face student conduct action by the university. Regardless of your age, you may not drink in Bowditch Hall, Peabody Hall, Atlantic Hall, Marsh Hall, or Viking Hall. In addition, you may not have any alcohol containers (decorative or otherwise) or paraphernalia (e.g., bottles and cans, funnels, keg taps, etc.) in the above residential areas. The residence life staff may not allow you to sign guests into the building if you and/or your guests appear to be intoxicated. The staff may decide to contact university police officers for an assessment if they are concerned about a resident's or guest's safety.



Students at Bates Complex

Alcohol is permitted in student rooms and apartments of Bates Complex; and then, only by residents and guests who are 21 years of age or older. Visible alcohol is not permitted in the apartment or room if any visitors or guests are under the age of 21. Residents and guests under the age of 21 who have consumed alcohol or are found in possession of alcohol in Bates Complex will be subject to possible disciplinary action as outlined in the Student Conduct Code.

Residents who are 21 years of age or older in the Bates Complex may have in their possession no more than the following amounts of alcohol at any time:

- 1.75 liters of liquor or;
- One case of beer (30 – 12 oz. containers) or;
- Five (5) 750 milliliters or less bottles of wine

Common source containers including but not limited to: kegs, beer balls and beer machines; home brewing equipment; punchbowls; trashcans; whether empty or full, tapped or untapped, are prohibited and will be confiscated by the university. The university prohibits drinking paraphernalia, including but not limited to, drinking funnels, ice luges, and other items that encourage binge drinking. Students who sponsor, organize, facilitate, participate in, and are present during, or allow the use of their rooms for such activities may be subject to disciplinary action.

Empty alcohol containers found in the Bates common area of apartments are considered a health violation and will be subject to possible disciplinary action. Because of this, all students are asked not to store empty alcohol containers in their rooms, and are expected to dispose of them in the designated recycling or trash areas.

Any resident who invites a guest onto campus or into their room (including resident students who do not reside in the Bates Complex) assumes the responsibility of ensuring that their guest will act in an appropriate manner, as well as abide by all university policies. Should the guest of a Salem State resident violate the alcohol policy, the host student will also be subject to disciplinary action.

Alcohol is not permitted in the lounges, stairwells, or hallways of any residential facility. Students are allowed to possess alcohol in their apartment/bedroom only when all present individuals are over the age of 21.

Large parties within the residential areas are not permitted. Social gatherings exceeding the guest limits with alcohol present will be dispersed regardless of the ages of guests. The maximum number of people allowed in a room or apartment at any time is two guests per resident of the room that is present (i.e., in a six (6) person apartment, there can be no more than 18 people present). Students who host parties, with or without alcohol, will be held accountable for any violations.

Residents of Bates Complex, who fail to comply with the above policies, will be subject to possible disciplinary action for violation of the Alcohol Policy as described above and in the Student Conduct Code and the Guide to Living on Campus. If any resident over the age of 21 is found responsible for any violations of the above policies, including consuming alcohol in the presence of minors, the resident may lose their 21+ housing privileges for the remainder of the academic year. If an apartment is found responsible for any violations of the above policies, including consuming alcohol in the presence of minors, the occupants of the apartment may lose their 21+ housing privileges for the remainder of the academic year.

TOBACCO-FREE CAMPUS INITIATIVE

Salem State University recognizes the medical evidence that indicates that smoking and the use of tobacco products create a serious health hazard, and that this health hazard extends to non-smokers forced to breathe second-hand smoke. The primary responsibility of the university is to provide a healthy working and learning environment.

In the interest of further protecting the health and well-being of members and visitors of the university community, as of September 1, 2011, the use of any tobacco product is prohibited on our campus. This includes all buildings, grounds, parking lots, work areas, offices, restrooms, lobbies, public entrances, any vehicle parked on campus, etc. Because of our collective concern for the environment, our awareness of the harmful effects of tobacco use on the user, and how much is being written about the effects of second-hand smoke on the non-smoker, we are committing ourselves to a tobacco-free environment at Salem State University.

Recognition of this responsibility has resulted in the development of the following standards:

1. The use of tobacco products is prohibited anywhere on the university campus, in any university building, in any vehicle owned, leased or rented by the university or any privately owned vehicle on campus grounds.
2. The sale of tobacco products on campus is prohibited.
3. As with any university standard, violators will be subject to disciplinary action as prescribed in the university's student rules and regulations or appropriate agreement between the BHE and the university's unionized employees.
4. These university standards will be enforced by the university police department.
5. Individuals should not bring cigarettes/tobacco products onto the campus, including smoking devices such as, but not limited to, e-cigarettes and hookahs.

Tobacco Free Campus Policy

In compliance with the laws of the Commonwealth of Massachusetts, smoking is prohibited in all buildings administered by Salem State University.

In addition, the university has adopted a tobacco-free campus initiative and there is no use of tobacco products anywhere on campus property, including in vehicles in campus parking lots. Violations of these standards will subject the individual to disciplinary procedures found for students in the Student Conduct Code or for employees in the applicable collective bargaining agreement.

Smoking Cessation

A tobacco-free campus initiative has been implemented which includes an education and awareness component, smoking cessation opportunities, and other continuing efforts to facilitate the implementation of these new standards. Students seeking help with smoking cessation may contact Counseling and Health Services at 978.542.6410. Employees may contact human resources to learn what services are available through our employee assistance program or you may contact your personal health insurance company.



Publicity

Every effort will be made to inform all members of the university community and public about the university's tobacco-free campus initiative. Such notification will include: signs on all buildings and on campus grounds, announcements at public events, reminders on programs and other materials, inclusion of the standards in the student handbook, accessibility via the university's counseling and health web page at salemstate.edu/chs and will be relayed during orientation sessions for new employees and new students.

Coverage

This policy shall apply to all administrators, faculty, staff, students, and guests of Salem State.

Disciplinary Sanctions for Tobacco Use

The Dean of Students office publishes the following procedural guidelines to violations of the tobacco-free campus policy:

First violation may include:

- Verbal Warning Smoking cessation packet

Second violation may include:

- Written Warning

Third violation may include:

- General Probation

Subsequent violation:

- Referral to the Dean of Students office

CONDUCT REGULATIONS

Listed below are those types of conduct – with regard to hazing, alcohol, drugs, and tobacco which constitute grounds for disciplinary action. Any student involved in attempting, encouraging, assisting, permitting, or inciting any of the following types of conduct is similarly subject to such action. In addition to these regulations, the university may from time to time develop interim policies or regulations which pertain to specific situations. For a complete list of all conduct regulations, please see the Student Conduct Code which can be found online at <https://www.salemstate.edu/campus-life/support-services/community-standards> .

5.0) Violation of university hazing policy

12.0) Violation of university alcoholic beverage policy: e.g., 12.1) unauthorized possession; 12.2) unauthorized sale [of alcoholic beverages]; 12.3) unauthorized use [of alcoholic beverages]; 12.4) manufacture [of alcoholic beverages]; 12.5) distribution of alcoholic beverages on university property without proper approval; 12.6) possession of commercially prepared alcoholic containers (i.e., kegs, beerballs, etc.); 12.7) possession of bulk alcoholic beverages; 12.8) behavior negatively impacted by use of alcohol; 12.9) being in the presence of alcohol in a substance free building/area

13.1) Possession [of illegal drugs]; 13.1) use of [illegal drugs]; 13.2) sale [of illegal drugs]; 13.3) distribution [of illegal drugs]; 13.4) manufacture of illegal drugs; 13.5) [possession, use, sale, distribution, or manufacture] of drugs (e.g., narcotics, stimulants, depressants, hallucinogens) or drug paraphernalia for which the required prescription has not been obtained.

13.1.a) Violation of university drug policy

13.1.b) Violation of university tobacco-free policy; 13.0.1) use of tobacco products, including but not limited to, cigarettes, cigars and chewing tobacco anywhere on campus property (including in vehicles); 13.0.2) use of any smoking devices, including, but not limited to, e-cigarettes or hookahs on campus property (including in vehicles)

IF YOU NEED ASSISTANCE

Help concerning drug, alcohol and tobacco related problems is available from several sources. If you need assistance, or know of someone who needs help or have questions concerning alcohol and drug abuse, you may contact any of the following in confidence:

1. Counseling and Health Services, Ellison Campus Center, 978.542.6410.
2. Assistant Vice President of Human Resources and Equal Opportunity, Administration Building 978.542.6123.

Counseling and Health Services emphasizes prevention and education. Individual and group counseling is available to any student who seeks assistance in exploring or changing problematic substance use. Counseling and health services has established working relationships with area hospitals to facilitate referrals when inpatient treatment is indicated. Professional and student staff in the residence halls receive training on issues regarding drug and alcohol use and abuse prior to each fall semester. In-service training continues throughout the academic year.

Additional resources as well as descriptions of drug and alcohol abuse education programs can be found at the following link: <https://www.salemstate.edu/campus-life/support-services/counseling-and-health-services/alcohol-and-drug-resources>

HAZING POLICY

All forms of hazing by any individual, group, or organization are strictly prohibited by the university. Any infractions of the hazing policy by students, groups of students, or student organizations shall be processed through established campus disciplinary procedures.

1. Individual students found guilty of the hazing policy will be subject to disciplinary sanctions in the form of suspension, dismissal, or expulsion from the university.
2. Any student organization found guilty of the hazing policy will be subject to immediate loss of recognition for a specified period of time and possible revocation of its campus charter (if applicable). An organization desiring recognition after the specified time period shall reapply for recognition through the established campus procedures.
3. If a student affiliated with an organization acts individually or on the part of the organization to commit an act of hazing, both the student and the organization shall be held liable for the action and appropriate sanctions shall be imposed.

The following are the applicable laws of the Commonwealth of Massachusetts regarding hazing:

MGL Chapter 269 Sec. 17 Hazing Prohibited; Definition; Penalties.

Section 17. Whoever is a principal organizer or participant in the crime of hazing, as defined herein, shall be punished by a fine of not more than three thousand dollars or by imprisonment in a house of correction for not more than one year, or both such fine and imprisonment.

The term “hazing” as used in this section and in sections eighteen and nineteen, shall mean any conduct or method of initiation into any student organization, whether on public or private property, which willfully or recklessly endangers the physical or mental health of any student or other person. Such conduct shall include whipping, beating, branding, forced calisthenics, exposure to the weather, forced consumption of any food, liquor, beverage, drug or other substance or any other brutal treatment or forced physical activity which is likely to adversely affect the physical health or safety of any such student or other person or which subjects such student or other person to extreme mental stress, including extended deprivation of sleep or rest or extended isolation.

Notwithstanding any other provisions of this section to the contrary, consent shall not be available as a defense to any prosecution under this action.

MGL Chapter 269 Sec. 18 Failure to Report Hazing; Penalty.

Section 18. Whoever knows that another person is the victim of hazing as defined in Section 17 and is at the scene of such crime shall, to the extent that such person can do so without danger or peril to himself or others, report such crime to an appropriate law enforcement official as soon as reasonably practicable. Whoever fails to report such crime shall be punished by a fine of not more than one thousand dollars.

MGL Chapter 269 Sec. 19 Notification by Schools of Hazing Law; Report by Schools; Disciplinary Policy.

Section 19. Each institution of secondary education and each public and private institution of post-secondary education shall issue to every student group, student team, or student organization which is part of such institution or is recognized by the institution or permitted by the institution to use its name or facilities or is known by the institution to exist as an unaffiliated student group, student team or student organization, a copy of this section and sections 17 and 18; provided, however, that an institution’s compliance with this section’s requirements that an institution issue copies of this section and sections 17 and 18 to unaffiliated student groups, teams or organizations shall not constitute evidence of the institution’s recognition or endorsement of said unaffiliated student groups, teams or organizations. Each such group, team or organization shall distribute a copy of this section and sections 17 and 18 to each of its members, plebes, pledges or applicants for membership. It shall be the duty of each such group, team or organization acting through its designated officer, to deliver annually, to the institution an attested acknowledgement stating that such group, team or organization has received a copy of this section and said sections 17 and 18, that each of its members, plebes, pledges, or applicants received a copy of section 17 and 18 and that such group, team or organization understands and agrees to comply with the provisions of this section and sections 17 and 18.

Each institution of secondary education and each public or private institution of post-secondary education shall, at least annually, before or at the start of enrollment deliver to each person who enrolls as a full time student in such institution a copy of this section and sections 17 and 18.

Each institution of secondary education and each public or private institution of post-secondary education shall file, at least annually, a report with the regents of higher education and in the case of

secondary institutions, the board of education, certifying that such institution has complied with its responsibility to inform student groups, teams or organizations and to notify each full time student enrolled by it of the provisions of this section and sections 17 and 18 and also certifying that said institution has adopted a disciplinary policy with regard to the organizers and participants of hazing, and that such policy has been set forth with appropriate emphasis in the student handbook or similar means of communicating the institution's policies to its students. The Board of Regents and, in the case of secondary institutions the board of education shall promulgate regulations governing the content and frequency of such reports, and shall forthwith report to the attorney general any such institution which fails to make such report.

STATEMENT OF POLICY REGARDING FIREARMS AND OTHER WEAPONS

Weapons of any type, unless otherwise indicated as an exception below, are prohibited on campus. A weapon is generally anything somebody could use to hurt or harm somebody else. Weapons could be any of the following including but not limited to:

- a knife
- a gun/firearm/pistol/revolver/rifle
- a BB gun, pellet gun or air soft gun
- any available object that could be used to hurt somebody else

Massachusetts General Laws, MGL Chapter 140 Section 121 defines a weapon as any rifle, shotgun or firearm.

A firearm is defined as a pistol, revolver or other weapon of any description, loaded or unloaded, from which a shot or bullet can be discharged and of which the length of the barrel or barrels is less than 16 inches or 18 inches in the case of a shotgun as originally manufactured; provided, however, that the term firearm shall not include any weapon that is: (i) constructed in a shape that does not resemble a handgun, short-barreled rifle or short-barreled shotgun including, but not limited to, covert weapons that resemble key-chains, pens, cigarette-lighters or cigarette-packages; or (ii) not detectable as a weapon or potential weapon by x-ray machines commonly used at airports or walk-through metal detectors.

- All firearms are prohibited on campus.
 - Under Massachusetts General Law Chapter 269 Section 10 (j) possessing a firearm on school grounds is prohibited. For the purposes of this paragraph, firearm shall mean any pistol, revolver, rifle or smoothbore arm from which a shot, bullet or pellet can be discharged.
 - "Whoever, not being a law enforcement officer...carries on his person a firearm...loaded or unloaded or other dangerous weapon in any building or on any grounds of any elementary or secondary school, college or university...shall be punished by a fine or not more than one thousand dollars or by imprisonment for not more than one year, or both".
- All imitation firearms or facsimile firearms are prohibited.

- All ammunition is prohibited on campus regardless of the presence of a firearm.
- Electronic defense weapons are prohibited on campus.
- The carrying or storage of knives or other edged weapons on campus is prohibited except a pocket knife with a single edge blade measuring less than 2 ½ inches². No person shall carry on his/her person or under his/her control in a vehicle or within a campus building any stiletto, dagger or a device or case which enables a knife with a locking blade to be drawn at a locked position, any ballistic knife, or any knife with a detachable blade capable of being propelled by any mechanism, dirk knife, any knife having a double edged blade, or a switch knife, or any knife having an automatic spring release device by which the blade is released from the handle, having a blade or over one and one half inches, or a slung shot, blowgun, blackjack, metallic knuckles or knuckles of any substance which could be put to same use of with the same or similar effect as metallic knuckles, nunchaku, zoobow, also known as klackers or kung fu sticks, or any similar weapon consisting of two sticks of wood, plastic or metal connected at one end by a length of rope, chain, wire or leather, a shuriken or any similar pointed star-like object intended to injure a person when thrown, or any armband, made with leather which has metallic spikes, points or studs or any similar device made from any other substance or a cestus or similar material weighted with metal or other substance and worn on the hand, or a manrikigusari or similar length of chain having weighted ends.
- All chemical sprays with the exception of certain pepper sprays as specified below are prohibited on campus.
- Certain pepper spray canisters are allowed by persons 18 years of age or older for personal defense purposes. Pepper spray canisters must be standard form personal use size (2.5 oz. or less). Pepper spray canisters must not be in the form of a firearm or anything resembling a firearm. Only oleoresin capsicum form pepper spray is allowable in aerosol form (no gels allowed). Anyone wishing to carry pepper spray on campus must register it, in person, with the university police prior to carrying it on their person or storing it on campus.

REPORTING CRIMINAL HARASSMENT

All members of the Salem State University community have the right to be free from being harassed and or placed in fear. The law has provided victims of criminal harassment with the ability to receive relief from the courts even though there is no relationship with the abuser. The Harassment Prevention Order, Massachusetts General Law 258E, fills a critical gap in the law to protect victims of criminal harassment, stalking, or sexual assault from being harassed repeatedly regardless of their relationship with the perpetrator. If you are a victim of criminal harassment contact the Salem State University Police Department immediately for assistance or report to the Assistant Director of Labor and Employee Relations.

² Knives utilized strictly for cooking purposes or cutting food (such as steak knives) are permissible in apartment style housing however these instruments must be properly stored within residential facilities and must not be carried on one's person outside of residential units.

**POLICES AND PROCEDURES REGARDING SEXUAL ASSAULT, DOMESTIC VIOLENCE, STALKING
AND DATING VIOLENCE, TITLE IX AND VIOLENCE AGAINST WOMEN ACT**

Title IX of the Educational Amendments of 1972 (Title IX), 20 U.S.C. §§1681 et seq., and its implementing regulations, 34 C.F.R. Part 106, prohibit discrimination on the basis of sex in education programs or activities operated by recipients of federal financial assistance. Title IX also covers sexual violence and reminds schools of their responsibilities to take immediate and effective steps to respond to sexual violence. Sexual harassment of students and/or employees, which includes acts of sexual violence, is a form of sex discrimination prohibited by Title IX.

Sexual violence refers to physical sexual acts perpetrated against a person's will or where a person is incapable of giving consent due to the victim's use of drugs or alcohol. An individual also may be unable to give consent due to an intellectual or other disability. A number of different acts fall into the category of sexual violence, including rape, sexual assault, sexual battery, and sexual coercion. All such acts of sexual violence are forms of sexual harassment covered under Title IX.

Salem State University's Title IX Coordinator is:

Siobhain Feeney, Associate Director, Title IX Employee and Labor Relations 978.542.2985

Marlin Nabors, Associate Dean of Students/Deputy Title IX Coordinator 978.542.6442

Salem State will not tolerate, and specifically prohibits, sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation in any form. Where there is probable cause to believe that the university's regulations prohibiting such acts have been violated, the university will encourage the alleged victim to pursue disciplinary action through the Sexual Violence Investigation and Resolution Procedures. To view the Equal Opportunity, Diversity and Affirmative Action Plan in its entirety, please go here:

[http://www.mass.edu/forfacstaff/affirmativeaction/documents/StateU_EqualOpportunityPlan\(2015\).pdf](http://www.mass.edu/forfacstaff/affirmativeaction/documents/StateU_EqualOpportunityPlan(2015).pdf)

Disciplinary sanctions for sexual assault violations may include suspension, dismissal or expulsion from the university. A student charged with sexual assault can be prosecuted under Massachusetts criminal statutes and disciplined under the university's student conduct process. In those instances in which criminal justice authorities choose not to prosecute a student for involvement in an alleged sexual assault, the victim retains the option to pursue disciplinary action within the student conduct system.

Salem State University will not tolerate, and specifically prohibits, any member of the university community sexually harassing, discriminating or assaulting another employee, student or other person having dealings with the university. This policy applies to face-to-face violations as well as those perpetrated through the use of electronic media. The university is committed to providing a working, living and learning environment that is free from all forms of sexually abusive, harassing or coercive conduct. This policy seeks to protect the rights of all members of the university community (faculty, librarians, administrators, staff, and students) and other persons having dealings with the university, to be treated with respect and dignity.

At times, persons may be hesitant to report the occurrence of sexual misconduct or violence to University officials because they are concerned that they themselves, or witnesses to, or persons with knowledge of the conduct, might be charged with violations of the University's alcohol and/or drug policies. While the University does not condone these behaviors, it places a higher priority on the need to address instances of sexual misconduct and violence. In such cases, the University will not pursue disciplinary action towards violations of the alcohol and/or drug policies against a person who, in good faith, reports misconduct or violence, is a witness to, or has knowledge of the incident.

Furthermore, in cases of alleged sexual assault, domestic violence, dating violence, stalking, sexual harassment, and sexual misconduct, the investigation will be completed by the Title IX Coordinator or the Dean of Students Office. Once all evidence has been collected, materials will be given to the Student Title IX Review Board, which is comprised of a minimum of three administrators. Training shall be provided to all members of such panels. For details on the administrative investigation process, please refer to the Definitions and Protocols portion of this section.

Title IX, VAWA Definitions and Protocols (Code of Conduct):

Refer to <https://www.salemstate.edu/offices-and-services/human-resources-and-equal-opportunity/title-ix> for more information regarding Title IX and VAWA

What is Title IX?

Title IX of the Education Amendments Act of 1972 prohibits discrimination on the basis of sex in any federally funded education program or activity. Title IX also covers sexual violence and reminds schools of their responsibilities to take immediate and effective steps to respond to sexual violence.

What is the Violence Against Women Act (VAWA)?

This Act addresses and prohibits acts of violence motivated by gender.

What is the definition of consent?

Consent is an understandable exchange of affirmative words or actions, which indicate a willingness by all parties to participate in mutually agreed upon sexual activity. Consent must be informed, freely and actively given. It is the responsibility of the initiator to obtain clear and affirmative responses at each stage of sexual involvement.

Silence, previous sexual relationships or experiences, and/or a current relationship may not, in themselves, be taken to imply consent. While nonverbal consent is possible (through active participation), it is best to obtain verbal consent. Similarly, consent to one form of sexual activity does not imply consent to other forms of sexual activity. Consent to sexual activity may be withdrawn at any time, as long as the withdrawal is communicated clearly.

An individual who is incapacitated by alcohol and/or drugs both voluntarily or involuntarily consumed may not give consent. Alcohol or drug related incapacitation is more severe than impairment, being

under the influence, or intoxication. Evidence of incapacity may be detected from context clues, such as slurred speech, bloodshot eyes, the smell of alcohol on the breath, shaky equilibrium, vomiting, unusual behavior or unconsciousness. While context clues are important in determining incapacitation, they alone do not necessarily indicate incapacitation.

When consent cannot be given:

- One of the persons is under the age of consent (16 years old in Massachusetts)
- Persons who are intellectually incapable of understanding the implications and consequences of the act or actions in question
- Persons who are physically helpless (i.e., one who is asleep, blacked out, involuntarily physically restrained, unconscious, or, for any other reason, unable to communicate unwillingness to engage in any act)

The use of alcohol or drugs to render another person mentally or physically incapacitated as a precursor to or part of a sexual assault is prohibited. The use of alcohol, medications or other drugs does not excuse a violation of this policy.

Furthermore, consent is not effective if a person is coerced, pressured, intimidated or threatened.

Who is the Complainant?

The Complainant is the individual making a complaint against someone else of engaging in sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation in any form.

Who is the Respondent?

The Respondent is the individual who is being accused of engaging in sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation in any form.

What is the definition of preponderance of evidence?

The preponderance of the evidence is the burden of proof standard used in Sexual Violence Investigation and Resolution Procedures. This means the Complainant must prove by the greater weight of the evidence that the Respondent actually violated the Sexual Violence Policy. In other words, considering all the evidence in the case, the administrative investigator and the administrative review board must be persuaded, considering all the evidence in the case, that more likely than not a violation of the Sexual Violence Policy occurred.

What is the definition of retaliation?

The University prohibits retaliation against any person for making a complaint of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, for assisting in making a complaint, for resisting or openly opposing such conduct, or for otherwise using or

participating in the complaint investigation process. Persons who file, or participate in the investigation or resolution of, claims or complaints of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation with outside agencies, law enforcement or otherwise pursuant to any applicable state or federal law, are also protected from retaliation.

Prohibited retaliation includes, but is not limited to: threats; intimidation; reprisals; continued harassment or misconduct; other forms of harassment; slander and libel; and adverse actions related to employment or education. Retaliation can be committed by individuals or groups, including friends, relatives or other associates of the person against whom a complaint is filed. Retaliation, even in the absence of proven sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence or stalking in an underlying complaint, constitutes a violation of this policy that is just as serious as the main offense itself.

Title IX and VAWA Reminders

- Reports cannot remain confidential. Title IX requires institutions to report and take action.
- Students have the right not to share information. It is important to know that the University may then be limited in its response.

Confidentiality

Employees (faculty, staff and administrators), especially those designated “Responsible Employees” are not able to keep reports of sexual assault confidential. According to Title IX, “If a complainant insists that his/her name not be disclosed to the alleged perpetrator, the school should inform the complainant that its ability to respond may be limited.” Specific information is not shared publicly, rather only with the Title IX Coordinator and those trained to respond to such information.

At the same time, different resources on campus come with different levels of confidentiality and, subsequently, different abilities to assist with the situation. Faculty, staff and administrators are not considered a confidential source that is protected by law. If a student wants to talk to someone and be assured of confidentiality, please refer to the following offices:

- Counseling and Health Services
- University Chaplain
- Off-campus counseling or medical care

Preservation of Evidence

Any person who has experienced sexual violence is encouraged to take steps to preserve evidence of the incident, as doing so may be necessary to show probable cause that a crime took place or to obtain a protection order from the court. After an incident occurs, one should try to refrain from bathing, showering, brushing teeth, drinking, eating, douching or changing clothes until the evidence can be collected. If one changes clothes, one should place each garment in a separate paper (not plastic) bag. If the incident involves any written or electronic communications (e.g., pictures/videos, texts, social media posts, etc.), take care to preserve copies and not delete the originals. University police officers are

trained to collect evidence and will assist with this process regardless of whether a complainant wishes to pursue a criminal complaint.

Advisors

Students have the right to have an advisor present during any meetings regarding the process (other than meetings between victims and University officials regarding accommodations or protective interim measures) and disciplinary proceedings. Except as otherwise required by law, the advisor may observe, but may not participate in any way whatsoever, including, without limitation, by asking questions or speaking during the meeting or proceeding. The advisor's role is to provide support and/or advice to the party. During meetings and proceedings, the advisor may speak with the party or pass notes in a non-disruptive manner. The University reserves the right to remove from the meeting or proceeding any advisor who disrupts the process, or who does not abide by the restrictions on their participation. In addition, please note that the University does not need to cancel or delay a meeting or proceeding simply because an advisor cannot be present. Further, the advisor is not permitted to attend a meeting or proceeding without the advisee.

What is the Sexual Violence Investigation and Resolution Procedures?

If a complaint has been properly filed, or the University otherwise determines that an administrative investigation is necessary, the University will assign the matter to an administrative investigator. The University may also designate other trained and knowledgeable University officials with the administrative investigation. The administrative investigator will promptly notify the respondent of the complaint, provide the student with a copy of the complaint, and invite the respondent to submit a written response to the complaint. If the respondent does not respond, or otherwise fails to participate in the administrative investigation, the administrative investigator will complete the administrative investigation on the basis of the other information obtained. Where a complaint is brought by a third party reporter, the administrative investigator shall attempt to meet with the potential complainant to discuss their participation in the administrative investigation and gain additional information.

The administrative investigation shall include, but is not limited to: an analysis of the allegations and defenses presented using the preponderance of evidence standard; consideration of all relevant documents, including written statements and other materials presented by the parties; interviews of the parties and other individuals and/or witnesses; and/or reviewing certain documents or materials in the possession of either party that the administrative investigator has deemed relevant. The administrative investigator may review any university police investigation reports or the investigation reports of local law enforcement authorities to the extent that said reports are releasable in accordance with the laws of the Commonwealth.

In regards to the complaints alleging sexual violence or other gender-based misconduct, questions, statements, or information about the sexual activity of the complainant or alleged victim with any person other than the respondent is not relevant and will not be considered. If the complainant raises the issue of their own sexual activity with anyone other than the respondent, the administrative investigator may ask relevant questions about that relationship. Parties to complaints of sexual violence

or other gender-based misconduct are permitted to submit questions for the administrative investigator to ask of the other parties and witnesses, but the questions must be specifically about the allegations of the present complaint.

A person making a complaint of sexual violence or other gender-based misconduct may submit a victim impact statement. A respondent to a complaint of sexual violence or other gender-based misconduct may submit a statement of mitigation or extenuation.

At the conclusion of the administrative investigation, the administrative investigator shall prepare an Administrative Investigation Report for submission to the Student Title IX Review Board to review. The Administrative Investigation Report shall: outline the administrative investigation steps undertaken; summarize the factual findings; state whether a policy violation has occurred based on the preponderance of evidence; explain the rationale for the violation determination; and if applicable, recommend a sanction(s). The administrative investigation will not be shared with the parties except upon request following the issuance of the Notice of Outcome, and then only in accordance with applicable law.

On Campus Resources, Important Information and Assistance

The university recognizes that sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation can be a very traumatic crime and as such it will endeavor to work with students who are victims of such crimes to reduce fears and concerns regarding their personal safety. Any individuals who believes they may have experienced sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation may receive important information and assistance regarding the university's policies and responsive processes from any of the following offices. In addition, these offices are available for complaints of sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation to be filed in:

1. Salem State University Police (available 24-hours a day)

Office Location: Central Campus

Telephone: 978.542.6111

*University Police is able to take immediate action to help you. They can assist in obtaining a restraining order or harassment prevention order.

2. Dean of Students Office

Office Location: Meier Hall room 245

Telephone: 978.542.6401

Email: studentlife@salemstate.edu

*The Dean of Students office is able to take action in many areas to protect you through utilization of the Sexual Violence Policy.

3. Residence Life
Office Location: Atlantic Hall room 131
Telephone: 978.542.6416
*Residence Life is able to take action to help you, through utilization of the Sexual Violence Policy.

4. Title IX Coordinator
Siobhain Feeney,
Office Location: North Campus, Administration Annex
Telephone: 978.542.2985
Email: sfeeney@salemstate.edu
*The Title IX Coordinator oversees and ensures compliance of issues related to sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation.

5. Counseling and Health Services
Office Location: Ellison Campus Center room 107
Telephone: 978.542.6410 or 978.542.6413
*Counseling and Health Services is a confidential resource and can provide medical and counseling services as well as information and support. They can advocate for you with your consent.

6. PEAR (Prevention, Education, Advocacy, Response) Program
Office Location: Ellison Campus Center room 112
Telephone: 978.542.2987
24/7 confidential PEAR Hotline: 978.594.7089 (call or text)
Email: carmstrong@salemstate.edu
*The PEAR Program provides programs, trainings and advocacy on topics related to sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation. The 24/7 confidential PEAR hotline goes to a confidential advocate who can provide support, information, referrals, and follow-up for Salem State students.

7. Spiritual Life
Rev. Laura Biddle
Office Location: Ellison Campus Center room 219
Telephone: 978.542.6129
Email: lbiddle@salemstate.edu
*Spiritual Life is a confidential resource and can provide information and support. The coordinator for spiritual life can advocate for you with your consent.

Furthermore, if an apparent conflict of interest prevents use of the assistance of the above offices, the person complaining of sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation may request assistance directly from the President's Office, located on the third floor of the Lafayette Street Annex 331 Lafayette Street Salem, MA. The telephone number is 978.542.6134 and the email address is: president@salemstate.edu.

Off Campus Resources:

In addition to the available on-campus resources there are a number of off-campus resources where victims/survivors of sexual assault can obtain services and support:

- YWCA North Shore Rape Crisis Center
24-hour hotline- 800.922.8772
Free, confidential, and can accompany a victim/survivor to the hospital, police station, and/or court.
- Healing Abuse Working for Change (HAWC)
24-hour hotline- 800.547.1649
Free comprehensive services to all individuals experiencing domestic violence.

Important Information

- Victims and/or survivors are reminded that on-campus and off-campus counseling services exist for the emotional well-being of Salem State University students.
- Students may request to change academic and residential (on-campus) situations after an alleged sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation incident, and may request assistance to do so if changes are reasonably available.

How to Report an Incident

The University recognizes that sexual assault, sexual misconduct, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking, and/or retaliation can be a very traumatic crime and as such it will endeavor to work with students who are victims of such crimes to reduce fears and concerns regarding their personal safety. Depending on the nature of the incident, one or more of the following options may apply:

- You can proceed with an on-campus complaint through the Sexual Violence Investigation and Resolution Procedures. A complaint can be filed with a residence life staff member, the Dean of Students office, or the Title IX Coordinator.
- Though the decision to contact the police is a personal one, the university is committed to supporting victims who decide to report the crime to the police. Deciding whether to report the crime to the police may be very difficult, but if you do decide to pursue criminal charges, you can proceed by filing a complaint with the Salem State University police department.
- You may request a court-issued restraining order through the Salem State University police department.
- You do not have to pursue any official action.

Remember: Whatever option you decide, it is important that you at least report and document the incident.

Description of Options

- **Sexual Violence Investigation and Resolution Procedures:** If you want to pursue campus action, a complaint may be filed with a residence life staff member, the Dean of Students office or the Title IX Coordinator. Staff members will investigate the complaint and, if appropriate, the university will levy charges against the student(s) and process the complaint through the Sexual Violence Investigation and Resolution Procedures. See above in the section of Definitions and Protocols for a description of the administrative investigation process.
- **Criminal Charges:** If you are a victim of a sexual assault at this institution, your first priority should be to get to a place of safety. You should then obtain necessary medical treatment. Deciding whether to report the crime to the police may be very difficult. The university police department strongly advocates that a victim of sexual assault report the incident in a timely manner. University police officers have received specialized training in the investigation of sexual assault and they work closely with other law enforcement professionals as well as university administrators and counseling staff throughout the investigative process. The officers will investigate your complaint and, if founded, will assist you in bringing the matter forward to the local district attorney's office. Time is a critical factor for evidence collection and preservation. An assault should be reported directly to a university police officer, residence life staff member, Counseling and Health Services Center staff member or other university official. Filing a police report with a university police officer will not obligate the victim to prosecute, nor will it subject the victim to scrutiny or judgmental opinions from officers or university officials. Filing a police report will:
 - Ensure that a victim of sexual assault receives the necessary medical treatment and tests.
 - Provide the opportunity for collection of evidence helpful in prosecution, which cannot be obtained later. (Ideally a victim of sexual assault should not wash, douche, use the toilet, or change clothing prior to a medical/legal exam).
 - Assure the victim has access to confidential counseling from counselors specifically trained in the area of sexual assault crisis intervention.
- **Protective Order/Restraining Order:** If you feel a person is intimidating or harassing you, you can seek a protective order through the Salem State University police department. A protective order is a letter that is sent from the district attorney's office, notifying the student whom you feel is harassing you to stay away from you. The letter also informs the person that discipline charges will be filed if the protective order is violated.
- **No Contact Order:** This is an administrative action. However, it is a directive from the University to two parties that states they are not to have any contact with each other whether in person, through social media, and/or through a 3rd party. Violation of this order may result in disciplinary action through the University's student conduct system.

- **Other Action:** Even if you decide not to file a complaint against someone, the university may be able to assist you in various ways. For instance, the university can document the incident that occurred. You may change your mind and reserve the right to file a complaint later on, so fresh and current documentation is important.

Applicable Definitions:Sexual Assault and Sexual Misconduct

1. **Sexual Assault (Clery Act):** Any sexual act directed against another person, without consent of the victim, including instances where the victim is incapable of giving consent.
2. **Rape (Clery Act):** The penetration, no matter how slight, of the vagina or anus, with any body part or object, or oral penetration by a sex organ of another person, without the consent of the victim. This offense includes the rape of both males and females.
3. **Rape (Massachusetts General Laws³):** Sexual intercourse or unnatural sexual intercourse by a person with another person who is compelled to submit by force and against his will or by threat of bodily injury, or sexual intercourse or unnatural sexual intercourse with a child under sixteen years of age.
4. **Sexual Harassment:** Unwelcome conduct of a sexual nature is prohibited when: submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; and/or submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual; and/or such conduct has the purpose or effect of substantially interfering with an individual's academic or professional performance or creating a sexually intimidating, hostile, or offensive employment, educational, or living environment. Examples of sexual harassment may include, but are not limited to: repeatedly pressuring another person for sexual activity; making sexist remarks about an individual's clothing, body or sexual activities; unnecessary touching, patting or pinching another person; demanding sex from a subordinate while making threats concerning the subordinate's job; demanding sex from a student while making implied threats concerning the student's grade; electronically transmitting derogatory, demeaning or pornographic materials; posting explicit sexual pictures on an exterior office door or on a computer monitor; and sexually assaulting another person.
5. **Acquaintance Rape:** Sexual intercourse undertaken by a friend or acquaintance without the consent of the victim. Acquaintance rape occurs when a person is forced to have sexual intercourse over his or her objections or as a result of threats, physical restraints, or physical violence.
6. **Indecent Assault and Battery:** Any unwanted sexual contact; including but not limited to, unwanted touching, kissing, or fondling of any body part of a person.

³ MGL Chapter 265 Section 22

Consent

1. Definition of Consent (Institution's Definition): Consent is an understandable exchange of affirmative words or actions, which indicate a willingness by all parties to participate in mutually agreed upon sexual activity. Consent must be informed, freely and actively given. It is the responsibility of the initiator to obtain clear and affirmative responses at each stage or sexual involvement.
 - a. Silence, previous sexual relationships or experiences, and/or a current relationship may not, in themselves be taken to imply consent. While nonverbal consent is possible (through active participation), it is best to obtain verbal consent. Similarly, consent to one form of sexual activity does not imply consent to other forms of sexual activity. Consent to sexual activity may be withdrawn at any time, as long as the withdrawal is communicated clearly.
 - b. An individual who is incapacitated by alcohol and/or drugs both voluntarily or involuntarily consumed may not give consent. Alcohol or drug related incapacitation is more severe than impairment, being under the influence, or intoxication. Evidence of incapacity may be detected from context clues, such as slurred speech, bloodshot eyes, the smell of alcohol on the breath, shaky equilibrium, vomiting, unusual behavior or unconsciousness. While context clues are important in determining incapacitation, they alone do not indicate incapacitation.
 - c. Consent cannot be given when:
 - i. One of the persons is under the age of consent (16 years old in Massachusetts).
 - ii. Persons who are intellectually incapable of understanding the implications and consequences of the act or actions in question.
 - iii. Persons who are physically helpless (i.e., one who is asleep, blacked out, involuntarily restrained, unconscious, or, for any other reason, unable to communicate unwillingness to engage in any act).
2. Massachusetts General Laws does not specifically define consent solely for the purposes of rape aside from the age of consent (16 years old), and lack of mental capacity.

Domestic Violence

1. Types of Domestic Violence: Attempting to cause or causing physical or emotional harm; placing another in fear or imminent serious physical harm; causing another to engage involuntarily in sexual relations by force, threat or duress (rape).
2. Definition of Domestic Violence (Clery Act): A felony or misdemeanor crime of violence committed:
 - a. By a current or former spouse or intimate partner of the victim;
 - b. By a person with whom the victim shares a child in common;
 - c. By a person who is cohabitating with, or has cohabitated with, the victim as a spouse or intimate partner;
 - d. By a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction in which the crime of violence occurred;

- e. By any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction in which the crime of violence occurred.
3. Definition of Domestic Violence (Massachusetts General Laws⁴): A pattern of coercive and controlling behaviors and tactics used by one person over another to gain power and control. This may include verbal abuse, financial abuse, emotional, sexual, and physical abuse. M.G.L. Ch. 209A Section 1 further defines abuse as the occurrence of one or more of the following acts between family or household members:
 - a. Attempting to cause or causing physical harm;
 - b. Placing another in fear of imminent serious physical harm;
 - c. Causing another to engage involuntarily in sexual relations by force, threat or duress.

Persons involved in a Domestic Violence situation can file for an Abuse Prevention Order, otherwise known as a 209-A Order. The victim can contact University Police and they will assist with obtaining this order, 24 hours a day, and seven days a week.

Stalking

1. Types of Stalking: Stalking may occur in a range of formats including, but not limited to, in-person conduct, writings, texting, voicemail, email, social media, following someone with a global position system (GPS), and video/audio recording.
2. Definition of Stalking (Clery Act): Engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for the person's safety or the safety of others; or suffer substantial emotional distress. For the purposes of this definition:
 - a. Course of conduct means two or more acts, including but not limited to, acts in which the stalker directly, or indirectly, or through third parties, by any action, method, device, or means, follows, monitors, observes, surveils, threatens, or communicates to or about a person, or interferes with a person's property.
 - b. Reasonable person means a reasonable person under similar circumstances and with similar identities to the victim.
 - c. Substantial emotional distress means significant mental suffering or anguish that may, but does not necessarily require medical or other professional treatment or counseling.
3. Definition of Stalking (Massachusetts General Laws): Whoever (1) willfully and maliciously engages in a knowing pattern of conduct or a series of acts over a period of time directed at a specific person which seriously alarms or annoys that person and would cause a reasonable person to suffer substantial emotional distress, and (2) makes a threat with the intent to place the person in imminent fear of death or bodily injury, shall be guilty of the crime of stalking and shall be punished by imprisonment in the state prison for not more than 5 years or by a fine of not more than \$1000, or imprisonment in the house of correction for not more than 2 ½ years or by both such fine and imprisonment. The conduct, acts or threats described in this subsection shall include, but be limited to, conduct, acts or threats conducted by mail or by use

⁴ MGL Chapter 209A Section 1

of a telephonic or telecommunication device or electronic communication device including, but not limited to, any device that transfers signs, signals, writing, images, sounds, data, or intelligence of any nature transmitted in whole or in part by a wire, radio, electromagnetic, photo-electronic or photo-optical system, including, but not limited to, electronic mail, internet communications, instant messages or facsimile communications.

Dating Violence

1. Definition of Dating Violence (Clery Act): Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim. The existence of such a relationship shall be determined based on the reporting party's statement and with consideration of the length of the relationship, the type of relationship, and the frequency of interaction between the persons involved in the relationship. For the purposes of this definition:
 - a. Dating violence includes, but is not limited to, sexual or physical abuse or the threat of such abuse.
 - b. Dating violence does not include acts covered under the definition of domestic violence.
2. Massachusetts General Laws does not separately define dating violence.

Harassment

1. Definition of Harassment: Three or more acts of willful and malicious conduct aimed at a specific person committed with the intent to cause fear, intimidation, abuse, or damage to property and that does in fact cause fear, intimidation, abuse, or damage to property. Unwelcome conduct of a nonsexual nature based on a person's actual or perceived sex, including conduct based on gender identity, gender expression, and nonconformity with gender stereotypes, is prohibited when submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; and/or submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual; and/or such conduct has the purpose or effect of substantially interfering with an individual's academic or professional performance or creating an intimidating, hostile, or offensive employment, educational, or living environment based on gender.

Sexual Misconduct

1. Types of Sexual Misconduct: Misconduct may include, but is not limited to, non-consensual videotaping or audio taping of sexual activity, engaging in peeping on others, sexting, internet dissemination of sexual materials, performing sexual acts in the presence of another without their consent, or any sexual exploitation, which is taking non-consensual sexual advantage of another for one's benefit or for the benefit of others, or sexual coercion, which is the act of persuading, pressuring, or forcing someone to have sexual contact with someone against their will, prostitution (cash or non-cash payments) or lewd and indecent behavior.
2. Definition of Sexual Misconduct: Misconduct of a sexual nature typically perpetrated against someone's will or without their consent or at the expense of another.

NOTE: Reporting procedures: Due to the physical and emotional trauma that often occurs as a result of a sexual assault, the victim may initiate university disciplinary charges at any time.

University’s Procedures in Response to Complaints:

Incident being Reported	Procedure the Institution Will Follow
Sexual Assault	<ul style="list-style-type: none"> • Depending on when the incident is reported (immediate or delayed report), the institution will provide the complainant with access to medical care. • Institution will assess immediate safety needs of the complainant. • Institution will assist the complainant with contacting university police or local police AND will provide the complainant with contact information for police. • Institution will provide the complainant with referral information for on campus and off campus mental health providers. • Institution will assess the need to implement interim or long-term protective measures, such as housing changes, change in class schedule, “No Contact” orders between involved parties. • Institution will provide a “No Trespass” order to the accused party if deemed appropriate. • Institution will provide instructions on how to apply for a Protective Order/Restraining Order and will assist the complainant with the process. • Institution will provide a copy of the Sexual Misconduct Policy to the complainant and inform the complainant regarding timeframes for inquiry, investigation and resolution. • Institution will inform the complainant of the outcome of the investigation, whether or not the accused will be administratively charged and what the outcome of the hearing is. • Institution will enforce the anti-retaliation policy and take immediate and separate action against any and all parties that retaliate against a person who has made a complaint of sex-based discrimination or for assisting in the complaint and investigation process.
Domestic Violence	<ul style="list-style-type: none"> • Institution will assess immediate safety needs of the complainant • Institution will assist the complainant with contacting university police or local police AND will provide the complainant with contact information for police. • Institution will provide instructions on how to apply for a Protective Order/Restraining Order and will assist the complainant with the process.

	<ul style="list-style-type: none"> • Institution will provide information to the complainant regarding how to preserve evidence. • Institution will assess the need to implement interim or long-term protective measures to protect the complainant, if appropriate. • Institution will provide a “No Trespass” order to the accused party if deemed appropriate
<p>Dating Violence</p>	<ul style="list-style-type: none"> • Institution will assess the immediate safety needs of the complainant. • Institution will assist the complainant with contacting university police or local police AND will provide the complainant with contact information for police. • Institution will provide instructions on how to apply for a Protective Order/Restraining Order and will assist the complainant with the process. • Institution will provide information to the complainant regarding how to preserve evidence. • Institution will assess the need to implement interim or long-term protective measures to protect the complainant, if appropriate. • Institution will provide a “No Trespass” order to the accused party if deemed appropriate.
<p>Stalking</p>	<ul style="list-style-type: none"> • Institution will assess immediate safety needs of the complainant • Institution will assist the complainant with contacting university police or local police AND will provide the complainant with contact information for police. • Institution will provide instructions on how to apply for a Protective Order/Restraining Order and will assist the complainant with the process. • Institution will provide information to the complainant regarding how to preserve evidence. • Institution will assess the need to implement interim or long-term protective measures to protect the complainant, if appropriate. • Institution will provide a “No Trespass” order to the accused party if deemed appropriate.
<p>Disciplinary Sanctions (Applicable to all conduct violations)</p>	<ul style="list-style-type: none"> • Warning • Probationary Status • Residence Hall Relocation • Suspension from Residence Halls • Expulsion from Residence Halls • Suspension from the University

	<ul style="list-style-type: none"> • Dismissal from the University
Range of Protective Measures in response to incidents of sexual assault, domestic violence, dating violence and stalking	<ul style="list-style-type: none"> • An immediate investigation • Safety Escorts • Allowing someone you choose to accompany you throughout the proceedings. • Allowing the victim and the accused to attend different classes. • Moving the accused to a different residence hall. • Counseling and medical services. • Academic support services.

Grievance Procedure

1. Mediation is not an option and will not be permissible for sexual assault, sexual misconduct, domestic violence, sexual harassment, stalking, dating violence and relationship abuse allegations.
2. Salem State University will not wait for the conclusion of a criminal investigation or criminal proceeding to begin its own investigation. Salem State University will take immediate steps to protect the student in the educational setting.
3. The Associate Dean of Students or the Associate Director of Community Standards and Residence Life may waive the time limit at his/her discretion and in any situation including, but not limited to, incidents of sexual assault or harassment and instances in which criminal charges may be pursued. The decision of the assistant dean of students or the coordinator of student conduct and mediation programs about whether to waive the time limits shall be final.
4. The student being charged and the student bringing charges will be informed of the outcome of any campus disciplinary proceeding brought forward alleging a sexual violence or gender-based misconduct.
5. Victims of sexual assault shall have the opportunity to notify proper law enforcement authorities and shall have the option to be assisted by campus personnel in notifying these authorities, if the student chooses to do so.
6. The Title IX Coordinator will review the recipient’s disciplinary procedures to ensure that the procedures comply with the prompt and equitable requirements of Title IX.
7. Salem State University will provide an appeals process for both parties if needed.

Rights of complainants alleging sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation:

- to an explanation of the options available;
- to referrals to confidential assistance and support services from both on- and off-campus resources, including 24 hour services;

- to a change in on-campus residence and/or an adjustment to their academic schedule if such changes are reasonably available;
- to request that the University impose no contact/communication orders or other interim measures;
- to make a complaint that starts the University's investigation and resolution processes;
- to a prompt, thorough and equitable investigation and resolution of a complaint;
- to choose whether or not to initiate a formal investigation of the complaint, unless the University deems it necessary to investigate to protect the safety of the community or in compliance with applicable law;
- to the confidentiality of the investigation process to the extent possible;
- to an advisor of one's choice who will assist and be present at any time during the investigation proceedings, but who may not participate in or otherwise provide representation in any way throughout the process;
- to reasonable accommodations for a documented disability during the process;
- to know, in advance, the names of all persons known to be involved;
- not to have irrelevant sexual history discussed;
- to be present at meetings and review documents;
- to speak and present information on one's own behalf;
- to submit questions for the Administrative Investigator to ask witnesses;
- to know the status of the case at any point during the process;
- to be informed of the outcome of the process in a timely manner;
- to an appeal from the outcome of the process;
- to file no complaint with the University, but receive support services from the University;
- to file a police report and/or take legal action separate from and/or in addition to the University discipline process;
- to seek and enforce a no contact, restraining or similar court order;
- to be assisted by the University in seeking assistance from or filing a complaint with local law enforcement;
- to not file a complaint or seek assistance from local law enforcement, but receive support services from the University;
- to be free from any behavior that may be construed by the University to be intimidating, harassing or retaliatory; and
- to have the matter handled in accordance with University Policy.

Rights of respondents to claims of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation:

- to an explanation of the allegations against them;
- to referrals to confidential assistance and support services from both on- and off-campus resources, including 24 hour services;
- to receive a copy of the complaint filed against them;

- to be presumed not in violation of University policy until a violation is established through the complaint investigation process;
- to the confidentiality of the investigation process to the extent possible;
- to an advisor of one's choice who will assist and be present at any time during the investigation proceedings, but who may not participate in or otherwise provide representation in any way throughout the process;
- to reasonable accommodations for a documented disability during the process;
- to know, in advance, the names of all persons known to be involved;
- not to have irrelevant sexual history discussed;
- to be present at meetings and review documents;
- to speak and present information on one's own behalf;
- to submit questions for the Administrative Investigator to ask witnesses;
- to know the status of the case at any point during the investigation and resolution process;
- to be informed of the outcome of the process in a timely manner;
- to an appeal from the outcome of the process;
- to be free from any behavior that may be construed by the University to be intimidating, harassing or retaliatory; and
- to have the matter handled in accordance with University Policy.

Appeal

Any recommendation of a hearing body which affirms the charges against a student may be appealed to the Assistant Vice President and Dean of Students or designee by the student found responsible by the review board, including those cases where it has been recommended that a student be suspended. For cases where it has been recommended that a student be dismissed or expelled from the university, the student found responsible by the review board may appeal to the President or designee. In all sexual misconduct cases, the request for appeal must be submitted in writing by the student to the student conduct and mediation programs office within five (5) business days of the date of receipt of the original written decision. The original decision of the hearing body shall be final and conclusive, if no appeal is made within the prescribed time.

Appeals may be submitted on the following grounds:

1. To allege a material procedural error within the investigation and resolution process that would substantially change the outcome; or
2. To consider new evidence that was not known at the time of investigation that would substantially change the outcome.

Appeals will not be considered on any other basis. Where practicable, within thirty (30) days of receiving the appeal, the appellate officer shall contemporaneously issue a written decision to the parties in which it may uphold, reverse or modify the decision. All appellate decisions are final.

Policy regarding protecting the confidentiality of victims.

Salem State University will, at all times, protect the confidentiality of victims of sexual assault and domestic violence. Salem State will not make records, containing personally identifying information, prepared as part of an investigation of such matters available to the public. This includes any crime logs or other documents prepared in compliance with the Clery Act.

In accordance with MGL Chapter 265 Section 24C:

- That portion of the records of a court or any police department of the Commonwealth or any of its political subdivisions, which contains the name of the victim in an arrest, investigation or complaint for rape or assault with intent to rape under section thirteen B, 13B ½ , 13B ¾ , twenty-two, twenty-two A, 22B, 22C, twenty-three, 23A, 23B, twenty-four, or twenty-four B, inclusive of chapter two hundred and sixty-five, or an arrest, investigation or complaint for trafficking of persons under section 50 of said chapter 265, shall be withheld from public inspection, except with the consent of a justice of such court where the complaint or indictment is or would be prosecuted.

Said portion of such court record or police record shall not be deemed to be a public record under the provisions of section seven of chapter four.

Except as otherwise provided in this section, it shall be unlawful to publish, disseminate or otherwise disclose the name of any individual identified as an alleged victim of any of the offenses described in the first paragraph.

Similarly, Salem State University will maintain as confidential any accommodations or protective measures provided to a victim to the extent that maintaining such confidentiality does not impair the ability of Salem State to provide such accommodations or protective measures.

Policy regarding disclosures to alleged victims of crimes of violence or non-forcible sex offenses.

Salem State University will, upon written request, disclose to the alleged victim of a crime of violence, or a non-forcible sex offense, the results of any disciplinary hearing conducted by the university against the student who is the alleged perpetrator of the crime or offense. If the alleged victim is deceased as a result of the crime or offense, Salem State University will provide the results of the disciplinary hearing to the victim's next of kin, is so requested.

Education and Prevention Programs

The University engages in comprehensive, intentional and integrated programming initiatives, strategies, and campaigns intended to end dating violence, domestic violence, sexual assault and stalking that:

- Are culturally relevant, inclusive of diverse communities and identities, sustainable, responsive to community needs, an informed by research, or assessed for value, effectiveness, or outcome; and
- Consider environmental risk and protective factors as they occur on the individual, relationship, institutional, community and societal levels.

Educational programming consists of primary prevention and awareness programs for all incoming students and new employees and ongoing awareness and prevention campaigns for students and employees that:

- Identify domestic violence, dating violence, sexual assault and stalking as prohibited conduct;
- Define what behavior constitutes domestic violence, dating violence, sexual assault and stalking by using definitions provided by both the Department of Education as well as state law.
- Define what behavior and actions constitute consent to sexual activity in the Commonwealth of Massachusetts.
- Provide a description of safe and positive options for bystander intervention. Bystander intervention means safe and positive options that may be carried out by an individual or individuals to prevent harm or intervene when there is a risk of dating violence, domestic violence, sexual assault or stalking. Bystander intervention includes recognizing situations of potential harm, understanding institutional structures and cultural conditions that facilitate violence, overcoming barriers to intervening, identifying safe and effective intervention options and taking action to intervene;
- Provide information on risk reduction. Risk reduction means options designed to decrease perpetration and bystander inaction, and to increase empowerment for victims in order to promote safety and to help individuals and communities address conditions that facilitate violence.
- Provide an overview of information contained in the Annual Security Report in compliance with the Jeanne Clery Disclosure of Campus Security Policy and Campus Crimes Statistics Act.

Specific programming regarding primary prevention and awareness undertaken on campus include but are not limited to the following:

- SSU provides primary prevention programs intended to reduce violence, foster a safe campus climate, encourage bystander intervention and inform community members of campus policies and resources. These include:
 - New Student Orientation- Sexual Assault Prevention and Awareness Training, Domestic and Dating Violence Awareness. Program focuses on awareness, definitions, campus policies and resources, bystander interventions and risk reduction.
 - Transfer Student Orientation- Sexual Assault Prevention and Awareness Training, Domestic and Dating Violence Awareness
 - International Student Orientation- Program focuses on awareness, definitions, campus policies and resources, bystander interventions and risk reduction.
 - Online education program for all incoming students.

- New employee training and employee online training designed to raise awareness about campus policies and resources.
- Title IX Responsible Employee Training- Educates employees on Title IX, VAWA and Clery, how to identify and respond to disclosures or incidents of sexual assault, dating or domestic violence and stalking, and need to report.
- New students are encouraged to participating in prevention programming during the first weeks of the semester including alcohol and drug awareness, sexual assault prevention and bystander intervention (Vikings CARE)
- Awareness Programs throughout the academic year include:
 - Rape Aggression Defense (RAD)
 - Campus Educators On Sexual Assault- 15 hour training for students interested in being peer educators. Focuses on sexual assault awareness, identifying perpetrator behavior, how to help a friend, bystander intervention, risk reduction.
 - Student wellness prevention programming- “sex in the dark” to educate students on safe sex, consent and risk reduction; “Healthy relationships” to address dating and domestic violence, and “Hunting Ground” discussion to address sexual assault on college campuses.
 - Vikings CARE (Bystander Intervention Training Program)
 - Training developed and shared with student leaders and general student body. This training program is modeled after University of Arizona’s Step UP program and has been customized to the Salem State community.
 - Student organizations lead several awareness events on campus focused on violence prevention- ribbon day for domestic violence awareness, consent campaigns, no more campaigns, etc.
 - The Title IX Task Force created campus poster campaign that stated the SSU no tolerance policy violence and stalking.

How to be an Active Bystander

Bystanders play a critical role in the prevention of sexual and relationship violence. They are “individuals who observe violence or witness the conditions that perpetuate violence. They are not directly involved but have the choice to intervene, speak up, or do something about it.”⁵ We want to promote a culture of respect, civility and responsibility within the Salem State community and as such, we have created Vikings CARE, a group that actively incorporates individual personal stories as part of student trainings and allows students to gain tools to recognize and confront various situations with an understanding of the ways individuals may be impacted by cultural, gender, and life experiences. Our goal is to create a culture of investment amongst students, staff and faculty and provide knowledge and tools to empower the community to deal with situations related to power based personal violence. Our overarching mission is to foster and emphasize each individual’s responsibility to the larger community where bystanders are actively engaged in the prevention of violence without causing further harm. Based on

⁵ Burn, S.M. (2009). A situational model of sexual assault prevention through bystander intervention. *Sex Roles*, 60, 779-792.

the Step Up model from the University of Arizona, Vikings CARE trains on the five steps that must take place in order for any help to be given—(a) notice the event, (b) interpret it as a problem, (c) assume personal responsibility, (d) know how to help, (e) step up. Below is a list of some practical ways to be an active bystander. ⁶If there is immediate danger, dial 911. This could be when a person is yelling at or being physically abusive towards another and it is not safe to interrupt.

- Watch out for friends and fellow students/employees. If there is someone who looks like they could be in trouble or need help, ask if they are ok.
- Confront people who seclude, hit on, try to make out with, or have sex with people who are incapacitated.
- Speak up when someone discusses plans to take sexual advantage of another person.
- Believe someone who discloses sexual assault, abusive behavior, or experience with stalking.
- Refer people to on or off campus resources listed in this document for support in health, counseling, or with legal assistance.

Risk Reduction

With no intent to victim blame and recognizing that only rapists are responsible for rape, the following are some strategies to reduce one's risk of sexual assault or harassment (taken from Rape, Abuse, & Incest National Network, www.rainn.org)

- Be aware of your surroundings. Knowing where you are and who is around you may help you to find a way to get out of a bad situation.
- Try to avoid isolated areas. It is more difficult to get help if no one is around.
- Walk with purpose. Even if you don't know where you are going, act like you do.
- Trust your instincts. If a situation or location feels unsafe or uncomfortable, it probably isn't the best place to be.
- Try not to load yourself down with packages or bags as this can make you appear more vulnerable.
- Make sure your cell phone is with you and charged and that you have cab money.
- Don't allow yourself to be isolated with someone you don't trust or someone you don't know.
- Avoid putting music headphones in both ears so that you can be more aware of your surroundings, especially if you are walking alone.
- When you go to a social gathering, go with a group of friends. Arrive together, check in with each other throughout the evening, and leave together. Knowing where you are and who is around you may help you find a way out of a bad situation.
- Trust your instincts. If you feel unsafe in any situations, go with your gut. If you see something suspicious, contact law enforcement immediately.

⁶ Bystander intervention strategies adapted from Stanford University's Office of Sexual Assault and Relationship Abuse.

- Don't leave your drink unattended while talking, dancing, using the restroom, or making a phone call. If you've left your drink alone, just get new one.
- Don't accept drinks from people you don't know or don't trust. If you choose to accept a drink, go with the person to the bar or to order it, watch it being poured, and carry it yourself. At parties, don't drink from the punch bowls or other large, common open containers.
- Watch out for your friends and vice versa. If a friend seems out of it, is way too intoxicated for the amount of alcohol they've had, or is acting out of character, get him or her to a safe place immediately.
- If you suspect that you or a friend has been drugged, contact law enforcement immediately. Be explicit with doctors so they can give you the correct tests.
- If you need to get out an uncomfortable or scary situation here are some things that you can try:
 - Remember that being in this situation is not your fault. You did not do anything wrong, it is the person who is making you uncomfortable that is to blame.
 - Be true to yourself. Don't feel obligated to do anything you don't want to do. "I don't want to" is always a good enough reason. Do what feels right to you and what you are comfortable with.
 - Have a code word with your friends or family so that if you don't feel comfortable you can call them and communicate your discomfort without the person you are with knowing. Your friends or family can then come get you or make up an excuse for you to leave.
 - Lie. If you don't want to hurt the person's feelings it is better to lie and make up a reason to leave than to stay and be uncomfortable, scared, or worse. Some excuses you could use are: needing to take care of a friend or family member, not feeling well, having somewhere else that you need to be, etc.
 - Try to think of an escape route. How would you try to get out of the room? Where are the doors? Windows? Are there people around who might be able to help you? Is there an emergency phone nearby?
 - If you and/or the other person have been drinking, you can say that you would rather wait until you both have your full judgment before doing anything you may regret later.

STATEMENT OF POLICY ADDRESSING SEX OFFENDER REGISTRATION

The federal Campus Sex Crimes Prevention Act requires colleges and universities to issue a statement advising the campus community where information concerning registered sex offenders may be obtained. The act also requires registered sex offenders to provide to appropriate state officials, notice of each institution of higher education in the state in which the offender is employed, carries on a vocation, or is a student.

How to Inquire

Members of the Salem State University community may request information about sex offenders in Massachusetts at the Massachusetts Sex Offender Registry Board, telephone (978) 740-6400 or <http://www.state.ma.us/sorb>

Members of the Salem State University community may obtain information from the SSU Police Department concerning registered sex offenders that either work or are enrolled as students at Salem State.

Penalties for Improper Use of Sex Offender Registry Information

Information contained in the Sex Offender Registry shall not be used to commit a crime against an offender or to engage in illegal discrimination or harassment of an offender. Any person who improperly uses Sex Offender Registry information shall be punished by not more than two and one-half years in a house of correction or by a fine of not more than \$1,000 or by both such fine and imprisonment.

STATEMENT OF POLICY ON MISSING PERSONS

The following policies regarding Missing Persons are being provided according to requirements of the 2008 Amendments to the Higher Education Opportunity Act.

Any person (student, staff or faculty) believed to be missing from the campus unexpectedly shall be immediately reported to the University Police.

It is the policy of the Salem State University Police Department to investigate any report of a missing person that is filed by someone with knowledge of that student being missing or otherwise not where he/she/they is expected to be. This report may be filed by a parent/guardian or other family member of the person, by a roommate, a Residential Life staff member (including student staff), Health Services staff member, faculty member, employment supervisor, or anyone else with information that indicates the person is missing.

The SSU Police will conduct an initial investigation to determine if the person appears to be missing, or has simply changed her or his routine unexpectedly, and whether or not there is reason to believe the person is endangered.

Police officers will check student's login records, class schedules, interview fellow students and faculty, and use other methods to determine the status of a missing person. From this initial investigation, the scope will continue to expand to make attempts to determine the location of the person reported missing to assure she/he is safe.

The SSU Police will enter a missing person record into the National Crime Information Computer database immediately upon determination that the person is missing.

After investigating the missing person report, should SSUPD determine that the student is missing and has been missing for more than 24 hours, SSUPD will notify the local law enforcement agency with jurisdiction in the area the student went missing (if other than on-campus) and the student's confidential contact no later than 24 hours after the student is determined to be missing. The local law enforcement agency will be contacted regardless if the missing person has identified a contact person, is above the age of 18, or is an emancipated minor. If the missing student is under the age of 18 and is not an emancipated individual, SSUPD will notify the student's parent or legal guardian and their

confidential contact immediately after SSUPD has determined that the student has been missing for more than 24 hours.

In addition to registering an emergency contact, students residing in on-campus housing have the option to identify, confidentially, an individual to be contacted by SSU in the event the student is determined to be missing for more than 24 hours. If a student has identified such an individual, SSU will notify that individual no later than 24 hours after the student is determined to be missing.

A student who wishes to identify a confidential contact can do so by contacting the Office of Residence Life. A student's confidential contact information will be accessible only by authorized campus officials and law enforcement as appropriate and it will not be disclosed outside of a missing person investigation.

Reports of missing persons should be filed with:

- University Police: 978-542-6111
- Office of Residence Life: 978-542-6416
- Dean of Students Office: 978-542-6401

STATEMENT OF POLICY FOR REPORTING THE ANNUAL DISCLOSURE OF CRIME STATISTICS

As required by federal law, Salem State University compiles yearly crime statistics in accordance with the definitions of crimes provided by the FBI for use in the Uniform Crime Reporting (UCR) system. The report includes statistics for the previous three years concerning crimes that occurred on campus that were reported to the Salem State University Police, designated campus officials (including but not limited to directors, deans, department heads, residence life staff, advisors to students, and athletic coaches). In addition, these statistics also include persons referred for campus disciplinary action for categories required under the Clery Act, including liquor and drug law violations and illegal weapons possession.

Statistical information for certain off-campus locations or property owned or controlled by the Salem State University as well as public property within or immediately adjacent to and accessible from the campus are requested from Salem Police Department. For statistical purposes, crime statistics reported to any of these sources are recorded in the calendar year during which the crime was reported.

CLERY CAMPUS GEOGRAPHY



DEFINITIONS OF REPORTABLE CRIMES

Under the Clery Act, for the purposes of counting and disclosing Criminal Offense, Hate Crime, arrest and disciplinary referral statistics you must do so based on definitions provided by the Federal Bureau of Investigation's (FBI's) Uniform Crime Reporting (UCR) Program. The definitions for Murder, Rape, Robbery, Aggravated Assault, Burglary, Motor Vehicle Theft, Arson, Weapons Carrying and Possessing Etc. Law Violations, Drug Abuse Violations, and Liquor Law Violations are from the Summary Reporting System (SRS) User Manual from the FBI's UCR Program. The definitions of Fondling, Incest and Statutory Rape are from the FBI's National Incident-Based Reporting System (NIBRS) Data Collection Guidelines edition of the UCR. Hate Crimes are classified according to the FBI's Uniform Crime Reporting Hate Crime Data Collection Guidelines and Training Manual. Note that, although the law states that institutions must use the UCR Program definitions, Clery Act crime reporting does not have to meet all of the other UCR Program Standards.

For the categories of Domestic Violence, Dating Violence and Stalking, the Clery Act specifies that the institution must use the definitions provided by the Violence Against Women Act of 1994 and repeated in the Clery Act regulations.

The following list describes crimes reportable under the Clery Act regulations.

Murder/Non-negligent Manslaughter: The willful (non-negligent) killing of one human being by another.

Negligent Manslaughter: The killing of another person through gross negligence.

Sex Offenses – Any sexual act directed against another person, without the consent of the victim, including instances where the victim is incapable of giving consent.

- **Rape:** The Penetration, no matter how slight, of the vagina or anus with any body part or object, or oral penetration by a sex organ of another person, without the consent of the victim, including instances in which the victim is incapable of giving consent.
- **Fondling:** The touching of the private body parts of another person for the purpose of sexual gratification, forcibly and/or against that person's will; or, not forcibly or against the person's will where the victim is incapable of giving consent because of his/her youth or because of his/her temporary or permanent mental incapacity.
- **Incest:** Non-forcible sexual intercourse between persons who are related to each other within the degrees wherein marriage is prohibited by law.
- **Statutory Rape:** Non-forcible sexual intercourse with a person who is under the statutory age of consent.

Robbery: The taking or attempting to take anything of value from the care, custody, or control of a person or persons by force or threat of force, violence, and/or causing the victim fear.

Aggravated Assault: An unlawful attack by one person upon another for the purpose of inflicting severe or aggravated bodily injury. This type of assault usually is accompanied by the use of a weapon or by means likely to produce death or great bodily harm. It is not necessary that injury result from an

aggravated assault when a gun, knife, or other weapon is used which could or probably would result in a serious potential injury if the crime were successfully completed.

Burglary: The unlawful entry of a structure to commit a felony or a theft. For reporting purposes this definition includes: unlawful entry with intent to commit a larceny or a felony; breaking and entering with intent to commit a larceny; housebreaking; safecracking; and all attempts to commit any of the aforementioned.

Motor Vehicle Theft: The theft or attempted theft of a motor vehicle. Classified as motor vehicle theft are all cases where automobiles are taken by persons not having lawful access even though the vehicles are later abandoned-including joy riding.

Arson: Any willful or malicious burning or attempt to burn, with or without intent to defraud, a dwelling, house, public building, motor vehicle or aircraft, personal property of another, etc.

Liquor Law Violations: The violation of laws or ordinance prohibiting: the manufacture, sale, transporting, furnishing, possessing of intoxicating liquor; maintaining unlawful drinking places; bootlegging; operating a still; furnishing liquor to minor or intemperate person; using a vehicle for illegal transportation of liquor; drinking on a train or public conveyance; all attempts to commit any of the aforementioned. (Drunkenness and driving under the influence are not included in this definition.)

Drug Law Violations: Violations of state and local laws relating to the unlawful possession, sale, use, growing, manufacturing, and making of narcotic drugs. The relevant substances include: opium or cocaine and their derivatives (morphine, heroin, codeine); marijuana; synthetic narcotics (Demerol, methadone); and dangerous non-narcotic drugs (barbiturates, Benzedrine).

Weapons Law Violations: The violation of laws or ordinances dealing with weapon offenses, regulatory in nature, such as: manufacture, sale, or possession of deadly weapons; carrying deadly weapons, concealed or openly; furnishing deadly weapons to minors; aliens possessing deadly weapons; all attempts to commit any of the aforementioned.

Domestic Violence: A felony or misdemeanor crime of violence committed by

- A current or former spouse or intimate partner of the victim,
- A person with whom the victim shares a child in common,
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner,
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies [under VAWA], or
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

Dating Violence: means violence committed by a person

- Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
- Where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - The length of the relationship;
 - The type of relationship; and
 - The frequency of interaction between the persons involved in the relationship.

Stalking: means engaging in a course of conduct directed at a specific person that would cause a reasonable person to

- Fear for his or her safety or the safety of others; or
- Suffer substantial emotional distress

Hate Crimes by Prejudice

Hate Crimes: hate (bias) related crimes are reported by the type of bias as defined above on for the following classifications: murder/non-negligent manslaughter, negligent manslaughter, sex offenses, robbery, aggravated assault, burglary, motor vehicle theft, arson (see definitions above) and larceny, simple assault, vandalism, and intimidation (see definitions below).

- **Larceny-theft:** The unlawful taking, carrying, leading, or riding away of property from the possession or constructive possession of another.
- **Simple Assault:** An unlawful physical attack by one person upon another where neither the offender displays a weapon, nor the victim suffers obvious severe or aggravated bodily injury involving apparent broken bones, loss of teeth, possible internal injury, severe laceration or loss of consciousness.
- **Vandalism:** (Damage) To willfully or maliciously destroy, injure, disfigure, or deface any public or private property, real or personal, without the consent of the owner or person having custody or control by cutting, tearing, breaking, marking, painting, drawing, covering with filth, or any other such means as may be specified by local law.
- **Intimidation:** To unlawfully place another person in reasonable fear of bodily harm through the use of threatening words and/or other conduct, but without displaying a weapon or subjecting the victim to actual physical attack.

SALEM STATE UNIVERSITY CRIME STATISTICS⁷

Offense	Year	GEOGRAPHIC LOCATION			
		On -Campus Property	On- Campus Student Housing Facilities	Non- Campus Property	Public Property
Murder/ Non – Negligent Manslaughter	2015	0	0	0	0
	2016	0	0	0	0
	2017	0	0	0	0
Manslaughter By Negligence	2015	0	0	0	0
	2016	0	0	0	0
	2017	0	0	0	0
Rape	2015	5	4	0	0
	2016	5	5	0	0
	2017	0	0	0	0
Fondling	2015	0	0	0	0
	2016	2	2	0	1
	2017	2	2	0	0
Incest	2015	0	0	0	0
	2016	0	0	0	0
	2017	0	0	0	0
Statutory Rape	2015	0	0	0	0
	2016	0	0	0	0
	2017	0	0	0	0
Robbery	2015	0	0	0	0
	2016	0	0	0	0
	2017	0	0	0	1
Aggravated Assault	2015	1	1	0	0
	2016	2	1	0	0
	2017	1	1	0	0
Burglary	2015	10	2	0	0
	2016	9	1	0	0
	2017	9	2	0	0
Motor Vehicle Theft	2015	0	0	0	1
	2016	0	0	0	0
	2017	0	0	0	0
Arson	2015	0	0	0	0
	2016	0	0	0	0
	2017	1	1	0	0

⁷ Statistics are accurate as of the date of publication.

SALEM STATE UNIVERSITY CRIME STATISTICS

Offense	Year	GEOGRAPHIC LOCATION			
		On -Campus Property	On- Campus Student Housing Facilities	Non- Campus Property	Public Property
Domestic Violence	2015	7	5	0	0
	2016	14	6	0	1
	2017	6	4	0	1
Dating Violence	2015	1	1	0	0
	2016	3	1	0	0
	2017	0	0	0	1
Stalking	2015	1	0	0	0
	2016	2	0	0	0
	2017	0	0	0	0
Arrests: Weapons Carrying, Possession, Etc.	2015	0	0	0	0
	2016	5	4	0	2
	2017	3	2	0	0
Disciplinary Referrals: Weapons Carrying, Possession, Etc.	2015	0	0	0	0
	2016	0	0	0	0
	2017	0	0	0	0
Arrests: Drug Abuse Violations	2015	0	0	0	0
	2016	1	0	0	4
	2017	1	0	0	4
Disciplinary Referrals: Drug Abuse Violations	2015	0	0	0	0
	2016	0	0	0	0
	2017	0	0	0	0
Arrests: Liquor Law Violations	2015	7	4	0	1
	2016	8	1	0	1
	2017	4	2	0	5
Disciplinary Referrals: Liquor Law Violations	2015	323	318	0	1
	2016	234	229	0	5
	2017	185	185	0	0

2015: No Hate Crimes Reported / 2016: No Hate Crimes Reported / 2017: One on -campus vandalism incident

characterized by racial bias

2015: No Incidents Unfounded / 2016: No Incidents Unfounded / 2017: No Incidents Unfounded

Annual Fire Safety Report for 2015-2017

POLICY ADDRESSING FIRE SAFETY, FIRE EDUCATION, AND FIRE STATISTICS

Overview

The Higher Education Opportunity Act (P.L. 110-315) became law in August 2008, requiring all U.S. academic institutions to produce an annual fire safety report outlining fire safety practices, standards, and all fire-related on-campus statistics related to student housing. The following public disclosure report details all information required by this law as it relates to Salem State University as outlined in the initial regulation; subsequent yearly reports will comply with the Act as amended and published October 29, 2009.

Fire Safety

Salem State University takes fire safety very seriously and continues to enhance its programs to the university community through education, engineering, and enforcement. Educational programs are presented throughout the year to faculty, staff, and students so they are aware of the rules and safe practice. These programs include identification and prevention of fire hazards, actual building evacuation procedure and drills, specific occupant response to fire emergencies, and hand-on use of fire extinguishers.

Fires, Fire Prevention and Housing Fire Safety Equipment

At Salem State University, all university residence halls are protected by fire detection and alarm systems which are centrally monitored 24 hours/day, seven days/week. The buildings are also equipped with either emergency generators or lighting fixtures that incorporate backup batteries; upon loss of power, these systems automatically activate to assure adequate egress lighting in hallways and emergency exit stairwells. All of our residence halls are fully equipped with sprinkler systems. Carbon monoxide detectors have been installed in all residence hall mechanical rooms where products of combustion could occur. All fire safety systems and equipment are strictly maintained and tested in accordance with applicable national standards. All on campus buildings, residential, academic and administrative buildings are equipped with portable dry chemical fire extinguishers. The extinguishers are located on every floor of the building, inside laboratories, utility areas, and kitchens. The extinguishers are maintained annually in compliance with NFPA 10.



Fire prevention is the responsibility of all members of the Salem State University community. University residence halls are particularly susceptible to fires, and students residing in the halls must carefully adhere to fire safety regulations.

Definitions

The following terms are used within this report. Definitions have been obtained from the Higher Education Opportunity Act.

- On-Campus Student Housing- A student housing facility that is owned or controlled by the institution, or is located on property that is owned or controlled by the institution, and is within a reasonable contiguous area that makes up the campus.
- Fire- Any instance of open flame or other burning in a place no intended to contain the burning or in an uncontrolled manner.

Student Fire Safety Education Program

Fire safety education programming for all students residing in on-campus student housing and all employees that have any professional association with on-campus housing is held each year. These programs are coordinated through the Office of Residence Life and in consultation with the City of Salem Fire Prevention staff. The programs are designed to familiarize everyone with the fire safety systems in each residence hall and train occupants on the proper procedures to follow in the event of a fire. At the start of each semester the residence life staff hold meetings with all occupants to review policies and procedures regarding fire safety and to ensure familiarity with evacuation routes and fire alarm systems.



In addition to the regular training in the residence halls the Salem State University Police Department periodically coordinates with the Salem Fire Department, Fire Prevention Office to provide additional awareness and prevention training for students residing in on-campus housing as well as students residing in off-campus housing. Additional information regarding fire safety for residence halls can be found here:

<https://www.salemstate.edu/campus-life/living-campus/guide-living-campus/safety-and-security>

University Policy on Reporting Fires

Fire alarms for University owned buildings ring directly to the Salem State University Police dispatch and the Salem Fire Department. However, any member of the community who becomes aware of any active or past fire must notify the University Police or Salem Fire Department immediately.

Procedures to Follow in the Event of a Fire

Every person in the building, including staff, faculty, students, visitors, and contractors where the fire alarm is sounding, regardless of known or suspected cause, is required to evacuate immediately. Persons evacuating must leave via the closest exit. Any equipment that could cause a fire should be turned off before exiting if it can be done quickly and safely. All occupants will assemble at a safe distance from the building and await further instructions from fire or police personnel. No occupant will re-enter a building until clearance is given by fire or police personnel.

FIRE SAFETY POLICIES

Prohibited Items

Appliances and Electronics

Because many appliances are considered fire hazards, and the use of too many appliances at one time may overload a building's electrical capacity, the following appliances are not permitted in any of the residence halls:

- Electrical extension cords
- Air conditioners
- Hot pots without auto on/off switches
- Halogen lamps
- Hotplates
- Water coolers
- Televisions larger than 40"
- "Medusa lamps" (with multiple plastic shades)

The following items are not permitted on North Campus, but are allowed at the Bates Complex and on Central Campus, as long as they remain in the kitchen area:

- Toaster ovens and toasters
- Sandwich makers
- Waffle irons and griddles

Coffee makers and irons with automatic shut-off switches are allowed in all residential areas.

Microwaves are allowed on North Campus (Peabody and Bowditch halls) if the microwave is under 700 watts/10 amps, and is plugged into an amperage overload protector (different from a surge protector). If a refrigerator is in the room, it must also be plugged into the amperage overload protector with the microwave.

Individual refrigerators must have a capacity of less than four cubic feet. **Micro-fridge units** may be rented by calling 1.800.637.7567. At the end of the year, all residents are responsible for cleaning the units, and returning them per posted information. Residents may be billed for failing to return a unit, or for not following the proper cleaning and return procedures.

Stereo speakers should be of a reasonable size; sub-woofers and amplifiers are strongly discouraged. If a resident does use these items, she/he/they may be asked to lower the volume if it disturbs other residents, or the noise level is deemed inappropriate.

Candles and Incense: Candles and incense are strictly prohibited from the residence halls, as they pose a significant fire risk. Residents are not allowed to possess any candles, including those of a decorative nature. This also includes candles that have not been burned. **Possession of candles and incense on campus could result in suspension from the residence halls (held in abeyance) or loss of housing!**

Residents found in violation will be directed to correct the violation and remove the item immediately. Residence Life will hold illegal items for residents for a maximum of two (2) weeks, and then dispose of them if residents do not remove them from the building. Repeat violations will result in administrative or judicial action.

Additional guidance and restrictions with respect to residence halls

Because of fire risk, Residence Life has strict guidelines about what is and isn't allowed on campus. Violations of this policy will result in judicial action, up to and including loss of housing. The following items and/or conditions are **not permitted** in any of the residential areas:

- Live Christmas trees, menorahs with candles, Kwanzaa candles, and similar decorations
- Heating coils, coffee pots without auto shut-off, hot pots and hotplates, and electrical space heaters
- Flammable decorations placed near light fixtures or in enclosed areas
- Popcorn poppers, toasters and toaster ovens and similar heating devices outside of the kitchen areas at Bates and Central Campus residence halls
- Stairwell and exit doors propped open
- Bicycles in hallways, lounges or blocking the doorways of rooms, apartments and stairwells
- Tapestries and similar hangings covering a door or significant portion of the wall or any lights and lamps, or hung from ceilings
- Electrical devices and appliances such as: halogen lamps, lanterns and sun lamps
- Gasoline, lighter fluid, flammable cleaning fluid, turpentine, and paint solvents
- Motorcycles, mopeds and automotive equipment in hallways or rooms
- Desks, chairs, dressers, closets, or beds that block any part of doorways, or one's ability to move
- Disconnected, covered or altered smoke detectors

Plans for Future Improvements to Fire Safety

Salem State University continues to monitor trends related to residence hall fire incidents and alarms to provide a fire-safe living environment for all students. New programs and policies are developed as needed to help ensure the safety of all students, faculty, and staff. While Salem State has worked diligently with the Fire Prevention Unit of the Salem Fire Department to provide education to students and staff we recognize that educational programming must be updated to account for current trends and must be reinforced each year as the building occupancy changes. Salem State University monitors communication from the National Center for Campus Fire Safety and will publish updates as deemed appropriate.

Fire Drills

Fire drills are conducted in all on-campus student housing units twice each year at a minimum. The drills are mandatory, with full evacuation conducted under the supervision of the residence life staff, university police and witnessed by the City of Salem fire department.

Emergency Evacuation Procedures

All students and staff are strongly encouraged to treat all fire alarms as real. In the event of a fire, the university expects that all campus community members will evacuate by the nearest exit, close doors and activate the fire alarm system as they leave. Once safely outside a building, it is appropriate to

contact the university police department (978.542.6111) or 911. Trained staff will inform students, staff and guests where to relocate to if circumstances warrant at the time of the alarm. In the event fire alarms sound, university policy is that all occupants must evacuate from the building, closing doors as they leave. No training is provided to students or employees in firefighting or suppression activity as this is inherently dangerous and each community member's only duty is to exit safely and quickly, shutting doors along the exit path as they do to contain the spread of flames and smoke, and to activate the alarm as they exit. At no time should the closing of doors or the activation of the alarm delay the exit from the building.

Meeting Places for Residence Halls in the Event of a Fire Alarm

All students should gather at their buildings designated meeting place so that emergency vehicles and personnel can gain easy access to the building and ensure the safety of those who have exited the building. In the event of an emergency residence life staff will take attendance at the meeting place in order to give emergency personnel a list of individuals who may still be in the building and may need assistance exiting it. Residence life staff will also direct students to a temporary shelter if necessary.

Special Needs/Disabilities

Individuals with special needs and/or disabilities that may require accommodations in the event of a fire alarm need to contact their Resident Director (RD) to create a plan to ensure their safety in the case of a fire alarm. Typically the university police maintain a database of those students in university housing who would need assistance in evacuating a building in the event of a fire.

Re-Entering the Building

No one should re-enter the building until directed to do so by a member of the Residence Life and Housing staff or the Police Department. Even if an alarm stops sounding you must wait for university officials to direct you into the building.

Definitions:

The following definitions are applicable to this section:

- **Cause of fire:** The factor or factors that give rise to a fire. The causal factor may be, but is not limited to, the result of an intentional or unintentional action, mechanical failure, or act of nature.
- **Fire:** Any instance of open flame or other burning in a place not intended to contain the burning or in an uncontrolled manner.
- **Fire drill:** A supervised practice of a mandatory evacuation of a building for a fire.
- **Fire-related injury:** Any instance in which a person is injured as a result of a fire, including an injury sustained from a natural or accidental cause, while involved in fire control, attempting rescue, or escaping from the dangers of a fire. The term "person" may include students, faculty, staff, visitors, firefighters, or any other individuals.
- **Fire-related death:** Any instance in which a person (1) is killed as a result of a fire, including death resulting from a natural or accidental cause while involved in fire control, attempting rescue, or escaping from the dangers of a fire; or (2) dies within one year of injuries sustained as a result of a fire.
- **Fire-safety system:** Any mechanism or system related to the detection of a fire, the warning resulting from a fire, or the control of a fire. This may include sprinkler systems or other fire extinguishing systems; fire detection devices; stand-alone smoke alarms; devices that alert one to the presence of a fire, such as horns, bells, or strobe lights; smoke-control and reduction mechanisms; and fire doors and walls that reduce the spread of a fire.

- **Value of property damage:** The estimated value of the loss of the structure and contents, in terms of the cost of replacement in like kind and quantity. This estimate should include contents damaged by fire, and related damages caused by smoke, water, and overhaul; however, it does not include indirect loss, such as business interruption.

Campus Fire Logs:

A log of all fires and fire alarms in which there was a physical cause (i.e., smoke; heat, etc., rather than a faulty detector or system malfunction). For a copy or to view the fire log, please visit the University Police located at 71 Loring Avenue Salem, MA 01970.

When changes in the causes or information about a University fire become known to Salem State University Police, any updates will be made to the log within two business days of the status change.

Residential Fire Equipment and Systems

Residential Facility	Partial Sprinkler System	Full Sprinkler System	Smoke Detection	Fire Extinguishers	Evacuation Plans on Placards	Number of Evacuation Drills each Calendar Year
Bowditch Hall		X	X	X	X	2
Peabody Hall		X	X	X	X	2
Atlantic Hall		X	X	X	X	2
Marsh Hall		X	X	X	X	2
Viking Hall		X	X	X	X	2
Bates Complex		X	X	X	X	2

Residential Facility Addresses

- Bowditch Hall: 42 Loring Avenue Salem, MA 01970
- Peabody Hall: 1 College Drive Salem, MA 01970
- Atlantic Hall: 71A Loring Avenue Salem, MA 01970
- Marsh Hall: 71B Loring Avenue Salem, MA 01970
- Viking Hall: 73 Loring Avenue Salem, MA 01970 (Opened August 2015)
- Bates Complex: 20-32 Harrison Road Salem, MA 01970

Fire Statistics for 2015-2017

		Bowditch Hall	Peabody Hall	Atlantic Hall	Marsh Hall	Viking Hall	Bates Complex	TOTAL
2015	Fires	0	0	0	0	0	0	0
	Injuries	0	0	0	0	0	0	0
	Deaths	0	0	0	0	0	0	0
2016	Fires	0	0	1	0	0	1	2
	Injuries	0	0	0	0	0	0	0
	Deaths	0	0	0	0	0	0	0
2017	Fires	0	2	0	0	0	0	2
	Injuries	0	0	0	0	0	0	0
	Deaths	0	0	0	0	0	0	0

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Bates Complex: 20-32 Harrison Road Salem, MA 01970

Fire Descriptions for 2015-2017

2015				
Residence	Cause of Fire	Fire-related injuries	Fire-related deaths	Property Damage
N/A	N/A	N/A	N/A	N/A
2016				
Residence	Cause of Fire	Fire-related injuries	Fire-related deaths	Property Damage
Atlantic Hall	Accidental/Cooking	0	0	\$0.00
Bates #10	Accidental/Cooking	0	0	\$0.00
2017				
Residence	Cause of Fire	Fire-related injuries	Fire-related deaths	Property Damage
Peabody Hall	Accidental/Cooking	0	0	0
Peabody Hal	Intentional	0	0	\$100.00

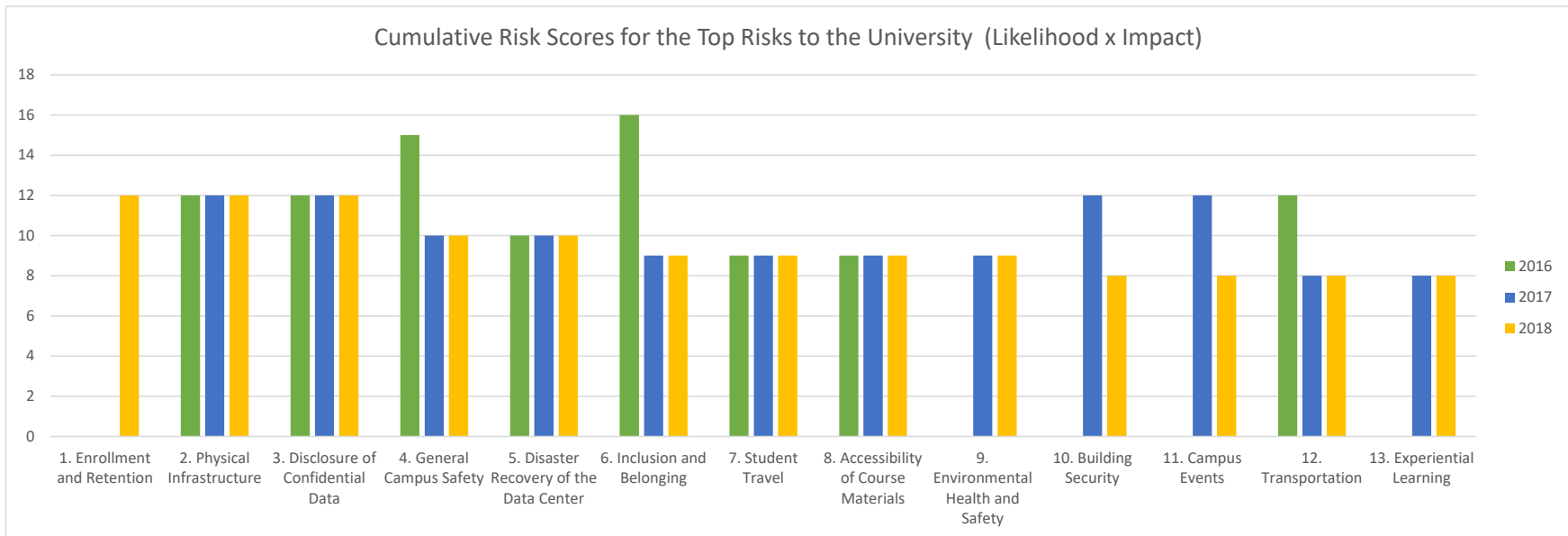
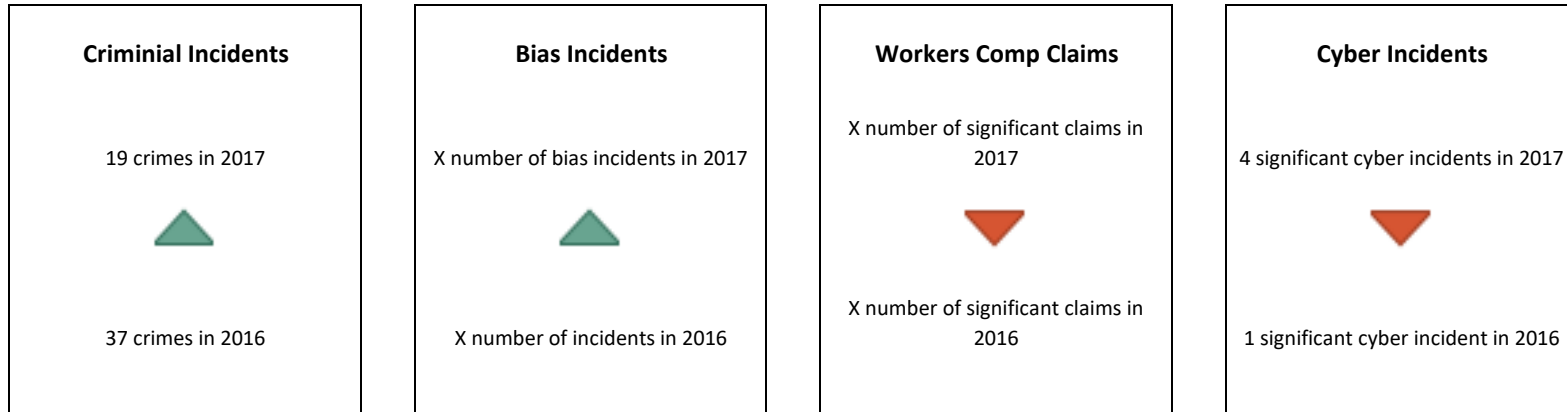
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END OF REPORT

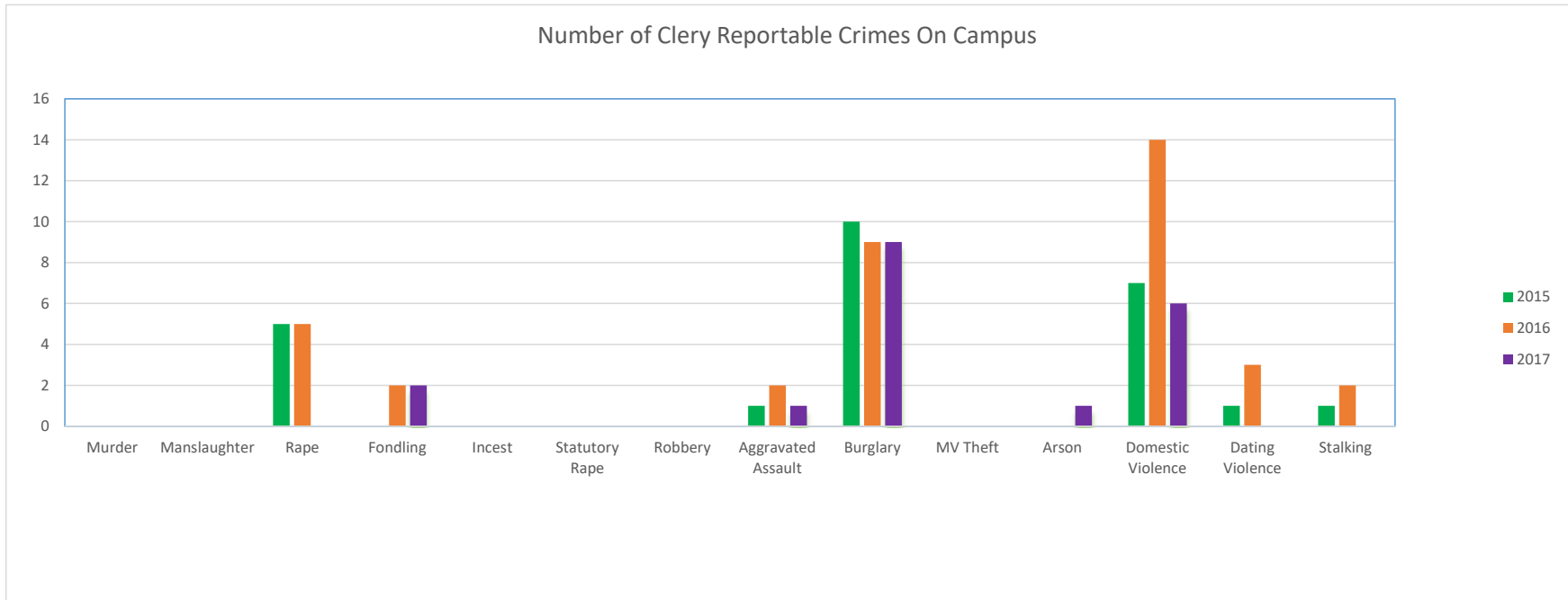
Work in Progress - Mock-Up for Discussion Purposes Only 11.29.18

Note: Data shown in the boxes below is intended for display purposes only. Actual data is not yet available.

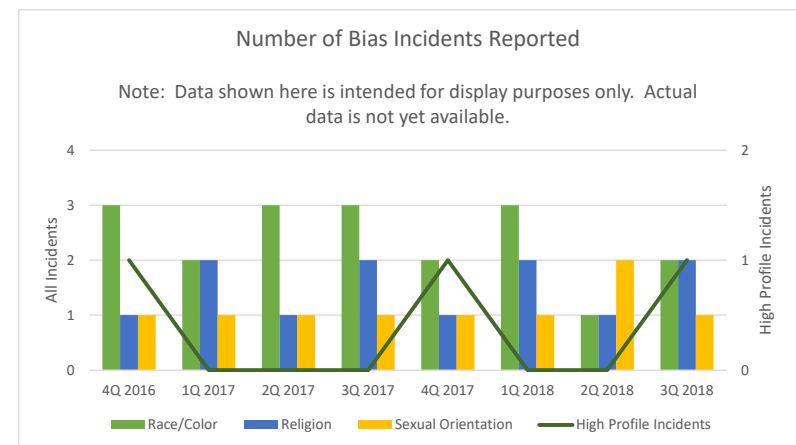
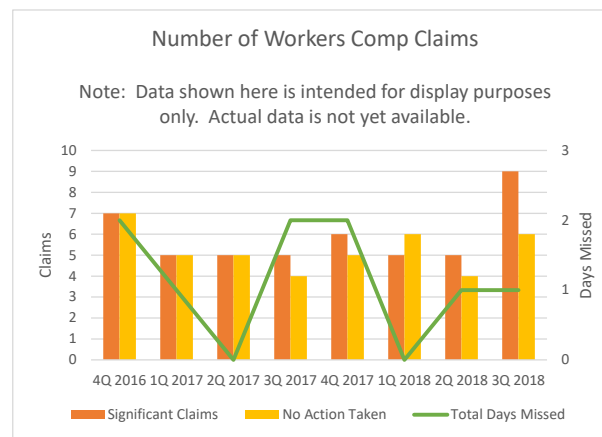
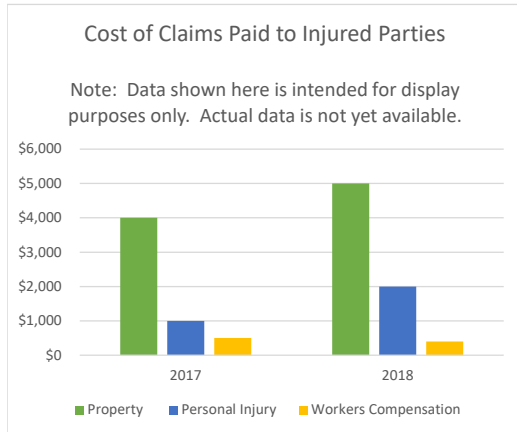


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Note: Data shown in the boxes below is intended for display purposes only. Actual data is not yet available.

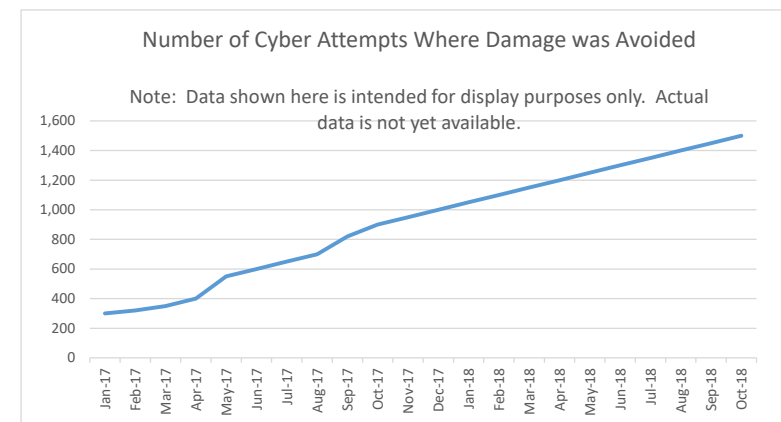
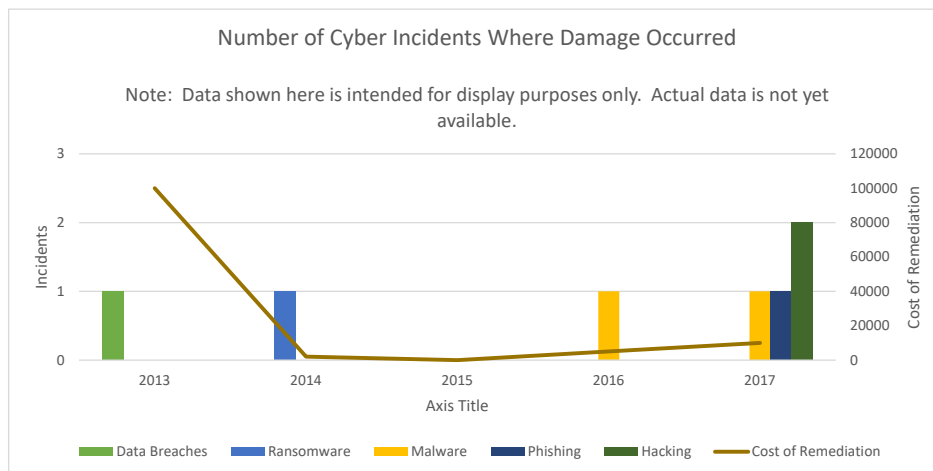
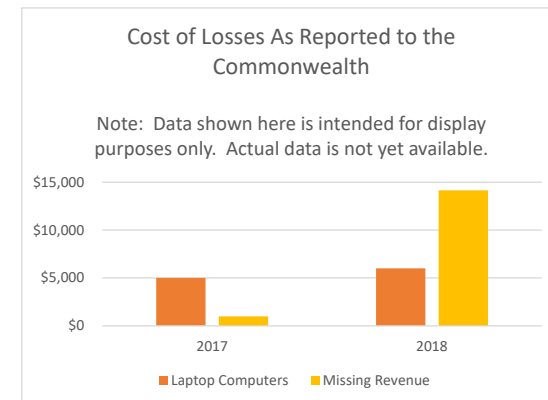


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Audit Summary:

Year	Audit Opinion	Number of Material Weaknesses	Uniform Guidance (formerly A-133)		
			Number of Material Weaknesses or Significant Deficiencies	Number of Findings	Questioned Costs
FY18	Unmodified	None	None	4 findings	None
FY17	Unmodified	None	None	2 findings	None
FY16	Unmodified	None	None	2 findings	None
FY15	Unmodified	None	None	None	None
FY14	Unmodified	None	None	1 finding	None



Changes to the State University Equal Opportunity, Diversity and Affirmative Action Plan

Prepared by: Rita Colucci
General Counsel

2014 Changes to EOP

- In response to Obama administration “guidance”
- “Guidance” did not go through formal rule-making and notice procedures
- Changes made to plan in December 2014

Current Changes

- Department of Education has withdrawn some of the Obama guidance and instructed schools to refer back to law, its implementing regulations and prior guidance; hence, the changes you are currently seeing

BHE-Approved Changes

- Informal resolution or mediation is now allowed in Title IX cases
- Investigation reports must be shared with the parties, and parties allowed a chance to respond, prior to a conclusion being made
- Section on new law prohibiting employment discrimination based on pregnancy was added

More to Come . . .

- More changes are coming quickly. New rules were proposed, are currently in the comment period, and sources say final rules will be released this summer
- Proposed rules make significant changes

REQUEST FOR TRUSTEE ACTION

Date: January 7, 2019
To: Board of Trustees
From: Rita Colucci, Esq., General Counsel
Subject: Equal Opportunity, Diversity and Affirmative Action Plan
Requested Action: Approval

This motion seeks Board approval to accept changes to Salem State's Equal Opportunity, Diversity and Affirmative Action Plan pursuant to new federal guidance.

Background

Salem State University has shared an Equal Opportunity, Diversity and Affirmative Action Policy (hereinafter "EOP"), approved by the Board of Higher Education, with the other eight (8) state universities/colleges for at least the past 30 years. In 2015, the EOP underwent substantial changes, specifically with regard to its policy and complaint processes related to sexual misconduct and Title IX of the Education Amendments of 1972. These changes were implemented after the U.S. Department of Education (hereinafter "DOE") released guidance, in both 2011 and 2014, on how schools should respond to complaints of sexual misconduct. While the guidance was not technically "law," it was enforced by the USDOE as a federal mandate.

In 2017, the U.S. Department of Education withdrew the 2011 and 2014 guidance, and referred institutions back to the original law, its regulations, and guidance issued in 2001 and reaffirmed in 2006. This led the state universities to make changes to the EOP. The BHE approved the changes on September 28, 2018. The revised EOP is now before this board for approval.

Changes to the EOP

The changes to the policy are summarized as follows:

1. The Policy Statement on Non-Discrimination has been moved to page 2 for emphasis and to make it easier to locate.
2. In the Definitions, section the following changes were made:
 - The Plan's restrictions on informal resolution or mediation in sexual violence, domestic violence, dating violence or stalking cases have been

removed. The Plan addresses the applicability of those resolution processes in such situations within the text of the Complaint Investigation and Resolution Procedures.

- The "Timeframes" and general overview of the investigation process has been changed to conform to the current guidance (the 60-day timeframe for investigations, however, remains).
 - The role of the Advisor has been clarified: (1) only parties (not witnesses) are entitled to advisors; and (2) union members who are respondents may elect to have a union representative present at meetings which the union member reasonably believes may result in discipline, but the union member may not have both a union representative *and* an advisor.
3. In the Sexual Violence Policy section, the following changes were made
- Where applicable, references to "victim" have been changed to the more neutral "complainant." However, the plan also makes it clear that all investigations will be conducted using a "trauma- informed approach" to support complainants, while ensuring that appropriate support and due process protections are provided to all parties.
 - For domestic and/or dating violence, there is clarification that a finding is typically based on the totality of the circumstances, and that a single occurrence of behavior may not necessarily lead to a finding of domestic and/or dating violence.
 - The contacts for the Victim Advocate/Assistance Office for each county have been added.
 - The "Interim Measures" section has been changed to reflect the current OCR guidance.
 - The "Parties Rights" section has been altered to reflect the changes in the current OCR guidance concerning the sharing of the investigation report prior to submission for administrative review. It has also been changed to clarify that parties do not have the right to see all "documents" pertaining to an investigation, but rather the evidence used in making the determination of a policy violation.
4. A Policy Against Discrimination in Employment Based on Pregnancy and Pregnancy Related Conditions has been added to comply with the requirements of the Massachusetts Pregnant Workers Fairness Act.
5. The following amendments were made to the Complaint Investigation and Resolution Procedures:
- The prohibition against use of the Informal Process for complaints under the Sexual Violence Policy has been removed pursuant to current OCR guidance.
 - A subsection on counterclaims has been added to address a procedural gap (and consequent due process concerns) in the

Formal Investigation Process.

- Pursuant to current OCR guidance, the Formal Investigation Process now includes a step at which the parties are entitled to review the draft investigation report prior to its submission for administrative review.
- The time period for filing an appeal has increased from 5 to 10 days to better afford the parties more time to consider their options and review the investigation materials in advance of filing their appeal.
- The following provision has been added to take into account situations in which the University, upon review, discovers an error or problem in the procedure, determination of responsibility, sanction, or other investigation or appeal-related process:

"Under limited, exceptional circumstances, and in compliance with the principles of due process, the University reserves the right to correct, amend, supplement or modify a finding, conclusion or sanction to ensure that an investigation has been prompt, fair, impartial and thorough."

- Regarding sanctions, a provision has been included to clarify that additional disciplinary action shall be taken against an employee or student who violates a sanction(s) imposed under the Plan (subject to all provisions of applicable collective bargaining agreements, personnel policies or code of conduct).
6. A Position Description for a dedicated EO Investigator has been added, establishing standard credentials and qualifications, and also creating helpful guidance when hiring outside investigators.

MOTION

The Risk Management and Audit Committee recommends that the Board of Trustees approve the following motion regarding Salem State’s Equal Opportunity, Diversity and Affirmative Action Plan (hereinafter “EOP”), attached.

Recommended motion

The Board of Trustees hereby approves the Equal Opportunity, Diversity and Affirmative Action Plan dated September 18, 2018, as amended.

Committee Assigned: Risk Management and Audit

Committee Action: Approved

Date of Action: January 30, 2019

Trustee Action:

Trustee Approval Date:

Effective Date: _____

Signed: _____

Title: Secretary of the Board of Trustees

Date: _____

**EQUAL OPPORTUNITY,
DIVERSITY AND AFFIRMATIVE ACTION PLAN**

BRIDGEWATER STATE UNIVERSITY

FITCHBURG STATE UNIVERSITY

FRAMINGHAM STATE UNIVERSITY

MASSACHUSETTS COLLEGE OF ART AND DESIGN

MASSACHUSETTS COLLEGE OF LIBERAL ARTS

MASSACHUSETTS MARITIME ACADEMY

SALEM STATE UNIVERSITY

WESTFIELD STATE UNIVERSITY

WORCESTER STATE UNIVERSITY

APPROVED BY THE BOARD OF HIGHER EDUCATION: SEPTEMBER 28, 2018

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I. INTRODUCTION

Together, Bridgewater State University, Fitchburg State University, Framingham State University, Massachusetts College of Art and Design, Massachusetts College of Liberal Arts, Massachusetts Maritime Academy, Salem State University, Westfield State University and Worcester State University (collectively, “the Universities”) have carefully developed the major elements of this Equal Opportunity, Diversity and Affirmative Action Plan with the understanding that a successful plan requires more than knowledge of the laws, regulations and current government requirements.

This Equal Opportunity, Diversity and Affirmative Action Plan (“the Plan”) demands vision to fully comprehend what challenges the Universities face in preparing our students for their post-commencement lives. With this Plan, the Universities continue to take a step beyond and, both collectively and individually, commit themselves to the valuing of human dignity, and to the appreciation of the necessity of providing all members of the University community an experience that equips them to relate to all persons and groups in the increasingly global and diverse world in which we all live and work.

PURPOSES

Pursuant to M.G.L. Chapter 15A, the Commonwealth of Massachusetts’ Board of Higher Education (“BHE”) is responsible for the overall governance of the Universities. Together with the BHE, the Universities’ Boards of Trustees maintain and promote a policy of non-discrimination on the basis of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. A primary purpose of this Plan is to inform the campuses of: (1) the Universities’ prohibition of all forms of discrimination, discriminatory harassment, sexual violence, sexual and gender-based harassment, domestic violence, dating violence, stalking and retaliation; (2) the Universities’ efforts to prevent such behaviors; and (3) the manner in which the Universities will respond to such behaviors, including the prompt, impartial, fair and thorough investigation and resolution of complaints.

Through this Plan, the Universities also seek to responsibly recognize and, when possible, resolve the effects of past societal discrimination and the impact that discrimination has had. To those ends, the State Universities commit to an ongoing examination of all policies and procedures to ensure that they do not operate to the detriment of any person on any discriminatory basis. Finally, the Universities commit to a pro-active affirmative action posture with respect to the recruitment, selection and promotion of students and employees.

II. POLICY STATEMENT OF NON-DISCRIMINATION AND DIVERSITY

The Universities are committed to a policy of non-discrimination, equal opportunity, diversity and affirmative action, and dedicated to providing educational, working and living environments that value the diverse backgrounds of all people.

The Universities do not discriminate in admission or access to, or treatment or employment in, its educational programs and activities on the basis of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. The Universities prohibit discrimination or discriminatory harassment on all of those bases. Such behaviors violate the Universities' Policy Against Discrimination, Discriminatory Harassment and Retaliation, will not be tolerated, and may result in disciplinary action up to and including termination or expulsion.

It is also the Universities' policy to provide each student, employee, and other person having dealings with the institutions an environment free from sexual violence and all forms of misconduct on the basis of gender. The Universities prohibit rape, statutory rape, sexual assault, sexual exploitation, incest, sexual harassment, gender-based harassment, domestic violence, dating violence and stalking, and retaliation. These behaviors violate the Universities' Sexual Violence Policy, will not be tolerated, and may result in disciplinary action, up to and including termination or expulsion.

The Universities' Non-Discrimination, Discriminatory Harassment and Retaliation Policy and Sexual Violence Policy apply in all University programs and activities, including, but not limited to, athletics, instruction, grading, housing, and employment. They apply to all members of the campus communities, including, but not limited to, students, faculty, librarians, staff, visitors, contractors and applicants for employment or admission. They also apply to off-campus conduct that negatively affects a community member's experience in the University environment.

Each University has appointed an Equal Opportunity Officer ("EO Officer") to oversee its compliance with this Plan, as well as the state and federal non-discrimination and equal opportunity laws. Details regarding the EO Officer's specific duties and responsibilities can be found at Appendix 1. Anyone with questions, concerns or complaints regarding discrimination, discriminatory harassment or retaliation may contact the EO Officer.

Any person with questions or concerns about any form of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence and stalking and/or retaliation may also contact:

The U.S. Department of Education
Office for Civil Rights
33 Arch Street, 9th Floor
Boston, MA 02119-1424
(617) 289-0111/Fax (617) 289-0150
TDD (877) 521-2172
OCR.Boston@ed.gov

or

the University's
Title IX Coordinator

The Title IX Coordinator at each University is responsible for the University's compliance with Title IX and the administration of the Universities' Sexual Violence Policy. Details regarding the Title IX Coordinator's specific duties and responsibilities can be found at Appendix 2.

III. SCOPE AND DURATION

Equal opportunity, diversity and affirmative action programs are an integral part of the mission of the Universities. This Plan, by its very nature, shall affect and impact not only personnel and admissions policies, but also the procedures and practices that contribute to the academic and educational experiences of our students, and the employment opportunities throughout the Universities.

The provisions of this Plan, in compliance with applicable laws^{i,ii} and collective bargaining agreements, apply to every educational, employment and co-curricular activity at the Universities. All benefits, services and opportunities pertaining to the Universities' educational programs, employment and services are available to all applicants, students, employees and others having dealings with the Universities regardless of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. No provision of this Plan is intended, and should not be used, to discriminate against any applicant, employee or student on any prohibited basis.

Pursuant to this Plan, the actions of persons responsible in matters of employment and education, including all supervisors and faculty, must be non-discriminatory. Should one of the Universities discover discrimination in any employment, educational or service decision, action, inaction or practice, all appropriate corrective and/or disciplinary actions shall be taken under the direction of the President of the University, subject to any applicable collective bargaining agreement or other policy or procedure of the University.

This Plan shall take effect as soon as it is approved by the BHE and the Universities' Boards of Trustees, and shall remain in effect for the period determined by those Boards.

CONTINUING REVIEW

The Universities will continually review this Policy and the Complaint Investigation and Resolution Procedures at Appendix 4 to ensure compliance with the requirements of federal and state law and regulations.

APPLICATION

The Plan applies to all members of the campus communities, including, but not limited to, students, faculty, librarians, staff, visitors, contractors and applicants for employment or admission. The Plan also applies to off-campus conduct that negatively affects a community member's experience in the University environment.

IV. PLAN DEFINITIONS AND TERMS

For the purposes of this Plan, the following terms are defined as follows:

Equal Opportunity. The Universities' effort to ensure that all employment and academic decisions, programs and policies are formulated and conducted in a manner to ensure equal access for all people and to prevent discrimination. As part of this effort, the Universities will ensure that employment and academic decisions, programs and policies will be based solely on the individual eligibility, merit or fitness of applicants, employees and students without regard to race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.

Equal Opportunity Officer or "EO Officer". A University official charged with the responsibility for the University's administration of this Plan, and the state and federal non-discrimination and equal opportunity laws. The EO Officer may also serve as the University's Title IX Coordinator. If the positions are held by different individuals, the EO Officer and Title IX Coordinator may collaborate on the enforcement of any part of this Plan. The identity and contact information for the EO Officer shall be published and widely distributed on each campus, including on the website of each campus. See also Appendix 1.

Protected Classes. Characteristics or groups of persons protected from discrimination by law, including:

1. Race. Discrimination laws do not contain a definition of "race," but are interpreted to prohibit discrimination on the basis of ancestry or physical or cultural characteristics associated with a certain race, such as skin color, hair texture or styles, or certain facial features, and on the basis of stereotypes and assumptions about abilities, traits, or the performance of individuals of certain racial groups. All individuals, including persons of more than one race and the following racial classifications, are protected from discrimination:

Black: All persons having origins in any of the Black racial groups of Africa including, but not limited to, African-Americans, and all persons having origins in any of the original peoples of the Cape Verdean Islands.

White (not of Hispanic origin): Persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.

Hispanic/Latino: All persons of Mexican, Puerto Rican, Cuban, Central, Latin or South American or other Spanish culture or origin, regardless of race.

Asian or Pacific Islander: All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands, including, for example, the areas of China, India, Japan, Korea, the Philippine Islands and Samoa.

American Indian or Alaskan Native: All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

2. Color. Variations in skin tone among persons of the same race.
3. Religion. "Religion" and "creed" have the same or equivalent meaning: all religious and spiritual observances, practices, and sincerely held beliefs.
4. National Origin. A "national origin group" or "ethnic group" is a group sharing a common language, culture, ancestry, and/or other similar social characteristics.
5. Persons of Color. Members of the following racial classifications: Black, American Indian/Native Alaskan, Asian/Pacific Islander, and Hispanic/Latino.
6. Age. For employment purposes, persons 40 years of age or older. For the purposes of access to and participation in University programs and services, all persons of all ages are protected on the basis of age.

7. Disability. A person with a disability is one who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment.
8. Gender. A person's sex (female or male). "Gender" and "sex" may be used interchangeably for the purposes of the EO Plan.
9. Gender Identity. Gender identity is a person's internal view of the person's gender. "Gender identity" covers a multitude of sexual identities including, but not limited to, male, female, and transgender or gender-nonconforming individuals, who are persons whose gender identity or gender presentation falls outside of stereotypical gender norms.
10. Gender Expression. Gender expression is a term that refers to the ways in which individuals manifest or express masculinity or femininity. It refers to all of the external characteristics and behaviors that are socially defined as either masculine or feminine, such as dress, grooming, mannerisms, speech patterns and social interactions.
11. Sexual Orientation. Actual or perceived heterosexuality, homosexuality or bisexuality, either by orientation or by practice.
12. Genetic Information. Any written, recorded individually identifiable result of a genetic test or explanation of such a result or family history pertaining to the presence, absence, variation, alteration, or modification of a human gene or genes.
13. Marital/Parental Status. A person's status as single, married, parent or non-parent, where discrimination on these bases has disparately impacted against those of different protected classes, including gender and sexual orientation.
14. Veteran Status. A person who is a member of, has served in, applies to perform or is obligated to perform service in, a uniformed military service of the U.S., including the National Guard.

Discrimination. An intentional or unintentional act that adversely affects employment and/or educational opportunities because of a person's membership in a protected class or association with a member(s) of a protected class. Discrimination may be classified as either disparate impact (facially neutral practices that fall more harshly on one group than another and cannot be justified by business necessity) or disparate treatment (treatment of an individual that is less favorable than treatment of others based on discriminatory reasons). A single act of discrimination may be based on more than one protected class status. For example, discrimination based on anti-Semitism may relate to religion, national origin, or both; discrimination against a pregnant woman might be based on sex, marital or parental status, or both; discrimination against a transgender individual might be based on sex or sexual orientation.

Discriminatory harassment. A form of discrimination including verbal and/or physical conduct based on legally protected characteristics and/or membership in a protected class that:

1. has the purpose or effect of creating an objectively intimidating or hostile work or educational environment;
2. has the purpose or effect of unreasonably interfering with an individual's work or educational opportunities; or

3. otherwise unreasonably adversely affects an individual's employment or educational opportunities.

Reasonable directions or warnings by authorized University personnel as to the time, place and manner in which employees perform their assigned responsibilities, students carry out their educational assignments or program participants engage in sponsored activities do not constitute evidence of discriminatory harassment under this Policy.

For purposes of this Plan, unwelcome conduct constitutes hostile environment harassment when:

- it is targeted against a person on the basis of his/her membership in a protected class;

AND

- it is sufficiently severe or pervasive that it alters the conditions of education or employment and creates an environment that a reasonable person would find intimidating or hostile; **OR**
- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; **OR**
- submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual.

The determination of whether an environment is "hostile" is based on the totality of the circumstances. These circumstances could include the frequency of the conduct, its severity, and whether it is threatening or humiliating. Simple teasing, offhand comments and isolated incidents (unless extremely serious) will not amount to hostile environment harassment under this Plan.

For emphasis, conduct that is not based on a person's membership in a protected class is not considered hostile under this Plan.

Retaliation. Taking adverse employment or educational action against a person who: (a) files claims, complaints or charges under this Plan, or under applicable local, state or federal statute; (2) is suspected of having filed such claims, complaints or charges; (3) has assisted or participated in an investigation or resolution of such claims, complaints or charges; or, (4) has protested practices alleged to be violative of the non-discrimination policies of the University, the BHE, or local, state or federal regulation or statute. Retaliation, even in the absence of provable discrimination in the original complaint or charge, constitutes as serious a violation of this Plan as proved discrimination under the original claim, complaint or charge.

Title IX Coordinator. A University official charged with the University's overall compliance with Title IX of the Education Amendments of 1972. Among other duties, the Title IX Coordinator is responsible for the enforcement of this Plan regarding all issues pertaining to sexual violence, sexual and gender-based harassment, domestic violence, dating violence, stalking and retaliation. A campus may have Deputy Title IX Coordinators. The Title IX Coordinator may also serve as the University's EO Officer. If the positions are held by different individuals, the Title IX Coordinator and the EO Officer may collaborate on the enforcement of any part of this Plan. The identities and contact information for all Title IX Coordinators and Deputy Title IX Coordinators shall be published and widely distributed on each campus, including on the website of each campus. See also Appendix 2.

Sexual Violence. As defined by the U.S. Department of Education's Office for Civil Rights and this Plan, sexual violence "refers to physical sexual acts perpetrated against a person's will or where a person is incapable of giving consent (*e.g.*, due to the [person's] age or use of drugs or alcohol, or because an intellectual or other disability prevents the [person] from having the capacity to give consent)." All forms of sexual violence are prohibited by the Universities and Title IX.

Title II/504 Coordinator. A University official charged with the responsibility for the University's compliance with Title II of the Americans with Disabilities Act of 1990, as amended, Section 504 of the Rehabilitation Act of 1973, the University's Policies for Reasonable Accommodations for Persons with Disabilities, and this Plan with regard to issues of disability discrimination. The Title II/504 Coordinator may also serve as the University's EO Officer. If the positions are held by different individuals, the Title II/504 Coordinator and the EO Officer may collaborate on the enforcement of any part of this Plan. The identity and contact information for the Title II/504 Coordinator shall be published and widely distributed on each campus, including on the website of each campus.

Individual with a Disability. A person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of impairment, or is regarded as having an impairment. Examples of disabilities include, but are not limited to: alcoholism; asthma; blindness or other visual impairments; cancer; cerebral palsy; depression; diabetes; epilepsy; hearing or speech impairments; heart disease; migraine headaches; multiple sclerosis; muscular dystrophy; orthopedic impairments; paralysis; thyroid gland disorders; tuberculosis; loss of body parts.

Qualified Individual with a Disability. An employee or applicant who satisfies the skill, experience, education, and other job-related requirements of the position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of that position; a student who meets the academic and technical standards requisite for admission or participation in the institution's educational program or activity.

Reasonable Accommodation. Modifications or adjustments to an application process, job, work environment, academic program or activity, or a course of study, that permit a qualified individual with a disability to perform the essential functions of a position or to enjoy the benefits and privileges of employment or education equally with persons without disabilities.

Undue Hardship. The Universities are required to make reasonable accommodations to qualified individuals with disabilities unless doing so would impose an undue hardship on the operation of the Universities' business. Undue hardship means an action that requires significant difficulty or expense when considered in relation to factors such as the University's overall size, financial resources, and the nature and structure of its operation.

Interactive Process. An on-going communication between the University and an individual with a documented disability in an effort to provide reasonable accommodation, auxiliary aids, or academic adjustments.

Complainant. An individual who makes a complaint under the Complaint Investigation and Resolution Procedures at Appendix 4 of the EO Plan. The Complainant may also be the University under certain circumstances.

Respondent. An individual who is accused of violating the EO Plan.

Day. As used in the Complaint Investigation and Resolution Procedures at Appendix 4 of the EO Plan, a day shall mean a calendar day, except where otherwise noted.

Timeframes. While the Universities encourage prompt reporting of incidents of discrimination, discriminatory harassment, sexual violence, sexual or gender-based harassment, domestic violence, dating violence, stalking and retaliation, they do not limit the timeframe for filing a complaint under this Plan.

Complaints may be filed at any time, but the University's ability to take action may be limited by the matriculation or employment status of respondents or witnesses. A prompt report will enable the University to most effectively respond to a complaint.

The process for resolving a complaint consists of three major stages: the investigation, the administrative review, and a possible appeal. Every effort will be made to investigate a complaint within sixty (60) calendar days after its receipt. Extenuating circumstances, including the complexity or severity of a complaint, breaks in the academic calendar or exam periods, may require that the investigation process be extended beyond 60 days. Every effort will be made to conclude the administrative review within fourteen (14) calendar days after the receipt of the investigation report and, where practicable, the appeal process will be concluded within thirty (30) days of receipt of the appeal.

In the event that good cause prevents the investigation and resolution process from being concluded in this time frame, the University will notify in writing all parties of the need for additional time and best efforts will be made to complete the process as expeditiously as possible. As a matter of course, parties can expect to receive status updates at reasonable intervals until the matter is resolved.

Standard of Review. All complaints pursued under the Complaint Investigation and Resolution Procedures will be evaluated under a "preponderance of the evidence" standard. Under this standard, conclusions must be "more likely than not." Accordingly, the fact-finder must find that it is more likely than not that the respondent violated the University's EO Plan, Student Code of Conduct or other relevant University policy.

Advisors. Each party to an investigation initiated under the Complaint Investigation and Resolution Procedures is entitled to have an advisor present during any meetings regarding the process (other than meetings between a party and University officials regarding accommodations or protective interim measures). Except as otherwise required by law, the advisor may observe, but may not participate in any way whatsoever, including, without limitation, by asking questions or speaking during the meeting or proceeding. The advisor's role is to provide support and/or advice to the party. During meetings and proceedings, the advisor may speak with the party or pass notes in a non-disruptive manner. The Universities reserve the right to remove from the meeting or proceeding any advisor who disrupts the process, or who does not abide by the restrictions on their participation. In addition, please note that the University does not need to cancel or delay a meeting or proceeding simply because an advisor cannot be present. Further, the advisor is not permitted to attend a meeting or proceeding without the advisee.

The personal advisor for a complainant, a student respondent or a non-unit employee respondent can be any person, including an attorney.

Respondents who are unit members may elect to have a union representative (or other University employee) present during any meeting that the unit member reasonably believes may result in discipline

pursuant to the unit member's Weingarten rights. A respondent unit member who invokes their Weingarten right to a union representative or other University employee is not also permitted an advisor.

If a party's advisor is an attorney, the University's legal counsel may also attend the meeting or proceeding.

Discipline or Sanctions. For the purposes of the investigation and resolution procedures, the terms may be used interchangeably.

V. POLICY AGAINST DISCRIMINATION, DISCRIMINATORY HARASSMENT AND RETALIATION

PROHIBITED CONDUCT

The Policy prohibits all conditions and all actions or omissions, including all acts of discrimination, discriminatory harassment and retaliation, which deny or have the effect of denying to any person their rights to equity and security on the basis of their membership in or association with a member(s) of any protected class. This Policy reaffirms the values of civility, pluralism and pre-eminence of individual human dignity as preconditions to the achievement of an academic community, which recognizes and utilizes the resources of all people.

The prohibited conduct contained in this Policy shall apply to and be enforced against all members of the University community, including, but not limited to, faculty, librarians, administrators, staff, students, vendors, contractors and all others having dealings with the institution.

Examples of discrimination, all of which are prohibited by this Policy, include, but are not limited to:

- Differences in terms, conditions and privileges of employment (including, but not limited to hiring, promotion, reassignment, termination, salary, salary increases, discipline, granting of tenure, selection for awards, etc.) on a prohibited basis.
- Disparity of treatment in educational programs and related support services on the basis of membership in a protected class.
- Differences in salaries or other benefits that are paid to one or more men or women if the differences are not based on a bona fide occupational qualification.
- Developing position descriptions or qualifications, which, without lawful justification, are so specific as to have a disparate exclusionary impact on a group of individuals because of their membership in a protected class.
- Limiting access to housing, or participation in athletic, social, cultural or other activities to students because of membership in a protected class not based on a bona fide requirement or distinction.
- Failing or refusing to hire or promote a person because of their age.
- Classifying a position or positions as unsuitable for persons of certain religions.

- Excluding members of a certain race or national origin from a category of positions or from a department or division.
- Restricting the number of veterans or qualified persons with disabilities in a category of positions or in a department or division.
- Using information on marital or parental status for employment decisions where the use of such information has a disparate impact on persons of one gender or sexual orientation.
- Advising students of similar interests and backgrounds differently because of their gender or gender identity.
- Forcing female students to sit in the back of the class on the stereotyped assumption that each of them has a lower aptitude for learning that particular subject than male students.
- Placing unreasonable expectations upon students of particular races or national origins based on stereotyped assumptions that members of those protected classes have a better aptitude for certain academic subjects than students not of those protected classes.

Examples of discriminatory harassment, all of which are prohibited by this Policy, include, but are not limited to:

- Physically harassing another individual or group because of that person's or persons' membership in a protected class by assaulting, touching, patting, pinching, grabbing, staring, leering at them, making lewd gestures, invading their personal space, blocking their normal movement, or other physical interference.
- Encouraging others to physically or verbally abuse an individual (or group of individuals) because of that person or persons' membership in a protected class.
- Threatening to harm an individual or group because of that person or persons' membership in a protected class.
- Directing epithets, slurs, derogatory comments, unwelcome jokes or stories at an individual or group because of that person or persons' membership in a protected class.
- Displaying hostile, derogatory and/or intimidating symbols/objects, such as posters, cartoons, bulletins, drawings, photographs, magazines, written articles or stories, screen savers, or electronic communications, to an individual or group because of that person or persons' membership in a protected class.

Examples of retaliation, all of which are prohibited by this Policy, include, but are not limited to:

- Terminating an employee for stating an intention to file a complaint of discrimination or for assisting another employee in filing a discrimination complaint.
- Refusing to hire an employee because the employee pursued an age discrimination charge against a former employer.
- Denying a promotion to an employee for complaining about alleged sexual orientation harassment.

- Refusing tenure to a faculty member for filing a complaint of sexual harassment pursuant to the Complaint Investigation and Resolution Procedures.
- Issuing an unjustified negative evaluation to an employee for testifying in a legal proceeding concerning a complaint of discrimination or harassment.
- Assigning a student an unearned poor grade for requesting a reasonable academic accommodation based on religion.
- Assigning a student an unearned failing grade for cooperating with an internal investigation of alleged discriminatory practices or a complaint of discrimination or harassment.
- Refusing to admit a student for requesting a reasonable accommodation based on disability in the admission process.

Members of the academic community should not assume that any of the forms of speech described above are protected by the principles of academic freedom or the First Amendment to the United States Constitution.

CONDUCT THAT IS NOT PROHIBITED

The Universities are committed to protecting, maintaining and encouraging both freedom of expression and full academic freedom of inquiry, teaching, service, and research. Nothing in this Policy shall be construed to penalize a member of the University community for expressing an opinion, theory, or idea in the process of responsible teaching and learning. Accordingly, any form of speech or conduct that is protected by the principles of academic freedom or the First Amendment to the United States Constitution is not subject to this Policy.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

The Universities have established specific Complaint Investigation and Resolution Procedures to review and resolve allegations of discrimination, discriminatory harassment and retaliation on their campuses. Any member of the University community or any applicant for admission or employment who believes that he or she has been a victim of such conduct in violation of this Plan may initiate a complaint as outlined in these procedures, which are set forth at Appendix 4.

Further advice or information about Universities' Complaint Investigation and Resolution Procedures may be obtained by contacting the EO Officer on each campus.

DUTY TO COOPERATE

Every faculty member, librarian, administrator, staff member and University employee has a duty to cooperate fully and unconditionally in an investigation conducted pursuant to the Complaint Investigation and Resolution Procedures, subject to the provisions of any relevant collective bargaining agreements. This duty includes, among other things, speaking with the EO Officer, Administrative Investigator, reviewing or appellate body, and voluntarily providing all documentation that relates to the claim being investigated. The failure and/or refusal of any employee, other than an employee subject to criminal charges or who invokes a Fifth Amendment privilege, to cooperate in an investigation may result in a separate disciplinary action up to and including termination.

DUTY TO REPORT DISCRIMINATION, DISCRIMINATORY HARASSMENT OR RETALIATION

No member of the University community, including a faculty member, can ignore a report of discrimination, discriminatory harassment or retaliation.¹ He or she should provide the reporter as much assistance in bringing it to the attention of the EO Officer as is reasonably appropriate given his or her position at the University and relationship with the reporter.

In terms of reports of discrimination, discriminatory harassment or retaliation, any trustee, administrator, department chair, program coordinator, manager or supervisor who receives such a complaint from a student or other member of the University community is obligated to report the complaint to the EO Officer as soon as he or she becomes aware of it. Likewise, any member of the campus community is encouraged to report to the EO Officer any conduct of which they have direct knowledge and which they in good faith believe constitutes discrimination, discriminatory harassment or retaliation in violation of this Policy.

Any member of the University community who has a question about his or her responsibilities under this Policy Against Discrimination, Discriminatory Harassment and Retaliation should contact the EO Officer.

FALSE CHARGES

Filing a false charge of discrimination, discriminatory harassment or retaliation is a serious offense. If an investigation reveals that a person knowingly filed false charges, the University shall take appropriate actions and issue sanctions, up to and including termination or expulsion, pursuant to other applicable University policies, including any applicable collective bargaining agreement. The imposition of such sanctions does not constitute retaliation under this Plan.

¹ In terms of reports of complaints of sexual violence, sexual or gender-based harassment, domestic or dating violence, or stalking, those community members designated as Responsible Employees for the purposes of Title IX or Campus Security Authorities for the purposes of the Clery Act must act in accordance with their specific reporting obligations. All other community members are encouraged, in accordance with the level of confidentiality requested by the complainant, to report reliable knowledge of an incident(s) of such conduct to the Title IX Coordinator. See the Sexual Violence Policy at Section E for more information on employees' duty to report conduct prohibited by that Policy.

VI. SEXUAL VIOLENCE POLICY

INCLUDING SEXUAL HARASSMENT, GENDER-BASED HARASSMENT, DOMESTIC VIOLENCE, DATING VIOLENCE AND STALKING

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A. POLICY INTRODUCTION

The Massachusetts State Universities are committed to maintaining safe and healthy learning, living and working environments that are free from all forms of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. Consistent with this commitment, the Universities comply with Title IX of the Higher Education Amendment of 1972, which prohibits discrimination and harassment on the basis of sex in education programs and activities, as well as retaliation for the purpose of interfering with any right or privilege secured by Title IX. The Universities do not discriminate on the basis of sex in admission to or employment in its education programs and activities.

This Policy prohibits all forms of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. These behaviors are antithetical to the Universities' educational mission and are prohibited forms of harassment under Title IX. The Universities provide educational and prevention programs, services for individuals who have been impacted by discrimination and harassment on the basis of sex, and accessible, timely and equitable methods of investigation and resolution of complaints.

This Policy and the Complaint Investigation and Resolution Procedures are intended to comply with Title IX, the reauthorized Violence Against Women Act, including the Campus SaVE Act, the Clery Act, and the guidance documents on Title IX issued by the Department of Education's Office for Civil Rights and the White House Task Force to Protect Students from Sexual Assault.

1. Policy Purposes

The purpose of this Policy is for the Universities to educate their campuses about sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, as well as their efforts to prevent, address and remedy all forms of such prohibited conduct. Accordingly, this Policy:

- states that sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation are prohibited and will not be tolerated;
- defines and describes the conduct that is prohibited;
- explains what to do if one experiences sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation;
- identifies available on- and off-campus resources;
- identifies the persons with whom one may speak confidentially;
- describes all reporting options, including how to file a complaint with the University;
- specifies the rights of both complainants and respondents; and
- explains the Universities' response to alleged incidents, including how reports of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation are evaluated, investigated and resolved.

2. Prohibition Against Sexual Violence, Sexual Harassment, Gender-Based Harassment, Domestic Violence, Dating Violence, Stalking and Retaliation

The Universities prohibit and will not tolerate sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. These behaviors violate this Policy, state and federal civil rights laws, and possibly the criminal laws of Massachusetts.²

These behaviors can occur between strangers or acquaintances, including between people involved in an intimate or sexual relationship. Victims³ can be any gender. Any person, regardless of gender identity, can commit sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, and these behaviors can occur between people of the same or different gender.

The Universities prohibit any student, faculty or staff member, visitor or contractor, regardless of gender, from sexually harassing, stalking, engaging in sexual violence toward or committing domestic or dating violence against another community member or anyone having dealings with the Universities. Any member of the University community who believes that s/he has been subjected to such misconduct is encouraged to report it as described in this Policy. Upon receiving a report, the University will respond quickly and seriously, and, where appropriate, will take steps to prevent the recurrence of the behavior, remedy its effects, and discipline individuals who violate this Policy.

The Universities prohibit retaliation against anyone who reports sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, who assists another in making a report, or who participates in an investigation of a report. All persons should feel free to report their concerns without fear of retribution or reprisal.

3. Policy Application

This Policy applies to all University community members, including students, faculty, staff, visitors, contractors and applicants for employment or admission, and without regard to a person's race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. This Policy applies to all University programs and activities, both on and off campus.

Acts of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation that take place off campus may be subject to investigation and disciplinary action under this Policy when the conduct involves behavior by or toward a community member, which (1) occurs during University-sponsored events or the events of organizations affiliated with the University, including study abroad and outside internships; (2) negatively impacts a person's access to education programs and activities; (3) adversely affects or disrupts the campus community; and/or (4) poses a threat of harm to the campus community.

² Incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation as described in this Policy may also constitute criminal acts when they meet the standards set forth in Massachusetts' criminal laws, which are listed in Section M of this Policy. An individual can be prosecuted by the Commonwealth for violating a criminal law and simultaneously subject to discipline for Policy violations by the University.

³ This Policy uses the term "victim" or "complainant" to describe a person who has been subjected to sexual violence, and does so with respect for those who have been subjected to sexual violence and without making a presumption about the responsibility (or lack thereof) of the alleged respondent.

4. Title IX Coordinator

Pursuant to Title IX and its implementing regulations at 34 C.F.R. Part 106, each University has appointed a Title IX Coordinator, who has the primary responsibility for coordinating the University's efforts to comply with and carry out its responsibilities under Title IX.

In this role, the Title IX Coordinator: administers this Policy; monitors the University's responsive actions to ensure that the learning, living and working environments are free of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation; and monitors the steps taken to remedy the effects of the misconduct on the complainant(s), including any investigation, resolution or disciplinary proceedings. The Title IX Coordinator also: provides information about reporting options and support resources; initiates interim protective measures; evaluates requests for confidentiality; coordinates appropriate accommodations; assists persons in filing complaints with law enforcement (when requested); provides or facilitates training for faculty, staff and students; and may investigate complaints.

The Title IX Coordinator may also serve as the University's Equal Opportunity Officer ("EO Officer"). If these positions are held by different persons, the Title IX Coordinator and EO Officer may collaborate on the enforcement of any aspect of this Policy. There may also be a Deputy Title IX Coordinator(s) designated to assist the Title IX Coordinator in the performance of the Coordinator's duties and to whom specific responsibilities may be delegated.

Anyone with questions, concerns or complaints related to Title IX, sexual violence, sexual harassment, gender-based harassment, domestic or dating violence, stalking and retaliation, and/or this Policy may contact the Title IX Coordinator on the relevant campus. The names and contact information for the Universities' Title IX Coordinators and any Deputy Coordinators are identified on each campus's website.

Bridgewater State University

<https://www.bridgew.edu/>

<http://www.handbook.bridgew.edu/PoliciesProcedures/SexualMisconductandRelationshipViolence.cfm>

Fitchburg State University

<http://www.fitchburgstate.edu/>

<http://www.fitchburgstate.edu/about/equal-opportunity-diversity-and-affirmative-action-title-ix/>

Framingham State University

<http://www.framingham.edu/>

<http://www.framingham.edu/shape>

Massachusetts College of Art and Design

<http://www.massart.edu>

<http://www.mcla.edu/titleix>

Massachusetts Maritime Academy

<http://www.maritime.edu/title-ix>

Salem State University

<http://www.salemstate.edu>

<http://www.salemstate.edu/chs/27875.php>

Worcester State University

<http://www.worcester.edu>

http://www.worcester.edu/Title_IX

Westfield State University

<http://www.westfield.ma.edu/>

http://catalog.westfield.ma.edu/content.php?catoid=8&navoid=329#Sexual_Misconduct_Policy

5. Coordination with the Policy Against Discrimination, Discriminatory Harassment and Retaliation
Harassment, misconduct or violence related to a person's sex, sexual orientation, gender identity or

expression is sometimes also related to a person's race, age, disability, or membership in another protected class. Discriminating against or harassing any person on such bases is prohibited by the Universities' Policy Against Discrimination, Discriminatory Harassment and Retaliation. In cases where the alleged conduct implicates both Policies, the University will coordinate its evaluation, investigation and resolution efforts to address the alleged conduct on all prohibited bases.

Note: While this Policy and the Complaint Investigation and Resolution Procedures identify certain University officers and employees who have particular roles and duties, the Universities may designate other officers or employees to perform specific roles and/or duties set forth in this Policy or the Complaint Investigation and Resolution Procedures.

B. DEFINITIONS AND EXAMPLES OF POLICY VIOLATIONS

For the purposes of this Policy, the following definitions and terms apply:

1. Sexual Violence

As defined by the U.S. Department of Education's Office for Civil Rights, sexual violence "refers to physical sexual acts perpetrated against a person's will or where a person is incapable of giving consent (e.g., due to the [person's] age or use of drugs or alcohol, or because an intellectual or other disability prevents the [person] from having the capacity to give consent)." All forms of sexual violence are prohibited by the Universities and Title IX.

a. Rape

Rape is the penetration, no matter how slight, of (1) the vagina or anus of a person by any body part of another person or by an object, or (2) the mouth of a person by a sex organ of another person, without that person's consent. Rape is also the performance of oral sex or anal sex on another person without that person's consent.

b. Sexual Assault

Sexual assault is any kind of sexual physical contact that involves any form of coercion, force or lack of consent. Sexual physical contact includes the intentional touching of another person on an area of the body generally recognized as a private part of the body, or touching any part of another person's body with a private part of one's own body or object, no matter how slight. Sexual intercourse means penetration, no matter how slight, of a bodily orifice (vagina, anus, or mouth) by an object or by a body part, and/or non-consensual oral sex or anal sex. Examples of sexual assault include, but are not limited to:

- kissing or fondling without consent;
- rape;
- advancing sexual activity without consent;
- ignoring a partner's objections to sexual activity on one occasion even when consent has been given in the past; and
- engaging in manipulative, threatening and coercive behavior to obtain consent.

c. Sexual Exploitation

Sexual exploitation is taking sexual advantage of another person for one's own benefit or the benefit of anyone other than that person without that person's consent. Examples of behavior that could rise

to the level of sexual exploitation include, but are not limited to:

- prostituting another person;
- recording images (*e.g.*, video, photograph) or audio of another person's sexual activity, intimate body parts, or nakedness without that person's consent;
- distributing through social media, text, email or other media images (*e.g.*, video, photograph) or audio of another person's sexual activity, intimate body parts, or nakedness, if the individual distributing the images or audio knows or should have known that the person depicted in the images or audio did not consent to such disclosure and objects to such disclosure;
- viewing child pornography; and
- viewing another person's sexual activity, intimate body parts, or nakedness in a place where that person would have a reasonable expectation of privacy, without that person's consent.

d. Incest

Incest is sexual intercourse between persons who are related to each other and whose marriage would be prohibited by law. Attempts to commit incest are also prohibited.

e. Statutory Rape

Statutory rape is sexual intercourse with a person who is under the statutory age of consent, which is 16 in Massachusetts. Attempts to commit statutory rape are also prohibited.

f. Aiding in the Commission of Sexual Violence

The aiding or assisting in the commission of an act(s) of sexual violence is prohibited. Examples of aiding in the commission of sexual violence include, but are not limited to:

- videotaping a friend having sex with a person who has passed out drunk at a party;
- helping a friend to drug the friend's date's drink; and
- encouraging students to engage in sexual activity when one knows those students to be incapacitated by drugs or alcohol.

g. Affirmative Consent

Consent is an understandable exchange of affirmative words or actions, which indicate a willingness by all parties to participate in mutually agreed upon sexual activity. Consent must be informed, freely and actively given. It is the responsibility of the initiator to obtain clear and affirmative responses at each stage of sexual involvement.

Whether an individual has taken advantage of a position of influence over a complainant may be a factor in determining consent. For example, a position of influence could include supervisory or disciplinary authority.

Silence, previous sexual relationships or experiences, and/or a current relationship may not, in themselves, be taken to imply consent. While nonverbal consent is possible (through active participation), it is best to obtain verbal consent. Similarly, consent to one form of sexual activity does not imply consent to other forms of sexual activity. Consent to sexual activity may be withdrawn at any time, as long as the withdrawal is communicated clearly.

h. Incapacitation

An individual who is incapacitated by alcohol and/or drugs both voluntarily or involuntarily consumed may not give consent. Alcohol or drug related incapacitation is more severe than impairment, being under the influence, or intoxication. Evidence of incapacity may be detected from context clues, such as slurred speech, bloodshot eyes, the smell of alcohol on the breath, shaky equilibrium, vomiting, unusual behavior or unconsciousness. While context clues are important in determining incapacitation, they alone do not necessarily indicate incapacitation.

Persons unable to consent due to incapacitation also include, but are not limited to: persons under age sixteen (16); persons who are intellectually incapable of understanding the implications and consequences of the act or actions in question; and persons who are physically helpless. A physically helpless person is one who is asleep, blacked out, involuntarily physically restrained, unconscious, or, for any other reason, unable to communicate unwillingness to engage in any act.

The use of alcohol or drugs to render another person mentally or physically incapacitated as a precursor to or part of a sexual assault is prohibited. The use of alcohol, medications or other drugs by the respondent or accused does not excuse a violation of this Policy.

i. Force

Force is the use of physical strength or action (no matter how slight), violence, threats of violence or intimidation (implied threats of violence) as a means to engage in sexual activity. A person who is the object of actual or threatened force is not required to physically, verbally or otherwise resist the aggressor.

j. Coercion

Coercion is unreasonable pressure or emotional manipulation to persuade another to engage in sexual activity. When someone makes it clear that s/he does not want to engage in sexual behavior, or s/he does not want to go beyond a certain point of sexual activity, continued pressure beyond that point can be considered coercive. Being coerced into sexual activity is not consent to that activity.

2. Sexual Harassment

Unwelcome conduct of a sexual nature is prohibited when:

- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; and/or
- submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual; and/or
- such conduct has the purpose or effect of substantially interfering with an individual's academic or work professional performance or creating a sexually intimidating or hostile employment, educational, or living environment.

Examples of sexual harassment may include, but are not limited to:

- repeatedly pressuring another person for sexual activity;
- making sexist remarks about an individual's clothing, body or sexual activities;

- unnecessary touching, patting or pinching another person;
- demanding sex from a subordinate while making threats concerning the subordinate's job;
- demanding sex from a student while making implied threats concerning the student's grade;
- electronically transmitting derogatory, demeaning or pornographic materials;
- posting explicit sexual pictures on an exterior office door or on a computer monitor; and
- sexually assaulting another person.

Sexual harassment can occur between people of any gender. It can occur between equals (*e.g.*, student-to-student, staff-to-staff, faculty-to-faculty) or between those of differing power status (*e.g.*, supervisor-to-subordinate, faculty-to-student, coach-to-athlete). It is possible for one who appears to have the lesser power to commit sexual harassment (*e.g.*, a student harassing a faculty member).

In order for conduct to constitute sexual harassment under this Policy, a reasonable person under similar circumstance would have to conclude that the behavior was harassing or discriminatory.

Reasonable directions or warnings by authorized University personnel as to the time, place and manner in which employees perform their assigned responsibilities, students carry out their educational assignments or program participants engage in sponsored activities do not constitute evidence of sexual harassment under this Policy.

Hostile Environment

A hostile environment exists when sexual harassment is sufficiently serious to deny or limit a person's ability to participate in or benefit from the University's programs or activities. A hostile environment can be created by anyone involved in the University's programs or activities (*e.g.*, administrators, faculty members, students, and campus visitors).

To make the ultimate determination of whether a hostile environment exists for campus community member(s), the University considers a variety of factors related to the severity, persistence, or pervasiveness of the sexual harassment, including: (1) the type, frequency, and duration of the conduct; (2) the identity and relationships of persons involved; (3) the number of individuals involved; (4) the location of the conduct and the context in which it occurred; and, (5) the degree to which the conduct affected one or more person's education or employment.

A single or isolated incident may create a hostile environment if the incident is sufficiently severe. The more severe the conduct, the less need there is to show a repetitive series of incidents to show evidence of a hostile environment, particularly if the harassment is physical.

3. Gender-Based Harassment

Unwelcome conduct of a nonsexual nature based on a person's actual or perceived sex, including conduct based on gender identity, gender expression, and nonconformity with gender stereotypes, is prohibited when:

- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; and/or
- submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual; and/or

- such conduct has the purpose or effect of substantially interfering with an individual's academic or professional performance or creating an intimidating or hostile employment, educational, or living environment based on gender.

Examples of gender-based harassment include, but are not limited to:

- using derogatory comments and terms toward a male or female who do not act in ways that align with their gender stereotype, such as a male being called names for being interested in the arts or a female being called names for being interested in construction;
- telling someone to use a restroom that does not align with that person's gender identity; and
- making generalized derogatory comments about one gender, such as "all females" are _____ or "all males" are _____.

While harassment based on non-sexual factors may be distinguished from sexual harassment, these types of behaviors may contribute to the creation of a hostile environment. Thus, in determining whether a sexually hostile environment exists, the University may consider acts of gender-based harassment. In order for conduct to constitute gender-based harassment under this Policy, a reasonable person under similar circumstances would have to conclude that the behavior was harassing or discriminatory.

Reasonable directions or warnings by authorized University personnel as to the time, place and manner in which employees perform their assigned responsibilities, students carry out their educational assignments or program participants engage in sponsored activities do not constitute evidence of gender-based harassment under this Policy.

The definition of hostile environment provided under the Sexual Harassment section above also applies in the context of gender-based harassment.

4. Domestic and Dating Violence

Domestic and dating violence are acts of abusive or coercive behavior (physical, sexual, financial, verbal and/or emotional) used by a perpetrator to gain or exercise control over another, including any behaviors that intimidate, manipulate, humiliate, isolate, frighten, threaten, blame, hurt, injure, or wound someone. Domestic and dating violence can occur in relationships between persons of any gender.

Domestic violence is such behavior directed against a current or former spouse, family member (blood, step, adoptive or foster), person with whom a child is shared, or cohabitant (possibly a roommate).

Dating violence is such behavior directed against another person in a social relationship of a romantic or intimate nature, and where the existence of such a relationship is determined based on a consideration of the length and type of relationship and frequency of interaction between the persons involved.

Examples of domestic and dating violence may, under the totality of the circumstances of each case, include, but are not limited to:

- hitting, slapping, punching, kicking, pulling hair or other physical misconduct;
- isolating a partner from family and friends;
- destroying a roommate's personal items;
- physically assaulting the child of a partner;

- pursuing sexual activity when a partner is not fully conscious, is not asked, or is afraid to say no, or coercing a partner to have sex without protection;
- threatening to reveal a person's sexual orientation without the person's permission;
- exhibiting excessive possessiveness and jealousy;
- constantly belittling or insulting a partner;
- checking a roommate's cell phone or email account without permission;
- demanding that a partner dress or act in a certain way; and/or
- threatening violence against the victim's acquaintances, friends, or family members.

5. Stalking

Engaging in a course of harassing, threatening, or unwanted behavior that would cause a reasonable person to suffer substantial emotional distress or fear for their safety or the safety of others. Stalking may occur in a range of formats including, but not limited to, in-person conduct, writings, texting, voicemail, email, social media, following someone with a global position system (GPS), and video/audio recording. *Examples* of stalking behaviors include, but are not limited to:

- repeated unwanted or unsolicited contact or leaving unwanted gifts or items;
- posting disturbing messages or threats online;
- creating, attempting to create, or disseminating unauthorized recordings of another;
- gathering information about an individual from family, friends, co-workers, and/or classmates, or by electronic means by installing spy-ware on a computer or using GPS;
- threats in any form about an individual or their loved ones or threats to harm oneself;
- damaging, stealing, borrowing, or relocating property, trespassing and vandalism;
- pursuing, waiting, or showing up uninvited at a workplace, residence, classroom, or other locations frequented by an individual; and
- directing a third party to take any of the above acts.

6. Retaliation

The Universities prohibit retaliation against any person for making a complaint of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, for assisting in making a complaint, for resisting or openly opposing such conduct, or for otherwise using or participating in the complaint investigation process under the Policy. Persons who file, or participate in the investigation or resolution of, claims or complaints of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation with outside agencies, law enforcement or otherwise pursuant to any applicable state or federal law, are also protected from retaliation by this Policy.

Prohibited retaliation includes, but is not limited to: threats; intimidation; reprisals; continued harassment or misconduct; other forms of harassment; slander and libel; and adverse actions related to employment or education. Retaliation can be committed by individuals or groups, including friends, relatives or other associates of the person against whom a complaint is filed. Retaliation, even in the absence of proven sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence or stalking in an underlying complaint, constitutes a violation of this Policy that is just as serious as the main offense itself.

Any person who believes that he or she is the object of retaliation, or any person with questions or concerns about retaliation should contact the University's EO Officer.

C. CONDUCT THAT IS NOT PROHIBITED

The Universities are committed to protecting, maintaining and encouraging both freedom of expression and full academic freedom of inquiry, teaching, service and research. Nothing in this Policy shall be construed to penalize a member of the University community for expressing an opinion, theory, or idea in the process of responsible teaching and learning. Any form of speech or conduct, no matter how offensive, unpleasant or even hateful, which is protected by the principles of academic freedom or the U.S. Constitution, is not subject to this policy.

D. CONSENSUAL RELATIONSHIPS

Consensual romantic and/or sexual relationships in which one party retains a direct supervisory or evaluative role over the other party are unethical and create a risk for real or perceived coercion. The Universities do not intrude upon private choices regarding personal relationships when these relationships do not violate the Universities' policies, or cause harm or increase the risk of harm to the safety and wellbeing of members of the campus community.

1. Faculty/Administrator/Staff Member Relationships with Students

No faculty member shall have a romantic and/or sexual relationship, consensual or otherwise, with a student who is being taught or advised by the faculty member or whose academic work is being supervised or evaluated, directly or indirectly, by the faculty member. No administrator or staff member shall have a romantic and/or sexual relationship, consensual or otherwise, with a student who the administrator or staff member supervises, evaluates, advises, or provides other professional advice or services as part of a University program or activity. A romantic and/or sexual relationship, consensual or otherwise, between a faculty member, administrator or staff member and a student is looked upon with disfavor and is strongly discouraged.

2. Relationships Between Supervisors and Subordinates or Between Co-Workers

A consenting romantic and/or sexual relationship between a supervisor and subordinate or co-workers may interfere with or impair the performance of professional duties and responsibilities and/or create an appearance of bias or favoritism. Further, such relationships could implicate state ethics laws and/or result in claims of discrimination, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. Therefore, such workplace relationships are strongly discouraged.

E. RESOURCES

The safety, health and well-being of the campus communities are of paramount importance to the Universities. All who experience any form of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation are strongly urged to talk to someone to get the support they need, no matter when or where the incident occurred.

For information on the location, phone numbers, hours and services provided for the campus and community resources listed below, please contact the Title IX Coordinator or Deputy Title IX Coordinator, the EO Officer, Human Resources, Student Life or Student Conduct, Residence Life, Health Services, the Counseling Center and/or Campus Police. The information is also listed on each University's website as identified earlier on page 17.

1. Immediate Needs: Assuring One’s Safety and Preserving Evidence

If an incident occurs, the Universities encourage victims to report the incident and seek both police and medical assistance. Seeking police or medical assistance does not obligate a victim to make a complaint or take any further action, but the decision to seek medical help and gather evidence allows victims to preserve the full range of available options. The Universities will assist any community member to get to a safe place, provide transportation for medical help and, if requested, contact law enforcement. For 24/7 help, contact Campus Police, or contact the Title IX Coordinator during normal University hours.

Any person who has experienced sexual violence is encouraged to take steps to preserve evidence of the incident, as doing so may be necessary to the proof of a crime or to obtain a protection order from the court. After an incident occurs, one should try to refrain from bathing, showering, brushing teeth, drinking, eating, douching or changing clothes until the evidence can be collected. If one changes clothes, one should place each garment in a separate paper (not plastic) bag. If the incident involves any written or electronic communications (*e.g.*, pictures/videos, texts, social media posts, etc.), take care to preserve copies and not delete the originals.

2. Confidential Medical Attention

Medical attention is strongly encouraged to treat any possible injuries, including internal injuries, or infections. Please note that there are some medical actions that are more effective if taken within a few days after an offense, such as preventative treatment for pregnancy and sexually transmitted infections, evidence collection, and toxicology testing if there are signs that drugs or alcohol facilitated the offense. One may generally discuss the incident with licensed medical personnel confidentially.

a. Confidential Medical Resources on Campus

Students may access the services of the Student Health Center on a confidential basis. Employees may seek the confidential services of the Employee Assistance Program (“EAP”).

b. Confidential Community Medical Resources

Sexual Assault Nurse Examiners (SANEs) are specially trained, certified professionals skilled in performing quality forensic medical-legal exams. One may find more information about SANE services and where to obtain them here:

<https://www.mass.gov/orgs/division-of-sexual-and-domestic-violence-prevention-and-services>

3. Confidential Counseling and Support

Generally, one may discuss the incident with a licensed mental health counselor or a counselor recognized by a religious order or denomination on a confidential basis. These counselors are good options if one wishes to discuss one’s situation with someone who can keep one’s information as confidential as possible while assisting one to determine what additional steps to take, such as obtaining further counseling, seeking medical attention, preserving evidence, and/or reporting to University or law enforcement authorities then or at a later time.

a. Confidential Counseling and Support Resources on Campus

Students may access the services of Counseling Services on a confidential basis. Employees may seek the confidential services of the EAP. All community members may access the confidential services of any religious/pastoral counselors on campus.

b. Confidential Community Counseling and Support Resources

Many off-campus counseling resources are available. These service providers are not required to report any information to the University and will generally maintain one's confidentiality.

White House Initiative to Combat Sexual Assault on College Campuses www.notalone.gov (searchable listing of local resources & hotlines)	The National Stalking Resource Center http://www.victimsofcrime.org/our-programs/stalking-resource-center
National Sexual Assault Hotline (800) 656-4673 (24 hour)	RAINN [Rape Abuse & Incest National Network] (800) 656-4673 (Hotline) www.rainn.org (On-Line Chat Live)
National Domestic Violence Hotline (800) 799-7233 (24 hour)	MA Spanish Language Rape Crisis Center Hotline (Llamanos) (800) 223-5001(Hotline)
National Suicide Prevention Lifeline (800) 273-8255 (Hotline)	Victim Rights Law Center 115 Broad Street, 3rd Floor Boston, MA 02110 Phone: 617-399-6720 (legal services for victims of sexual assault)
Massachusetts Office for Victim Assistance http://www.mass.gov/mova/ Ask MOVA: 844-878-6682 MOVA Office: 617-586-1340 mova@state.ma.us	http://changingourcampus.org/get-help/

Additionally, the Rape Crisis Centers listed below offer FREE services, including:

- 24/7 hotline counseling, information, and referral;
- will go with victims to hospitals and/or police stations 24/7;
- will go with a victim to court;
- provide one-to-one counseling and support group counseling; and
- provide primary prevention education, professional training and outreach.

Greater Boston Area

Boston Area Rape Crisis Center, Cambridge
(800) 841-8371 (24-hour hotline), (617) 492-6434 TTY

BARCC ha ayudado a miles de mujeres y hombres. Por favor llámanos si necesita ayuda. Estamos aquí para usted. Usted puede llamar nuestra oficina al numero 617.649.1297 o llamar la línea de ayuda de Llámanos y Hablemos al numero 1.800.223.5001

Francais et Kreyol: <http://www.barcc.org/francais>; <http://www.barcc.org/francais/kreyol>

Northeastern Massachusetts

North Shore Rape Crisis Center, Lynn, 800-922-8772

Center for Hope and Healing, Lowell, 800-542-5212 Hotline, 978-452-8723 TTY

YWCA of Greater Lawrence, 877-509-9922 SA Hotline, 978-686-8840 TTY

Central Massachusetts

Pathways for Change, Inc., Worcester, 800-870-5905 Hotline, 888-877-7130

Pathways for Change, Inc., Fitchburg, 800-870-5905

Wayside Trauma Intervention Services, Milford, 800-511-5070 Hotline, 508-478-4205 TTY

Voices Against Violence, Framingham, 800-593-1125 Hotline, 508-626-8686 TTY

Southeastern Massachusetts

A Safe Place, Nantucket, 508-228-2111 Hotline, 508-228-7095 TTY

Independence House, Hyannis, 800-439-6507 Hotline, 508-771-6702 TTY

Martha's Vineyard Community Services, Vineyard Haven, 508-696-7233; Hotline 508-693-7900 TTY

Greater New Bedford Women Center, New Bedford, 508-999-6636 Hotline, 508-996-1177 TTY

New Hope, Attleboro, 800-323-4673 Hotline/TTY

The Women's Center, Fall River, 508-672-1222 Hotline, 508-999-6636; TTY 508-996-1177

A New Day, Brockton, 508-588-8255 Hotline, 508-588-8255 or toll free at 888-293-7273

Western Massachusetts

Elizabeth Freeman Center, Pittsfield, (866) 401-2425 Hotline, 413-499-2425 TTY

Center for Women and Community, Amherst, 413-545-0800 Hotline, 413-577-0940 TTY

NELCWIT, Greenfield, 413-772-0806 Hotline; 413-772-0815 TTY

YWCA of Western Mass, Springfield, 800-796-8711 (24/7) Hotline and TTY; 800-223-5001 Spanish

YWCA of Western Mass, Westfield, 800-796-8711 (24/7) Hotline and TTY

As the above contact information may be subject to change, current contact information on rape crisis centers in Massachusetts can be found at:

<http://www.mass.gov/eohhs/consumer/physical-health-treatment/health-care-facilities/rape-crisis-centers.html>

For more information about programs and services offered by the Commonwealth regarding sexual and domestic violence see: <http://www.mass.gov/eohhs/gov/departments/dph/programs/community-health/dvip/violence/sapss/>

Finally, each county in Massachusetts maintains a Victim Advocate/Assistance Program:

Barnstable	http://www.mass.gov/capeda/public-safety-assistance/victim-and-witness-assistance/
Berkshire	http://www.mass.gov/berkshireda/victim-assistance.html
Bristol	http://www.southcoastserver.org/bristol_county_district_attorneys_office
Dukes	http://www.mass.gov/capeda/public-safety-assistance/victim-and-witness-assistance/
Essex	http://www.mass.gov/essexda/victim-witness-services.html
Franklin	https://northwesternda.org/victim-witness-assistance-unit
Hampden	http://hampdenda.com/victim-witness-unit/
Hampshire	https://northwesternda.org/victim-witness-assistance-unit
Middlesex	http://middlesexda.com/prosecution/victim-witness-services.php
Nantucket	http://www.mass.gov/capeda/public-safety-assistance/victim-and-witness-assistance/
Norfolk	http://www.mass.gov/norfolkda/victimwitness.html
Plymouth	http://www.mass.gov/daplymouth/prosecution/victimwitness.html
Suffolk	http://www.suffolkdistrictattorney.com/victim-assistance/
Worcester	http://worcesterda.com/resources/victim-resources/

4. Non-Confidential Campus Resources

The Universities offer a variety of resources to those community members who have experienced or been affected by sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. While the following resources are not bound by confidentiality, they will maintain one's privacy within the limited group of University personnel necessary to address the issues of prohibited conduct presented.

- Title IX Coordinator (and any Deputies)
- EO Officer
- Campus Police
- Human Resources
- Housing/ Residence Life
- Student Life/Student Affairs
- Student Conduct
- Disability Services

F. REPORTING OPTIONS

The Universities strongly encourage all who have experienced sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation to report the incident so that the University can provide support and pursue an appropriate resolution. The Universities prohibit and will not tolerate retaliation against anyone who makes a report.

Victims have several options for reporting: **Confidential Reports**, **Non-Confidential Reports** and **Making No Report**. While each option will be described in detail below and is summarized at Appendix A, as a general rule, if a University receives a report of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation, it must investigate the report. If one is unsure of someone's duty to report or ability to maintain one's privacy, one should ask them before one talks to them about an incident. They will be able to explain if they are required to make a report, and they can identify others who can help.

All parties and witnesses to incidents of such prohibited conduct have reasonable expectations of privacy in matters reported and investigated under this Policy. The Universities want all community members to seek the assistance they need without fear that their private information will be shared more broadly than they would like. Federal and state laws, however, impose reporting obligations on certain University employees that, under some circumstances, require those employees to share information about an incident of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation with others at the University. Even when these employees have an obligation to report, they will protect the privacy of the reporter to the greatest extent possible and share information on only a need-to-know basis.

When a person makes a report, a University employee or official will try to ensure that the person is informed of their reporting obligations, and they will direct the person to Confidential Resources to whom one may make a private report. So that one fully understands the ability to make reports and the ability to keep one's information confidential, please review the following reporting options. If one needs assistance in making a report, please contact the Title IX Coordinator.

1. Confidential Reporting Options

a. Clergy, Pastoral Counselors, Licensed Medical and Mental Health Providers

One may report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation in confidence to licensed mental health counselors, licensed

health care personnel, pastoral counselors or clergy who work for the Universities. Employees may also report such misconduct in strict confidence through the EAP. Except in rare, extreme circumstances, these individuals will share nothing without one's permission. For example, a University official who works as a clinical provider is legally required to break confidentiality when there appears to be a risk of immediate harm. Further, the University may be required to notify the Massachusetts Department of Children and Families if it receives a report regarding the abuse (including sexual assault) of a child.

Even if one does not wish to make a complaint, these individuals can help one to obtain support services and provide information about one's options. Please bear in mind, however, that if one requests certain protective interim measures from the University, *e.g.*, extension for academic work or changing classes, residence halls or work locations (see Section H), the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of providing the requested measures. In such cases, one's privacy will be maintained to the extent that maintaining confidentiality will not impair the University's ability to provide the requested measures.

One may also confidentially report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation to community support resources, which are not required to share information with the Universities.

b. Anonymous Reporting

One may file an anonymous report (without including one's personal identification) with the Title IX Coordinator. Anonymous reports will typically be used only for statistical data collection under the Clery Act, will be kept confidential, and will not be used to initiate an investigation or a complaint except: (1) when necessary to comply with applicable law; or (2) to protect the health and safety of the campus community.

2. Non-Confidential Reporting Options

a. Campus Reporting Options

If one wishes to report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation to the University, one may notify the Title IX Coordinator or a Deputy Title IX Coordinator, the EO Officer, Campus Police, the Human Resources Director, the Dean of Students or Student Conduct. Upon receipt of a report, the University will conduct appropriate follow-up to ensure that one has access to support, services, safety measures, and accommodations. One may also request a criminal investigation through Campus Police, who will assist in contacting the appropriate law enforcement agency that has jurisdiction (see below for more information on Criminal Reporting Options).

The Universities recognize that one may feel most comfortable disclosing an incident to a University employee that one knows well, such as a resident advisor, coach or faculty member. Pursuant to Title IX, however, certain employees are required, under nearly all circumstances, to report incidents to the Title IX Coordinator. These employees, known as "Responsible Employees" or "REs" are those with supervisory responsibilities or the authority to address or remediate sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, or whom a student might reasonably believe has such supervisory responsibility or authority.

The Universities encourage victims to speak with an RE so that the incident can be investigated and properly resolved. When one makes a report to an RE, one has the right - and should expect - the

University to take the report seriously, to undertake a prompt, thorough and fair investigation, and to resolve the matter in accordance with the procedures in this Policy.

The REs at the Universities include persons holding the following positions:

- Members of the Boards of Trustees;
- The President and Vice Presidents;
- Assist./Assoc. Vice Presidents;
- Title IX Coordinator/ Deputy Coordinators;
- EO Officer;
- Campus Police;
- Institutional Security Officers;
- Director and Assist./Assoc. Director of Human Resources;
- Departmental Directors and Assist./Assoc. Directors⁴;
- Residence Life Staff (including RDs and RAs);
- Athletic Coaches, Assistant Coaches and Athletics Administrators;
- Studio Managers;
- Lab Managers;
- Deans and Assistant/Associate Deans
- Academic Department Chairs;
- Academic and Non-Academic Program Directors/ Coordinators;
- Faculty/Staff Leading or Chaperoning Travel or Overnight Trips; and
- Faculty/Staff Advisors to Student Organizations.

The complete listing of the REs for each University can be found on each University’s website.

Once an RE receives the report, the University is “on notice” of the incident and the University is then required, under most circumstances, to investigate. If one makes a report to an RE, however, only the people who need to know about the report will be told. Personal information will be shared only as necessary, and consistently with state and federal law: (1) with Administrative Investigators, witnesses, and the accused; (2) with other University officials to provide interim measures or accommodations; or (3) when required to be disclosed by law.

Whenever possible, REs will disclose their duty to report incidents before someone reveals information about an incident. REs will also inform a person making a report of their option to make a confidential report on campus, and where to obtain support services.

Additionally, University employees who are designated as Campus Security Authorities (“CSAs”) for the purposes of the Clery Act must provide Campus Police with non-identifying statistical information regarding all reported incidents of sexual assault, dating violence, domestic violence and stalking. This statistical information is used by the Universities to compile their Annual Security Reports, and by Campus Police for purposes of advising the campus of any potential safety risks or concerns.

Accordingly, unless a University employee or official is identified as a Confidential Resource in Appendix A, most other University employees and officials who receive reports of incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation are required to report them to the Title IX Coordinator.

b. Criminal Reporting Options

Victims may file a criminal complaint with Campus Police and/or the local police department where the

⁴ Those Departmental Directors, Assistant Directors and Associate Directors who serve in professional roles in which communications are afforded confidential status under the law (e.g., licensed mental health care providers, medical providers, pastoral counselors and clergy) are not REs under this Policy.

incident occurred. Victims can make a criminal report and a report to the University; one does not have to choose one or the other.

The Universities encourage victims to report incidents to the police so that the police can take appropriate measures to help victims and prevent future crimes. If one would like assistance in filing a report with local law enforcement, Campus Police will help.

Victims are never required, however, to report an incident to Campus Police or local law enforcement. If a victim elects not to make a criminal report, the Universities will respect that decision not to report the incident to the police.

If a victim chooses to make a report to Campus Police, the Department will conduct an investigation and, if wished, assist the victim in filing criminal charges against the alleged offender. Campus Police can also assist a victim in the process of obtaining protective restraining orders and abuse prevention orders for relationship/domestic violence. The Department has specially trained officers to respond to complaints of sexual assault and domestic violence, and, whenever possible, Campus Police will make every effort to offer female complainants/victims an opportunity to have a female officer present during all interviews. Campus Police also helps the University to evaluate, investigate and resolve complaints under this Policy, and Campus Police assists in protecting the safety of complainants.

c. Governmental Reporting Options

If one wishes to file a complaint of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation outside of the University or in addition to a complaint filed under the University's Complaint Investigation and Resolution Procedures, the following agencies may provide additional resources:

U.S. Department of Education,
Office for Civil Rights
<http://www2.ed.gov/about/offices/list/ocr/index.html>
U.S. Department of Education
Office for Civil Rights
33 Arch Street, 9th Floor
Boston, MA 02119-1424
(617) 289-01111, TDD (877) 521-2172
Email: OCR.Boston@ed.gov

U.S. Department of Justice, Office on
Violence Against Women
<http://www.ovw.usdoj.gov/>
Office on Violence Against Women
145 N St., NE, Suite 10W.121
Washington, D.C. 20530
(202) 307-6026
Fax: (202) 305-2589
Email: ovw.info@usdoj.gov

Persons who have questions or who wish to file a complaint of gender discrimination or sexual harassment under state law may contact the Massachusetts Commission Against Discrimination:

Boston Office:
One Ashburton Place
Rm. 601
Boston, MA 02108
(617) 994-6000
Springfield Office:
436 Dwight Street, Rm. 220
Springfield, MA 01103
(413) 739-2145

Worcester Office:
Worcester City Hall
484 Main Street, Rm. 320
Worcester, MA 01608
(508) 453-9630
New Bedford Office:
800 Purchase Street, Rm. 501
New Bedford, MA 02740
(508) 990-2390

Employees with complaints, questions or concerns about gender discrimination, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation may also contact the Equal Employment Opportunity Commission, John F. Kennedy Federal Building, 475 Government Center, Boston, MA 02203, (800) 669-4000, TTY (800) 669-6820.

d. Third Party Reporting

Anyone may make a report of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation against another member of the campus community or a person affiliated with the University by contacting the Title IX Coordinator, Campus Police or another Responsible Employee.

e. Unknown/Non-University Offenders

If one does not know the identity of an alleged offender, or if the alleged offender is not a member of the campus community, the University will assist a victim in identifying appropriate resources or local authorities if the victim wishes to file a report. In addition, the University may investigate to the fullest extent possible and take other actions to protect the University community.

3. Making No Report

Victims have the right not to make a report to anyone. The Universities, however, strongly encourage victims to seek medical attention, counseling and support. Victims are always welcome to file a report at a later date, but please note that a delay in reporting could weaken the evidence necessary to determine whether the accused is found responsible for committing an act of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation.

4. Amnesty

Students may be hesitant to report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation out of concern that they, or witnesses, might be charged with violations of the Universities' drug/alcohol policies. While the Universities do not condone such behavior, they place a priority on the need to address sexual violence and misconduct. Accordingly, a University may elect not to pursue discipline against a student who, in good faith, reports, witnesses, or participates in an investigation of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation.

5. Timeframe for Reporting

The Universities do not limit the timeframe for filing a complaint under this Policy. While reports may be made at any time, complainants are reminded that the more time that passes from the time of the incident, the more difficult it is for the University to obtain information and contact witnesses, and the alleged respondent may no longer be affiliated with the University.

6. False Charges

The initiation of a knowingly false report of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation is a serious offense prohibited by this Policy. A report made in good faith, however, is not considered false merely because the evidence does not ultimately support the allegation of prohibited conduct. If an investigation reveals that a complainant knowingly filed false charges, the University shall take appropriate actions and issue

sanctions pursuant to other applicable University policies, including any applicable collective bargaining agreement. The imposition of such sanctions does not constitute retaliation under this Policy.

7. Employees' Duty to Report

All members of the Universities' campus communities are encouraged to promptly report incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation to the Title IX Coordinator.

As set forth above in Subsection 2, each University employee designated as a Title IX Responsible Employee who is informed about an allegation of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation involving any member of the campus community is required to notify the Title IX Coordinator either directly or through their relevant reporting structure.

Additionally, as set forth above in Subsection 2, University employees who are designated as CSAs for the purposes of the Clery Act must provide Campus Police with non-identifying statistical information regarding all reported incidents of sexual assault, dating violence, domestic violence and stalking.

University employees who serve in professional roles in which communications are afforded confidential status under the law (*e.g.*, licensed mental health care providers, medical providers, pastoral counselors and clergy) may, consistent with their ethical and legal obligations, be required to report limited information about incidents without revealing the identities of the individuals involved, to the Title IX Coordinator. Such employees who receive reports of violence or misconduct when not functioning in their licensed capacity (*i.e.*, teaching a course) are not prohibited by their ethical codes or legal obligations from making a full report to the University.

8. Employees' Duty to Cooperate

Every faculty member, librarian, administrator, staff member and University employee has a duty to cooperate fully and unconditionally in an investigation conducted pursuant to the Complaint Investigation and Resolution Procedures at Appendix 4 of the EO Plan, subject to the provisions of any relevant collective bargaining agreements. This duty includes, among other things, speaking with the EO Officer, Title IX Coordinator, Administrative Investigator, reviewing or appellate body, and voluntarily providing all documentation that relates to the claim being investigated. The failure and/or refusal of any employee, other than an employee subject to criminal charges or who invokes a Fifth Amendment privilege, to cooperate in an investigation may result in a separate disciplinary action up to and including termination.

G. PRIVACY AND CONFIDENTIALITY: ADDITIONAL CONSIDERATIONS

1. Requests for Confidentiality or for No Investigation

If a victim discloses an incident of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation, but requests that the University maintain confidentiality or that no investigation or disciplinary action occur, the University will weigh the request against its obligation to provide a safe, non-discriminatory environment for its entire community, including the victim, and its obligation to comply with applicable laws. It is important to understand that the University's ability to investigate an incident and pursue disciplinary action against the alleged perpetrator(s) may be limited if the University honors a confidentiality or no investigation request.

In consultation with Campus Police and other University personnel as necessary, the Title IX Coordinator will evaluate a request for confidentiality or that investigation/discipline occur by considering a range of factors including, but not limited to, whether:

- there have been other similar complaints about the same alleged perpetrator;
- the alleged perpetrator has a history of arrests or records indicating a history of violence;
- the alleged perpetrator threatened any further violence against the victim or others;
- the misconduct was committed by multiple perpetrators;
- the act was perpetrated with a weapon;
- the alleged perpetrator holds a position of power over the victim;
- the victim is a minor;
- the University possesses no other means to obtain relevant evidence (*e.g.*, security cameras or personnel, physical evidence);
- there appears to be a pattern of perpetration (*e.g.*, via illicit use of drugs or alcohol) at a given location or by a particular group; and/or
- other circumstances indicating an increased risk of violence or harm.

The presence of one or more of these factors could lead the University to investigate and/or pursue discipline. The University will inform the victim prior to starting an investigation and, to the extent possible, will share information with only the people responsible for handling the University's response.

The Universities may not require a victim to participate in any investigation or disciplinary proceeding. If none of the above factors are present, the University will likely honor the victim's request for confidentiality. It will also take interim measures as necessary to protect and assist the victim. In this circumstance, the University will consider broader remedial action, such as increased monitoring, supervision or security, increased or targeted education or prevention measures, conducting climate assessments/victimization surveys, and/or revisiting its policies and practices.

In the event that the victim requests that the University inform the alleged perpetrator that the victim asked the University not to investigate or seek discipline, the University will honor this request and inform the alleged perpetrator that the University made the decision to go forward.

2. Privacy for Respondents Who Are Students

A student's right to privacy is primarily governed by the Family Educational Rights and Privacy Act ("FERPA"), which provides that personally identifiable information maintained by the Universities in students' educational records may not be disclosed except with the consent of the student or as otherwise specified by law. For more information, see each University's website for its Annual Notice on FERPA.

3. Disclosures Made At Public Awareness Events

Public awareness events such as "Take Back the Night," the Clothesline Project, candlelight vigils, protests, "survivor speak outs" or other forums in which individuals disclose incidents of sexual violence or relationship violence are not considered notice to the Universities and do not trigger an obligation to investigate any particular incident(s). Such events, however, may inform the Universities' education and prevention efforts.

4. Statistical Reporting and Timely Warnings under The Clery Act

The Clery Act requires the Universities to maintain a daily log of reports of crimes that occurred on campus, University-controlled property or public property immediately adjacent to campus, including reports of sexual assault, domestic or dating violence and stalking. The Universities must also publish an Annual Campus Crime Report concerning reported incidents. The Universities do not include names or other personally identifying information in the daily logs or the Annual Security Reports.

Additionally, when the University becomes aware that an incident of sexual misconduct or violence occurred, and there is a potential for bodily harm or danger to members of the campus community, the University will issue a timely warning to the campus. While the University will provide enough information to safeguard the campus community, a victim's name or other personally identifying information will not be disclosed in the timely warning.

H. PROTECTIVE INTERIM MEASURES

The Universities may provide individualized services as appropriate to either or both parties involved, making every effort to avoid depriving a student of access to the student's education, throughout the investigation process. The Universities want all community members to be safe, to receive appropriate medical attention, and to get the help they need to heal and to continue to access their educational or employment opportunities.

The Universities further wish for complainants to understand how to access available interim measures. Complainants may obtain protective interim measures by either (1) reporting the incident to the Title IX Coordinator or other Responsible Employee and requesting interim measures, or (2) disclosing the incident to a counselor, who in turn can request interim measures on the complainant's behalf from the University.

If a complainant elects to confidentially disclose an incident to a counselor and seek protective interim measures from the University, the counselor may ask the complainant to sign a release specifying the information that may be shared with the University. In accordance with the University's practice of allowing counselors to seek such measures for complainants of trauma without requiring that the nature of the trauma be disclosed, the University will not require a counselor to disclose that sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation is the basis for the request. Additionally, if a complainant does not wish for the University to investigate or otherwise notify the alleged respondent of the reported incident, a counselor may still request protective interim measures on behalf of the complainant. In such cases, the Title IX Coordinator will consider whether the University can honor the request for confidentiality or no investigation while still providing a safe and nondiscriminatory environment for the campus.

Respondents may seek interim measures by making a request directly to the Title IX Coordinator and/or the Administrative Investigator assigned to the matter in which the respondent is a party.

The Universities will maintain as confidential any accommodations or protective interim measures provided, to the extent that maintaining such confidentiality would not impair the ability of the Universities to provide the accommodations or protective interim measures.

In assessing the need for either or both parties to receive interim measures, the Universities will not rely on fixed rules or operating assumptions that favor one party over another. The determination of interim measures shall be made on a case-by-case basis in consideration of the information available to the Title

IX Coordinator. The Universities may provide one or more of the following protective measures:

- “no contact/communication” orders;
- escorts to ensure safety while moving between locations on campus;
- changes in academic or work schedules;
- statutorily-provided leave to employees, such as Domestic Violence Leave pursuant to M.G.L. c. 49, §52D;
- alternative housing, dining and/or office accommodations;
- restrictions from areas of campus;
- medical and/or mental health services;
- assistance in identifying an advocate to help secure additional assistance, such as off-campus and community advocacy, support and services; and/or
- academic accommodations, such as:
 - transferring to another section of a course, lecture or lab;
 - rescheduling an academic assignment or test;
 - arranging for incompletes, a leave of absence, or withdrawal from campus; and
 - preserving eligibility for academic, athletic, or other scholarships, financial aid, internships, study abroad, or foreign student visas.

The Universities may also suspend a student on an interim basis or place an employee on paid administrative leave prior to completing an investigation under this Policy when it reasonably concludes that the person: (a) poses a threat to health or safety; (b) poses a threat to University property or equipment; (c) is disruptive or interferes with an investigation under this Policy or the normal operations of the University; or (d) is charged with a serious violation of state or federal law. The University shall provide the employee or student of the specific reason(s) for the interim action. During an interim action, the University reserves the right to prohibit the person from entering upon the University’s property or participating in any University activities absent written authorization from an appropriate University official. When a person has been placed on interim suspension or paid leave of absence, the Universities will make reasonable efforts to complete the investigation process in an expedited manner. The interim measures needed by either or both parties may change over time, and the Title IX Coordinator shall communicate with each party throughout the investigation and resolution process to ensure that interim measures are appropriate and effective based on the parties’ evolving needs.

The failure of a person to comply with an interim suspension, temporary leave or other interim measure is a violation of this Policy and may lead to additional disciplinary action.

Additionally, in some circumstances, a complainant may wish to seek an order of protection from a court or appropriate jurisdiction against the alleged perpetrator. In these circumstances, Campus Police will assist individuals in their attempt to secure these orders. Individuals may also seek restriction of access to the University by non-students or non-employees when appropriate.

I. WRITTEN NOTIFICATION OF RIGHTS, OPTIONS, AVAILABLE RESOURCES, SERVICES AND INFORMATION

The Universities will provide written information to community members regarding counseling, medical and mental health services, disability accommodations, victim advocacy, legal assistance, visa and immigration assistance, and other services available on and off campus.

The Universities will notify parties alleging sexual violence, sexual harassment, gender-based

harassment, domestic violence, dating violence, stalking and/or retaliation in writing that they have the following rights:

- to an explanation of the options available;
- to referrals to confidential assistance and support services from both on- and off-campus resources, including 24 hour services;
- to a change in on-campus residence and/or an adjustment to their academic schedule if such changes are reasonably available;
- to request that the University impose no contact/communication orders or other interim protective measures;
- to make a complaint that starts the University's investigation and resolution processes;
- to a prompt, thorough and equitable investigation and resolution of a complaint;
- to choose whether or not to initiate a formal investigation of the complaint, unless the University deems it necessary to investigate to protect the safety of the community or in compliance with applicable law;
- to the confidentiality of the investigation process to the extent possible (see Privacy and Confidentiality at Section G);
- to an advisor of one's choice who will assist and be present at any time during the investigation proceedings, but who may not participate in or otherwise provide representation in any way throughout the process;
- to reasonable accommodations for a documented disability during the process;
- to know, in advance, the names of all persons known to be involved;
- not to have irrelevant sexual history discussed;
- to be present at certain meetings and review evidence;
- to speak and present information on one's own behalf;
- to submit questions for the Administrative Investigator to ask witnesses;
- to know the status of the case at any point during the process;
- to be provided with a copy of the investigation report and an opportunity to respond to the report in advance of the administrative review;
- to be informed of the outcome of the process in a timely manner;
- to an appeal from the outcome of the process (if proper grounds for appeal exist);
- to file no complaint with the University, but receive support services from the University;
- to file a police report and/or take legal action separate from and/or in addition to the University discipline process;
- to seek and enforce a no contact, restraining or similar court order;
- to be assisted by the University in seeking assistance from or filing a complaint with local law enforcement;
- to not file a complaint or seek assistance from local law enforcement, but receive support services from the University;
- to be free from any behavior that may be construed by the University to be intimidating, harassing or retaliatory; and
- to have the matter handled in accordance with University Policy.

Parties who are respondents to claims of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation have the following rights:

- to an explanation of the allegations against them;
- to referrals to confidential assistance and support services from both on- and off-campus resources, including 24 hour services;
- to request that the University impose no contact/no communication orders or other interim protective measures;
- to receive a copy of the complaint filed against them;
- to be presumed not in violation of University policy until a violation is established through the complaint investigation process;
- to the confidentiality of the investigation process to the extent possible (see Privacy and Confidentiality at Section G);
- to an advisor of one's choice who will assist and be present at any time during the investigation proceedings, but who may not participate in or otherwise provide representation in any way throughout the process (pursuant to Weingarten, respondent unit members may exercise their right to a union representative or other University employee at meetings which the unit member reasonably believes may result in discipline);
- to reasonable accommodations for a documented disability during the process;
- to know, in advance, the names of all persons known to be involved;
- not to have irrelevant sexual history discussed;
- to be present at certain meetings and review evidence;
- to speak and present information on one's own behalf;
- to submit questions for the Administrative Investigator to ask witnesses;
- to know the status of the case at any point during the investigation and resolution process;
- to be provided with a copy of the investigation report and an opportunity to respond to the report in advance of the administrative review;
- to be informed of the outcome of the process in a timely manner;
- to an appeal from the outcome of the process (if proper grounds for appeal exist);
- to be free from any behavior that may be construed by the University to be intimidating, harassing or retaliatory; and
- to have the matter handled in accordance with University Policy.

J. EDUCATION AND PREVENTION PROGRAMS

As part of the Universities' commitment to providing working, living and learning environments free from sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, this Policy shall be disseminated widely to the campus communities through publications, new employee and student orientations, physical posting in places where students and employees are likely to see it, and other appropriate communications. A copy of this Policy shall be prominently posted on each University's website.

The Universities provide sustained and comprehensive training to the campus community concerning: (1) prevention and awareness programs that address rape, acquaintance rape, domestic and dating violence, sexual assault, and stalking; (2) the provisions of the Universities' Sexual Violence Policy; and (3) the Universities' Complaint and Investigation Procedures for alleged violations of the Sexual Violence Policy. Additionally, the Universities provide all new or incoming students and employees primary

prevention and awareness programs that promote awareness of rape, acquaintance rape, domestic and dating violence, sexual assault, and stalking.

The Universities have implemented primary and on-going prevention and awareness programs for students and employees focused on sexual violence, domestic and dating violence and stalking, and the promotion of positive and healthy behaviors that foster mutually respectful relationships and sexuality. The Universities shall make preventative educational materials available to all community members to promote compliance and familiarity with this Policy.

In the training programs for students and employees, the Universities address the following:

- The Universities' prohibition of sexual assault, domestic violence, dating violence and stalking.
- The Universities' Sexual Violence Policy and Complaint and Investigation Resolution Procedures for addressing complaints of sexual assault, domestic violence, dating violence and stalking.
- The Massachusetts' legal definitions of the crimes of sexual assault, domestic violence, dating violence and stalking.
- The legal definition of "consent" in reference to sexual activity in Massachusetts.
- The rights and remedies of students and employees under Title IX.
- Practical information about identifying, preventing, and reporting sexual violence and sexual harassment.
- The reporting options available to victims, on and off campus.
- The confidential resources available to the victims, on and off campus.
- How to obtain accommodations and/or interim protective measures.
- How the Universities' analyze complaints.
- Positive options for bystander intervention that an individual may take to prevent harm or intervene in risky situation.
- The role of alcohol and drugs and student safety.
- How employees should respond to reports of sexual violence, sexual and gender-based harassment, domestic and dating violence, and stalking; employees' duty to make reports to the Universities and how to make such reports.
- The Universities' prohibition against retaliation.

In addition, the Universities provide annual training to its Title IX Coordinators and Deputy Coordinators, EO Officers, Administrative Investigators, review and appellate body members, REs, Campus Police, and all others involved with the administration of this Policy and the Complaint Investigation and Resolution Procedures on the topics listed above, as well as the following:

- The obligations of responsible employees when interacting with students or employees making reports of sexual violence, sexual and gender-based harassment, domestic and dating violence, and stalking.
- The obligations of responsible employees to forward reports to the Universities.
- The dynamics of sexual violence and the unique toll it can take on self-blaming and traumatized individuals.
- Understanding how sexual violence occurs, how it is perpetrated, and how victims naturally respond during and after assault.
- Issues related to sexual violence, domestic violence, dating violence and stalking.
- The requirements of the Complaint Investigation and Resolution Procedures.

- How to conduct an investigation in a manner that protects the safety of the parties and promotes accountability.
- How to conduct prompt, fair, impartial and thorough investigations.

Furthermore, the Universities pledge to routinely:

- evaluate current policies, procedures, and practices;
- ensure appropriate training of all persons charged with administering this Policy and/or involved in the complaint investigation and resolution process;
- evaluate who is designated an RE for Title IX reporting purposes and/or CSA for Clery Act reporting purposes, and disseminate and publish applicable list of REs and CSAs;
- ensure appropriate training of REs and CSAs;
- evaluate campus climate assessment survey data;
- provide education and prevention programming for students and employees; and
- evaluate physical security needs on campus.

K. INDEPENDENT INVESTIGATIONS

At any time, the University, at its discretion, may conduct an investigation independent of, or in addition to, the procedures described in this Policy.

L. COMPLIANCE CONCERNS

All are encouraged to report any concerns about the University's handling of a sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation investigation to the University's Title IX Coordinator. Individuals may also report concerns about the University's handling of such investigations to:

U.S. Department of Education
Office for Civil Rights
33 Arch Street, 9th Floor
Boston, MA 02119-1424
Telephone: (617) 289-0111
FAX: (617) 289-0150; TDD (877) 521-2172
Email: OCR.Boston@ed.gov

M. MASSACHUSETTS LEGAL DEFINITIONS

Alleged incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation are determined by the language of this Policy rather than by the provisions of the criminal laws of Massachusetts. However, community members who believe they have been the victim of a crime may choose to pursue a criminal investigation through local law enforcement. In those instances, the criminal laws will apply. Here are the definitions of Massachusetts crimes related to the conduct prohibited by this Policy:

1. Sexual Assault

Massachusetts uses the term "rape." The definition encompasses (1) the penetration of any orifice by any body part or object (2) by force (or threat) and (3) without consent. Rape also includes instances where the victim is incapacitated ("wholly insensible so as to be incapable of consenting") and the perpetrator is aware or should have known of the incapacitation. Relatedly, under M.G.L. c. 268, § 40, a

person who knows that an individual is a victim of an aggravated rape and is at the scene of the crime, must report the crime to law enforcement as soon as is reasonably practicable.

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section22>

2. Domestic Violence

Section 1 of M.G.L. c. 209A defines domestic abuse as “the occurrence of one or more of the following acts between family or household members: (a) attempting to cause or causing physical harm; (b) placing another in fear of imminent serious physical harm; (c) causing another to engage involuntarily in sexual relations by force, threat or duress.”

<https://malegislature.gov/Laws/GeneralLaws/PartII/TitleIII/Chapter209A>

For the purposes of Chapter 209A, “family or household members” are defined as persons who: (a) are or were married to one another; (b) are or were residing together in the same household; (c) are or were related by blood or marriage; (d) have a child in common regardless of whether they have ever married or lived together; or (e) are or have been in a substantive dating or engagement relationship, which shall be adjudged by district, probate or Boston municipal courts’ consideration of the following factors: (1) the length of the relationship; (2) the type of relationship; (3) the frequency of interaction between the parties; and (4) if the relationship has been terminated by either person, the length of time elapsed since the termination.

<https://malegislature.gov/Laws/GeneralLaws/PartII/TitleIII/Chapter209A>

Section 13M of M.G.L. c. 265 prohibits assault and/or assault and battery against family or household members, which is defined as: “persons who: (i) are or were married to one another, (ii) have a child in common regardless of whether they have ever married or lived together or (iii) are or have been in a substantive dating or engagement relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13m>

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

In determining whether Section 13M applies to a particular relationship, the courts shall consider the following factors: “(1) the length of time of the relationship; (2) the type of relationship; (3) the frequency of interaction between the parties; and (4) if the relationship has been terminated by either person, the length of time that has elapsed since the termination of the relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13m>

Section 15D of M.G.L. c. 265 prohibits the strangulation or suffocation of another person.

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

3. Dating Violence

While Massachusetts does not have a law concerning dating violence, conduct may constitute an assault or assault and battery under M.G.L. c. 265, § 13A. An assault or an assault and battery: (i) upon another and [the perpetrator] by such assault and battery causes serious bodily injury; (ii) upon another who is pregnant at the time of such assault and battery, [the perpetrator] knowing or having reason to know that the person is pregnant; or (iii) upon another who [the perpetrator] knows has an outstanding temporary or permanent vacate, restraining or no-contact order or judgment issued pursuant to

[applicable law], in effect against him at the time of such assault or assault and battery.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13a>

Section 13M of M.G.L. c. 265 prohibits assault and/or assault and battery against family or household members, which is defined as: “persons who: (i) are or were married to one another, (ii) have a child in common regardless of whether they have ever married or lived together or (iii) are or have been in a substantive dating or engagement relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13m>

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

In determining whether Section 13M applies to a particular relationship, the courts shall consider the following factors: “(1) the length of time of the relationship; (2) the type of relationship; (3) the frequency of interaction between the parties; and (4) if the relationship has been terminated by either person, the length of time that has elapsed since the termination of the relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13m>

Section 15D of M.G.L. c. 265 prohibits the strangulation or suffocation of another person.

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

4. Stalking

Section 43 of M.G.L. c. 265 defines “stalking” as “(1) willfully and maliciously engages in a knowing pattern of conduct or series of acts over a period of time directed at a specific person which seriously alarms or annoys that person and would cause a reasonable person to suffer substantial emotional distress, and (2) makes a threat with the intent to place the person in imminent fear of death or bodily harm.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section43>

5. Consent

There is no definition of the term “consent” in the Massachusetts General Laws. Massachusetts courts use the term “against his/her will” which means without consent. Cases have held that consent cannot be compelled or induced by force or threats, and consent is not present when the victim is incapacitated. In other words, consent requires a voluntary agreement demonstrated by words or actions, by a person with sufficient mental capacity to make a conscious choice to do something proposed by another, free of duress. *Commonwealth v. Lopez*, 433 Mass. 722 (2001), *Commonwealth v. Lefkowitz*, 20 Mass. App. Ct. 513 (1985); see also:

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section22>

APPENDIX A

CONFIDENTIALITY AND REPORTING		
Personnel/Organization	Confidential Status	Obligation to Report to the University's Title IX Coordinator and/or Outside of the University
University Counseling Services	Confidential	<p>None, with the following exceptions:</p> <p>If there is reasonable cause to suspect that a minor, or an elderly or disabled person, has been abused, Counseling Services may report this to the University in compliance with state law.</p> <p>If a person presents an imminent threat of harm to one's self or others, a clinical provider may break confidentiality.</p> <p>If one would like to request certain protective interim measures in the aftermath of reported sexual violence, <i>e.g.</i>, more time to submit academic work or changing classes, residence halls or work locations, the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of implementing the interim measures.</p> <p>De-identified statistical information may be reported to Campus Police in compliance with the Clery Act.</p>
University Health Services	Confidential	<p>None, with the following exceptions:</p> <p>If there is reasonable cause to suspect that a minor, or an elderly or disabled person, has been abused, Counseling Services may report this to the University in compliance with state law.</p> <p>If a person presents an imminent threat of harm to herself or others, a medical provider may break confidentiality.</p> <p>If one would like to request certain protective interim measures in the aftermath of reported sexual violence, <i>e.g.</i>, more time to submit academic work or changing classes, residence halls or work locations, the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of implementing the interim measures.</p> <p>De-identified statistical information may be reported to Campus Police in compliance with the Clery Act.</p>
University Chaplains, Clergy or Pastoral Counselors	Confidential	<p>None, with the following exceptions:</p> <p>If one would like to request certain protective interim measures in the aftermath of reported sexual violence, <i>e.g.</i>, more time to submit academic work or changing classes, residence halls or work locations in the aftermath of reported sexual violence, the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of implementing the interim measures.</p> <p>De-identified statistical information may be reported to Campus Police in compliance with the Clery Act.</p>

CONFIDENTIALITY AND REPORTING		
Personnel/Organization	Confidential Status	Obligation to Report to the University's Title IX Coordinator and/or Outside of the University
University Employee Assistance Program	Confidential	None
Off-Campus Medical Providers	Confidential	None
Off-Campus Rape Crisis Centers, Counseling and/or Victim Support Services	Confidential	None
Off-Campus Chaplains, Clergy, Pastoral Counselors	Confidential	None
Local Police or other Law Enforcement	<i>Not Confidential</i>	There is no obligation for local police or law enforcement to make a report to the University, but information may be shared with the University within the requirements of Massachusetts law.
Outside Agencies (MCAD, EEOC, OCR, BHE)	<i>Not Confidential</i>	The relevant agency will notify the University of accepted complaints.
Title IX Coordinators (and Deputies)	<i>Not Confidential</i>	Yes. The Title IX Coordinator will share information with University officials and employees who need to know it in order to implement University policies and procedures.
EO Officers	<i>Not Confidential</i>	Yes. The EO Officer will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Campus Police/Public Safety	<i>Not Confidential</i>	Yes. Campus Police will share information with University officials and employees who need to know it in order to implement University policies and procedures. Depending on the circumstances, an anonymous public warning may be issued by Campus Police. Whenever possible, the University will notify one if this will be issued and one's name and identifying information will not be included.
University Trustees	<i>Not Confidential</i>	Yes. Members of the Board of Trustees will share information with University officials and employees who need to know it in order to implement University policies and procedures.
The President	<i>Not Confidential</i>	Yes. The President will share information with University officials and employees who need to know it in order to implement University policies and procedures.

CONFIDENTIALITY AND REPORTING		
Personnel/Organization	Confidential Status	Obligation to Report to the University's Title IX Coordinator and/or Outside of the University
Vice Presidents, Associate and Assistant Vice Presidents	<i>Not Confidential</i>	Yes. The Vice Presidents and Associate/Assistant Vice Presidents will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Director and Assistant Director of Human Resources	<i>Not Confidential</i>	Yes. The Director/Assistant Director of Human Resources will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Departmental Directors and Assistant Directors	<i>Not Confidential</i>	Yes. Departmental Directors and Assistant Directors will share information with University officials and employees who need to know it in order to implement University policies and procedures, except: Those Departmental Directors and Assistant Directors who serve in professional roles in which communications are afforded confidential status under the law (e.g., licensed mental health care providers, medical providers, pastoral counselors and clergy) will maintain confidentiality.
Residence Life Professional Staff (including RDs/RAs)	<i>Not Confidential</i>	Yes. These Residence Life professionals will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Athletic Coaches, Assistant Coaches and Athletics Administrators	<i>Not Confidential</i>	Yes. These members of the Athletics Department will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Studio Managers	<i>Not Confidential</i>	Yes. Studio Managers will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Deans, Associate and Assistant Deans	<i>Not Confidential</i>	Yes. The Deans and Associate/Assistant Deans will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Academic Department Chairs	<i>Not Confidential</i>	Yes. Academic Department Chairs will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Academic and Non-Academic Program Directors and Program	<i>Not Confidential</i>	Yes. Academic and Non-Academic Program Directors/ Coordinators will share information with University officials and employees who need to know it in order to implement University policies and

CONFIDENTIALITY AND REPORTING		
Personnel/Organization	Confidential Status	Obligation to Report to the University’s Title IX Coordinator and/or Outside of the University
Coordinators		procedures.
Faculty and Staff Leading or Chaperoning Travel or Overnight Trips	<i>Not Confidential</i>	Yes. Faculty and Staff Travel Leaders and/or Chaperones will share information with University officials and employees who need to know it in order to implement University policies and procedures.
Faculty and Staff Advisors to Student Groups	<i>Not Confidential</i>	Yes. Faculty and Staff Advisors to Student Groups will share information with University officials and employees who need to know it in order to implement University policies and procedures.

VII. POLICIES FOR REASONABLE ACCOMMODATIONS FOR PERSONS WITH DISABILITIES

The Universities are committed to providing equal access to otherwise qualified persons with disabilities. The Universities recognize that individuals with disabilities may need reasonable accommodations to have equally effective opportunities to participate in or benefit from educational programs, services, activities and employment.

EDUCATION OF PERSONS WITH DISABILITIES

The Universities will examine all existing admissions, student support and other student life policies, practices and facilities to assure that they do not disparately treat or impact otherwise qualified persons with disabilities. Where such disparity is found, it will be corrected as quickly and completely as is reasonable under existing financial constraints.

In accordance with state and federal requirements, the Universities will provide necessary reasonable accommodations, auxiliary aids and academic adjustments (including support services) to otherwise qualified students with disabilities to assure equal access to its programs, facilities and services. Reasonable accommodations will also be afforded to applicants for admission who have disabilities to enable them to adequately pursue all opportunities for enrollment in the programs of study.

EMPLOYMENT OF PERSONS WITH DISABILITIES

The Universities will examine all existing employment policies, practices and facilities to assure that they do not disparately treat or adversely impact otherwise qualified persons with disabilities. Where such disparity is found, it will be corrected as quickly and completely as is reasonable under existing operational constraints.

In accordance with the requirements of state and federal law, and through the interactive process, the Universities will afford reasonable accommodations to any otherwise qualified employee with a disability to enable the employee to perform the essential functions of the job. Reasonable accommodations will also be afforded to applicants for employment who have disabilities to enable them to adequately pursue a candidacy for any available positions.

PROCESS BY WHICH TO REQUEST ACCOMMODATIONS

Any member of the University community who seeks reasonable accommodation for a disability may contact the EO Officer and/or the Title II/Section 504 Coordinator for more information. Similarly, any applicant for employment or admission who seeks assistance in the application process may contact the EO Officer and/or the Title II/Section 504 Coordinator.

Additionally, a student seeking reasonable accommodations, auxiliary aids and/or academic adjustments for a disability must contact the appropriate Office of Disability Services on the student's campus to obtain such services.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

Any member of the University community or any applicant for admission or employment who believes that he or she has been a victim of disability discrimination or harassment, or who alleges that the University has failed to provide reasonable accommodations, appropriate auxiliary aids and/or academic adjustments, may initiate a claim as outlined in the Universities' Complaint Investigation and Resolution Procedures located at Appendix 4.

Further advice or information may be obtained by contacting the EO Officer and/or the Title II/Section 504 Coordinator of each University.

VIII. POLICY AGAINST DISCRIMINATION IN EMPLOYMENT BASED ON PREGNANCY AND PREGNANCY-RELATED CONDITIONS AND REQUIREMENT TO PROVIDE REASONABLE ACCOMMODATIONS

The Universities are committed to providing equal access to employment for all current and prospective employees. The Universities recognize that employees and job applicants may not be treated less favorably because of pregnancy or pregnancy-related conditions and that employees and job applicants may need reasonable accommodations for pregnancy or pregnancy-related conditions to allow them to have effective opportunities to participate in or benefit from employment.

In accordance with the requirements of state law, and through the interactive process, the Universities will provide necessary, reasonable accommodations that will allow an employee to perform the essential functions of the job while pregnant or experiencing pregnancy-related conditions that exist during and/or after pregnancy (*e.g.*, morning sickness, lactation, or the need to express milk), unless doing so would impose an undue hardship on the University. The Universities recognize that they cannot make an employee accept a particular accommodation if another reasonable accommodation would allow the employee to perform the essential functions of the job, or require an employee to take a leave if another reasonable accommodation may be provided without an undue hardship.

Reasonable accommodations may include, but are not limited to, the following:

- more frequent or longer paid or unpaid breaks;
- time off to attend to a pregnancy complication or recover from childbirth with or without pay;
- acquisition or modification of equipment or seating;
- temporary transfer to a less strenuous or hazardous position;
- job restructuring;
- light duty;
- private non-bathroom space for expressing breast milk;
- assistance with manual labor; and/or
- modified work schedule.

Upon the request from the employee or prospective employee, the Universities will engage in a timely, good faith and interactive process to determine an effective, reasonable accommodation to enable the employee to perform the essential functions of the position.

The Universities recognize that they may require documentation regarding the need for an accommodation from a healthcare professional that explains what accommodation(s) the employee needs, but that they cannot require documentation for the following accommodations: (1) more frequent restroom, food, or water breaks; (2) seating; (3) limits on lifting more than 20 pounds; and (4) private, non-bathroom space for expressing breast milk.

PROCESS BY WHICH TO REQUEST ACCOMMODATIONS

University employees who seek an accommodation for pregnancy or a pregnancy-related condition may contact the EO Officer and/or the Title II/Section 504 Coordinator for more information.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

Employees or job applicants who believe that they have been a victim of discrimination as a result of pregnancy or a pregnancy-related condition, or who allege that the University has failed to provide reasonable accommodations, may initiate a claim as outlined in the Universities' Complaint Investigation and Resolution procedures located in Appendix 4.

Further advice or information may be obtained by contacting the EO Officer and/or the Title II/Section 504 Coordinator at each University.

IX. MANDATORY CHILD ABUSE REPORTING POLICY

Persons under 18 may be students or may be engaged in activities sponsored by the Universities or by third parties utilizing University facilities. Where an employee has reasonable cause to believe that a child is suffering injury from sexual abuse on campus or on University owned or controlled property, the employee and/or the University *may* be obligated to comply with the mandatory child abuse reporting requirements established at M.G.L. c. 119, §§ 51A-E. In such cases, the employee must immediately report the matter to Campus Police, who, in consultation with other officials, shall contact the Department of Children and Families (“DCF”) and/or outside law enforcement. An employee may also directly contact law enforcement or DCF in cases of suspected abuse or neglect. Massachusetts law also has mandatory reporting requirements for certain occupations where elderly and disabled abuse or neglect is suspected. For more information, please contact the Campus Police.

X. CONTRACTING AND PURCHASING

EQUAL OPPORTUNITY VENDORS

When selecting contractors, suppliers, and vendors of goods and services, including goods and services secured in connection with construction projects, the Universities will offer equal opportunity to all qualified persons and entities and will not discriminate on the basis of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.

The Universities shall seek to locate and shall encourage the use of minority and female contractors, subcontractors, vendors, and suppliers. The Universities will identify businesses primarily operated by members of such protected classes with the help of agencies such as the State Office of Minority Business Assistance in order to encourage bids and proposals from potential contractors, vendors and suppliers.

EQUAL EMPLOYMENT OPPORTUNITY

The Universities require that all persons and entities with which they contract for the provision of goods and services shall provide equal opportunity for all persons without regard to race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.

CONTRACTOR COMPLIANCE

Prior to the awarding of any contract, the Universities shall require that the contractor provide written assurance of its compliance with applicable state and federal laws and regulations, including the provisions of this Policy, prohibiting discrimination in employment.

The Universities shall require that every contract made on or after July 1, 1996, for the purchase of goods and services contain the following provisions.

“During the performance of this Agreement, the Contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, age, disability,

- gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.
2. The Contractor will comply with the provisions of the Governor's Code of Fair Practices, with Chapter 151B of the General Laws of Massachusetts, with the Americans with Disabilities Act and with all other applicable state and federal laws barring discrimination in employment, and with Section IV of the Massachusetts State Universities' Equal Opportunity, Diversity and Affirmative Action Plan.
 3. In the performance of this Agreement, the Contractor shall take affirmative action to employ minority and female subcontractors, vendors and suppliers.
 4. The University may at any time require the Contractor to supply it with such data, as it shall reasonably require for purposes of determining whether the Contractor is adhering to the above-described prohibitions against discrimination in employment.
 5. In the event that the Contractor shall have failed to comply with the requirements contained in any of foregoing clauses 1, 2, 3 and 4, the University may enforce such compliance by withholding part or all of any payment then due until such time as the Contractor complies with any such requirement, and/or by cancelling, terminating or suspending the whole or any part of this Agreement. Nothing herein contained shall bar the University from pursuing such other lawful recourse as it may have to enforce compliance with the above-described requirements and to recover damages for their breach."

The Universities reserve the right to disqualify as a contractor any person or entity that fails to adhere to the prohibitions against the discrimination, discriminatory harassment and retaliation in employment that are contained in Section IV of this Plan.

CONTRACTOR CONDUCT

All contractors, vendors, consultants and suppliers of goods and services shall be required, during any period when they or their agents or employees are present at the Universities, to adhere to standards of conduct that are consistent with this Policy, and all such contractors, vendors and suppliers, their agents and employees shall refrain from acts or conduct that constitute harassment of any person by reason of such person's race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. The Universities shall require every contractor, vendor, consultant, and supplier to instruct its agents and employees concerning the requirements of this paragraph, and to take actions including disciplinary actions, to correct any violation thereof.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

Any member or the University community or any applicant for employment or admission who believes that he or she has been a victim of discrimination, discriminatory harassment, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation by a vendor or contractor may initiate a complaint pursuant to the Universities' Complaint Investigation and Resolution Procedures located at Appendix 4. Further advice or information may be obtained by contacting the EO Officer and/or Title IX Coordinator on each University campus.

XI. MONITORING AND GOALS

By and through this Plan, the Universities commit themselves to a policy of equal opportunity, diversity, affirmative action and non-discrimination in all aspects of campus life.

The Universities shall endeavor to increase the representation of qualified women, veterans, persons with disabilities and minorities in their workforces. To this end, the Universities shall continually examine and monitor their affirmative action and equal opportunity policies, procedures and practices for the purpose of determining the degree to which their workforces are reflective of the demographics of the Commonwealth's labor market. To the extent that this review reveals areas of deficiency or shortcomings, the Universities will make reasonable and good faith efforts, consistent with requirements of the law, to address and improve such deficiencies or shortcomings.

The Universities realize that the development and implementation of specific policy and programmatic efforts is essential to the establishment of a pro-active, system-wide Plan. The Universities further realize, however, that policies and programs of equal opportunity, diversity, affirmative action and non-discrimination are only as effective as the commitment to them at the local level. Accordingly, each University shall determine and implement for itself the projects, programs, defined strategies, structured activities or other tactical steps to achieve the equal opportunity, diversity, affirmative action and non-discrimination goals of this Plan on its individual campus.

On an annual basis, each University will review the progress being made toward the achievement of its compliance with this Plan and its equal opportunity, diversity, affirmative action and non-discrimination goals.

XII. AFFIRMATIVE ACTION HIRING PROCEDURES

The procedures set forth in this Plan take into consideration both organizational limitations and opportunities with respect to current and future employees. The Plan calls upon all staff to engage in a major effort in order to fulfill the objectives of equal opportunity for all persons at all levels of employment, in compliance with all applicable collective bargaining agreements. Each EO Officer will monitor the employment policies of the University with respect to the areas of recruitment and appointment to vacant positions to assure compliance with the objectives of this Plan. The areas to be monitored should include, but not be limited to, pre-recruitment procedures, recruitment, selection, appointments (permanent, acting, emergency and temporary), salary and benefits, and shall include employees of continuing education, grant funded programs and other appropriate areas.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

The Universities have established specific internal Complaint Investigation and Resolution Procedures to help resolve claims and complaints of discrimination, discriminatory harassment and retaliation on their campuses. The Universities' Complaint Investigation and Resolution Procedures also serve as a system of review and resolution for claims of discrimination in hiring. Any applicant for employment who believes that he or she has been a victim of discrimination in hiring may initiate a claim as outlined in the Universities' Complaint Investigation and Resolution Procedures located at Appendix 4. Further advice or information regarding these complaint procedures may be obtained by contacting the EO Officer of any University.

XIII. RESPONSIBILITY FOR THE IMPLEMENTATION OF THE EQUAL OPPORTUNITY DIVERSITY AND AFFIRMATIVE ACTION PLAN AND RELATED PROGRAMS, POLICIES AND PROCEDURES

The final authority and ultimate responsibility for the implementation of this Plan rests with the Presidents of the State Universities. The EO Officer on each campus, however, has the responsibility for the overall development, administration and monitoring of all policies, procedures and programs pertinent to the implementation of this Plan. The EO Officer commonly reports to the President and bears the responsibility for the preparation and execution of all affirmative action policies and programs. Details regarding the EO Officer's specific duties and responsibilities can be found at Appendix 1.

All Vice Presidents, Deans, Directors, Program Coordinators, Department Chairs, and other supervisory personnel will be accountable for ensuring that equal opportunity, non-discrimination, diversity and affirmative action are integrally tied to all actions and decisions for which they are responsible and which fall within the scope of the Plan. A statement concerning such accountability will be added to all appropriate position descriptions. It shall be considered a regular function of faculty, librarians, administrators and supervisory staff that they are aware of goals and consult with the EO Officer prior to and in the course of those actions that may have an impact on the implementation of this Plan. In the event that a supervisor and/or the EO Officer identify problem areas that are impeding a University's efforts to meet its goals, they shall develop an action plan designed to move the University toward successful attainment of its objectives.

XIV. POLICY AWARENESS PROCEDURES

DISSEMINATION

At the commencement of each academic year, all policy statements regarding equal opportunity, non-discrimination, diversity and affirmative action at the State Universities will be distributed, either electronically or in hard copy or in both formats, as follows:

- to every office at each University, including the Human Resources Office and the Office of the Equal Opportunity Officer;
- to each University's Library;
- to all students, either in the relevant Student Handbook, Course Catalog or by e-mail;
- to all employees, either in a relevant publication or by e-mail;
- posted to all relevant sections of the Universities' websites;
- copies will be made available to the campus community and to the public upon request; and
- copies will also be made available in accessible formats upon request.

Periodic meetings and workshops will be held with various segments of the campus community to assist their understanding of the Universities' commitment to equal opportunity, non-discrimination, diversity and affirmative action.

Copies of all policy statements regarding equal opportunity, non-discrimination, diversity and affirmative action will also be provided to students who enroll mid-year and to all new employees upon their hire.

POSTING

The Universities' Policy Statement on Non-Discrimination, Diversity and Affirmative Action will be posted in areas customarily used for public announcements and on the Universities' websites. Prospective

employees and applicants for admission will be informed of this Policy Statement in all advertisements posted both on and off campus.

RECRUITING

All employment recruiting sources used by the Universities will be informed of their commitment to equal opportunity, non-discrimination, diversity and affirmative action. Listings of current openings will be sent on a regular basis to appropriate sources for the recruitment and referral of applicants who are persons of color, women, veterans, persons with disabilities, and persons of diverse religions and national origins.

In addition, notices of position openings will be posted on campus and on the Human Resources sections of the Universities' individual websites, so that all current employees are aware of opportunities for promotion or transfer.

CONTRACTORS AND VENDORS

The Universities will notify all contractors, sub-contractors and vendors of the Universities' responsibilities and commitments to equal opportunity, non-discrimination, diversity and affirmative action.

ADVERTISING

Selection for and participation in the State Universities' employment is without regard to race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. An Affirmative Action, Equal Opportunity and Non-Discrimination/Diversity statement will be placed in all appropriate University operational publications and advertisements.

COMMUNITY RELATIONS

The State Universities will cooperate and work with local, state and federal government agencies and community groups, as well as national minority, multicultural, multiracial, disability, women's and veteran's organizations and other national groups that have equal employment opportunity objectives, for the purpose of developing significant access to equal opportunity for persons of color, women, veterans, persons with disabilities, and persons of diverse religions and national origins.

XV. CONCLUSION

In developing and presenting this Plan for approval to the BHE, the State Universities have committed themselves to institutional change in order to provide maximum access to a university education and university experience that equips all of our students to live and work in our diverse world. The State Universities believe that access to affordable higher education is an integral part of their mission.

With this Plan, the State Universities commit themselves not only to providing each student and employee a safe, yet exciting academic and living environment, where each member of the community is valued as an individual, whose racial, cultural, religious, gender, orientation, age, disability or socioeconomic status make her or him a valued member of a diverse community of pluralism, but in doing so, to fully prepare our students for the great diversity of the larger world. If this Plan is fully implemented, we will have moved beyond merely prohibiting the violation of human dignity and civility to the fulfillment of our mission of providing accessible higher education to the increasingly diverse population of the Commonwealth.

We commit ourselves to this effort.

APPENDIX 1

POSITION DESCRIPTION: EO OFFICER

The Equal Opportunity Officer (“EO Officer”) provides campus-wide leadership to promote equal opportunity, diversity and affirmative action on campus. The EO Officer works closely with the President, Vice Presidents, Department Chairs, Program Coordinators and Directors in the implementation, monitoring and evaluation of the Universities’ Equal Opportunity, Diversity and Affirmative Action Plan. The EO Officer works with faculty and student organizations to introduce a variety of multicultural issues across the curriculum and across the campus. The EO Officer is the ombudsman for all issues of discrimination, including discriminatory harassment, and retaliation.

The EO Officer may also serve as the Title II/Section 504 Coordinator. Similarly, the EO Officer may be the primary Title IX Coordinator for each University, although the individual campuses may designate one or more additional Deputy Coordinators to assist with Title IX compliance.

SUPERVISION: Reports directly to the President or the President’s designee.

SUPERVISION EXERCISED: Over assigned professional and non-professional staff.

DUTIES AND RESPONSIBILITIES: Include, without limitation:

- Provides leadership in planning and organizing events and programs to increase the awareness of diversity on campus.
- Develops plans and policies to recruit and employ members of protected classes through affirmative action and equal employment opportunity programs.
- Responsible for monitoring, implementing and evaluating recruitment to insure a policy of non-discrimination, affirmative action, equal employment/educational opportunity and diversity.
- Serves as an ex-officio member of faculty hiring committees.
- Works closely with the Vice Presidents, Directors, Program Coordinators and Department Heads to develop and implement program initiatives designed to increase diversity among faculty, staff and students.
- Plans and develops policies and procedures regarding the implementation of the ADA and the Rehabilitation Act.
- Responsible for overseeing investigations of all complaints of discrimination, discriminatory harassment, and retaliation filed pursuant to the Universities’ Discrimination Complaint Investigation and Resolution Procedures. Responsible for communicating all relevant information to appropriate persons on campus regarding the investigation process.
- May act as a representative of the University on claims presented to state/federal agencies.
- Reviews all University policies for potential discriminatory impact.
- Communicates information on laws, regulations and policies on affirmative action and equal opportunity to members of the University community.
- Exercises sign-off authority on all personnel actions.
- Assumes additional support duties assigned by the President.

*This Position Description is illustrative and not necessarily exhaustive.

APPENDIX 2

POSITION DESCRIPTION: TITLE IX COORDINATOR

The Title IX Coordinator has primary responsibility for managing the day-to-day responsibilities associated with the University's compliance obligations pursuant to Title IX.

The Title IX Coordinator may also serve as the EO Officer and/or the Title II/Section 504 Coordinator. Additionally, the individual Universities may designate one or more additional Deputy Coordinators to assist the lead Title IX Coordinator with Title IX compliance.

SUPERVISION: Reports directly to the President or the President's designee.

SUPERVISION EXERCISED: Over assigned professional and non-professional staff.

DUTIES AND RESPONSIBILITIES: Include, without limitation:

- Serving as the University's central resource on issues related to sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation.
- Implementing and managing the University's Sexual Violence Policy.
- Ensuring that community members know their options and resources concerning the reporting of sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation.
- Evaluating and implementing of requests for accommodations or interim protective measures.
- Overseeing the receipt, investigation and resolution of complaints of sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation by employees, students and others protected under state/federal laws/regulations and/or the University EO Plan. Where appropriate, conducting complaint investigations.
- Maintaining investigation files; maintaining a University-wide reporting system for complaints and investigation findings; identifying patterns and making recommendations.
- Developing and implementing long-term goals for programming, services, education and assessment of Title IX compliance efforts, including but not limited to sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation; providing leadership for University-wide initiatives to increase gender equity on campus.
- Overseeing education, training, and outreach programming concerning awareness and prevention of sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation.
- Providing or recommending training to Deputy Title IX Coordinators, complaint Mediators and Administrative Investigators, and other campus officials with Title IX responsibilities.
- Maintaining current knowledge of the laws, policies, procedures and best practices with regard to sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation; attending trainings, workshops, conferences to augment knowledge.
- Acting as the University's representative when attending conferences and communicating with government compliance or investigation officers; processing inquiries from third parties. Assuming additional support duties assigned by the President.

MINIMUM QUALIFICATIONS:

1. J.D. with at least one year of coordinator's experience OR Master's Degree with at least 3 year's coordinator's experience.
2. Demonstrated knowledge of and ability to interpret federal and state discrimination, harassment and equal opportunity laws, including Title IX, Title VII, VAWA and Clery.
3. Exceptional communication, organizational and interpersonal skills.
4. Demonstrated ability to maintain a high level of collegiality with different campus constituencies.
5. Experience with sexual violence prevention programming and training.
6. Experience designing and implementing training for difference campus constituencies.
7. Experience with reporting software and databases.

PREFERRED QUALIFICATIONS:

1. At least 3 years' experience conducting Title IX investigations in higher education.
2. At least 3 years' experience interpreting federal and state discrimination, harassment and equal opportunity laws.
3. Experience participating in administrative hearings and proceedings.
4. Experience with and understanding of mental health/counseling issues in higher education.

*This Position Description is illustrative and not necessarily exhaustive.

APPENDIX 3

POSITION DESCRIPTION: EQUAL OPPORTUNITY INVESTIGATOR

The EO Investigator is responsible for investigating alleged incidents of discrimination, harassment, retaliation and sexual violence, including domestic/dating violence and stalking, as defined in the University's Equal Opportunity, Diversity and Affirmative Plan ("EO Plan"). The EO Investigator is responsible for gathering, preserving and analyzing evidence/information to determine the outcome of the investigation and recommended corrective action and/or resolution.

SUPERVISION: Reports directly to the EO Officer.

SUPERVISION EXERCISED: Over assigned professional and non-professional staff.

DUTIES AND RESPONSIBILITIES: Include, without limitation:

- Conduct investigations of complaints of discrimination, harassment, retaliation and sexual violence in a timely, fair, impartial and thorough manner.
- Prepare comprehensive investigation reports, including factual findings, conclusions, and recommendations for discipline and/or other corrective action.
- Serve as the contact for all parties to an investigation and manage communications regarding the investigation process.
- Assist the EO Officer and/or Title IX Coordinator in the evaluation and implementation of requests for accommodations or interim protective measures.
- Assist the EO Officer and/or Title IX Coordinator in the development of training programs for faculty, staff and students on equal opportunity, discrimination, harassment, retaliation, sexual violence, Title IX, and other related topics.
- Provide information to the campus community regarding the EO Plan and the Complaint Investigation and Resolution Procedures.
- Remain abreast of University, state and federal policies, statutes, regulations and guidance documents in the areas of discrimination, harassment, retaliation and sexual violence. Participate in professional forums, conferences, training and/or seminars. Continuously identify and integrate best practices in the equal opportunity investigation field into knowledge base and practice.
- Identify systemic problems in the investigation process and make recommendations to the EO Officer and/or Title IX Coordinator concerning appropriate changes to the EO Plan and/or the Complaint Investigation and Resolution Procedures.
- Perform other duties as required or assigned which are reasonably within the scope of the duties enumerated above.

MINIMUM QUALIFICATIONS:

1. Master's Degree, OR Bachelor's Degree in related field with equivalent combination of relevant education and experience (degrees in psychology, counseling, social work and criminal justice are favored).
2. At least 3 years' experience investigating complaints and/or grievance investigation and resolution.
3. Knowledge of state and federal laws regarding discrimination, harassment, retaliation and equal opportunity.
4. Exceptional communication and organizational skills.

5. Demonstrated ability and to project neutrality and to appropriately handle confidential and sensitive information.
6. Demonstrated ability to maintain a high level of collegiality with different campus constituencies.

PREFERRED QUALIFICATIONS:

1. J.D. or Master's Degree.
2. Experience in higher education.
3. Experience and training in human resources, student conduct, civil rights and/or diversity programming.
4. Knowledge of investigation techniques and best practices.
5. Experience with Title IX, VAWA, Clery Act and Title VII.

*This Position Description applies to a dedicated EO Investigator position; it is illustrative and not necessarily exhaustive.

APPENDIX 4

INVESTIGATION AND RESOLUTION PROCEDURES

FOR COMPLAINTS OF DISCRIMINATION, DISCRIMINATORY HARASSMENT,
SEXUAL VIOLENCE, SEXUAL HARASSMENT, GENDER-BASED HARASSMENT, DOMESTIC VIOLENCE,
DATING VIOLENCE, STALKING AND RETALIATION

I. INTRODUCTION AND APPLICATION

It is the policy of the Universities to provide each student, employee, and other person having dealings with the institutions an environment free from all forms of discrimination, discriminatory harassment, sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation as defined in the Universities' Equal Opportunity, Diversity and Affirmative Action Plan ("EO Plan") and/or each University's Student Code of Conduct.

These Procedures are intended to provide a mechanism to investigate and resolve complaints of discrimination, discriminatory harassment, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. These Procedures are available and applicable to all students, faculty, librarians, staff, visitors, contractors, applicants for employment or admission, and others having dealings with the Universities.

No community member may retaliate, harass, intimidate, threaten, coerce or otherwise discriminate against any individual for filing a complaint under these Procedures or for otherwise exercising his or her rights or responsibilities under the EO Plan or the Student Code of Conduct.

Complaints of the following prohibited behaviors may be made under these Procedures:

Discrimination or discriminatory harassment on the basis of:

- race
- color
- religion
- national origin
- age
- disability/failure to accommodate
- sex/gender
- sexual orientation
- gender identity
- gender expression
- genetic information
- marital/parental status
- veteran status

Any form of the following prohibited conduct:

- sexual violence
 - rape
 - sexual assault
 - sexual exploitation
 - incest
 - statutory rape
 - aiding in the commission of sexual violence
- sexual harassment
- gender-based harassment
- domestic violence
- dating violence
- stalking

Retaliation

II. INVESTIGATION AND RESOLUTION PROCEDURES

Investigations of complaints are necessary to determine:

- whether a complaint alleges a violation of the EO Plan or the Student Code of Conduct;
- whether prohibited conduct has occurred;
- whether there is an ongoing risk of harm for further prohibited conduct and, if so, what steps must be taken to prevent its recurrence;
- whether interim protective measures should be in place for the safety of the complainant or the community, or to redress the effects of prohibited conduct;
- whether the conduct warrants disciplinary action; and
- whether local or system-wide changes to policies, practices or training should be considered and implemented by the Universities.

These Procedures have been designed to provide prompt, thorough, fair and impartial processes from investigation to final result. The proceedings pursuant to these Procedures will be conducted transparently and consistently with the Universities' policies. The formal rules of process or evidence, such as those applied in criminal or civil courts, are not used under these Procedures.

All investigations of alleged sexual harassment, sexual violence, dating violence, domestic violence and stalking under these Procedures will be conducted using a trauma-informed approach to support complainants, while ensuring that appropriate support and due process protections are provided to all parties.

The trauma-informed approach is based on scientific evidence that a person who is subjected to a traumatic situation experiences a change in brain function that can materially affect the person's response to the situation and how memories of the event may be stored and recalled. A trauma-informed approach acknowledges that a complainant in a sexual harassment, sexual violence, dating violence, domestic violence or stalking case may have suffered a traumatic incident that may affect their participation during an investigation. A trauma-informed approach is also consistent with the provision of a fair and equitable process for the respondent.

The complaint investigation and resolution process is comprised of two processes, the **Informal Resolution Procedure** and the **Formal Investigation Procedure**, which are detailed below.

Deviations from the Informal Resolution Procedure or Formal Investigation Procedure shall not necessarily invalidate a decision, unless significant prejudice may result to a party or the University.

Note: While these Procedures identify certain University officers and employees who have particular roles and duties, the Universities may designate other officers or employees to perform specific roles and/or duties set forth in these Procedures.

A. Informal Resolution Procedure

After full disclosure of the allegations and the parties' option for formal resolution, and if the University determines that a particular complaint is appropriate for such process, the parties to a dispute may attempt to reach an informal resolution of the potential violation. The Universities encourage involved parties to request the intervention of the University to assist in an informal resolution by contacting the EO Officer.

In conference with the Title IX Coordinator and/or others as necessary, the EO Officer or the EO Officer's designee will assess the request for informal resolution against the severity of allegations and the potential risk of a hostile environment or safety concern for other campus community members. If an informal resolution is appropriate, the EO Officer will notify the parties. The University will not ask a

complainant to resolve a problem with a respondent without the involvement of the EO Officer or designee.

The EO Officer or designee will facilitate a dialogue with the parties in an attempt to reach a resolution. At no time prior to the resolution of the matter shall either party question or confront the other, or engage a third party to do so, outside the presence of the EO Officer or designee.

The matter will be deemed resolved when all parties expressly agree to an outcome that is acceptable to them and to the University. Every attempt will be made to conclude the Informal Resolution Process within sixty (60) days of the date of the complainant's request.

A complainant is not required to use the Informal Resolution Procedure before initiating the Formal Investigation Procedure. A party may withdraw from the Informal Resolution Procedure and initiate the Formal Investigation Procedure at any time.

B. Formal Investigation Procedure

Submission of Complaint and Initial Review

When a person believes that s/he has been harassed, discriminated or retaliated against, stalked or subjected to violence in violation of the EO Plan and/or the Student Code of Conduct, s/he may file a written complaint, preferably using the Complaint Form attached to these Procedures.⁵ Individuals are encouraged to file complaints directly with the EO Officer, but complaints may also be filed with other offices, such as the Title IX Coordinator, Student Conduct, Human Resources, Residence Life or Campus Police. Any complaint that is initially filed with other offices will be reported to the EO Officer.

In certain circumstances, the University may initiate the Complaint Investigation and Resolution Procedures without the filing of a written complaint or the active participation of a complainant. Complaints may be generated upon receipt of a report by a complainant or by a third-party reporter, such as, but not limited to, a friend, spouse, family member, advisor, parent or coworker.

A complaint must be filed by the complainant or a University official, and the complaint must be in the words of the complainant or the University official. Complaints should contain all known facts pertaining to the alleged violation, the names of any known witnesses and others with knowledge of the allegations, and an identification of any documents or other evidence.

The EO Officer or designee will determine if the complaint falls within the jurisdiction of these Procedures. When complaints allege sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation, the EO Officer or designee will refer them to the Title IX Coordinator for jurisdictional evaluation and review. At this point, the University will implement any necessary and/or appropriate interim protective measures, or monitor and/or revise any measures already in place. If the University determines that the complaint is not properly filed pursuant to these Procedures, it will provide written notice to the complainant (or third party reporter).

⁵ Individuals who believe they have been subjected to conduct prohibited by the Sexual Violence Policy also have options to report such incidents confidentially; victims are encouraged, but not required, to file complaints pursuant to these Procedures. Please see Section E of the Sexual Violence Policy for more information on reporting options.

Investigation Process

1. Complaints and the Respondent's Response

If a complaint has been properly filed, or the University otherwise determines that an investigation is necessary, the University will assign the matter to an Administrative Investigator. The University may also designate other trained and knowledgeable University officials to assist with the investigation. Under circumstances where the University deems it necessary or appropriate, the University may also appoint an external investigator.

The Administrative Investigator will notify the respondent of the complaint, provide him or her with a copy of the complaint, and invite the respondent to submit a written response. See the model Notice to Respondent attached to these Procedures. If the respondent does not respond, or otherwise fails to participate in the investigation, the Administrative Investigator will complete the investigation on the basis of the other information obtained.

Where a complaint is brought by a third party reporter, the Administrative Investigator shall attempt to meet with the potential complainant to discuss his/her participation in the investigation, and to gain additional information.

2. Counterclaims

At times a Respondent may assert a counterclaim against the Complainant in which the Respondent alleges that the Complainant has engaged in conduct that violates the EO Plan. Such counterclaims are treated as separate complaints under the EO Plan.

Under such circumstances, the Investigator will notify and/or provide a copy of the Respondent's complaint to the Complainant for his or her response in the same manner that the initial complaint is provided to the Respondent.

The University has the discretion to consolidate into one investigation all complaints between a Complainant and a Respondent (or among multiple parties), if the evidence related to each incident would be relevant and probative in reaching a determination on the other incident(s).

Any complaint by a Respondent against a Complainant that is frivolous, knowingly false, or asserted in bad faith will be considered retaliation against the Complainant who filed the original complaint, and will become a separate violation of the EO Plan for which the Respondent may be subject to potential sanctions.

3. Investigation

The investigation shall include, but is not limited to: an analysis of the allegations and defenses presented using the preponderance of the evidence (more likely than not) standard; consideration of all relevant documents, including written statements and other materials presented by the parties; interviews of the parties and other individuals and/or witnesses; and/or reviewing certain documents or materials in the possession of either party that the Administrative Investigator has deemed relevant. The Administrative Investigator may also review any available campus police investigation reports or the investigation reports of local law enforcement authorities.

In regards to complaints alleging sexual violence, domestic violence, dating violence or stalking, questions, statements, or information about the sexual activity of alleged victim with any person other

than the other party(ies) to the investigation is not relevant and will not be considered. Parties to such complaints are permitted to submit questions for the Administrative Investigator to ask of the other parties and witnesses, but the questions must be specifically about the allegations of the present complaint.

At the conclusion of the investigation of the complaint, the Administrative Investigator shall prepare an Investigation Report for an administrative review. The Investigation Report shall: outline the investigatory steps undertaken; summarize the factual findings; state whether any policy violations have occurred based on the preponderance of the evidence; explain the rationale for each violation determination; and, if applicable, recommend a sanction(s).

Both parties shall be provided with an opportunity to review the Investigation Report and an opportunity to respond in writing in advance of a decision of responsibility and before the Investigation Report is submitted for administrative review.

In providing both parties with the opportunity to review the Investigation Report before a decision of responsibility is made, both parties should be afforded the opportunity to come to campus with his/her advisor (or, if a respondent is a unit member, a Weingarten representative) to review the Investigative Report. To minimize the risk of compromising the investigation and to protect the sensitivity of the information contained in the Investigation Report, the parties should be given as much time as they need to review the Investigative Report, but should not be provided with a hard or electronic copy of the Investigative Report to take with them. Both parties shall then be afforded seven (7) to ten (10) business days to respond in writing to the Investigative Report. The Investigator should follow-up on any material comments made by either party that have not already been given appropriate consideration. Subsequently, the Investigative Report should be finalized by the Investigator to include a decision of responsibility and then submitted for administrative review.

A person making a complaint of sexual violence, domestic violence, dating violence or stalking may submit an impact statement during the Investigation Process. A respondent to such a complaint may submit a statement of mitigation or extenuation during the Investigation Process. At any point during the investigation, a respondent to any complaint may agree to the allegations and the recommended sanction.

Administrative Review

The EO Officer, Title IX Coordinator or other designated University official(s) (the “reviewing body”) will conduct an administrative review of the Investigation. The purpose of the administrative review is to determine whether the investigation is prompt, fair, impartial and thorough. If the reviewing body determines the investigation is deficient, the reviewing body shall remand the matter back to an Administrative Investigator for further investigation.

If the reviewing body determines that the investigation is prompt, fair, impartial and thorough, the reviewing body will then consider whether the recommended discipline or sanction for each violation is consistent with University policy and practice. In determining discipline, the Administrative Investigator and the reviewing body may consider the disciplinary history, if one exists, of the party found responsible. The Administrative Investigator and/or reviewing body may discuss sanctions with other University personnel as necessary, such as Human Resources, Student Conduct or upper-level administrators.

At any point during the administrative review, a respondent to any complaint may agree to the allegations and the recommended sanction.

Notice of Outcome

At the completion of the administrative review, the University will notify the party found responsible of all sanctions imposed. If the sanctions imposed include a separation from the residence halls or the University, and, in the opinion of the Administrative Investigator and/or reviewing body, the party poses a continued threat to the safety of the campus community, the sanctions may take effect immediately, and while an appeal is pending.

At the completion of the administrative review, the University will also contemporaneously issue a written Notice of Outcome to all parties. The Notice of Outcome shall include the following:

1. the factual findings of the investigation;
2. the policy violation determination and the rationale for the determination;
3. all sanctions that result from an allegation of sexual violence or other crime of violence;
4. the sanctions that directly relate to the complaining party that arise from an allegation of discrimination, discriminatory harassment, non-violent sexual or gender-based harassment, and/or retaliation; and
5. the parties' appeal rights.

If no appeal is filed by either party within ten (10) business days of their receipt of the Notice of Outcome, the results will become final and the University will proceed with the imposition of the recommended sanction(s).

Option for Mediation of Formal Complaints

During a formal investigation, at any time prior to the issuance of the Notice of Outcome, either party may request mediation of the complaint by contacting the EO Officer or Title IX Coordinator. All parties must agree to mediation for this option to be used.

The purpose of mediation is to resolve the dispute to the satisfaction of all parties. When mediation is appropriate, the EO Officer shall designate an impartial Mediator, who shall be mutually agreed upon and not unreasonably refused by the parties, and inform the parties in writing of the mediation process and schedule. Where practicable, a mediation session shall be conducted no later than thirty (30) days after agreed to by the parties. The timelines presented under these Complaint Investigation and Resolution Procedures shall be tolled pending the outcome of mediation. If successful in resolving the complaint, the Mediator shall reduce to writing the terms of the mediated resolution, which shall be signed by the parties. If mediation does not result in a resolution, all mediation discussions shall remain confidential and may not be used or introduced in this process or any other forum.

Timeframe

The University will make every attempt to investigate a complaint within sixty (60) days of the date of its submission. If, for good cause, an investigation cannot be completed within 60 days, the University will provide the parties status updates at reasonable intervals until the investigation is completed. The University will make every effort to conclude the administrative review within fourteen (14) calendar days of receipt of the Investigation Report.

C. Appeals

Either party may appeal the results of an investigation under these Procedures by submitting a written letter of appeal to the EO Officer or designee within ten (10) business days of the party's receipt of the Notice of Outcome. An appeal may be transmitted electronically to the EO Officer or designee. Appeals may be submitted on the following grounds:

1. to allege a material procedural error within the investigation and resolution process that would substantially change the outcome; or
2. to consider new evidence that was not known at the time of the investigation that would substantially change the outcome.

Appeals will not be considered on any other basis.

Upon timely receipt of the appeal letter, the EO Officer shall transmit the Investigation Report and the appeal letter to the appropriate appellate officer or body for review. If the appealing party has presented an appeal on the basis of the grounds set forth above, the appellate officer or body, who shall not have participated in the investigation or administrative review, will review the appeal and make a determination to uphold, reverse or modify the decision. When necessary, the appellate officer or body may seek additional information and/or refer the matter back to the Administrative Investigator, prior to making an appellate determination.

Where practicable, within thirty (30) days of receiving the appeal, the appellate officer or body shall contemporaneously issue a written decision to the parties in which it may uphold, reverse or modify the decision. All appellate decisions are final, provided that any corrective action and/or discipline imposed upon a unit member is subject to applicable collective bargaining agreements.

Under limited, exceptional circumstances, and in compliance with the principles of due process, the University reserves the right to correct, amend, supplement or modify a finding, conclusion or sanction to ensure that an investigation has been prompt, fair, impartial and thorough.

D. Possible Sanctions And Additional Remedies

For Employee Respondents. Disciplinary action taken against an employee shall be regarded as an administrative action, up to and including termination, subject to all provisions of applicable collective bargaining agreements or personnel policies.

Additional disciplinary action, subject to all provisions of applicable collective bargaining agreements or personnel policies, shall also be taken against an employee who violates a sanction or sanctions imposed pursuant to this Plan.

For Student Respondents. A student who has been found to have violated the EO Plan and/or Student Code of Conduct may be subject to sanctions including, but not limited to:

- reprimand
- warning
- disciplinary probation
- loss of privileges
- relocation of residence
- restriction from facilities or activities
- temporary or permanent residence hall suspension
- fines and/or restitution
- disciplinary hold
- assessment
- educational program or project
- revocation of admission or degree
- withholding of degree
- suspension
- expulsion

In general, the sanction typically imposed for students for rape or non-consensual sexual intercourse is expulsion. The sanction typically imposed for students for non-consensual sexual contact, sexual exploitation, domestic violence, dating violence and stalking is suspension or expulsion. All student sanctions, however, are determined on a case-by-case basis in consideration of: the seriousness of the violation; sanctions typically imposed for similar violations; prior disciplinary history; and any other circumstances indicating that the sanction should be more or less severe.

Additional disciplinary action shall also be taken against a student who violates a sanction or sanctions imposed pursuant to this Plan. Depending on the nature of the violation, such discipline may be imposed pursuant to the provisions of this Plan or pursuant to the applicable provision of the Student Code of Conduct. Additional Remedies Following Finding of a Violation.

Where necessary, the Universities will provide additional measures to remedy the effects of a violation. These remedies are separate from, and in addition to, any protective interim measures that may have been provided or sanctions that have been imposed. If the complainant declined or did not take advantage of a specific service or resource previously offered as a protective interim measure, such as counseling, the University will re-offer those services to the complainant as applicable or necessary.

In addition, the University will consider broader remedial action for the campus community, such as increased monitoring, supervision, or security at locations where the incidents occurred, increased or targeted education and prevention efforts, climate assessments/victimization surveys, and/or revisiting its policies and Procedures.

III. RELATED INFORMATION AND DEFINITIONS

For the purposes of these Procedures, the following terms are defined and used as follows:

Complainant. An individual who makes a complaint under these Procedures. The Complainant may also be the University under certain circumstances.

Respondent. An individual who is accused of violating the EO Plan.

Day. A day shall mean a calendar day, unless otherwise specified herein.

Discipline or Sanctions. The terms may be used interchangeably.

Advisors.

Each party to an investigation initiated under the Complaint Investigation and Resolution Procedures is entitled to have an advisor present during any meetings regarding the process (other than meetings between a party and University officials regarding accommodations or protective interim measures). Except as otherwise required by law, the advisor may observe, but may not participate in any way whatsoever, including, without limitation, by asking questions or speaking during the meeting or proceeding. The advisor's role is to provide support and/or advice to the party. During meetings and proceedings, the advisor may speak with the party or pass notes in a non-disruptive manner. The Universities reserve the right to remove from the meeting or proceeding any advisor who disrupts process, or who does not abide by the restrictions on their participation. In addition, please note that the University does not need to cancel or delay a meeting or proceeding simply because an advisor cannot be present. Further, the advisor is not permitted to attend a meeting or proceeding without the advisee.

The personal advisor for a complainant, a student respondent or a non-unit employee respondent can be any person, including an attorney.

Respondents who are unit members may elect to have a union representative (or other University employee) present during any meeting which the unit member reasonably believes may result in discipline pursuant to the unit member's Weingarten rights. A respondent unit member who invokes their Weingarten right to a union representative or other University employee is not also permitted an advisor.

If a party's advisor is an attorney, the University's legal counsel may also attend the meeting or proceeding.

Referrals to Title IX Coordinator. Complaints of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation will be referred to the Title IX Coordinator for evaluation. Before starting an administrative investigation, the Title IX Coordinator or his/her designee will determine whether the reported facts, if true, would violate the Sexual Violence Policy and/or the Student Code of Conduct, and may consult with the complainant to obtain more information and discuss his/her options.

Interim Protective Measures. Upon review of a complaint, the University may determine that interim protective measures are necessary or appropriate for either party, making every effort to avoid depriving any student of access to the student's education. The Universities will implement interim measures on a case-by-case as described in Section H of the Sexual Violence Policy. Interim measures may also be instituted and/or modified at any point during the investigation and resolution process.

Off Campus Behavior. The Universities may investigate off-campus conduct alleged to violate the EO Plan and/or Student Code of Conduct when such conduct involves behavior by or toward a community member, which (1) occurs during University-sponsored events or the events of organizations affiliated with the University, including study abroad and outside internships; (2) negatively impacts an alleged victim's access to education programs and activities; (3) adversely affects or disrupts the campus community; and/or (4) poses a threat of harm to the campus community.

Grade Disputes. While grade changes must generally be pursued through the academic grade change procedure, a complaint may proceed under these Procedures when a student alleges that a grade was improper because of discrimination, discriminatory harassment, sexual violence, sexual or gender-harassment, domestic or dating violence, stalking or retaliation. The remedy for policy violations in cases pursued under these Procedures may be determined and/or implemented in conjunction with Academic Affairs.

Amnesty. Students may be hesitant to report sexual violence, sexual or gender-harassment, domestic or dating violence, stalking or retaliation out of concern that they, or witnesses, might be charged with violations of the Universities' drug/alcohol policies. While the Universities do not condone such behavior, they place a priority on the need to address sexual violence and other conduct prohibited by the Sexual Violence Policy. Accordingly, a University may elect not to pursue discipline against a student who, in good faith, reports, witnesses, or participates in an investigation of sexual violence, sexual or gender-harassment, domestic or dating violence, stalking or retaliation.

Conflicts of Interest. If any University official involved in the investigation, resolution or appeal process believes there is a potential or actual conflict of interest regarding their role, they must disclose this

conflict in advance to the EO Officer, Title IX Coordinator (where applicable) or designee. Likewise, if a complainant or respondent believes there is a conflict of interest present regarding any University official involved in the investigation, resolution or appeal process, s/he must disclose the conflict in advance to the EO Officer, Title IX Coordinator (where applicable) or designee. If a valid conflict of interest exists, the University will take steps to remedy or eliminate the conflict.

Confidentiality of Process. These Procedures will be conducted as confidentially as reasonably possible to protect the privacy of all involved. The Universities may share information about the allegations with parties, witnesses or others on a need-to-know basis, and shall share information with union representatives pursuant to M.G.L. Chapter 150E, or as otherwise required by law. All with whom information is shared shall be advised of the confidential nature of the information and directed not to discuss it with anyone except an advisor or union representative. See Section VI of the Sexual Violence Policy for more information about confidential reporting options.

Joint Investigation. In some circumstances, a respondent's conduct may constitute a potential violation of other University conduct policies in addition to the EO Plan and/or the Student Code of Conduct. To avoid duplicative efforts, the University may undertake a joint investigation of the conduct under these Procedures. Based on the findings of the joint investigation, the respondent may be subject to disciplinary action for violations of the EO Plan and/or the Student Code of Conduct, as well as other policy violations.

Preponderance of the Evidence. The standard of review used to evaluate all complaints. Under this standard, conclusions must be "more likely than not." Accordingly, the fact-finder must find that it is more likely than not that the respondent violated the University's EO Plan, Student Code of Conduct or other relevant University policy.

Notice of Meetings and Access to Information. Each party to an investigation will be provided timely notice of meetings at which such party or both parties may be present. The parties will be afforded the same and timely access to any information that the University is aware will be used at any meeting or hearing. Where appropriate or required by law, the University may redact the complainant's name and other identifying information from any information provided to the respondent, including the specific charge and the complaint or related materials.

Training of Officials Who Participate in the Investigation and Resolution Process. Proceedings pursuant to these Procedures are conducted by officials who receive annual training on the issues of discrimination, discriminatory harassment and retaliation. Officials also receive training specific to matters of sexual and gender-based harassment, domestic violence, dating violence, stalking, as well as how to conduct an investigation that protects the safety of complainants, promotes accountability, and provides all parties with the same opportunities to be accompanied to meetings or proceedings by an advisor of their choice.

Refusal of Participation. In cases where a complainant or respondent (or both) refuses or fails to participate in the investigation and resolution process, the University may continue the process without the complainant and/or respondent's participation. The failure of the respondent to participate in the investigation and resolution process will not prevent the University from imposing discipline or other sanctions when a violation is found.

Right to File an Outside Complaint. Individuals have the right to file charges of discrimination, discriminatory harassment, sexual violence, sexual or gender-harassment, domestic or dating violence,

stalking or retaliation at any time with the appropriate government agency, with or without utilizing these Procedures. More information about filing an outside complaint can be found in the Non-Discrimination and Harassment Policy and the Sexual Violence Policy, both of which are contained in the EO Plan.

Concurrent Criminal or Civil Proceedings. Persons may be accountable to both the Universities and the state for conduct that constitutes potential violations of the EO Plan and/or Student Code of Conduct and state or federal law. University investigations may be conducted before, after or simultaneously with civil or criminal proceedings, and University investigations are not subject to challenge on the grounds that civil or criminal charges involving the same conduct have been dismissed or reduced. When a person has been charged with a crime or a violation of civil law, the Universities will neither request nor agree to special consideration for the individual solely because of his/her student status. Persons subject to parallel criminal charges shall be instructed that their statements and/or other information supplied by them may be subject to subpoena.

When a criminal investigation of an incident of sexual violence, sexual or gender-based harassment, domestic or dating violence, stalking or retaliation is also occurring, the University will not delay its investigation due to the criminal investigation, unless law enforcement requests to gather evidence. When law enforcement makes such a request, the University will typically resume its investigation within three to ten days.

Withdrawal of Complaint. The complainant may withdraw a complaint at any point during the investigation. The EO Officer, Title IX Coordinator, or designee, however, may determine, in their discretion, that the allegations raised in the complaint warrant further investigation despite the complainant's desire to withdraw the complaint. See Section VII(A) of the Sexual Violence Policy for more information on the circumstances under which the University may elect to proceed with an investigation of alleged sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation.

MODEL COMPLAINT FORM

COMPLAINT FORM

This form is used to report information necessary to initiate an investigation of alleged discrimination, harassment, sexual or gender-harassment, domestic or dating violence, stalking or retaliation pursuant to the Universities’ Equal Opportunity, Diversity and Affirmative Action Plan (“EO Plan”) and/or the Student Code of Conduct. All reasonable efforts will be made to maintain the involved parties’ confidentiality during the investigation and resolution procedure.

It is a violation of University Policy to retaliate against a student, employee or any other person affiliated with the University for filing a complaint or for cooperating in an investigation of a complaint.

All parties to a complaint may have a personal advisor assist them throughout the process, in accordance with Sexual Violence Policy, Student Code of Conduct and applicable collective bargaining agreements. Pursuant to Weingarten, respondents who are unit members may have a union representative or other University employee present at any meeting which the unit member reasonably believes may result in discipline.

Date Filed: _____ Date(s) of Alleged Incident(s): _____

A. Name (Print): _____

B. Check One: Student: _____ Employee: _____

Other: _____ (describe relationship to University)

C. Type of alleged discrimination or discriminatory harassment:

- Race
- Color
- Religion
- National Origin
- Age
- Disability
- Sex/Gender
- Sexual Orientation
- Gender Identity
- Gender Expression
- Marital Status
- Veteran Status
- Genetic Information
- Other: _____

D. Type of alleged sexual violence or other prohibited conduct:

- Rape
- Sexual Exploitation
- Incest
- Statutory Rape
- Aiding in the Violence
- Stalking
- Sexual Assault
- Domestic Violence
- Dating Violence
- Sexual Harassment
- Gender-Based Harassment
- Other _____

E. Retaliation

F. Name of individual(s) you believe harassed you, discriminated or retaliated against you, or engaged in violence toward you: _____

MODEL NOTICE TO RESPONDENT

NOTICE TO RESPONDENT

Date: _____

To: _____, Responding Party

From: _____, Administrative Investigator

Subject: Complaint of Discrimination, Discriminatory Harassment, Sexual Violence, Sexual Harassment, Gender-Based Harassment, Domestic Violence, Dating Violence, Stalking and/or Retaliation

This is to notify you that on _____ a complaint alleging a violation of the University’s Equal Opportunity, Diversity and Affirmative Action Plan (“EO Plan”) and/or the Student Code of Conduct was filed against you with the University. A copy of the complaint is attached, as is a copy of the complaint investigation and resolution procedure. Please submit to me a written response to the complaint.

An Administrative Investigator will be contacting you to schedule an appointment to discuss this matter. Please be advised that it is a violation of University Policy to retaliate against a student, employee or any other person for filing a complaint or for cooperating in an investigation related thereto.

All reasonable efforts will be made to maintain confidentiality during the complaint procedure.

If you are an employee, any disciplinary sanctions imposed as a result of this investigation shall be regarded as an administrative action subject to all terms and conditions of applicable collective bargaining agreements or personnel policies.

All questions concerning this matter should be addressed to the Equal Opportunity Officer, Title IX Coordinator or Administrative Investigator at _____.

Finally, all parties to a complaint may have a personal advisor assist them throughout the process, in accordance with Sexual Violence Policy, Student Code of Conduct and applicable collective bargaining agreements. Pursuant to Weingarten, respondents who are unit members may have a union representative or other University employee present at any meeting that the unit member reasonably believes may result in discipline.

APPENDIX 5

GUIDELINES FOR CAMPUS POLICIES AGAINST DISCRIMINATION, DISCRIMINATORY HARASSMENT AND RETALIATION

The State Universities have promulgated a policy prohibiting discrimination and harassment based on race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status, and affirming their collective commitment to a diverse learning and living environment where intolerance and bigotry are looked upon with disfavor. With this Policy, the Universities call upon the individual campuses to develop environments that embrace the accords of civility and human dignity as preconditions to the establishment of a community and that achieve optimum utilization of its human and intellectual resources.

These Guidelines are established in order to provide guidance to the individual campuses in their effort to develop and implement a campus policy consistent with the State Universities' policy. The Guidelines consist of two components, required elements and suggested activities.

REQUIRED ELEMENTS

All individual University policies against discrimination and discriminatory harassment on the basis of membership in a protected class, particularly including those policies addressing discrimination and/or discriminatory harassment based on race, religion, and national origin, must contain certain elements, including:

1. A firm, unequivocal statement condemning discrimination and embracing multicultural/multiracial pluralism.
2. Procedures for the periodic and wide dissemination and publicity of the written policy.
3. A program of educational activities designed to enlighten faculty, librarians, administrators, staff and students with regard to:
 - developing an appreciation for diversity and pluralism;
 - developing greater awareness of the multiple ways in which racial, religious or cultural insensitivity and hostility may be manifested;
 - understanding ways in which the dominant society manifests and perpetuates racism; and
 - learning ways in which to prevent and combat racial, religious and cultural insensitivity and intolerance.
4. Determination of strategies and efforts to be undertaken for the purpose of institutional analysis to reveal institutional factors which give rise to racism and other forms of intolerance, insensitivity and discriminatory actions against members of protected classes. Remedial actions will be developed for all revealed institutional factors.
5. Incorporation of the spirit of this Policy into the official campus code of conduct for students.
6. Specific procedures of recording reported incidents of racial, cultural or religious harassment or violence, events and related confrontations. Confidentiality will be afforded to any reporting individual wishing to remain anonymous, but will be offered only insofar as it does not violate the rights of the respondents or charged parties.

SUGGESTED ACTIVITIES

Each University must determine the specific programs and activities it will carry out in the process of implementing the policy objectives. These activities should include those that would address deterrence, education, institutional analysis, monitoring, resource development, counseling, and sanctions for prohibited behavior. What follows below represents many suggested activities, which the Universities might consider undertaking in addition to those required above. This list is not intended to represent an exhaustive set of activities.

1. Develop approaches to incorporate racial and cultural sensitivity training as a component of staff and faculty development efforts;
2. Apprise incoming students of the policy and expected standards of behavior during orientation sessions;
3. Include a synopsis of the policy with all letters of acceptance sent to students;
4. Incorporate information on the policy during all student and employee recruitment efforts - these activities help make a college more attractive to students and employees interested in a safe environment;
5. Encourage and support research and scholarly activity which examines cultural diversity, racism, and strategies for combating racism;
6. Develop residential unit programs for promoting living and learning environments that foster interracial and intercultural awareness and sensitivity - films, speakers, workshops and forums within the dormitories help facilitate these promotions; and
7. Develop mechanisms to assist the institution in monitoring the racial climate at the University and identify areas needing remedial attention.

APPENDIX 6

ADVISORY COMMITTEE FOR EQUAL OPPORTUNITY, DIVERSITY AND AFFIRMATIVE ACTION

The President of each University shall appoint an Equal Opportunity, Diversity and Affirmative Action Advisory Committee. This Committee shall consist of members representing the respective campus constituencies of administration, faculty and librarians, and staff, and should attempt to include student(s). The Committee shall include appropriate representation of persons of color, women and persons with disabilities. Each President shall consult with his or her EO Officer with respect to these appointments. The EO Officer of each University shall be an ex-officio member of the Committee.

PURPOSE

The purposes of the Advisory Committee are:

1. to serve as an advisory group to the President;
2. to make recommendations to the President as well as to respective campus and governance committees concerning effective implementation of the Universities' Equal Opportunity, Diversity and Affirmative Action Plan;
3. to evaluate institutional compliance with respect to all equal opportunity, diversity, and affirmative action programs and to recommend appropriate strategies to the President; and
4. to keep informed as to federal and state laws and regulations as well as institutional policies impacting equal opportunity, diversity, and affirmative action.

RESPONSIBILITIES

The responsibilities of the Advisory Committee include, but are not limited to, the following:

1. to establish its own rules of order with respect to election of officers, meeting times, quorum restrictions, etc.;
2. to furnish a report of its activities and recommendations to the President upon her/his request, but at least annually;
3. if the EO Officer deems it appropriate, to appoint a member to sit on a search committee as a non-voting member to assure that the search committee complies with affirmative action/equal opportunity policies and regulations; and
4. each University will develop its own policies with respect to additional functions or tasks which may be assigned to this Committee and with respect to Committee members sitting on search committees.

ⁱ This EO Plan incorporates by reference, and where applicable, the requirements of: Titles VI and VII of the Civil Rights Act of 1964; Title VI of the Civil Rights Act of 1968; Titles I and II of the Civil Rights Act of 1991; Title IX of the Education Amendments of 1972 and its regulations found at 34 C.F.R. part 106; the Equal Pay Act of 1963; Civil Rights Restoration Act of 1988; Sections 503 and 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990, as amended; Section 402 of the Vietnam-era Veterans Readjustment Act of 1974,

Uniformed Services Employment and Reemployment Rights Act; the Age Discrimination Act of 1975; the Age Discrimination in Employment Act of 1967, as amended; the Family and Medical Leave Act of 1993; the Genetic Information Nondiscrimination Act of 2008; the reauthorized Violence Against Women Act, Pub. Law No. 113-4 (2013); the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act; the Higher Education Act of 1965, as amended; Federal Executive Order 11246 of 1965, as amended by Executive Order 11375 of 1967; Federal Executive Order 12900 of 1994; Federal Executive Order 13145 of 2000; Federal Executive Order 13160 of 2000; Federal Executive Order 13166 of 2000; Massachusetts Civil Rights Act; Massachusetts General Laws Chapters 151B, 151C, and Chapter 149; St.2011, c. 199 (H3810), An Act Relative to Gender Identity; directives of the BHE, the Universities' Boards of Trustees and the Commonwealth; and other applicable local, state and federal constitutions, statutes, regulations and executive orders.

ⁱⁱ Section 106.13 of the Title IX regulations provides: "This part does not apply to an educational institution whose primary purpose is the training of individuals for a military service of the United States or for the merchant marine." 34 C.F.R. § 106.13. Massachusetts Maritime Academy voluntarily complies with the provisions of this EO Plan that incorporate the requirements of, or make reference to compliance with, Title IX.

SUBJECT: Executive Committee Meeting Report – January 30, 2019

The Executive Committee of the Board of Trustees met Wednesday, January 30, 2019, in Marsh Hall, room 210, located on the Central Campus of Salem State University.

Present for the Committee were Trustees Mattera (chair), Chisholm (phone), Lutts, Murphy and President Keenan (Committee Liaison). Also participating, Secretary to the Board Montague.

In accordance with the Open Meeting Law all votes taken during this meeting, in which a member participated remotely, were by roll call vote.

Chair Mattera called the meeting to order at 7:05 pm and introduced the matter for discussion, appointments to the Board of Directors of the Salem State University Assistance Corporation (SSUAC). President Keenan then provided an overview of the Assistance Corp (Attachment A) and commended the work done by Gordon Hall and Helen Corbett. He highly recommended both for reappointment.

Upon a motion duly made by Trustee Lutts and seconded by Trustee Murphy, and by roll call vote it was unanimously

VOTED: The Board of Trustees of Salem State University hereby makes the following appointment to the Board of Directors of the Salem State University Assistance Corporation: Gordon Hall as chair for a three year term renewable to commence March 1, 2019.

VOTED: The Board of Trustees of Salem State University hereby makes the following appointment to the Board of Directors of the Salem State University Assistance Corporation: Helen Corbett for a three year term renewable to commence March 1, 2019.

Voting in the affirmative: Chisholm (phone), Lutts, Murphy, Mattera (chair)

Voting in the negative: None

Absent: None

There being no further business to come before the committee and upon a motion duly made by Trustee Lutts and seconded by Trustee Murphy, it was unanimously

VOTED: To adjourn the meeting at 7:10 pm

Voting in the affirmative: Chisholm (phone), Lutts, Murphy, Mattera (chair)

Voting in the negative: None

Absent: None

Prepared by: L. Montague, Secretary to the Board of Trustees

To: Members, Executive Committee

From: John Keenan, President

Date, January 16, 2019

Re: Appointments to the Salem State University Assistance Corporation Board

The Salem State University Board of Trustees has authority to appoint four members to the Salem State University Assistance Corporation (SSUAC) Board. Two of your appointments, Gordon Hall and Helen Corbett, will expire shortly and require your action. Laura Swanson, Executive Director of the SSUAC, endorses reappointment of both members and I concur with the recommendation.

Gordon Hall serves as Board chair and is completing his third term. He is an experienced real estate developer whose insights have been of great value to the SSUAC. Helen Corbett is completing her second term. Helen has extensive communication and marketing expertise. She is very creative, and strategic in her thinking. I've developed a very positive working relationship with both. The appointments are for three years renewable with Gordon appointed as chair (see attached bios).

The motions are attached for your consideration.

Additional information:

Legislative Language regarding SSUAC Board Appointments (the full enabling legislation is attached).

MGL As Established by Section 277 of Chapter 60 of the Acts of 1994; amended by Chapter 185 of the Acts of 1995; further amended by Chapter 225 of the Acts of 2007; and further amended by Chapter 118 of the Acts of 2012.

Section 277. (b) (2) The corporation shall be governed by a board of thirteen directors, **four of whom shall be appointed by the board of trustees**, three of whom shall be appointed by the governor, one of whom shall be the President of the University ex officio, one of whom shall be the mayor of the City of Salem, ex officio, or his designee, one of whom shall be the planning director of the City of Salem, ex officio, one of whom shall be appointed by the Salem chamber of commerce, one of whom shall be appointed by the Salem partnership and one of whom shall be an individual representing the regional community and appointed by the President of the University. Of the governor's appointees at least one shall be a person experienced in financial aspects of real estate development and management, at least one shall be a person experienced in planning, and at least one shall be a person experienced in University administration.

(3) Directors shall serve for a term of three years provided, however, of those initially appointed by the board of trustees two shall be appointed for one year, and one for two years, and of those initially appointed by the governor one shall be appointed for one year and one for two years and the individual initially appointed by the chamber of commerce shall be appointed for two years. Vacancies arising from other than the expiration of the term shall be filled by the party responsible for the initial appointment. Directors shall serve without compensation but may be reimbursed for expenses necessarily incurred in the performance of their duties.

<u>Seat</u>	<u>Member</u>	<u>Appointment</u>	<u>Category</u>	<u>Term</u>
1	Gordon Hall	SSU BOT1	Chair	Limit:99; length 3 years
2	Helen Corbett	SSU BOT2	Member	
3	"Beth" Elizabeth Haran	SSU BOT3	Member	
4	Claude Lancome	SSU BOT4	Member	
5	Michael Wheeler	SSU Pres	Represents regional community	
6	Anthony Nickas	Gubernatorial	Financial aspects of Real Estate Development	
7	Sallyann Janulevicus	Gubernatorial	Experienced in Planning	
8	Vacant	Gubernatorial	University administration	
9	President Keenan	per legislation	President, Salem State University	
10	Beth Debski	per legislation	Executive Dir, Salem Partnership	
11	Mayor Driscoll	per legislation	Mayor, City Salem	
12	Tom Daniel	per legislation	Salem City Planner	
13	Rinus Oosthoek	per legislation	Executive Dir, Salem Chamber	

Gordon Hall III, Owner, Hall Company

Gordon is the owner of the Hall Company where his sons run the family real estate holdings while he devotes his time to conservation and environmental matters. The Hall Company, Inc. and related entities own, manage and develop real estate in several North Shore communities including Lynn, Revere, Nahant, Peabody and Newburyport. It provides professional real estate management and consulting services to the owners of residential and commercial real estate.

Gordon holds an MF in Forestry from Yale University and Bachelor of Arts in English and Geology from Amherst College. He is a Trustee of the Conservation Law Foundation, Director, Forest Society of Maine, and Chewonki Foundation. Gordon serves as the Chairman of the Board for the Salem State University Assistance Corporation.

Helen L. Corbett '68, '80G

Salem State alumnus Helen Corbett is a member of the Board of Directors, Salem State University Assistance Corporation and Senior Consultant at Corbett & Associates (aka Corbett & Lalli), a public relations firm with services that include communications and media development, strategic planning and political consulting. Helen formed Corbett & Lalli in 1994. Prior to establishing this business, Helen served as Communications Director to Lieutenant Governor Evelyn F. Murphy and Essex County District Attorney Kevin M. Burke. Helen was also Director of Communications/Media at the TRG/Capitol Services in Boston.

Helen's extensive political career includes work as campaign consultant and media developer on over 70 campaigns at the Congressional, state and local levels including Salem Mayor Kim Driscoll, Peabody Mayor Ted Bettencourt and Newburyport Mayor Donna Holaday. Helen provided strategic consulting and media development for the following individuals: State Senators Harriette Chandler, State Senator Joan Lovely, former State Senator Frederick Berry, State Representative Paul Tucker, State Representative Thomas Walsh, former MA Attorney General Martha Coakley, Essex County District Attorney Jonathan Blodgett, Norfolk District Attorney Michael Morrissey, Essex County Sheriff Kevin Coppinger, former MA Treasurer Shannon O'Brien, and former MA Lieutenant Governor Evelyn Murphy.

Helen has assisted numerous organizations, corporations and government agencies in executing effective public relations campaigns and special event/conference projects. A Representative client listing includes: Lahey Health: International Business Development, International Building & Construction Trades Dept, AFL-CIO, Washington, DC, Essex County District Attorney: Bullying Prevention Initiative, MA Governors Highway Safety Bureau: Click-It or Ticket Campaign, North Shore Chamber of Commerce: SESD Rate Reduction Initiative, MA Department of Revenue: Child Support Enforcement, MA Dept. of Public Health: Teen Pregnancy Prevention, MA Dept. of Public Health: Immunization Campaign, MA Municipal Association: Local Leaders Communications Training, MA Office of Elder Affairs: Senior Pharmacy Program, Project Bread: Food Stamp Outreach Campaign, MA Department of Education/Reading Programs, North Shore Medical Center: Salem Hospital: Community Communications, Historic Massachusetts, Massachusetts Clean Water Council, MA Securities Division and Securities Industry Association, Mass. Corporation for Educational Telecommunications, MA

Association of Regional Planning Agencies, WLVI-TV Hynes Tribute Event, and the Walden Woods Project.

Helen assisted in developing the strategic plan and alumni support to achieve legislative approval for Salem State's university status. Following that successful effort, Helen provided focus group and strategic planning services to then SSU President Meserve to develop a positive transition plan for administrators, academic and university staff, students and community stakeholders.

In 2013 Helen was one of the guest speakers at the Massachusetts Women's Political Caucus event called "Women and politics: How to run for office" held at the SSU Enterprise Center. The event was designed "to encourage women to get involved in local politics", a response to the small number of women in public office.

Outside of her involvement with political and public relations initiatives, Helen has been active in her community and with social causes. Appointed by the MA Speaker of the House, she was the Chairwoman of the Massachusetts Commission on the Status of Women (MCSW), a state commission created to promote rights and opportunities for women. In 2006, she established the MCSW's Unsung Heroines Initiative, which annually honors the civic works of women in throughout Massachusetts.

Helen was a co-founder of North Shore Women, a bipartisan group of politically interested women to discuss and address issues of mutual interest. This group also raised scholarship money to endow scholarships at Salem State and at North Shore Community College to benefit women who were "starting over." (At SSU, it was named after a NSW deceased member Barbara Sogoloff. This scholarship was merged with the Lennie Sogoloff Scholarship when Jay Leno honored the Sogoloff's with a major gift.)

A resident of Middleton, Helen graduated from Salem State University with a BS in Secondary Education and later returned to the university to earn an MA in History. She is a member of the Middleton Historic Society and the Friends of Flint Library. She previously served on District Attorney's Essex County Anti-Crime Council, member (2005) and Girls, Inc. of Greater Lynn, MA, Executive Board Member (1988-1992)



REQUEST FOR TRUSTEE ACTION

Date: January 16, 2019
To: Board of Trustees
From: Executive Committee
Subject: Salem State University Assistance Corporation (SSUAC) Board Appointments
Requested Action: Approval

MOTION

The Executive Committee recommends that the Board of Trustees approve the following motion regarding Salem State University Assistance Corporation (SSUAC) Board Appointments.

Recommended motions

- Motion 1: The Board of Trustees of Salem State University hereby makes the following appointment to the Board of Directors of the Salem State University Assistance Corporation: Gordon Hall as chair for a three year term renewable to commence on March 1, 2019.
- Motion 2: The Board of Trustees of Salem State University hereby makes the following appointment to the Board of Directors of the Salem State University Assistance Corporation: Helen Corbett for a three year term renewable to commence on March 1, 2019.

Committee: Executive

Committee Action:

Date of Action:

Trustee Action:

Trustee Approval Date:

Effective Date:

Signed: _____

Title: Secretary of Board of Trustees

Date: _____

*Enabling Legislation
For Formation of the
Salem State University Assistance Corporation*

As Established by Section 277 of Chapter 60 of the Acts of 1994; amended by Chapter 185 of the Acts of 1995; further amended by Chapter 225 of the Acts of 2007; and further amended by Chapter 118 of the Acts of 2012

SECTION 277. (a) It is hereby found and declared that:

(1) The Salem State University¹ is a critical element of the commonwealth's higher education system and fulfilling the mission of Salem State University to provide educational resources to the citizens of the commonwealth is essential to providing students with the skills and opportunities necessary to a full and productive life.

(2) Providing physical and financial resources necessary to meet the needs of the Salem State University now and in the future is critical to the ability of Salem State University to fulfill its mission including providing the work force with skills necessary to allow for the maintenance and expansion of the industrial, technological and manufacturing sectors of the commonwealth's economy.

(3) There exists within the city of Salem a site of approximately thirty-seven and one-half acres, which was formerly the site of the GTE/Sylvania plant, located proximately between the north and south campuses of Salem State University.

(4) Creation of a nonprofit assistance corporation with certain statutory authority would provide a vehicle with the necessary flexibility to prudently pursue such opportunities for the benefit of Salem State University, its present and future students and the commonwealth.

(5) It is therefore expressly declared that the provisions of this section constitute a needed program in the public interest in furtherance of an essential governmental function and serve a necessary and valid public purpose for which public money may be expended or invested.

(b) As used in this section the following terms shall, unless otherwise required, have the following meanings:

"board of directors", board of directors of the Salem State University assistance corporation;

"board of trustees", board of trustees of the Salem State University;

"university", Salem State University or, should Salem State University be dissolved or fail to qualify either as a political subdivision of the commonwealth or an educational institution exempt from federal income tax under Section 501(c)(3) of the Code, then such other educational institution of higher learning established and operating in the commonwealth as shall be designated by the council, which is either such a political subdivision or such an exempt organization;

"Code", the Internal Revenue Code of 1986, as the same may, from time to time, be amended;

"corporation", Salem State University assistance corporation created by subsection (c);

"the council", the higher education coordinating council established pursuant to section four of chapter fifteen A of the General Laws;

"educational institution", an educational organization within the meaning of section 170(b)(1)(A)(ii) of the Code;

"Enterprise Center", the enterprise center at Salem State University, a small business growth center which attracts and retains small and growing businesses and offers a wide range of workshops and educational programs for entrepreneurs, owners of small and growing businesses and managers of non-profit organizations and provides office and light manufacturing space and related facilities;ⁱⁱ

"site", the thirty-seven-and-one-half-acre site, within the city of Salem, which was formerly the site of the GTE/Sylvania plant, located proximately between the north and south campuses of Salem State University and such other properties, including land and building thereon, that are determined by the corporation to be important in allowing the corporation to fulfill its purposes under paragraph (5) of subsection (c).ⁱⁱⁱ

(c)(1) There is hereby created a body politic and corporate to be known as the Salem State University assistance corporation. The corporation is not and shall not be deemed a public agency or state agency within the meaning of such terms in chapter seven of the General Laws for any purpose.

(2) The corporation shall be governed by a board of thirteen directors, four of whom shall be appointed by the board of trustees, three of whom shall be appointed by the governor, one of whom shall be the President of the University ex officio, one of whom shall be the mayor of the City of Salem, ex officio, or his designee, one of whom shall be the planning director of the City of Salem, ex officio, one of whom shall be appointed by the Salem chamber of commerce, one of whom shall be appointed by the Salem partnership and one of whom shall be an individual representing the regional community and appointed by the President of the University. Of the governor's appointees at least one shall be a person experienced in financial aspects of real estate development and management, at least one shall be a person experienced in planning, and at least one shall be a person experienced in University administration.

(3) Directors shall serve for a term of three years provided, however, of those initially appointed by the board of trustees two shall be appointed for one year, and one for two years, and of those initially appointed by the governor one shall be appointed for one year and one for two years and the individual initially appointed by the chamber of commerce shall be appointed for two years. Vacancies arising from other than the expiration of the term shall be filled by the party responsible for the initial appointment. Directors shall serve without compensation but may be reimbursed for expenses necessarily incurred in the performance of their duties.

(4) The board of trustees from time to time shall designate one of the directors to serve as chairman. The directors shall from time to time elect from among themselves a vice-chairman and a secretary. The secretary shall be the custodian of all books, documents and papers of the corporation and of its minute book and seal. Unless otherwise provided in by-laws adopted by the board of directors, the number of directors required to constitute a quorum shall be a majority of the directors then in office. If a quorum is present, a majority of the directors present may take any action on behalf of the board of directors except to the extent that a larger number is required by this section, other applicable laws or by-laws adopted by the board of directors.

(5) The purposes of the corporation shall be to (i) promote the orderly growth and development of the University; (ii) to assist the University in securing physical and financial resources necessary for the acquisition and development of the site; and (iii) to manage and operate the enterprise center.^{iv}

(6) In furtherance of such purposes the corporation shall, subject only to the restrictions and limitations hereinafter contained, have the following powers:

A. To make and execute contracts and any other instruments necessary or convenient for the exercise of its powers or the discharge of its duties and incur liabilities for any other purposes of the corporation;

B. To have a corporate seal which it may alter at its pleasure;

C. To adopt by-laws for the regulation of its affairs;

D. To accept, acquire, receive, take, and hold by bequest, devise, grant, gift, purchase, exchange, lease, transfer, judicial order or decree or otherwise, for any of its objects and purposes, any property both real and personal reasonably related to the acquisition and development of the site;

E. To sue or be sued, provided, however, a director or officer of the corporation shall not be liable for the performance of his duties if he acts in compliance with section six C of chapter one hundred and eighty of the General Laws;

F. To sell, convey, mortgage, lease, transfer, exchange or otherwise dispose of any such property, both real and personal, as the objects and purposes of the corporation may require;

G. To borrow money, and from time to time, to make, accept, endorse, execute, and issue promissory notes, bills of exchange, and other obligations of the corporation for monies borrowed or in payment for property acquired or for any of the other purposes of the corporation, and to secure the payment of any such obligation by mortgage, pledge, deed, agreement, or other instrument of trust, or other lien upon, assignment of, or agreement in regard to all or any part of the property rights or privileges of the corporation, whether now owned or hereafter to be acquired;

H. To receive stocks, bonds, donations, gifts and to otherwise raise money for the corporation's purposes;

I. To elect, appoint and employ officers, agents and employees; to fix their compensation and define their duties and obligations and to indemnify corporate personnel,

J. To enter into agreements for other transactions with any person including, without limitation, any governmental instrumentalities or agencies in connection with any of its powers or duties and any governmental agency is hereby authorized to enter into such agreements or transactions with the corporation;

K. To do all acts and things necessary or convenient to the exercise of any power or the discharge of any duty provided for by this section.

(d) The corporation is hereby deemed to be an "institution for higher education" solely for the purposes such term is used in chapter six hundred and fourteen of the acts of nineteen hundred and sixty-eight. Any acquisition of property by purchase, lease, or other method by the corporation shall be deemed a "project" as such term is used in chapter six hundred and fourteen of the acts of nineteen hundred and sixty-eight. The corporation shall be fully eligible to receive any and all assistance from the Massachusetts health and education facilities authority created by chapter six hundred and fourteen of the acts of nineteen hundred and sixty-eight in the same manner as any institution for higher education.

(e) The corporation shall assess the space needs of the University on a regular basis and shall lease or rent land or space in any facility under the control of the corporation to any entities other than the University only after making a determination that the University does not have a foreseeable need for such space or land for the term of the lease or rental agreement. In no event shall the corporation sell, convey, transfer, exchange or otherwise dispose of any real property without notifying in writing and consulting with the board of trustees and the council, and after such consultation making a determination that such sale, conveyance, transfer or exchange is in the best interests of the University. Any such sale, conveyance, transfer or exchange shall require a vote of two thirds of the members of the board of directors.

(f) The University or any state agency or entity acting on the University's behalf, may enter into an agreement to rent, lease or otherwise utilize any facility owned by, or under the control of, the corporation. The corporation shall be paid rent and costs for such facilities at a rate agreed to by the corporation and University or state agency or entity entering into an agreement on the University's behalf, provided that such amount may not exceed the fair market value for the use of such facilities at the time the agreement is made. Subject to this limitation, the University's determination to rent, lease or otherwise utilize any facility owned or under the control of the corporation and any agreement related thereto shall not be subject to chapter seven of the General Laws.

(g) The corporation shall not have the authority to engage in any activities which are not in furtherance of its corporate purposes or to support or benefit any organization other than the University, and all of the powers granted under this section to the corporation shall be exercised in a manner consistent therewith.

Notwithstanding any other provision herein contained, neither the directors and officers of the corporation nor the corporation shall participate in any "prohibited

transaction" within the meaning of Section 503 of the Code, nor shall the corporation be operated at any time for the primary purpose of carrying on a trade or business for profit.

Subject to the other provisions of this section, the corporation shall use and/or distribute all property from time to time held by the corporation solely in the furtherance of its corporate purposes in such manner as the board of directors shall determine; no part of the assets or net earnings, if any, of the corporation shall inure to the benefit of, or be distributable to, its directors, its officers or any private individual, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its corporate purposes; and the corporation shall not directly or indirectly participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office, and no substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except to the extent the corporation makes expenditures for purposes of influencing legislation in conformity with the requirements of Section 501(h) of the Code). If the corporation is deemed to be a private foundation as defined in Section 509 of the Code, the provisions of chapter sixtyeight A of the General Laws shall apply to it.

(h) The operation and maintenance of projects by the corporation shall constitute the performance of an essential governmental function, and the corporation shall not be required to pay any taxes or special, betterment or other assessments within the commonwealth, including, without limitation, taxes on real or personal property and any ad valorem taxes, upon any property owned, constructed, acquired, leased or used by it under the provisions of this section. The corporation shall not be subject to any taxes based upon or measured by income which may be enacted by the commonwealth. Obligations issued by the corporation under this section and any income derived therefrom, including any sale, exchange or transfer of such obligation, shall at all times be free from taxation within the commonwealth.

Land, buildings and tangible personal property of the corporation, if leased to the extent permitted pursuant to this section for any activity or transaction entered into by the lessee for financial profit or gain, shall be taxed or assessed by the city or town in which such land, buildings and tangible personal property may be situated to the lessees thereof respectively, in the same manner as such land, buildings and tangible personal property would be taxed or assessed to such lessees if they were owners thereof, except as follows:

(1) the payment of the tax or assessment shall not be enforced by any lien upon sale of such land or buildings, but for the purpose of enforcing the payment of such taxes or assessments by such lessees to the city or town in which such land or buildings are situated, a sale of the leasehold interest therein may be made by the collector of the city or town in the manner provided by law for selling real estate for the nonpayment of real estate taxes.

(2) such land, buildings and tangible personal property leased to any political subdivision of the commonwealth or to any public charity described in section eight of chapter twelve of the General Laws for its charitable purposes shall not be taxed or assessed to any such lessees,

(3) that in lieu of such taxes, and any betterment of special assessments, the city of Salem may determine a sum to be paid to it annually in any year or period of years, such sum to be in any year equal to or less than the amount that would be levied at the then current tax rate upon the then current assessed value of such real estate, including buildings and other structures, the valuation for each year being reduced by all abatements thereon. In no event, however, shall any amount be due prior to the first year in which the corporation has leased some portion of the real property to a third party and has received rental payments for fees in return therefore and any amount so due shall be prorated based upon the percentage of the property for which rental payments or fees have been received.

If any such lessee is subject to the excise levied under the provisions of sections thirty to forty-two B, inclusive, of chapter sixty-three of the General Laws, such tangible personal property shall be treated as though it were owned by such lessee for the purposes of such excise, and it shall be valued at eight times its annual rental rate, unless and to the extent that such property is treated by the lessee as owned by it for federal income tax purposes, in which case its value shall be its adjusted basis, as defined in the applicable provisions of the Code.

All tangible property, real or personal, so leased shall be considered tangible property owned or rented and used in the commonwealth by such lessee for the purposes of section thirty-eight of chapter sixty-three of the General Laws.

(i) Upon or dissolution of the corporation after payment of all of the liabilities of the corporation or due provision therefore, all of the assets of the corporation shall be distributed to the council, to be held in trust for the benefit and purposes of the University, and shall not inure to the benefit of or be distributed to any private individual.

(j) None of the powers, duties, actions, responsibilities, or authorities of whatever kind or nature which are vested or created in the corporation or University by this section, either explicitly or implicitly, shall be legally valid nor may said powers, duties, actions, responsibilities, or authorities be exercised in the absence of review and comment by the inspector general of the commonwealth of the property of any proposed action and further specific legislative authorization.

(k) The provisions of this section are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

ⁱ Chapter 118, Acts of 2012 changed "college" to "university"

ⁱⁱ Chapter 118 of the Acts of 2012 inserted reference to the Enterprise Center

ⁱⁱⁱ Chapter 225 of the Acts of 2007 modified this section and it was further modified by Chapter 118, Acts of 2012 to allow for acquisitions for campus growth without limitation to geography.

^{iv} Chapter 118, Acts of 2012 added the enterprise center to the purposes of the corporation.

Edits incorporated by Patricia Maguire Meservey, October 7, 2014.