
SUBJECT: Board of Trustees Executive Session Notes for April 15, 2015

The Executive Committee of the Board of Trustees of Salem State University voted unanimously to go into Executive Session on Wednesday, April 15, 2015, in Room 210 of Marsh Hall, located on Central Campus of Salem State University.

Board Secretary Montague took the roll at 6:00 pm; voting in the affirmative to enter executive session were Trustees Abdoo, Burns, Crawford, Davis, Lutts, Malcolm, Mattera (Vice Chair), Scott (Chair), Segal and Stringer.

ABSENT: Trustee Lancome

Invited to participate in the session: Vice Presidents House, Torello and Keenan, Interim Provost Goodwin, and Chief of Staff Bower.

President Meservey began the meeting by providing an update on 75 Loring Avenue, the property location on the corner of Viking Hall. About a year ago the university had come to an agreement with the owner to purchase the property for 10% above the appraisal value. The university has now come to the same agreement with the owner and if the purchase goes forward it would allow for the building to be razed, the area landscaped and provide for appropriate fire access from Viking Hall. Financing has been secured for this purpose and the Salem State Assistance Corporation (SSUAC) would purchase the property.

Trustee Stringer questioned whether this would affect the taxes paid to the city. President Meservey said the university doesn't have a PILOT with the city but does continue to keep taxes level when a property is acquired. In this instance, the building would be leveled so the university would need to think about the situation.

With there being no further discussion and on a motion duly made by Trustee Burns and seconded by Trustee Mattera, it was unanimously

VOTED: That the Board of Trustees approves the purchase of the property at 75 Loring Avenue by the Salem State University Assistance Corporation for \$330,000 and supports the financing through the Massachusetts State College Building Authority “MSCBA”.

Voting in the affirmative: Trustees Burns, Crawford, Davis, Lutts, Malcolm, Mattera (Vice Chair), Scott (Chair), Segal and Stringer

Trustee Abdoo left the meeting prior to the vote.

Chair Scott summarized the current progress on the Montserrat School of Art acquisition. Discovery began in October, 2014. The letter of intent was signed on February 13, 2015 and the affiliation was announced on February 22nd. The university continues to meet with Montserrat’s board and is working through its due diligence list. The LOI designated July 1st as the date to complete due diligence. Conversations are taking place at the Board of Higher Education and NEASC as we’ll need to get on their calendars. At this time, an update on the status of due diligence completed is appropriate. There are also plans to meet with Secretary Ash and we have met with Mayors Driscoll and Cahill to discuss the possibility of available state funds. The Board of Higher Education may move the July 1st date off to October but in the meantime we must continue with our due diligence as we cannot ask the board to make a decision without all of the information.

President Meservey mentioned that at the recent Beverly Chamber meeting, Governor Baker’s discussion of the affiliation was cautiously optimistic. The affiliation is an attractive opportunity for Salem State for several reasons. Among them was the opportunity to acquire real estate and facilities for our art programming. The art facilities require significant investment in the near future - the condition of these facilities has been cited as an accreditation issue that we need to address. Acquiring the Montserrat facilities will address these issues, and will allow for increased programming. In the first few years we would expect level enrollments, however, we see potential for increased enrollments in future years.

With no further business to be discussed in Executive Session, Chair Scott called for a motion to come out of Executive Session.

Upon a motion duly made by Trustee Mattera and seconded by Trustee Davis, it was unanimously

VOTED: To adjourn from Executive Session

Board Secretary Montague took the roll at 6:50 pm; voting in the affirmative to exit executive session were Trustees Burns, Crawford, Davis, Lutts, Malcolm, Mattera, Scott, and Segal and Stringer.

The Board came out of Executive Session and the meeting was adjourned.

Prepared by: L. Montague, Secretary to the Board of Trustees