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**SUBJECT:** Executive Committee Executive Session Notes for February 4, 2015 -

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The Executive Committee of the Board of Trustees of Salem State University voted unanimously to go into Executive Session on Wednesday, February 4, 2015, in Room 210 of Marsh Hall, located on Central Campus of Salem State University.

Board Secretary Montague took the roll at 6:55 pm; voting in the affirmative to enter executive session were Trustees Davis, Scott and Segal. VP Keenan, CFO House and Assistant Provost Everitt were invited to participate in the session. Trustees Burns, Crawford, Lutts, Malcolm, Segal and Assistant Secretary to the Board Katie Sadowski were also present.

The purpose of the session was to discuss the potential merger with and acquisition of property of Montserrat College of Art (“MCA”). Chair Scott reported that talks were moving forward as the university completed its due diligence. However a letter of intent (“LOI” see Attachment A) to formalize the intended affiliation would have to be executed before a deeper study of college be completed. The LOI would allow the university to establish a more solid relationship with MCA and to discuss details of the affiliation including academic programs, financials and facilities.

Assistant Provost Everitt explained that preliminary conversations regarding the affiliation had already taken place with the university faculty and at the same time MCA met with its faculty. The affiliation is desirable for many reasons including the university’s long interest in offering a BFA and the MCA’s space is walk in ready. Trustee Lutts questioned whether students would graduate with a Montserrat or Salem State University Degree. President Meservey explained initially that could depend on where the student is in their studies, the degree could be granted from either institution however within four years there would no longer be a MCA Degree.

A discussion followed regarding MCA’s financial condition and potential university exposures. CFO House explained that the model under discussion is worst-case scenario which includes declines in enrollment, no state operating support, tuition at Salem State rates and reduced fundraising income for a period of time.

Trustee Malcolm asked if any models of similar affiliations or mergers had been reviewed. President Meservey explained that UMass Dartmouth had taken over one private law school (Southern New England School of Law) and there were a few examples of private school absorptions. We have a comprehensive document from the Board of Higher Education that we will share as we move forward.

Vice President Keenan explained that the affiliation would greatly ease campus constraint issues. IT and Public Safety have examined MCA's three main buildings and studio space on Cabot Street. The college's property includes 36,000 sf of unused leased space (Attachment C) Dean Stoll stated that the college currently houses 278 students in facilities that will require further examination. The college does not have a dining hall on its campus, nor are there student activity facilities.

President Meserve described the timeline for completing the acquisition, if it went forward, would be to bring it before the MA Department of Higher Education in late January and then before the NEASC Commission on Institutions of Higher Education (CIHE) in late March/early April. Trustee Segal inquired into the level of detail the DHE would need to allow this to move forward. The president suggested circulating information related to the UMass Dartmouth acquisition of the Southern New England School of Law.

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

**VOTED: To take up the Letter of Intent at the full Board of Trustees meeting.**

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 Davis and seconded by Trustee Segal, it was unanimously

**VOTED: To adjourn from Executive Session**

Board Secretary Montague took the roll at 7:55 pm; voting in the affirmative to exit executive session were Trustees Davis, Scott and Segal.

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

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