BOARD OF TRUSTEES
SALEM STATE UNIVERSITY
SALEM, MASSACHUSETTS

MINUTES OF THE MEETING OF

December 4, 2013 and February 12, 2014
SPECIAL MEETING OF THE BOARD OF TRUSTEES
December 4, 2013 – 5:00 p.m.
Marsh Hall, Room 210, Central Campus, Loring Avenue Salem State University
Salem, Massachusetts

- AGENDA -

I. Call to Order

II. Committee Action
   ▶ - Finance & Facilities – Action needed…………Trustee Quiroga & President Meservey
   ▶ - Executive Session: Real Estate Acquisitions – Action Needed…Trustee Quiroga & President Meservey

III. Adjournment
SPECIAL MEETING OF THE BOARD OF TRUSTEES  
December 4, 2013

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

ABSENT: Trustees Abdoo, Ansara, and Davis.

Also present and participating in the meeting were Finance & Facilities Vice President Soll; and Associate Vice President and Dean of Student Affairs Stoll.

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 special meeting in Marsh Hall, Room 210, Central Campus, Salem, Massachusetts, on December 4, 2013, with Pamela C. Scott, Chair, presiding. The public session of this meeting was recorded.

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I. CALL TO ORDER

Chair Scott called the meeting to order at 5:10 p.m.

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II. NEW BUSINESS

Chair Scott confirmed for those in attendance that the purpose of the meeting was to take action on the Finance & Facilities Committee recommendations regarding several capital projects contained in the Master Vision plan and regarding two real estate acquisition opportunities discussed in executive session at the committee meeting on November 20, 2013. She then asked President Meservey to lead the discussion.

Before taking up the substance of the agenda, President Meservey recognized Vice President of Finance & Facilities Andrew Soll on his retirement from the university. She noted the many campus development projects he had lead during his tenure, such as the new Library and Learning Commons and the Fitness Center, and thanked him for his thoughtful counsel, successful efforts and hard work on behalf of the institution. VP Soll will be pursuing his passion for music as he leaves Salem State, although his wife, Beverly, will remain a valued member of the music faculty. President Meservey extended good wishes on behalf of the administration and expressed her hope that Andy and Bev would remain active members of the Salem State community. VP Soll thanked the president for her kind words, acknowledged the Board and executive team and stated how privileged he felt to have been able to contribute to the future of the institution.

Chair Scott then explained the process that would be followed for the meeting. Trustee Quiroga, chair of the Finance & Facilities Committee, would read the five motions for consideration. As committee motions, no seconds would be required. There were three additional motions to be considered in executive session. Trustee Quiroga noted that there was additional information related to the first motion resulting from community feedback and asked President Meservey for an
update. The president detailed interactions with the community, particularly the Salem State University Neighborhood Advisory Committee (SSUNAC), over the past year. Feedback on the proposed five-story residence hall from these groups called for a reduction in the size of the structure to four stories. The project architects, Rawn Associates, are reworking the plans to accommodate the change. At four stories, the project cost would be reduced from $56M to $53.5M with 45 fewer beds and the loss of a planned lounge on the fifth floor. The university would be able to keep student rents at anticipated rates. With these changes, both sides are now eager to move forward according to the president who stated that the mayor and city councilors present at a recent SSUNAC meeting expressed support.

President Meservey asked that the original $56M not-to-exceed figure in the first motion not be changed so as not to require the Massachusetts State College Building Authority (MSCBA) to revisit the matter with its board in order to proceed with the bond issue. In response to an inquiry from Trustee Burns, President Meservey explained that the rooms would remain the same size as originally planned; however there would need to be a shifting of mechanical space as it could no longer be housed on the fifth floor. Trustee Mattera, in reviewing the drawings, asked about the level of glass planned on the fifth level facing Loring Avenue. Dean Stoll explained that the glass, at only 4.5 feet high, would not be a full story in height and would match that of the Bertolon School Building Tower.

Trustee Quiroga made the motion for the Finance & Facilities Committee. There was discussion prompted by an inquiry from Trustee Segal on the funding mechanism for the proposed residence hall project. The MSCBA bond issue was discussed.

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

VOTED: The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Residence Hall projects (the “Projects”) described in EXHIBIT A-1 of the Finance & Facilities Committee meeting report of November 20, 2013 and the cost and financing thereof approximately as presented at that meeting and otherwise substantially as presented at that meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees. (FF-14-05)
Trustee Quiroga then made the second committee motion, related to the relocation of the campus public safety operation with a not-to-exceed cost of $2.1M. Trustee Segal again asked how this project would be paid for. President Meservey explained that the project would be part of the MSCBA bond issue and that the cost of the debt service would be covered through the operating budget. Trustee Quiroga also reminded the board of the discussion that occurred at the committee meeting regarding the potential need for a 2.3% student fee increase if the expected state appropriation were not received.

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

VOTED: The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Public Safety Relocation project (the “Project”) described in EXHIBIT A-2 of the Finance & Facilities Committee meeting report of November 20, 2013 within the parameters that the total project cost will not exceed $2.1 million and financing thereof approximately as presented at that meeting and otherwise substantially as presented at that meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees. (FF-14-06)

Trustee Quiroga then described the nature of the work proposed for the Weir property which involves the razing of two buildings on land owned by the Salem State University Assistance Corporation to create temporary (2-3 years) parking to mitigate the loss of parking assets on Central Campus related to the construction of the new residence hall. The project is set at a not-to-exceed cost of $2M. In answer to a question posed by Trustee Burns at a prior meeting, President Meservey explained that some remediation of the property will need to occur at an expense of approximately $100K to be incorporated into the cost of the project. The buildings included a garage and a foundry. Document review has not turned up anything unusual to be addressed in the remediation. The resulting surface lot is expected to provide 180-190 spaces to cover the 159 lost to the Central Campus construction. Trustee Quiroga presented the committee motion; there was no further discussion.
VOTED: The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Weir/Canal Street Parking project (the “Project”) described in EXHIBIT A-3 of the Finance & Facilities Committee meeting report of November 20, 2013 within the parameters that the total project cost will not exceed $2 million and financing thereof approximately as presented at that meeting and otherwise substantially as presented at that meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees. (FF-14-07)

Trustee Quiroga then presented the motion related to the renovation of the Mainstage Theatre complex on North Campus, the cornerstone of the Sophia Gordon Center for the Creative and Performing Arts. President Meservey detailed the nature and timing of the financial pledge by the Gordon family and outlined the details of the project financing which include private donations to the Salem State University Foundation, university contributions, and proposed 2014 MSCBA bonds.

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

VOTED: The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Sophia Gordon Center for Creative & Performing Arts project (the “Project”) described in EXHIBIT A-4 of the Finance & Facilities Committee meeting report of November 20, 2013 within the parameters that the total project cost will not exceed $19 million and financing not to exceed $14 million and terms thereof approximately as presented at that meeting and otherwise substantially as presented at that meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as
amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees. (FF-14-08)

Trustee Quiroga summarized for the board the rationale for the proposed One Stop Student Service Center. President Meservey noted that the project, designed to create a state of the art space to assist students in addressing a variety of administrative issues, particularly those involving finances, was on target for completion next summer. In response to an inquiry from Trustee Segal regarding the project’s financing, President Meservey explained that the debt service for the project would be paid for through the operating budget. The not-to-exceed $2M budget included in the motion would be part of the upcoming MSCBA bond issue. There was discussion of the overall $1.2M debt service for the collective projects. Trustee Quiroga presented the committee motion.

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

VOTED: The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the One-Stop Shop project (the “Project”) described in EXHIBIT A-5 of the Finance & Facilities Committee meeting report of November 20, 2013 within the parameters that the total project cost will not exceed $2 million and financing thereof approximately as presented at that meeting and otherwise substantially as presented at that meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to
carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees. (FF-14-9)

At this point in the meeting, Chair Scott explained that there were matters related to real estate acquisitions that required the board to enter into Executive Session. There would be no further business to come before the board after this session was concluded.

Upon a motion duly made by Trustee Mattera and seconded by Trustee Lancome, a roll call vote was taken at 5:55 p.m. to go into Executive Session.

Voting For: Booker, Burns, Lancome, Mattera, Quiroga, Scott, Segal and Stringer.
Voting Against: None

Following the Executive Session, the Board returned to regular session at 6:41 p.m. Chair Scott reminded the board of the next session of committee meetings scheduled for January 29, 2014 and informed them that accreditation matters related to the School of Business were already planned for the Academic Affairs & Student Life Committee agenda, as suggested by Trustee Segal. There being no further business to come before the Board, the chair called for a motion to adjourn.

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III. ADJOURNMENT

On a motion duly made by Trustee Quiroga and seconded by Trustee Lancome, it was unanimously VOTED: To adjourn the meeting at 6:43 p.m.

Respectfully submitted,

Patricia Maguire Meservey
President

Jean E. Fleischman
Secretary to the Board of Trustees
MEETING OF THE BOARD OF TRUSTEES
February 12, 2014 – 5:00 p.m.
Marsh Hall, Room 210, Central Campus
Salem State University
Salem, Massachusetts

AGENDA

I. Call to Order

II. Consent Agenda: Approval of Minutes & Committee Reports

III. Committee Actions
   - Finance & Facilities – Action Needed, Trustee Quiroga
   - Presidential Review – Action Needed, Trustee Abdoo

IV. Report of the President

V. Report of the Chair

VI. Old Business
   - Report on naming opportunity, President Meservey & VP McGurren

VII. New Business
   - Board off-site, Chair Scott & President Meservey
   - Department of Higher Education discussion, Commissioner Richard M. Freeland

VIII. Open Forum

IX. Executive Session
   - Purpose: To discuss property acquisitions – Action Needed, President Meservey

X. Adjournment
MEETING OF THE BOARD OF TRUSTEES
February 12, 2014

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

ABSENT: Trustees Ansara and Mattera

Also present and participating in the meeting: Richard M. Freeland, Commissioner, MA Department of Higher Education; Jennifer Perkins, Director, MA Department of Higher Education, Office of Trustee Relations.

The provisions of General Laws, Chapter 30A, having been complied with and a quorum of the Board being present, the Board of Trustees of Salem State University held a meeting in Marsh Hall, Room 210, Central Campus, Loring Avenue, Salem, Massachusetts, on February 12, 2014 with Pamela C. Scott, Chair, presiding. This meeting was electronically recorded.

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I. CALL TO ORDER

Chair Scott called the meeting to order at 5:08 p.m.

The chair began the meeting by welcoming DHE Commissioner Freeland who would be addressing the session later in the agenda.

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II. CONSENT AGENDA

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

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

VOTED: To approve the Consent Agenda for the Meeting of February 12, 2014. (CA-14-02)

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III. COMMITTEE ACTIONS

Finance & Facilities: Chair Scott invited Trustee Quiroga to present the action for the committee. Trustee Quiroga read the motion presented by the committee regarding the fee increase for students of the School of Graduate Students for AY15. She explained that while fees for both graduate and
undergraduate students are typically addressed at the April meeting, the graduate school is transitioning to a new payment system that requires upfront testing and that in order to be ready for the fall term the graduate fee needed to be set at an earlier point in the spring semester than usual. Trustee Quiroga made the motion; it was seconded by Trustee Burns. There was no further discussion.

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

**VOTED:** The Board of Trustees of Salem State University hereby approves the following increase in graduate fees. Tuition rates will remain at FY2013-14 levels. For graduate students enrolled through the university’s School of Graduate Studies, fees shall increase $15 per credit hour, which, when combined with the current fee of $207 and in-state tuition of $140, represents an increase of 4.3% over FY2013-14. The same fee shall apply to out-of-state students. (FF-14-05)

**Presidential Review:** Trustee Abdoo began his report with background on the board’s approval at the October 2013 meeting to approve the president’s annual review. At the time, final fall numbers were not available to complete a review of the president’s 2013-14 goals, which had been presented to the committee in September. With those numbers now available, the document is complete (see committee report of January 29, 2014). The committee has reviewed and recommended the goals to the board for adoption. Trustee Abdoo read the motion made by the Presidential Review Committee; there was no further discussion.

Upon a motion duly made by Trustee Abdoo on behalf of the Presidential Review Committee, it was unanimously

**VOTED:** The Salem State University Board of Trustees hereby approves the 2013-14 presidential goals as outlined in Attachment A of the report of the Presidential Review Committee meeting of January 29, 2014. (PRV-14-02)

Trustee Abdoo thanked the members of the committee for working for two years to develop a more comprehensive process. Chair Scott noted that in addition to the regular/annual review, the goal setting and the introduction of more metrics into the process were results of the effort. Trustee Quiroga concurred and added that it was rewarding to take part in the committee due to the president’s collaboration and participation in the review process. Trustee Segal echoed those sentiments and complimented Trustee Abdoo, as chair, for keeping the committee focused on the comprehensive review.

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**IV. NEW BUSINESS**

Chair Scott exercised her prerogative as chair and brought the second item under New Business on the agenda forward, in consideration of the Board’s guest, Commissioner Freeland and his schedule. She introduced Commissioner Freeland, reminding those assembled of his tenure with the Department of Higher Education since 2009 and highlighted his many accomplishments during ten years as president of Northeastern University and during his time with UMass and City University of New York (CUNY).
Commissioner Freeland thanked the trustees for the opportunity to speak and for their service on behalf of Governor Patrick. He noted the rising priority that has been given to public higher education in Massachusetts but observed that with it comes more scrutiny. The commissioner stated that as a result of increased interest, the Board of Higher Education has been asked to connect public higher education to state priorities and pointed to the Office of Trustee Relations and last year’s new guidelines for presidential hiring, review and compensation as mechanisms for strengthening those connections. There is a sense, he said, that the state needs institutions like the state universities to be successful. Communication with these institutions is important and the Department of Higher Education must facilitate it for the state. The purpose of the Office of Trustee Relations is to support the Boards of Trustees and provide direct lines of communications. He emphasized the governor’s support for these efforts.

Commissioner Freeland was appreciative of the presidential review submitted by the Salem State University Board of Trustees and the work done to connect to state priorities by the president and the institution. He highlighted the critical importance of metrics, particularly the college completion numbers. These measures need to improve, he said, nothing is more important. He expressed an eagerness to see the new score card next year.

The investment in public higher education facilities is an indicator of the importance the state is placing on the sector. He noted the building that is taking place on this campus and others around the state.

The Vision Project is an important tool to generate support for the sector and a measure to be used to gain public support and funding more effectively. The commissioner closed by mentioning that the state budget process was starting and calling for trustee support; he then invited questions from the board. Trustee Burns asked if the commissioner saw spending continuing in the next administration. Commission Freeland stated that support for public higher education is not a partisan issue. He noted, however, that state revenues and health care costs will continue to be challenges for the state budget.

Chair Scott thanked Commissioner Freeland for his time and leadership. Commissioner Freeland left the meeting at this point in the meeting.

With this item of new business completed, the agenda was resumed.

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V. REPORT OF THE PRESIDENT

- Enrollment update: undergraduate enrollments for spring are up slightly while continuing education is experiencing a continued decrease, as in the fall. Graduate numbers are also down slightly. Applications are up for fall, however, for freshmen and transfers. Graduate applications are about even, which is an improvement.

- Students: The president described the success of our theatre department students at the Kennedy Center American College Theater Region One Festival. Salem State University theatre majors and faculty enjoyed their greatest success to date. The university had a record five student winners and one faculty winner who will go on to national competition, besting the university’s previous record of two. In addition to being the seventh consecutive year in which Salem State students have been selected to go on to the finals, the theatre department fielded a winner in every single category at the regionals, another first. She also highlighted the successful efforts of veteran students at National Student
Veterans 2nd Annual Business Plan Competition. Led by student veteran Patrick Cornell and advisor Sam Ohannesian, the Salem State team was one of six top groups chosen to present at the national competition.

- Academic: President Meservey, Provost Esterberg, Dean Doran and Professor Saverio Menago visited AACSB in Tampa on February 10, 2014 to discuss moving forward from the accreditation decision of last fall. The issue of faculty sufficiency and the ability to recruit and retain faculty in the business school are challenges that have been shared with the board in the past. The next step for the business school is a “gap analysis” on the newly implemented standards, after which, we will develop next steps to pursuing accreditation. The university cannot begin until November 2014 to restart the process, which would take three years.

- Budget: The president provided an update on the state budget process and a recent discussion with MA House leadership. There seems to be an appetite for increased funding but we will need to wait to see what comes out later this year.

- Comprehensive Campaign: The campaign has reached $14.2M at the end of December, 2013. We are at 57% of our goal, slightly behind where we had wanted to be when we go public.

- The former Salem Diner is open again as part of the university dining program. The soft opening was a big success and the flow of business has been steady.

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VI. REPORT OF THE CHAIR

Chair Scott reported on several campus activities that she had participated in during the preceding months. The chair participated in the Salem Diner reopening, and withstood the cold to cheer on the Salem State hockey team at Frozen Fenway. Chair Scott had spoken at Collaboration Day in December and introduced the keynote speaker for the Martin Luther King Day Convocation. She has continued to work closely with Institutional Advancement staff on campaign issues, serving on the Boards Subcommittee and Campaign Steering Committee. Pam attended a Corporate Governance Briefing at Goodwin Procter as well as the Volunteer Summit organized by Advancement earlier in March. Chair Scott has been extremely dedicated and generous with her time and experience.

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VII. OLD BUSINESS

Gift update: Chair Scott asked President Meservey and Vice President McGurren to update the board on the status of a gift from the Cummings Foundation. There had been a meeting of the full board called on December 4, 2014 to vote on the receipt of the gift. A quorum of the board was not present, however, so the Executive Committee acted to conduct business on behalf of the board in time for the year-end deadline requested by the donor. The Cummings Foundation has made a $1M grant and has requested that the plaza in front of the Frederick E. Berry Library be named in memory of James McKeown ’77. Mr. McKeown is the late president of Cummings Properties. The funds will support the Center for Genocide and Holocaust Studies. The president has had preliminary discussions with the landscape architects; we are awaiting approval from DCAMM to proceed.

Off-site meeting: Chair Scott introduced the discussion of a special meeting of the board to be held off-site. The purpose of the meeting would be to discuss strategic topics not easily addressed in the
agendas or time-frames of regular committee meetings. She noted that such a meeting would be subject to Open Meeting Law requirements. Among potential topics for discussion: enrollment trends; the physical master plan: next steps, debt analysis; the board’s role in achieving academic excellence; and national trends. The discussion centered on members’ desire to hold such a meeting and their willingness to attend.

Trustees Lancome, Davis, Stringer and Quiroga expressed support for the meeting. Trustee Stringer asked about the utilization of a facilitator and recommended the board do so to add to the meeting’s effectiveness and allow everyone to participate. Trustee Segal suggested including the other institutional boards (ie: SSU Foundation, Assistance Corporation, Alumni Association). President Meservey agreed that past joint meetings of the boards have been helpful but noted that the board of trustees has work that is separate from the other boards. Trustee Quiroga concurred, emphasizing the need to focus on the board’s fiduciary role. She suggested that perhaps the Foundation board could be invited for the last hour of a day-long meeting or to a future gathering.

There was discussion about schedule desirability and availabilities. Trustee Burns encouraged the group to commit to a date soon, at that meeting if possible, keeping the demands of disparate schedules in mind. It was determined that the meeting should occur before the end of the spring semester and that either May 30 or 31 would work for the majority of those members present. A planning committee was determined with Trustees Scott, Lancome, Davis and RMA Committee Advisory Member Zetes. Those members not present at the meeting were to be polled for their availability and the date would be determined.

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VIII. OPEN FORUM

Chair Scott invited comment/questions from those in attendance. There were none.

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IX. EXECUTIVE SESSION

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

Upon a motion duly made by Trustee Segal, seconded by Trustee Stringer, it was unanimously VOTED: To enter Executive Session for the purpose of discussing potential real estate transactions.

Board Secretary Fleischman polled the members:
In favor: Booker, Burns, Davis, Lancome, Quiroga, Scott, Segal and Stringer
Against: None

The Board went into Executive Session at 6:30 pm.

Upon a motion duly made by Trustee Lancome, seconded by Trustee Segal, it was unanimously VOTED: To conclude the Executive Session.
Board Secretary Fleischman polled the members:
In favor: Booker, Burns, Davis, Lancome, Quiroga, Scott, Segal and Stringer
Against: None

The Board came out of Executive Session at 6:55 pm and the board meeting resumed.

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X. ADJOURNMENT

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

VOTED: To adjourn the meeting at 6:56 p.m.

Respectfully submitted,

Patricia Maguire Meservey
President

Jean E. Fleischman
Secretary to the Board of Trustees
Attachment A: Consent Agenda, 2/12/14

Minutes from the
Meeting of
February 12, 2014
Salem State University
Board of Trustees
Items for inclusion on the Consent Agenda:

Approval of the Minutes of the Meeting of October 8, 2013, the Special Meeting of December 4, 2013 and the reports of the following committees:

- Institutional Advancement, Marketing & Communications: November 20, 2013 and January 29, 2014
- Risk Management & Audit: November 20, 2013 and January 29, 2014
- Finance & Facilities: November 20, 2013* and January 29, 2014
- Academic Affairs & Student Life: November 20, 2013 and January 29, 2014
- Executive: November 20 and December 21, 2013 and January 29, 2014
- Presidential Review: January 29, 2014

*Note: The report of the Finance and Facilities Committee for the meeting of November 20, 2013 was distributed in hard copy in advance of the Special Meeting of December 4 and can be found electronically on the Board Effects portal in the 12/4/13 meeting board book. In the interest of conserving paper and in light of the already considerable bulk of the current mailing, the material was not repeated in the attached.
Reports from the following committees:

- Risk Management & Audit: November 20, 2013 and January 29, 2014

- Institutional Advancement, Marketing & Communications: November 20, 2013 and January 29, 2014

- Academic Affairs & Student Life: November 20, 2013 and January 29, 2014

- Finance & Facilities: November 20, 2013 and January 29, 2014

- Executive: November 20 and December 21, 2013 and January 29, 2014

- Presidential Review: January 29, 2014
The Risk Management & Audit Committee of the Board of Trustees met on Wednesday, November 20, 2013, in Marsh Hall, Room 210, on the Central Campus of Salem State University.

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

Trustee Segal called the meeting to order at 3 pm.

He then turned the discussion over to Executive Vice President Cahill. Executive Vice President Cahill discussed the progress on a number of the risk assessment recommendations from the report provided by Marsh Consulting last spring:

- Establish a Continuity of Operations Plan. Status: Bold Planning has been retained to develop a COOP (Continuity of Operations Plan) for the university. They will start work in January and a comprehensive COOP should be in place by mid-summer.

- Establish guidelines for reporting security concerns for staff/students. Status: reporting of suspicious activity may be done on the university’s website via the Threat Assessment Report of Concern, an online submission form. The form is sent to Chief Labonte and Associate Vice President Stoll for review to determine if the Threat Assessment Team needs to be called together. Guidelines have been given to department chairs on how to report suspicious activity. MapWorks is another means to report such activity. Trustee Segal asked if this was a privacy concern. Executive Vice President Cahill stated it was not a violation of FERPA and is an approved procedure. Only a very limited number of individuals, Associate Vice President Stoll and Chief Labonte, would review the initial concern.

- Establish reporting guidelines for university vehicle accidents. Status: Completed – guidelines are in the university vehicles’ glove boxes.

- Increase data center security. Status: the ITS area is locked. The data center is locked and requires a key and a combination to gain access. Therefore, it is secure.

- Create a formal process for managing risks associated with foreign travel. Status: good progress is being made on the process. The university will be training students and employees regarding foreign travel prior to their departure. Further processes should be in place by March.

- Post allergy warning signs at Chartwells at the point of entry to the food service line. Status: completed.
- Consider eliminating/reducing the size of the opening of trash chutes in Bowditch and Peabody Halls. Status: the chutes will be checked this coming summer to determine if the openings should be narrowed.
- Upgrade accessibility for the disabled at the Alumni House. Status: No further activities are being scheduled for the Alumni House.
- Update fraternity/sorority student leaders on university policies. Status: Completed in late September/early October.

Executive Vice President Cahill stated the Risk Assessment committee is still working on a number of other items and the board members will be updated as they progress. He then turned the discussion over to Chief Labonte who summarized the shuttle bus incident and the after action report.

On September 25, 2013, a report was received by university police from a shuttle bus driver that a student had entered the bus he was driving and stabbed him and a student. The suspect then fled. An officer was on the scene within one minute, first aid was administered, and an ambulance was dispatched to the scene. Officers searched the area towards Jefferson Avenue and pursued the suspect until they obtained a license plate number. Emergency broadcasts were sent to the community including a description of the suspect. Subsequently, university police received several calls of sightings of the suspect and, therefore, a shelter in place was activated. After Chief Labonte and President Meservey determined the campus to be safe and allowing the Horace Mann students to be released, the shelter in place was lifted. The duration of the shelter in place was two hours. Later that evening, the suspect, a former university student, was apprehended in New York.

The after action report/debriefing on the primary issues during this incident included firefighters, police, and university staff members. Chief Labonte stated the interior/exterior communication to the university community could have been better. It was very difficult to get timely notifications out when university police were deployed in the search for the suspect. Since this incident, a new system has been implemented working with Marketing/Communications. University police will provide them with pertinent information and they will disburse the information as well as keep the president informed. There was also a large media presence seeking information which compromised the process. In the future, Chief Labonte determined it might be best to imbed a Marketing/Communications staff member in the university police station so that any news media can get live, vetted information.

There was some confusion regarding the shelter in place. The shelter in place was activated to keep people from moving around. The university police were relatively confident that the suspect was not back on campus and that the sightings were “ghost” sightings. The shelter in place was not a lockdown because it was determined there was no imminent danger to the campus. Sirens were used but people were listening for further instructions. There needs to be better training and communication to the campus regarding a shelter in place situation. Individuals in the new library need to be trained on where to shelter in place (i.e., stairwells, stacks) due to the large number of windows/“fish bowl” effect. The new fitness center has similar challenges.

Trustee Davis asked if the university’s capability of communicating is similar to what the weather service uses in the event of a tornado. Chief Labonte stated the university’s ConnectEd system is
similar to how the weather services communicate. ConnectEd sends messages via phone, email, and text. Sirens are also triggered.

Trustee Scott asked if any additional measures will be taken with the shuttle bus service in light of this incident, i.e., perhaps have the bus drivers check ID’s. Chief Labonte stated that it is not part of the bus driver’s current role to check ID’s. Chief Labonte was very pleased with the driver’s training; he was very composed and gave a good description of the suspect. In this case, the suspect had an ID because he was a former student.

Trustee Segal asked if the bus is equipped with a panic system. Chief Labonte stated there is a panic button affixed to the radio in case the driver is unable to speak. The buses are also GPS equipped. Advisory member Zetes mentioned that MBTA buses can put messages on their sign in the case of an emergency. This may be something to consider.

Trustee Segal asked if there were any more questions and thanked Executive Vice President Cahill and Chief Labonte for their reports.

A motion to move into executive session was called for the purpose of discussing security weaknesses highlighted by the shuttle bus incident after action report and also the strategy of university legal matters. Trustee Stringer made a motion to enter into executive session and Trustee Davis seconded the motion.

Ms. Toomey took a roll call at 3:36 pm; voting in the affirmative to enter into executive session were Trustees Scott, Segal, Stringer, and Davis.

Ms. Toomey took a roll call at 3:43 pm, voting in the affirmative to exit the executive session were Trustees Scott, Segal, Stringer, Davis and Ansara).

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

**VOTED: To adjourn the meeting at 3:44 pm**

*Prepared by L. Toomey, Staff Assistant, Audit & Risk Management*
SUBJECT: Risk Management & Audit Committee Report for Wednesday, January 29, 2014

The Risk Management & Audit Committee of the Board of Trustees met on Wednesday, January 29, 2014, in Marsh Hall, Room 210, on the Central Campus of Salem State University.

Present for the Committee were Trustees Ansara (chair) and Davis, Chair Scott (ex-officio) and President Meservey (ex-officio); Advisory Member Zetes, Executive Vice President Cahill (committee liaison) and Ms. Toomey, Staff Assistant, Risk Management. Also present and participating in the meeting: George Moore, Director of Information Security; and David Crane, Assistant Dean of Credit Programs and Faculty Services.

Trustee Ansara called the meeting to order at 3 pm.

Trustee Ansara turned the discussion over to Executive Vice President Cahill who discussed a new notice that was issued on January 15, 2014 in regard to a change in the Settlement and Judgment Policy and Settlement and Judgment Authorization Form (Attachment A) to reflect new public records requirements. The Office of the State Comptroller will now be required to release the name of any payee of a settlement or judgment unless the payee name is barred from disclosure by statute. For example, in a litigation case with a student, if the case is settled, the amount given to a student doesn’t have to be reported because of the Family Educational Rights and Privacy Act (FERPA). FERPA law prevents the university from releasing student information without a student’s consent. Settlements with employees or other parties, however, would be subject to disclosure unless there is a statutory restriction that prohibits the release of this information.

The discussion was then turned over to George Moore, Director of Information Security, who did a presentation on information security education. Mr. Moore has several certifications from security companies: SANS, GSEC and GCIA and is a certified Unix system administrator.

Major information security points discussed:

- There were 121 breaches in higher education last year (SSU was one). This averages out to a breach every 3 days. Universities account for a disproportionate number of data breaches. There is a web site, datalossdb.org, that tracks data breaches in higher education.

- There are two (2) laws the university is subject to that apply to sensitive data:

  This law requires disclosure of personally identifiable information to third parties (such as SSN, bank account, credit card, passport number, etc.). This is the
regulation for which the university had to disclose the 2013 Human Resources breach. There is a list of technical security measures and continuous security training required under this law. Fines are issued for failure to comply.

2) PCIDSS (2004) Regulation

Visa, Mastercard, American Express, Discover and JCB standards dictate how companies handle credit cards. There are 20-180 security controls in place. If there is a failure to comply, the ability to process sales could be lost and there could be fines from the payment brand.

- Passwords: As a safeguard, it is recommended that “passphrases” are created and used instead of passwords as they are less prone to unauthorized access.

- Vendor Software updates: it is important to install anti-virus software and patches and keep programs such as Java, Windows and Adobe current/up-to-date. On average, 200,000 new viruses are written every day. Antivirus software can be downloaded for free for Microsoft and MacIntosh. Individuals should be updating their computers in conjunction with ITS.

- It is important to be a skeptic. Be aware of impersonators pretending to be a financial institution. Be aware of “baiting”. Do not open attachments that seem suspicious. Report all suspicious email to security@salemstate.edu or call the ITS help line.

- In summary: pick a strong password, keep programs up-to-date, install software that detects malicious software, and report suspicious behavior. Reference Security Tips and Advice handout (Attachment B).

Trustee Scott asked how this information is being distributed to staff and students. Mr. Moore stated that ITS sends out reminders to the community and has information on the university website. Some departments have had security training such as Institutional Advancement and Financial Aid. Mr. Moore is working on presenting this information at orientation sessions for students.

The discussion was then turned over to David Crane. He discussed group travel and policy the university has developed to protect individuals that travel overseas.

Several years ago, Mr. Crane met with faculty, administrators, representatives from different colleges/universities, and legal counsel to discuss the policies/procedures for setting up a group travel policy at the university. The group travel process began with destination review, planning, and information gathering with the trip leader, usually a faculty member.

Mr. Crane checks state department travel alerts, warnings, and the current news to determine which countries are a threat. He determines which destinations have high risk potential. This information is then used in the approval process. Protocols were set in place and forms were developed/vetted by attorneys.
The four forms that were developed for the university group travel program (Attachment C) are: Travel Program Proposal Form, Travel Program Information and Notification Form, Travel Program Participant Disclosure Form and the Travel Course/Program Participant Agreement.

The approval process starts with the Travel Proposal Form. This is for the group that is traveling to state the purpose of travel and is approved by the department chair and area head. Once it is approved, travel information is posted on the university travel calendar in Microsoft Outlook. The president, vice presidents, deans, chief of university police, and travel managers have authorization to enter data on the travel calendar. If necessary, the university updates the insurance provider. Most destinations are currently listed in the university's insurance rider.

The Information and Notification Form is for emergency and medical information for each individual traveler (student or non-student). Using this form, the university can determine how to provide immediate treatment, determine how payment is made and who to notify in case of an emergency.

The Participant Disclosure Form is to identify a traveler’s disability or a medical situation that requires special accommodations. This form is also to identify disciplinary or criminal records for students/travelers to determine if the university wants them to travel.

The Travel Course/Program Participant Agreement is a “knowing” waiver and the most important form. It has limited indemnification for the university.

There is a pre-trip orientation session for students led by a faculty member or trip leader that covers cultural and political sensitivity. Personal safety, alcohol safety, and safety in groups is discussed. Students are reminded that the Student Code of Conduct is always in effect and that they are ambassadors for the university and United States.

Resources are provided for the faculty/trip leader. Every trip leader has an information book with 24 hour emergency contact information. It has copies of travelers’ information forms, necessary disclosure forms and copies of passports. If a passport is lost overseas, a copy speeds up the process. Every group leader has an international cell phone to make emergency calls at their location.

During the trip, Mr. Crane, the university travel manager, receives calendar alerts when travel starts and he watches news feeds from the area of travel and Twitter. Mr. Crane’s assistant has the travel itinerary at hand and originals of all forms in case there is an incident. If there is an incident, faculty/trip leaders are told to take immediate action and notify the university as soon as possible. Mr. Crane assesses the situation and escalates university involvement, if necessary. The president and other staff members would be notified. Steps would be taken to solve problems, such as approve necessary expenditures, contact appropriate government agency, embassy or council, and contact the university insurer.

There is a post-trip review of issues that arise during the trip and improvements are planned. The future for the university is to take data from travel forms and develop a travel database to integrate with the student records system. The database will align with courses associated with trips to allow for distributed access, reports, and historical data.
Trustee Davis asked how the travel program aligns with the Study Abroad program. Mr. Crane stated the procedures are very similar with Study Abroad program but Study Abroad training is more on an individual basis.

Trustee Ansara asked if the university carried medical evacuation insurance. Mr. Crane stated the university does carry medical evacuation insurance as well as repatriation insurance.

Trustee Scott stated a colleague of hers is the chief enterprise risk person at Northeastern University and is willing to be a resource as the university develops a risk management infrastructure.

Executive Vice President Cahill thanked Mr. Moore and Mr. Crane for their reports.

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

**VOTED: To adjourn the meeting at 3:51 pm**

*Prepared by L. Toomey, Staff Assistant, Audit & Risk Management*
****NOTICE: 1/15/14 The Settlement And Judgment Policy and Settlement And Judgment Authorization Form have been updated to reflect the new public records requirements as a result of a recent lawsuit. CTR will now be required to release the name of any payee of a settlement or judgment unless the payee name is barred from disclosure by statute. Please ensure that all staff involved with settlements and judgments, including payroll staff, are forwarded the link to the Settlements and Judgments Page for the updated policy on Public Records Requests, and use the NEW FORM for all future claims. We greatly appreciate your cooperation!!****

***NEW***THIS SECTION MUST BE COMPLETED UNDER ADVICE OF LEGAL COUNSEL. IF LEFT BLANK DEFAULT WILL BE FOR RELEASE OF NAME. Release of Claimant Name is NOT barred by any state/federal law and Department understands CTR must release name if requested. Release of Claimant Name is BARRED under the following statute.
SECURITY TIPS AND ADVICE

Our computers are at risk to profit driven hackers and online pranksters. While risk can never be fully eliminated there are several things you can do to reduce the likelihood of an attack.

KEEP A CLEAN MACHINE

- **Keep security software current**: Having the latest security software, web browser and operating system are the best defenses against viruses, malware and other online threats.
- **Automate software updates**: Many software programs will automatically connect and update to defend against known risks. Turn on automatic updates if that's an available option.
- **You can't lose what you don't have**: Reduce the amount of sensitive information you store on portable devices such as laptops, tablets and USB storage.

PROTECT YOUR PERSONAL INFORMATION

- **Make passwords long and strong**: Combine capital and lowercase letters with numbers and symbols to create a more secure password.
- **Unique account, unique password**: Separate passwords for every account helps to thwart cybercriminals.
- **Own your online presence**: When available, set the privacy and security settings on websites to your comfort level for information sharing. It's okay to limit who you share information with.

CONNECT WITH CARE

- **When in doubt, throw it out**: Links in email, tweets, posts, and online advertising are often the way cybercriminals compromise your computer. If it looks suspicious, even if you know the source, it's best to delete or if appropriate, mark as junk email.
- **Get savvy about Wi-Fi hotspots**: Limit the type of business you conduct and adjust the security settings on your device to limit who can access your machine.
- **Protect your money**: When banking and shopping, check to be sure the sites is security enabled. Look for addresses with “https://” which means the site takes extra measures to secure your information—“http://” is not secure.

BE WEB WISE

- **Think before you act**: Be wary of communications that implores you to act immediately, offers something that sounds too good to be true or asks for personal information.
- **Back it up**: Protect your valuable work, music, photos, and other digital information by making an electronic copy and storing it safely.

WHERE TO FIND THE INFORMATION SECURITY OFFICE

- **Official webpage**: salemstate.edu/cybersecurity
- **Email the department**: security@salemstate.edu
Travel Program Proposal Form

In order to assist the approving authority in the evaluation of this proposal, please provide the purpose of the travel and the educational value you perceive the travelers receiving. If you need more space, please feel free to attach an additional sheet.

Program Title: ________________________________

Term: Fall [ ] Winter Session [ ] Spring [ ] Summer [ ] Year _____

Department/Division: ________________________________

Instructor(s)/Leader(s): ________________________________

Destination(s): ________________________________

Date(s): ________________________________

Emergency Contacts (name/number):

1) ________________________________

2) ________________________________

3) ________________________________

Approvals:

Department Chair/Director:

Signature: ________________________________ Approve/Disapprove Date: _____

Area Head/Vice President/Designee:

Signature: ________________________________ Approve/Disapprove Date: _____

Return all completed travel forms to the approving vice president.

For Academic Affairs’ travel requests, completed travel forms should be returned to David Crane, Assistant Dean of Credit Programs.
Travel Program
Information and Notification Form

In the unlikely event that you become ill or injured, trip coordinators will attempt to notify your immediate family. Please select one person for notification should you need assistance.

Please make sure that they have a copy of your itinerary.

RETURN THIS AS SOON AS POSSIBLE!

Program/Group: ____________________________

Name: ___________________________________

Birth Date: ___________________________ Gender: Male Female

Emergency Contact Information

Name: ___________________________ Relation: ___________________________

Street Address: ___________________________

City: ___________________________ State: __________________ Zip: __________

Work or Cellular Phone: ___________________________ Home Phone: __________

Email: ___________________________

Health Insurance – Mandatory for participation

Health Insurance Policy Name & ID Number:

Please check your health care coverage. It is your responsibility to verify that you are covered while traveling.

If traveling outside of the United States, please provide the following:

Name (as it appears on Passport): ___________________________

Passport Number & Expiration Date: ___________________________ Country of Issue: __________

Submit a photocopy of the passport page with your photograph

Return all completed travel forms to the approving vice president.

For Academic Affairs’ travel requests, completed travel forms should be returned to David Crane, Assistant Dean of Credit Programs.
Travel Program – Participant Disclosure Form

Participant: ____________________________________________

Program: ______________________________________________

Status: Faculty/ Librarian [ ] Professional Staff [ ] Classified Staff [ ] Student [ ]
Other [ ] Please specify: ________________________________

Purpose of Travel: _______________________________________

Travel Date(s): __________________________________________

Location(s): ____________________________________________

Special Accommodations:

If travelling within the United States, do you have any disability that falls under the Americans with Disability Act (ADA)? Yes [ ] No [ ]

If travelling outside the United States, do you have any physical disability or impairment which may affect your travel? Yes [ ] No [ ]

Please describe the nature of your disability or impairment: __________________________________________________________

Disability Accommodations:

Individuals requesting accommodations including interpreting services under the Americans with Disability Act (ADA), should contact the Disability Services Office at the time of their application. Please carefully read the description of the travel in order to fully understand the physical expectations of all participants. The coordinator of the travel experience must also be informed of any special accommodations requested by the participant at the time of application. Reasonable accommodations will be determined on an individualized basis.

Accommodation(s): ________________________________________

Both Salem State and the above listed participant agree to the following reasonable accommodation(s) with regard to participation in the program listed above.

Participant Signature: ____________________________ Date: ______

Salem State Travel Coordinator: __________________________ Date: ______

Disability Services Office Representative: ______________________ Date: ______

Disciplinary or Criminal Record (Students Only):

Have you ever been the subject of any disciplinary action at Salem State University or any other education institution? Yes [ ] No [ ]
If yes, provide details: _______________________________________________________

Have you ever been convicted of or pled other than not guilty to a criminal offense? Yes [ ] No [ ]
If yes, provide details: _______________________________________________________

My signature certifies the information provided above is complete and accurate. I understand that making false or fraudulent statements within this document could result in denial of travel.

Signature: ____________________________ Date: ______

Return all completed travel forms to the approving vice president.

For Academic Affairs’ travel requests, completed travel forms should be returned to David Cranle, Assistant Dean of Credit Programs.
Travel Course/Program
Participant Agreement

I ______________________________ agree to fulfill all financial and tour obligations
(print full legal name)

while participating in the following travel course/program:

__________________________ which will begin on ____________ and end on ____________

I understand and agree to the following course/program conditions:

As lawful consideration for my being permitted to participate in the travel course/program
identified above, I agree to be bound by the provisions of this Course/Program Participation
Agreement and to satisfy all travel course/program requirements, including completion of all
required forms and payment of fees as described in the payment and refund schedule. Failure to
complete required forms or make required payments may result in withdrawal from the
program/course.

RELEASE OF INFORMATION: I give permission to the sponsoring department/division to
verify with the Judicial Office and the Office of Student Records that I am not on disciplinary or
academic probation, either of which may invalidate my eligibility for the travel course/program.

PERSONAL CONDUCT: I agree to conform to all applicable rules, regulations and policies of
Salem State University, the travel course/program and the host location. I also agree to abide by
policies governing student conduct, both academic and other, as published in the Salem State
Student Conduct Code. I understand that the University has the right to withdraw a traveler from
the course/program at any time because of any violation of such rules or any disruptive behavior,
for failure to act in conformity with instructions reasonably given by persons managing or
directing the travel course/program or leading its participants, or for conduct that could bring the
course/program into disrepute or either the University or participants into legal jeopardy. Such
decisions will be final and no refund will be made. I will not hold the University liable for any
claims incurred by reason of my failure or refusal to conform to the requirements described in
this paragraph. All expenses related to termination or withdrawal will be my responsibility.

TRAVEL: I understand that I will be traveling during the course/program by various modes of
transportation including, but not limited to, plane, train, bus, van, boat or foot. I acknowledge
and understand that in the event I choose to leave the group, become detached from the group,
fail to meet a departure by plane, bus, train or other conveyance, or become sick or injured, I will
bear all responsibility to seek out and reach the group at its next destination and will bear all
added costs that I incur or cause others to incur related to my contacting and reaching, or failing
to contact and reach, the course/program site. I understand that I am responsible for meeting the
group at the time set by group leaders, and that the group is not obligated to wait for me should I
arrive late. It is in my best interest to arrive at meeting locations early.
PROGRAM CHANGES: The course/program is described generally in the literature provided to the participants. I understand and agree that the information is descriptive only and that Salem State University and its employees reserve the right to make any changes in the published itinerary or activities if they deem it necessary or appropriate for the comfort, convenience or safety of participants or for the success of the travel course/program.

I agree to accept all responsibility for loss or additional expenses due to delays or other changes in the means of transportation, changes in other services or accommodations, sickness, weather, acts of God, labor strikes, currency conversion rates or any other unforeseen circumstances.

MEDICAL TREATMENT: I will advise sponsoring department/division of any health issues the University and the trip leader should be aware of in order to ensure my safety and well being and complete the required Disclosure Form. (Health information will be held confidentially.) I authorize Salem State University trip leaders to secure emergency medical, dental or first aid treatment on my behalf if at any time they deem it necessary or appropriate. I agree to accept all financial responsibility for any such emergency treatment and, if the University deems it necessary, an early departure from the trip. If it judges it necessary because of a health emergency, Salem State University may provide me with funds to purchase a plane ticket to Boston; if it does so, I agree to reimburse the University within thirty days following my arrival in Boston.

INSURANCE COVERAGE: I understand that I am required to maintain an adequate policy of health insurance. If traveling outside the United States that policy must provide coverage internationally and should provide for coverage for medical evacuation and repatriation. I agree, upon enrollment in the travel course/program, to provide Salem State University with a copy of my health insurance card or other evidence showing that my health insurance provides coverage in the country(ies) to which I will travel in the travel course/program, and I hereby represent that my medical insurance provides international coverage of the kind described above. It is my responsibility to provide updated insurance information to the sponsoring department/division should I change health insurance coverage before departure.

The University recommends that each participant purchase travel insurance. It is my choice whether to make this purchase. I will be responsible for filing and negotiating all claims directly with the insurance company.

GENERAL RELEASE AND WAIVER: I expressly understand and agree to the following. I accept all risk of personal injury (including death) and property damage arising from my participation in the travel course/program. I hereby release and discharge Salem State University and its governing board, its officers, directors, employees and agents and any related or affiliated entities (collectively “Salem State University”) from all claims and demands whatever that I may hereafter have for injuries (including death) or property damage resulting from participating in the travel course/program or its activities, including injury (and death) or damage caused in whole or in part by the negligence or other wrongdoing of Salem State University, and further including any and all liability for medical or hospital care. Without limiting the foregoing, I understand and agree that Salem State University can and will assume no liability for injury (including death), damage, loss, accident, or irregularity in connection with the services of any airplane, ship, motor coach, train, or other conveyance used in carrying out the arrangements of
the travel course/program. (For Employees: I understand this agreement is not designed to deprive me of my statutory protection under the Workers’ Compensation Law, nor does it do so.)

LEGAL AND FINANCIAL RESPONSIBILITIES: I understand that I must comply with the laws and appropriate cultural standards of conduct of the countries and regions I am visiting. I agree to conduct myself in a manner that will comply with the laws of each such country and the regulations of Salem State University. If I experience legal problems in the USA or internationally, including any problems, legal or other, with any foreign nationals or government authorities of the any country within which I travel as a participant in the travel course/program, I will attend to them personally with my own personal funds. Furthermore, I understand that I am solely responsible for any cost or liability incurred due to property damage or personal injury caused by my actions.

PAYMENTS AND REFUNDS: I will follow the payment plan as prescribed for the course/program. I understand that failure to make timely payments may jeopardize my participation in the travel course/program and that Salem State University reserves the right to cancel my enrollment and participation in the travel course/program if I fail to make any required payment in a timely manner.

RESPONSIBILITY DURING FREE TIME: I understand that any activity or travel in which I choose to engage outside of the prescribed itinerary or activities of the travel course/program will be at my expense and risk. Salem State University representatives may provide participants with information on destinations and activities, but their doing so does not constitute a representation by the University concerning the suitability for any purposes, or the safety of, travel to any such destination or engagement in any such activity. Salem State University does not allow any student or tour participant to rent vehicles or motorcycles while participating in a travel course/program.

FAMILY INVOLVEMENT: I am responsible for communicating travel details to my family members/significant others. Should an emergency arise, I authorize Salem State University, at its discretion, to share information regarding my health and safety with persons I have identified as emergency contacts.

USE OF PHOTOGRAPHS OR WRITTEN REPORTS: By participating in a travel course/program, I authorize reasonable use of my photographs and written comments by Salem State University. These photographs or written comments may be used for academic and promotional reasons, in print, catalogs and on the Salem State website.

Signature

Date

Return all completed travel forms to the approving vice president.

For Academic Affairs’ travel requests, completed travel forms should be returned to David Crane, Assistant Dean of Credit Programs.
SUBJECT: Institutional Advancement/Marketing & Communications Committee Meeting Report for November 20, 2013

The Institutional Advancement/Marketing & Communications Committee of the Board of Trustees met on Wednesday, November 20, 2013 in room 210 located in Marsh Hall on the Central Campus of Salem State University.

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

Trustee vice chair Marcel Quiroga called the meeting to order at 3:50 pm.

Campaign Financial Update (Attachment A)

As Vice President McGurren was engaged in a donor visit off campus, in her absence, Associate Vice President Eileen O’Brien and Assistant Vice President Cheryl Crounse reviewed the campaign snapshot report. Ms. Crounse reported we are at mid-point of the comprehensive campaign with a balance to be raised by June 30, 2015 of $12,492,240. Our benchmark December 31, 2013 goal is $4M and we have raised, as of October 31, 2013, $456,304. We have 13 pending visits with a number of significant asks outstanding, totaling $11M. We know one of the significant asks will be delayed into next fall. Visits to be scheduled total $8M.

Ms. Crounse then reviewed the breakdown of where we stand for the campaign priorities. The annual fund is at 92% of its goal. Trustee Ansara commented on the great job being done in that particular category. Ms. Crounse noted that once the campaign goes public in April, we will uncover opportunities which we are currently unaware of because we have over 55,000 alumni that do not know we are in a campaign. Trustee Quiroga commented on our being at 50% of goal prior to the public campaign and asked if that’s where we need to be. President Meservey mentioned she would prefer to be at a higher percentage of goal before going public, but she commended the staff of Institutional Advancement for their accomplishments to date in this campaign.

President Meservey also commented on the recent article in the Boston Business Journal which was generated by the controversy at Westfield State. The article highlighted the fundraising at Bridgewater and Fitchburg, which has more than doubled between 2008 and 2012. However, Salem State’s annual fundraising has nearly quadrupled during the same time frame.

Ms. Crounse reported that the initial design of the campaign website will be available for the Trustees to review at the January meeting. Trustee Quiroga inquired about the likelihood of our reaching the December 31, 2012 benchmark goal of $4M. Ms. Crounse reported it’s not likely that we will reach that goal. Part of the reasoning is the timing of our donors. Ms. O’Brien
commented that our pipeline is thinning, but it is not drained. We need to continue to cultivate donors and identify new ones. Trustee Quiroga inquired what the trustees could do to assist in the fundraising efforts. Ms. O’Brien replied that we need new prospects. She asked the trustees to review their own contacts and refer two or three potential prospects to the fundraising team. She reported the same request was made to the Foundation board of directors at their meeting this past Monday evening and the Alumni Association board will also be asked to submit two or three potential donors. Trustee Segal also recommended that Institutional Advancement provide trustees with a list to review so they can determine whether they could be helpful with new people that have come on the radar screen since the initial review of prospects. Trustee Scott discussed the role of the Campaign Boards Subcommittee, which she and Mr. Robert Lutts are co-chairs. She stated if any of the trustees present would like to join that Subcommittee, they would be welcomed.

Marketing & Communications – Branding Campaign Update (Attachment B)

Vice President Torello discussed the university branding campaign. He shared with the trustees three different rough concepts. Each concept has three different ads. All of them come from the same positioning statement which reads as follows: “Salem State offers a diverse perspective with real-world knowledge, in a supportive yet challenging community. Salem State launches graduates, helping them recognize their dreams and reach higher than they thought possible.” After reviewing the three concepts, he asked the trustees for their reaction and or comments.

Trustee Quiroga inquired as to who wrote the positioning statement. Mr. Torello responded that a number of people were involved in the writing of the positioning statement. This positioning statement will not appear in print, it is utilized only for the development of the concepts. Trustee Ansara inquired if Mr. Torello had received any feedback about what our students are anxious about. He stated that many of our students are the first in their families to attend college and many of them work one or two jobs, while attending college, so there is anxiety around that.

Trustee Mattera commented that we must focus on one or two things that clearly differentiate us. We are diverse and practical and we need to focus on those. Trustee Quiroga commented that she thought the positioning statement felt very generic, it does not reflect the message that we want to give. The positioning statement needs to be precise. Trustee Booker reflected on how, when he was applying to the university, he wondered how the university was going to prepare him for a career. Trustee Segal inquired about who the ads are going to be geared towards. Is the primary audience the parents or prospective students? Trustees Davis and Stringer both liked the second concept, which read “College, you’ll find yourself”. However she suggested they find a better image for that particular ad since it reflected a student using chalk on a chalkboard and the image on the chalkboard was reversed. Trustee Quiroga also liked the second concept. Trustee Booker commented he liked the first concept the most. Pam Scott noted at the end of the discussion that she preferred the second concept.

Mr. Torello discussed the next steps which are focus groups, media plan, creative production and the campaign launch.
There being no further business to come before the committee and on a motion duly made by Trustee Mattera and seconded by Trustee Ansara, it was unanimously

VOTED: To adjourn the meeting at 4:50 pm.

Prepared by: Diane Shahin, staff assistant, Institutional Advancement
This snapshot report includes pledges and cash raised as of October 31, 2013

I. Statistical Review

Campaign Snapshot - Year Three

<table>
<thead>
<tr>
<th></th>
<th>$25,000,000</th>
<th>$12,507,760</th>
<th>$12,492,240</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campaign Goal</td>
<td>$25,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raised 7/1/2010 through 10/31/2013</td>
<td>$12,507,760</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance to be raised by 6/30/15</td>
<td>$12,492,240</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>$4,470,000</th>
<th>$456,304</th>
<th>$4,013,696</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/13 Benchmark Goal</td>
<td>$4,470,000</td>
<td>$456,304</td>
<td>$4,013,696</td>
</tr>
<tr>
<td>Raised as 10/31/2013</td>
<td>$456,304</td>
<td>$4,013,696</td>
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</tr>
<tr>
<td>Balance to be raised by 12/31/2013</td>
<td>$4,013,696</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>$11,528,368</th>
<th>$1,075,000</th>
<th>$8,275,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pending (13)</td>
<td>$11,528,368</td>
<td>$1,075,000</td>
<td>$8,275,000</td>
</tr>
<tr>
<td>Visits scheduled (5)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visits to be scheduled (77)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Timeline to Campaign Goal of $25,000,000

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cum. Goal</td>
<td>$0</td>
<td>$2,050,000</td>
<td>$9,250,000</td>
<td>$11,418,466</td>
<td>$16,521,456</td>
<td>TBD</td>
<td>$25,000,000</td>
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<tr>
<td>Actual</td>
<td>$0</td>
<td>$2,185,493</td>
<td>$9,118,466</td>
<td>$12,051,456</td>
<td>$12,507,760</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

as of 10/31/2013
### Comprehensive Campaign Financial Progress
**July 1, 2010 – October 31, 2013**

<table>
<thead>
<tr>
<th>Area</th>
<th>Goal</th>
<th>Documented</th>
<th>Verbal</th>
<th>Total Raised (Verbal &amp; Documented)</th>
<th>Balance</th>
<th>% to Goal</th>
<th>Cash Received as of 10/31/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Fund Unrestricted</td>
<td>$2,200,000</td>
<td>$1,833,311</td>
<td>$1,833,311</td>
<td>$366,689</td>
<td>$1,099,557</td>
<td>83.33%</td>
<td></td>
</tr>
<tr>
<td>Annual Fund Restricted</td>
<td>$2,800,000</td>
<td>$2,602,825</td>
<td>$2,602,825</td>
<td>$197,175</td>
<td>$2,173,633</td>
<td>92.96%</td>
<td></td>
</tr>
<tr>
<td>Faculty</td>
<td>$4,000,000</td>
<td>$82,218</td>
<td>$82,218</td>
<td>$3,917,782</td>
<td>$68,753</td>
<td>2.06%</td>
<td></td>
</tr>
<tr>
<td>Students</td>
<td>$4,000,000</td>
<td>$2,035,560</td>
<td>$2,035,560</td>
<td>$1,964,440</td>
<td>$2,035,460</td>
<td>50.89%</td>
<td></td>
</tr>
<tr>
<td>Financial Assistance</td>
<td>$4,000,000</td>
<td>$2,505,384</td>
<td>$115,000</td>
<td>$1,379,616</td>
<td>$2,142,812</td>
<td>65.51%</td>
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</tr>
<tr>
<td>Academic Programs</td>
<td>$3,000,000</td>
<td>$239,551</td>
<td>$239,551</td>
<td>$2,760,449</td>
<td>$239,176</td>
<td>7.99%</td>
<td></td>
</tr>
<tr>
<td>Unrestricted Endowment</td>
<td>$125,000</td>
<td>$125,000</td>
<td>$125,000</td>
<td>$0</td>
<td>$65,000</td>
<td>100.00%</td>
<td></td>
</tr>
<tr>
<td>Gordon Center Campaign</td>
<td>$3,400,000</td>
<td>$1,062,029</td>
<td>$1,062,029</td>
<td>$2,337,971</td>
<td>$564,916</td>
<td>31.24%</td>
<td></td>
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<tr>
<td>Comprehensive Campaign</td>
<td>$1,475,000</td>
<td>$1,006,882</td>
<td>$1,006,882</td>
<td>$468,118</td>
<td>$520,247</td>
<td>68.26%</td>
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<tr>
<td>Designation to be determined</td>
<td>n/a</td>
<td>$900,000</td>
<td>$900,000</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
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<tr>
<td><strong>Campaign totals</strong></td>
<td>$25,000,000</td>
<td>$12,392,760</td>
<td>$115,000</td>
<td>$12,507,760</td>
<td>$8,909,555</td>
<td>50.03%</td>
<td></td>
</tr>
</tbody>
</table>

Note: The $1.2 million Bertolon Goal was attained 3/1/12. Those funds are now included in Annual Fund Restricted, Faculty, Students, and Financial Aid.
In total Salem State raised $6,023,788 in a prior capital campaign for the Sophia Gordon Creative and Performing Arts Center.
Totals for the Month of October have not been finalized.

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

### Annual Fund Progress
**July 1, 2010 – October 31, 2013**

<table>
<thead>
<tr>
<th>Area</th>
<th>Goal</th>
<th>Documented</th>
<th>Verbal</th>
<th>Total Raised (Verbal &amp; Documented)</th>
<th>Balance</th>
<th>% to Goal</th>
<th>Cash Received as of 10/31/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Unrestricted FY11</td>
<td>$250,000</td>
<td>$362,883</td>
<td>$0</td>
<td>$362,883</td>
<td>$0</td>
<td>145.15%</td>
<td></td>
</tr>
<tr>
<td>Annual Unrestricted FY12</td>
<td>$475,000</td>
<td>$925,929</td>
<td>$0</td>
<td>$925,929</td>
<td>$0</td>
<td>194.93%</td>
<td></td>
</tr>
<tr>
<td>Annual Unrestricted FY13</td>
<td>$475,000</td>
<td>$502,561</td>
<td>$0</td>
<td>$502,561</td>
<td>-$27,561</td>
<td>105.80%</td>
<td>$389,481</td>
</tr>
<tr>
<td>Annual Unrestricted FY14</td>
<td>$490,000</td>
<td>$41,938</td>
<td>$0</td>
<td>$0</td>
<td>$490,000</td>
<td>105.80%</td>
<td>$45,379</td>
</tr>
<tr>
<td>Annual Unrestricted FY15</td>
<td>$510,000</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$510,000</td>
<td>105.80%</td>
<td></td>
</tr>
<tr>
<td><strong>Annual Unrestricted Total</strong></td>
<td>$2,200,000</td>
<td>$1,833,311</td>
<td>$0</td>
<td>$1,833,311</td>
<td>$366,689</td>
<td>83.33%</td>
<td></td>
</tr>
<tr>
<td>Annual Restricted FY11</td>
<td>$800,000</td>
<td>$638,180</td>
<td>$0</td>
<td>$638,180</td>
<td>$0</td>
<td>79.77%</td>
<td></td>
</tr>
<tr>
<td>Annual Restricted FY12</td>
<td>$500,000</td>
<td>$985,919</td>
<td>$0</td>
<td>$985,919</td>
<td>$0</td>
<td>197.18%</td>
<td></td>
</tr>
<tr>
<td>Annual Restricted FY13</td>
<td>$480,000</td>
<td>$749,783</td>
<td>$0</td>
<td>$749,783</td>
<td>$269,783</td>
<td>156.20%</td>
<td>$707,330</td>
</tr>
<tr>
<td>Annual Restricted FY14</td>
<td>$500,000</td>
<td>$228,942</td>
<td>$0</td>
<td>$228,942</td>
<td>$271,058</td>
<td>156.20%</td>
<td>$241,500</td>
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<tr>
<td>Annual Restricted FY15</td>
<td>$520,000</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$520,000</td>
<td>156.20%</td>
<td></td>
</tr>
<tr>
<td><strong>Annual Restricted Total</strong></td>
<td>$2,800,000</td>
<td>$2,602,825</td>
<td>$0</td>
<td>$2,602,825</td>
<td>$197,175</td>
<td>92.96%</td>
<td></td>
</tr>
</tbody>
</table>

**FY12 Annual Unrestricted total: $925,929**
this includes $350,000 in multi-year $25,000 or greater campaign commitments that are not expected to be replicated in FY13 totals ($575,929 without $25k+ multi-year campaign commitments)

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

Salem State offer a diverse perspective with real-world knowledge, in a supportive yet challenging community. Salem State launches graduates, helping them recognize their dreams and reach higher than they thought possible.
You’re ready

inspired,

excited,

motivated

curious,

and ambitious.

It all adds up to Salem State University.

Salem State University offers you the unique opportunity to use our great diversity — in students, academic challenges, cultural experiences, and career-focused explorations — as a tool to discover and understand your place in the world.

Start discovering at SalemState.edu
Graduate school should be challenging, motivating, rewarding, stimulating, and inspiring.

Find it all at Salem State University.

Advance your career with an advanced degree from Salem State University. Many of our faculty members are successful practitioners in their fields, and they bring extensive real-world experience to the classroom, so you'll be prepared to achieve the success you seek.

Learn more at SalemState.edu
A college graduate should be

passionate,

ambitious,

committed,

motivated,

and practical.

Become all of that at Salem State University.

Undergrad or graduate, students at Salem State University study a rigorously demanding curriculum. They uncover inner strengths as our exceptional faculty challenges them to excel. They find encouragement in our supportive environment, and an appreciation for the world in our diverse student body. Their experience here truly prepares them to achieve personal and professional success.

Learn more at SalemState.edu
Here, you'll find your best self.

At Salem State University, you'll achieve greater success because our faculty are committed to your personal growth. You'll experience new perspectives as part of our diverse student body. And you'll expand your options through a challenging curriculum that prepares you to go farther than you may have dreamed. Learn more at SalemState.edu.
In grad school, you expect to go further.

Here, you’ll be surprised by just how far you can go.

Advance your career with an advanced degree from Salem State University. Many of our faculty members are successful practitioners in their fields, and they bring extensive real-world experience to the classroom. Those experts will challenge you, support you, and prepare you to achieve the success you seek. Learn more at SalemState.edu.
College is about finding yourself.

Here, it’s about finding your best self.

Undergrad or graduate, students at Salem State University study a rigorously demanding curriculum. They uncover inner strengths as our exceptional faculty challenges them to excel. They find encouragement in our supportive environment, and an appreciation for the world in our diverse student body. Their experience here truly prepares them to achieve personal and professional success. Learn more at SalemState.edu.
From cubicle to corner office

You pursue a graduate degree because you want more out of life and your career. You choose to earn it here because you want to study with expert faculty who will challenge you to exceed your own expectations.

Start your journey at SalemState.edu
From intern to executive

Our students study a rigorous curriculum that challenges them to make the most of learning opportunities — in the classroom and beyond. They are truly prepared to seek the success they want in life.

Start your journey at SalemState.edu
Banner ads
Next Steps

- Focus Groups
- Media Plan
- Creative Production
- Campaign Launch
SUBJECT: Institutional Advancement/Marketing & Communications Committee Meeting Report for January 29, 2014

The Institutional Advancement/Marketing & Communications Committee of the Board of Trustees met on Wednesday, January 29, 2014 in room 210 located in Marsh Hall on the Central Campus of Salem State University.

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

Trustee chair Paul Mattera called the meeting to order at 3:50 pm.

Campaign Financial Update (Attachment A)
Vice President McGurren reported the public launch of the comprehensive campaign will be held on Saturday, April 12, 2014 at the O’Keefe Complex and Gassett Fitness Center starting at 6:00 pm. Everyone should have received the save the date card. The theme for the campaign is “10,000 Reasons”. The invitations will be mailed on February 21, 2014 to approximately 700 individuals. Our hope is that we will have 400 attendees. At the last foundation board meeting, we distributed the invitees list for board members to review and we asked them to initial about 10 individuals who they would be willing to call to follow up. The trustees received the same list and they too were asked to identify individuals they would be able to follow up with. She asked that they return the list to her or Jean Fleischman by the end of the meeting. The staff will in turn review all the names to avoid any duplication, return it to the trustees by March 3 and provide them with a suggested script to follow when making the phone calls. Trustee Mattera strongly encouraged all trustees to participate and assist, in any way possible, to identify individuals and make follow up phone calls. Vice President McGurren also suggested they add names to the list. There is no fee for this event; we hope to educate people about Salem State University and to get involved in the university and encourage a commitment to the campaign.

McGurren proceeded to review the campaign snapshot. The campaign working goal is $25M and as of December 31, 2013 we have raised $14,193,999, with a balance to be raised of $10,806,001. She stated that when we talk about the end of the campaign and the campaign goal, it has always been referred to as a “working goal” to be reached by June 30, 2015. The steering committee will be meeting on February 11, 2014 and will ascertain if we remain with that goal and timeline. We must be certain of what we will be announcing at the campaign launch on April 12. Do we keep the same time line or do we not have a stated time line? Many campaigns have a goal but do not have a firm time line. The public launch will enable us to speak with our 55,000 alumni. Trustee Mattera mentioned that we have already raised almost $15M, and we have accomplished this without any fanfare or public launch. He inquired if we expect there are some
large donations waiting to be made which will get us to our goal. McGurren reported we have several significant prospects, but some of these gifts may not come in during the campaign. Sometimes cultivation takes years to secure a commitment. We are now doing significant work with the alumni and parents subcommittee. We will be holding a volunteer summit on February 8 at which time we will be giving them the tools to assist us in raising money. McGurren also reported on an additional commitment of approximately $400,000 from a bequest that is not included in the December numbers. The annual fund unrestricted is doing very well, we are at 87% of our goal and the annual fund restricted is at 98% of goal.

Assistant Vice President Crounse then reviewed the campaign website, still under institutional advancement’s report. We continue to build on our theme of “10,000 Reasons” through the new campaign site. She reported we continue to collect reasons from our students, faculty and donors. The top right of the website has a place holder for our campaign video, and in the upper white space we have placed “donate today” very prominently to make giving easy for those that navigate specifically to do this. In the top navigation we placed our social media and a search bar for easy access within the site. The site will also spotlight below the fold, news and events, stories, and a twitter feed for #SSUREASONS. In addition, there will also be a progress graphic measuring our campaign goal on a monthly basis. There will be a footer at the bottom of the site where individuals can make a gift, volunteer or learn more about planned gifts. They will also have the opportunity to submit their “reason” as well. Trustee Quiroga inquired as to how people will get to the site. Crounse replied that we will be doing a lot of advertising spots from the main page; our marketing materials will also have a link to the site and we will be promoting this in our Statement magazine and Impact. There will also be a direct link from the main site. Trustee Quiroga also asked if we should have more information on Salem State given the mixed audience. Crounse noted that there is a quick link at the top of the page so those looking for more information about SSU can navigate directly to the main site.

Associate Vice President O’Brien then discussed the upcoming volunteer summit being held on February 8, 2014. Approximately 60 people have registered. Those invited include volunteer board members, alumni, faculty, staff, parents, students and friends of the university. She stated that while they were working with the alumni and parents subcommittee members, it was clear there was a need to provide these volunteers with resources, tools and a network to exchange their ideas so they can feel fully supported. This group of individuals will help feed our pipeline. We plan to hold this type of workshop annually. Trustee Quiroga inquired into the availability of individual volunteer giving pages. O’Brien replied that it was an interesting concept, one to be pursued with marketing and communications. Trustee Burns inquired into the degree of vendor interaction. O’Brien replied that we were starting to build outreach strategies for our vendors.

Marketing & Communications – Branding Campaign Update (Attachment B)
Vice President Tom Torello reviewed the creative development for the branding campaign which included the brand awareness and perception study; ideation sessions; positioning statement and the creative concepts. He reviewed the work currently in production. The brand champions have been chosen, videotaped and photographed. TV spots are being edited; radio script is in development. We have a rough design of our online banners and the landing page is designed and being programmed. Torello shared with the trustees video clips of the brand champions. Torello then reviewed the planning parameters, stating our target groups will be opinion leaders and
parents of high school students; student prospects; current students and alumni. We will be targeting the Essex county area and the timing will be between February and June, 2014. Our budget is $100,000. President Meservey mentioned we may want to have a conversation with the finance committee to see if we can tap into their budget to get some additional funding for advertising. Torello reported the media strategy will be to generate awareness and impact using targeting mediums at multiple touch points including cable TV, radio and digital. The launch activity will be in condensed flights to compound effects of reach and frequency. We will use digital to sustain coverage across a longer period of time. Trustee Quiroga expressed how pleased she is with the results of the branding campaign.

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

**VOTED: To adjourn the meeting at 4:50 pm.**

Prepared by: Diane Shahin, staff assistant, Institutional Advancement
To: Board of Trustees

From: Cheryl Crounse, Assistant Vice President and Campaign Manager

Date: January 23, 2014

RE: Campaign financial update – as of 12/31/2013

This snapshot report includes pledges and cash raised as of December 31, 2013

I. STATISTICAL REVIEW

Campaign Snapshot - Year Three

$25,000,000 Campaign Goal
$14,193,999 Raised 7/1/2010 through 12/31/2013
$10,806,001 Balance to be raised by 6/30/15

$4,470,000 12/31/13 Benchmark Goal
$2,142,543 Raised as 12/31/2013
$2,327,457 Balance to be raised by 12/31/2013

$1,431,868 Pending (14)
$45,000 Visits scheduled (3)
$10,764,000 Visits to be scheduled (77)

Timeline to Campaign Goal of $25,000,000

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7/1/2010</td>
<td>$0</td>
<td>$2,050,000</td>
<td>$9,250,000</td>
<td>$11,418,466</td>
<td>$16,521,456</td>
<td>TBD</td>
<td>$25,000,000</td>
<td>n/a</td>
</tr>
<tr>
<td>Actual</td>
<td>$0</td>
<td>$2,185,493</td>
<td>$9,118,466</td>
<td>$12,051,456</td>
<td>$14,193,999</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

As of 12/31/2013
## Comprehensive Campaign Financial Progress
### July 1, 2010 – December 31, 2013

### Annual Fund Progress
#### July 1, 2010 – December 31, 2013

<table>
<thead>
<tr>
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<th>Goal</th>
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<td>$362,883</td>
<td>$0</td>
<td>$362,883</td>
<td>$0</td>
<td>145.15%</td>
<td>$271,138</td>
</tr>
<tr>
<td>Annual Unrestricted FY12</td>
<td>$475,000</td>
<td>$925,929</td>
<td>$0</td>
<td>$925,929</td>
<td>$0</td>
<td>194.93%</td>
<td>$389,481</td>
</tr>
<tr>
<td>Annual Unrestricted FY13</td>
<td>$475,000</td>
<td>$502,561</td>
<td>$0</td>
<td>$502,561</td>
<td>-27,561</td>
<td>105.80%</td>
<td>$707,330</td>
</tr>
<tr>
<td>Annual Unrestricted FY14</td>
<td>$490,000</td>
<td>$137,489</td>
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<tr>
<td>Annual Unrestricted FY15</td>
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<td>$0</td>
<td>$0</td>
<td>$510,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Unrestricted Total</td>
<td>$2,200,000</td>
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<td>$0</td>
<td>$1,928,862</td>
<td>$271,138</td>
<td>87.68%</td>
<td>$1,231,502</td>
</tr>
<tr>
<td>Annual Restricted FY11</td>
<td>$800,000</td>
<td>$638,180</td>
<td>$0</td>
<td>$638,180</td>
<td>$0</td>
<td>79.77%</td>
<td></td>
</tr>
<tr>
<td>Annual Restricted FY12</td>
<td>$500,000</td>
<td>$985,919</td>
<td>$0</td>
<td>$985,919</td>
<td>$0</td>
<td>197.18%</td>
<td></td>
</tr>
<tr>
<td>Annual Restricted FY13</td>
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<td>$0</td>
<td>$749,783</td>
<td>$269,783</td>
<td>156.20%</td>
<td>$707,330</td>
</tr>
<tr>
<td>Annual Restricted FY14</td>
<td>$500,000</td>
<td>$381,370</td>
<td>$0</td>
<td>$381,370</td>
<td>$118,630</td>
<td>413,974</td>
<td></td>
</tr>
<tr>
<td>Annual Restricted FY15</td>
<td>$520,000</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<td>Annual Restricted Total</td>
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<td>$44,747</td>
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<td>$315,885</td>
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**FY12 Annual Unrestricted total: $925,929**
this includes $350,000 in multi-year $25,000 or greater campaign commitments that are not expected to be replicated in FY13 totals ($575,929 without $25k+ multi-year campaign commitments)

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

---

**Note:** The $1.2 million Bertolon Goal was attained 3/1/12. Those funds are now included in Annual Fund Restricted, Faculty, Students, and Financial Aid.

In total Salem State raised $6,023,788 in a prior capital campaign for the Sophia Gordon Creative and Performing Arts Center.

* $400,000 included in the students area is spendable and not endowed funds.
Branding Campaign Update

Attachment B
Creative Development

- Brand awareness and perception study
- Ideation sessions with internal groups
- Positioning statement development
- Creative concepts
Creative Development

- Brand awareness and perception study
- Ideation sessions with internal groups
- Positioning statement development
- Creative concepts
Creative Development

- In Production
  - Brand champions chosen, video taped and photographed
  - TV spot being edited
  - Radio script in development
  - Online banners in rough design
  - Landing page designed and being programmed

Institutional Advancement, Marketing & Communications 1.29.14
Brand Champions
Ruth Mburu ’16
Graduate Nursing major
Born in Kenya
Wants to use her nursing skills to help people in third-world countries
Amy Oullette ’14

Undergraduate Communications major
Left career to raise family
Pursuing dream of career in public relations
Kevin Letourneau ’08
Communications major with theater minor
Founded Go Out Loud
Inspired by faculty to combine his passions for theater, marketing and social media
Julie Palin ’89

Leisure Management major

Founded, built, and sold tech company Internoded

Found her passion for building a positive corporate culture
Brand Champions
Banner Ads

Click for more of Kevin's Salem State story.
“Seeing my professors explore their passions gave me the confidence and inspiration to continue with my own.”

Kevin L. Communications ’08 founder of Go-Out Loud

See how Kevin found his passion at Salem State.
“It was the teachers that made the difference — the passion they brought to the program was amazing.”

Julie P.
Leisure Management ’89
founder and former CEO of Internoded

Julie shares how she found her passion at Salem State.
"The faculty at Salem State take a keen interest in who you want to be and where you want to go with your career."

Ruth B., MSN '15
"I've become more of a student and more of a professional than I expected to be. I've done more here than I ever imagined."

Amy O.
Communications '14

See how Amy discovered her passion with help from Salem State.
Find your passion profiles

Julie P.
Leisure Management '89
president and CEO of Internoded

Julie came to Salem State with an idea of what she wanted to do in life. But her experience here helped her discover an entirely new passion, and she went on to found a very successful technology company.
Planning Parameters

TARGETS
1. Opinion Leaders
2. Parents of high school students; student prospects; current students; alumni

GEOGRAPHY
Essex county

TIMING
February-June 2014

BUDGET
$100,000
Media Strategy

Generate awareness and impact using targeted mediums at multiple touch points:

- Cable TV for its dynamic platform, impact potential and targeted coverage
- Radio for reach and strength in delivering frequency
- Digital for its relevance, connect-ability, target-ability and measurability

Launch activity in condensed flights to compound effects of reach and frequency

- Use digital to sustain coverage across a longer time period
<table>
<thead>
<tr>
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<td>CABLE TV</td>
<td>30 6 13 20 27 10 17 24 3 10 17 24 31 7 14 21</td>
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<td></td>
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**Targeted Display & Mobile - sites TBD**

**PPC - Search & Social**
# Cable Television

## Comcast Zone Coverage

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<tr>
<th>Comcast Zone</th>
<th>Cable HHs</th>
<th>Town Coverage</th>
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<tbody>
<tr>
<td>Amesbury-Gloucester</td>
<td>25,981</td>
<td>Amesbury, Essex, Gloucester, Manchester-by-the-Sea, Merrimac, Rockport, Salisbury, South Hampton</td>
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<tr>
<td>Beverly</td>
<td>28,779</td>
<td>Beverly, Boxford, Danvers, Hamilton, Marblehead, Middleton, Topsfield, Wenham</td>
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<tr>
<td>Haverhill</td>
<td>22,476</td>
<td>Georgetown, Groveland, Haverhill</td>
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<tr>
<td>Lynn</td>
<td>30,781</td>
<td>Lynn, Salem, Swampscott</td>
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<tr>
<td>Newburyport</td>
<td>13,465</td>
<td>Byfield, Ipswich, Newbury, Newburyport, Rowley, West Newbury</td>
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<tr>
<td>North Andover*</td>
<td>64,619</td>
<td>Andover, Lawrence, Methuen, North Andover, North Reading</td>
</tr>
<tr>
<td>Woburn*</td>
<td>72,491</td>
<td>Burlington, Lynnfield, Peabody, Reading, Stoneham, Wilmington, Winchester, Woburn</td>
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<tr>
<td><strong>Total Comcast HHs</strong></td>
<td><strong>258,592</strong></td>
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*Zone coverage includes bonus Verizon FiOS HHs per existing 'expanded zones' service.*
Cable Television

Network considerations

Special programming considerations:
• Winter Olympics (Feb 7-23, 2014)
• NCAA March Madness/Final Four (starts March 18)
• NHL Boston Bruins
• NBA Boston Celtics
## Radio

### Station considerations

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<tr>
<th>Format</th>
<th>AQH Rnk</th>
<th>AQH (00)</th>
<th>AQH Rtg</th>
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Digital

Paid Search – connect with a qualified/interested audience based on their search intent

• Paid search efforts for SGS brand have generated strong CTRs of up to 3.00% (average CTR is 1.2%)

Paid Social - target by demographics, search terms, industry, job title, etc.

• LinkedIn pay-per-click advertising can point to SSU website or LI page to grow followers
• Leverage the power of video advertising in a social context with YouTube
State Universities Campaign

• Goal: Promote the nine state universities
• Target: Law maker, opinion leaders, prospective students and families
• Media: TV, Radio, print
• Timing: Spring 2014
Next Steps

• Bid and finalize media plan
• Finish TV and radio ads
• Finalize online ads
• Build landing page
SUBJECT: Academic Affairs and Student Life Committee Meeting Report for November 20, 2013

The Academic Affairs and Student Life Committee of the Board of Trustees met on Wednesday, November 20, 2013 in room 210 at Marsh Hall on the Central Campus of Salem State University.

Present for the Committee were Trustees Davis (acting chair), Segal, Booker and Stringer, Advisory Member Contreras and Chair Scott (ex-officio) and President Meservey (ex-officio); Provost Esterberg (committee liaison), Vice President James (committee liaison) and staff assistant Longo, academic affairs. Also in attendance and participating in the meeting were Trustees Mattera, Ansara, Burns and Quiroga; Dean DeChillo and Professor Baker; Assistant Dean Newton; Director Comage; Assistant Director Bergeron-Beamon; and students Yocayra Guzman and Sidi Diarra.

Chair Davis called the meeting to order at 4:50 pm. She opened the meeting by welcoming new Advisory Member Magnolia Contreras to the committee and noted her work on the Board of Overseers. The Committee welcomed her. Chair Davis noted the full agenda and turned the meeting over to Provost Esterberg (Attachment A).

Provost Esterberg began by providing a brief overview of the agenda, noting that there would be no items to vote on and that all agenda items are for discussion only. She then turned the meeting over to Vice President James to discuss the first agenda item: Diversity and Multicultural Affairs. Vice President James thanked the Provost and turned the meeting over to Assistant Dean of Students Shawn Newton. Assistant Dean Newton began by thanking the Committee for the opportunity to present. He gave a brief overview of Diversity & Multicultural affairs, highlighting that for the first time, the Center for Diversity & Cultural Enrichment has full-time dedicated staff: Director Rebecca D. Comage, who was previously employed at the University of Kentucky where she ran institutional diversity and Assistant Director Jamie Bergeron-Beamon who was previously employed at Colgate University. He stated that Director Comage and Assistant Director Bergeron-Beamon will be providing an overview of the center’s mission, vision and goals and that students will be joining the discussion as well.

Director Comage began by thanking the Committee for the opportunity and expressing her excitement in sharing their work with them. She stated that the mission of Diversity & Multicultural Affairs is to lead the university in sustaining an active campus community that embraces differences and values diversity (Attachment B). The office is led by two professional staff and three graduate assistants. In addition, they recently proposed two faculty fellowships: a)
Latino/Latina Student Success and b) Center for Diversity and Cultural Enrichment. Their vision is for the Diversity & Multicultural Affairs office to be grounded in the university's academic mission. They seek to enhance educational opportunities, and build education into its core. In addition, their office strives for holistic student success with several programs offered in partnership with academic offices. Collaboration, she explained, is a core value.

Assistant Director Bergeron-Beamon continued by stating that Diversity & Multicultural Affairs has programs throughout the campus. Although student populations identify the organizations, all are open to the entire Salem State community. Social justice is the common thread between all organizations. Assistant Bergeron-Beamon then described a few programs and events:

- Graduate Multicultural Student Symposium: This event will be held on December 9 and will focus on the future of undergraduate students; including recent graduates speaking about their professional careers, information about graduate programs and opportunities to be involved in the mentoring program.

- Dr. Martin Luther King Jr. Convocation & Day of Community Service: Hosted during community time, explores cultural issues related to identity.

- LBGTQ Support: Working to build community with engaged faculty and providing support service at Salem State.

In addition, Diversity & Multicultural Affairs is engaged in institutional efforts led by the President’s Advisory Committee on Diversity, Affirmative Action, Equity and Social Justice. The office is actively involved with the Campus Climate Survey which aims to better understand the student experience. They are also actively engaged in Education & Awareness Programs, including organizing speaker series and active dialogue about what they represent. Assistant Director Bergeron-Beamon then stated that their office also serves as a gateway for student organization collaboration. The multicultural council launched this fall and is working to foster more student connection, professional development, team building and leadership training. Many organizations are represented. She then invited two student leaders to talk about their organizations.

Yocayra Guzman is the President of the Hispanic American Society and is a sophomore at Salem State. Yocayra explained that the Hispanic American Society provides a window into Hispanic culture and has three main areas of focus: to empower Latinos/Latinas; to create a common community; and to increase exposure of Hispanic Heritage. The society organizes a number of events focused on education, art, pop culture, food and music. Mid-September – Mid-October, for example, is National Hispanic Heritage Month. This year, the society organized a dinner with food from several different countries, a live band and guest speaker Dr. Melba Vasquez. They also hosted the event Latino Shaping Nation, which showcased local Latinos and Latinas who are making an impact on the community. And just this week they hosted the popular event MARTES GIGANTE which is a lively, interactive mock game show.
Sidi Diarra is the President of the African Student Union and is a junior at Salem State. Sidi thanked the Board for having him and explained that the purpose of the African Student Union is to foster awareness of African issues and to help bring together African students at Salem State and build community. The student union hosts a number of programs and events. One of the main events is the African Cultural Night and Dinner which typically draws ~200 students. In 2012-2013 the organization hosted two new events: the African Summit and the African Leadership Conference. The conference was held last semester and approximately 100 people from 8 different Massachusetts-based universities attended. The next event is planned for February 8, 2014, which they are hosting in conjunction with several other universities. In addition, on November 2, 2013 the African Student Union hosted its first African Debate, which provided African students with a great networking opportunity and a platform to share ideas. Eight universities from Massachusetts participated as well as institutions from Washington and Canada. President Meservey delivered the welcoming remarks and 130 people attended. It was a big success. McGill University brought 20 students and the event has helped to establish a strong relationship between our two institutions. On February 15th McGill is hosting an event and members of the African Student Union will attend. Mr. Diarra thanked President Meservey, Provost Esterberg, Dean Stoll, Assistant Dean Newton and the entire Student Government Association for their support.

Assistant Dean Newton thanked Ms. Guzman and Mr. Diarra for their hard work and enthusiasm. He then invited questions from the Committee members present.

Trustee Segal commented that he sees all of the organizations that are listed and has a deep fondness for the work that they are doing. He questioned though whether or not there is some redundancy in the number of organizations and/or if some of their purposes overlap. Assistant Dean Newton responded that while some institutions have one or two large organizations that serve to represent all interests, at Salem State the students have formed and organized the different groups to celebrate identity and the richness of diversity. The Diversity Council was created to collaborate in areas where there may be some overlap. Provost Esterberg furthered that the forming of student groups also helps to cultivate student leadership which is a useful development skill for students to have to better prepare them for the workplace.

Trustee Mattera agreed that it is absolutely right and important to celebrate diversity. He asked how Salem State can also build a campus of inclusion while at the same time celebrating the richness of diversity. Director Comage responded that building a campus of inclusion is also part of their work. They are still new. Assistant Director Bergeron-Beamon has been with the university for about a month and a half and Director Comage has been here for six months. As they grow and evolve in their positions they will enhance their inclusion efforts. Assistant Director Bergeron-Beamon concurred that this is a really good point and that one of the big trends in diversity in higher education is toward inclusion. It is still called diversity work, but focus on social justice issues is the core of the work which combines student efforts with a broader purpose.

Trustee Booker commented that these are exceptional students and the organizations are terrific. Going forward, he asked if there is a way to expand their efforts into the realm of international
students, many of whom often feel isolated particularly when they first arrive. Assistant Director Newton agreed and stated that this is on their minds, too. They have been actively reaching out to the Center for International Education (CIE) about how to combine their efforts. Director Comage concurred, responding that they are in constant communication with the CIE and Associate Provost Churchill and are thinking creatively about cross cultural dialogue.

Trustee Davis thanked the group for their incredible work. She stated that their presentation was impressive and that the Committee looks forward to hearing more as they move forward.

Provost Esterberg then moved to the next item on the agenda, and provided the Committee with a brief update on the university’s work with the AGB/Teagle Foundation. She explained that the grant formally concluded in October 2013. The case study was submitted and AGB is currently preparing cases for publication in Trusteeship. It is possible that Salem State will be mentioned in their final report. The main outcome is that Salem State has pledged to continue to involve the Board in substantive discussions of academic quality.

Trustee Davis asked whether or not there will be a final summary report. Provost Esterberg replied that AGB is preparing it now and that she will provide it to the Board as soon as it becomes available. Trustee Scott commented that Trusteeship will focus on this project, too. Provost Esterberg said that each institution provided a final case summary. She has pledged to discuss learning outcomes and the new general education, which is the next item on the agenda for discussion.

Provost Esterberg opened the discussion by expressing her excitement for the new general education curriculum. She introduced Dean DeChillo and Professor Baker stating that they would be leading the discussion. Professor Baker and Professor Duclos-Orsello co-led the Presidential Advisory Committee on the Core Curriculum, leading fifty faculty members through the process. She felt that they did an amazing job. Unfortunately Professor Duclos-Orsello was unable to join the meeting but has invited Committee members to contact her if they would like to discuss the new general education with her at any point in the future. Provost Esterberg then stated that what students will be learning and how it will be assessed is thrilling and she believes this is the most significant curriculum change in 35 years. She then turned the meeting over to Dean DeChillo and Professor Baker.

Dean DeChillo began by stating that the general education curriculum is a 'shared intellectual experience consisting of a breadth of knowledge and perspectives' preparing students for participation in a complex and dynamic world. He explained that we used to talk about the core as a checklist of courses to complete. There was no real cohesion between the courses or how they led to success. The new general education has evolved to create a cohesive package. It offer students a foundation of basic skills and knowledge and how to use them as students move forward in their careers. This is a significant distinction. He commented that students just went through an advising period and they are very excited about the new general education curriculum — they think it is flexible, offers more choices and is relevant. He then outlined the differences between the
traditional core and the new general education, highlighting two key areas: student ownership and the fact that under the new curriculum courses are spiraled over four years. A student, for example, would take freshman writing in their first year and their next writing course could be in their major.

Trustee Mattera asked if general education is ever a major in and of itself, to which Provost Esterberg replied that it is not; general education is a foundation only.

Dean DeChillo continued, explaining to the Committee that they began the process in September 2010, and passed the new general education in May 2013. By comparison, he explained that at most institutions this process takes 4 – 7 years. We will be implementing the new general education in fall 2014. A key component will be assessment, which is in the design phase now. He explained that we are heading toward an e-portfolio system where students will upload their work, demonstrating competence in a given area. A faculty committee will then review, assessing what they have learned. This system can also be shared with potential employers if a student chooses to do so. Provost Esterberg elaborated that learning outcomes are things that we want to document that students know and can assert that they have learned. It is important for employers and one of the LEAP outcomes adopted by the Vision Project. The assessment of the new general education would be in alignment with the Department of Higher Education which is important.

Professor Baker provided a brief overview of the old core (45 credits) and new general education (34-35 credits). The old core provided very little choice in what students could take. The new general education is more flexible, friendlier to transfer students and assessable. He then illustrated the differences as it applies to his discipline — history — in an effort to provide context. In 1941 Salem State offered its first history course, World History I. This course has been a graduation requirement ever since. Under the new general education, instead of World History I and World History II, students would take a course designated as “The Human Past.” Courses in The Human Past can come from any discipline — history, philosophy, political science, art history, music, business, etc. No department owns any category or course in the new general education, and all faculty have an opportunity to submit and offer a course in a particular category as long as it fulfills LEAP learning. This is a win-win for both students and faculty, as students can choose what they would like to take and faculty will be teaching students who want to be there — i.e. no more captive audiences. This is a very exciting time, and a real gift to our students.

Trustee Davis asked how courses in the new general education are identified. Professor Baker replied that courses will be listed in the catalogue with “HP,” “FYS,” etc., next to their titles so that they are easily identifiable. The committee is working on the details now. They are also working on the marketing and communication of these efforts.

Trustee Segal remarked that he has been connected with the University for 25 years and this is the most exciting thing that he has seen. It is truly exciting and he congratulated Provost Esterberg for all of her work in making this happen. Provost Esterberg thanked Trustee Segal and said that the committee did an extraordinary job. The new general education will be rolled out in fall 2014.
Trustee Scott asked that as the core transitions, what are the implications for logistical planning and class size and practical issues such as engaging signups and course registration. Provost Esterberg responded that when they were designing the new general education, they were concerned that they would not have enough courses in First Year Experience. Incredibly, though, they have had over 60 courses put forward. So many so, that they have had to put a cap on the number of FYE courses offered by each faculty member. Over the next two years we will be working under a transitional model and advisors are working with students on maps from old to new.

Trustee Davis asked how the new general education is addressing vertical articulation for transfer students. Vice President James responded that community colleges no longer need to change their curriculum to meet ours. It is much more flexible and better meets transfer student needs. Provost Esterberg elaborated that under the old core, majors could identify specific general education courses that students needed to take. If a transfer student did not have the exact course or courses in the same sequence they would need to go back and retake them. This was challenging. Under the new general education this has been uncoupled and will no longer delay student progress. It will be a lot easier for transfer students. Professor Baker commented that the new general education encourages flexibility. It has been reduced from 45 credits to 35, providing students with more electives and more freedom to explore. Dean DeChillo concurred and said that students will be able to try new courses outside of their major.

Trustee Davis remarked that this is very exciting and wished the Provost and the committee well this year.

Associate Provost Fogg then discussed the final agenda item: Academic Affairs/Student Life “Scorecard” Metrics. He explained that fall is too early for a full update as they are still trying to determine metrics in some areas. None the less he wanted to keep the Board abreast of the latest information and provided the Board with an updated scorecard (Attachment C).

Trustee Davis asked if there would be a follow-up. Associate Provost Fogg replied that the scorecard is a living and breathing document, so it will always be a draft. He will continue to keep the Committee updated.

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

**VOTED: To adjourn the meeting at 5:50 pm.**

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

I. Diversity and Multicultural Affairs (Discussion)

II. AGB Project Overview/Enhancing Board Engagement in Issues of Educational Quality (Discussion)

III. Learning Outcomes Associated with the New General Education Curriculum (Discussion)

IV. Academic Affairs/Student Life "Scorecard" Metrics (Discussion)
Diversity and Multicultural Affairs

Diversity & Multicultural Affairs

Rebecca D. Comage, Director
Jamie Bergeron-Beamon, Assistant Director
Mission

• Embrace diverse members of campus community

• Educate campus community on intersections of identity and social justice

• Create strategies to support marginalized student populations holistically

Vision

Our office will support making diversity a fundamental piece of the institutional fabric of Salem State University through focusing all initiatives on the following core values:

• Cultural Integrity
• Inclusive Leadership
• Knowledge Acquisition
• Holistic Student Success
• Civic Engagement
• Collaboration
Campus-Wide Programs

- Graduate Multicultural Student Symposium
- Black History Month & Black Symposium Speaker
- Latino Student Success Project
- LGBTQ Liaison & SafeZone Program
- Multicultural Student Council
- Black Male Initiative
- Dr. Martin Luther King Jr. Convocation & Day of Community Service

Institutional Efforts

President’s Advisory Committee on Diversity, Affirmative Action, Equity & Social Justice

Campus Climate Survey

Education & Awareness Programs

Marketing & Promotion
Center for Diversity & Cultural Enrichment

Dedicated space to explore critical issues, authentic dialogues regarding race, class, ethnicity, gender, ability, sexual orientation and nationality.

Cultural Clubs & Organizations

- African Student Union
- Asian Student Association
- Multicultural Student Association
- Urban Arts Theater
- The Alliance
- Hispanic American Society
- Amnesty International
- International Student Association
- Florence Luscomb Women's Center
Hispanic American Society

**Purpose:** The Hispanic American Society provides a window into Hispanic culture to the diverse student body at Salem State.

**Programs:**
- Hispanic Heritage Month
- MARTES GIGANTE (Giant Tuesday)

**Focus for this Academic Year:**
- Community Outreach
- Enhance Cultural Programming

African Student Union

**Purpose:** To foster awareness of African issues and help to unite African students within the Salem State community.

**Programs:**
- African Debate
- African Leadership Conference
- Soccer Tournament

**Focus for this Academic Year:**
- Enhance Educational & Cultural Awareness
- Promote Salem State
AGB/Teagle Foundation

Enhancing Board Engagement in Issues of Educational Quality

AGB/Teagle Foundation Project

- Grant formally concluded October 2013
- Case statement submitted October 2013
- AGB preparing cases for publication in *Trusteeship*
AGB/Teagle Foundation Project

Our pledge: to continue to involve the board in substantive discussions of academic quality

Learning Outcomes Associated with the New General Education Curriculum
General Education Reform

The general education curriculum is a shared intellectual experience consisting of a breadth of knowledge and perspectives that prepares Salem State students for successful participation in a complex and dynamic world.

Reasons for General Education Reform

- Increase intellectual exploration
- More choice/flexibility in course selection
- Greater focus on student learning outcomes
- Increase retention & graduation rates
Traditional vs. New Gen Ed

- Traditional
  - Prescriptive
  - Faculty Control
  - Freshman/Sophomore
  - Course based
  - Not Assessable

- New
  - Choice & Flexibility
  - Student Ownership
  - Spiraled over 4 years
  - Outcome based
  - Assessable

September 2010 – May 2013

- PACCC charge
- Inclusive campus dialogue
- 3 models developed
- Select and refine final model
- Model approved through governance
Timeline for General Education Implementation-Fall 2014

**AY 2013-14**
- Continue faculty/staff development
- Solicit/approve courses
- Revise program flow sheets
- Revise academic policies
- Recode Degree Tracker
- Update university catalog
- Design assessment plan

**AY 2014-15**
- Implement General Education Program
- Continue faculty/staff development
- Solicit/approve courses
- Initiate assessment plan

### Essential Learning Outcomes

**Knowledge of Human Cultures and the Physical & Natural World**
- Through study in the Sciences and Mathematics, Social Sciences, Humanities, Histories, Languages and the Arts

**Intellectual and Practical Skills, Including:**
- Inquiry and Analysis
- Critical & Creative Thinking
- Written & Oral Communication
- Quantitative Literacy
- Information Literacy
Learning Outcomes (Cont.)

Personal and Social Responsibility, Including:

• Intercultural Knowledge and Competence
• Ethical Reasoning & Action
• Foundations and Skills for Lifelong Learning

Integrative and Applied Learning, Including:

• Synthesis and Advanced Accomplishment Across General & Specialized Studies

Old 45 cr. vs. New 34-35 cr.
Choices and Opportunities for All Students and Faculty Members

Old Core:
• All students must take World History I & II

New General Education:
• Students must take one course in "Human Past" choosing from many options in many departments:
  • 5 new topical World history courses
  • History of Western Philosophy
  • American Foreign Policy
  • And that's just the start....

Academic Affairs/Student Life
"Scorecard”Metrics
Diversity & Multicultural Affairs
Director, Rebecca D. Comage
Assistant Director, Jamie Bergeron-Beamon

Mission
Diversity and Multicultural Affairs leads the university in sustaining an active campus community that embraces difference and values the significant contributions of all its members. Through examining the intersections of identity; our community is challenged to think critically about issues relevant to diversity and social justice. By creating strategies that support marginalized student populations in achieving their goals, we cultivate an environment where diversity, academic excellence, and holistic student success are inseparable.

The Center for Diversity & Cultural Enrichment exists as a dedicated space for members of our campus community to explore critical issues through initiating authentic dialogues regarding race, class, ethnicity, gender, sexual orientation, and nationality. The Center has been created to challenge and support students and university constituents to be conscious citizens who find unity within our differences.

Vision Statement
We believe that diversity is an educational asset, and should be considered in all facets of institutional planning. As such, the Diversity & Multicultural Affairs office seeks to be a fundamental piece of Salem State University’s institutional fabric. We aspire to be leaders in the Commonwealth and beyond as it relates to diversity education, student engagement, and the cultivation of effective collaborative models.

Highlights

Campus-Wide Programs
- LGBTQ Liaison role and SafeZone educational program will begin this spring to renew a university effort to supporting students across the gender and sexuality spectrum. This will be an effort which will include collaborations with such offices as Alumni Affairs, Disability Services, Registrar’s Office, Residential Life and a variety of student organizations.

- Black Male Initiative (BMI) continues to address the retention and student experience of this high-need population. BMI focuses on mentoring, and teaching specific skills that will supplement the academic resources available for students.

- Graduate Multicultural Student Symposium specifically targets students from populations which are currently underrepresented in our Graduate School. We are working closely with Graduate Admissions to do broad outreach to provide access and opportunity to undergraduates with promising futures in Salem State’s Graduate School.

Institutional Commitment
The President’s Advisory Committee on Diversity, Affirmative Action, Equity & Social Justice is currently working in sub-committees to address specific campus needs, such as assessing the cultural attitudes of our campus community. We will be able to target specific efforts toward retention, reducing discrimination, and barriers of access for our students with this data. We are using MAP-Works and other institutional measures to build a useful tool based off the Campus Climate Survey administered in 2009.

The Education & Awareness sub-committee is currently designing a Diversity Dialogues education series which will be open to students, faculty and staff. We will highlight specific topics related to diversity, multiculturalism, reducing bias, cultural competency and professional development.
### Salem State University Board of Trustees Scorecard

#### New Students (Number)

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Abs</td>
<td>Pct</td>
<td>Abs</td>
<td>Pct</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freshman</td>
<td>994</td>
<td>1,005</td>
<td>1,055</td>
<td>1,090</td>
<td>-15</td>
<td>-1%</td>
<td></td>
</tr>
<tr>
<td>Transfer</td>
<td>852</td>
<td>868</td>
<td>860</td>
<td>777</td>
<td>-83</td>
<td>-10%</td>
<td></td>
</tr>
<tr>
<td>Graduate</td>
<td>371</td>
<td>349</td>
<td>320</td>
<td>319</td>
<td>18</td>
<td>6%</td>
<td></td>
</tr>
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</table>

#### Market Attractiveness

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman applications</td>
<td>5,835</td>
<td>5,697</td>
<td>4,760</td>
<td>4,855</td>
<td>5,227</td>
<td>-467</td>
<td>-10%</td>
</tr>
<tr>
<td>Freshman admission yield</td>
<td>28.3%</td>
<td>30.5%</td>
<td>31.5%</td>
<td>32.5%</td>
<td>31.9%</td>
<td>-2.4%</td>
<td>-8%</td>
</tr>
</tbody>
</table>

#### Student Profile

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average HS GPA</td>
<td>2.94</td>
<td>2.94</td>
<td>3.08</td>
<td>3.09</td>
<td>3.13</td>
<td>0.05</td>
<td>2%</td>
</tr>
<tr>
<td>Freshman average Combined SAT (V+M)</td>
<td>979</td>
<td>995</td>
<td>988</td>
<td>988</td>
<td>993</td>
<td>-5</td>
<td>-1%</td>
</tr>
<tr>
<td>Freshman students-of-color (%)</td>
<td>21.2%</td>
<td>20.4%</td>
<td>23.6%</td>
<td>25.7%</td>
<td>25.3%</td>
<td>1.7%</td>
<td>7%</td>
</tr>
<tr>
<td>Freshman Pell eligible (%)</td>
<td>38.3%</td>
<td>37.1%</td>
<td>37.7%</td>
<td>39.5%</td>
<td></td>
<td>-37.7%</td>
<td>-100%</td>
</tr>
<tr>
<td>Graduate enrollment, students-of-color (%)</td>
<td>5.1%</td>
<td>5.8%</td>
<td>8.3%</td>
<td>9.0%</td>
<td>12.1%</td>
<td>3.8%</td>
<td>46%</td>
</tr>
</tbody>
</table>

#### Housing

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshmen in residence halls (%)</td>
<td>61%</td>
<td>67%</td>
<td>71%</td>
<td></td>
<td></td>
<td>-66.7%</td>
<td>-100%</td>
</tr>
<tr>
<td>Total Undergrads (degree) in res halls (%)</td>
<td>25%</td>
<td>27%</td>
<td>28%</td>
<td></td>
<td></td>
<td>-27.1%</td>
<td>-100%</td>
</tr>
</tbody>
</table>

#### Student Satisfaction

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Would enroll again: probably/definitely yes</td>
<td>52%</td>
<td>52%</td>
<td></td>
<td></td>
<td></td>
<td>-52.0%</td>
<td>-100%</td>
</tr>
<tr>
<td>Experience met expectations: better than expected</td>
<td>40%</td>
<td>40%</td>
<td></td>
<td></td>
<td></td>
<td>-40.0%</td>
<td>-100%</td>
</tr>
<tr>
<td>Overall satisfaction: satisfied or very satisfied</td>
<td>46%</td>
<td>48%</td>
<td></td>
<td></td>
<td></td>
<td>-46.0%</td>
<td>-100%</td>
</tr>
</tbody>
</table>

#### Retention and Graduation (period is year measured)

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-year retention rate, freshman</td>
<td>74.8%</td>
<td>81.2%</td>
<td>73.3%</td>
<td>73.8%</td>
<td>78.1%</td>
<td>4.3%</td>
<td>6%</td>
</tr>
<tr>
<td>2-year retention rate, freshman</td>
<td>82.4%</td>
<td>82.3%</td>
<td>81.7%</td>
<td>83.0%</td>
<td>82.9%</td>
<td>1.9%</td>
<td>2%</td>
</tr>
<tr>
<td>6-year graduation rate, freshman</td>
<td>45.4%</td>
<td>42.4%</td>
<td>41.6%</td>
<td>45.3%</td>
<td>45.6%</td>
<td>0.2%</td>
<td>1%</td>
</tr>
<tr>
<td>6-year graduation rate, transfer</td>
<td>57.9%</td>
<td>56.9%</td>
<td>59.0%</td>
<td>58.6%</td>
<td>59.4%</td>
<td>0.8%</td>
<td>1%</td>
</tr>
</tbody>
</table>

#### Global

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of International students (Total)</td>
<td>339</td>
<td>340</td>
<td>341</td>
<td>366</td>
<td>385</td>
<td>44</td>
<td>13%</td>
</tr>
<tr>
<td>Number of International students (UG)</td>
<td>305</td>
<td>303</td>
<td>299</td>
<td>320</td>
<td>318</td>
<td>19</td>
<td>6%</td>
</tr>
</tbody>
</table>

#### Civic Engagement

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Service Learning Courses</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollment in Service Learning Courses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Hours of Community Service</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

#### Student Learning

<table>
<thead>
<tr>
<th></th>
<th>FL '09</th>
<th>FL '10</th>
<th>FL '11</th>
<th>FL '12</th>
<th>FL '13</th>
<th>1 Yr Chg</th>
<th>Chg from Base</th>
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</thead>
<tbody>
<tr>
<td>Metrics TBD</td>
<td></td>
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</tr>
</tbody>
</table>
### Enrollment
- Degree seeking undergraduate
- Non-degree undergraduate
- Degree seeking graduate
- Non-degree graduate
- Total enrollment

### Degrees/Certificates Conferred
- Bachelor's degrees
- Masters degree
- Certificates

### Finances
- Tuition & Fee revenue / Annual FTE Enrollment
- State Appropriations revenue / Annual FTE Enrollment
- Revenue from Non-credit instruction
- Total E&G Expenditures / Annual FTE Enrollment
- Instructional Expenditures / Annual FTE Enrollment

### Advancement
- Annual Fund
- Comprehensive Campaign (including Annual Fund)

### Facilities
- Spending on Deferred Maintenance

### Comparators (5 Comparators: State U's)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Abs Pct</th>
<th>Chg from Base</th>
<th>Out of 6 Comp.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hi h</td>
<td>Low Mid Hi</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>24%</td>
<td>-19%</td>
<td>14%</td>
</tr>
<tr>
<td>3</td>
<td>53%</td>
<td>32%</td>
<td>22%</td>
</tr>
<tr>
<td>4</td>
<td>-6%</td>
<td>43%</td>
<td>22%</td>
</tr>
<tr>
<td>5</td>
<td>-82%</td>
<td>-53%</td>
<td>-22%</td>
</tr>
</tbody>
</table>

### Academic Affairs & Student Life

<table>
<thead>
<tr>
<th>Faculty and Staff</th>
<th>Total Full-Time Faculty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>331</td>
</tr>
<tr>
<td></td>
<td>331</td>
</tr>
<tr>
<td></td>
<td>337</td>
</tr>
<tr>
<td></td>
<td>340</td>
</tr>
</tbody>
</table>

### Percent Faculty of Color
- 9.4% 10.2% 11.4% 12.9% 11.4% 100%

### Total Full-Time Staff
- 498 501 502 523 502 100%

### Percent Staff of Color
- 13.7% 13.1% 14.4% 14.7% 14.4% 100%

Note: Comparator rank and values for Finance is based on FY'10-'11; ranks and values for Faculty & Staff is based on FY'11.

Source: The comprehensive State Universities forming the comparator group include: Bridgewater, Fitchburg, Framingham, Westfield, and Worcester State Universities.

Sources include the Common Data Set, IPEDS, and school websites. Source for Satisfaction is the Noei-Levin Student Satisfaction Inventory.
The Academic Affairs and Student Life Committee of the Board of Trustees met on Wednesday, January 29, 2014 in room 210 at Marsh Hall on the Central Campus of Salem State University.

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

Chair Abdoo called the meeting to order at 4:45 pm. He welcomed the Committee, noted the full agenda and turned the meeting over to Provost Esterberg (Attachment A).

Provost Esterberg opened by providing a brief overview of the agenda. She explained that the first agenda item “Assessment of Student Learning Outcomes” consisted of two sections — assessment in student life programming and assessment in academic programming — and is critical for discussion to ensure Board oversight of academic quality. She then introduced Assistant Dean of Enrollment Management Bruce Perry to discuss assessment in student life programming.

Assistant Dean Perry began by stating that student life programming is a collaboration between departments for attaining divisional goals aligned with the university’s strategic plan (Attachment B). He explained that there are 12 learning outcomes which are assessed using a number of methods, including: surveys, quizzes and student self-assessment activities. He then provided two examples of this. He stated that student life uses the data to find ways to improve its programming and student outreach. He further stated that the majority of students surveyed think that these efforts are important. Provost Esterberg thanked Associate Dean Perry and remarked that this is a great example of how to use data to improve programming and engage in a continuous process of improvement.

Provost Esterberg then began the discussion on assessment in academic programming. She stated that they will be looking at assessment through the lens of two different programs: education and occupational therapy. She stated the education program is important because it was the first cohort to undergo NCATE accreditation and that NCATE is a leader in ensuring that campuses assess student learning outcomes. She then introduced Interim Associate Dean Cleti Cervoni to discuss the school of education assessment process.
Interim Associate Dean Cervoni opened the discussion by providing a general overview of what NCATE is, what they do and the metrics used to measure assessment. She explained that assessments and related rubrics are assigned to specific courses and applied at multiple points throughout the teacher education program. Assessments are linked to a course and faculty scores each assessment when they enter students' grades into Navigator. At the end of each semester, the assessment coordinator compiles all of the data and issues a report that is reviewed by program coordinator(s) and faculty to determine whether or not they need to make changes to the program. She explained that students need to be able to develop a lesson plan, maintain a GPA of 3.0 or higher and pass the Massachusetts Tests for Educator Licensure (MTELs) in order to advance to student teaching. In addition, students must successfully pass a Pre-Service Performance Assessment Standards (PPA's) which is an evaluation issued by the state.

Trustee Davis asked if all students use the same template to create their lesson plans. Interim Dean Cervoni responded that they do. Trustee Davis then asked if the PPA is using the same criteria to assess student evaluations, to which Interim Dean Cervoni replied not yet. Provost Esterberg commented that state oversight is in the process of changing and circulated copies of the recent Boston Globe article “Mass.to lead education project on college students: Initiative will gauge learning in nine states” (Attachment C).

Trustee Quiroga asked what percentage of students pass the hurdles to advance to student teaching. Associate Provost Fogg responded that he will provide this information to the Committee at the next Committee meeting. Interim Associate Dean Cervoni commented that they have a 100% pass rate of MTELs. Trustee Quiroga queried how many students get to this point. Interim Associate Dean Cervoni stated that the school of education feels that they do not have enough students advancing and that somewhere the pipeline is breaking down, which is why we are changing the curriculum in the school of education. Fixing this is one of the school’s top priorities. Provost Esterberg stated that she has a series of PowerPoint’s that take a look at the pipeline and that she would provide them to the Committee for review at the next Committee meeting.

Trustee Segal asked at what point in the students’ academic career they are told that they might not progress, and where do they go from there. Interim Dean Cervoni responded that students are informed before taking the methods block which generally happens during junior year. She commented that all is not lost though because during the first two years of the program students take a lot of general education courses which they can move into another course of study. In addition, education students are also required to carry a double major in arts & sciences so it is an easy switch if they are not successful in education. She then stressed that for students to work in a public school; they must pass the MTELs and have the grades in order to obtain licensure.

Trustee Segal followed up by asking what percentage of students do not advance in education. Provost Esterberg responded that she will provide these numbers to the Committee at the next Committee meeting.
Advisory Member Contreras asked if MTELs are a beginning or an end point for students. Interim Dean Cervoni responded that MTELs are taken throughout the program. For example, students take a communication and literacy course during freshman year. After they take this course, they can take the reading and writing MTEL subtest. Most students pass subtests throughout the process.

Trustee Booker asked how long it takes for education students to complete the program. Interim Dean Cervoni replied that some students finish in four years, some have to take summer courses and some take longer. She remarked that passing the MTELs is the most difficult part. Provost Esterberg commented that we have had serious concerns about the time it takes to complete state requirements and stated that they are looking at ways to restructure programming.

Provost Esterberg thanked Interim Associate Dean Cervoni and introduced the final assessment topic for discussion: occupational therapy. She stated that occupational therapy is interesting because faculty use student e-portfolios as a means of assessment. She remarked that e-portfolios are likely the method that will be used to assess student learning in the general education curriculum so it is an important tool to examine. She then introduced Professor Jeramie Silveira to lead the discussion.

Professor Silveira opened by stating there are 168 accreditation standards in occupational therapy. Salem State’s program is unique because it offers a combined BS to MS degree. Salem State is the only occupational therapy program in Massachusetts that offers this bridge program. It is also unique because it offers a part-time evening program. She explained that occupational therapy utilizes several strategies of assessment and that its students must pass the national board certification exam in order to become an occupational therapist. One of the primary means of assessment is the e-portfolio. An e-portfolio is an online tool that keeps track of everything and anything that a student submits to it – artifacts, self-reflection, etc. - and is used to demonstrate a student’s knowledge, skills and growth over time. Once the e-portfolio is submitted, rubric criteria is used to grade students in skills such as intervention, case studies and field work. Professor Silveira explained that the benchmark standard in occupational therapy is 3 or better. Rubrics also track general scores across the board which faculty use to see what is or isn’t working overall which helps to inform how or if to modify teaching. She explained that if a student’s e-portfolio falls below a 3, then all clinicians in the area evaluate it, for further input. According to the National Board for Certification in Occupational Therapy (NBCOT), Salem State students are always above the national average.

Provost Esterberg thanked Professor Silveira and stated that she is very proud of the work that faculty does to assess learning outcomes. She informed the Committee that they should expect to hear more about assessment every January.

Provost Esterberg then continued to the next agenda item: AACSB. She expressed pride in the Bertolon School of Business faculty and went on to describe the timeline of events, from the first site visit and deferral to the second site visit and ultimate withdrawal from the accreditation
process. The feedback from the second site visit was extremely positive, and the visiting team was extremely complimentary of Salem State's facilities and faculty. The team remarked that they thought that Salem State faculty had developed an assessment plan that was commercially marketable. She stated that one month after the site visit and the visiting team's recommendation for accreditation was remanded to the Initial Accrediting Committee, we received notification that the review team changed its recommendation and would no longer support accreditation. Provost Esterberg noted that the university could have appealed but if the appeal was lost we could not apply for accreditation for another five years. As a result, the university opted to withdraw from the process with the intention of beginning the accreditation process anew next year.

Provost Esterberg stated that on February 10, President Meservey, Dean Doran and she will be traveling to Tampa to meet with AACSB officers to try to understand what happened. She also stated that she has been meeting with faculty both as a whole and one-on-one to assess what we might do differently and develop a clear path going forward.

Chair Abdoo asked Provost Esterberg who they will be meeting with at AACSB. Provost Esterberg responded that they will be meeting with the Executive Vice President of Accreditation and his accreditation staff. She noted that they will need to start the process from the beginning, starting with a gap analyses. Chair Abdoo asked how long the process will be. Provost Esterberg responded that it can take anywhere from two to seven years, with it unlikely to complete before three years.

Trustee Davis asked what impact not having accreditation has on the university and our students. Provost Esterberg stated that students have benefitted greatly from the work done by faculty in seeking accreditation. She remarked that one of the losses is in a marketing advantage. President Meservey stated that the hardest impact has been the disappointment in the outcome. Unlike programs such as occupational therapy and education where you need accreditation in order to be licensed, students can still practice in business and go to graduate school without restriction.

Chair Abdoo stated that the Committee totally supports Bertolon faculty and staff and thanked them for their efforts.

Trustee Segal and Advisory Member Contreras asked for clarification on the visiting team process. Professor Saverio Manago (Marketing and Decision Sciences) explained that there are two teams which consist of college Deans and a chair that sits over both teams. He remarked that while the business school is disappointed and considers this a failure, they are not discouraged and are striving to make the program better.

Chair Abdoo thanked Professor Manago for his participation and for his service to the university. Provost Esterberg thanked the Bertolon School of Business faculty and students, reiterating that she is extraordinarily proud of their efforts and that they have her full support.

Provost Esterberg then continued to the next agenda item: an update on the School of Education. She stated that an offer has been made and verbally accepted for the Dean of Education position.
Pending a background check, she anticipates a mid-late February start date. She stated that once the Dean is on board, the Committee will begin to see quick progress on the development of the school. She then turned the meeting over to Vice President James to provide an enrollment update.

Vice President James stated that there is good and bad enrollment news. The good news is that undergraduate enrollment has increased slightly. The bad news is that graduate enrollment has declined during the spring term and enrollment for non-degree seeking graduate students has declined slightly during the spring term. He explained that there is increased competition in these areas. He also noted that there has been a steep decline in enrollment in core courses, but this is largely due to the transition to the new general education curriculum. In encouraging news, summer and fall applications are up 30% and graduate applications are up significantly. Undergraduate applications remain essentially flat, but with fewer high school graduates in the population as a result of demographic trends, many institutions are seeing a decline in applications. He concluded by stating that Associate Provost Mary Churchill is working aggressively with community colleges to help bolster enrollments.

Provost Esterberg thanked Vice President James and turned the meeting over to Assistant Provost Neal Fogg to discuss the final agenda item: Performance Scorecard. Assistant Provost Fogg supplied the Board with an updated scorecard (Attachment D). President Meservey suggested that the scorecard be put on the agenda for the next meeting for further discussion. The Committee agreed. Assistant Provost Fogg mentioned that the scorecard that he provided has many of the same rows as the one he supplied in November but with updated financials and dates. It also has new data, including information on disparities in graduate rates and students of color.

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

**VOTED: To adjourn the meeting at 5:50 pm.**

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

I. Assessment of Student Learning Outcomes (Discussion)

II. AACSB (Discussion)

III. School of Education Update (Discussion)

IV. Enrollment Update (Discussion)

V. Board Scorecard (Discussion)
Assessment of Student Learning Outcomes

1. Assessment in Student Life Programming

2. Assessment in Academic Programming
   • Education
   • Occupational Therapy
Enrollment Management and Student Life

Learning Outcomes Assessment

- Each department developed mission and goals last summer
- Training session held in writing learning outcomes offered at summer advance
- Departments collaborated to develop divisional goals, aligned with the university's strategic plan
EMSL Learning Outcomes Assessment

- Each department identified two outcomes to assess this year to foster continuous improvement
- Subsequent assessment workshops offered throughout the year to build greater capacity for assessment activities
- All departments engaged in collecting and analyzing learning outcomes data to inform future practice

Learning Outcomes: First Year Student Orientation

**Learning Outcome**
- Students will be able to identify three or more goals to achieve in the fall semester.

**Intervention**
- Students were asked to identify and write down their own goals following a self-assessment activity.
Assessment Activities:
First Year Student Orientation

Assessment Method

• Quiz administered following the Orientation program asked students how many goals they identified for themselves; and a satisfaction survey asked them about the importance and impact of this session.

Finding

• 73% of respondents reported that they identified 3 or more goals (N = 425).
• Only 9% of students viewed the goal setting activity as unimportant; 14% disagreed or strongly disagreed that “the goal setting session helped me learn about myself” (N = 264).

Learning Outcomes:
First Year Student Orientation

Learning Outcome

• Students will be able to name three campus offices that provide support services to students related to their transition.

Intervention

• Orientation sessions feature several offices sharing information about the support services they offer students.
Assessment Activities:
First Year Student Orientation

Assessment Method

- Quiz administered following the Orientation program asked students to name three offices that provide support services to students related to their transition.

Finding

- 92% of respondents were able to name one office, 82% were able to name two offices, while 67% were able to name three offices that provide transitional support to students (N = 247).

Assessment of Student Learning Objectives in the School of Education
School of Education Assessment System (SEAS)

NCATE Standards: (seven year cycle for visits: last visit was November, 2013)

1. Candidate Knowledge, Skills and Professional Dispositions
2. Assessment System and Unit Evaluation
3. Field Experiences and Clinical Practice
4. Diversity
5. Faculty Qualifications, Performance and Development
6. Unit Governance and Resources

Logo and Conceptual Framework

How the Assessment Process Works:

National Council for Accreditation of Teacher Education (NCATE) issues national standards for teacher education programs.

Each program also has to comply with a Specialized Professional Organization (SPA) who has additional and specific content standards.
Examples of SPAs: International Reading Association (IRA), National Science Teachers Association (NSTA), National Association for the Education of Young Children (NAEYC)

At the end of each semester, the assessment coordinator compiles all of the data and issues a program report to the program coordinator who then uses the data to make informed decisions about their program.

Assessments and rubrics are developed by the education unit (all education faculty and arts and science faculty that coordinate secondary teacher education programs) in compliance with NCATE, DESE, and SPA standards.

Faculty score each assessment using the rubric at the same time as they enter students' grades into Navigator system.
There are Five Core Assessments Across All Teacher Education Programs:

- Unit Plan
- Lesson Plan
- Sheltered Instruction Observation Protocol (SIOP)
- Professional Attributes Scale (PAS)
- Pre-Service Performance Assessment (PPA)

In addition students must maintain a 2.75-3.0 GPA and pass all state MTELS (communication and literacy, foundations of reading, general curriculum and math sub-test for elementary candidates).

Where the assessments are administered:

- EDU100/105: Unit Plan (freshmen or sophomores) and SIOP
- EDU208A: Teaching, Learning and Assessment (sophomores or juniors) and PAS
- Methods Courses (juniors or seniors): 2.75 GPA and C&L MTEL, PAS, Lesson Plan
- Student Teaching: 3.0 GPA and PPA, SIOP, Unit Plan
Example of the Rubric used in Lesson Plan and Unit Plan

<table>
<thead>
<tr>
<th>III. Knowledge of Students: Why does knowing your students matter?</th>
<th>Level 4: Target</th>
<th>Level 3: Proficient</th>
<th>Level 2: Developing</th>
<th>Level 1: Unacceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides comprehensive information about students, including cognitive/academic, social, emotional, and physical developmental levels. Demonstrates understanding of the cultures, exceptionalities, disabilities and passions and interests of the students.</td>
<td>Provides information about students, including cognitive/academic, social, emotional, and physical developmental levels and/or cultural, linguistic background, exceptionalities, disabilities, academic levels, and passions and interests of the students.</td>
<td>Some information about students is provided.</td>
<td>The statement describing students is inadequate, not informative or not included.</td>
<td></td>
</tr>
</tbody>
</table>

Pre-Service Performance Assessment Standards Used Exclusively in the Student Teaching Practicum

- Standard A: Plans Curriculum and Instruction
- Standard B: Delivers Effective Instruction
- Standard C: Manages Classroom Climate and Operation
- Standard D: Promotes Equity
- Standard E: Meets Professional Responsibilities
Example Outcomes: Three Year Summary of Data

A 3-year summary of data indicates that:

• 100% of completers met or exceeded (65%) standards on the two disposition-related elements of the Pre-Service Performance Assessment

• 98% met or exceeded (57%) the standards of the Sheltered Instruction Observation Protocol

• and 99% met the standards of the Professional Attributes Scale

Assessment of Student Learning Objectives in the Occupational Therapy Program
OT Evaluation Program

- The OT Department at Salem State University has developed specific student and program outcomes that are assessed throughout the curriculum

- 168 accreditation standards

- Multiple strategies for assessment of student performance are used to provide the most evidence of learning

Student Learning Objectives

- Clinical Reasoning
- Civic Advancement
- Occupational Science
- Research
- Educational Leadership
- Professional Development
Strategies for Assessment

- E-Portfolios
- Research Project/Thesis & Conference
- Competency Practical
- NBCOT National Board Certification Exam
- Exit surveys, Graduate Surveys, Employer Surveys

<table>
<thead>
<tr>
<th>SCHEDULE FOR ASSESSMENT</th>
<th>WHO WILL BE ASSESSED</th>
<th>WHAT WILL BE ASSESSED</th>
<th>WHO WILL ASSESS</th>
<th>MEASUREMENT CRITERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior to the commencement of the Professional OT coursework</td>
<td>Students who indicate interest in the professional OT coursework</td>
<td>GPA, critical thinking expected to have prior to starting professional coursework</td>
<td>OT Faculty</td>
<td>Students must pass each portion of the competency exam with a score of 80 or above</td>
</tr>
<tr>
<td>During each Professional OT course</td>
<td>OT students completing the Professional OT coursework</td>
<td>OT students professional behaviors as assessed by the course</td>
<td>OT Faculty</td>
<td>OT students must pass the professional behaviors assessment with a minimum score of 90</td>
</tr>
<tr>
<td>At the conclusion of each course</td>
<td>OT course evaluations</td>
<td>OT course evaluations</td>
<td>OT Faculty</td>
<td>OT students must pass the course evaluations with a minimum score of 3.0</td>
</tr>
<tr>
<td>At the completion of Level 1</td>
<td>Students completing Level 1 outcomes</td>
<td>Level 1 outcomes</td>
<td>OT Faculty</td>
<td>OT students must pass all Level 1 outcomes with a minimum score of 3.0</td>
</tr>
<tr>
<td>At the end of each semester</td>
<td>Students completing the programmatic outcomes</td>
<td>Programmatic outcomes</td>
<td>OT Faculty</td>
<td>Students must pass the programmatic outcomes with a minimum score of 3.0</td>
</tr>
<tr>
<td>During the last semester of OT coursework</td>
<td>OT students in the final semester of OT coursework</td>
<td>OT students in the final semester of OT coursework</td>
<td>OT Faculty</td>
<td>OT students must pass the capstone course with a minimum score of 3.0</td>
</tr>
</tbody>
</table>

2/4/2014
E-Portfolios

Students self-select artifacts and self-generate reflections, specifically developed to display the student's knowledge, skills, and growth over time in the six main educational strands of the occupational therapy program:

- Professional Development
- Research
- Clinical Reasoning
- Civic Advancement
- Occupational Science
- Educational Leadership

My OT Vision Statement

My vision is a commitment to the profession of occupational therapy through lifelong learning and professional development. I will integrate all of the strands into my practice; professional development, clinical reasoning, occupational science, research, educational leadership, and civic advancement. I will be committed to providing exceptional quality care to all of my clients to promote best practice and evidence-based intervention. Through my practice as an occupational therapist, I will promote my profession through community involvement and civic advancement.

"And in the end it's not the years in your life that count. It's the life in your years." - Abraham Lincoln
## Research

<table>
<thead>
<tr>
<th>Rubric Criteria</th>
<th>Authors evaluated</th>
<th>Results for Group</th>
<th>Graph (avg. for group)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research: Demonstrate the ab...</strong></td>
<td>5 of 6 (83.33%)</td>
<td>Avg.=3.60/4 (90.00%)</td>
<td></td>
</tr>
<tr>
<td>Folio Area: OT Capstone Seminar; Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPR Template: OT Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Research: Utilize and Integra...</strong></td>
<td>5 of 6 (83.33%)</td>
<td>Avg.=4.00/4 (100.00%)</td>
<td></td>
</tr>
<tr>
<td>Folio Area: OT Capstone Seminar; Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPR Template: OT Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Research: Produce scholarly ...</strong></td>
<td>5 of 6 (83.33%)</td>
<td>Avg.=4.00/4 (100.00%)</td>
<td></td>
</tr>
<tr>
<td>Folio Area: OT Capstone Seminar; Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPR Template: OT Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Research: Understand the Imp...</strong></td>
<td>5 of 6 (83.33%)</td>
<td>Avg.=3.40/4 (85.00%)</td>
<td></td>
</tr>
<tr>
<td>Folio Area: OT Capstone Seminar; Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPR Template: OT Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Research: Critique and apply...</strong></td>
<td>5 of 6 (83.33%)</td>
<td>Avg.=4.00/4 (100.00%)</td>
<td></td>
</tr>
<tr>
<td>Folio Area: OT Capstone Seminar; Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPR Template: OT Capstone Portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average of 5 Criterion Averages</td>
<td>3.80/4 (85.00%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**AVGARE FOR ALL CRITERIA** 3.74/4 (92.49%)
Reflective Summative Portfolio

- C:\Documents and Settings\jsilveira\Desktop\Jeramie Desktop\INTED presentation\silveira

- https://elearning.salemstate.edu/eportfolios/17768?verifier=MfmsU5cl0p6RFfpPS9YXe06wk5sJGevckNRG0X25Q

- https://elearning.salemstate.edu/eportfolios/16960?verifier=163GWx7mALAHZyuCSOnk7yQgY25qUBpDgZPrKEz8

Closing the Loop

- Clinician's evaluate student research

- Survey's: exit, graduate, employer

- NBCOT exams

- Programmatic changes are made
6. Using the following scale, please indicate how your employee from Salem State College has been prepared for their current position.

<table>
<thead>
<tr>
<th></th>
<th>Poorly prepared</th>
<th>Somewhat prepared</th>
<th>Well prepared</th>
<th>Very well prepared</th>
<th>Rating</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proficient in oral and written communication skills</td>
<td>0.0% (0)</td>
<td>14.3% (2)</td>
<td>57.1% (8)</td>
<td>28.6% (4)</td>
<td>3.14</td>
<td>14</td>
</tr>
<tr>
<td>Competency in computer use and resources</td>
<td>0.0% (0)</td>
<td>7.1% (1)</td>
<td>56.0% (7)</td>
<td>36.9% (5)</td>
<td>3.36</td>
<td>14</td>
</tr>
<tr>
<td>Knowledge of professional behaviors</td>
<td>0.0% (0)</td>
<td>14.3% (2)</td>
<td>28.6% (4)</td>
<td>57.1% (8)</td>
<td>3.43</td>
<td>14</td>
</tr>
<tr>
<td>Understanding of the referral process and additional resources available for the development of intervention plans</td>
<td>0.0% (0)</td>
<td>14.3% (2)</td>
<td>50.0% (7)</td>
<td>35.7% (5)</td>
<td>3.21</td>
<td>14</td>
</tr>
</tbody>
</table>

AACSB

- What happened?
- How do we move forward?
School of Education Update

Enrollment Update
Board Scorecard
<table>
<thead>
<tr>
<th>Department or Program</th>
<th>Division of Enrollment Management and Student Life Learning Outcomes Mapping</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Learning Outcome</strong></td>
<td><strong>SSU Strategic Plan Goals</strong></td>
</tr>
<tr>
<td>Orientation</td>
<td>As a result of the icebreaker activities, students will be able to remember the name of six of the students in their group.</td>
</tr>
<tr>
<td>Orientation</td>
<td>As a result of participating in this session, students will be able to name one strength of their leadership style that they learned through the True Colors activity.</td>
</tr>
<tr>
<td>Orientation</td>
<td>Students will be able to identify three goals for them to achieve in the fall semester.</td>
</tr>
<tr>
<td>Orientation</td>
<td>Students will be able to identify two offices/services available on North campus.</td>
</tr>
<tr>
<td>Orientation</td>
<td>Students will be able to identify two offices/services available on Central campus.</td>
</tr>
<tr>
<td>Orientation</td>
<td>Students will be able to identify two offices/services available on South campus.</td>
</tr>
<tr>
<td>Orientation</td>
<td>Students will be able to name three issues they may encounter as a new student during their transition that they learned about during Orientation.</td>
</tr>
</tbody>
</table>
### Learning Outcomes Mapping

**Division of Enrollment Management and Student Life**

**SSU Strategic Plan Goals**

<table>
<thead>
<tr>
<th>Program</th>
<th>Institutional Goals</th>
<th>Divisional Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENSL</td>
<td></td>
<td></td>
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<tr>
<td></td>
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</tbody>
</table>

#### Students will be able to identify three key elements of the legal definition of rape.

- Students will be able to identify two ways that they can assist in their own transition to Salem State.
- Students will be able to identify the three campus offices that provide support services to students with an issue related to their transition to Salem State.
- Students will be able to name three campus offices.

**SSU Strategic Plan Goals**

1. **Academic Affairs & Student Life:**
   - Facilitate business of being a student
   - Assessment and Continuous Improvement
   - Advancing a Culture of Collaboration
   - Increasing Co-curricular Education and Programs
   - Implementing Effective Communication Strategies
   - Embracing Benefits of Diversity
   - Social Justice and Connection
   - Personal and Professional Growth
   - Advance students' intellectual, educational, and innovative educational experiences
   - Promote civic engagement

2. **Division of Enrollment Management and Student Life**
   - Orientation
   - Students will be able to name one way that bystanders can intervene to reduce a person's vulnerability.

---

*Academic Affairs & Student Life 1.29.14*
The Boston Globe Metro

Mass. to lead education project on college students: Initiative will gauge learning in nine states

By Marcella Bombardieri

January 29, 2014

State higher education officials detailed a new project Tuesday in which Massachusetts is leading a group of nine states in developing a way to measure and compare what students learn in college by looking at their actual work, from term papers to lab reports, rather than using a standardized test.

The goal is to create a reliable standard to compare the success of Massachusetts public colleges to those of other states, from Connecticut to Kentucky to Oregon, and to help professors teach better in the process.

Also driving the plan is a fear that if states do not find good ways to hold themselves accountable, they will be vulnerable to a more simplistic effort to impose national standards.

“There is tremendous interest in this nationally, because everybody in higher education knows, if this doesn’t work, the next answer is a standardized test probably imposed by the federal government or by states,” Commissioner Richard M. Freeland said at a state Board of Higher Education meeting where the plan was discussed Tuesday.

The project, overseen by the Association of American Colleges and Universities, recently received $1 million in funding from the Bill & Melinda Gates Foundation.

President Obama deeply unsettled many educators with a proposal last summer that Congress eventually link how much colleges receive in financial aid to their ratings on factors including graduation rates and even graduates’ earnings.

At the moment, the only measures that compare the abilities of Massachusetts public college graduates to those of other states are passing rates on national licensing exams, state officials say. Students from the Commonwealth tend to do about average or worse.

In an interview Tuesday, Freeland said his concern about what students learn in college goes back to his years as president of Northeastern University, when he conferred degrees on thousands of graduates at commencement every spring.

“I’d be thinking to myself, so what do they really know? What do I know about what they know? I always had to be honest and say to myself, ‘I don’t really know, and nobody else does either,’ ” he said.
“I just think that has become increasingly unacceptable,” Freeland added, “knowing how high the stakes are for the state and the country in terms of producing a well-educated, competent workforce in a highly competitive economy.”

Getting support from professors, who are often concerned about the wrong standards being applied from on high, is a major focus of the effort. Paul F. Toner, president of the Massachusetts Teachers Association and a higher education board member, said state officials appear to be on the right track, but pushed them at Tuesday’s meeting to reach out to union leaders on each campus.

Some professors are worried that campuses or even individual instructors may be punished for poor results when they are doing their best to help students who arrived on campus underprepared, Toner said in an interview.

“I think there’s just a concern that they’re going to be held accountable for things beyond their control,” he said.

Before reaching out to other states, Massachusetts conducted a pilot project last spring. Seven campuses — including several community colleges, Framingham and Salem state universities, and the University of Massachusetts Lowell — gathered about 350 samples of assignments students who were nearing graduation had completed for classes.

Then a group of 22 professors spent three days over spring break at Framingham State evaluating the work for what it showed about each student’s abilities in written communication, quantitative literacy, or critical thinking, said Bonnie Orcutt, director of learning outcomes assessment for the Department of Higher Education. They used a method developed by the Association of American Colleges and Universities that scores work on a scale of zero to four.

Two professors reviewed each piece of work, and tiebreakers were brought in when their assessments differed significantly. The evaluators did not see students’ names or the institutions they attended.

Not every class assignment turned out to be a good opportunity for measuring a student’s skills. But Orcutt said the faculty members came away with new ideas for how to teach and how to assign their students meaningful work.

The nine states will now essentially repeat the experiment on a bigger scale. Massachusetts officials, the Association of American Colleges and Universities, and the State Higher Education Executive Officers Association brought together the group of states: Connecticut, Indiana, Kentucky, Missouri, Minnesota, Oregon, Rhode Island, and Utah. They will spend this fall gathering student work and plan to meet next spring to evaluate it.

If the multistate project goes well, Freeland said, he hopes to begin comparing Massachusetts to the other states within
## Salem State University Board of Trustees Scorecard

### Enrollment

<table>
<thead>
<tr>
<th></th>
<th>FL ’09</th>
<th>FL ’10</th>
<th>FL ’11</th>
<th>FL ’12</th>
<th>FL ’13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total enrollment</td>
<td>10,125</td>
<td>9,939</td>
<td>9,646</td>
<td>9,456</td>
<td>9,301</td>
</tr>
<tr>
<td>Degree seeking</td>
<td>7,088</td>
<td>7,298</td>
<td>7,188</td>
<td>7,143</td>
<td>7,134</td>
</tr>
<tr>
<td>Non-degree</td>
<td>678</td>
<td>543</td>
<td>588</td>
<td>599</td>
<td>530</td>
</tr>
<tr>
<td>Degree seeking</td>
<td>1,440</td>
<td>1,452</td>
<td>1,402</td>
<td>1,348</td>
<td>1,330</td>
</tr>
<tr>
<td>Non-degree</td>
<td>922</td>
<td>702</td>
<td>540</td>
<td>567</td>
<td>287</td>
</tr>
</tbody>
</table>

### New Students (Number)

- **Freshman**: 994
- **Transfer**: 852
- **Graduate**: 371

### Market Attractiveness

- **Freshman applications**: 5,833
- **Freshman admission yield**: 28.3%

### Student Profile

- **Average HS GPA**: 2.94
- **Combined SAT V+M**: 979
- **Freshman students eligible (%)**: 38.3%
- **Freshman students-of-color (%)**: 21.2%
- **Undergraduate enrollment, students-of-color (%)**: 20.8%
- **Graduate enrollment, students-of-color (%)**: 4.6%

### Housing

- **Freshmen in residence halls (%)**: 61%
- **Total Undergrads (degree) in res halls (%)**: 25%

### Student Satisfaction

- **Would enroll again: probably/definitely yes**: 92%
- **Experience met expectations: better than expected**: 45%
- **Overall satisfaction: satisfied or very satisfied**: 68%

### Retention and Graduation (period is year measured)

- **1-year retention rate, freshman**: 74.8%
- **6-year graduation rate, transfer**: 46.4%

### Disparities, 6-year grad rate (period is year measured)

- **Black - White, freshman**: -1%
- **Hispanic - White, freshman**: -9%

### Global

- **Number of International students (Total)**: 339
- **Number of International students (UG)**: 305

### Comparators (5 Comp. State U's)

<table>
<thead>
<tr>
<th></th>
<th>FL ’14</th>
<th>FL ’15</th>
<th>FL ’16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Retention and</td>
<td>84.0%</td>
<td>84.0%</td>
<td>84.0%</td>
</tr>
<tr>
<td>graduation (period</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>is year measured)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black - White,</td>
<td>5.8%</td>
<td>5.8%</td>
<td>5.8%</td>
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<tr>
<td>Hispanic - White,</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
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<tr>
<td>International</td>
<td>1,500</td>
<td>1,500</td>
<td>1,500</td>
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<tr>
<td>students (Total)</td>
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<td>339</td>
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Salem State University Board of Trustees Scorecard (p. 2)
The Finance & Facilities Committee of the Board of Trustees met on Wednesday, November 20, 2013, in room 210, Marsh Hall, Central Campus of Salem State University.

Present for the Committee: Trustees Quiroga (chair), Burns (vice chair), Booker, Mattera, Chair Scott (ex-officio), President Meservey (ex-officio), interim executive director for finance Ainsworth (committee co-liaison), chief of police Labonte (committee co-liaison), chief of staff Bower (committee co-liaison), staff assistant Beaulieu. Others present and participating were: Trustees Davis and Segal, advisory member Mr. Gadenne, associate vice president Donovan.

Committee chair Quiroga called the meeting to order at 5:59 pm.

**Review of proposed capital projects**

President Meservey reviewed the following proposed capital projects. The new central campus residence hall would be funded through bonds issued by the Massachusetts State College Building Authority (MSCBA) either in December or January. Justification for 400 additional beds had been discussed at earlier meetings. Concerns from neighbors and the city regarding the number of beds and height of the building have prompted the university to seek alternate designs. The university working with the architects has reduced the number of beds closer to 340 and is modifying the height of the building. The cost of this project would not exceed $56 million. Funding to pay the bond will come from various sources: the majority would be from student rents; a portion of the first floor would house a food service run by Chartwells paying rent; the first couple of years the university will transfer funds from the Marsh Hall residence reserves to cover part of the operating costs including staff.

The footprint of the new residence hall will reside partly where the public safety building is located. The first enabling project would be to move public safety to the first floor of building one in the space previously occupied by the interim library. The cost of this project originally thought to be $2 million is now $2.1 million. Funding to pay for this debt service would come from the university’s operating budget. Public safety at this point has outgrown its current location and this presents the opportunity to grow the force as more students reside on campus.

The second enabling project is prompted also by the footprint of the new residence hall which will take up parking spaces currently provided for staff and students on central campus. The Weir property has four buildings. The Stanley building was rehabbed and will be retained. However there is a warehouse, office building and old foundry that could be razed to provide parking lost on central campus. The plan has been to raze these buildings and this project provides the opportunity to remove the buildings that are mainly abandoned and used for storage. This project will aesthetically be an improvement to the site. The cost of this project is $2 million and will be funded from the operating budget.
Another request included in the bond issue is an opportunity to acquire additional funds for property acquisition. President Meservey asked that this discussion be deferred to executive session.

Trustee Segal expressed his concerns about the $4.1 million for the enabling projects coming out of the operating budget. President Meservey referred to the memo sent to the trustees November 15, 2013 (Attachment A) and previous correspondence sent back in the middle of September. The additional debt of the $4.1 million would be repaid over a 30 – 35 year period. The additional debt service would be approximately $1.2 million per year. This represents a 2.3% fee increase to students if necessary. It is hopeful that the governor and legislature will continue to provide an increase in the university’s state appropriation as it did this fiscal year, thereby requiring no need to increase student fees. Trustee Segal further added that with cost of money over time, the cost of the $4.1 million becomes really a $6 or $7 million expense.

Trustee Quiroga noted that an analysis of these projects for the bond issue include not only the residence hall but all the enabling projects. While the cost is not insignificant as long as the state appropriation is increased there would be no need to raise student fees. The trustees will continue to be cautious and conservative regarding increasing student fees keeping in mind that the maximum increase would be 2.3%. President Meservey explained the arrangement with the legislature. If the legislature funds an additional $15 million to all the state universities over the next three years the universities would hold fees for the full time undergraduate level. She added that one of the sister institutions has added a capital improvements fee. She reiterated that the maximum fee increase of 2.3% amounts to $185 a year per student.

Trustee Segal made further comments. President Meservey reminded the trustees that they need to go forward; a delay at this point in the new residence hall would mean it would not be able to open as planned in fall 2015. Trustee Quiroga stated that the $4.1 million enables the university to build the new residence hall. A 2.5% vacancy rate is built into the budget. Most likely the new residence will be 100% occupied. Trustee Mattera commented the risk of adding a relatively small increase in student fees is worth it and agrees the project needs to proceed. Trustee Burns echoed Trustee Mattera’s support. He mentioned that Salem has historically reinvested less than other state universities which impacts Salem’s ability to attract and compete for students.

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

**MOTION**

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

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the projects (the “Projects”) described in EXHIBIT A-1 hereto and the cost and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.
Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

On a voice vote, the motion passed unanimously.

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

MOTION

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

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Public Safety Relocation project (the “Project”) described in EXHIBIT A-2 hereto within the parameters that the total project cost will not exceed $2.1 million and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.
This action shall be effective immediately upon its approval by the Board of Trustees.

On a voice vote, the motion passed unanimously.

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

MOTION

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

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Weir/Canal Street Parking project (the “Project”) described in EXHIBIT A-3 hereto within the parameters that the total project cost will not exceed $2 million and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

On a voice vote, the motion passed unanimously.

President Meservey thanked the trustees. Trustee Mattera asked President Meservey to share the neighbors’ concerns regarding the new residence hall. President Meservey reported that a monthly meeting is held by the Salem State Neighborhood Advisory Committee, otherwise known as SSNAC. Last spring Adria Leach and Beth Bower began providing information to this group regarding the university’s plans to build a new residence hall. The Mayor and neighbors raised concerns specifically about the height of a five story building and its impact on the Loring Avenue residents. As a result of this feedback the university worked with the architects to provide alternative solutions. At last night’s SSNAC meeting the conversation focused on the communication process, and that information sharing should not be limited to the quasi membership of the SSNAC group. A roll out of the entire master
vision plan to the broader community is planned. It was noted that most of the students likely to move into the new residence hall already live in neighborhood apartments. Concerns about traffic congestion could actually be mitigated since students living on campus would either not have vehicles or they would be parked on campus. The university is confident we will secure community support through adaptations to the project. Trustee Mattera inquired about any concerns from property owners who rent to students. President Meservey responded that there have been no direct concerns received. None of the immediate neighborhood buffers have raised any concerns.

President Meservey presented a fourth project, the financing of the Sophia Gordon Center for Creative and Performing Arts. This project has been under development since 2004. The project cost is $18.6 million. The university and private fundraising will provide $4.6 million with the balance of $14 million to be bonded by MSCBA. A pledge of $2 million is also forthcoming. The university plans to use this pledge by drawing down $500,000 a year over four years for debt service. One of the priorities in the campus campaign is to raise another $3 million for this project. In addition the university hopes to provide some rental opportunities to outside vendors seeking performance venues. Trustee Quiroga questioned if the pledge was signed. President Meservey confirmed it is a signed pledge commitment with the stipulation that the project be under construction.

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

MOTION

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

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Sophia Gordon Center for Creative & Performing Arts project (the “Project”) described in EXHIBIT A-4 hereto within the parameters that the total project cost will not exceed $19 million and financing not to exceed $14 million and terms thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

Finance & Facilities 11.20.13
This action shall be effective immediately upon its approval by the Board of Trustees.

On a voice vote, the motion passed unanimously.

Trustee Quiroga mentioned she would speak to the artistic director at the Boston Ballet regarding possible rental of the new facility.

President brought forth the One Stop Student Service Center project. The university has been working on merging the offices of the registrar, financial aid, clipper card and student accounts to create a one stop shop for students to do the business of being a student. When a student goes to register, pay their bill, check on their financial aid they will be able to accomplish all this in one place. A need for new space to accommodate all of these functions has been identified in the upper level of the interim library space in building one. The project costs are $2 million and will be included in the bond issue with payment for the debt drawn from the operating budget. Trustee Segal exclaimed it is a wonderful idea. President Meservey noted that the funding is included in the collective bond MSCBA will be issuing. Trustee Quiroga reiterated that this project is included in the total debt service for the collective bond which would not exceed a 2.3% maximum fee increase if needed.

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

MOTION

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

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the One-Stop Shop project (the “Project”) described in EXHIBIT A-5 hereto within the parameters that the total project cost will not exceed $2 million and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of
any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

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**On a voice vote, the motion passed unanimously.**

President Meservey thanked the trustees for their recommendation of approval of these projects.

**Review of financial reporting format**

Patricia Ainsworth, interim executive director of finance, presented the trustees a new financial reporting format (Attachment B) along with a glossary of IPEDs terms (Attachment C). The first report, statement of net position, is a standard report. It shows the university’s FY2013 year-end financials along with a comparison of FY2013 first quarter and FY2014 first quarter, showing both a dollar and percentage change. Ms. Ainsworth asked if the report meets the needs of the trustees. Page two and three are the statement of revenues, expenses and changes in net position. Both are similar reports with the exception of how expenses are shown. Page two shows the IPEDs classification of expenses.

As an example on the IPEDS classification report the category of public service shows what we have spent. It was noted that even with the small amount spent the university has received a national award for public service. Operation and maintenance of plant not only shows what is spent on offices but classrooms. Specific examples within the IPEDS classifications area given in the glossary are presented (Attachment C).

Trustee Quiroga drew the attention of the trustees to some anomalies on page three. A huge jump in the contra revenue line of scholarships and fellowships is due to federal, state and private funds awarded. During the looming government shutdown earlier this fiscal year the university accelerated in drawing down and expending these funds. Associate vice president for finance Donovan further explained that under operating expenses in the scholarships and fellowships line the amount includes money given back to students that were above the cost of direct education expenses based on their financial aid package. Students may qualify for other expenses associated with attending like living expenses. Chair Scott commented that both formats are useful. Ms. Ainsworth further added a cash flow statement is underway which will be completed in a condensed format for presentation to the trustees. Trustee Quiroga added that on page three this report is more familiar to those in the business sector. The IPEDS classification on page two breaks down a more comprehensive format required in higher education.

Ms. Ainsworth thanked the trustees for their feedback.

Trustee Quiroga noted the committee will be entering into executive session to discuss property acquisition. Staff assistant Beaulieu asked if the committee plans to go back into general session after the executive session. Trustee Quiroga noted the committee would not.
Trustee Mattera moved and Trustee Scott seconded a motion to enter into executive session in accordance with General Laws, Chapter 30A, for the purpose of discussing property acquisition. A roll call vote was taken 6:47 pm.

Roll Call:
Quiroga – yes
Burns – yes
Booker – yes
Mattera – yes
Scott – yes

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

Roll Call:
Quiroga – yes
Burns – yes
Booker – yes
Mattera – yes
Scott – yes

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

MOTION: To adjourn the meeting.

On a voice vote, the motion passed unanimously.

The meeting adjourned at 7:31 pm.

Prepared by: Ms. Beaulieu, staff assistant, finance and facilities
As the Board Committee meetings are drawing near, I wanted to provide you with the most recent numbers for the various projects we have under consideration. In addition to the materials included in and with this memo, I will be circulating proposed motions for each project once I have received the final wording from MSCBA, which is expected later today.

Detailed spreadsheets are attached to this memo and provide the comprehensive review of current debt obligations and proposed debt obligations. To digest all of this, I thought it would be helpful to first separate out each project and then aggregate them for the full understanding of the additional financial responsibilities we would be accepting with approval of the projects.

There are five projects you will be considering during the committee meeting:

1. Residence hall and enabling projects:
   a. Residence hall: The proposed project will include approximately 400 beds and a coffee shop venue that will be operated by Chartwells. The cost of this project is estimated at $56M. The debt service will primarily be supported through the student rents and the rent/commissions generated by the Chartwells coffee shop.
   b. Enabling projects: The residence hall is planned in the location of the public safety building and the parking lot between public safety and the Enterprise Center. These two projects are considered “enabling” projects by MSCBA in that they are necessary to proceed with the planned residence hall.
      i. Relocation of the public safety building: The Public Safety Building will be relocated to Building One on Central Campus (Bertolon) in the lower level of the space that housed the interim library. The cost of this project is estimated at $2.0M. The debt service would be provided through the university's operating budget and is projected to be $163,000 per year.
      ii. Weir buildings and parking: To replace the parking that will be lost with the construction, the buildings on the Weir property will be razed and a parking lot prepared. This will replace all of the lost parking. The buildings (three, including the warehouse, office building, and foundry)
are not suitable for renovation and would have been demolished when we develop this property. The cost of this work is estimated at $2M. The debt service would be provided through the university's operating budget and is projected to be $163,000 per year.

iii. Property acquisition: MSCBA is offering to allow $1M to be added to this bond issue to allow the university to purchase properties that would facilitate the construction of the residence hall. The debt service would be provided through the university's operating budget and is projected to be $72,000 per year.

Summary: The residence hall debt service will be primarily covered through student rents and a payment by Chartwells to operate a coffee shop. The combined annual cost of the public safety & Weir parking projects and the property acquisitions would be $398,000 per year and would be covered through the operating budget.

2. Sophia Gordon Center for Creative and Performing Arts: This long-awaited project will modernize the Mainstage Theater providing an academic and performance venue for our theater, dance and music departments. The total project cost is $18.6M. Through private donations and university contributions that were committed over five years ago, $4.6M of the cost has been raised. Therefore the bond for this project would be $14M at an annual cost of $1.2M. There is a pledge of $2M that is outstanding and will be received once the construction begins. Our plan is to have these funds be held by the Foundation and to draw approximately $500,000 annually to offset the debt service. Additional fund raising is underway and we are exploring opportunities for rental of the facility to help defray the costs.

Summary: The Gordon Center annual debt would $1.1M per year and will be covered through the operating budget with an offset of $500,000 annually for four years, for a net cost of $600,000.

3. One-Stop Shop: This project will provide a single location for the various business transactions students must complete such as registration, financial aid, and bursar. The offices are currently being merged and business processes revamped to simplify transactions and to be more customer friendly for our students. The cost of this work is estimated at $2M. The debt service will be provided through the university's operating budget and is projected to be $163,000 per year.

Summary: The annual cost of the One Stop Shop project would be $163,000 per year and would be covered through the operating budget.

4. Additional property acquisition: A property that is strategically located in the vicinity of our campus is being offered for sale by the owner. Discussion regarding this opportunity will be held in executive session.
5. Facility rental opportunity: A property that is very close to the university is becoming available for rent. Discussion regarding this opportunity will be held in executive session.

Future Projects: The other opportunities we have before us over the next three years are a parking structure ($20M), improvements to the Ellison Student Center ($10M), and a new science building/addition ($21M). While I am identifying estimates for these projects, projecting the cost of each is difficult as no formal planning has yet begun. We will need to refine the estimates as we consider bond funding for these projects in FY15 and FY16.

Impact on student fees: We are hopeful that the Legislature and Governor will honor the commitment made last year to provide additional state support to our state universities in exchange for our not raising student fees. If this is the outcome, the cost of these projects can be absorbed through the additional funding. If this does not occur, a one-percent increase in student fees generates approximately $550,000. Therefore a 2.3% increase would be needed to cover the costs of these projects; approximately $185 per year per full-time student. We are seeking additional sources of funding to offset this cost further such as contracts with our vendors and are expecting the full cost will not need to be funded by our students.

I look forward to our discussions on Wednesday.
### I. Current Obligations

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<th>Principal Balance</th>
<th>Interest</th>
<th>Last Scheduled</th>
<th>Annual Obligated</th>
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<td>Insurance</td>
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<td>On going charge</td>
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<td>$1,702,118</td>
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<td>2003A - Campus Repairs Bonds</td>
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<td>$115,039</td>
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<td><strong>Sub-total Debt Obligations paid through residence hall rents</strong></td>
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<td>$9,055,133</td>
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<td><strong>SSU Owned MSCBA Bonded -- Source of Payment is the University's General Operating Budget</strong></td>
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<td>2004A - Central Parking</td>
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<td>2005A - O'Keefe Field</td>
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<td>2006A - Central Campus Athletic Complex</td>
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<td>2012A - Gassett Fitness Center</td>
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<td><strong>SSU Other Long-Term Debt -- Source of Payment is the University's General Operating Budget</strong></td>
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<td>DCAM - Alternative Efficiency Bond</td>
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<td>$228,819</td>
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<td>Weir Lease</td>
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<td>Salem Diner Lease</td>
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<td><strong>Sub-total Debt Obligations paid through operating budget</strong></td>
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<td>$2,536,730</td>
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<td><strong>Total Current Obligations</strong></td>
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<td>$112,099,335</td>
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<td>$11,591,863</td>
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</table>

### II. Future Potential Obligations

<table>
<thead>
<tr>
<th>Year of Issue</th>
<th>Project Budget</th>
<th>Scheduled Interest</th>
<th>Interest</th>
<th>Last Scheduled</th>
<th>Annual Obligated</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSCBA Owned -- Source of Payment is Student Residence Hall Rents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residence Hall</td>
<td>2014</td>
<td>$56,000,000</td>
<td>$61,646,155</td>
<td>4.86%</td>
<td>2013</td>
</tr>
<tr>
<td>MSCBA Debt paid by residence hall rents</td>
<td>2014</td>
<td>$56,000,000</td>
<td>$61,646,155</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SSU MSCBA Bonds and Other Obligations -- Source of Payment is the University's General Operating Budget</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MainStage</td>
<td>2014</td>
<td>$14,000,000</td>
<td>$8,011,170</td>
<td>4.23%</td>
<td>2033</td>
</tr>
<tr>
<td>Weir Surface Parking</td>
<td>2014</td>
<td>$2,000,000</td>
<td>$1,201,146</td>
<td>4.23%</td>
<td>2033</td>
</tr>
<tr>
<td>Interim Public Safety</td>
<td>2014</td>
<td>$2,000,000</td>
<td>$1,201,146</td>
<td>4.23%</td>
<td>2033</td>
</tr>
<tr>
<td>One Stop</td>
<td>2014</td>
<td>$2,000,000</td>
<td>$1,201,146</td>
<td>4.23%</td>
<td>2033</td>
</tr>
<tr>
<td>Property Acquisition</td>
<td>2014</td>
<td>$1,000,000</td>
<td>$1,099,581</td>
<td>4.86%</td>
<td>2033</td>
</tr>
<tr>
<td>MSCBA Debt paid by operating</td>
<td>2014</td>
<td>$21,000,000</td>
<td>$12,714,189</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Potential New FY-15 Obligations</strong></td>
<td>$77,000,000</td>
<td>$74,360,342</td>
<td></td>
<td></td>
<td>$5,958,407</td>
</tr>
<tr>
<td><strong>SSU Owned MSCBA Bonded -- Source of Payment is the University's General Operating Budget, Parking Fees, and Student Government Association Fees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parking Garage (Official)</td>
<td>2015</td>
<td>$20,000,000</td>
<td>$10,750,458</td>
<td>2035</td>
<td>$1,537,523</td>
</tr>
<tr>
<td>Ellison Campus Center Improvements</td>
<td>2015 or 2016</td>
<td>$10,000,000</td>
<td>$5,375,229</td>
<td>2035 or 2036</td>
<td>$768,761</td>
</tr>
<tr>
<td>Science Building Addition</td>
<td>2016 or 2017</td>
<td>$21,000,000</td>
<td>$11,000,000</td>
<td>2036 or 2037</td>
<td>$1,577,630</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>$51,000,000</td>
<td>$27,125,687</td>
<td></td>
<td>2035 to 2037</td>
<td>$3,883,914</td>
</tr>
<tr>
<td><strong>Total Potential New FY-16/17 Obligations</strong></td>
<td>$51,000,000</td>
<td>$27,125,687</td>
<td></td>
<td></td>
<td>$3,883,914</td>
</tr>
<tr>
<td><strong>Cumulative Total Current and Potential New</strong></td>
<td>$272,377,583</td>
<td>$213,585,364</td>
<td></td>
<td></td>
<td>$21,434,184</td>
</tr>
</tbody>
</table>
### Estimated Annual Cash Flow Requirements, Annual Obligated Payments

#### 2. Estimated Annual Cash Flow Requirements, Annual Obligated Payments

11/13/2013

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Residence Halls Rent</td>
<td>$14,850,900</td>
<td>$15,476,080</td>
<td>$16,140,100</td>
<td>$16,825,880</td>
<td>$17,417,630</td>
<td>$17,767,290</td>
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<tr>
<td>Existing Residence Halls Other Income</td>
<td>$637,200</td>
<td>$563,040</td>
<td>$563,040</td>
<td>$554,771</td>
<td>$365,662</td>
<td>$366,571</td>
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<tr>
<td>New Residence Hall Rent</td>
<td>$3,358,620</td>
<td>$3,501,540</td>
<td>$3,624,610</td>
<td>$3,690,070</td>
<td>$3,690,070</td>
<td>$3,690,070</td>
</tr>
<tr>
<td>New Residence Hall Other Income</td>
<td>$554,353</td>
<td>$688,448</td>
<td>$764,795</td>
<td>$765,972</td>
<td>$765,972</td>
<td>$765,972</td>
</tr>
<tr>
<td>Offset for Utility Savings</td>
<td>$39,834</td>
<td>$39,229</td>
<td>$38,643</td>
<td>$38,618</td>
<td>$38,018</td>
<td>$38,018</td>
</tr>
<tr>
<td>Supplement payment for Mainstage from</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$500,000</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$15,527,914</td>
<td>$16,578,349</td>
<td>$21,154,755</td>
<td>$22,117,453</td>
<td>$22,710,679</td>
<td>$22,633,921</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Expenses</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses Existing Residence Halls</td>
<td>$6,443,571</td>
<td>$6,630,638</td>
<td>$6,823,317</td>
<td>$7,021,777</td>
<td>$7,226,190</td>
<td>$7,436,726</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$6,443,571</td>
<td>$6,630,638</td>
<td>$7,481,405</td>
<td>$7,908,442</td>
<td>$8,450,912</td>
<td>$8,389,651</td>
</tr>
</tbody>
</table>

| Net Revenues Before Debt Commitments | $9,084,363 | $9,947,711 | $13,623,261 | $14,195,111 | $14,595,767 | $14,244,270 |

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Existing Commitments MSCBA</strong></td>
<td>$9,055,133</td>
<td>$9,269,654</td>
<td>$9,345,657</td>
<td>$9,395,707</td>
<td>$9,291,315</td>
<td>$9,398,627</td>
</tr>
<tr>
<td><strong>Total Existing Commitments SSU Owned,</strong></td>
<td>$1,691,839</td>
<td>$1,692,150</td>
<td>$1,689,121</td>
<td>$1,689,876</td>
<td>$1,690,876</td>
<td>$1,690,876</td>
</tr>
<tr>
<td><strong>Total Existing SSU Other Long-Term Debt</strong></td>
<td>$844,839</td>
<td>$845,158</td>
<td>$845,607</td>
<td>$776,934</td>
<td>$776,934</td>
<td>$776,934</td>
</tr>
<tr>
<td><strong>Total Existing Debt</strong></td>
<td>$11,591,653</td>
<td>$11,607,022</td>
<td>$11,880,785</td>
<td>$12,165,127</td>
<td>$12,758,222</td>
<td>$12,865,534</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Proposed Commitments</strong></td>
<td>$11,591,653</td>
<td>$11,558,397</td>
<td>$19,185,595</td>
<td>$21,715,728</td>
<td>$21,614,623</td>
<td>$21,725,335</td>
</tr>
</tbody>
</table>

| Total Proposed Annual Debt Service | $11,591,653 | $13,558,397 | $19,185,595 | $21,715,728 | $21,614,623 | $21,725,335 |

| Total Current & Future Debt Serviced by | $2,536,730 | $3,788,743 | $5,332,926 | $7,618,496 | $7,615,796 | $8,119,106 |
| **Net Increase to annual operation budget** | $1,751,355 | $1,754,403 | $2,354,191 | $3,109,000 | $303,400 |
REQUEST FOR TRUSTEE ACTION

Date: December 4, 2013
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: New Central Campus Residence Hall and Delegation of Authority
Requested Action: Approval

MOTION

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the projects (the “Projects”) described in EXHIBIT A-1 hereto and the cost and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: November 20, 2013

Trustee Action:
Trustee Approval Date:
Effective Date:

Signed: ____________________________________________
Title: Secretary, Board of Trustees
Date: ___________________________________________________________________
Description of the Project:

(A) The leasing by the Authority, as lessee, from the Salem State University Assistance Corporation and/or the Commonwealth of Massachusetts (or an entity authorized to act therefore), as lessor, of a parcel of land in Salem, Massachusetts, on the Central Campus of Salem State University;

(B) The construction on such parcel and the furnishing and equipping of a facility primarily for use by Salem State University consisting generally of

   (i) Student residential facilities, including

       a.) living accommodations containing an aggregate of approximately 330-400 beds primarily for use by students of Salem State University and their dependents and a portion of which may be for use (pursuant to one or more leases or other contractual arrangements) by persons affiliated with one or more other institutions,

       b.) common space, and

    (ii) Ancillary facilities, which may contain space for retail food service and other retail and commercial, non-profit and/or governmental uses (any of which uses and the operation and maintenance of all or any part of which facility may be pursuant to one or more leases or other contractual arrangements with appropriate persons or entities (including persons or entities engaged in for-profit enterprises)); and

(C) The renovation and furnishing/equipping of existing projects of the Authority for use for housing primarily by students of Salem State University and their dependents.

Project Budget and Schedule

Budget: Not to exceed $56M (preliminary design has been completed to confirm cost estimate)

Schedule:

Design Development: January 2014
Construction Documents: February 2014
Construction Start: March 2014
Open Completed Facility: August 2015
REQUEST FOR TRUSTEE ACTION

Date: December 4, 2013
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: Public Safety Relocation
Requested Action: Approval

MOTION

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Public Safety Relocation project (the “Project”) described in EXHIBIT A-2 hereto within the parameters that the total project cost will not exceed $2.1 million and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: November 20, 2013

Trustee Action:
Trustee Approval Date:
Effective Date:

Signed: ____________________________
Title: Secretary, Board of Trustees
Date: ____________________________
Description of the Project:

- Salem State University and MSCBA have proposed the construction of a new residence hall on the central campus. The proposed location for the new residence hall encroaches onto the footprint of the existing public safety building and therefore requires relocation of the public safety operation. Salem State University proposes to temporarily relocate the public safety operation into the first floor of the central campus academic building, the space vacated by the interim library.

- In order to suit the needs of the full service university police department, renovation of this space will need to include, minimally, a modern full service 24 hour dispatch operation center, administrative office space, compliant secure evidence storage, compliant interview rooms, locker rooms and associated technology and infrastructure support to ensure continuity of law enforcement operations sufficient to ensure the public safety needs of the university community.

Project Budget and Schedule

**Budget:** Not to exceed $2.1M (preliminary design has been completed to confirm cost estimate)

**Schedule:**
- Design Development: September 2013
- Construction Documents: October 2013
- Construction Start: December 2013 (demolition already underway)
- Open Completed Facility: February 2014
REQUEST FOR TRUSTEE ACTION

Date: December 4, 2013
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: Weir/Canal Street Parking
Requested Action: Approval

MOTION

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Weir/Canal Street Parking project (the “Project”) described in EXHIBIT A-3 hereto within the parameters that the total project cost will not exceed $2 million and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: November 20, 2013

Signed: ________________________________
Title: Secretary, Board of Trustees
Date: ________________________________
**Description of the Project:**

The Salem State University Assistance Corporation purchased the Weir Property (across from Salem State’s Central Campus) in 2008 for the benefit of the university. The 2.8 acre property has three buildings:

- **The Stanley Building** – Renovated by Salem State University in 2011, this building houses the ITS, Facilities & Campus Development, and part of the Music Department.
- **The Atwood Morrill Building** – A manufacturing building that is beyond its useful life and not suited for rehabilitation. The building has housed the bulk of the university’s library collection until the opening of the new Berry Library and Learning Commons last month.
- **The Mackey Building** – Said to be originally a foundry, this one story warehouse structure is also beyond its useful life. It currently is used for storage of facilities equipment and campus recycling.

Salem State University and the MSCBA plan to demolish the Atwood Morrill and Mackey Buildings to create temporary (2-3 years) parking to mitigate the loss of parking assets on Central Campus where the new residence hall will be built. The remediation, demolition, and resurfacing/installation of lighting for the temporary parking is expected to be completed by August 2014.

**Project Budget and Schedule**

**Budget:** Not to exceed $2M (preliminary design has been completed to confirm cost estimate)

**Schedule:**
- **Design Development:** Underway and to be completed November 2013
- **Construction Documents:** December 2013
- **Construction Start:** Abatement, December 2013; Demolition, January 2014, Parking lot preparation, March 2014
- **Open Completed Facility:** May 2014
REQUEST FOR TRUSTEE ACTION

Date: December 4, 2013
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: Sophia Gordon Center for Creative & Performing Arts
Requested Action: Approval

MOTION

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the Sophia Gordon Center for Creative & Performing Arts project (the “Project”) described in EXHIBIT A-4 hereto within the parameters that the total project cost will not exceed $19 million and financing not to exceed $14 million and terms thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: November 20, 2013

Signed: ___________________________________
Title: Secretary, Board of Trustees
Date: _____________________________________
Description of the Project:

Salem State University and the Division of Capital Asset Management & Maintenance (DCAMM) have collaborated on a schematic design study by Leers Weinzapfel Associates Architects to modernize the Mainstage theatre complex on North Campus. This project is the cornerstone of the Sophia Gordon Center for the Creative and Performing Arts and will provide Salem State’s nationally-recognized theatre program and other performing arts programs with a renovated complex. The improvements will not only be to the performance space but will include the full complement of rehearsal space, scene shop, dressing rooms, and other technical support space. The modernization will also address the building’s accessibility issues. The study was certified by DCAMM in July 2013 and has entered the design development stage. The renovation is slated to begin in late spring of 2014. This $18.6M project will be funded by three sources: private donations to the Salem State University Foundation, university contributions, and proposed 2014 MSCBA bonds.

Project Budget and Schedule

**Budget:** Not to exceed $19M; MSCBA Financing not to exceed $14M (DCAMM Study has been certified to confirm cost estimate)

**Schedule:**

- Design Development: January 2014
- Construction Documents: March 2014
- Construction Start: April 2014
- Open Completed Facility: December 2015
REQUEST FOR TRUSTEE ACTION

Date: December 4, 2013
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: Student One Stop Service Center
Requested Action: Approval

MOTION

The Board of Trustees (the “Trustees”) of Salem State University (the “University”), working with the Massachusetts State College Building Authority (the “Authority”), hereby approves the One-Stop Shop project (the “Project”) described in EXHIBIT A-5 hereto within the parameters that the total project cost will not exceed $2 million and financing thereof approximately as presented to this meeting and otherwise substantially as presented to this meeting.

Pursuant to Section 22 of Chapter 15A of the Massachusetts General Laws, as amended, the Trustees hereby delegate to the President of the University the power, and hereby authorize the President of the University, in consultation with the Executive Committee of the Trustees, to do all things necessary or desirable in connection with the carrying out of the Project, the Bonds, the payment of and security for the Bonds and all other matters authorized by this Motion, including without limitation the approval, acknowledgement, execution and delivery on behalf of the University of contracts, certificates and other documents.

The President of the University and the interim executive director for finance are hereby authorized to do all things and take all action as the person so acting shall, as conclusively evidenced by the doing of any such thing or the taking of any such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.

This action shall be effective immediately upon its approval by the Board of Trustees.

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: November 20, 2013

Trustee Action:
Trustee Approval Date:
Effective Date:

Signed:  __________________________________
Title: Secretary, Board of Trustees  _____________
Date:  __________________________________
Description of the Project:

- The renovation of the second level of the space vacated by the interim library to construct a One-Stop Student Service Center to consolidate services offered in the offices of the registrar, financial aid, student accounts, parking passes, student identification cards, etc.
- The project will create a state of the art, open and inviting space that removes any stigma or hesitation often realized when students are attempting to address administrative issues, especially those involving finances.
- In addition to a team of cross-trained service providing generalists, the facility will house specialists for each of the core offices. Core processing functions from our admissions area will also be housed here to allow for a phase two project that will integrate all operations and technology functions across the division.

Project Budget and Schedule

**Budget:** Not to exceed $2M (preliminary design has been completed to confirm cost estimate)

**Schedule:**
- Design Development: Underway and to be completed December 2013
- Construction Documents: February 2014
- Construction Start: March 2014
- Open Completed Facility: July 2014
## Statement of Net Position

In million $

<table>
<thead>
<tr>
<th></th>
<th>FY 2013 Year End</th>
<th>1st Quarter FY 2013</th>
<th>FY 2014</th>
<th>Change $</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$24.4</td>
<td>$23.2</td>
<td>$37.3</td>
<td>$14.1</td>
<td>60.8%</td>
</tr>
<tr>
<td>Cash with state and other entities</td>
<td>8.5</td>
<td>15.1</td>
<td>9.2</td>
<td>-5.9</td>
<td>-39.1%</td>
</tr>
<tr>
<td>Accounts and other receivables</td>
<td>3.3</td>
<td>32.6</td>
<td>15.2</td>
<td>-17.4</td>
<td>-53.4%</td>
</tr>
<tr>
<td>Capital assets</td>
<td>131.3</td>
<td>95.5</td>
<td>130.0</td>
<td>34.5</td>
<td>36.1%</td>
</tr>
<tr>
<td>Investments</td>
<td>11.2</td>
<td>10.5</td>
<td>11.8</td>
<td>1.3</td>
<td>12.4%</td>
</tr>
<tr>
<td>Loans receivable, net</td>
<td>2.3</td>
<td>2.2</td>
<td>2.2</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Other assets</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>-0.1</td>
<td>-50.0%</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$181.1</td>
<td>$179.3</td>
<td>$205.8</td>
<td>$26.5</td>
<td>14.8%</td>
</tr>
</tbody>
</table>

| **Liabilities:**      |                  |                     |         |          |      |
| Accounts payable and accrued expenses | $3.2            | $10.2               | $11.7   | $1.5     | 14.7%|
| Accrued payroll        | 9.4              | 4.4                 | 4.6     | 0.2      | 4.5% |
| Bonds payable         | 21.3             | 21.6                | 21.2    | -0.4     | -1.9%|
| Compensated absences  | 8.3              | 7.7                 | 8.3     | 0.6      | 7.8% |
| Loans payable, Federal financial assistance programs | 2.3              | 2.3                 | 2.3     | 0.0      | 0.0% |
| Other liabilities     | 6.2              | 3.5                 | 4.0     | 0.5      | 14.3%|
| **Total Liabilities** | $50.6            | $49.7               | $52.1   | $2.4     | 4.8% |

| **Net Assets:**       |                  |                     |         |          |      |
| Invested in capital assets | 89.1            | 89.1                | 111.3   | 22.2     | 24.9%|
| Restricted and unrestricted | 16.9            | 16.9                | 19.2    | 2.3      | 13.6%|
| **Total Net Assets**  | 106.0            | 106.0               | 130.5   | 24.5     | 23.1%|

**Total Increase in Net Position:**

|                  | 24.5             | 23.6                | 23.2    | -0.4     | -1.7%|

**Total Liabilities and Fund Balances**

|       | $181.1          | $179.3              | $205.8  | $26.5    | 14.8%|
## Statement of Revenues, Expenses and Changes in Net Position by IPEDS Classification

### In million $

<table>
<thead>
<tr>
<th></th>
<th>FY 2013 Year End</th>
<th>1st Quarter FY 2013</th>
<th>FY 2014</th>
<th>Change $</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and fees</td>
<td>$68.1</td>
<td>$32.3</td>
<td>$32.6</td>
<td>$0.3</td>
<td>0.9%</td>
</tr>
<tr>
<td>Less: scholarships and fellowships</td>
<td>-14.3</td>
<td>-0.5</td>
<td>-5.4</td>
<td>-4.9</td>
<td>980.0%</td>
</tr>
<tr>
<td>Net tuition and fees</td>
<td>53.9</td>
<td>31.7</td>
<td>27.2</td>
<td>-4.5</td>
<td>-14.2%</td>
</tr>
<tr>
<td>Federal, state, private grants</td>
<td>18.5</td>
<td>0.7</td>
<td>6.6</td>
<td>5.9</td>
<td>842.9%</td>
</tr>
<tr>
<td>Sales and services of educational departments</td>
<td>3.0</td>
<td>0.7</td>
<td>1.1</td>
<td>0.4</td>
<td>57.1%</td>
</tr>
<tr>
<td>Auxiliary enterprises</td>
<td>14.9</td>
<td>8.2</td>
<td>8.1</td>
<td>-0.1</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>0.4</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>90.8</td>
<td>41.3</td>
<td>43.0</td>
<td>1.7</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

| **Operating Expenses:** |                     |                     |         |          |       |
| Instruction            | 53.1               | 10.7                | 11.5    | 0.8      | 7.5%  |
| Public service         | 0.7                | 0.2                 | 0.2     | 0.0      | 0.0%  |
| Academic support       | 13.9               | 3.0                 | 3.3     | 0.3      | 10.0% |
| Student services       | 13.9               | 2.7                 | 3.1     | 0.4      | 14.8% |
| Institutional support  | 22.7               | 5.8                 | 6.3     | 0.5      | 8.6%  |
| Operation and maintenance of plant | 10.8 | 3.6 | 3.5 | -0.1 | -2.8% |
| Scholarships           | 5.7                | 0.2                 | 2.3     | 2.1      | 1050.0% |
| Depreciation and amortization | 5.0 | 1.2 | 1.3 | 0.1 | 8.3% |
| Auxiliary              | 14.1               | 1.0                 | 1.1     | 0.1      | 10.0% |
| **Total Operating Expenses** | 140.1 | 28.4 | 32.6 | 4.2 | 14.8% |

| **Non-Operating Revenues:** |                     |                     |         |          |       |
| State appropriations, net | 46.9               | 9.7                 | 11.9    | 2.2      | 22.7% |
| Gifts                   | 1.1                | 0.5                 | 0.4     | -0.1     | -20.0% |
| Investment income       | 1.4                | 0.5                 | 0.5     | 0.0      | 0.0%  |
| Interest expense        | -0.3               | 0.0                 | 0.0     | 0.0      | 0.0%  |
| **Net Non-Operating Revenues** | 49.1 | 10.7 | 12.8 | 2.1 | 19.6% |

| Capital grants | 24.7 | 0.0 | 0.0 | 0.0 | 0.0% |

| **Total Increase in Net Position** | $24.5 | $23.6 | $23.2 | -50.4 | -1.7% |
### Statement of Revenues, Expenses and Changes in Net Position

In million $

<table>
<thead>
<tr>
<th></th>
<th>FY 2013</th>
<th>1st Quarter FY 2013</th>
<th>1st Quarter FY 2014</th>
<th>Change $</th>
<th>Change %</th>
</tr>
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<tbody>
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<td>-0.5</td>
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</tr>
<tr>
<td>Other operating revenues</td>
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<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>90.8</td>
<td>41.3</td>
<td>43.0</td>
<td>1.7</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

| **Operating Expenses:** |         |                     |                     |         |          |
| Compensation and benefits | 96.6   | 19.9                | 21.4                | 1.5     | 7.5%     |
| Supplies and services    | 29.3    | 6.7                 | 7.2                 | 0.5     | 7.5%     |
| Utilities                | 3.4     | 0.4                 | 0.4                 | 0.0     | 0.0%     |
| Depreciation and amortization | 5.0    | 1.2                 | 1.3                 | 0.1     | 8.3%     |
| Scholarships and fellowships | 5.7    | 0.2                 | 2.3                 | 2.1     | 1050.0%  |
| **Total Operating Expenses** | 140.1  | 28.4                | 32.6                | 4.2     | 14.8%    |

| **Non-Operating Revenues:** |         |                     |                     |         |          |
| State appropriations, net | 46.9    | 9.7                 | 11.9                | 2.2     | 22.7%    |
| Gifts                    | 1.1     | 0.5                 | 0.4                 | -0.1    | -20.0%   |
| Investment income        | 1.4     | 0.5                 | 0.5                 | 0.0     | 0.0%     |
| Interest expense         | -0.3    | 0.0                 | 0.0                 | 0.0     | 0.0%     |
| **Net Non-Operating Revenues** | 49.1   | 10.7                | 12.8                | 2.1     | 19.6%    |

| Capital grants           | 24.7    | 0.0                 | 0.0                 | 0.0     | 0.0%     |

| **Total Increase in Net Position** | $24.5  | $23.6               | $23.2               | -$0.4   | -1.7%    |
IPEDS Glossary, abridged


Instruction (GASB aligned form reporters)

A functional expense category that includes expenses of the colleges, schools, departments, and other instructional divisions of the institution and expenses for departmental research and public service that are not separately budgeted. Includes general academic instruction, occupational and vocational instruction, community education, preparatory and adult basic education, and regular, special, and extension sessions. Also includes expenses for both credit and non-credit activities. Excludes expenses for academic administration where the primary function is administration (e.g., academic deans). Information technology expenses related to instructional activities if the institution separately budgets and expenses information technology resources are included (otherwise these expenses are included in academic support). GASB institutions include actual or allocated costs for operation and maintenance of plant and depreciation.

Public service (expense--GASB aligned form reporters)

A functional expense category that includes expenses for activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution. Examples are conferences, institutes, general advisory service, reference bureaus, and similar services provided to particular sectors of the community. This function includes expenses for community services, cooperative extension services, and public broadcasting services. Also includes information technology expenses related to the public service activities if the institution separately budgets and expenses information technology resources (otherwise these expenses are included in academic support). GASB institutions include actual or allocated costs for operation and maintenance of plant and depreciation.

Academic support (GASB aligned form reporters)

A functional expense category that includes expenses of activities and services that support the institution’s primary missions of instruction, research, and public service. It includes the retention, preservation, and display of educational materials (for example, libraries, museums, and galleries); organized activities that provide support services to the academic functions of the institution (such as a demonstration school associated with a college of education or veterinary and dental clinics if their primary purpose is to support the instructional program); media such as audiovisual services; academic administration (including academic deans but not department chairpersons); and formally organized and separately budgeted academic personnel development and course and curriculum development expenses. Also included are information technology expenses related to academic support activities; if an institution does not separately budget and expense information technology resources, the costs associated with the three primary programs will be applied to this function and the remainder to institutional support. GASB institutions include actual or allocated costs for operation and maintenance of plant and depreciation.
Student services (expense -- GASB aligned form reporters)

A functional expense category that includes expenses for admissions, registrar activities, and activities whose primary purpose is to contribute to students emotional and physical well-being and to their intellectual, cultural, and social development outside the context of the formal instructional program. Examples include student activities, cultural events, student newspapers, intramural athletics, student organizations, supplemental instruction outside the normal administration, and student records. Intercollegiate athletics and student health services may also be included except when operated as self-supporting auxiliary enterprises. Also may include information technology expenses related to student service activities if the institution separately budgets and expenses information technology resources (otherwise these expenses are included in institutional support.) GASB institutions include actual or allocated costs for operation and maintenance of plant and depreciation.

Institutional support (GASB aligned form reporters)

A functional expense category that includes expenses for the day-to-day operational support of the institution. Includes expenses for general administrative services, central executive-level activities concerned with management and long-range planning, legal and fiscal operations, space management, employee personnel and records, logistical services such as purchasing and printing, and public relations and development. Also includes information technology expenses related to institutional support activities. If an institution does not separately budget and expense information technology resources, the IT costs associated with student services and operation and maintenance of plant will also be applied to this function.

Operation and maintenance of plant

A functional expense category that includes expenses for operations established to provide service and maintenance related to campus grounds and facilities used for educational and general purposes. Specific expenses include utilities, fire protection, property insurance, and similar items. This function does include amounts charged to auxiliary enterprises, hospitals, and independent operations. Also includes information technology expenses related to operation and maintenance of plant activities if the institution separately budgets and expenses information technology resources (otherwise these expenses are included in institutional support). Institutions may, as an option, distribute depreciation expense to this function.

Scholarships and Fellowships (contra-revenue)

Outright grants-in-aid, trainee stipends, tuition and fee waivers, and prizes awarded to students by the institution, including Pell grants. Awards to undergraduate students are most commonly referred to as "scholarships" and those to graduate students as "fellowships." These awards do not require the performance of services while a student (such as teaching) or subsequently as a result of the scholarship or fellowship. The term does not include loans to students (subject to repayment), College Work-Study Program (CWS), or awards granted to a parent of a student because of the parent’s faculty or staff
status. Also not included are awards to students where the selection of the student recipient is not made by the institution.

**Scholarships and fellowships (expenses)**

That portion of scholarships and fellowships granted that exceeds the amount applied to institutional charges such as tuition and fees or room and board. The amount reported as expense excludes allowances and discounts. The FASB survey uses the term "net grants in aid to students" rather than "scholarships and fellowships."

**Depreciation**

The allocation or distribution of the cost of capital assets, less any salvage value, to expenses over the estimated useful life of the asset in a systematic and rational manner. Depreciation for the year is the amount of the allocation or distribution for the year involved. A functional expense category that includes expenses for the day-to-day operational support of the institution. Includes expenses for general administrative services, central executive-level activities concerned with management and long range planning, legal and fiscal operations, space management, employee personnel and records, logistical services such as purchasing and printing, and public relations and development. Also includes information technology expenses related to institutional support activities. If an institution does not separately budget and expense information technology resources, the IT costs associated with student services and operation and maintenance of plant will also be applied to this function.

**Auxiliary enterprise (expenses)**

Expenses for essentially self-supporting operations of the institution that exist to furnish a service to students, faculty, or staff, and that charge a fee that is directly related to, although not necessarily equal to, the cost of the service. Examples are residence halls, food services, student health services, intercollegiate athletics (only if essentially self-supporting), college unions, college stores, faculty and staff parking, and faculty housing. Institutions include actual or allocated costs for operation and maintenance of plant, interest and depreciation.

**Auxiliary enterprise (revenue)**

Revenues generated by or collected from the auxiliary enterprise operations of the institution that exist to furnish a service to students, faculty, or staff, and that charge a fee that is directly related to, although not necessarily equal to, the cost of the service. Auxiliary enterprises are managed as essentially self-supporting activities. Examples are residence halls, food services, student health services, intercollegiate athletics, college unions, college stores, and movie theaters.
The Finance & Facilities Committee of the Board of Trustees met on Wednesday, January 29, 2014, in room 210, Marsh Hall, Central Campus of Salem State University.

Present for the Committee: Trustees Quiroga (chair), Burns (vice chair), Booker, Mattera, Chair Scott (ex-officio), President Meservey (ex-officio), interim executive director for finance Ainsworth (committee co-liaison), chief of police Labonte (committee co-liaison), chief of staff Bower (committee co-liaison), staff assistant Beaulieu. Others present and participating were: Trustees Abdoo, Davis and Segal, advisory member Mr. Gadenne, associate vice president Donovan, Mr. Doherty and Mr. Tyler of Eastern Bank Wealth Management.

Committee chair Quiroga called the meeting to order at 5:58 pm.

**Investment Report**
Chair Quiroga welcomed John Doherty, vice president and Michael Tyler, chief investment officer of Eastern Bank Wealth Management (EBWM). Mr. Doherty presented Salem State University’s investment report (Attachment A). This entailed two reports: portfolio performance and investment review. Mr. Doherty referred to the back of the presentation (investment review) which includes a list of the university’s current holdings as of December 31, 2013. Mr. Doherty then proceeded to page three of the portfolio performance report which showed the current investment objective. On page four the portfolio allocations are broken down by asset classes. A rebalancing of the portfolio is currently in process this week. The results of this rebalancing will shift equity holdings to 63-64% compared to 67% as shown on the report. Page five shows the portfolio performance and includes comparison of benchmarks. Page six displays the bond maturity distribution. Maturity is kept short with average maturity of 3.23 years and average coupon of 3.47%.

Mr. Tyler highlighted that over the last year the portfolio did well in beating the benchmarks. Being overweight in equities at the beginning of the year made a significant difference in the portfolio’s performance. However, EBWM feels it is no longer appropriate to be 10% overweight in stock. Various factors in the economy such as growth in the housing sector, durable goods, cars, trucks and planes sales are showing an increase in manufacturing. GDP growth initiated by the federal government has caught some momentum in the private sector. We are seeing pent up demand for replacement of cars, computers, etc. Technically, we are in the fifth year of recovery but the feeling according to EBWM is that we think we are in the second year of recovery. Trustee Scott questioned as we pare back on equities, what the impact is on the international side of our holdings. Mr. Tyler responded we are increasing equities in international markets especially in Europe. Factors taken into account are those holdings that are manufacturing and consumer driven. Mr. Tyler spoke about the markets following human nature.

Chair Quiroga asked what benchmarks we are presently using. Benchmarks for equities are a 60/40 blend of the S & P 500 and MSCI All Country World Index which EBWM feels is a fair measurement
Chair Quiroga asked Mr. Tyler to explain to the committee how EBWM manages risk and what the real return is. Mr. Tyler spoke about valuation in the market, associated risks, and asset allocations with an eye towards mitigating such risk. Chair Quiroga clarified that the board needs to know in laymen’s terms the measurement of risk in investment and allocation decisions. Mr. Tyler spoke further about taking less risk than the market, looking at industry metrics such as beta and standard deviation of returns. With respect to “real return” Mr. Tyler believes inflation has been lower than 2% per year. Chair Quiroga stated that inflation runs higher for higher education institutions than other sectors. Mr. Gadenne clarified what he thought Chair Quiroga was asking for was a peer comparison. Trustee Mattera cautioned that comparisons with other universities would be difficult since other institutions may have more resources. A vision for a peer group that looks at both portfolio performance and associated risk is what the board needs to perform its fiduciary responsibilities. Mr. Tyler noted that the vast majority of their institutional clients have 50 to 75 percent holdings in equities. Mr. Tyler will work with Mr. Donovan about the measures of risk the board would like to see and provide the committee this information at its next meeting. The trustees thanked Mr. Doherty and Mr. Tyler.

The president asked Ms. Ainsworth to introduce Rich Kelley, the new director of budget and payroll services. Mr. Kelley has been with the university since December 1, 2013.

Pro Forma FY15
President Meservey referred the committee to her memo regarding Governor Patrick’s FY2015 budget recommendation (Attachment B). The governor’s budget holds Salem’s line item level and allocates an additional $13 million for the state universities. There is $8 million for incentive grants targeted for the state universities that will provide the commissioner of higher education a mechanism to allocate funding based on support for the goals of the Vision Project. Last year a deal was made with the House Ways and Means committee that increased the universities’ budgets a total of $15 million spread over the nine institutions under the caveat that universities hold fees steady. For the governor’s budget no such provision was identified. The House Ways and Means committee recommendation is usually released around the middle of April. If the governor’s budget stands, it will be difficult not to have a modest fee increase. Also included in the attachment is a letter from Commissioner Freeland which cites a reduction of $1 million in the State University Internship Incentive Program. At this time it is premature to present a pro forma given all the unknowns. The governor did mention in his State of the Commonwealth address that the state should be investing more in education.

Graduate Fee increase
President Meservey presented for consideration a graduate fee increase (Attachment C). Most institutions allow graduate students to register and pay later. Salem currently requires these students to pay up front. In order to allow graduate students to register and pay for courses similar to our day undergraduate students, a new registration process is recommended. To proceed with this new process, appropriate rates for FY2015 must be up and running for graduate students so they can register for fall 2014 classes in an efficient manner. Therefore, the graduate fee rates for FY2015 are recommended to be approved and loaded onto the student registration system. A suggested $15 per credit hour increase is requested. This represents a 4.3% increase to $362 per credit hour. A revised draft motion was
distributed reflecting the $15 increase. Trustee Segal asked for a comparison of other institutions graduate rates. Endicott charges $386 - $607 per credit hour; Merrimack charges $500 to $775 per credit hour; Bridgewater charges $1,100 for a 3 credit course ($367 per credit hour) and University of Lowell charges $535 per credit hour. Trustee Abdoo asked if Cambridge College is one of Salem’s competitors. President Meservey mentioned that American International College has increased its presence in this market while Cambridge College is not significant. It was noted that the graduate fee was increased 5% ($17 per credit) last year for in-state students.

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

**MOTION**

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

The Board of Trustees of Salem State University hereby approves the following increase in graduate fees. Tuition rates will remain at FY2013-14 levels.

- Graduate students enrolled through the university’s School of Graduate Studies: Fees shall increase $15 per credit hour, which, when combined with the current fee of $207 and in-state tuition of $140, represents an increase of 4.3% over FY2013-14. The same fee shall apply to out-of-state students.

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

**On a voice vote, the motion passed unanimously.**

Trustee Segal mentioned that price doesn’t seem to be a factor and maybe more marketing needs to be done. Chair Quiroga mentioned while the university has been making a lot of capital investments, its mission is to provide students with a quality education. Course offering and quality should be invested in as well.

**Financial Reports**

President Meservey presented the financial reports for the second quarter of FY2014 (Attachment D). The first three pages are the same reports the committee saw in October. The IPEDS financial report allows the university to report its financial information in a uniform manner that facilitates comparisons of spending with other institutions. As we further refine our reports we can see if the university is spending enough in instruction. Chair Quiroga recommended that due to the lack of time, a discussion of the financial reports be tabled until the next meeting.

**Facilities update**

An update on campus capital projects was distributed (Attachment E). Projects are moving forward and some are in the pipeline. There were no specific concerns at this time.
Draft RFP for Investment Management Services
A draft of an RFP for investment management services was provided (Attachment F and G). Chair Quiroga asked the committee to review and transmit any questions. Discussion was tabled due to lack of time.

Chair Quiroga noted the committee will be entering into executive session to discuss property acquisitions and that there will be no further business on the agenda when the committee returns to general session.

Trustee Mattera moved and Trustee Scott seconded a motion to enter into executive session in accordance with General Laws, Chapter 30A, for the purpose of discussing property acquisition. A roll call vote was taken 7:06 pm.

Roll Call:
   Quiroga – yes
   Burns – yes
   Booker – yes
   Mattera – yes
   Scott – yes

Trustee Mattera moved and Trustee Burns seconded a motion to exit executive session in accordance with General Laws, Chapter 30A. A roll call vote was taken 7:22 pm.

Roll Call:
   Quiroga – yes
   Burns – yes
   Booker – yes
   Mattera – yes
   Scott – yes

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

MOTION: To adjourn the meeting.

On a voice vote, the motion passed unanimously.

The meeting adjourned at 7:23 pm.

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

Portfolio Allocation for Account #2427524

- Equities: 67.3%
  - Institutional Core Equity: 56.3%
  - Mid Cap Equity: 2.1%
  - International Equity: 8.9%

- Fixed Income: 29.9%
  - Individual Bond Ladder: 26.8%
  - High Yield Bonds: 1.7%
  - Muni Bonds: 1.4%

- Money Market: 2.8%
  - Cash: 2.8%

Account Value as of 12/31/2013: $12,378,140
## PORTFOLIO PERFORMANCE

### Investment Performance
**Strategy:** Growth w/ Multi-Asset  
**As of December 31, 2013**

<table>
<thead>
<tr>
<th>Asset Class / Benchmark</th>
<th>Ending Market Value</th>
<th>Allocation</th>
<th>Last 12 months</th>
<th>3 Year</th>
<th>5 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total Return</td>
<td>Annualized Total Return</td>
<td>Annualized Total Return</td>
</tr>
<tr>
<td>Salem State University Portfolio</td>
<td>$12,378,141</td>
<td>100.0%</td>
<td>20.1%</td>
<td>9.7%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Total Benchmark</td>
<td>100.0%</td>
<td></td>
<td>16.4%</td>
<td>10.7%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Equities</td>
<td>$8,338,904</td>
<td>67.3%</td>
<td>32.5%</td>
<td>13.6%</td>
<td>15.6%</td>
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<tr>
<td>S&amp;P 500 Stock Index</td>
<td>60.0%</td>
<td></td>
<td>32.4%</td>
<td>16.2%</td>
<td>17.9%</td>
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<tr>
<td>Multi Asset Equity Blend*</td>
<td>28.8%</td>
<td></td>
<td>28.8%</td>
<td>13.8%</td>
<td>17.0%</td>
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<tr>
<td>Fixed Income</td>
<td>$3,697,520</td>
<td>29.9%</td>
<td>-0.04%</td>
<td>3.2%</td>
<td>5.8%</td>
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<tr>
<td>Barclays Interm Credit Index</td>
<td>37.0%</td>
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<td>-0.20%</td>
<td>4.4%</td>
<td>7.3%</td>
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<tr>
<td>Money Market</td>
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<td>2.8%</td>
<td>0.01%</td>
<td>0.02%</td>
<td>0.1%</td>
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<tr>
<td>Llipper Money Market Index</td>
<td>3.0%</td>
<td></td>
<td>0.0%</td>
<td>0.01%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

**Portfolio Return Gross of Fee**

<table>
<thead>
<tr>
<th></th>
<th>Total Return</th>
<th>Annualized Total Return</th>
<th>Annualized Total Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Return Gross of Fee</td>
<td>20.1%</td>
<td>9.7%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Portfolio Return Net of Fee</td>
<td>19.6%</td>
<td>9.3%</td>
<td>11.4%</td>
</tr>
</tbody>
</table>

*Consists of Blended 60/40 S&P 500/MSCI All Country World Index

Source: Investment Scorecard
BOND MATURITY DISTRIBUTION

<table>
<thead>
<tr>
<th>Year</th>
<th>Portfolio</th>
<th>Barclays Intermediate Credit Index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average Maturity</td>
<td>3.23 years</td>
</tr>
<tr>
<td></td>
<td>Average Coupon</td>
<td>3.47 %</td>
</tr>
<tr>
<td></td>
<td>Average Yield</td>
<td>1.51 %</td>
</tr>
<tr>
<td></td>
<td>Average Duration</td>
<td>3 years</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Endowment ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$900</td>
</tr>
<tr>
<td>2016</td>
<td>$525</td>
</tr>
<tr>
<td>2017</td>
<td>$900</td>
</tr>
<tr>
<td>2018</td>
<td>$750</td>
</tr>
<tr>
<td>2019</td>
<td>$300</td>
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</table>

Finance & Facilities 1.29.14
## FIXED INCOME
### INDIVIDUAL CORPORATE BOND RATINGS

<table>
<thead>
<tr>
<th>Description</th>
<th>Units</th>
<th>Purchase Date</th>
<th>Time of Purchase</th>
<th>Current</th>
<th>Time of Purchase</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMERICAN EXPRESS CREDIT 2.125 07/27/18</td>
<td>100,000</td>
<td>12/30/2013</td>
<td>A2</td>
<td>A2</td>
<td>12/30/2013</td>
<td>A-</td>
</tr>
<tr>
<td>BANK AMERICA CORP 5.25% 12/01/2015</td>
<td>100,000</td>
<td>10/27/2005</td>
<td>Aa3</td>
<td>Baa3</td>
<td>10/27/2005</td>
<td>A+</td>
</tr>
<tr>
<td>BAXTER INTERNATIONAL INC. 1.85% 01/15/2017</td>
<td>100,000</td>
<td>2/9/2012</td>
<td>A3</td>
<td>A3</td>
<td>2/9/2012</td>
<td>A+</td>
</tr>
<tr>
<td>BROADCOM CORPORATION CL A 2.7% 11/01/2018</td>
<td>100,000</td>
<td>2/9/2012</td>
<td>A2</td>
<td>A2</td>
<td>2/9/2012</td>
<td>A-</td>
</tr>
<tr>
<td>CATERPILLAR FINANCIAL 2.45 09/06/18</td>
<td>175,000</td>
<td>9/19/2013</td>
<td>A2</td>
<td>A2</td>
<td>9/19/2013</td>
<td>A</td>
</tr>
<tr>
<td>CISCO SYSTEMS INC 3.15% 03/14/2017</td>
<td>200,000</td>
<td>6/22/2011</td>
<td>A1</td>
<td>A1</td>
<td>6/22/2011</td>
<td>A+</td>
</tr>
<tr>
<td>COOPER U S INC. 6.1% 07/01/2017</td>
<td>215,000</td>
<td>6/14/2007</td>
<td>A3</td>
<td>Ba1</td>
<td>A</td>
<td>A-</td>
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<tr>
<td>COSTCO WHOLESALE CORP, NEW 5.5% 03/15/2017</td>
<td>285,000</td>
<td>5/17/2007</td>
<td>A2</td>
<td>A1</td>
<td>5/17/2007</td>
<td>A</td>
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<tr>
<td>FEDERAL HOME LOAN BANK 1.75% 12/14/2018</td>
<td>200,000</td>
<td>3/26/2012</td>
<td>Aaa</td>
<td>Aaa</td>
<td>3/26/2012</td>
<td>AA+</td>
</tr>
<tr>
<td>GENERAL ELECTRIC CAP CORP 1.625% 07/02/2015</td>
<td>150,000</td>
<td>12/27/2012</td>
<td>A1</td>
<td>A1</td>
<td>12/27/2012</td>
<td>AA+</td>
</tr>
<tr>
<td>GOLDMAN SACHS GROUP 5.125% 01/15/2015</td>
<td>250,000</td>
<td>8/16/2005</td>
<td>Aa3</td>
<td>Ba1</td>
<td>8/16/2005</td>
<td>A-</td>
</tr>
<tr>
<td>I SHARES BARCLAYS INT CRDT</td>
<td>1,629</td>
<td>12/21/2011</td>
<td></td>
<td>BBB+</td>
<td></td>
<td>BBB+</td>
</tr>
<tr>
<td>J P MORGAN CHASE &amp; CO 2.6% 01/15/2016</td>
<td>150,000</td>
<td>12/27/2012</td>
<td>A2</td>
<td>A3</td>
<td>12/27/2012</td>
<td>A</td>
</tr>
<tr>
<td>LOWES COMPANIES INC 5% 10/15/2015</td>
<td>275,000</td>
<td>5/7/2008</td>
<td>A1</td>
<td>A3</td>
<td>5/7/2008</td>
<td>A-</td>
</tr>
<tr>
<td>OCCIDENTAL PETROLEUM CORP 1.75% 02/15/2017</td>
<td>100,000</td>
<td>12/21/2011</td>
<td>A2</td>
<td>A1</td>
<td>12/21/2011</td>
<td>A</td>
</tr>
<tr>
<td>ORACLE CORPOSRTATION 2.375 01/15/19</td>
<td>200,000</td>
<td>8/5/2013</td>
<td>A1</td>
<td>A1</td>
<td>8/5/2013</td>
<td>A+</td>
</tr>
<tr>
<td>THERMO FISHER SCIENTIFIC, INC. 2.25% 08/15/2016</td>
<td>150,000</td>
<td>12/21/2011</td>
<td>A3</td>
<td>Ba1</td>
<td>12/21/2011</td>
<td>BBB</td>
</tr>
<tr>
<td>TORONTO DOMINION BANK 2.625 09/10/18</td>
<td>175,000</td>
<td>9/19/2013</td>
<td>Aa1</td>
<td>Aa1</td>
<td>9/19/2013</td>
<td>AA-</td>
</tr>
<tr>
<td>UNITED TECHNOLOGIES CORP 4.875% 05/01/2015</td>
<td>125,000</td>
<td>10/27/2005</td>
<td>A2</td>
<td>A2</td>
<td>10/27/2005</td>
<td>A</td>
</tr>
<tr>
<td>VERIZON COMMUNICATIONS INC 2% 11/01/2016</td>
<td>150,000</td>
<td>12/21/2011</td>
<td>A3</td>
<td>Ba1</td>
<td>12/21/2011</td>
<td>A-</td>
</tr>
<tr>
<td>WALT DISNEY CO.1.35 08/16/16</td>
<td>75,000</td>
<td>9/19/2013</td>
<td>A2</td>
<td>A2</td>
<td>9/19/2013</td>
<td>A</td>
</tr>
<tr>
<td>WELLS FARGO &amp; CO 2.15 01/15/19</td>
<td>100,000</td>
<td>12/18/2013</td>
<td>A2</td>
<td>A2</td>
<td>12/18/2013</td>
<td>A+</td>
</tr>
</tbody>
</table>
Third-quarter GDP outpaced expectations, largely due to rising inventories. The December quarter likely will show some deceleration, as these inventories were worked off. Private-sector strength should pull 2014 GDP higher throughout the year.

Housing, the automobile industry, and other durable goods manufacturers are driving a new capital investment cycle in the U.S. economy.

Weak foreign demand and federal spending cutbacks will continue to drag economic growth, but as Europe emerges from recession the outlook for exports is improving; recent data shows smaller trade deficits.
MARKET MONITOR – FIXED INCOME

• U.S. Treasury yields closed at a 2013 high after the Fed announced that they will begin to taper their asset purchases beginning in January.

• We suspect the federal funds rate will remain at zero until late 2015.

• Speculative grade securities remain attractive despite the recent rise in U.S. Treasury yields.

• Municipal securities offer value as similar dated maturities continue to trade above 100 percent of U.S. Treasuries.
ACTIVE FIXED INCOME STRATEGY REVIEW

Strategy

- We remain underweight fixed income. Portfolio durations are below their target Indexes. The long-term Treasury market has become increasingly volatile as investors digest stronger economic data and weigh the Federal Reserve’s ability to taper its stimulus programs gracefully.

Structure

- The short maturity structure of our portfolios is positioned to provide better protection as long-term rates begin to drift upward. We expect credit spreads to tighten even as rates rise, so we continue to favor high-yield and municipal securities. We have also begun purchasing target-date bond funds to turn the rising-rate environment in our favor.

Outlook

- As the Fed continues to decrease their monthly asset purchases we expect the yield curve to remain steep. This is healthy for the economy and for equities, but not for long-term bonds.
Domestic stocks hit an all-time high at year-end, propelled by strong corporate earnings and optimism that Congress may avoid another debt-ceiling confrontation.

Markets cheered the Fed’s first tapering of its asset purchases, recognizing this as a bullish signal that the economy is on solid footing.

Industrials, materials, and cyclicals have outperformed, while defensive stocks have been trounced since their mid-May highs.

Equities are not cheap at 15x 2014 earnings, but the market is within normal parameters and can still ride rising earnings to new highs.
DOMESTIC EQUITY STRATEGY REVIEW

Strategy

• We remain overweight domestic equities, but we are taking some profits as rising prices tip the balance slightly toward caution. Even so, improving corporate earnings still justify higher equity valuations. We anticipate periodic weakness due to any number of possible catalysts; our intention is to ride through the dips and subsequent recoveries.

Structure

• Our equity portfolios are weighted to economically sensitive areas such as technology and industrials, while we have reduced holdings in defensive sectors such as energy and utilities.

Outlook

• The “great rotation” from bonds to stocks may finally be underway. Although equity inflows were strong in the second half of 2013, large stockpiles of cash still remain on the sidelines. As investors continue to redeem bond funds, we think cash will slowly be deployed into equities.
MARKET MONITOR - INTERNATIONAL EQUITY

- Global bourses rallied further in December, although they could not keep pace with the torrid U.S. market. Only Japan, whose currency has taken a beating, was better last year.

- European markets rallied on improving economic data, as the region is slowly emerging from its long recession. The sovereign debt problems and the region’s high unemployment persist, but progress is increasingly evident.

- Japan’s hot market remains near its highs, despite the difficult process of turning untested Abenomics theory into reality.

- Other international markets remain weak, largely held back by stagnant commodity prices and fears of weaker demand. Equity markets in Brazil, Mexico, and Russia all posted negative returns in 2013.
INTERNATIONAL EQUITY STRATEGY REVIEW

Strategy

• We are increasing our investments in developed Europe, where we see momentum building toward economic growth. In Asia, we concentrate on markets within China’s orbit, as we anticipate a revival of growth once the self-inflicted credit squeeze eases. We are avoiding markets weighted toward natural resources, such as Australia and Latin America.

Structure

• Multi-Asset portfolios are still underweight non-U.S. equities, due more to our positive conviction in the U.S. market than to any concerns elsewhere. Yet Europe in particular is still appealing. We have initiated small positions in small-cap companies, mostly in the UK and Japan, that are leveraged to improving economic conditions in those markets.

Outlook

• We think European and Asian 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.
MARKET MONITOR – OTHER ASSET CLASSES

• Extremely accommodative central bank monetary policy worldwide makes it cheap and easy to own gold, but also pointless. Higher extraction costs set a near-term floor for gold prices.

• With the Fed starting to exit its stimulus while Europe and Japan accelerate theirs, and with no near-term threat of rising domestic inflation, we think the U.S. dollar will gain value relative to other currencies.

• Oil prices have been volatile – initially rising on fears of Middle East violence, then drifting down as tensions in that region eased. Prices have risen again due to seasonal factors.

• U.S. oil and gas production is at 20-year highs. Natural gas prices remain under pressure due to limited export capability.
OTHER ASSET CLASSES STRATEGY REVIEW

Strategy

• As the Fed transitions toward a less accommodative policy, we believe that traditional hedges against inflation and currency devaluation – such as precious metals and industrial commodities – will be less appealing to investors. We do not hold assets in these areas.

• We do not recommend “alternative” asset classes such as hedge funds or venture capital. Historical returns have been lackluster, funds are overcapitalized, and fees remain too high.

• We do not own REITs or other real estate investments. With interest rates rising, good market fundamentals were overwhelmed by negative valuation changes in 2013, and more price risk remains in the future.

Outlook

• We think the U.S. is likely to hit the Fed’s targeted 6.5% unemployment rate this year, driven by a strong private sector overcoming the drag of contractionary fiscal policy. Such an environment may dampen investor interest in alternative asset classes.
ASSET ALLOCATION – CURRENT POSTURE

Strategy

• Powered by the housing market and strong durable goods sales, the private-sector U.S. economy can outgrow the drags of federal budget cuts and higher interest rates. Corporate and household balance sheets are in good shape.

• We think the Fed will cease its long-term asset purchases by summer, driving longer-term interest rates gradually higher. As the economy continues to gain momentum, we expect short-term interest rates to rise ahead of an increase in the Fed Funds rate in early 2015. This is good for U.S. equities and the U.S. dollar, but bad for longer-term bonds worldwide.

• While Europe’s slow turnaround and China’s potentially reinvigorated growth deserve attention, the U.S. remains more attractive.

Outlook

• After finishing 2013 at an all-time record high, we expect U.S. equities to add to gains into 2014; leadership has shifted to growth companies, which can power the next leg of the bull market.

• As interest rates rise from historical lows, we think credit spreads will become tighter; we like municipal, high-yield, and target-date funds, as well as structured ladders of individual bonds.
## MULTI ASSET PORTFOLIO HOLDINGS (as of 12/31/2013)

<table>
<thead>
<tr>
<th>Industry Weightings</th>
<th>% Of Portfolio</th>
<th>% Of US L-Cap</th>
<th>% Of Blend*</th>
<th>Industry Weightings</th>
<th>% Of Portfolio</th>
<th>% Of US L-Cap</th>
<th>% Of Blend*</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSUMER DISCRETION</td>
<td>10.58%</td>
<td>12.68%</td>
<td>12.84%</td>
<td>HEALTH CARE</td>
<td>10.26%</td>
<td>13.15%</td>
<td>11.93%</td>
</tr>
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<td>STARBUCKS CO.</td>
<td>1.87%</td>
<td>2.13%</td>
<td></td>
<td>BIOGEN IDEC INC</td>
<td>1.34%</td>
<td>1.60%</td>
<td></td>
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<tr>
<td>THE HOME DEPOT, INC.</td>
<td>1.74%</td>
<td>1.99%</td>
<td></td>
<td>BECTON DICKINSON</td>
<td>1.76%</td>
<td>2.35%</td>
<td></td>
</tr>
<tr>
<td>FORD MOTOR CO.</td>
<td>1.52%</td>
<td>1.74%</td>
<td></td>
<td>CARDINAL HEALTH INC</td>
<td>1.35%</td>
<td>1.60%</td>
<td></td>
</tr>
<tr>
<td>COACH INC.</td>
<td>1.68%</td>
<td>1.91%</td>
<td></td>
<td>MERCK &amp; CO</td>
<td>1.30%</td>
<td>1.48%</td>
<td></td>
</tr>
<tr>
<td>WALT DISNEY CO.</td>
<td>1.99%</td>
<td>2.89%</td>
<td></td>
<td>JOHNSON &amp; JOHNSON</td>
<td>1.28%</td>
<td>1.46%</td>
<td></td>
</tr>
<tr>
<td>TJX Cos</td>
<td>1.78%</td>
<td>2.02%</td>
<td></td>
<td>AETNA INC</td>
<td>1.46%</td>
<td>2.12%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CELGENE CO.</td>
<td>1.75%</td>
<td>2.54%</td>
<td></td>
</tr>
<tr>
<td>CONSUMER STAPLES</td>
<td>8.12%</td>
<td>9.47%</td>
<td>9.72%</td>
<td>INDUSTRIALS</td>
<td>9.16%</td>
<td>10.44%</td>
<td>11.00%</td>
</tr>
<tr>
<td>KIMBERLY-CLARK CORP</td>
<td>1.73%</td>
<td>1.94%</td>
<td></td>
<td>EATON CORP Plc.</td>
<td>1.83%</td>
<td>2.10%</td>
<td></td>
</tr>
<tr>
<td>WALGREEN CO</td>
<td>1.62%</td>
<td>2.09%</td>
<td></td>
<td>FEDEX CORP</td>
<td>2.08%</td>
<td>2.36%</td>
<td></td>
</tr>
<tr>
<td>COCA-COLA CO</td>
<td>1.55%</td>
<td>1.77%</td>
<td></td>
<td>CATERPILLAR INC</td>
<td>1.48%</td>
<td>1.69%</td>
<td></td>
</tr>
<tr>
<td>COSTCO WHOLESALE CORP.</td>
<td>1.68%</td>
<td>1.91%</td>
<td></td>
<td>HONEYWELL INTERNATIONAL INC</td>
<td>1.91%</td>
<td>2.17%</td>
<td></td>
</tr>
<tr>
<td>PROCTER &amp; GAMBLE CO</td>
<td>1.54%</td>
<td>1.76%</td>
<td></td>
<td>GENERAL ELECTRIC COMPANY</td>
<td>1.86%</td>
<td>2.12%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENERGY</td>
<td>6.99%</td>
<td>8.70%</td>
<td>9.88%</td>
<td>INFORMATION TECH</td>
<td>16.72%</td>
<td>19.36%</td>
<td>15.98%</td>
</tr>
<tr>
<td>HOLLYFRONTIER CORP.</td>
<td>1.74%</td>
<td>2.72%</td>
<td></td>
<td>INTL BUSINESS MACHINES CORP</td>
<td>1.46%</td>
<td>1.66%</td>
<td></td>
</tr>
<tr>
<td>HALLIBURTON CO</td>
<td>1.42%</td>
<td>1.61%</td>
<td></td>
<td>CORNING INC</td>
<td>1.09%</td>
<td>1.09%</td>
<td></td>
</tr>
<tr>
<td>TRANSOCEAN LTD.</td>
<td>1.16%</td>
<td>1.32%</td>
<td></td>
<td>ORACLE CORP</td>
<td>1.82%</td>
<td>2.07%</td>
<td></td>
</tr>
<tr>
<td>OCCIDENTAL PETROLEUM</td>
<td>1.33%</td>
<td>1.51%</td>
<td></td>
<td>ANALOG DEVICES INC</td>
<td>1.27%</td>
<td>1.52%</td>
<td></td>
</tr>
<tr>
<td>CHEVRON CORP</td>
<td>1.34%</td>
<td>1.54%</td>
<td></td>
<td>GOOGLE INC</td>
<td>2.58%</td>
<td>2.93%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>EBAY INC</td>
<td>1.82%</td>
<td>2.07%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>APPLE INC</td>
<td>2.50%</td>
<td>2.89%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>VISA INC</td>
<td>2.32%</td>
<td>3.01%</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>QUALCOMM INC</td>
<td>1.86%</td>
<td>2.12%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ETFS/MUTUAL FUNDS</td>
<td>15.91%</td>
<td>0.04%</td>
<td></td>
<td>MATERIALS</td>
<td>3.31%</td>
<td>3.99%</td>
<td>4.43%</td>
</tr>
<tr>
<td>ISHARES CORE S&amp;P MID-CAP</td>
<td>2.94%</td>
<td></td>
<td></td>
<td>NUCOR CORP</td>
<td>1.45%</td>
<td>1.66%</td>
<td></td>
</tr>
<tr>
<td>ISHARES MSCI EMU INDEX FUND</td>
<td>6.40%</td>
<td></td>
<td></td>
<td>THE DOW CHEMICAL COMPANY</td>
<td>1.86%</td>
<td>2.33%</td>
<td></td>
</tr>
<tr>
<td>ISHARES MSCI ASIA EX JAPAN</td>
<td>4.24%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DFA INTL SM COMP PORTFOLIO</td>
<td>2.33%</td>
<td></td>
<td></td>
<td>TELECOMMUNICATION</td>
<td>1.86%</td>
<td>2.11%</td>
<td>2.95%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>VERIZON COMMUNICATIONS</td>
<td>1.86%</td>
<td>2.11%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>UTILITIES</td>
<td>2.30%</td>
<td>2.62%</td>
<td>3.12%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>XCEL ENERGY INC</td>
<td>1.20%</td>
<td>1.37%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>UIL HOLDINGS CORP</td>
<td>1.10%</td>
<td>1.25%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FINANCIALS</td>
<td>14.10%</td>
<td>16.54%</td>
<td>18.03%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>CHUBB CORP.</td>
<td>1.80%</td>
<td>2.05%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MORGAN STANLEY</td>
<td>2.28%</td>
<td>2.59%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AMERICAN EXPRESS</td>
<td>2.49%</td>
<td>2.83%</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>SUNTRUST BANKS INC</td>
<td>2.06%</td>
<td>2.34%</td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>STATE STREET CORP</td>
<td>2.22%</td>
<td>2.53%</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>WEYERHAEUSER CO.</td>
<td>1.49%</td>
<td>1.71%</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>DISCOVER FINANCIAL SERVICES</td>
<td>1.76%</td>
<td>2.49%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>CASH</td>
<td>0.69%</td>
<td>0.94%</td>
<td>0.08%</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>U.S. DOLLAR</td>
<td>0.69%</td>
<td>0.94%</td>
<td></td>
<td></td>
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</table>

Target allocation as of 12/31/2013; 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.

Finance & Facilities 1.29.14
MICHAEL A. TYLER, CFA

Chief Investment Officer, Eastern Bank Wealth Management

Michael A. Tyler, CFA®, sets investment policies and structures asset allocation strategies for client portfolios. As the primary spokesman for the firm’s investment services, Michael develops and disseminates economic and financial market viewpoints. He is also responsible for selecting and overseeing providers of investment services.

Professional Experience

Prior to joining Eastern Wealth Management in 2012, Michael charted a successful career at both institutional and boutique investment firms. He was a partner, equity analyst, and portfolio manager at Wellington Management Company LLP in Boston. There, he built the firm’s telecom investment practice and managed mutual funds specializing in the global telecom industry.

Michael then founded West Shore Investment Management LLC, an independent investment advisor and strategic consultant, where he raised investment capital and launched an equity long/short hedge fund.

Education

Michael holds a MBA with highest honors from Harvard Business School and a BA with honors from Princeton University. He is a Chartered Financial Analyst.

Michael has served on the board of Congregation Sha’ar Zahav in San Francisco, where he co-edited and published the first complete LGBT-themed Jewish prayer book.
John F. Doherty, CFP,® CTFA

Vice President, Eastern Bank Wealth Management

John F. Doherty has over 25 years of experience working with individuals, families and organizations, helping them to grow and protect their wealth through trusts, investment management accounts, IRAs and charitable accounts.

Professional Experience
Mr. Doherty is a CERTIFIED FINANCIAL PLANNER™ and practitioner and a Certified Trust and Financial Advisor. He joined Eastern Bank Wealth Management in 2006 after a career spanning 20 years at BankBoston, Fleet National Bank and Bank of America. Prior to joining Eastern Bank, he was a vice president and relationship manager in the Private Bank at Bank of America, managing the trust, investment, banking and credit needs of high net-worth individuals.

Education/Service
Mr. Doherty holds a Bachelor of Science in Finance from Suffolk University and an MBA from Bentley University. He is a graduate of the National Graduate Trust School at Northwestern University and received his certification in financial planning from Boston University’s Center for Professional Education. Mr. Doherty is a member of the Essex County Estate Planning Council and serves on the Board of Directors of the Lynn Home for Women. He is also active in a number of youth activities in the city of Melrose.
Important Information

GAINS TAXED TO............ EXEMPT
TRUST TAX YEAR END........ EXEMPT
LONG TERM CARRYOVER LOSS...
OFFICER................... JOHN DOHERTY
REVCAPABILITY.............
FINAL TERMINATION DATE.....

REMARKS: DO NOT INVEST IN HIGH YIELD BONDS
          PER SALEM STATE UNIVERSITY INVESTMENT POLICY

-------------------------------
RECOMMENDED CHANGES:
SECURITY
PRICE VALUE COST INCOME EST INCOME CHANGE:
                          EST GAIN/LOSS:
                          RATIONALE FOR
                          RECOMMENDATION:

SUMMARY OF INVESTMENTS
Investment Allocation

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Security</th>
<th>Value</th>
<th>Cost</th>
<th>Income</th>
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<tbody>
<tr>
<td>2.8%</td>
<td>CASH ITEMS</td>
<td>341,716.10</td>
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<tr>
<td>67.3%</td>
<td>EQUITIES</td>
<td>8,338,904.43</td>
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<tr>
<td>29.9%</td>
<td>FIXED INCOME SECURITIES</td>
<td>3,697,520.07</td>
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<tr>
<td>100.0%</td>
<td>Total</td>
<td>12,378,140.60</td>
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Finance & Facilities 1.29.14
# SUMMARY OF INVESTMENTS

## Investment Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Market Value</th>
<th>%</th>
<th>Estimated Income</th>
<th>Current Yield</th>
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<tbody>
<tr>
<td><strong>CASH ITEMS</strong></td>
<td></td>
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<tr>
<td><strong>PRINCIPAL CASH</strong></td>
<td></td>
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</tr>
<tr>
<td>Money Market Funds</td>
<td>341,716.10</td>
<td>2.76</td>
<td>34</td>
<td>0.01</td>
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<td><strong>TOTAL CASH ITEMS</strong></td>
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<td>2.76</td>
<td>34</td>
<td>0.01</td>
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<tr>
<td><strong>FIXED INCOME SECURITIES</strong></td>
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<tr>
<td>US Gov't Obligations</td>
<td>198,422.00</td>
<td>1.60</td>
<td>3,500</td>
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<td>Corporate/Other Bonds</td>
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<td>110,930</td>
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<tr>
<td>Mutual Fund - Corporate Bonds</td>
<td>175,736.52</td>
<td>1.42</td>
<td>4,784</td>
<td>2.72</td>
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<td><strong>TOTAL FIXED INCOME SECURITIES</strong></td>
<td>3,697,520.07</td>
<td>29.87</td>
<td>119,214</td>
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<td><strong>EQUITIES</strong></td>
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<tr>
<td>Common Stocks</td>
<td></td>
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<td></td>
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<tr>
<td>Consumer Discretionary</td>
<td>1,029,638.18</td>
<td>8.32</td>
<td>16,305</td>
<td>1.58</td>
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<tr>
<td>Consumer Staples</td>
<td>547,431.04</td>
<td>4.42</td>
<td>15,057</td>
<td>2.75</td>
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<tr>
<td>Energy</td>
<td>586,282.45</td>
<td>4.76</td>
<td>16,006</td>
<td>2.72</td>
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<td>Financials</td>
<td>1,186,633.29</td>
<td>9.69</td>
<td>16,229</td>
<td>1.37</td>
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<td>Health Care</td>
<td>851,457.17</td>
<td>6.88</td>
<td>13,423</td>
<td>1.58</td>
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<td>Industrials</td>
<td>768,788.80</td>
<td>6.21</td>
<td>15,381</td>
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<td>Information Technology</td>
<td>1,392,661.99</td>
<td>11.25</td>
<td>17,857</td>
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<td>Materials</td>
<td>276,174.50</td>
<td>2.33</td>
<td>7,827</td>
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<td>Telecommunication Services</td>
<td>157,739.40</td>
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<td>6,805</td>
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<td>Utilities</td>
<td>194,389.60</td>
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<td><strong>TOTAL COMMON STOCKS</strong></td>
<td>6,994,196.42</td>
<td>56.50</td>
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<td>Mutual Fund - International Equities</td>
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<tr>
<td>Mutual Fund - International Equities</td>
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<td></td>
</tr>
<tr>
<td>Mutual Fund - Small and Mid Cap Equities</td>
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<tr>
<td>Mutual Fund - Emerging Markets</td>
<td>197,749.28</td>
<td>1.60</td>
<td>4,828</td>
<td>2.44</td>
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<td><strong>TOTAL EQUITIES</strong></td>
<td>8,338,904.43</td>
<td>67.37</td>
<td>159,476</td>
<td>1.91</td>
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</table>
## SUMMARY OF INVESTMENTS
**Investment Summary**

<table>
<thead>
<tr>
<th>Asset</th>
<th>Market Held As Of 12/31/2013</th>
<th>Value As Of 12/31/2013</th>
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<tbody>
<tr>
<td><strong>TOTAL FUND</strong></td>
<td>12,378,140.60</td>
<td>278,724</td>
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</table>

For the Tax Year Ending 12/31
- Net Short Term Gain/Loss: **98,775.33**
- Net Long Term Gain/Loss*: **290,878.60**
* Includes Long Term Capital Gains Dividends

## SUMMARY OF INVESTED INCOME
**Investment Summary**

<table>
<thead>
<tr>
<th>Description</th>
<th>Market Value</th>
<th>%</th>
<th>Estimated Income</th>
<th>Current Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH ITEMS</td>
<td></td>
<td></td>
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<tr>
<td>INCOME CASH</td>
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**TOTAL FUND**

## SCHEDULE OF INVESTMENTS

<table>
<thead>
<tr>
<th>Units</th>
<th>Description</th>
<th>Tax Cost</th>
<th>Unit Cost</th>
<th>Current Price</th>
<th>Market Value</th>
<th>Inc Rate</th>
<th>Est Current Yld</th>
<th>Plg COD</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH ITEMS</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Cash</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MONEY MARKET FUNDS</td>
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<tr>
<td>Federated Govt Obligation Tax Managed Fund # 637</td>
<td>341,716</td>
<td>341,716</td>
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<td>34</td>
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<tr>
<td>TOTAL CASH ITEMS</td>
<td>341,716</td>
<td>341,716</td>
<td>34</td>
<td>0.0</td>
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</table>
## SCHEDULE OF INVESTMENTS

<table>
<thead>
<tr>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>TAX COST</th>
<th>UNIT COST</th>
<th>CURRENT PRICE</th>
<th>MARKET VALUE</th>
<th>INC RATE</th>
<th>EST CURRENT YIELD</th>
<th>PLG COD</th>
</tr>
</thead>
<tbody>
<tr>
<td>200,000</td>
<td>FEDERAL HOME LOAN BANK 1.75%</td>
<td>199,600</td>
<td>99.80</td>
<td>99.211</td>
<td>198,422</td>
<td>1.75</td>
<td>3,500</td>
<td>1.8</td>
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<tr>
<td>250,000</td>
<td>GOLDMAN SACHS GROUP 5.125%</td>
<td>251,400</td>
<td>100.56</td>
<td>104.459</td>
<td>261,148</td>
<td>5.13</td>
<td>12,813</td>
<td>4.9</td>
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<tr>
<td>125,000</td>
<td>UNITED TECHNOLOGIES CORP 4.875%</td>
<td>123,134</td>
<td>98.51</td>
<td>105.68</td>
<td>132,100</td>
<td>4.88</td>
<td>6,094</td>
<td>4.6</td>
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<tr>
<td>150,000</td>
<td>GENERAL ELECTRIC CAP CORP 1.625%</td>
<td>153,000</td>
<td>102.00</td>
<td>101.625</td>
<td>152,438</td>
<td>1.63</td>
<td>2,438</td>
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<tr>
<td>275,000</td>
<td>LOWES COMPANIES INC 5%</td>
<td>276,581</td>
<td>100.58</td>
<td>107.692</td>
<td>296,153</td>
<td>5.00</td>
<td>13,750</td>
<td>4.6</td>
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<tr>
<td>100,000</td>
<td>BANK AMERICA CORP 5.25%</td>
<td>99,617</td>
<td>99.82</td>
<td>107.266</td>
<td>107,266</td>
<td>5.25</td>
<td>5,250</td>
<td>4.9</td>
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<tr>
<td>150,000</td>
<td>J P MORGAN CHASE &amp; CO 2.6%</td>
<td>156,240</td>
<td>104.16</td>
<td>102.999</td>
<td>154,469</td>
<td>2.60</td>
<td>3,900</td>
<td>2.5</td>
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<tr>
<td>150,000</td>
<td>THERMO FISHER SCIENTIFIC, INC. 2.25% 06/15/2018</td>
<td>153,563</td>
<td>102.38</td>
<td>102.268</td>
<td>153,402</td>
<td>2.25</td>
<td>3,375</td>
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<td>75,000</td>
<td>WALT DISNEY CO 1.35% 08/16/2016</td>
<td>76,719</td>
<td>102.29</td>
<td>101.15</td>
<td>75,863</td>
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<td>150,000</td>
<td>VERIZON COMMUNICATIONS INC 2%</td>
<td>150,195</td>
<td>100.13</td>
<td>102.036</td>
<td>153,054</td>
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<td>BAXTER INTERNATIONAL INC. 1.85%</td>
<td>102,967</td>
<td>102.97</td>
<td>101.075</td>
<td>101,075</td>
<td>1.85</td>
<td>1,850</td>
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<td>100,000</td>
<td>OCCIDENTAL PETROLEUM CORP 1.75%</td>
<td>100,452</td>
<td>100.46</td>
<td>100.344</td>
<td>100,344</td>
<td>1.75</td>
<td>1,750</td>
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<td>CISCO SYSTEMS INC 3.15%</td>
<td>206,852</td>
<td>103.43</td>
<td>105.819</td>
<td>211,638</td>
<td>3.15</td>
<td>6,300</td>
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<td>285,000</td>
<td>COSTCO WHOLESALE CORP, NEW 5.5%</td>
<td>285,086</td>
<td>100.03</td>
<td>112.329</td>
<td>320,138</td>
<td>5.50</td>
<td>15,675</td>
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<td>215,000</td>
<td>COOPER US INC 6.1% 07/01/2017</td>
<td>216,064</td>
<td>100.50</td>
<td>114.166</td>
<td>245,500</td>
<td>6.10</td>
<td>13,115</td>
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<td>100,000</td>
<td>AMERICAN EXPRESS CREDIT 2.125%</td>
<td>100,913</td>
<td>100.91</td>
<td>100.168</td>
<td>100,168</td>
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<td>2,125</td>
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### SCHEDULE OF INVESTMENTS

<table>
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<tr>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>TAX COST</th>
<th>UNIT COST</th>
<th>CURRENT PRICE</th>
<th>MARKET VALUE</th>
<th>INC RATE</th>
<th>EST CURRENT YIELD</th>
<th>PLG COD</th>
</tr>
</thead>
<tbody>
<tr>
<td>175,000</td>
<td>CATERPILLAR FINANCIAL 2.45% 06/06/2018</td>
<td>178,250</td>
<td>101.86</td>
<td>101.388</td>
<td>177,429</td>
<td>2.45</td>
<td>4,288</td>
<td>2.4</td>
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<tr>
<td>175,000</td>
<td>TORONTO DOMINION BANK 2.625% 06/10/2018</td>
<td>178,666</td>
<td>102.10</td>
<td>101.988</td>
<td>178,479</td>
<td>2.63</td>
<td>4,594</td>
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<tr>
<td>100,000</td>
<td>BROADCOM CORPORATION CL A 2.7% 11/01/2018</td>
<td>104,000</td>
<td>104.00</td>
<td>101.193</td>
<td>101,193</td>
<td>2.70</td>
<td>2,700</td>
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<tr>
<td>200,000</td>
<td>ORACLE CORPORATION 2.375% 01/15/2019</td>
<td>202,228</td>
<td>101.11</td>
<td>100.695</td>
<td>201,790</td>
<td>2.36</td>
<td>4,750</td>
<td>2.4</td>
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<tr>
<td>100,000</td>
<td>WELLS FARGO &amp; CO 2.15% 01/15/2019</td>
<td>100,625</td>
<td>100.63</td>
<td>99.687</td>
<td>99,687</td>
<td>2.15</td>
<td>2,150</td>
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<tr>
<td><strong>TOTAL CORPORATE/OTHER BONDS</strong></td>
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**MUTUAL FUND - CORPORATE BONDS**

<table>
<thead>
<tr>
<th>MUTUAL FUNDS</th>
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<tbody>
<tr>
<td>I SHARES BARCLAYS INT CRDT</td>
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<td><strong>TOTAL FIXED INCOME SECURITIES</strong></td>
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**EQUITIES**

**COMMON STOCKS**

- **CONSUMER DISCRETIONARY**
  - 2,506 | COACH, INC. | 122,827 | 49.01 | 56.13 | 140,662 | 1.35 | 3,385 | 2.4 |
  - 1,179 | COSTCO WHOLESALE CORP, NEW | 121,610 | 103.15 | 119.02 | 140,325 | 1.24 | 1,462 | 1.0 |
  - 2,154 | WALT DISNEY PRODUCTIONS | 92,695 | 43.13 | 76.40 | 164,566 | 0.86 | 1,852 | 1.1 |
  - 8,627 | FORD MOTOR CO | 114,068 | 13.22 | 15.43 | 133,115 | 0.40 | 3,451 | 2.6 |
  - 1,728 | HOME DEPOT INC | 131,472 | 76.06 | 82.34 | 142,284 | 1.56 | 2,696 | 1.9 |
  - 1,994 | STARBUCKS CORP | 110,325 | 55.33 | 78.39 | 156,310 | 1.04 | 2,074 | 1.3 |
  - 2,391 | TJX COMPANIES INC | 94,159 | 39.38 | 63.73 | 152,378 | 0.58 | 1,387 | 0.9 |
| **TOTAL CONSUMER DISCRETIONARY** | **787,356** | | | | | | | |

**TOTAL** | | | | | | | | |
# SCHEDULE OF INVESTMENTS

| Units | Description                      | Tax Cost | Unit Cost | Current Price | Market Value | Inc Rate | Est Current Value | Plg Yld | Cod |
|-------|----------------------------------|----------|-----------|---------------|--------------|----------|-------------------|---------|
## CONSUMER STAPLES

3,140  COCA-COLA CO  110,136  35.08  41.31  129,713  1.12  3,517  2.7

1,434  KIMBERLY CLARK CORP  123,100  85.84  104.46  149,796  3.24  4,646  3.1

1,640  PROCTER & GAMBLE CO  109,477  66.75  81.41  133,512  2.41  3,946  3.0

2,340  WALGREEN CO  77,106  32.95  57.44  134,410  1.26  2,948  2.2

TOTAL CONSUMER STAPLES  419,819  547,431  15,057  2.8

## ENERGY

899  CHEVRON CORP  107,327  119.39  124.91  112,294  4.00  3,596  3.2

2,332  HALLIBURTON CO  73,830  31.66  50.75  118,349  0.60  1,399  1.2

3,036  HOLLYFRONTIER CORP  122,802  40.45  49.69  150,659  1.20  3,643  2.4

1,171  OCCIDENTAL PETROLEUM CORP  94,154  80.40  95.10  111,362  2.56  2,998  2.7

1,951  TRANSOCEAN LTD  111,152  56.97  49.42  96,418  2.24  4,370  4.5

TOTAL ENERGY  509,265  589,282  16,006  2.7

## FINANCIALS

2,393  AMERICAN EXPRESS CO  117,386  49.05  90.73  217,117  0.92  2,202  1.0

1,557  CHUBB CORP  133,908  86.00  96.63  150,463  1.76  2,740  1.8

2,605  DISCOVER FINANCIAL SERVICES  84,815  32.56  55.95  145,750  0.80  2,084  1.4

6,070  MORGAN STANLEY  106,337  17.85  31.36  190,355  0.20  1,214  0.6

2,534  STATE STREET CORP  113,133  44.65  73.39  185,970  1.04  2,635  1.4

4,671  SUNTRUST BANKS  134,342  28.76  36.81  171,940  0.40  1,868  1.1

3,961  WEYERHAEUSER CO  122,989  31.05  31.57  125,049  0.88  3,486  2.8

TOTAL FINANCIALS  814,912  1,186,634  16,229  1.4

## HEALTH CARE

1,786  AETNA U.S. HEALTHCARE INC  86,121  48.22  68.59  122,502  0.90  1,607  1.3

1,316  BECTON DICKINSON CO  101,891  77.48  110.40  145,405  2.18  2,869  2.0
### SCHEDULE OF INVESTMENTS

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<tr>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>TAX COST</th>
<th>UNIT COST</th>
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<th>MARKET VALUE</th>
<th>INC RATE</th>
<th>EST CURRENT YIELD</th>
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### SCHEDULE OF INVESTMENTS

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<th>TAX COST</th>
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<th>MARKET VALUE</th>
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<th>EST CURRENT YIELD</th>
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### MUTUAL FUND - INTERNATIONAL EQUITIES

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### MUTUAL FUND - SMALL AND MID CAP EQUITIES

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### MUTUAL FUND - INTERNATIONAL EMERGING MKTS

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<td>UNITS</td>
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### TOTAL FUND

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<th>MARKET VALUE</th>
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### SCHEDULE OF INCOME INVESTMENTS

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### MATURITY SCHEDULE

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<tr>
<td>2016</td>
<td>536,817.00</td>
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<tr>
<td>2017</td>
<td>978,604.55</td>
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<tr>
<td>2018</td>
<td>755,691.00</td>
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<tr>
<td>2019</td>
<td>301,477.00</td>
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<tr>
<td>Total</td>
<td>3,521,783.55</td>
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# Investment Review

## MATURITY SCHEDULE

### Percent at Market by Year

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<th>Year</th>
<th>Value</th>
<th>Percent</th>
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<td>2015</td>
<td>949,104.00</td>
<td>26.9%</td>
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<tr>
<td>2016</td>
<td>536,817.00</td>
<td>15.3%</td>
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<td>2017</td>
<td>978,694.55</td>
<td>27.8%</td>
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<td>21.4%</td>
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<tr>
<td>2019</td>
<td>301,477.00</td>
<td>8.6%</td>
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### Federal Tax Cost, Current Market Value, Face Value, % at Market

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<th>Federal Tax Cost</th>
<th>Current Market Value</th>
<th>Face Value</th>
<th>% at Market</th>
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<td>2014</td>
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<tr>
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### Maturing Next 365 Days

Information may be a combination of maturity and pre-refunded dates

---

Finance & Facilities 1.29.14
TO: Marcel Quiroga, Chair; John Burns, Vice Chair; & Members of the Finance & Facilities Committee

FROM: Patricia Maguire Meservey, President

CC: Pamela Scott, Chair; Paul Mattera, Vice Chair, and Members of the Board of Trustees

DATE: January 28, 2014

TOPIC: Governor Patrick’s Budget

The budget process officially began last week with the release of Governor Patrick’s FY15 budget recommendations. In April – usually the third week – the House will release its budget and then usually late May, the Senate will release its budget. Between now and April, we normally will learn the thinking of the House leadership that will give us a much better sense of what the final approved budget will contain.

With regards to the Governor’s budget proposal, this is the final year of the Patrick administration and his tenure as Governor of the Commonwealth. His FY15 budget recommendations clearly reflect his commitment to fund his cornerstone priorities that he has worked on over the past seven years as well as a more global message that speaks to the environment and climate change. With regard to public higher education funding recommendations, the Governor held all of our line item appropriations level with FY14 -- meaning no direct baseline increase for any of the state universities. He did, however, allocate the state universities an additional $13M. It is divided into two line items:

1. "State University Incentive Grants" - $7,948,776. This is the language that is included in this line item:

"For additional operational funding for state universities for efforts which advance the goals of the Vision Project; provided, that funding shall be allocated among the campuses by the commissioner of higher education with approval of the board of higher education taking into consideration discrepancies in per purple funding between campuses, the relative progress each campus has made in achieving the metrics of the Vision Project, the collaboration each campus has shown in regional efforts to build the Massachusetts economy and workforce and other factors that the commissioner feels are vital to the creation of a robust and accountable system of public higher education in the commonwealth"
We do not know how the Commissioner would guide the use of these funds and it does not commit and particular funds to any of the state universities.

2. Collective bargaining costs - $5,551,224. This is a pool of funding that would be allocated proportionately across the universities based on union representation. I do not know what portion would be allocated to Salem State at this time.

The State House News Service (SHNS) reported that the Governor believes that the additional funding for public higher education should, "ensure the University of Massachusetts and other public colleges and universities can freeze fees and tuition rates for another year." There was NOT any budget language that would require universities to freeze fees. In its current configuration, I do not think this is a viable opportunity to freeze our institutional fees. We may be able to moderate the increase, but not hold the fees level.

I look forward to discussing this further with you.

Attachment: Memo from Commissioner Freeland, January 28, 2104
MEMORANDUM

TO: Community College Presidents
    State University Presidents
    Community College Board Chairs
    State University Board Chairs

FROM: Richard M. Freeland, Commissioner

DATE: January 28, 2014

SUBJECT: Governor Patrick’s FY15 Budget Recommendation

I’m following up on today’s Board of Higher Education meeting to provide you with a copy of the data that was presented on Governor Patrick’s FY2015 House 2 budget recommendation.

The Governor’s proposal recommends $622.3M for the operations of Department of Higher Education, Community Colleges, and State Universities, an increase of $20.7M, or approximately 3% over the FY2014 GAA. Of particular note is the continued commitment for the community college funding formula with a recommendation of an additional $13.2M over FY2014. Also recommended was an additional $8.1M in funding over FY2014 for the state universities, including $100K for the development of a funding formula for the segment.

Below is a summary of the areas that impact higher education. The attached slide summarizes in one page both the BHE FY15 request and the Governor’s request, along with a matrix showing the alignment of each program area with Vision Project Outcomes.

DHE Academic Support and Administration

- Reduces $1M in funding from the DHE administrative line-item earmarked for the State University Internship Incentive Program.
- Reduces funding for the Performance Incentive Fund by $5M from FY2014, down to $2.5M. The BHE requested $8M for this program in FY2015.
- Level funds the Commonwealth Dual Enrollment Program at $750K. The BHE requested $2M in funding for FY2015.
Financial Aid

The Governor's proposal recommends $96.2M for financial aid services administered by DHE, an increase of $337K over FY2014.

- Effectively level funds the $90.6M MassGrant program, the primary source of financial aid for Massachusetts residents.
- Increases funding for the Foster Care and Adopted Fee Waiver line item by $255K to $3.9M, fully funding the demand for this program.
- Level funds Foster Care Financial Aid at $1.08M.
- Level funds High Demand Scholarships at $500K.

Workforce Development

- Level funds the STEM Pipeline Fund at $1.5M.
- Level funds the Nursing and Allied Health Initiative at $250K.
- Level funds Community College Workforce Grants at $1.45M.
- Level funds Rapid Response Grants at $500K. Similar to FY2014, this line-item is combined with the High Demand Scholarship Program.
- Eliminates $4.75M line item funding the STEM Starter Academy, an initiative funded by the House of Representatives as a new program in FY2014.

Commonwealth Commitments

- Reduces funding for the New England Board of Higher Education by 50% from FY2014 to $185K.
- Level funds Tufts Veterinary School at $4M and Worcester Polytechnic Institute at $1.4M.
- Increases funding for the College Health and Welfare Fund by $227K to meet projected costs of providing vision and dental benefits.

Community Colleges/State Universities

- The Governor's proposal rolls the FY2014 funding formula allocations into the base appropriation of the respective community colleges and adds an additional $13.2M to be allocated under the formula in FY2015. While short of the $20M requested by the BHE, the Governor's recommendation is a significant investment for the second year of formula funding.
The state universities will receive an additional $8M under the Governor's recommendation. The BHE recommended a second installment of $15M for the segment in FY2015.

- Provides $100K in a new line item to support the costs of consultant services for the development of a formula for the state universities.

- Reserves of approximately $10.4M have been set aside to fund future collective bargaining costs once contracts are ratified.

The budget process now moves to the House Ways and Means Committee for a scheduled release around mid-April, followed by a budget proposal from the Senate in mid-May. We will continue to keep you updated throughout the budget process. Please feel free to contact Deputy Commissioner of Administration and Finance Sean Nelson (617-994-6918; snelson@bhe.mass.edu) or me directly if you have any questions.
Rationale for Graduate Fee Increase, January 28, 2014

I am asking the Finance and Facilities Committee to consider the FY15 Graduate Fee rate at the January 29, 2014 meeting so as to allow us to move forward with a new registration system that permits students to register for classes and postpone payment until late summer. This process of summer payments is currently in place for our undergraduate programs and we believe allowing the same flexibility to our graduate students will help increase enrollments.

Last year the tuition and fees for in-state students increased 5% ($17/credit).

The fee increase requested is $15.00/credit (+4.3%) which will bring the cost to $362/credit. This recommendation will keep us in line with Bridgewater’s current rates and near the middle of the pack with our public competitors.
REQUEST FOR TRUSTEE ACTION

Date: February 12, 2014
To: Board of Trustees
From: Patricia Maguire Meservey, President
Subject: Graduate Fee Increase
Requested Action: Approval

MOTION

The Board of Trustees of Salem State University hereby approves the following increase in graduate fees. Tuition rates will remain at FY2013-14 levels.

- **Graduate students enrolled through the university’s School of Graduate Studies:**
  Fees shall increase $15 per credit hour, which, when combined with the current fee of $207 and in-state tuition of $140, represents an increase of 4.3% over FY2013-14. The same fee shall apply to out-of-state students.

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

Committee Assigned: Finance & Facilities
Committee Action: Approved
Date of Action: January 29, 2014

Signed: __________________________________
Title: Secretary, Board of Trustees
Date: ___________________________________
## Statement of Net Position

In million $

<table>
<thead>
<tr>
<th></th>
<th>FY 2013 Year End</th>
<th>2nd Quarter FY 2013</th>
<th>FY 2014</th>
<th>Change</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$24.4</td>
<td>$24.6</td>
<td>$24.5</td>
<td>-$0.1</td>
<td>-0.4%</td>
<td></td>
</tr>
<tr>
<td>Cash with state and other entities</td>
<td>8.5</td>
<td>17.7</td>
<td>7.2</td>
<td>-10.5</td>
<td>-59.3%</td>
<td></td>
</tr>
<tr>
<td>Accounts and other receivables</td>
<td>3.3</td>
<td>34.6</td>
<td>35.4</td>
<td>0.8</td>
<td>2.3%</td>
<td></td>
</tr>
<tr>
<td>Capital assets</td>
<td>131.3</td>
<td>94.6</td>
<td>129.9</td>
<td>35.3</td>
<td>27.3%</td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>11.2</td>
<td>10.6</td>
<td>12.7</td>
<td>2.1</td>
<td>19.8%</td>
<td></td>
</tr>
<tr>
<td>Loans receivable, net</td>
<td>2.3</td>
<td>2.4</td>
<td>2.3</td>
<td>-0.1</td>
<td>-4.2%</td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td>0.1</td>
<td>0.2</td>
<td>0.1</td>
<td>-0.1</td>
<td>-50.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>181.1</td>
<td>184.7</td>
<td>212.1</td>
<td>27.4</td>
<td>14.8%</td>
<td></td>
</tr>
</tbody>
</table>

| **Liabilities:**         |                  |                     |         |        |    |    |
| Accounts payable and accrued expenses | 3.2              | 6.1                 | 6.4     | 0.3    | 4.9%  |
| Accrued Payroll          | 9.4              | 4.4                 | 4.6     | 0.2    | 4.5%  |
| Bonds payable           | 21.3             | 21.6                | 21.2    | -0.4   | -1.9% |
| Compensated absences    | 8.3              | 7.7                 | 8.3     | 0.6    | 7.8%  |
| Loan payable, federal financial assistance programs | 2.3              | 2.3                 | 2.3     | 0.0    | 0.0%  |
| Other liabilities       | 6.1              | 4.0                 | 3.7     | -0.3   | -7.5% |
| **Total Liabilities**   | 50.6             | 46.1                | 46.5    | 0.4    | 0.9%  |

| **Net Assets:**          |                  |                     |         |        |    |    |
| Invested in capital assets | 89.1             | 89.1                | 111.3   | 22.2   | 24.9% |
| Restricted and unrestricted | 16.9             | 16.9                | 19.2    | 2.3    | 13.6% |
| **Total Net Assets**     | 106.0            | 106.0               | 130.5   | 24.5   | 23.1% |

| Total Increase in Net Position: | 24.5 | 32.6 | 35.1 | 2.5 | 7.7% |

| **Total Liabilities and Fund Balances:** | $181.1 | $184.7 | $212.1 | $27.4 | 14.8% |
## Statement of Revenues, Expenses and Changes in Net Position by IPEDS Classification

### In million $

<table>
<thead>
<tr>
<th></th>
<th>FY 2013 Year End</th>
<th>2nd Quarter</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2013</td>
<td>FY 2014</td>
<td>$</td>
</tr>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Tuition and fees</td>
<td>$68.1</td>
<td>$58.7</td>
<td>$9.4</td>
</tr>
<tr>
<td>Less: scholarships and fellowships</td>
<td>-14.3</td>
<td>-6.9</td>
<td>-6.6</td>
</tr>
<tr>
<td>Net tuition and fees</td>
<td>53.8</td>
<td>51.8</td>
<td>52.8</td>
</tr>
<tr>
<td>Federal, state, private grants</td>
<td>18.7</td>
<td>8.9</td>
<td>9.9</td>
</tr>
<tr>
<td>Sales and services of educational departments</td>
<td>3.0</td>
<td>1.8</td>
<td>2.3</td>
</tr>
<tr>
<td>Auxiliary enterprises</td>
<td>14.9</td>
<td>15.1</td>
<td>15.3</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>0.4</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>90.8</td>
<td>77.7</td>
<td>80.3</td>
</tr>
</tbody>
</table>

| **Operating Expenses:**      |                  |             |        |
| Instruction                 | 53.1             | 22.7        | 24.0   | 1.3   | 5.7% |
| Public service              | 0.7              | 0.3         | 0.4    | 0.1   | 33.3%|
| Academic support            | 13.9             | 5.9         | 6.8    | 0.9   | 15.3%|
| Student services            | 13.9             | 5.3         | 6.1    | 0.8   | 15.1%|
| Institutional support       | 22.4             | 14.1        | 16.0   | 1.9   | 13.5%|
| Operation and maintenance of plant | 10.8             | 6.4         | 7.5    | 1.1   | 17.2%|
| Scholarships                | 5.7              | 3.0         | 2.8    | -0.2  | -6.7%|
| Depreciation and amortization | 5.0             | 2.4         | 2.5    | 0.1   | 4.2% |
| Auxiliary                   | 14.1             | 6.3         | 6.6    | 0.3   | 4.8% |
| Debt service on bonds       | 0.5              | 0.1         | 0.4    | 0.3   | 300.0%|
| **Total Operating Expenses** | 140.1            | 66.5        | 73.1   | 6.6   | 9.9% |

| **Non-Operating Revenues:** |                  |             |        |
| State appropriations, net   | 46.9             | 20.4        | 26.1   | 5.7   | 27.9%|
| Gifts                       | 1.1              | 0.5         | 0.8    | 0.3   | 60.0%|
| Investment income           | 1.4              | 0.6         | 1.4    | 0.8   | 133.3%|
| Interest expense            | -0.3             | -0.1        | -0.4   | -0.3  | 300.0%|
| **Net Non-Operating Revenues** | 49.1             | 21.4        | 27.9   | 6.5   | 30.4%|

| Capital grants              | 24.7             | 0.0         | 0.0    | 0.0   | 0.0% |

| **Total Increase in Net Position** | $24.5 | $32.6 | $35.1 | $2.5 | 7.7% |
## Statement of Revenues, Expenses and Changes in Net Position by Natural Classification

In million $

<table>
<thead>
<tr>
<th>Operating Revenues:</th>
<th>FY 2013 Year End</th>
<th>2nd Quarter FY 2013</th>
<th>2014</th>
<th>Change $</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tuition and fees</strong></td>
<td>$68.1</td>
<td>$58.7</td>
<td>$59.4</td>
<td>$0.7</td>
<td>1.2%</td>
</tr>
<tr>
<td>Less: scholarships and fellowships</td>
<td>-14.3</td>
<td>-6.9</td>
<td>-6.6</td>
<td>0.3</td>
<td>-4.3%</td>
</tr>
<tr>
<td><strong>Net tuition and fees</strong></td>
<td>53.8</td>
<td>51.8</td>
<td>52.8</td>
<td>1.0</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>Federal, state, private grants</strong></td>
<td>18.7</td>
<td>8.9</td>
<td>9.9</td>
<td>1.0</td>
<td>11.2%</td>
</tr>
<tr>
<td><strong>Sales and services of educational departments</strong></td>
<td>3.0</td>
<td>1.8</td>
<td>2.3</td>
<td>0.5</td>
<td>27.8%</td>
</tr>
<tr>
<td><strong>Auxiliary enterprises</strong></td>
<td>14.9</td>
<td>15.1</td>
<td>15.3</td>
<td>0.2</td>
<td>1.3%</td>
</tr>
<tr>
<td><strong>Other operating revenues</strong></td>
<td>0.4</td>
<td>0.1</td>
<td>0.0</td>
<td>-0.1</td>
<td>-100.0%</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>90.8</td>
<td>77.7</td>
<td>80.3</td>
<td>2.6</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

| Operating Expenses: | | | | | |
|---------------------| | | | | |
| **Compensation and benefits** | 96.6 | 43.6 | 48.4 | 4.8 | 11.0% |
| **Supplies and services** | 28.9 | 16.2 | 17.6 | 1.4 | 8.6% |
| **Utilities** | 3.4 | 1.2 | 1.4 | 0.2 | 16.7% |
| **Depreciation and amortization** | 5.0 | 2.4 | 2.5 | 0.1 | 4.2% |
| **Scholarships** | 5.7 | 3.0 | 2.8 | -0.2 | -6.7% |
| **Debt service on bonds** | 0.5 | 0.1 | 0.4 | 0.3 | 300.0% |
| **Total Operating Expenses** | 140.1 | 66.5 | 73.1 | 6.6 | 9.9% |

| Non-Operating Revenues: | | | | | |
|-------------------------| | | | | |
| **State appropriations, net** | 46.9 | 20.4 | 26.1 | 5.7 | 27.9% |
| **Gifts** | 1.1 | 0.5 | 0.8 | 0.3 | 60.0% |
| **Investment income** | 1.4 | 0.6 | 1.4 | 0.8 | 133.3% |
| **Interest expense** | -0.3 | -0.1 | -0.4 | -0.3 | 300.0% |
| **Net Non-Operating Revenues** | 49.1 | 21.4 | 27.9 | 6.5 | 30.4% |

| Capital grants | 24.7 | 0.0 | 0.0 | 0.0 | 0.0% |

| **Total Increase in Net Position** | $24.5 | $32.6 | $35.1 | $2.5 | 7.7% |
## Statement of Cash Flows

*In million $*

<table>
<thead>
<tr>
<th>Category</th>
<th>2nd Quarter FY 2013</th>
<th>2nd Quarter FY 2014</th>
<th>Change $</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flow from operating activities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and fees (net)</td>
<td>$24.1</td>
<td>$24.7</td>
<td>0.6</td>
<td>2.5%</td>
</tr>
<tr>
<td>Grants and contracts</td>
<td>9.3</td>
<td>9.9</td>
<td>0.6</td>
<td>6.5%</td>
</tr>
<tr>
<td>Payments to vendors, employees, students</td>
<td>-58.1</td>
<td>-63.8</td>
<td>5.7</td>
<td>9.8%</td>
</tr>
<tr>
<td>Auxiliary and other receipts</td>
<td>10.8</td>
<td>10.6</td>
<td>-0.2</td>
<td>-1.9%</td>
</tr>
<tr>
<td><strong>Net cash used in operations</strong></td>
<td>-13.9</td>
<td>-18.6</td>
<td>4.7</td>
<td>33.8%</td>
</tr>
<tr>
<td><strong>Cash flow from non-operating activities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State appropriations (net)</td>
<td>12.8</td>
<td>18.3</td>
<td>5.5</td>
<td>43.0%</td>
</tr>
<tr>
<td>Gifts, investment and other sources</td>
<td>0.5</td>
<td>0.8</td>
<td>0.3</td>
<td>60.0%</td>
</tr>
<tr>
<td><strong>Net cash provided by non-operating sources</strong></td>
<td>13.3</td>
<td>19.1</td>
<td>5.8</td>
<td>43.6%</td>
</tr>
<tr>
<td><strong>Cash flow due to capital and investing activities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of capital assets</td>
<td>-0.4</td>
<td>-1.2</td>
<td>0.8</td>
<td>200.0%</td>
</tr>
<tr>
<td>Debt service payments on bond payables</td>
<td>-0.1</td>
<td>-0.4</td>
<td>0.3</td>
<td>300.0%</td>
</tr>
<tr>
<td>Investment activities (net)</td>
<td>0.0</td>
<td>-0.1</td>
<td>0.1</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Net cash used in capital and investing activities</strong></td>
<td>-0.5</td>
<td>-1.7</td>
<td>1.2</td>
<td>240.0%</td>
</tr>
<tr>
<td><strong>Net decrease in cash and cash equivalents</strong></td>
<td>-1.1</td>
<td>-1.2</td>
<td>0.1</td>
<td>9.1%</td>
</tr>
<tr>
<td><strong>Cash and equivalents at beginning of period</strong></td>
<td>43.4</td>
<td>32.9</td>
<td>-10.5</td>
<td>-24.2%</td>
</tr>
<tr>
<td><strong>Cash and equivalents at end of period</strong></td>
<td>$42.3</td>
<td>$31.7</td>
<td>-10.6</td>
<td>-25.1%</td>
</tr>
</tbody>
</table>

*Please note: Highlighted numbers are increased expenditures that are expressed in positive numbers to reflect the increase cost. The Committee may wish to discuss how best to present this information.*
Notes on interim financial statements

1. Statement of Net Position
   a. The decrease in “Cash with state and other entities” is primarily offset by the increase in “Capital assets” as we completed the Gassett Fitness Center – the cash became a capital asset. This line also reflects transfers of $2.5 million made to DCAM ($1.7 Million for the Main Stage Theater project) and MSCBA ($800 thousand for Public Safety and Weir parking project). These latter funds will be returned to the university during the next fiscal quarter.
   b. “Capital assets” increased from December 2012 (FY-2013) to December 2013 (FY-2014) primarily due to recognition of construction related to the Gassett Fitness Center and the Berry Library and Learning Commons.
   c. “Loans receivable, net” are offset by “Loans payable, Federal financial assistance programs” and are federally financed student loans.
   d. “Invested in capital assets” increased due to the addition of the projects listed above.

2. Statement of Revenues, Expenses and Changes in Net Position by IPEDS
   a. The increase in “Tuition and fees” is due to slight increases in the graduate studies and the day programs for the fall semester.
   b. The increase in “Federal, state and private grants” is primarily from state funded grant programs.
   c. The increase in the “State appropriations, net” reflects the increased support from the state for which we agreed not to increase tuition for our day students. In addition to that funding, the state also contributed funding to support labor contract increases which are reflected throughout the operating expense categories.
   d. Increase in “Debt service on bonds” is due to beginning payments for the Gassett Fitness Center.

3. Statement of Revenues, Expenses and Changes in Net Position by Natural Classification
   a. This is the same information as the IPEDS version with a different organization of the expenditure categories.
   b. As cited in 2c, the increase in “Operating expenses” is almost entirely offset by the increase in “State appropriations, net”.

4. Statement of Cash Flows
   a. The increases in “Tuition and fees” and “Federal, state and private grants” are due to the same factors cited in 2a and 2b above.
   b. The increase in the “State appropriations, net” reflects the increased support from the state for which we agreed not to increase tuition for our day students and support of labor contracts for our employees as cited in 2c above. Note the additional “Payment to vendors, employees, students” are almost exactly offset by additional funding from state appropriations.
   c. As seen on the “Net decrease in cash and cash equivalents” line the change between the second quarter for FY-2013 compared to the same period for FY 2014 are almost equal for this time of year indicating a fairly stable and predictable cash flow situation.
Update on Campus Capital Projects
January 29, 2014

Residence Hall and Enabling Projects (MSCBA)

- **Utility Relocation** – Phase I and II are transitioning with changes to the traffic pattern entering off of Loring Avenue across from the Salem Diner.
- **Canal Street Parking Lot** – Asbestos abatement is beginning in both the Blue Building and the Mackey Building. It is expected that the Mackey Building will be demolished in February.
- **Public Safety Relocation** – the build-out of Public Safety is on schedule, with an expected move to the new offices in the Central Campus Classroom Building at the end of February.
- **Residence Hall** – 100% design documents are complete and the architects are working on the early design packages. Full site mobilization will occur at the end of February and demolition of the Public Safety building soon after.

One-Stop Student Center (Salem State Capital Project)

- The design for the One-Stop Student Center is completed and will be advertised this week.
- Construction is scheduled to be completed by July 2014.

Mainstage Theater Renovation (DCAMM)

- Design Development is completed.
- Procurement of a Construction Project Management firm is in process. We expect the CM to be under contract in April 2014.
- Renovation is on track to start in May 2014.

Parking Garage I (MSCBA)

- MSCBA has engaged the design/build team of Desmond Associates and Dimeo Construction for this project. The have started the siting study to determine possible locations for the first parking garage.

Meier Hall Laboratory Expansion (DCAMM)

- The Commonwealth’s Designer Selection Board (DSB) has advertised for a firm to do the study for this project. We expect the study to begin in May 2014.
- The Executive Office of Administration and Finance released a FY2014-FY2018 spending plan which provides bond funding for $32.5M for the project.

Library Learning Commons (DCAMM)

- Completion of geothermal work, completion of landscaping of the library quad, and restoration of the portion of the Lot A parking lot taken for construction staging is scheduled to be completed in April- June 2014.

Off Campus Space (Salem State University Assistance Corporation)

- Salem State and Salem Renewal, LLC continue to meet with their architects regarding design of the interior space of the synagogue for academic use by Salem State. Attorneys for both parties have started lease negotiations.
- We continue to work with RCG, the real estate development company that is developing a building on Washington and Dodge Streets in downtown Salem. We hope to provide off-campus graduate student housing in this location.
Update on Campus Capital Projects
January 29, 2014

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

**Ellison Campus Center Study (MSCBA)**

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

**South Salem Drainage Improvement Project (City of Salem)**

- The City of Salem has approached Salem State regarding the use of the O’Keefe Center Parking lot for a drainage retention system that would support the improvement of drainage in South Salem.
1. The university is an agency of the Commonwealth of Massachusetts and is exempt from any state tax or federal excise tax.

2. Unless otherwise stated, the unit price shall be the net price. Separate unit and total prices must be shown if applicable.

3. Unless otherwise stated, all quoted prices shall be FOB university address inside delivery.

4. Bid must be received on or before by 3:00 pm in the Purchasing Department, Salem State University, 354 Lafayette Street, Salem, MA 01970-5353, at which time there will be a public opening.

5. No FAX copies will be accepted.

6. Submit 1 original and ten copies of bid.

7. Salem State University reserves the right to waive informalities and to reject any and all bids; or to accept the bid deemed best for the Commonwealth.

8. Any objections to the above conditions must be clearly indicated in the proposals.

9. For additional information Joseph F.X. Donovan Associate Vice President for Finance, Salem State University 352 Lafayette Street Salem, MA 01970 jdonovan@salemstate.edu

10. Bids must be submitted to: Evelyn Wilson, C.P.M., Director of Purchasing & Vendor Relations, Salem State University, Administration Bldg., second floor, 354 Lafayette Street, Salem, MA 01970-5353

11. Reference: Bid# Investment Management Services for Salem State University

<table>
<thead>
<tr>
<th>SPECIFICATIONS</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>See Attached Specifications</td>
<td></td>
<td></td>
</tr>
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</table>

A pre bid conference will be held for all investment management contractors on: (fill in date), 10 am in the ROOM, XXX Campus. Please RSVP to NAME 978-542-XXXX to obtain parking pass and directions.

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

VENDOR IDENTIFICATION

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<td>ADDRESS</td>
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AUTHORIZED SIGNATURE

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VENDOR IDENTIFICATION (must be completed)
Request For Proposal

Investment Management Services
for Salem State University
Table of Contents

SALEM STATE UNIVERSITY COVER SHEET ____________ 1
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6. Background ________________________________ 9
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8. Vendor References __________________________ 9
9. Proposal Response __________________________ 10
10. Evaluation Criteria __________________________ 11
11. Standard Terms and Conditions _____________ 12
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Chapter 73, Section 14 of the Mass General Laws, contains an explicit directive with respect to the vehicles in which a state university can invest the moneys it holds in special trusts: a university is obligated to invest those moneys in “notes or bonds secured by sufficient mortgages or other securities.” An opinion of the Attorney General imports into the language just quoted, the standards of conduct and authority that apply, under general principles of laws, to trustees in the management of trusts. These broader standards obligate a trustee “to conduct himself faithfully and to exercise a sound discretion, and to be enlightened by observance as to how men of prudence, discretion and intelligence manage their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the safety of the capital.” The trustees have a duty to make the trust property productive and to use due care in maintaining a proper trust portfolio. The field of investment permitted the university is not confined to notes and bonds that are secured. Other “investment-grade securities” are available to it for the purpose, by which is meant securities of a kind that are permitted by the “prudent-man” rule stated.
2. General Information

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

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

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

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

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

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

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Purchasing Department  
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We look forward to having you assist us in our quest to further strengthen our university.
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<tr>
<td>Presentations by finalists</td>
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</tr>
<tr>
<td>Anticipated Award</td>
<td></td>
</tr>
<tr>
<td>Contract Begins and Assets Transferred by</td>
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4. **Primary Contact for contract**

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

5. **General Conditions**

5.1 Negotiations may be undertaken with those vendors whose proposals as to price and other factors show them to be qualified, responsible and capable of performing the work. The contract entered into will be that most advantageous to Salem State University considering price and other factors.

5.2 The selection of a vendor and the accompanying award of a contract are to be based on evaluation criteria established in this request for proposal.

5.3 Salem State University, at its discretion, may select not to award a contract to any vendor as a result of this RFP. The university reserves, at its discretion, the right to reject any and/or all proposals received in response to this RFP if determined that such action is taken in the best interest of the university.

5.4 All vendors who provide a proposal in response to this RFP are responsible for incurring all costs associated with preparing that proposal, answering all questions, providing Salem State University with requested information, and making oral presentation to the university, if requested. The university is under no obligation to incur or reimburse any vendor for proposal costs.
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5.6 Proposal must be organized in the order presented in this RFP. Proposals not organized in this prescribed manner may be considered nonresponsive and rejected.

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5.16 For purposes of this RFP words such as bidder, contractor, respondent, vendor and merchant are used interchangeably but they all refer to the person responding to this RFP.

6. **Background**

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

7. **Exceptions**

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

8. **Vendor References**

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

9. **Proposal Response**

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

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

Company Type: (choose one)

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

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

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

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

Ownership Type:

_ Publicly Owned __ Employee Owned___ Subsidiary ___ Division ___ Other

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

Ownership Structure:
__ Corporation ___ Partnership ___ LLC ___ LLP ___ Other

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

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

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

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

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

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

Have any of your firm’s professionals who have the CFA designation ever been disciplined by the AIMR? _____Yes _____ No

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

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

<table>
<thead>
<tr>
<th>Assets ($ millions)</th>
<th># Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>(as of 12/31/2013)</td>
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</tbody>
</table>

Corporate:

Public:

Endowment/Foundation:

High Net-Worth/ Retail:

Non- U.S. Clients:

Other:

Total:

Breakdown by Type of Investment Vehicle
Assets ($millions)     # Clients

Total Separately Managed Assets:

Total Commingled* Assets:

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

All Other Assets**

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

Total:

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

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
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9.4 Provide a breakdown of your firm-wide staff into the following categories.

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

Grand Total ____

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

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

9.6 Describe your firm’s experience with non-profit organizations that have similar characteristics and needs to that of Salem State
University. What percent of your clients are non-profits and what percent of the funds your firm has under management are non-profit? What is the aggregate value of non-profit assets under management?

9.7 Please provide your investment performance record for the past ten calendar years showing annual and compound returns on a time-weighted basis for each investment strategy proposed. If possible, differentiate between income and appreciation. Provide the benchmark that should be used for comparison and its performance record for the past ten calendar years. Include a brief description of the investment objectives for each investment strategy proposed. Include the record of those accounts, or composites, that reflect your management approach to a portfolio of our size and purpose.

9.8 Explain your firm’s investment decision-making process. Specifically identify any matrix or economic models utilized in buy/sell decisions.

9.9 How do you measure and control risk? How do you measure performance?

9.10 Does your firm utilize index funds as a management tool? Are there any fee savings for their use?

9.11 Attach a fee schedule which includes fee examples for a fund of our size and purpose. Please also identify any fees associated with mutual funds that may be included in portfolio. Finally, please identify any and other fees, including but not limited to, “pass-through” fees that should be considered in any fee review.

9.12 What is your philosophy and practice regarding ongoing communication and reporting to the management and governance bodies of the University? Please submit samples of all statements to be provided to the university. (Appendix A)

9.13 Provide current financial statements and a statement indicating whether or not the company has been profitable for the three prior fiscal years (and parent company, if applicable). Provide ADV Filings – Form I, II (Appendix B)

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

9.15 Include at least three (3) references including the primary client contact, assets managed, investment product, year that relationship
began.

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

9.17 Appendix
   A. Legal/Regulatory Explanations (9.2)
   B. Sample Reports (9.12)
   C. ADV Filings – Form I, II (9.13)
   D. Other firm information (optional)

10. Evaluation Criteria

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

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

11. Standard Terms and Conditions:

The winning vendor will be required to sign a Commonwealth of Massachusetts Standard Contract (Sample attached, also available http://www.mass.gov/osc/docs/forms/contracts/standard-contract-frm.pdf)
SALEM STATE UNIVERSITY
INVITATION TO BID
THIS IS NOT AN ORDER

1. The University is an agency of the Commonwealth of Massachusetts and is exempt from any state tax or federal excise tax.

2. Unless otherwise stated, the unit price shall be the net price. Separate unit and total prices must be shown if applicable.

3. Unless otherwise stated, all quoted prices shall be FOB University address inside delivery.

4. Bid must be received on or before September 15, 2008 by 3:00 P.M. in the Purchasing Department, Salem State University, 352 Lafayette Street, Salem, MA 01970-5353, at which time there will be a public opening.

5. No FAX copies will be accepted.

6. Submit 1 original and ten copies of bid.

7. Salem State University reserves the right to waive informalities and to reject any and all bids; or to accept the bid deemed best for the Commonwealth.

8. Any objections to the above conditions must be clearly indicated in the proposals.

9. For additional information
   Joseph F.X. Donovan
   Executive Director, Finance and Treasurer
   Associate Vice President for Finance
   Salem State University
   352 Lafayette Street
   Salem, MA 01970
   jdonovan@salemstate.edu

10. Bids must be submitted to: Evelyn Wilson, C.P.M., Director of Purchasing & Vendor Relations, Salem State University, Administration Bldg., First Floor, 352-354 Lafayette Street, Salem, MA 01970-5353

11. Reference: Bid# 2009-01 Investment Management Services for Salem State University

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**SPECIFICATIONS**

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<tr>
<th>SPECIFICATIONS</th>
<th>UNIT PRICE</th>
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VENDOR IDENTIFICATION (must be completed)

COMPANY NAME: ________________________________________________

Dba: __________________________________________________________

Company's Federal ID Number: ______________________________________

Address: _________________________________________________________

Remit To Address: ________________________________________________

CITY____________________STATE_____ ZIP_________________________

TELEPHONE NO _____________ Toll Free or "800": _______________________

Fax Number: ______________________________________________________

E-Mail Address: ____________________________________________________

Web address: ______________________________________________________

Name ____________________________________________________________

Title _____________________________________________________________

Authorized Signature ______________________________________________

Date: _____________________________________________________________

Main Contact: ______________________________________________________

Person responsible for proposal (if different)

______________________________________________________________
Request For Proposal

Investment Management Services
for Salem State University
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SALEM STATE UNIVERSITY COVER SHEET 1

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8. Vendor References

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

9. Proposal Response

Please provide the following information and refer to the appropriate section in your submission:
9.1. A brief history of the firm since its inception: founding date, size, purpose, funds under management, alliances, and professional memberships/affiliations. Is the firm engaged in any business other than asset management?

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

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

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

Registered under the Investment Advisory Act of 1940?  **Yes**  **No**

Registered with other regulatory agencies?  **Yes**  **No**.

If your answer "yes", please list the agencies and their jurisdictions below.

**Ownership Type:**
- Publicly Owned  **Employee Owned**  **Subsidiary**  **Division**  **Other**

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

**Ownership Structure:**
- Corporation  **Partnership**  **LLC**  **LLP**  **Other**

**Percent Employee Owned:**  __%  **Number of Employee Equity Owners:**

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

**Percent of your firm that is minority-owned:**  __%
Percent of your firm that is female-owned: ____% 

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

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

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

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

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

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

<table>
<thead>
<tr>
<th>Accounts (as of 12/31/2013)</th>
<th>Assets ($ millions)</th>
<th># Clients</th>
</tr>
</thead>
</table>

Corporate: 
Public: 
Endowment/Foundation: 
High Net-Worth/ Retail-Individuals:

Non- U.S. Clients:

Other:
Breakdown by Type of Investment Vehicle

<table>
<thead>
<tr>
<th></th>
<th>Assets ($millions)</th>
<th># Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Separately Managed Assets:</strong></td>
<td></td>
<td></td>
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<tr>
<td><em><em>Total Commingled</em> Assets:</em>*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>*Include all mutual funds, group trusts, limited partnerships, and other commingled vehicles.</td>
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<td></td>
</tr>
<tr>
<td><strong>All Other Assets</strong>:**</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Describe assets, (i.e., subadvisory, etc.).</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total:</strong></td>
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<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
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<tr>
<td># Clients Assets</td>
<td># Clients Assets</td>
<td># Clients Assets</td>
<td># Clients Assets</td>
<td># Clients Assets</td>
<td># Clients Assets</td>
</tr>
<tr>
<td>Gain:</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Loss:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

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

9.4 Describe the management team that would be assigned to this portfolio and how it would function. Please provide brief background profiles on the key individuals.
9.5 What steps has your firm taken to address the issues raised by the Sarbanes Oxley Act of 2002?

9.6 Describe your firm’s experience with non-profit organizations that have similar characteristics and needs to that of Salem State University. What percent of your clients are non-profits and what percent of the funds your firm has under management are non-profit? What is the aggregate value of non-profit assets under management?

9.7 Please provide your investment performance record for the past ten calendar years showing annual and compound returns on a time-weighted basis for each investment strategy proposed. If possible, differentiate between income and appreciation. Provide a benchmark that should be used for comparison and indicate the record for the past ten calendar years. Include a brief description of the investment objectives for each investment strategy proposed. Include the record of those accounts, or composites, that reflect your management approach to a portfolio of our size and purpose.

9.8 Explain your firm’s investment decision-making process. Specifically identify any matrix or economic models utilized in buy/sell decisions.

9.9 How do you measure and control risk? How do you measure performance?

9.10 Does your firm utilize index funds as a management tool? Are there any fee savings for their use?

9.11 Attach a fee schedule which includes fee examples for a fund of our size and purpose. Please also identify any fees associated with mutual funds that may be included in portfolio. Finally, please identify any and other fees, including but not limited to, “pass-through” fees that should be considered in any fee review.

9.12 What is your philosophy and practice regarding ongoing communication and reporting to the management and governance bodies of the University? Please submit samples of all statements to be provided to the University. (Appendix A)

9.13 Provide current financial statements and a statement indicating whether or not the company has been profitable for the three prior fiscal years (and parent company, if applicable). Provide ADV Filings – Form I, II (Appendix B)
9.14 Describe any insurance coverage maintained by your company in the event of loss due to employees’ malfeasance or fraud.

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

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

9.17 Appendix
   A. Legal/Regulatory Explanations (9.2)
   B. Sample Reports (9.12)
   C. ADV Filings – Form I, II (9.13)
   D. Other firm information (optional)

10. Evaluation Criteria

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

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

11. **Standard Terms and Conditions:**

The winning vendor will be required to sign a Commonwealth of
Massachusetts Standard Contract (Sample attached, also available
http://www.mass.gov/osc/docs/forms/contracts/standard-contract-
frm.pdf
)http://www.mass.gov/Aosc/docs/Forms/Contracts/standard_contra-
ct_frm.doc}
SUBJECT: Executive Committee Meeting Report of November 20, 2013

The Executive Committee of the Board of Trustees met Wednesday, November 20, 2013, in room 210 of Marsh Hall located on the Central Campus of Salem State University.

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

Chair Scott called the meeting to order at 7:35 pm.

Commencement: Chair Scott turned the discussion over to President Meservey who described the annual process of soliciting keynote speakers and honorary degree recipients for the university’s three commencement ceremonies. She explained the difficulty in vetting honorees in a public forum, solicited recommendations from the committee and asked for authorization again this year to pursue individuals for the positions of keynote speakers and honorary degree recipients. The president clarified for Trustee Quiroga that while we do not pay speaking fees, we do pay travel-related expenses for honorees.

Upon a motion duly made by Trustee Segal, seconded by Trustee Quiroga, it was unanimously VOTED:

The Executive Committee of the Salem State University Board of Trustees hereby authorizes the president in consultation with the chair to pursue and plan for Commencement 2014, including the recruitment and solicitation of individuals to provide the keynote address at each of the three ceremonies and at least one individual for receipt of an honorary degree in keeping with the University’s established criteria.

Interim positions: President Meservey then reminded the committee of the work of the three interim positions instituted at the beginning of the summer with the announcement of VP of Finance & Facilities Andrew Soll’s retirement: Chief of Staff Bower (in charge of campus development); Chief of Police and Interim Executive Director of Facilities Labonte; and CIO/CISO and Interim Executive Director of Finance Ainsworth. The president shared with the committee her decision to begin recruitment for a new chief financial officer, with a focus on strategic finance. She would like to develop a position description and begin advertising by January and come back to the committee at the meeting on January 29, 2014.

There was discussion about the advisability of utilizing a recruiter for this search. The consensus from the committee members seemed to be that it was warranted given the level of the position however they requested a review of the organizational chart before moving forward with the hire. President Meservey described some of her thoughts behind the position description, including preparation for the retirement of Executive Vice President Cahill in June, 2014. Trustee Quiroga recommended referring
to best practices, such as those that might be available through the Association of Governing Boards, to inform the search process.

The president updated the committee on the search for the Dean of the School of Education. There is a candidate to be brought forward. There was a discussion of the university’s efforts to attract a diverse workforce. There was also discussion of a presentation from an earlier committee meeting on the university’s branding campaign.

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

Upon a motion duly made by Trustee Mattera and seconded by Trustee Quiroga, it was unanimously VOTED: To adjourn the meeting at 7:53 pm.

Prepared by: J. Fleischman, Secretary to the Board of Trustees
SUBJECT: Executive Committee Meeting Report of December 21, 2013

The Executive Committee of the Board of Trustees met Saturday, December 21, 2013, at the law offices of Ronan, Segal & Harrington, 59 Federal Street in Salem, MA.

Present for the Committee were Trustees Scott (chair), Quiroga; and Segal; and President Meservey (committee liaison). Trustee Mattera (vice chair) and Secretary to the Board Fleischman participated remotely by telephone. Also present and participating in the meeting were Trustees Davis and Lancome; and Vice President for Institutional Advancement McGurren.

Chair Scott called the meeting to order at 6:35 pm.

The meeting had originally been scheduled as a meeting of the full board of trustees. Following discussion of the quorum requirements outlined in the board bylaws (Art.II, Sect.5) and set forth by the MA Attorney General with regard to remote participation, and in light of the meeting’s attendance, it was determined that the business to be conducted at this session would be carried out by the Executive Committee of the board through its authority as outlined in Art.III, Sect. 6a of the bylaws. The sole item of business on the agenda was the review of a pending gift to the university and related naming opportunity. Chair Scott turned the meeting over to President Meservey and VP McGurren.

The $1M gift is the first of its magnitude to be made by Cummings Foundation. The request is for a naming opportunity in honor of James “Jamie” McKeown ’77, the late president of Cummings Properties and former managing trustee of Cummings Foundation, who passed away in 1996 at the age of 41. The funds would be used in support of the Salem State University Center for Holocaust and Genocide Studies, with a piece of property on campus named in memory of Mr. McKeown. The intent is to have the gift paid out over a ten year period, in equal increments.

The Executive Committee of the SSU Foundation, in its meeting earlier that week, agreed to accept the 10-year pledge and have it count towards the current campaign’s total, even though the pledge will conclude after the campaign is completed. The president reminded the committee that bringing the matter to the board for approval is in keeping with the recently approved “Naming Opportunities and Gift Recognition Policy.”

The proposed naming opportunity under consideration is the plaza in front of the new library. The president directed the trustees’ attention to the graphic representation of the memorial (Attachment A). It is intended that the university would work with appropriate architects to refine the actual design of the project with input from Mr. William S. Cummings, the president of Cummings Foundation.

There was discussion of the review process for large gifts with associated naming opportunities. Trustee Mattera inquired into the methodology for working with failure to comply with the gift pledge and our ability to reclaim the property for another naming opportunity. President Meservey cited the portion of the gift policy that covered termination of a naming relationship. Trustees Mattera and Quiroga also suggested that the institution be comfortable with the language of the agreement prior to signature.
Trustee Quiroga made the motion to accept the gift and to authorize the proposed naming opportunity. Trustee Segal seconded the motion.

Upon a motion duly made by Trustee Quiroga and seconded by Trustee Segal, a roll call vote was taken and it was unanimously

VOTED: The Board of Trustees of Salem State University hereby approves the naming of the area known as the plaza and amphitheater located contiguous with the Frederick E. Berry Library and Learning Commons for the memory of Mr. James L. McKeown ’77 in keeping with the “Naming Opportunities and Gift Recognition Policy” approved by the Board on 10/8/13. (NB-14-01)

Voting in the Affirmative: Mattera, Quiroga, Scott and Segal
Voting Against: None

Chair Scott asked if the university will be prohibited from approaching the Cummings Foundation with other proposals for the three year time frame associated with earlier, smaller gifts as a result of this gift. VP McGurren responded that it was unclear how this gift, the first of its kind, would affect the university’s ability to receive funding for other projects. Chair Scott acknowledged that the gift could affect the university’s strategy with the foundation going forward.

There being no further business to come before the committee, the meeting was adjourned by unanimous consent at 6:52 p.m.

Prepared by: J. Fleischman, Secretary to the Board of Trustees
SUBJECT: Executive Committee Meeting Report of January 29, 2014

The Executive Committee of the Board of Trustees met Wednesday, January 29, 2014, in room 210 of Marsh Hall located on the Central Campus of Salem State University.

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

Chair Scott called the meeting to order at 7:25 pm.

Search Update: Chair Scott stated the purpose of the meeting was to receive an update from the president on the ongoing staff searches and turned the discussion over to President Meservey who distributed two organization charts (Attachments A & B) dated June 2013 and Spring 2014. She reminded the committee of the organizational changes that had occurred over the past summer as a result of the pending retirements of EVP Cahill and VP of Finance & Facilities Andrew Soll and the interim appointments for Chief of Staff Beth Bower, CIO Patricia Ainsworth and Chief of Police Gene Labonte.

The president described her desire to hire a Chief Financial Officer and discussed the positions represented on the chart that would be affected by such a hire. She also detailed another position, VP of Administration, which would represent aspects of EVP Cahill’s responsibilities as well as some elements of capital asset management that had been under VP Soll. She explained that these were not new positions, but rather repurposing of current ones, with shifting responsibilities. There was discussion about how these hires would affect specific individuals. Trustees Mattera and Segal encouraged the president to consider using this transition as an opportunity to consolidate administrative positions if possible. There was also discussion of the role of the CFO in carrying out strategic planning across the institution.

There was general support for the two searches from the committee members. The caveat for the administration, as described by Trustee Mattera, was to give thought to resources and organizational need.

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

Upon a motion duly made by Trustee Mattera and seconded by Trustee Segal, it was unanimously VOTED: To adjourn the meeting at 7:46 pm.

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

The Presidential Review Committee of the Board of Trustees met Wednesday, January 29, 2014, in room 210 of Marsh Hall located on the Central Campus of Salem State University.

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

Trustee Mattera called the meeting to order at 7:47 pm.

The purpose of the meeting was to review the presidential goals first distributed to the committee in September, 2013 and to confirm or amend them prior to recommending them to the full board. President Meservey reviewed the material provided to the committee (Attachment A). There was discussion of the data that needed to be updated and it was decided that rather than re-distribute the memo with new information, the president would update the board at the February meeting.

In general discussion of the goals, Trustee Mattera questioned with whom the president would be positioning the university. She was referring to public opinion generally, tied in with the university’s marketing efforts and work, for example, in areas of work force development, with the department of higher education, etc. She discussed her efforts to have activity on campus that addresses societal issues. There was discussion of the strategy of the formal, semi-annual speaker series vs. a less formal approach that would be more responsive to opportunities. She also stated a desire for the university to be a source of intellectual rigor and a thought leader. Trustee Mattera cautioned that the focus needs to remain on the substance of academic excellence, rather than the veneer of thought leadership. The president agreed and discussed the importance of highlighting faculty achievement and our centers of excellence.

There was further discussion of the Speaker Series and the evolution of the market place for events of its kind.

Upon a motion duly made by Trustee Segal, seconded by Trustee Mattera, it was unanimously VOTED: The Presidential Review Committee hereby recommends to the Salem State University Board of Trustees the approval of the 2013-14 presidential goals as outlined in Attachment A.

There being no further business to come before the Committee, upon a motion duly made by Trustee Quiroga and seconded by Trustee Mattera it was unanimously VOTED: To adjourn the meeting at 8:00 pm

Prepared by: J. Fleischman, Secretary to the Board of Trustees
To: David Abdoo, Chair, Presidential Review Committee
From: Patricia Maguire Meservey, President
CC: Pamela Scott, Chair, Board of Trustees
Date: September 11, 2013; Revised January 6, 2014
Topic: Metrics for President’s Review 2013 – 2014

Following our process from last year, I will offer suggested goals for my performance for the coming year. In thinking about what you might expect from me, I would like to start by offering four overarching goals that I think are representative of the work of the president. The first of these goals is difficult to measure as the outcome is not quantitative. I do believe, however, it is the most important effort I can undertake to achieve the balance of our goals.

- Position Salem State University as a source for thought leaders on educational, workforce, and societal issues

The next three are very measurable in a simple yes, or no.

- Secure approval and resources for capital improvement projects
- Achieve financial goals of the Comprehensive Campaign
- Establish pathway to offer a doctoral program that awards a Salem State degree in Social Work

The other goals & metrics are as follows:

1. **Student Success** –

<table>
<thead>
<tr>
<th>Table I Undergraduate Performance Metrics</th>
</tr>
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<tbody>
<tr>
<td>Criteria</td>
</tr>
<tr>
<td>---------------------------</td>
</tr>
<tr>
<td>Retention Rates</td>
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<tr>
<td>Full-time, first-time Freshmen</td>
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<td>Full-time Transfer</td>
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</tr>
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<td>Transfer</td>
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Table II  Graduate Performance Metrics

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<th>Graduate Enrollments</th>
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<th>Outcome Fall 2013 (final)</th>
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<tr>
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<td>1,350 (TBD)</td>
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</tr>
<tr>
<td>Non-degree seeking</td>
<td></td>
<td>285</td>
<td>350 (TBD)</td>
<td></td>
</tr>
</tbody>
</table>

2. Academic Programming –
   a. Core curriculum – Successful implementation of the new general education/core curriculum will occur in the fall of 2014.

   b. Program development –
      i. School of Education. Implement recommendations of education consultant and working group on education including hiring a Dean of Education and approving baccalaureate/masters programs.
      ii. Comprehensive rebuilding of Continuing and Professional Studies. This will include an integration of the part-time undergraduate students with the full-time students as well as a program of aggressive professional program that will generate revenues for the university.
      iii. Expand partnerships with community colleges. Expand program offerings through degree completion, satellite campuses, on-line offerings, etc. with community colleges.
      iv. Internationalization. Develop a strategic plan for increasing the internationalization of campus, including increased recruitment of international students, expanded study/travel offerings and connections with international alumni.
      v. Other new academic programs. These will be developed at all levels and across disciplines. Examples include: BS in information technology, a new health and environmental studies programs; at least two more of combined bachelor/master’s programs; new graduate certificate programs; and new master’s programs.

3. Student Life –
   a. One Stop Shop. Fully implement One Stop Shop to be ready for business in fall 2014.
   b. Student Success. Continue expansion of MAP-Works, “Go Pro”, Leadership Programs and other high impact strategies increase support for student success.
   c. Assessment. Continue program reviews with focus on the development of Athletics with the new Gassett Fitness & Recreation Center expanding intramural sports & involvement.
4. Finances –

   b. **Diversify revenues.** Increase enrollments in part-time program, certificate programs and professional programs as well as expanded grant writing to secure additional revenues.

5. Physical Plant –
   a. **Master Visioning Plan for Campus 2040.** To be review and approved by the Board in October 2013. (Completed)
   b. **Gassett Fitness & Recreation Center.** Schedule to open mid-October 2013. (Completed)
   c. **Gordon Center for the Creative & Performing Arts.** We are in the design development stage with “ground breaking” expected in April of 2014; to be finished in December of 2015, funding pending.
   d. **New Residence Hall and related projects.** We are in the schematic design phase for these various projects and expect to break ground in March of 2014; opening fall of 2015.
   e. **Science Addition to Meier.** This project requires that our allocation for this project (that was included in the 2008 Higher Education Bond Bill) will be put on the spending plan for FY 2014. We are working with the administration to have this project be approved. (Project approved; in study phase of development)
   f. **Parking Garage.** This project is in the very early stages of development and the goals would be to be in schematic design by June 2014.
   g. **Deferred Maintenance.** Develop comprehensive review of campus needs for maintenance and establish a process for setting priorities and systematically addressing the work.

6. Risk Management –
   a. **Continuity of Operations.** Complete a plan for Continuity of Operations and test the system through a table top exercise.
   b. **Administrative Structure.** Recruit leadership for Risk Management to replace Stan Cahill, who is retiring in June 2014 and Finance & Facilities following interim organizational structure.

7. Marketing & Communications – Launch our comprehensive branding/positioning plan by early 2014 and continue our graduate school campaign this fall, 2013.