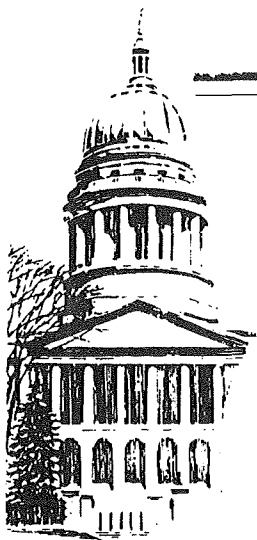


# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

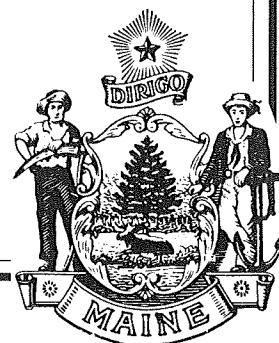


# Review of

UNIVERSITY OF MAINE SYSTEM

## Joint Standing Committee on Audit and Program Review

1987 - 1988





SENATE

BEVERLY MINER BUSTIN, DISTRICT 19, CHAIR  
RAYNOLD THERIAULT, DISTRICT 1  
MARY-ELLEN MAYBURY, DISTRICT 11

STAFF

OFFICE OF FISCAL AND PROGRAM REVIEW  
CHERYL RING, PRINCIPAL ANALYST  
LOCK KIERMAIER, ANALYST  
BARBARA J. GAGE, ANALYST



HOUSE

NEIL ROLDE, YORK, CHAIR  
RUTH JOSEPH, WATERVILLE  
PHYLLIS R. ERWIN, RUMFORD  
NORMAN O. RACINE, BIDDEFORD  
ADA K. BROWN, GORHAM  
HARRIET A. KETOVER, PORTLAND  
JOHN C. BOTT, ORONO  
ELEANOR M. MURPHY, BERWICK  
WESLEY FARNUM, SOUTH BERWICK  
BEVERLY C. DAGGETT, AUGUSTA

STATE OF MAINE  
ONE HUNDRED AND THIRTEENTH LEGISLATURE  
COMMITTEE ON AUDIT AND PROGRAM REVIEW

March 1988

Members of the Legislative Council:

We are pleased to transmit the Committee's 1987-1988 report to you in four volumes. The report includes statutory and administrative recommendations and findings on the:

- + Board of Trustees of the University of Maine System;
- + State Government Internship Program Advisory Committee;
- + Advisory Committee on Maine Public Broadcasting;
- + Board of Trustees of the Maine Maritime Academy;
- + Maine Conservation School;
- + DEP - Underground Petroleum Storage Tanks;
- + DOT - Eminent Domain/Sale of Surplus Property;
- + Alcohol and Drug Abuse Planning Committee;
- + Board of Commissioners of the Profession of Pharmacy;
- + Board of Examiners of Psychologists;
- + Maine Occupational Information Coordinating Committee;
- + Arborist Examining Board;
- + Electricians' Examining Board;
- + State Board of Social Worker Licensure; and
- + Maine Uniform Accounting and Auditing Practices Act.

In addition to the diligent work of the Committee members, we would like to particularly thank the adjunct members who served on our subcommittees from other Joint Standing Committees; their expertise enriched and strengthened the review process.

The Committee's recommendations will serve to improve state agency performance and efficiency by increasing management and fiscal accountability, resolving complex issues, clarifying Legislative intent, and increasing Legislative oversight. We urge the full Legislature to consider our proposals carefully and we invite questions, comments, and input regarding any part of this report.

Sincerely,

A handwritten signature in cursive script, reading "Beverly Miner Bustin".  
Beverly M. Bustin  
Senate Chair

A handwritten signature in cursive script, reading "Neil Rolde".  
Neil Rolde  
House Chair



# Table of Contents

Letter of Transmittal.....	
Table of Contents.....	1
Committee Organization.....	3
Explanation of Audit Process.....	5
Preface.....	7
Summary of Recommendations.....	8
Introduction.....	14
Legislative Survey.....	18
History.....	20
Governance Relationship with the Legislature.....	23
Governing Structure: University of Maine System.....	27
Board of Trustees.....	30
Recommendations and Findings: Board of Trustees.....	40
Overview: Basic Structure of Chancellor's Office, Operating Departments, and System Wide Costs.....	49
Chancellor's Office.....	50
Vice Chancellor for Academic Affairs.....	57
Recommendations and Findings: Academic Affairs.....	58
Vice Chancellor for Administration.....	70
Office of the Controller (Finance).....	70
Recommendations and Findings: Finance.....	74
Office of Facilities.....	95
Recommendations and Findings: Office of Facilities.....	97
Office of Human Resources.....	100
Finding: Office of Human Resources.....	102
Introduction: Campus Reviews.....	107
University of Maine at Fort Kent.....	109
University of Maine at Presque Isle.....	119
University of Maine at Farmington.....	131
University of Maine at Machias.....	143
University of Maine at Augusta.....	156
University of Southern Maine.....	171
University of Maine.....	189
Appendix 1: Statistical Analysis of Legislative Survey	
Appendix 2: Summary Regarding Recommendations from Visiting Committee to the University of Maine (1986)	
Appendix 3: Salary Comparisons, Chancellor's Office	
Appendix 4: Ratio Analysis	
Appendix 5: Part I Budgetary Definition	
Appendix 6: Comparative Study Tables for Higher Education Systems and Land Grant Institutions	
Appendix 7: Development Efforts in the University System	

---

---

# Committee Organization

---

## **AUDIT & PROGRAM REVIEW SUBCOMMITTEE #1**

### **Members:**

## **UNIVERSITY OF MAINE SYSTEM**

**Senator Mary-Ellen Maybury, Chair**  
**Senator Beverly M. Bustin**  
**Senator Raynold Theriault**  
**Representative Neil Rolde**  
**Representative Ruth Joseph**  
**Representative Phyllis Erwin**  
**Representative Norman O. Racine**  
**Representative Ada K. Brown**  
**Representative Harriet A. Ketover**  
**Representative John C. Bott**  
**Representative Wesley Farnum**  
**Representative Beverly C. Daggett**

### **Adjunct Members:**

**Representative Stephen M. Bost**  
Joint Standing Committee on  
Education  
**Representative James Handy**  
Joint Standing Committee on  
Education  
**Representative Gregory G. Nadeau**  
Joint Standing Committee on  
Appropriations and Financial  
Affairs



---

---

## **THE COMMITTEE PROCESS**

The Joint Standing Committee on Audit & Program Review was created in 1977 to administer Maine's Sunset Act which "requires the Legislature to evaluate the need for and performance of present and future departments and agencies on a periodic basis." (3 MRSA Ch. 23) To carry out its mandate, the overriding goal of the Audit Committee is to increase governmental efficiency by recommending improvements in agency management, organization, program delivery, and fiscal accountability.

The Committee process unfolds in five distinct phases, which can be briefly described as follows:

### **PHASE ONE: RECEIPT OF PROGRAM REPORTS**

The law requires that agencies due for review must submit a Program Report to the Committee in the year prior to review. The Program, or Justification, Report prepared by the agency provides baseline data used to orient staff and Committee to the agency's programs and finances.

### **PHASE TWO: REVIEW BEGINS**

At the start of each review, the Committee Chairs divide the full Committee into subcommittees, appoint subcommittee chairs and assign each subcommittee responsibility for a portion of the total review. Each subcommittee is augmented by at least one member from the committee of jurisdiction in the Legislature; i.e. the subcommittee reviewing the administration and management of the University of Maine System will include a member of the Education Committee.

### **PHASE THREE: SUBCOMMITTEE MEETINGS**

The subcommittees created by the Committee meet frequently when the Legislature is in session and every three to four weeks between the sessions to discuss issues regarding the agency and make recommendations for change. Staff will prepare material for the subcommittee's deliberation and present it to the subcommittee in one of several forms; as an option paper, discussion paper, or information paper. The Committee has found that these formats facilitate its process by cogently and objectively describing the topic for discussion and the points necessary for expeditious decision-making. These subcommittee meetings are not formal hearings but are open to the public and are usually well attended by interested parties. The subcommittees conduct their business in an open manner, inviting comment and providing a forum for all views to be heard and aired.

---

#### **PHASE FOUR: FULL COMMITTEE MEETINGS**

The full Audit and Program Review Committee considers the recommendations made by each subcommittee. These meetings are another opportunity for the public to express its views.

#### **PHASE FIVE: THE LEGISLATURE**

Following the full Committee's acceptance of subcommittee recommendations, Committee staff prepare a text and draft a bill containing all the Committee's recommendations for change. The Committee introduces its bill into the Legislative session in progress and the bill is then referred to the Audit and Program Review Committee. As a final avenue for public comment prior to reaching the floor, the Committee holds public hearings and worksessions on all its recommendations. After the Committee concludes deliberations and amendments, the bill is reprinted and placed on the agenda for consideration by the entire Legislature.

---

## PREFACE

This separate report of the 113th Legislature's Audit and Program Review Committee on the University of Maine System represents a first in Maine government.

While there have always been ties between the State Government and higher education, beginning with the first Legislature's funding in 1820 of what eventually became Colby College, the present study represents the initial in-depth look at the inter-connected campuses making up the University of Maine System.

The consolidation of seven campuses that were independently created into a single body under a single chancellor is now some 20 years old. Its growth and, indeed, its birth has not been without controversy. Therefore, it is appropriate that the Legislature's "Sunset" Committee review the System and its parts for public assurance that the taxpayers of Maine, who fund a large part of the budget, are receiving appropriate value for their investment.

One of the unique features of the Audit Committee's study has been an extensive analysis of every campus undertaken by staff member Lock Kiermaier, who spent considerable time visiting all of the different University facilities. Another feature is a survey of attitudes of Legislators toward the University.

The lengthy document that has resulted from all of this effort is intended not only as a working document for the Audit Committee, but also as a reference source for those persons in the public or private sectors who have an interest in the University of Maine System.

It may tell you more than you wanted to know. But in that regard it will have served its purpose.

*Beverly Miner Benton*

*Neil Rolde*

## Summary of Recommendations

The Committee categories its changes into Statutory and Administrative Recommendations. The Committee's bill consists of the Statutory Recommendations. Administrative recommendations are implemented by the Agencies under review without statutory changes. In some instances, the Committee includes a finding which requires no further action but which highlights a particular situation. Recommendations include, where possible, the proposed change and the reason for this change. For more specific detail, refer to the narrative of the recommendations.

### CATEGORY

### RECOMMENDATION

STATUTORY

1.

✓

Repeal outdated and duplicative sections of the current University of Maine System Legislative Charter.

STATUTORY

2.

✓

Amend current law to update the selection process for the student Trustee in order to further more meaningful student participation.

FINDING

3.

The Committee finds that communication between the Board of Trustees and students and faculty of the University of Maine System has improved significantly in recent years. Further, the Committee commends the Board for this improvement and encourages the Board to continue to improve communication with students and faculty and to consider means of achieving greater formal involvement of students and faculty in future Board activities.

---

ADMINISTRATIVE 4.

Revise the System Policy and Procedures Manual for improved readability, inclusion of campus and System mission statements and a review of all Board policies unrevised since 1980. Report to the Joint Standing Committee on Audit & Program Review by January 1, 1989 on the status of the manual at that time.

---

STATUTORY 5.

Repeal the Advisory Committee on Maine Public Broadcasting under the provisions of the Maine Sunset Law in recognition of the oversight currently provided by its members and the University of Maine System Board of Trustees.

---

ADMINISTRATIVE 6.

Report on the status and results of the procedures for academic program approval, review and elimination by January 1, 1989 to the Joint Standing Committees on Audit & Program Review, Appropriations & Financial Affairs, and Education.

---

ADMINISTRATIVE 7.

Develop a proposal which links the academic program review process with the state budgetary/appropriations process. Submit this proposal by September 1, 1988 to the Joint Standing Committees on Audit & Program Review, Appropriations & Financial Affairs and Education.

---

- 
- |                |     |   |
|----------------|-----|---|
| ADMINISTRATIVE | 8.  | Report to the Joint Standing Committees on Audit & Program Review, Appropriations and Financial Affairs, and Education by January 1, 1989 on the current structure, content, and results of comprehensive planning in the University of Maine System. |
| <hr/>          |     |   |
| STATUTORY      | 9.  | Continue the State Government Internship Program Advisory Committee under the provisions of the Maine Sunset Law as it serves an important and necessary function.  |
| <hr/>          |     |   |
| FINDING        | 10. | The Committee finds that members of the State Government Internship Program Advisory Committee should be appropriately compensated.   |
| <hr/>          |     |   |
| STATUTORY      | 11. | Direct the Bureau of Public Administration to seek the advice of the State Government Internship Program Advisory Committee in administering all facets of the program's administration.  |
| <hr/>          |     |   |
| ADMINISTRATIVE | 12. | Increase the Advisory Committee's areas of participation in administering the State Government Internship program.  |
| <hr/>          |     |   |

- 
- |                |     |  |
|----------------|-----|--|
| ADMINISTRATIVE | 13. | Direct the Bureau of Public Administration to improve the dissemination of its program announcements and report to the Audit Committee during the 1988 Compliance Reviews.                           |
| <hr/>          |     |  |
| ADMINISTRATIVE | 14. | Amend the application forms to clarify that program schedules may be adjusted to meet personal obligations as approved by the program's Advisory Committee.  |
| <hr/>          |     |  |
| ADMINISTRATIVE | 15. | Direct the Advisory Committee to explore the idea of adding a twelve month component to the internship program. Report to the Committee on Audit & Program Review during the 1988 Compliance Review. |
| <hr/>          |     |  |
| FINDING        | 16. | The Committee finds that, as measured by an analysis of System assets and liabilities, the University of Maine System appears to have a sound financial status.                                      |
| <hr/>          |     |  |
| ADMINISTRATIVE | 17. | Develop future budgetary submissions according to specified guidelines in order to promote clarity and understanding.  |
| <hr/>          |     |  |



---

FINDING	18.	The Committee finds that despite recent increases in legislative funding, the University of Maine System remains underfunded when compared to other similarly sized public higher education systems.
---------	-----	--

---

---

STATUTORY	19.	Grant the Board of Trustees tax exempt status for certain limited borrowing authorities to significantly reduce certain future costs within the University of Maine System.
-----------	-----	---

---

---

FINDING	20.	The Committee finds that there is a need for the Board of Trustees to continue efforts to strengthen the various development efforts within the University of Maine System. Further, the Committee finds that System funds invested in furthering effective campus development efforts is likely to result in significantly increased private giving to the University of Maine System.
---------	-----	---

---

---

ADMINISTRATIVE	21.	Report on the status of development efforts in the System with a particular emphasis on the current efforts at UMA, UMM, and UMFK by July 1, 1989 to the Joint Standing Committees of Audit & Program Review, Appropriations and Education.
----------------	-----	---

---

---

ADMINISTRATIVE 22.

Direct each campus to begin work towards budgeting for maintenance at a level equal to 1.5% of estimated building value to reduce the eventual cost of needed facility maintenance, renovation and replacement.

---

FINDING 23.

The Committee finds that the practice of deferred maintenance results in harmful and expensive effects.

---

FINDING 24.

The Committee finds that funding requested by the University of Maine System to implement the new classification system, should be the highest legislative priority for the second regular session of the 113th Legislature with regards to the University of Maine System, and should be funded in its entirety.

---

ADMINISTRATIVE 25.

Request that the Board of Trustees report to the Joint Standing Committees of Audit & Program Review, Education and Appropriations on the results of an internal USM study currently under way to assess the size and growth rate of the administrative structure of that organization.

---

---

## INTRODUCTION

The Joint Standing Committee on Audit & Program Review has the statutory responsibility to periodically review all organizational entities within Maine State Government. Up until this point, the Committee has been involved in reviewing what might be considered to be "traditional" state agencies; those organizational entities that are a part of the Executive branch of Maine State Government. In general, these agencies exist to administer statutory law which reflects legislative intent and decision making on matters of public policy. For Executive Branch agencies, policy making authority is limited to decisions as to how legislative intent can best be interpreted and administered.

While the actual task of reviewing any state agency is a complicated and multi-faceted undertaking, the Committee has developed an approach which results in a comprehensive review of all aspects of an organization's statutory mandate, organizational structure, financial resources and expenditures, staffing and program administration. From this review process, the Committee is able to formulate a series of recommendations, both statutory and administrative, which are intended to improve the overall effectiveness and efficiency of the organization under review. When appropriate, the Committee has acted decisively to clarify or change mandates, implement significant reorganization, improve the utilization and expenditure of financial resources and create a higher degree of program effectiveness and cohesiveness.

This year, the Audit & Program Review Committee was presented with a somewhat different type of a review subject. The Maine Sunset Law requires that the Board of Trustees for the University of Maine System undergo review. While the inclusion of the Board of Trustees as a review topic does not appear to be any different than any other, an examination of the legal status of the Board of Trustees and their relationship to Maine State Government suggests that the Board is an organizational entity which is fundamentally different than any of the Committee's previous review topics. As discussed in greater detail in this report, the Board of Trustees for the University of Maine System has been created by legislative charter as a body to which both policy and administrative decision making authority has been delegated by the Legislature. The University of Maine System is not a part of the Executive branch nor are any of its employees considered to be Maine State Government employees. Instead, the University of Maine System is a relatively autonomous, state authorized institution which exists to provide higher education services to the people of the State of Maine.

---

Given that the University of Maine System is created by law and that all policy and administrative decision making authority has been delegated to the Board of Trustees by the Legislature, the Audit & Program Review Committee decided to adjust the review process to reflect this significantly different governing relationship. Accordingly, the Committee's review of the University of Maine System has been limited to the manner in which the System is administered and managed. The purpose of this approach was to remain cognizant of the importance of the notion of academic freedom. The importance of academic freedom is central to the Legislature's historic decision to delegate overall decision making on public higher education to educators, thus removing it as much as possible from the traditional political realm. By deciding to focus on the manner in which the System is managed and administered, the Committee has sought to reach an accurate understanding of how the System is currently organized and how it functions, without intruding on the Board's academic decision making responsibilities.

The Audit & Program Review Committee determined that there may be a number of instances where it would be appropriate to issue either statutory or administrative recommendations or to make a finding. The Committee has issued recommendations or findings which seek to clarify and improve the present relationship between the University System and the Legislature, as well as make a number of recommendations which address issues of administrative process.

In constructing this review of the University of Maine System, the Audit & Program Review Committee has sought to provide a report to the Legislature and the people of the State of Maine, which clearly and accurately describes the organizational relationships which exist within the System, as well as useful information regarding the unique financial operations of public higher education, staffing levels, administrative procedures and the overall decision making precepts which the System adheres to. Finally, the Committee has devoted a considerable amount of its time and resources to review each of the 7 campuses in the manner described above.

Throughout the review process, the Committee has intended to conduct a review which furthers legislative understanding of the University of Maine System and to make constructive recommendations which will benefit the System and the people of the State of Maine. The purpose of this report is to communicate in a written form the results of the Committee's review of the University of Maine System. This report is organized into sections which explain the System and its components in a logical and understandable way.

---

First, the report provides a discussion of the history of the System with an emphasis on its relationship with the Legislature. This portion of the report also includes segments on the nature of the University System's legal relationship with the Legislature and a description of how that relationship translates into the budgetary process through which the University System receives most of its revenues.

Second, the report covers the overall structure of the University of Maine System. Included in this section are detailed discussions regarding current System organization and a comprehensive analysis of how the basic structure of the University of Maine System compares to other similarly sized systems of public higher education.

Next, the Committee's report delves into all aspects of operation and management with regards to the Board of Trustees, the Chancellor's office and System wide services. For each of these units, the Committee investigated and reviewed such topics as purpose, organizational structure, current staffing levels, current operating procedure and financial management. Whenever practical, the Committee sought to compare and contrast current System practices with other public systems of higher education.

Finally, to acquire a complete understanding of the current manner in which the various components of the System are administered and managed, the Committee reviewed each of the seven campuses. To accomplish this phase of the review, individual Committee members and staff visited each campus for at least a two-day period. Numerous interviews and public meetings were conducted during these visits to gather information and impressions from administrators, faculty, professional staff, other employees and students. The Committee has included the results of this review process for each campus towards the end of this report.

Throughout this report, the Committee has included recommendations and findings which it believes are constructive and keeping with the historical nature of the relationship between the University System and the Legislature. As determined by priorities gathered through a survey of current Legislators, the Committee has made recommendations which will improve accountability from the System to the Legislature, clarify the current budgetary process, reduce certain current borrowing expenses of the University System, improve the effectiveness of certain System procedures and increase meaningful communication from the System about issues of significant importance to the Legislature. The Committee has also issued a number of findings, the purpose of which is to draw attention to, and describe, the Committee's perspective regarding a number of situations and issues that are associated with the University System.

---

The Committee's review of the University of Maine System represents an unprecedented legislative effort to comprehensively understand the manner in which the System is administered and managed. It is also intended that this review contribute to a new era of clear and open communication between the University System and the Legislature.

---

## RESULTS OF LEGISLATIVE SURVEY

In a number of past review efforts, the Audit & Program Review Committee has conducted surveys of the various constituencies that are affected by the agency under review. The Committee has used the results of these surveys to gain additional perspective and information about the particular agency and, when appropriate, has used the survey results as a basis for formulating recommendations.

For this review of the University of Maine System, the Audit & Program Review Committee carefully considered the vast amount of legislative interest and financial resources that have been directed to the University System in recent years. Given the high degree of legislative interest in improving the University System, the Committee decided to expand upon its previous review efforts and to conduct a survey of all members of the 113th Legislature with regards to their perceptions and stated priorities for the University of Maine System. As in the past, the Committee intended to use these results to help shape the direction and focus of their review of the University System.

The Committee constructed this survey over the course of several meetings during the summer of 1987. Copies of the final survey instrument were sent to each legislator on August 28, 1987. This first mailing resulted in 67 returned surveys. The Committee followed up this first effort with a second copy which was provided to all legislators during a special session on October 9, 1987. This second effort was successful in producing an additional 20 completed surveys.

In total, the Committee received 87 completed surveys. This figure of 87 represents some 46% of the total 186 legislators. The Committee notes that a return rate of that magnitude is generally considered to be statistically significant, and thereby represents an accurate portrayal of the surveyed population. This conclusion is buttressed by the survey results which indicate that the returned surveys represent an almost exact proportion of Senate and House respondents (80% and 18% respectively) to the actual proportion of Representatives and Senators (81% and 19% respectively).

A complete copy of the original survey instrument with detailed statistical results has been included as Appendix 1. The Committee found that several significant perceptions and priorities emerged from these results:

- most legislators described the present relationship between the University System and the Legislators as "fair" or better;

- 
- "increased accountability" was mentioned most often as a way of improving the present relationship;
  - a significant majority of Legislators favor either the present levels of funding increases to the System or higher rates of increase;
  - "accessibility" was identified by most legislators as the primary concern of their constituents with regards to the University System;
  - an overwhelming majority of legislators rate the quality of education from the University System as either "good" or better; and
  - most legislators see no need for either an expansion or a reduction of the number of campuses within the System.

As evidenced by the contents of this report, the Committee used the survey results to develop certain recommendations for the report. In particular, these results helped to produce recommendations to improve and clarify the notion of appropriate accountability from the University System to the Legislature. The survey results also served as the basis for certain findings and recommendations pertaining to the financial status of the University System and the process by which the System receives its legislative appropriations.



---

## HISTORY

The present day University of Maine System is the outgrowth of a long historical process. During its history, the University of Maine System and its institutional predecessors have evolved from a single campus to a complex array of campuses under the aegis of a single system.

Any discussion of the history of the University of Maine System is inevitably complicated by the varying titles that have been used by both the individual campuses and the present System structure. The first component of the present day system to be created by the legislature was the Western State Normal School which is presently known as the University of Maine at Farmington (UMF). UMF received its initial legislative charter in 1863. In 1865, the Legislature granted a charter to establish the Maine State College located in Orono; currently titled as the University of Maine (UM).

UM was created under the auspices of the 1863 Morrill Act of the Federal government. The Morrill Act allocated 30,000 acres in federal land to each congressman from all the states in existence at that time. The provisions of the Morrill Act stipulated that the land was to be sold, with the proceeds to be used exclusively for the establishment of a public land grant college in each state. Since its establishment, UM has been the land grant and principal post-graduate institution for the State of Maine. Up until the consolidation of the seven campuses which occurred in the late 1960's, any reference to the University of Maine was in fact a reference to the present Orono campus.

Since the creation of UMF and UM, the legislature has also chartered five other institutions which are currently known as the University of Southern Maine (USM), University of Maine at Augusta (UMA), University of Maine at Presque Isle (UMPI), University of Maine at Machias (UMM), and University of Maine at Fort Kent (UMFK). With the exception of UMA, the campuses other than UM were all created as either "normal" schools or teacher colleges. Prior to their inclusion into the present University of Maine System, each of these institutions was a formal part of state government and for a number of years were under the authority of the State Board of Education. As units of state government, these institutions had line item appropriations from the Legislature and all employees were considered to be state employees. (A more detailed history of each campus is included in the sections of this report that deal exclusively with that campus).

---

Keeping in mind that prior to the late 1960's, any mention of the University of Maine refers exclusively to the Orono campus, the Committee observed several characteristics of the overall relationship between the Legislature and the University which continue to the present time:

- a University perspective which maintains that the institution has sometimes been inadequately funded; a situation which has resulted in claims of low faculty salaries, inadequate facilities and generally insufficient funding for operating expenses. The University perspective appears to be typified by the following statement issued by the Board of Trustees in the late 1860's:

"What is asked by the Trustees is really a **moderate sum** when we consider the **actual needs** of the college now just commencing its career, providing its various departments are to be in any manner respectably supplied".

- a Legislative perspective which at times has reflected a frustration with the University claim of underfunding. The Committee noted the existence of a discernable cycle in which the apparent effects of underfunding result in a period of financial difficulty for the University. On occasion, this situation culminates in a public effort to study and identify the magnitude of underfunding as well as to develop a series of recommendations to remedy the situation at hand. The final stage of this recurrent cycle has usually resulted in a series of significant funding increases to the University from the Legislature; and
- a University-Legislative relationship in which the University's autonomy has largely been maintained. This relationship has also been characterized by a consistent legislative scrutiny about the appropriateness of this degree of autonomy. At infrequent intervals, the Legislature has taken steps which may have represented temporary departures from the original intent of institutional autonomy.

---

In 1968, the Legislature unified the various teacher colleges with UM as a multi-campus University System. In this new relationship, the former teacher colleges lost their status as state agencies and came under the provisions of the original legislative charter which authorized the Board of Trustees to create and administer an institution of public higher education for the state. (The Committee noted that employees of the former teacher colleges were given the option of remaining in the Maine State Retirement System or joining the System's retirement plan. As a result, less than 100 System employees are still members of the State Retirement System although neither they nor any System employee is a "state" employee.) The purpose of this highly significant change was to promote a system of public higher education which provided a coordinated effort and more comprehensive and effective educational programming for the Maine public.

Most recently, in 1986, significant legislative attention was focussed on the University System as a result of certain recommendations issued by a gubernatorially appointed Visiting Committee to the University of Maine [System]. The Visiting Committee issued a series of recommendations, the most significant of which resulted in a supplemental legislative appropriation to the University System in the amount of a \$15 million "downpayment". The Audit & Program Review Committee reviewed each of the Visiting Committee's recommendations and in Appendix 2 has included a summary of these recommendations, original Board of Trustees' responses and updates as to the degree of implementation.

Although additional efforts will probably be needed, from both the University System and the Legislature, to further promote the widely held goal of educational excellence for the System, it is clear that the Visiting Committee's recommendations and the Legislature's response to them, have marked the beginning of a new era in the relationship between the University System and Legislature. In this report, the Committee has provided documentation that the \$15 million downpayment and subsequent funding increases from the Legislature have succeeded in significantly improving measurable aspects of System resources. The improvement in the level of System funding has resulted in markedly improved faculty salaries, the provision of needed instructional materials and most importantly, evidence of improved educational quality throughout the University System.

---

## GOVERNANCE RELATIONSHIP WITH THE LEGISLATURE

The University of Maine [System] was chartered by the State of Maine in 1865. The original charter has been amended a number of times but retains certain elements which have existed throughout the University System's history:

- The University System is established by the Legislature with the recognition that public institutions of higher education shall have "a proper measure of control over [their] own operations"; and
- The Legislature has the authority to "grant further powers, to alter, limit or restrain any of the powers vested in the trustees."

The University of Maine System is also established by statute as "an instrumentality and agency of the state for the purpose for which it was established (20-A MRSA § 10903), the wording for which was enacted in 1944. Since then, the Attorney General's office has issued a legal opinion that an earlier court ruling which stated that the University of Maine was not a state owned and operated institution was still binding regardless of any statutory use of the word "agency".

The University System has found it useful for certain legal purposes to cite this statutory reference as a "state agency". The Committee's understanding is that the University System is not a state agency per se, but instead should be considered to be the vehicle authorized by the state to provide a system of public higher education for Maine citizens.

Although the current statutory relationship may include some ambiguity, for the most part, the relationship between the State and the University appears to have been one in which the University's autonomy has been largely preserved.

In seeking to place the governance relationship between the System and the Legislature in some perspective, the Committee reviewed the realm of governing relationships for other states and their public University Systems. The Committee found that there appear to be two distinctly different methods by which states have created and govern their institutions of public higher education:

---

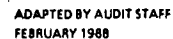
1. Constitutionally authorized - approximately 10 states have constitutions which specifically authorize and create a state institution(s) for public higher education. When created in this fashion, the state institution for public education is "[elevated] above the condition of a mere agency in the legislature and places [it] in a position of pre-eminence in the state's legal structure." In practical terms, the legislatures in those states have no authority over the governance of public institutions of higher education.

2. Legislatively authorized - most states have established their public institutions of higher education through statutory law, i.e. legislative action. In these states, the state university is generally thought of "as a creature" of the legislature. However, there is a wide range of approaches as to what degree of operating autonomy is bestowed by the various legislatures to the institutions.

At one end of the spectrum, legislatures have created governing boards which are highly independent of state government and are often not considered to be part of state government. At the other end, a number of state legislatures have created state universities without a governing board. These universities are considered to be state agencies with virtually no autonomy.

The Committee utilized Diagram 1 to portray and describe the University's current governance relationship relative to other prevalent models. Briefly stated, the current University of Maine System governance structure appears to most closely resemble the "State-Aided Institution" model. When compared to other states, the University of Maine System is a fairly autonomous institution which is created and aided by the state. The State has never chosen to exercise its legal authority to fundamentally alter this historically autonomous relationship, which is held by many to be essential to the success of institutions of public higher education.

## GOVERNANCE MODELS: PUBLIC HIGHER EDUCATION



Second, the Board of Trustees is required to appear before the Joint Standing Committee on Education on an annual basis to report on the status of the University System with specific reference to various planning efforts and a financial accounting of the prior year's activities. In the same vein, the Chancellor for the University of Maine System is statutorily obligated to address a joint session of the Legislature on an annual basis regarding the current state of the University of Maine System.

---

Finally, and perhaps most importantly, the University System receives a great majority of its funding from biannual appropriations from the state's General Fund. In most instances, the Legislature appropriates money to the University System in the form of an unspecified "All Other" grant. Funds appropriated to the University System in this manner are, in essence, "given" to the Board of Trustees to be used at their discretion to fund the various activities and programming efforts of the University System.

At times, the Legislature has deemed it necessary to appropriate funds to the University System for a specific purpose. These appropriations take the form of a "line item" appropriation to the Board of Trustees. These line item appropriations specify how the funds will be used, sometimes by campus, other times by purpose, and on occasion, a mixture of both.

In the past several years, the Legislature has utilized a line itemizing approach for a number of specific purposes. Although these instances of line item appropriations have totalled a very small fraction of the total legislative appropriation to the University of Maine System, it has been alleged by some individuals in the University System that this line itemizing represented an "unprecedented" intrusion by the Legislature of the Board of Trustees' historical autonomy.

To address this allegation, the Committee reviewed all legislative appropriations to the System since its inception in 1968. The Committee found that, on a number of occasions, the Legislature has seen fit to line item specific appropriations in rather small amounts to the Board of Trustees. The Legislature appears to have used this limited line itemizing approach on a case-by-case basis and only in those instances that it wishes the funds to be used in a particular fashion.

---

## GOVERNING STRUCTURE:

### UNIVERSITY OF MAINE SYSTEM

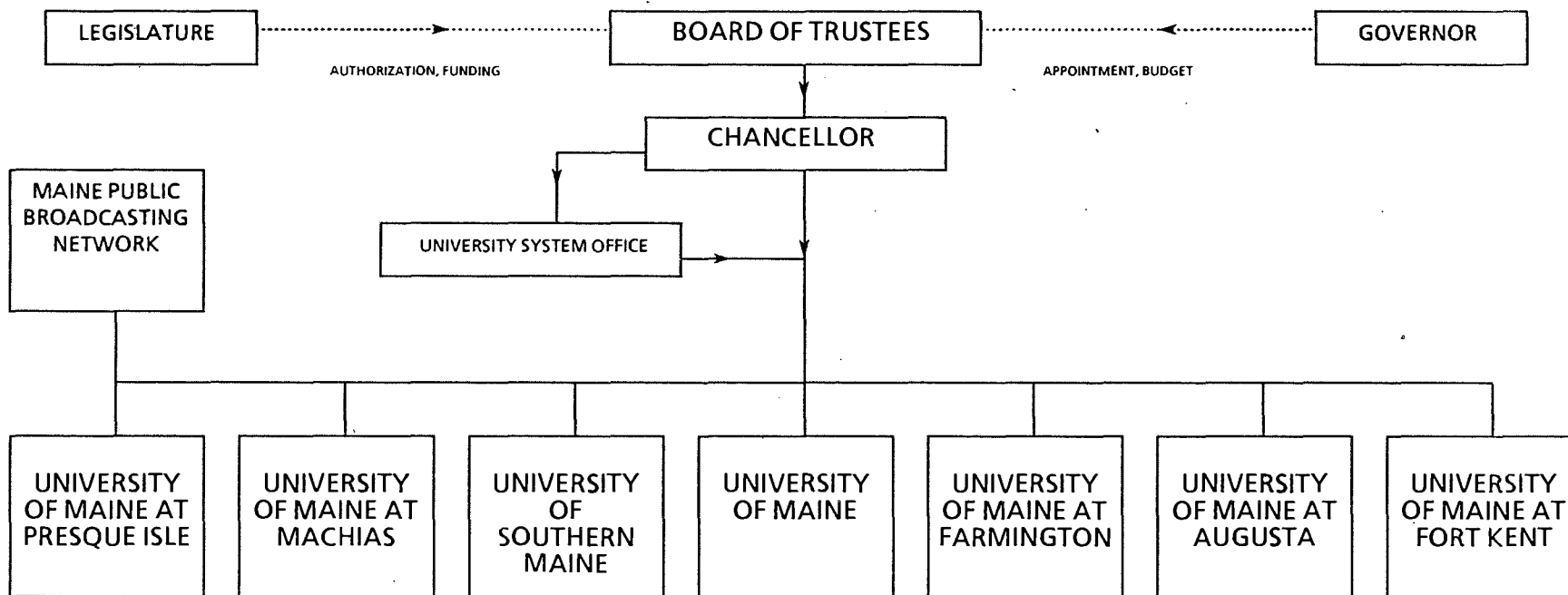
The Board of Trustees (BOT) is the statutorily created body which has governing responsibilities for the University of Maine System. The BOT accomplishes a great deal of its governing responsibilities by setting System wide policies. Each of the seven campuses which comprise the System are permitted to operate on a fairly autonomous basis. The Committee found that the Legislature's relationship with the University System, which is characterized by a delegation of responsibility to minimize interference, is replicated at many levels within the University System itself. In essence, the BOT retains responsibility for the seven campuses within the System but delegates authority for day-to-day operations and program implementation to the campuses themselves.

Diagram 2 depicts the basic governance structure and the relationship between the major organizational units. The contents of this diagram are described briefly below, and in more detail elsewhere in this report:

- Board of Trustees - functions as the governing body for the University of Maine System;
- Chancellor - appointed by the Trustees as the System's chief executive officer;
- University System Office - provides certain administrative services for the System as a whole and each of the seven campuses;
- University of Maine - Functions as Maine's land-grant college and research institution. Serves a total of more than 11,000 undergraduate and graduate students;
- University of Southern Maine - functions as an urban campus for the greater Portland area. Offers a comprehensive range of undergraduate degree programs with graduate offerings in certain disciplines. Serves a total of more than 8,000 students;



**DIAGRAM 2**  
**THE UNIVERSITY OF MAINE SYSTEM:**  
**ORGANIZATIONAL & GOVERNANCE STRUCTURE**



- 
- University of Maine at Augusta - functions as a community college offering numerous undergraduate degree programs as well as access to several master's programs originating from other University of Maine System campuses. Serves a total of more than 3,000 students;
  - University of Maine at Farmington - functions as a regional campus of the University of Maine System offering a wide variety of undergraduate degree programs. Serves a total of more than 2,000 students;
  - University of Maine at Presque Isle - another of the University of Maine System regional campuses with a diverse offering of undergraduate degree programs. Serves a total of more than 1,200 students;
  - University of Maine at Machias - offers a variety of 4 and 2 year undergraduate degree programs on a regional basis. Serves a total of more than 800 students;
  - University of Maine at Fort Kent - the smallest of the regional campuses of the University of Maine System also offers a variety of 2 and 4 year undergraduate degree programs. Serves a total of 600 students;
  - Maine Public Broadcasting Network - provides a statewide radio and television network for the people of the State of Maine. Licensed under the auspices of the University of Maine System Board of Trustees.

---

## BOARD OF TRUSTEES

Under the terms of its legislative charter, the Board consists of 16 members. Fourteen of the members are appointed by the Governor, confirmed by the Legislature and are to be "representative of the population of the state". These 14 board members may serve two five year terms. At the present time, these 14 "at large" trustees are as follows:

- Richard I. Morin, Chairman (Fort Kent);
- Harrison L. Richardson, Jr., Vice Chairman (Portland);
- Dr. Stewart N. Smith (Exeter);
- Dr. James A. Storer (Brunswick);
- Dr. George W. Wood, III (Bangor);
- Mr. Thomas F. Monaghan (Portland);
- Mr. Richard P. Marshall (Old Orchard Beach);
- Ms. Geneva A. Kirk (Lewiston);
- Mrs. Patricia M. Collins (Caribou);
- Mr. Robert J. Dunfey (Portland);
- Stanley J. Evans, M.D. (Bangor);
- Mr. David T. Flanagan (Augusta);
- Mr. Robert H. Foster (Machias);
- Mr. Joseph G. Hakenson (Portland);

The other two members of the board are "designated" members. The first is the Commissioner of the Department of Educational and Cultural Services, who serves a voting member, ex officio. The present DECS Commissioner is Ms. Eve Bither.

The remaining Board of Trustee member is a student member; presently Ms. Theresa Moore from UM. The charter specifies that this individual must be a full time student at the time of appointment and be a permanent resident of the state. The student member is nominated by the Governor from a list of five candidates submitted by the University of Maine Organization of Student Governments. Student trustees are limited to one two-year term and must not come from the same campus for two consecutive terms. Student trustees have full voting privileges.

As a matter of board policy, the Board has recently included faculty and student representatives. In March of 1987, the Board revised this policy to include faculty and student representatives as non-voting members of the Board's standing committee structure. In brief, the Board's current policy on faculty and student representatives has the following elements:

- Each campus is entitled to have one faculty and one student representative to the Board;

- 
- Nominees from each campus are proposed to the Chancellor by that campus' faculty and student governing bodies. The Chancellor forwards nominees to the Board for formal approval;
  - Faculty and student representatives are encouraged to attend all committee meetings of which they are considered to be active, non-voting members;
  - Faculty and student representatives are expected to have formal meetings of their own, held in conjunction with the regular Board meeting;
  - Faculty and student representatives are encouraged to attend all formal Board meetings, and on occasion will be asked to formally address the Board;
  - Executive meetings of the Board are not open to faculty and student representatives;
  - Faculty and student representatives are reimbursed for travel and related expenses;
  - To provide adequate linkage to the Board, the Chancellor meets periodically with each group. It is through this process that the representatives can suggest items for the Board's formal agenda; and
  - The Board's Executive Committee regularly schedules a meeting prior to the formal Board meeting in which faculty and student representatives can comment on and discuss items on the Board's formal agenda.

By law, the Board has been given the authority to be the governing and planning body of the University of Maine System. The Board's charter spells out a number of specific responsibilities:

- 
- accept the responsibility for governing and maintaining a structure of higher education in the state;
  - prepare and approve an operating budget for the System;
  - appoint a Chancellor to whom certain powers and responsibilities are delegated;
  - upon nomination by the Chancellor, appoint Presidents for the individual campuses;
  - administer and manage the operations of the System.
  - enter into contracts;
  - appoint instructional personnel;
  - establish standards for admissions; and
  - make a detailed financial report to the Legislature on an annual basis.

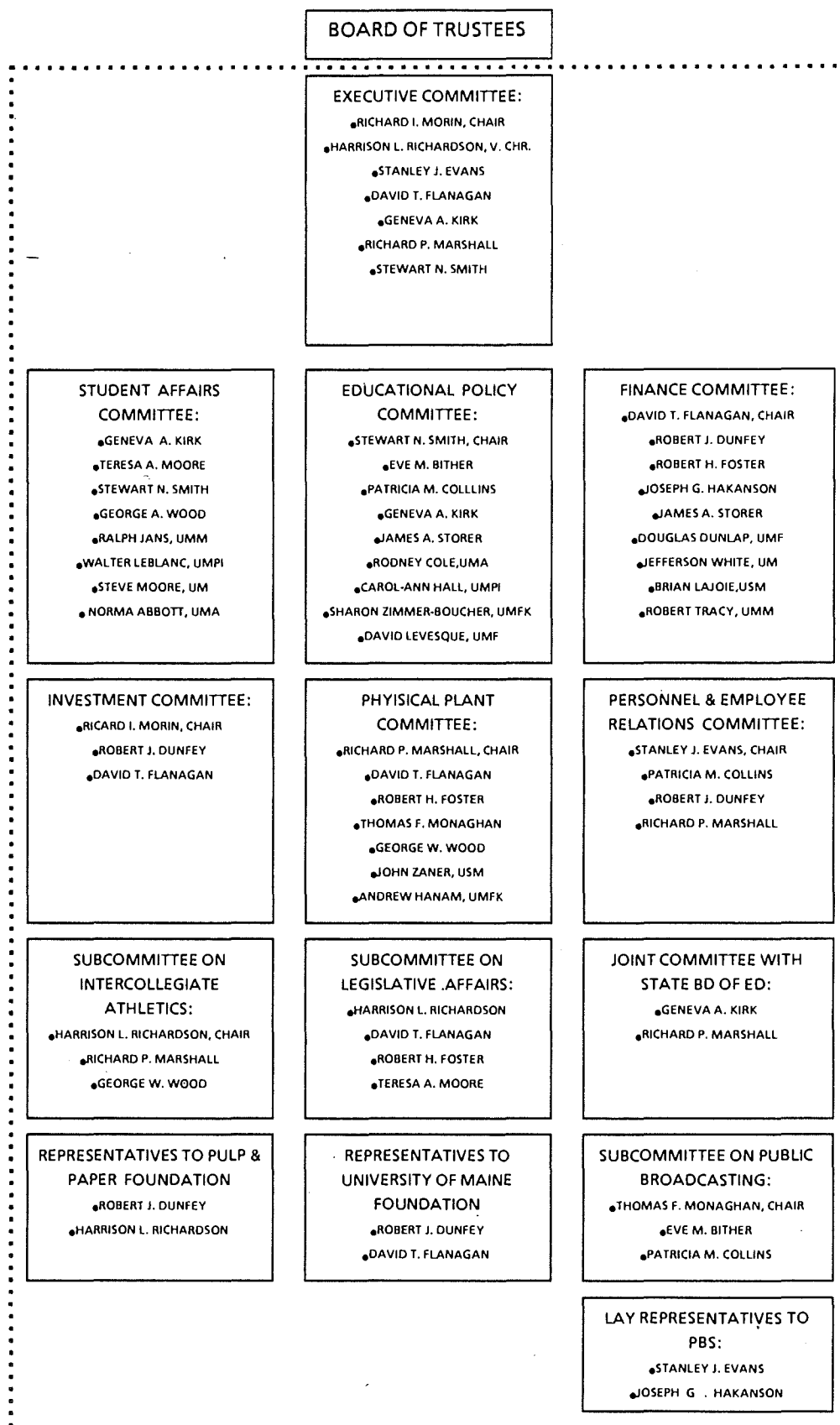
To administer its responsibilities, the Board has developed two operating documents. The first document is the Board's By laws which determine the internal workings of the Board. The second document is its Policy and Procedures Manual which establishes policy for system-wide governance. In addition, the minutes of the Board's formal meetings serve as a formal record of past Board actions.

The Board is required by the terms of its charter, to "meet from time to time at each of the various campuses of the University of Maine System whenever reasonably practical". In practice, the Board meets regularly on a bi-monthly basis on a schedule which rotates meeting sites among the various campuses.

As depicted in Diagram 3, the Board conducts a great deal of its work through committees. As established in current Board bylaws, there are six standing committees. These committees are listed below with a brief description of composition and purpose:

## DIAGRAM 3

### BOARD OF TRUSTEES: COMMITTEE ORGANIZATION & ASSIGNMENTS



- 
- Executive Committee. The Executive Committee consists of the Board Chairman and Vice Chairman and the chairs of each standing committee and is authorized to act for the Board when necessary, between regularly scheduled Board meetings. Any decision made by the Executive Committee must be ratified by the full Board at the next Board meeting;
  - Finance Committee. The Finance Committee is responsible for maintaining a sound fiscal and budgetary policy for the University System and consists of 9 members; five of whom are Trustees and have voting privileges. The other four members are nonvoting: 2 faculty representatives and 2 student representatives;
  - Educational Policy Committee. The Educational Policy Committee is responsible for developing policy regarding the "quality, character and extent of instruction, research and public service" and consists of nine members; five of whom are Trustees. The non-voting members include three faculty representatives and one student representative;
  - Personnel and Employee Relations Committee. The Personnel and Employee Relations Committee is responsible for establishing policies and guidelines for collective bargaining and for making recommendations to the Board regarding negotiated contracts. This Committee is prohibited by Board by-law from interfering with the collective bargaining process but is allowed to consult with University employees. This Committee consists of four members, all of whom are Trustees;
  - Physical Plant Committee. The Physical Plant Committee consists of seven members; five of whom are Trustees. The two non-voting members are faculty representatives. The Physical Plant

---

Committee is responsible for all aspects of facility and grounds maintenance, construction, acquisition and renovation. The Physical Plant Committee is also authorized to enter into preliminary negotiations which must be approved by the Committee and the full Board; and

- Student Affairs Committee. The Student Affairs Committee consists of eight members; four of whom are Trustees. The other four non-voting members include three student representatives and one faculty representative. The Student Affairs Committee is responsible for all matters relating to the welfare of students in the University System.

The Board also makes use of a number of other Committees, subcommittees and Ad Hoc committees on an as needed basis. Currently, these include:

- Investment Committee;
- Subcommittee on Intercollegiate Athletics;
- Subcommittee on Public Broadcasting;
- Subcommittee on Legislative Affairs;
- Joint Committee with State Board of Education; and
- Ad Hoc Committee on Development (not shown in Diagram 3).

In addition, current Maine law establishes an Advisory Committee on Maine Public Broadcasting to advise the Board of Trustees in their administration of the Maine Public Broadcasting Network.

Finally, the Board has two designated representatives to each of the following organizations:

- Pulp & Paper Foundation;
- University of Maine Foundation; and
- Public Broadcasting System.

The Board is staffed by the Clerk of the Board who has two support staff. In FY 1988, the Board of Trustees had an operating budget of \$134,405; this total includes staff salaries, travel, supplies and other operating costs. By law, Trustees do not receive compensation for their duties, but are reimbursed for travel and other incidental costs.



---

The Board accomplishes much of its in-depth work through the committee structure. Issues are raised and discussed in the appropriate committee which then makes recommendations to the full Board for formal approval by that body.

Most Board meetings are preceded by a series of Committee meetings. Committees tend to meet on an as-needed basis when particular subjects need to be resolved. For example, recent Board meetings have featured meetings of the Physical Plant, Finance, and Ad Hoc Committees on Development in conjunction with the Board's work on developing a comprehensive plan, capital facilities plan and a new policy on development.

Most recent Board meetings have been structured in the following way:

- citizen input - an opportunity for any citizen to make public comment to the Board. The Board established this forum as a matter of policy in 1983;
- acceptance of minutes;
- Chairman's remarks;
- Chancellor's remarks;
- Reports from various Committees - many of the Committees will pass on recommendations to the Board for formal approval. It is this segment of the Board meeting that decisions are made and adopted;
- Status of pending issues;
- Other Business; and
- Date of next meeting.

To assess the Trustees' perceptions of their own performance, the Committee conducted a survey of the 16 Trustees. As a survey instrument, the Committee used a document entitled "Self Study Criteria for Governing Boards of Public Multicampus Higher Education Systems" as developed by the Association of Governing Boards of Universities and Colleges. This document uses 12 separate criteria by which Trustees can evaluate the strengths and weaknesses of their own performance. These criteria and a summary of the ten completed Trustee responses are listed below.

- 
- **Criterion 1; System and Institutional Missions:** Trustees were asked to evaluate the adequacy of current mission statements and the process by which these statements are developed. The Committee notes that mission statements are a statement of purpose and goals and are thus vitally important to the appropriate development of an educational system;

Most Trustees favorably rated the existing mission statements;

- **Criterion 2; Board Membership:** Trustees were asked to assess the current process by which Trustees are appointed to the Board;

Several Trustees noted that effective communication is lacking between the Board of Trustees and the Governor and the Legislature, as appointing authorities;

- **Criterion 3; Board Organization:** Trustees were asked to comment on the present manner in which the Board is organized and the various processes it uses to accomplish its responsibilities in governing the entire System;

Of particular note, was the majority Trustee sentiment that concerns of the "flagship" campus do not tend to dominate the entire system;

- **Criterion 4; Basic Educational Policy:** Trustees were asked to evaluate the adequacy of the process by which the Board of Trustees formulates educational policy for the System and to comment on the current substance of that policy;

Three of the responding Trustees felt that the Board should take a more active role in long range academic and personnel planning;

- **Criterion 5, Selection and Assessment of Executive Officers:** Trustees were asked to evaluate the current Board process for selecting and assessing the chief executive officers employed by the System;

---

The responding Trustees seem satisfied with the current process for selecting and assessing their executive officers;

- **Criterion 6; Board Relations with Executive Officers:** Trustees were asked to evaluate the nature and substance of the Board of Trustees' working relationship with its chief executive officers;

Of significant note, the responding Trustees did not feel that the Board has become excessively involved in campus operational matters;

- **Criterion 7; Board Relations with Faculty:** Trustees were asked to assess the nature of their working relationship with the faculty;

While most of the Trustees appear satisfied with overall Board relations with the faculty, there does appear to be some negative sentiment regarding the Board's performance on this criterion;

- **Criterion 8; Board Relations with Students:** Trustees were asked to evaluate the quality and substance of the Board of Trustees' working relationships with students;

Trustee responses on this criterion closely paralleled the preceding criterion for faculty relations;

- **Criterion 9; Financial Resources and Management:** Trustees were asked to comment upon the process by which the Board of Trustees develops requests for financial support and to assess the manner in which the Board of Trustees manages existing financial resources;

The Trustees generally expressed satisfaction with their performance relating to financial resources and management. Several Trustees had concerns regarding the Board's present policies for fiscal management and private fund raising;

- 
- **Criterion 10, Physical Plant:** Trustees were asked to evaluate the current Board of Trustees' process for physical plant planning and how that process integrates with educational planning;

In comparison with other criteria, the Board did not appear as satisfied with their management of the System's physical plant.

- **Criterion 11, Court of Final Appeal:** Trustees were asked to evaluate the Board of Trustees' performance in adjudicating various disputes that cannot be resolved elsewhere in the System;

The responding Trustees appeared satisfied with their performance on this criterion; and

- **Criterion 12, Accountability/Autonomy:** this final criterion asked Trustees to comment on the dual issues of public accountability and institutional autonomy;

The responding Trustees appear to be satisfied with the present degree of Board accountability and autonomy.

The Committee carefully evaluated these responses and used the results as a basis for formulating several of the recommendations contained in this report. Finally, the Committee notes that this survey was conducted in the summer of 1987. Since that time, several areas of perceived weakness, such as planning, facilities management, and development activities have been the subjects of significant focus and attention from the Board of Trustees.

---

## RECOMMENDATIONS AND FINDINGS: BOARD OF TRUSTEES

---

STATUTORY	1.	Repeal outdated and duplicative sections of the current University of Maine System Legislative Charter.
-----------	----	---

---

Since enactment of the System's original legislative charter in 1865, the charter has been regularly amended with some focus on implementing desired policy changes. For example, in 1986, the charter was revised once again to reflect certain name changes such as the "University of Maine System" (which replaced the "University of Maine").

The Committee found that the charter does not appear to have been examined recently for obsolete and meaningless provisions. The Committee has identified certain sections of the present charter which may have no meaning or relevance in current practice. Each of these sections is listed below with a brief explanation:

1865.  
P. & S. L., c. 532.

**Section 5. The trustees, in their corporate capacity may take and hold in addition to the income, which they shall receive, through the state from the endowment made by congress, such other real and personal property as may be granted or devised to them for the purpose of promoting the objects of this act. But they shall not be entitled to receive any benefactions made to them upon conditions inconsistent with the act of congress aforesaid, or for purposes different from what is therein prescribed.**

The Committee found that this section originally provided the Trustees with the authority to receive the proceeds resulting from the sale of federal lands under the Morrill Act, and to receive and acquire future properties and facilities. Upon review of the existing Legislative Charter, the Committee found that section 4-C (1967) contains more recent authorities for the

---

Trustees regarding properties, assets, and liabilities. The Committee recommends that section 5 be repealed because it is obsolete when compared to section 4-C. Further, the Committee recommends that section 4-C be amended to specify that all past and future acquisitions, as well as present, are to be used by the University System for the originally designated purpose.

1865.  
P. & S. L., c. 532.  
1976  
P.L. c. 771

Section 6. The governor shall take measures, as soon as may be advantageously done after the passage of this act, to sell the land scrip received by this as amended under the act of congress, and to invest the same as required by the fourth section of said act. The securities shall be kept by the state treasurer, and he shall report annually to the legislature the amount and condition of the investments, and of the income of the same. He shall from time to time, as the income shall accrue, pay over the same to the treasurer of the college.

The Committee found this section contains an outdated authorization regarding the sale of land scrip relating to the Morrill Act. Transactions relating to this Act were finalized more than 100 years ago. Therefore, the Committee finds that there is no present or future need for this section and recommends that it be repealed.

1865.  
P. & S. L., c. 532.

Section 8. The trustees shall appoint such directors, professors, lecturers and teachers in the college, and employ such other persons therein from time to time, as the means at their command may permit for the accomplishment of the objects enumerated and described in the fourth section of the act of congress. Every officer and every person employed shall hold his office or employment at the pleasure of the trustees. They shall, as soon as may be, arrange and

---

make known the several courses of instruction which they will undertake and improve the same whenever practicable, subject to the limitations prescribed by congress. They shall also establish the qualifications for admission, and modify the same, as circumstances may require. But no student shall be admitted into or continued in the college, nor shall any person be employed in any office or service, who is not of good moral character and pure life.

Upon review, the Committee found that this section provides outdated authorities for the Trustees to hire employees and set admissions standards. A more recently enacted section of the charter, section 4-B (1967), authorizes the Trustees to employ various top level administrators. The Committee also noted that under current Board policy, most employment authority and all admissions standards have been appropriately delegated to the individual campuses to reflect necessary institutional autonomy. Accordingly, the Committee recommends that section 8 be repealed because it is obsolete and no longer necessary.

1865  
P. & S. L. c. 532.

**Section 15. If at any time, the number of students applying for admission shall be greater than the means of the trustees will enable them to receive, they shall make regulations to the number to be admitted, having preference for the proportions of population in the several senatorial districts in the state, and equalize the admissions according to such proportions as nearly as may be.**

After careful review, the Committee concluded that this section represents an outdated authority for the Trustees to apportion, when necessary, admissions according to the proportions of population in senatorial districts. The Committee again noted that present admissions policy is, by Board policy, the province of the individual campuses and that this section has never been enforced in recent times. Therefore, the Committee recommends that section 15 be repealed because it is obsolete and no longer applicable to any present or future situation.

---

1865  
P. & S. L., c. 532.

**Section 16. The Trustees shall hold a regular session at the college at least once in each year; and may provide for periodical visitations by committees. No trustee shall receive any compensation except actual traveling expenses to be paid from the treasury of the college.**

The Committee found that this section, which authorizes Trustees to hold at least one meeting per year at the "college", has been superseded by a more recently enacted section of the Charter. Section 4 (1967) authorizes the Board to meet regularly at different campuses on a rotating basis. The Committee also noted that the provision of section 16 which limits Trustees to compensation for traveling expenses only, has also been superseded by the provisions of section 4 which allow Trustees to be reimbursed for other expenses incidental to their duties as Trustees. The Committee recommends that section 16 be repealed because it is outdated.

1865  
P. & S. L., c. 532

**Section 17. The treasurer of the college shall make as often as once in six months, a detailed report of all receipts and expenditures and the full inspection and settlement of all his accounts and shall transmit a copy of the same, as verified by them to the Governor and council. The trustees shall also cause to be made annually, such report as is required by the fifth section of the act of congress, and communicate the same as therein provided.**

The Committee found that this provision, which specifies certain reporting requirements for the Board of Trustees, contains obsolete references and has not been complied with for a significant number of years. The Committee also noted that this section has been superseded by the provisions of 20-A MRSA 10902 (A) which requires that the Board of Trustees report annually to the Joint Standing Committee on Education. Therefore, the Committee recommends that section 17 be repealed because it is obsolete.



---

STATUTORY

2.

Amend current law to update the selection process for the student Trustee in order to further more meaningful student participation.

---

Under current law, the Student Trustee is nominated by the Governor and is subject to review by the Joint Standing Committee on Education and confirmation by the Legislature.

In order to nominate a Student Trustee, current law requires that the Governor must select an individual from "a list of 5 eligible students submitted by the University of Maine organization of student governments". (1967, P&S, ch. 229)

Upon review, the Committee found that the University of Maine Organization of Student Governments (UMOSG) is an organization with a varied history. In recent years, UMOSG has not met on a regular basis; in part because there appears to be very few system-wide issues pertaining to student governance which would motivate such a group to meet.

The Committee also found that the present selection process has not worked well because of the impermanence and unreliability of UMOSG. At times, UMOSG has functioned effectively. The Committee noted the UMOSG's periodic effectiveness is tied to the degree of interest, enthusiasm and dedication of the particular student leaders at that point in time. The Committee found that there is no inherent guarantee that UMOSG will be functioning effectively when nominations for a new student trustee are needed. Finally, the Committee found that the original legislative intent was to generate nominations for the student trustee from students within the University of Maine System and that this intent could be more effectively accomplished by the student senates (or equivalent bodies) from each campus.

(In a related matter, the Committee found that the law governing the selection process specifies that the student trustee may not come from the same campus for consecutive terms. The Committee also found that the law does not specify what should be done in the event of a transfer from one campus to another by the student trustee during their term of appointment. The Committee recommends that current law be amended to specify that the student's original campus shall be considered the campus from which the next student trustee may not be appointed.)

---

Therefore, the Committee recommends that the selection process for the student trustee be amended to specify that the Governor shall solicit a possible student nominee from the student senates of each of the eligible campuses. These six students shall comprise a list from which the Governor shall select a final nominee for review and confirmation by the Legislature.

FINDING

- 
3. The Committee finds that communication between the Board of Trustees and students and faculty of the University of Maine System has improved significantly in recent years. Further, the Committee commends the Board for this improvement and encourages the Board to continue to improve communication with students and faculty and to consider means of achieving greater formal involvement of students and faculty in future Board activities.
- 

During the review process, the Committee noted that on several recent occasions, the Board of Trustees has made significant efforts to improve communication with students and faculty. For example, student and faculty representatives to the Board of Trustees were in near unanimity in commending the Board of Trustees, and the present Chancellor, Robert L. Woodbury, for promoting a relationship which connotes respect and a desire to communicate in a meaningful way. The Committee noted that the Board of Trustees took a significant step in March of 1987 to formalize these efforts by revising board policy to include student and faculty representatives as nonvoting members of most of the Board's standing committees. Upon observation, the Committee found that student and faculty representatives are provided with the opportunity for meaningful participation in these committees.

Therefore, the Committee finds that communication between the Board of Trustees and students and faculty of the University of Maine System has improved significantly in recent years. Further, the Committee commends the Board for this improvement and encourages the Board to continue to improve communication with students and faculty and to consider means of achieving greater formal involvement of students and faculty in future Board activities.

---

ADMINISTRATIVE 4.

---

Revise the System Policy and Procedures Manual for improved readability, inclusion of campus and System mission statements and a review of all Board policies unrevised since 1980. Report to the Joint Standing Committee on Audit & Program Review by January 1, 1989 on the status of the manual at that time.

---

The Board has developed a Policy and Procedures Manual which states Board policy on issues or situations with **System-Wide** applicability. These policies are developed in written form for use as documentation of existing Board policy.

At the present time, the Board's manual is organized into nine sections which include Governance and Organization, Academic Affairs, Personnel and Employee Relations, Research and Public Service, Financial Aid, Physical Plant, Student Affairs; and Planning.

Policies are developed by the Board largely as a result of circumstance, i.e. a situation comes up which needs a definitive statement of Board policy. Similarly, the Board revises existing policies as circumstance may dictate. A review of Board minutes since 1982 shows numerous examples of formal Board action to both initiate policy development and to revise existing policies.

The Committee's review of the Board's manual shows the following:

**STRENGTHS**

- **current Board policy is accurately reflected in the manual;** each Board policy action of the past five years has been reflected in the present manual; and
- **all major policy areas are adequately covered;** a comparison of the Board's manual with those of several other states shows that Maine's manual covers the same sort of policies and uses the same general format.

---

## WEAKNESSES

- **Poor readability;** the present manual appears to be in a process of revision and is thus difficult to read. The Committee learned that the manual is currently being revised. The Committee reviewed a draft of the new manual and found it to be greatly improved;
- **Lack of mission statements;** at the present time, the manual does not include mission statements for either the System or for the individual campuses. Approved mission statements do exist for the campuses but are not included in the manual or in any other compilation of Board documents. There does not appear to be any formally adopted mission statement for the System. The Board intends to revise and adopt all mission statements as a part of their new Comprehensive Plan which will be acted upon in March 1988;
- **Possibly Out-of-Date Policies.** A number of Board policies relating to governance relationships between the Board and its chief executive officers do not appear to have been revised since the mid 1970's. While these policies may continue to represent current Board intent, it may be useful for the Board to review all policies that have not been revised since 1980.

The Committee found that a comprehensive, up-to-date and well written policy manual is essential to the Board's ability to effectively govern the System. Therefore, the Committee recommends that the manual be revised for improved readability, inclusion of campus and system mission statements and a review of all Board policies unrevised since 1980. The Committee also recommends that the Board of Trustees report to the Joint Standing Committee on Audit & Program Review by January 1, 1989 on the status of the manual at that time.

---

STATUTORY

5.

---

Repeal the Advisory Committee on Maine Public Broadcasting under the provisions of the Maine Sunset Law in recognition of the oversight currently provided by its members and the University of Maine System Board of Trustees.

---

The Advisory Committee on Maine Public Broadcasting was statutorily created (20-A MRSA §§801-803) in 1963 to advise the University Board of Trustees on the operations and programming of the Maine Public Broadcasting Network (MPBN). However, this Committee has not met since 1978 and all appointments to the Committee have lapsed.

Since 1978, the University Board of Trustees has administered the network as authorized under its Federal Communications Commission (FCC) license. A subcommittee of the Board is responsible for overseeing MPBN programming and operations.

Furthermore, the Committee found that additional public oversight of MPBN operations and daily programming is provided through the Maine Public Broadcasting Network's reliance on member contributions to help fund programming costs. This form of fundraising helps provide additional public input into the network's programming decisions.

Therefore, the Committee recommends that the Advisory Committee on Maine Public Broadcasting be repealed under the provisions of the Maine Sunset Law in recognition of the oversight currently provided by the network membership and the University Board of Trustees.

---

**OVERVIEW: BASIC  
STRUCTURE OF CHANCELLOR'S OFFICE,  
OPERATING DEPARTMENTS,  
AND SYSTEM WIDE COSTS**

The Board of Trustees relies on the Chancellor and the various offices that are under his responsibility to provide system-wide leadership and to administer certain system-wide responsibilities. The Committee found that although it is common for many to make a generic reference to the "Chancellor's Office" when discussing the wide range of system-wide services that currently exist, it is necessary to accurately identify the various organizational units and the particular services provided on a system-wide basis.

In fact, the Committee found that an accurate reference to the "Chancellor's Office" refers to but a small part of the total array of existing system-wide personnel and services. In brief, these individuals and functions can be separated out as follows:

- Chancellor's Office. Includes the System's most senior chief executive officers and their immediate support staff;
- Operating Departments. Includes the various administrative apparatuses, each of which is headed by a member of the Chancellor's office, which provide certain administrative services and coordinating functions for the System as a whole; and
- System wide costs. Certain costs incurred by the seven campus system are identified as system-wide costs and are administered by the Chancellor's office and the various operating departments.

The Committee's review covered all of these elements. For the purposes of this report, each unit and responsibility is separately discussed. When appropriate to a particular area of responsibility, the Committee has provided more detail and made a number of recommendations and findings. The Committee notes that although certain recommendations and findings have been aligned with particular sections of the report, all Committee actions are ultimately directed to the Board of Trustees as the System's governing body.

---

## CHANCELLOR'S OFFICE

By statute, the Chancellor has been authorized to exercise any powers and responsibilities that have been delegated to him/her by the Board of Trustees. Under current Board policy, the Chancellor has been designated as the System's chief executive officer. Current Board policy specifies the following functions and responsibilities for the Chancellor:

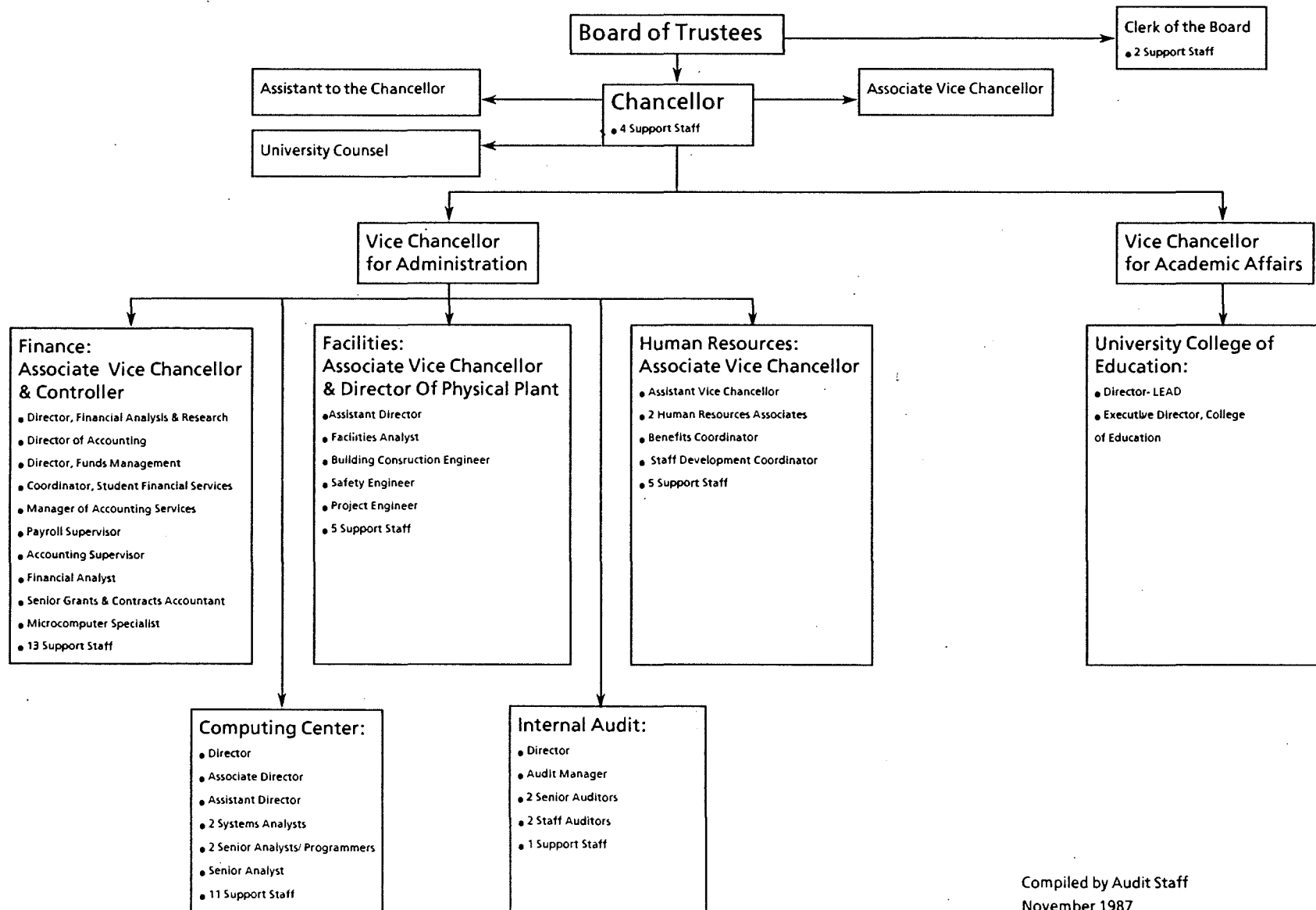
- provide coordination within the System;
- act as official System spokesperson;
- act as chief liaison to the Governor and the Legislature;
- appoint and administer a staff to provide system-wide service operations;
- oversee system-wide planning efforts in the academic, financial and capital construction realms;
- determine levels of resource allocation within the System;
- conduct institutional research;
- provide legal services; and
- oversee auxiliary services such as MPBN.

At the present time, the Chancellor's office has an organizational structure which provides certain services from several differing premises. The current organizational structure with current staffing levels is depicted in Diagram 4 and is briefly described as follows:

- Chancellor - functions as the chief academic and administrative officer of the System. The Chancellor has 4 support staff which provide services to the Chancellor as well as the Assistant to the Chancellor, University Counsel, the two Vice Chancellors and one Associate Vice Chancellor;

- Assistant to the Chancellor - functions as a speech writer, researcher, media contact, legislative coordinator and special projects person who reports directly to the Chancellor;

**DIAGRAM 4**  
**Organizational Structure & Staffing:**  
**University System Office**



Compiled by Audit Staff  
 November 1987



---

- University Counsel - provides legal counsel and representation for the System; reports directly to the Chancellor;

- Associate Vice Chancellor - provides liaison to campus presidents, completes staff assignments and general projects as assigned; staffs presidential searches; and completes special projects for the Board. This position reports directly to the Chancellor;

- Clerk of the Board of Trustees - coordinates and administers all Board meetings and documentation thereof. This office has 2 support staff and reports to the Board;

- Vice Chancellor for Administration - responsible for the provision and coordination of all system-wide administrative services which include financial operations, data services, employee relations, physical plant services and internal audit. The administrative function within the Chancellor's office actually provides certain services to the individual campuses. This is contrasted with the academic function which seeks to provide coordination to academic services which are generated and staffed by each of the 7 campuses. The Vice-Chancellor for Administration reports directly to the Chancellor. Although not technically members of the Chancellor's office, there are a number of senior executive officers, each of whom head an operating department, who report directly to the Vice Chancellor for Administration:

- Associate Vice Chancellor and Controller (Finance) - This position is responsible for providing the following financial services for the System: financial analysis and research, accounting, funds management, payroll, student financial services, and grants and contracts. This function is staffed by 10 professional positions with 13 support staff;

---

- Associate Vice Chancellor & Director of Physical Plant - This position is responsible for providing general management assistance for physical plant operation within the System. Specific responsibilities include short and long range planning, technical advice regarding facility replacement, repair or renovation, overseeing property acquisitions and leases, and financial and construction management of approved projects. This function is staffed by 5 professionals with 5 support staff;

- Associate Vice Chancellor for Human Resources - This position is responsible for providing staff support and oversees management of human resource functions within the System. Specific responsibilities include personnel, labor relations, employee benefits and affirmative action. This function is staffed by 5 professional positions with 5 support staff;

- Director, Computer and Data Processing Services (CAPS) - This position is responsible for administering system-wide computer service network. Services provided by CAPS include data communications, instruction, research and administration. CAPS is staffed by 7 professionals and 11 support staff;

- Director, Internal Audit - This position is responsible for developing and administering a system-wide Department of Internal Audit. This unit conducts regular financial and program audits for activities within the University System. The Department is staffed by 5 professionals with 1 support staff; and

• Vice Chancellor for Academic Affairs - This position is responsible for the academic affairs side of the Chancellor's office. As mentioned earlier, Academic Affairs is

---

significantly different from Administration in that the Chancellor's office provides coordination for the academic affairs function which emanates from the different campuses. Thus, in an organizational sense, this function does not resemble that of the administrative side in terms of staffing levels and the actual provision of services. This unit does administer the College of Education staffed by 2 professional positions as a system-wide service.

An accurate understanding of the expenses incurred in running the Chancellor's office and its component parts, requires a delineation between the different costs incurred by each unit and function. Four of the expenditure categories are depicted in Graph 1:

- Chancellor's Office - provides salaries and operating costs for the Chancellor, Vice Chancellors, one Associate Vice-Chancellor, Clerk of the Board, Assistant to the Chancellor, University Counsel and all support staff that work directly for these positions;
- Operating Departments - provides salaries and operating costs for all other employees of the Chancellor's Office in such areas as Finance, Human Resources, Facilities, and Internal Audit;
- Computer Center (CAPS) - includes costs for providing the University of Maine System with a central computer network and services; and
- University Commitments - includes costs that relate to the entire system such as risk insurance, maintenance and external auditors.

(Employee benefits are another sizeable system-wide expenditure and will be discussed later in this report.)

An analysis of expenditure trends for each of the four listed categories shows that expenditures for:

- 
- the Chancellor's office category have increased at a slow rate since FY 79;
  - operating costs have also increased but not dramatically;
  - expenditures for CAPS have increased slowly; and
  - in recent years, costs associated with University commitments have increased sharply.

Current salaries for all professional positions within the Chancellor's office are listed in Appendix 3. To assess the amount of professional and administrative salaries relative to those paid to their counterparts in comparable institutions, the Committee made two comparisons:

- the first utilizes FY 1986-87 salary data collected from a study conducted by the University of Arkansas which sought to compare 29 institutions of public higher education (see Appendix 3); and
- the second comparison utilizes the results of a Committee survey of 10 comparably sized public higher education systems (see Appendix 3).

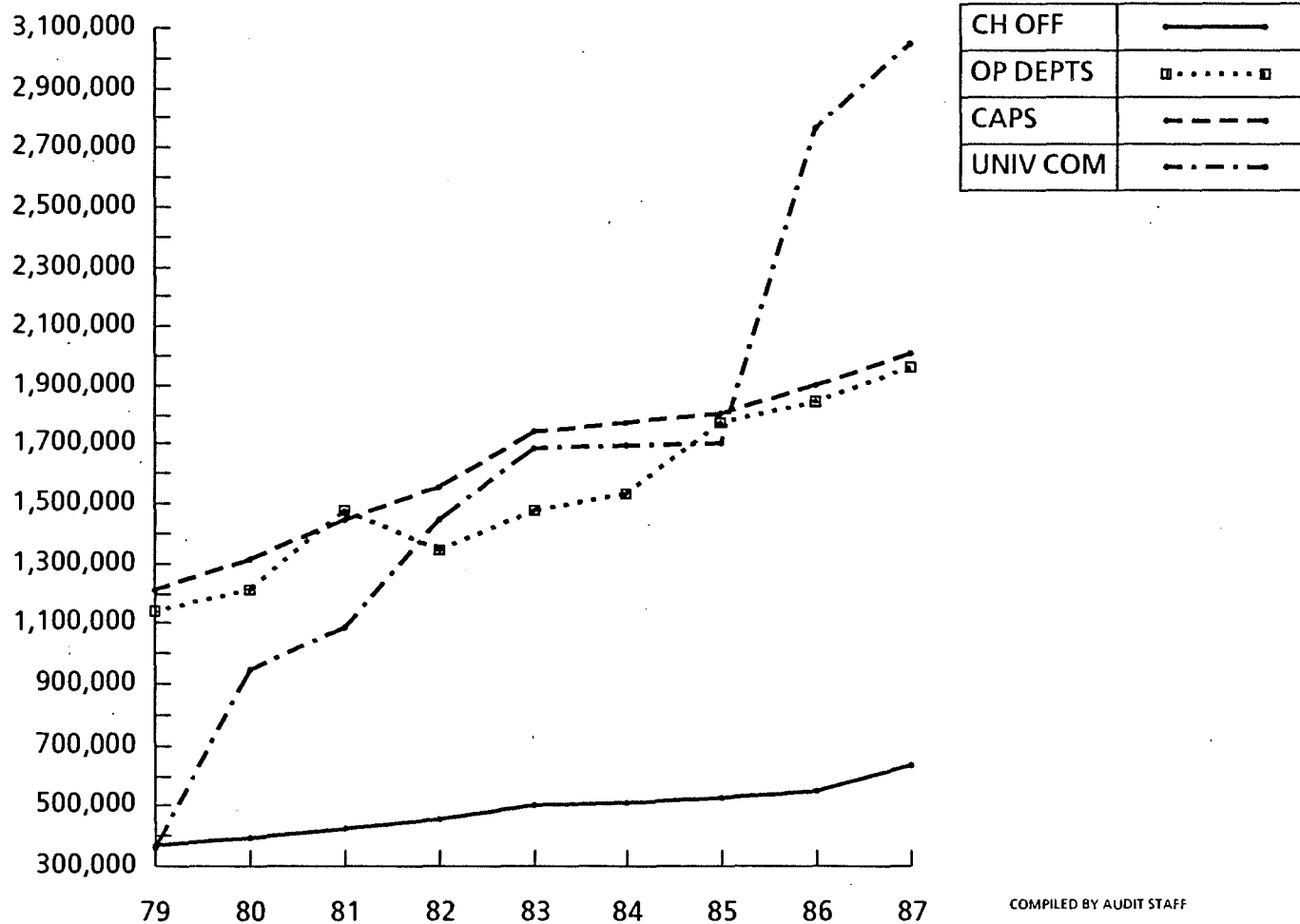
The Committee found that several conclusions may be drawn from these comparisons:

- it appears that for the upper level administrative salaries, the University of Maine System offers competitive salaries; and
- salaries for lower level administrative and certain professional positions paid by the University of Maine System appear to compare poorly.

Finally, the Chancellor's office and the various operating departments which comprise System wide services have three principal locations:

GRAPH 1

Total Expenditures: Chancellor's Office, System-wide Operating  
Departments, Computer Services & University Commitments;  
FY 1979 - FY 1987



- 
- 107 Maine Avenue, Bangor. This office facility includes two principal office buildings and houses the Chancellor's main office, as well as all of the Vice Chancellors and their respective areas of managerial responsibility. These facilities are owned by the System;
  - University of Maine Campus, Orono. CAPS occupies office space in several buildings on the UM campus; and
  - 150 Capital Street, Augusta. This office facility provides additional space for the Chancellor and other Senior Administrative staff when they are in Augusta, as well as principal office space for the University Counsel. This facility is rented at an annual cost of \$58,660.

#### **VICE CHANCELLOR FOR ACADEMIC AFFAIRS**

As mentioned earlier, the Chancellor's office provides a coordinating function for academic affairs within the System. Each of the seven campuses has been delegated a considerable amount of autonomy to provide academic programming approved by the Board of Trustees. The Board of Trustees' role in educational programming has been limited by Board policy to the approval for a campus to offer a particular degree program. Under this delegation of authority, the individual campus(s) have responsibility for determining course offerings, curriculum and faculty assignments for each authorized program.

Accordingly, the Vice Chancellor for Academic Affairs concentrates much of his effort on the review of proposed academic program process and the coordinating of academic affairs on a system wide level. The Committee found that implementation of this responsibility has often taken the form of efforts to develop system wide comprehensive planning.

In conjunction with its review of the University of Maine System, the Committee also conducted a mandated review of the statutorily established State Government Internship Program Advisory Committee. As its name implies, this committee exists to advise the State Government Internship Program, which is administered by the Bureau of Public Administration at the University of Maine. In keeping with the general academic purpose of that program, for the purposes of this report, the Committee has included its recommendations about the Advisory Committee under this category of Academic Affairs.

---

## RECOMMENDATIONS AND FINDINGS: ACADEMIC AFFAIRS

---

ADMINISTRATIVE	6.	Report on the status and results of the procedures for academic program approval, review and elimination by January 1, 1989 to the Joint Standing Committees on Audit & Program Review, Appropriations & Financial Affairs, and Education.
----------------	----	--

---

---

ADMINISTRATIVE	7.	Develop a proposal which links the academic program review process with the state budgetary/appropriations process. Submit this proposal by September 1, 1988 to the Joint Standing Committees on Audit & Program Review, Appropriations & Financial Affairs and Education.
----------------	----	---

---

Upon review of the role of the Chancellor's office in overseeing the academic affairs function for the University of Maine System, the Committee noted that the Governor's Visiting Committee to the University of Maine (1986) had issued a recommendation concerning the academic program review process:

"The Committee recommends that procedures for academic program review be strengthened and enforced, and that funds be provided for external evaluation." (See Recommendation #8, Appendix 2).

In its February 1986 response to the VICOM recommendations, the Board concurred with the VICOM recommendation concerning the need to strengthen the review process for academic programs. To implement this recommendation, the Board authorized further study and that a proposal for academic program review/approval be developed for their consideration. In January of 1987, the Board approved a new policy for the review and approval of academic programs. Briefly summarized, these new policies specify a process which require detailed campus documentation from the involved campus justification and numerous stages of approval.

---

The Committee also noted that the Board of Trustees has a similarly structured policy regarding the process for the discontinuance of existing academic programs and that this policy is likely to undergo complete revision in the very near future.

A review of Board minutes from 1982 to 1987 shows that during that time period, the Board of Trustees approved 35 new academic programs and discontinued seven existing programs. To gain a better understanding of the overall process of academic review, the Committee investigated how other systems accomplish these tasks. The Committee found that many state university systems appear to have instituted a routine process of academic program review. A number of these systems have tied academic review to the goal of greater accountability to the Legislature and the general public.

Like the Visiting Committee to the University of Maine, the Audit & Program Review Committee found that an effective process of academic program approval, review and elimination is essential to the continued academic relevance of a public institution like the University of Maine System. The Committee also found that there may be ways in which the process of academic program review could be linked to a request to the Legislature for supplemental appropriations. Finally, the Committee found that the University of Maine System is the most appropriate body to evaluate the possibility of linking the academic review process to some mechanism which might result in additional Legislative appropriations to the University System.

Therefore, the Committee recommends that the Board of Trustees develop a proposal which links the academic program review process with the state budgetary/appropriations process. Submit this proposal by September 1, 1988 to the Joint Standing Committees of Audit & Program Review, Appropriations and Financial Affairs and Education. Further, the Committee recommends that the Board of Trustees report on the status and results of the procedures for academic program approval, review and elimination by January 1, 1989 to the Joint Standing Committees on Audit & Program Review, Appropriations & Financial Affairs and Education.

---

ADMINISTRATIVE 8.

Report to the Joint Standing Committees on Audit & Program Review, Appropriations and Financial Affairs, and Education by January 1, 1989 on the current structure, content, and results of comprehensive planning in the University of Maine System.

---



---

At the present time, the Board of Trustees is operating in the second year of a previously developed five year planning process. The first element of this plan to be developed was a determination of budgetary allocation levels by major organizational unit. These units, both on a System and campus level, were then asked to identify the various academic priorities. Finally, in keeping with the previously identified governing autonomous relationship which extends to every major organizational system, these organizational units were then allowed to fund as many of these identified priorities as possible under the predetermined budgetary allocations. The Committee found that the present plan was the result of a process which was oriented to the concerns, priorities and perceptions of the campus Presidents and the Chancellor's office. This planning process emphasized a sequence of budgetary formulations followed by a determination of the academic priorities and planning for the System and its various campuses.

Upon taking office in 1986, the present Chancellor, Robert L. Woodbury, helped to initiate a new comprehensive planning process for consideration and adoption by the Board of Trustees. In brief, this new planning process is predicated on the need for academic planning and priority setting as the force which drives and determines System and campus budgetary formulation. Another significant element of the new planning process, is the continued move towards greater and more meaningful campus involvement.

To develop the new planning document's contents and structure, the Board has appointed a steering committee composed of representatives from each campus. This steering committee has met on a monthly basis since the spring of 1987 and have developed a draft for the planning document. After reviewing this draft, copies of the document were circulated among the various campuses. In brief, the draft document is comprised of the following elements:

- Environmental Overview. A narrative which assess the following factors in the state:
  - demographic;
  - economic;
  - labor force;
  - state infrastructure which includes transportation, telecommunications, energy systems, housing, social services;
  - government/politics; and
  - educational status and demand.

- 
- Key planning assumptions. The System has developed a list of about 10 campus generated assumptions arrived at through a consensual process;
  - Response Capacity Paper. Each campus will respond to these planning assumptions through the development of a paper which analyzes their present capacity/ability to respond to the implications of these assumptions;
  - Action Plan. Each campus will also develop an action plan to respond to these implications of assumptions; and
  - Budget Formulation. Finally, System wide and campus budgets will be developed to implement the results of this academic planning and priority setting.

The Board has also simultaneously worked on development of the FY 89 budget, a four-year Financial Plan and a Capital Plan, all of which can be considered as components of the larger Comprehensive Plan. The Committee found that in essence, the Board is grappling with the difficult task of developing the Comprehensive Plan's format and structure, while at the same time trying to formulate specific components for immediate use. It appears that the Comprehensive Plan and its component parts will be much more developed and integrated in a year's time.

The Committee commends the Chancellor, the Board of Trustees and the entire System for their recent efforts to revise the System's planning process. In particular, the Committee found that a process which determines priorities and then funding levels is greatly preferable to a process in which this order is reversed. Careful planning which reflects appropriate academic priorities is likely to result in a more effective public University System for the State of Maine.

The Committee also found that it is important for the University System to communicate with the Legislature about the manner in which priorities and requested funding levels have been determined. In communicating this information, the Board of Trustees will help to achieve the goal of accountability mentioned by many legislators in the Committee's Legislative survey (Appendix 1).

---

Therefore, the Committee recommends that the Board of Trustees report to the Joint Standing Committees of Audit & Program Review, Appropriations and Financial Affairs, and Education by January 1, 1989 on the current structure, content and results of comprehensive planning in the University of Maine System.

---

STATUTORY	9.	Continue the State Government Internship Program Advisory Committee under the provisions of the Maine Sunset Law as it serves an important and necessary function.
-----------	----	--

---

FINDING	10.	The Committee finds that members of the State Government Internship Program Advisory Committee should be appropriately compensated.
---------	-----	---

---

The Advisory Committee to the State Government Internship Program is comprised of the following members:

- Senate President, or designee;
- House Speaker, or designee;
- Governor, or designee
- Director of Human Resources;
- Director, Bureau of Public Administration;
- Four faculty members, each of whom represents an accredited degree-granting institution of higher learning, appointed by the Director of the Bureau of Public Administration, UM

Members of the Advisory Committee are authorized to receive reimbursements for expenses incurred during Committee service. (5 MRSA §12004, sub-§10, ¶A, sub-¶76) However, according to the Bureau of Public Administration, no funds have ever been provided to reimburse Committee members.

---

The State Government Internship Program Advisory Committee acts as an advisor to the University of Maine's Bureau of Public Administration in administering the State Government Internship Program. According to 5 MRSA §293, the purpose of the Advisory Committee is two-fold:

- to further the purposes of the State Government Internship Program in attracting Maine's outstanding college graduates into state employment; and
- to provide broad representation of Maine's higher education institutions and of state government in overseeing the state government internship program.

The State Government Internship Program places student interns within state agency positions for a 12 week period during which the students are required to attend three 1/2 day sessions to explore employment in state government. In addition, the interns are required to write summaries and comments on their internship experience. Class credit can be received for the experience. Interns are compensated \$175 a week by the employing state agency.

The State Government Internship Program receives no direct appropriations from the Legislature. The program's costs are funded in the following ways:

- The University donates the Bureau of Public Administration's administrative services;
- The Department of Personnel donates a program coordinator for students and agencies to contact;
- State agencies donate the student salary (\$2,100/summer) plus \$100 per student to the Bureau of Public Administration to offset administrative costs. These amounts are funded by the agencies through internal salary savings;

The State Government Internship Program is administered by the Bureau of Public Administration (BPA) at the University of Maine. The Bureau's responsibilities include the following:  
(5 MRSA §294)

- 
- General supervision of the program including the development and implementation of administrative guidelines and operational procedures under the advice of the Internship Advisory Committee;
  - Promotion and recruitment of college students and state departments as program participants;
  - Selection and placement of applicants under the advice of the Internship Advisory Committee;
  - Arrangement of orientation for interns and supervising state personnel prior to commencement of student work within the State agency;
  - Coordination of intern activities with the participating state agencies to the maximum advantage of the program;
  - Issuance of an annual report to the Legislature on the Internship Program.

The Committee finds that the Advisory Committee to the State Government Internship Program serves an important function in overseeing Maine's state government internship program.

Therefore, the Committee recommends that the State Government Internship Advisory Committee should be continued under the provisions of the Maine Sunset Law. Furthermore, the Committee finds that members of the State Government Internship Advisory Committee should be appropriately compensated.

STATUTORY

11.

---

Direct the Bureau of Public Administration to seek the advice of the State Government Internship Program Advisory Committee in administering all facets of the program's administration.

---

---

ADMINISTRATIVE 12.

---

Increase the Advisory Committee's areas of participation in administering the State Government Internship program.

---

During the review, the Committee found that the Advisory Committee served an important role in selecting outstanding college seniors and graduates for placement in the internship program. However, a concern was raised that the Advisory Committee's actual level of participation is limited to one meeting per year in which the Advisory Committee makes the final placement selections based on recommendations by the Bureau of Public Administration (BPA).

According to current law, the Bureau of Public Administration (BPA) is only required to seek the advice of the State Government Advisory Committee in 3 specific areas:

- administrative policy formulation;
- student intern selection; and
- agency placement selection.

However, the law assigns additional administrative tasks to the Bureau of Public Administration without clearly requiring the Advisory Committee to oversee these tasks.

Interviews with members of the Advisory Committee revealed an interest in increasing the Advisory Committee's role in the following ways:

- greater involvement of the Advisory Committee in reviewing student applications and potential agency placements;
- continued involvement in overseeing the program during the student placement periods;
- increased feedback to the Advisory Committee from interns and participating agencies after the placements have been completed; and
- increased participation in the planning of the intern program, including program development, student recruitment and the encouragement of innovative placements.

---

Therefore, the Audit & Program Review Committee recommends that current law be amended to require the Bureau of Public Administration to seek the advice of the Advisory Committee in all facets of the program's administration. Furthermore, the Committee recommends that the Bureau of Public Administration should increase the Advisory Committee's areas of participation in administering the State Government Internship program.

ADMINISTRATIVE 13.

---

Direct the Bureau of Public Administration to improve the dissemination of its program announcements and report to the Audit Committee during the 1988 Compliance Reviews.

---

During the review, the Committee found that the State Government Internship Program provides a valuable opportunity for Maine's college students to experience employment in Maine state government.

As the purpose of the program is to attract Maine's outstanding college graduates into state employment, the Committee found that it was the state's obligation to announce the program in both a timely fashion and in a way that makes the program announcements available to each of the different institutions attended by Maine's college population.

In reviewing the program's recruitment procedures, the Committee found that the Bureau's methods of notifying various schools and advertising the program announcements in the state's newspapers were adequate. However, the Committee also found that the information dissemination process could be improved if program announcements were more widely distributed to individual campus information centers.

Therefore, the Committee recommends that the Bureau of Public Administration should improve its dissemination of the program announcements and report to the Audit and Program Review Committee during the 1988 Compliance Review.

---

ADMINISTRATIVE 14.

Amend the application forms to clarify that program schedules may be adjusted to meet personal obligations as approved by the program's Advisory Committee.

---

The State Government Internship Program is a 12 week learning experience established to attract Maine's outstanding college graduates into state government. The program recruits students who are Maine residents, regardless of whether they attend a Maine college or university. This broad inclusion of participating schools requires the program to consider varying academic calendars in planning the year's internship program.

During the course of the review, the Committee found that some students have refrained from applying for internship positions because of institutional calendars that overlap with the dates of the internship program. For instance, according to the 1987 notification and application forms, the program is scheduled to begin June 1 and end on August 21, apparently disqualifying students whose academic year ends later than June 1.

The Committee finds that the opening and closing dates of the internship can be adjusted to meet a student's academic or personal obligations without diminishing the goals and benefits of the program. However, the application does not imply that this flexibility exists.

Therefore, the Committee recommends that the program's applications should be amended to clarify that program schedules may be adjusted to meet personal obligations as approved by the program's Advisory Committee.

ADMINISTRATIVE 15.

Direct the Advisory Committee to explore the idea of adding a twelve month component to the internship program. Report to the Committee on Audit & Program Review during the 1988 Compliance Review.

---



---

During the review of the current state internship program, the Committee considered the establishment of a 12 month program to provide 1 year state placements for newly graduated Maine students. The program was proposed as an addition to the existing 12 week intern program.

The proposed 12 month program would differ from the current 12 week program in the following ways:

- a longer internship placement;
- placements limited to recent graduates;  
and
- interns would earn entry-level pay and state benefits during this 1 year program.

Current law does not define the Internship Program's components, length or other specifics but identifies the program purposes as follows: (5 MRSA §292)

1. to attract and select college students with ambition and talent for temporary internships within Maine state government;
2. to place each intern in a position of some responsibility where they can contribute ideas, enthusiasm and ingenuity while completing a project under the direction of a responsible state administrator;
3. to encourage a liaison between state government and the various institutions of higher learning in the state; and
4. to form recommendations for improving the intern program and for attracting college graduates with outstanding potential into permanent positions of state employment.

The law further authorizes the Bureau to exercise general supervision over the operation of the program, and with the advice of the Internship Advisory Committee, to develop and implement administrative guidelines for interns and state government personnel, to formulate policies and to establish and administer operational procedures.

---

Therefore, the Committee notes the following:

- the Advisory Committee has the statutory authority to develop new policies to further the program's purpose of attracting outstanding college graduates to Maine state government;
- many factors in the 12 month proposal need further exploration; and
- the concept of a 12 month intern program has not yet been discussed by the Advisory Committee.

Accordingly, the Audit and Program Review Committee recommends that the State Government Internship Advisory Committee should explore the idea of adding a 12 month component to the internship program and report to the Audit and Program Review Committee during the 1988 compliance review.

---

## VICE CHANCELLOR FOR ADMINISTRATION

As stated earlier, the Chancellor's office is comprised of the most senior executive officers for the System. On the administrative side, which is headed by the Vice Chancellor for Administration, the System provides services from the operating departments of Office of the Controller (Financial), the Office of Facilities (Physical Plant) and the Office of Human Resources (Personnel and Labor Management). Although each campus within the System has certain operational responsibilities in each of these realms and designated personnel to administer them, these System level departments have certain oversight duties, coordinating responsibilities and in some cases perform exclusive administrative duties for the System. Finally, the administrative side of System-wide services also includes the Department of Internal Audit and Computing & Data Processing Services (CAPS).

## OFFICE OF THE CONTROLLER (FINANCE)

The Office of the Controller performs a number of financial management and oversight duties. The office is headed by the Associate Vice Chancellor for Finance who also has the Title of Controller. Briefly stated, the Office of the Controller performs the following functions:

- administers and controls all University System (campus) budget practices and funding procedures;
- prepares the University System's annual financial statements;
- collects, reports and publishes for internal and public use statistical and financial information about all aspects of the University System's activities;
- coordinates the student loan and financial aid policies and procedures of the individual campuses to help ensure efficient practice;
- provides required professional assistance to the individual campuses; and

- 
- maintains control of the total 6,000 University accounts which handle approximately 600,000 transactions per fiscal year.

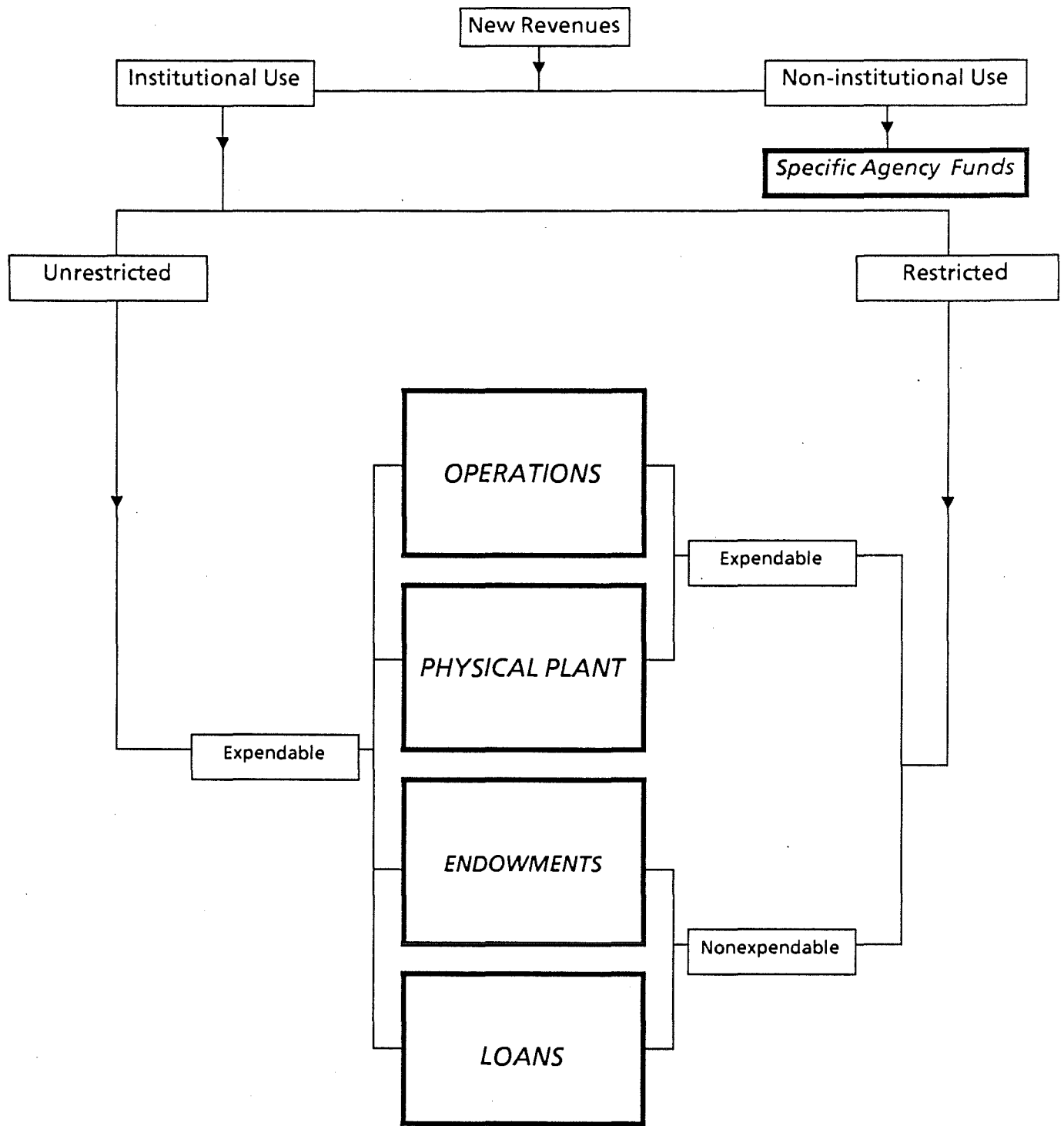
From the onset of this review, the Committee sought to gain an accurate understanding of the particulars of higher education financing. In gaining that understanding, the Committee found that public institutions for higher education rely on a number of diverse funding sources. Not only are these funding sources distinct from each other but, in many cases, differing funding sources may often stipulate a set of particular conditions which may limit ways the money may be used.

These circumstances are the financial basis by which public institutions of higher education exist and are evaluated. The complicated typology of revenue sources for public higher education is also manifested in a highly unique, and sometimes confusing, system of financial reporting and analysis.

To clarify from what sources a public university system receives its funding and how that System is allowed to use these funds, the Committee made use of Diagram 5. The contents of this diagram are explained as follows:

- a public university system receives **new revenues**;
- these revenues are intended for either **institutional use** or **non-institutional use**. To use the University of Maine System example, funds received for the campuses, or system administration of those campuses, are considered to be for **institutional use**. Funds intended exclusively for the Maine Public Broadcasting Network, which is administered by the Board of Trustees are considered to be for **non-institutional use**; and may only be used as **specific agency funds** for the Maine Public Broadcasting Network;
- Funds provided for **institutional use** comprise the great majority of funds received by an institution like the University of Maine System. Funds received by the System for **institutional use** are either **unrestricted** or **restricted**;

**DIAGRAM 5**  
Revenue Classification & Allowable Use:  
Public Higher Education



— Revenue Classification

— Allowable Use

ADAPTED BY AUDIT STAFF  
MARCH 1988

- 
- **Unrestricted funds** are received by the institution without any legally binding restrictions. The institution is free to use these funds for whatever institutional purpose it deems necessary. For the University of Maine System, most funds are **unrestricted** and come from two sources: the Legislature and tuition;
  - **Restricted funds** are received by the institution under legally binding conditions. These conditions specify the purpose of the funding and the conditions under which it may be spent. The institution's flexibility in using these funds is limited by the restrictions imposed by the donor. The University of Maine System receives a significant amount of restricted funds which include endowments, specific governmental grants and loan funds;
  - **Designated funds** are **unrestricted** funds received by the institutions which are earmarked at the discretion of the institution as funds that may only be used for a specific purpose(s). The University of Maine System has **designated** funds for a relatively limited number of activities which require, for accounting purposes, a specific fund upon which receipts can be measured, such as conferences and institutes sponsored by the University as well as the employment of summer faculty;
  - **Expendable funds** are received by the institution, the assets of which may be expended by the institution. By definition, all **unrestricted funds** are **expendable**. However, **restricted funds** can be either **expendable** or **nonexpendable**. The assets of **nonexpendable** funds may not be spent, only the interest gathered from the principal. The best examples of non-expendable funds for the University of Maine System are the various endowments which exist to benefit particular purposes within the System.

---

## RECOMMENDATIONS AND FINDINGS: FINANCE

---

FINDING	16.	The Committee finds that, as measured by an analysis of System assets and liabilities, the University of Maine System appears to have a sound financial status.
---------	-----	---

---

In conducting its review of the administration and management of the University of Maine System, the Committee found that the methods of financial analysis commonly used to review state agencies were not be adequate to deal with the multiplicity of revenue sources and expenditure categories used by the University of Maine System.

The Committee used an instrument of financial analysis designed specifically by the national accounting firm of Peat, Marwick, Mitchell and Company for institutions of higher education. This analysis, entitled "Ratio Analysis in Higher Education" makes use of financial information reported in the yearly financial statements of colleges and universities to assess the following questions:

- What is the financial health of the institution, for the time period being reported?;
- Did the institution live within its financial means during that time period?;
- What is the status of the specific financial variables which determine the answers to the previous 2 questions; and
- What is the creditworthiness of the institution for this time period?

These questions are addressed by a total of 25 different mandated ratios. Each of the ratios uses a specific piece of statistical data taken from the University System's annual financial statement(s). The ratios are categorized into 5 groups which correspond to the questions posed above.

---

To accomplish a thorough review of the System's overall financial status, the Committee used these 25 ratios to analyze financial data for the ten year period from 1977 to 1986. The ratios and the Committee's calculations are included in their entirety as Appendix 4. A brief description of each ratio and conclusions derived by the Committee from them are grouped below according to the questions designed to be answered by the ratios. In assessing the results, the Committee relied upon the author's suggested benchmarks and indicators:

Ratios 1-4 seek to answer the question, **what is the financial health of the institution for the time period being reported?**:

- Ratio 1 Expendable Fund Balances to Plant Debt; assesses the financial health of the institution in terms of available cash (liquidity) to meet obligations as they come due. The Committee found that the University of Maine System figures indicate an increasingly positive relationship over the ten year period being reviewed;
- Ratio 2 Plant Equity to Plant Debt; is similar to Ratio 1 but assesses the institutions total investment in plant which can be considered as liquid assets for the purposes of long term borrowing. The Committee found that the University of Maine System figures greatly exceeded the author's suggested minimum figures, indicating a very healthy status;
- Ratio 3 Expendable Fund Balances to Total Expenditures and Mandatory Transfers; describes the institution's ability to support its current level of operation based on currently expendable resources. In other words, how long would the University of Maine System be able to operate on its available cash without any additional revenues? The Committee found that the University of Maine System figures all fell within the recommended parameters;



- 
- Ratio 4 Nonexpendable Fund Balances to Total Expenditures and Mandatory Transfers assesses the health of the institution in terms of its level of nonexpendable fund balances. The operating assumption for this ratio is that the interest income generated by nonexpendable resources has a significant impact on the institution's overall financial health. The Committee found consistently positive figures for the University of Maine System.

Ratios 5-7, attempt to answer the question: **Did the institution live within its financial means during the time period reviewed?**

- Ratio 5, Net Total Revenues to Total Revenues; indicates whether total current operations for the year resulted in a surplus or a deficit. The Committee found that the University of Maine System had the recommended surplus;
- Ratio 6, Net E & G Revenues to Total E & G Revenues; indicates whether an institution had sufficient Educational and General revenues to meet the costs of this activity. Again, with one exception, (FY 84), the Committee found that the University of Maine System had the desired positive relationship; and
- Ratio 7, Net Auxiliary Enterprise Revenue to Auxiliary Enterprise Revenue portrays whether an institution had sufficient auxiliary (self-supporting) enterprise revenues to meet expenditures in this area. The Committee found that the University of Maine System met or exceeded the recommended break even status recommended by the author for each of the 10 years reviewed.

Ratios 8 - 13 identify the institution's **degree of reliance on particular funding sources**. The Committee found that the University of Maine System maintained the recommended trends of relative stability and positive increase for each of these ratios:

- Ratio 8 - Tuition and fees;

- 
- Ratio 9 - Federal revenue;
  - Ratio 10, State Revenue;
  - Ratio 11, Other Revenue (local);
  - Ratio 12, Private gifts and grants; and
  - Ratio 13, Endowment Income.

Ratios 14-21 answer the question; for what functions were the Educational and General Revenues of the institution allocated and to what degree? Again, the Committee found that the University of Maine System figures adhered to the recommended traits of relative stability and appropriateness.

- Ratio 14, Instructional Purposes;
- Ratio 15, Research;
- Ratio 16, Public Service;
- Ratio 17, Academic Support;
- Ratio 18, Student Services;
- Ratio 19, Institutional Support;
- Ratio 20, Operations and Maintenance; and
- Ratio 21, Student Aid.

Finally, ratios 22-25 determine whether an institution can repay the indebtedness it is assuming.

- Ratio 22 Assets to Liabilities; measures available assets against general liabilities. The authors recommend that an institution have at least a 2:1 ratio of assets to liabilities. The Committee Found that the figures for the University of Maine System consistently fall above that suggested minimum ranging from greater than 4:1 (FY 77) to 6:1 (FY 86) indicating that on the basis of this analysis, the University of Maine System would be considered a very good credit risk;

- 
- Ratio 23, Debt Service to Unrestricted Current Fund Revenue; measures current debt service obligations against unrestricted current fund revenues. The authors recommend that a decreasing ratio is desirable, indicating that the institution is able to use its financial resources for other operational needs. The Committee found that other than debt service, the figures for University of Maine System reflect a definite downward trend, 3.0% (FY 77) to 1.6% (FY 86), again indicating the apparent credit worthiness of the institution.
  - Ratio 24, Matriculated Students to Completed Applications; measures the number of registered freshmen and transfers against the number of completed applications for the same groups. The authors suggest that because institutions are so dependent upon tuition as a revenue source, their success in attracting students is a factor that can be used to assess the dependability of a prime revenue source, ultimately reflecting upon their credit worthiness. While the authors do not suggest a preferable threshold for analysis, the Committee found that based on available figures, the University of Maine System appears to have an increasing trend in the most recent 4 years reviewed, 48.4% (FY 83) to 50.6% (FY 86); and
  - Ratio 25, FTE Enrollments to Base Year; measures current FTE enrollment against a base year. The authors suggest that this figure is useful when it appears that an institution's financial health is strongly linked to enrollment levels. The figures for the University of Maine System show a decline from the selected base year of FY 77 to 95.5% of that total for FY 86. However, the Committee found that, based on the author's criteria, this decline does not appear to be significant in that the University of Maine System appears to have maintained good financial health during the 10-year time period reviewed.

---

In summary, the Committee found that the results of this comprehensive financial analysis indicate that the Board of Trustees exercised a rather conservative fiscal management style over the ten year period reviewed. Therefore, the Committee finds that, as measured by an analysis of System assets and liabilities, the University of Maine System appears to have a sound financial status.

---

ADMINISTRATIVE	17.	Develop future budgetary submissions according to specified guidelines in order to promote clarity and understanding.
----------------	-----	---

---

Although the University of Maine System is not considered to be a "traditional" state agency, it does resemble most agencies in its dependence on legislative appropriation to provide the majority of its operating revenue. As one of the many entities seeking an appropriation from the State's General Fund, the University System is required to take part in the State's usual budgetary/appropriations process.

In brief, the State's current budgetary process starts with the issuance of budgetary instructions from the Bureau of the Budget in the Executive branch. Most recently, these instructions have emphasized that Part I requests from an agency must be limited to the "estimated requirements to continue each program at its current level". Part II requests are intended to be limited to new and expanded programming.

Next, the agency submits its completed budget request to the Governor via the Bureau of the Budget. The Governor then evaluates the priorities reflected in each request against his estimation of overall state financial resources and the larger set of state-wide priorities. After a final determination of the total budget package, the Governor submits a biannual budget proposal to the Legislature.

Upon receipt by the Legislature, the Governor's budget proposal is referred to the Joint Standing Committee on Appropriations & Financial Affairs for detailed review. This review process includes a series of public hearings and work sessions on each part of the proposed budget and culminates in a set of recommendations to the full Legislature as to how the proposed budget should be funded and to what extent. Finally, the Legislature votes whether to enact the recommended budget into Maine law.

---

In recent years, it appears that the special status of the University of Maine System as an "instrumentality of the state", but not a regular state agency, may not have been adequately reflected in the initial stages of the budgetary submission and review process. The current guidelines and process do not include any special recognition of the differing operating assumptions of the University of Maine System. In brief, some components of the present University of Maine System method of operation differ significantly from that of regular state agencies:

- compensation - collective bargaining agreements for state employees are "built in" to Part I requests for state agencies. Because University of Maine System employees are not state employees and have separately negotiated contracts, the University of Maine System maintains that costs emanating from their collective bargaining agreements should be considered as Part I costs, i.e. this is the amount necessary to maintain the services already being provided; and
- inflation - from the System's perspective, they are at a disadvantage when the Governor instructs state agencies to hold to a particular rate of inflation in their budgetary requests. Because the University of Maine System is not a state agency, it does not benefit from "built in" inflation reflected through collective bargaining and step increases. From this line of reasoning, state agency budgets are allowed to add an inflationary percentage in addition to whatever increases have resulted through bargaining and step increases. In contrast, the University of Maine System must apply the specified inflation factor to all costs of present services. One apparent drawback to this scenario is that whenever the impact of the actual increase resulting from collective bargaining agreements exceeds the Governor's specified inflationary factor, the System is faced with cutting back on other current service components of the Part I request.

---

Furthermore, there does not appear to be a precise understanding as to what the University System is expected to submit in its Part I and Part II budget requests. For example, in its budgetary submission to the 112th Legislature, the University of Maine System asked for \$6 million in new funds for the Part I request and \$10 million for compensation increases in their Part II request. These requests by the University System appeared to reflect their understanding that compensation increases should be included as a Part II item. During the Appropriation Committee's review of the University of Maine System submission, the University of Maine System received comment that compensation increases should be a Part I item.

For the 113th Legislature, the University of Maine System submitted a request to the Budget Office which asked for some \$20 million in new funds for Part I and only \$3 million in Part II. However, the Governor's Budget put the compensation increases back in Part II for a total of \$8 million. The Governor's Part I request to the 113th totaled \$3 million.

The Committee has worked with the Office of the Budget, the Chancellor's office and the Appropriation's Committee to formulate a common definition of what the University of Maine System Part I budgetary submission should include. In brief, the definition (see Appendix 5) stipulates that the System's Part I request to maintain current level of services should include:

- a reasonable inflation factor for All Other and Capital equipment costs; and
- an amount equal to previously approved compensation levels plus an amount not to exceed 2% of the previous total.

Each of the involved parties are cognizant that this definition merely relates to the format for initial budgetary submission by the University of Maine System and in no way binds the budgetary process to a final determination of budgeted fund amounts in either Part I or Part II.

Therefore, to promote a clearer understanding of the University System's unique status, the Committee recommends that the specified definition for Part I budgetary submission as it pertains to the University System be used by all involved parties as the starting point for the budgetary process.

---

FINDING

18.

The Committee finds that despite recent increases in legislative funding, the University of Maine System remains underfunded when compared to other similarly sized public higher education systems.

---

As one of its primary goals, the University of Maine System exists to provide high quality and affordable educational programming to the people of the State of Maine. The System's reliance upon the Legislature for the great majority of its total revenues is essential to its success in achieving its educational goals. In FY 87, the University of Maine System received approximately 69% (\$99.4 million) of its total Education and General (E. & G) revenue needs (\$142.3 million) from the Legislature. The balance of System revenues come largely from student tuition.

Upon review, the Committee found that the Legislature's financial commitment to the University System has increased dramatically in recent years. This increased commitment can be measured in several different ways:

- As evidenced by Graph 2, the dollar amounts appropriated by the Legislature to the System have increased from some \$17 million in FY 69 to more than \$123 million in FY 89. Of particular significance, are the relatively steep increases that have taken place since FY 86;
- Table 1 further illustrates the increased financial commitment of the Legislature by analyzing the rates of increase over that same time period. The average annual rate of increase for that 21 year time span was 10%. In contrast, over the most recent five year time period, the average rate of increase has risen to 16%;

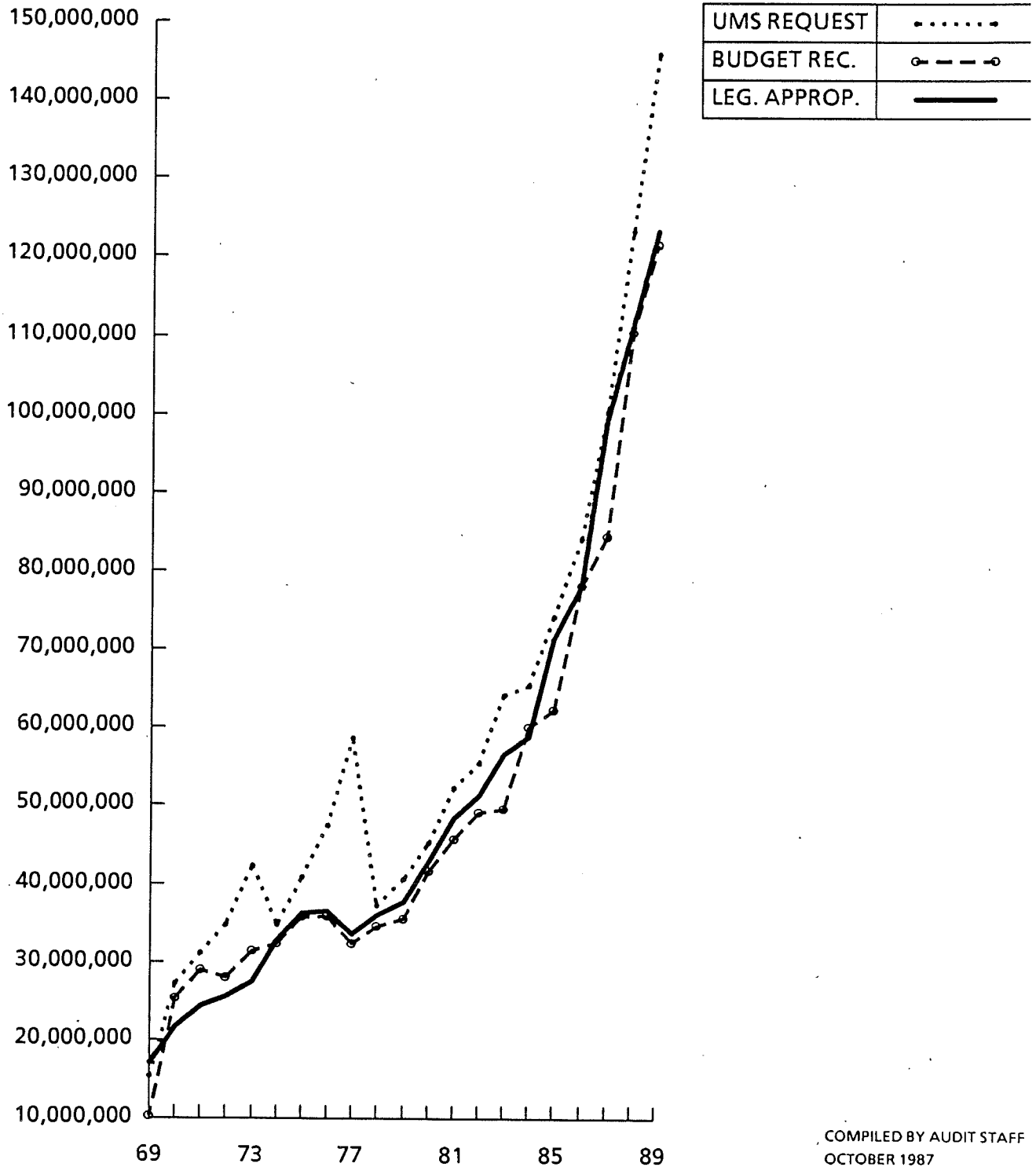
**TABLE 1**  
**ANNUAL RATES OF INCREASE**  
**LEGISLATIVE APPROPRIATIONS TO THE**  
**UNIVERSITY OF MAINE SYSTEM**

<u>FISCAL YEAR</u>	<u>TOTAL LEGISLATIVE</u> <u>APPROPRIATION TO THE</u> <u>UNIVERSITY OF MAINE SYSTEM</u>	<u>INCREASE FROM</u> <u>PREVIOUS FY</u>
69	\$ 17,074,425	
70	21,597,639	26%
71	24,251,105	12%
72	25,645,704	6%
73	27,528,392	7%
74	32,843,102	19%
75	36,368,544	11%
76	36,468,544	0%
77	33,681,690	-8%
78	35,990,408	7%
79	37,754,928	5%
80	42,925,000	14%
81	48,296,000	13%
82	51,391,000	6%
83	56,704,400	10%
84	58,972,576	4%
85	71,564,188	21%
86	77,975,556	9%
87	99,423,713	28%
88	111,459,124	12%
89	123,350,492	11%
21 Year Average Increase		10%
10 Year Average Increase		13%
5 Year Average Increase		16%



# GRAPH 2

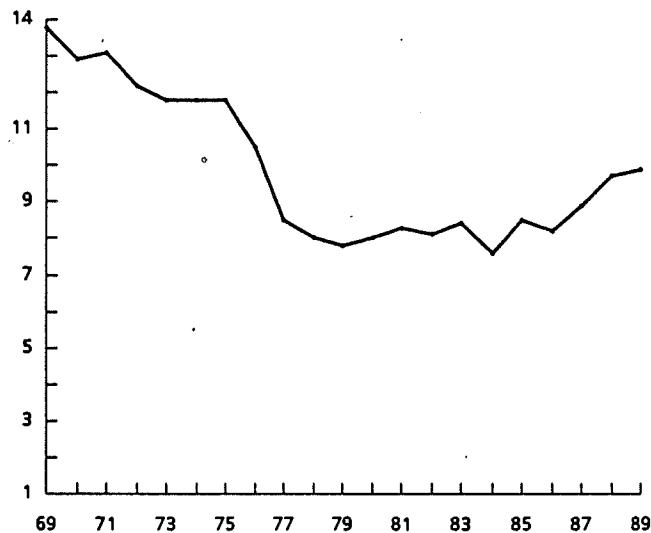
Appropriations to the University of Maine System; FY 1969 - FY 1989



- Finally, the results of Graph 3 depict total legislative appropriations to the University of Maine System as a percentage of total General Fund Revenues, a measurement which reflects to some degree the proportion of state financial resources being provided to the System. The information portrayed in this graph suggests that in recent years, the state has invested increasing amounts of its total financial resources in the University of Maine System, increasing from a low of 7.6% in FY 84 to a recent high of 9.9% in FY 89.

GRAPH 3

Percentage of Total General Fund Revenues  
Appropriated to the University of Maine System  
FY 1969 - FY 1989



COMPILED BY AUDIT STAFF  
OCTOBER 1987

The Committee commends the Legislature for its commitment to improving recent funding levels for the University of Maine System. The Committee found that these funding increases have already resulted in tangible improvements within the System. Some examples of the improved standing of the University of Maine System are as follows:

- 
- results from a 1986 University of Maine System study which compared UM to other land grant institutions suggested that it would take nearly \$14 million to raise the E & G budget per FTE student at UM (\$5,808) to the average figure (\$7,259) for the land grant universities under comparison. The Committee concluded its own study of these institutions utilizing a slightly smaller group of the institutions included in the original study. The results of the Committee's study (Appendix 4) suggest that it would now require just over \$5 million to bring the E & G Budget per FTE student at UM (\$8,624) up to the average level (\$9,171) for compared institutions;
  - similarly, results from another University of Maine System study (1988) which compared USM to other public comprehensive urban universities, found that USM ranked second lowest in E & G Budget per FTE student (\$5,049) and that it would take approximately \$7 million to raise this figure to the average (\$6,200) for the compared institutions. However, that same study also suggested that recent funding increases will significantly raise USM's ranking but that this increase will not yet bring USM to the average E & G budget per FTE student;
  - 1986/87 faculty salaries for UMA, UMM, UMPI, UMFK and UMF (as well as UM and USM) compare very poorly with the national average for comparably sized public institutions. However, recent Legislative funding increases will markedly improve the standing of various University of Maine System campuses with regards to faculty salaries; and
  - the results of a Committee study of similarly sized systems of public higher education (Appendix 6), suggest that legislative appropriation per full time equivalent student (\$5,559) in the University of Maine System are very close to the average figure (\$5,826) for the seven

---

compared systems. In addition, the Maine State Legislature provides the highest percentage (71%) of the total E & G Budget, of any of the seven systems under comparison.

The Committee also found considerable evidence which suggests that despite the significantly positive impact of recent legislative funding increases, the University of Maine System remains underfunded when compared to other similarly sized institutions. Somewhat paradoxically, the same evidence which demonstrates the positive impact of these funding increases, also indicates that, while the gap has been narrowed, the University of Maine System is still in need of increased financial commitment from the Legislature:

- the results of the Committee's earlier cited survey (Appendix 6) suggests that an additional \$5 million is needed to bring the E & G budget per FTE student at UM up to the average;
- the other previously mentioned study suggests that it will take an additional \$7 million to bring the E & G budget per FTE student at USM up to the average;
- while faculty salaries have been significantly improved, it still appears that Maine will rank poorly among all the states; and
- the Committee's study of similarly sized public higher education systems indicate that:
  - the total E & G Budget for the University of Maine System (\$157.2 million) ranked sixth out of the seven systems being compared;
  - the E & G Budget per FTE student in the University of Maine System (\$7,900) also ranks sixth and is well below the average figure (\$10,241); and
  - the Legislative appropriation to the University of Maine System (\$111.4 million) ranks fifth and is significantly below the average legislative appropriation (\$132.3 million).

---

Therefore, the Committee finds that when compared to other similarly sized public higher education systems, the University of Maine System remains underfunded, although the gap has been closed significantly in recent years. The Committee also notes that the results of its legislative survey (Appendix 1) suggest that there is considerable legislative sentiment for increased legislative funding to the University of Maine System.

---

STATUTORY	19.	Grant the Board of Trustees tax exempt status for certain limited borrowing authorities to significantly reduce certain future costs within the University of Maine System.
-----------	-----	---

---

At the present time, Maine law provides the Board of Trustees with a number of specific borrowing authorities:

- 20-A MRSA §10906 (1) C states that the Treasurer of the University of Maine System has the authority to borrow money in anticipation of assured revenues when approved by the Board of Trustees and to contract for other loans with the approval of the Trustees and the Governor; and;
- Private and Special Law 1903, Ch. 393 authorizes the board to secure borrowing for the construction of fraternity and sorority houses and specifically prohibits any obligation of the State in the repayment of these loans.

Upon review, the Committee noted that the terms "borrowing authority" and "bonding authority" are sometimes used interchangeably but that there is a significant difference between the two terms. "Borrowing authority" refers to whatever authorization may exist which would enable an organization such as the University of Maine System to borrow funds on either a short or long term basis.

"Bonding authority" is a specific statutory authorization which allows a body like the University of Maine System to offer bonds in its own name on the municipal bonding market. Municipal bonds are used by differing governing units to finance high cost projects over a long period of time that have a public purpose and are attractive to investors because of their tax-exempt statutes.

---

With one minor exception, the University of Maine System does not have the legal authority to issue municipal bonds in its own name. Currently, all bonds for the University of Maine System are issued by the State of Maine. All such bonding for the University of Maine System requires approval by the Legislature and a majority vote by public referendum. (The Committee noted that the University of Maine System has one very limited bonding authority granted by state law. 20-A MRSA, Chapter 418 authorizes the University of Maine System to issue bonds for the purpose of providing funds for student loans. Enacted in the mid-1980's, this authority has never been used because bonds for student loan purposes are expensive. Student loan repayments are not considered to be particularly good risks. Thus, this type of bond is a less attractive investment and can only be sold at higher interest rates. The higher rates would result in loans that would cost more than existing loan programs.)

In practice, the Board of Trustees' limited borrowing authority has been used by the System to provide financing for self supporting projects such as dormitories, student dining centers and bookstores. These types of operations, often referred to in higher education literature as "Auxiliary Enterprises", depend solely on the revenues generated from their own operation and do not require state funds or support from student tuition. In this sense, Auxiliary Enterprise operations are considered to be self supporting and are operated by higher education institutions such as the University of Maine System, on a break even basis.

The Committee found that this specific borrowing authority does not allow the Board of Trustees to issue municipal bonds in its own name, nor does it permit the University of Maine System to finance projects of an E & G (Education and General) purpose without the Governor's approval. Generally, E & G projects (classrooms, laboratories, offices, etc) are funded exclusively through the state bonding process, and thus rely on public funding supplied by the state as a repayment source. The Committee also found that because state appropriations to the University of Maine System and revenues collected from student tuition are used to cover current E & G operating expenses, that the Board of Trustees would not be able to cite either of these revenue sources as an "assured revenue" under the terms of their current borrowing authority.

While it is clear that the Board of Trustees has the authority to borrow funds for self-supporting projects, and for other purposes with the Governor's approval, the Committee found that current law does not confer a tax-exempt status upon these borrowing authorities. Up until fairly recently, banks were willing to provide tax exempt loans to the University of Maine System without a specific statutory reference to a tax-exempt

---

status for University borrowings. However, current lending policy of most banks now requires an opinion from bond counsel which states that under IRS regulations System borrowings are exempt from federal income taxes. The IRS uses a series of tests to determine an institution's tax-exempt status. These tests include a review of whether current State law specifies an institution's public purpose and whether the law specifies a tax-exempt status for institutional borrowings. The Committee found that neither of these provisions can be found in Maine law and that, as a result, the System is not currently able to secure the favorable interest rates available to tax-exempt borrowers.

On a practical level, the lack of a specific tax-exempt status for the University System has limited the System to borrowing at more expensive commercial rates. The Committee found that when the Board of Trustees has to borrow money at a commercial rate for self-supporting projects, that the higher financing costs result in higher costs to the primary users of these services; namely, students within the University of Maine System. For example, the Committee found that the University of Southern Maine has entered into an arrangement with private developers to provide additional housing for its students. The developers are financing this project at current commercial rates of 11% and are unable to avail themselves of tax-exempt loans at a rate of 7%. The Committee found that borrowing at the higher rate will cost the University of Southern Maine students housed in these facilities an additional \$375 per year over a fifteen year period.

The Committee also found that the lack of tax-exempt status for the University of Maine System does not reflect a deliberate policy decision of the Legislature, but instead can be viewed as an unanticipated effect of the wording, or lack thereof, in current law. The Committee found that statutory language can be enacted which will clearly establish tax exempt status for the University of Maine System borrowing and that such a status will significantly reduce the cost of certain University borrowings, ultimately reducing costs to students within the University of Maine System.

Finally, the Committee finds that any decision to grant a tax-exempt status to the current limited borrowing authorities given to the Board of Trustees does not constitute, in any manner, an expanded authority which would enable the Board of Trustees to issue municipal bonds in its own name nor would this tax-exempt status allow the Board of Trustees to obligate the State of Maine for any University borrowings.

Therefore, to significantly reduce certain costs for students within the University of Maine System, the Committee recommends that the Board of Trustees be granted tax-exempt status for certain, limited borrowing authorities.

---

FINDING

20.

The Committee finds that there is a need for the Board of Trustees to continue efforts to strengthen the various development efforts within the University of Maine System. Further, the Committee finds that System funds invested in furthering effective campus development efforts is likely to result in significantly increased private giving to the University of Maine System.

---

ADMINISTRATIVE 21.

Report on the status of development efforts in the System with a particular emphasis on the current efforts at UMA, UMM, and UMFK by July 1, 1989 to the Joint Standing Committees of Audit & Program Review, Appropriations and Education.

---

During its review of the administration and management of the University of Maine System, the Committee focussed a great deal of attention on the manner in which the System, and its various campuses, engage in raising funds from the private sector. The Committee found that private fund raising, or development, efforts take place in one of two principal ways:

- first, the System maintains its own set of endowments; and
- second, depending on its level of development activity, each campus may make use of a separate endowment(s) established specifically to benefit that particular campus.



---

### System Endowments

Endowments are received by the University System as non-expendable restricted income, i.e. the institution may only use interest income derived from the assets for a specified purpose. For the most part, the current endowments held by the University System are used to provide funds for student loans. The system's total level of endowments experiences growth and replenishment in a number of ways:

- receipt of new endowments;
- payment of interest income; and
- collection of loan repayments.

Endowments made to the University of Maine System are accepted by formal action of the Board of Trustees during their regularly scheduled meetings.

A minority of the endowments received by the Board stipulate that the asset must be invested separately. These separate investments are managed and administered by the University of Maine System. Most endowments have no such stipulation and are "pooled" as one fund to gain maximum investment return.

To save on administrative costs, the Board of Trustees has retained outside investment managers to invest and administer the system's pooled endowment. The investment manager reports on a monthly basis to the Controller's office. In turn, the Controller's office reports to regular meetings of the Board's Finance Committee. The Finance Committee provides the investment manager with a list of clearly defined investment objectives.

For FY 1986, the System's pooled endowment was managed by a local bank. After intensive study, the Board decided that a better rate of return for the pooled endowment could be achieved by changing investment managers. As of July 1, 1986, the Board retained the Common Fund which is an investment corporation for the specific purpose of managing higher education endowment funds. For FY 1987, the Board paid approximately \$75,000 to the Common Fund in administrative costs.

As of July 1987, the University of Maine System had a total of 426 endowment accounts; ranging in size from \$3,000 (minimum size) to \$704,414.

---

Upon review of the Board of Trustees' management of the System endowment(s), the Committee found the following:

- total endowments held by the University of Maine System have increased from \$9,593,941 in FY 1977 to \$19,439,896 in FY 86. . The market value of the System's endowment funds declined relative to the previous year on two occasions; FY 82 and FY 1984;
- earnings of the System's endowment funds have increased from \$549,016 in FY 1977 to \$1,323,245 in FY 1986. Total earnings relative to the previous year's earnings declined once (FY 83) during the past 10 year period; and
- over the ten year period of FY 1977-FY 1986, investments of the System's Endowment had return rates which ranged from a low of -20% in FY 1984 to a high of 54% in FY 83. Further, with two exceptions, (FY 82 and FY 84) the System endowments experienced positive return rates on investments made. Finally, the Committee noted that to a significant extent, the performance of invested endowment funds largely paralleled the overall health of the financial market for each of the years reviewed.

#### **Campus Development Efforts**

The Committee found a wide range of development efforts among the seven campuses within the University of Maine System. These efforts take several forms. Some campuses have their own departmental units within the campus structure for development purposes. Other campuses may have independent organizations recognized by the Board of Trustees as affiliated support groups which exist to raise funds on behalf of a particular campus. A complete compilation of these activities are listed in Appendix 7. The results of this compilation indicate that several campuses such as UMA, UMM, and UMFK are in the process of establishing planned development efforts. Other campuses have already been successful in implementing development efforts and benefit from the private fund raising activities of affiliated support groups.

---

The Committee found that development efforts on the individual campuses can be successful in raising significant sums of money from the private sector. For example, in FY 87, the following campuses (and organizations on their behalf) were successful in raising substantial private funding:

- University of Maine - \$6,371,,914;
- University of Southern Maine - \$2,258,357;
- University of Maine at Farmington - \$62,538; and
- University of Maine at Presque Isle - \$45,000.

Further, the Committee found that private fund raising offers a potential to supplement the other primary revenue sources of the University System; Legislative appropriation and student tuition. Private fund raising efforts can be used to enhance and support student loan programs, scholarships, endowed faculty positions and facility construction. As one example of the potential of private fund raising for the University of Maine System, the Committee notes that the Maine Center for the Performing Arts at UM was recently constructed at a total cost of \$8.3 million, all of which was raised from private sources.

Therefore, the Committee finds that that there is a need for the Board of Trustees to continue efforts to strengthen the various development efforts within the University of Maine System. Further, the Committee finds that System funds invested in furthering effective campus development efforts is likely to result in significantly increased private giving to the University of Maine System.

Finally, the Committee recommends that the Board of Trustees report on the status of development efforts in the System with a particular emphasis on the current efforts at UMA, UMM, and UMFK by July 1, 1989 to the Joint Standing Committees of Audit & Program Review, Appropriations and Education.

#### **RECOMMENDATION(S) REGARDING AFFILIATED SUPPORT GROUPS**

The Committee is in the process of formulating a final recommendation(s) regarding affiliated support groups. This recommendation(s) had not been finalized in time for inclusion in this report. The Committee will include any such recommendations in an addendum which will be issued at a later date.

---

## OFFICE OF FACILITIES

As mentioned earlier, the Chancellor is authorized by the Board of Trustees to provide system wide planning and technical assistance for a number of program areas including that of facilities. The Chancellor is also authorized to staff these system wide responsibilities.

Accordingly, the Chancellor's office includes a separate division known as the Office of Facilities. Responsibilities of this office include the following:

- planning for facility development;
- providing technical advice and services for facility development, construction and maintenance;
- providing technical advice on telecommunications matters;
- coordinating system insurance coverages and claims;
- overseeing system facility leasing and acquisition;
- providing oversight and coordination for compliance with hazardous waste regulations; and
- providing technical assistance on asbestos abatement efforts.

The Office of Facilities is headed by an Associate Vice-Chancellor who also has the title of Director of Physical Plant. This position reports directly to the Vice Chancellor for Administration, and works directly with the Board's Physical Plant Committee.

The Office of Facilities is currently staffed by:

- Associate Vice-Chancellor;
- Assistant Director;
- Building Construction Engineer;
- Safety Engineer;
- Facilities Analyst;
- Project Engineer;
- Engineering Aide; and
- five support staff.

The Office of Facilities functions as a resource of technical advice and support for each of the seven campuses. In a sense, facility development, planning and maintenance are shared responsibilities of each campus and the System as a

---

whole. Each campus has their own staff for physical plant; the Office of Facilities' staff supplements, oversees and coordinates the physical plant operations for the entire system. In brief, several aspects of the Office of Facilities' current operations are described below:

- Building Inventory. Each building within the University of Maine System is inventoried and periodically evaluated by office staff, each staff member having a designated responsibility for particular projects and facilities. Typically, the building inventory evaluation will include a listing of rooms, a description of their use, size and condition, handicapped accessibility status and a simple building schematic;
- System Wide Maintenance Account. The System maintains an account which can be used for unanticipated or unbudgeted maintenance or renovation work at each campus. These funds are distributed in accordance to demonstrated needs and priorities and are in addition to regular campus maintenance budgets. The results of the Committee's campus visitations, suggests that these monies are fairly distributed and greatly appreciated by each campus. Most recently, this account has been budgeted at around \$600,000; and
- Policies and Procedures. The Office of Facilities has developed several documents for System wide use and reference, but does not have a complete Policy and Procedures manual. A survey of 10 other comparably sized public higher education institutions indicates that most systems do not have such manuals.

---

## RECOMMENDATIONS AND FINDINGS: OFFICE OF FACILITIES

---

ADMINISTRATIVE	22.	Direct each campus to begin work towards budgeting for maintenance at a level equal to 1.5% of estimated building value to reduce the eventual cost of needed facility maintenance, renovation and replacement.
----------------	-----	---

---

---

FINDING	23.	The Committee finds that the practice of deferred maintenance results in harmful and expensive effects.
---------	-----	---

---

Currently, each campus budgets a certain amount for annual maintenance costs. These funds are used to maintain all aspects of physical plant activity on the various campuses.

By system-wide policy, each campus has established a non-lapsing maintenance reserve account which can receive funds in two ways:

- any unexpended balance from a maintenance account is placed in its entirety into the campus maintenance reserve account; and
- the system makes use of a concept referred to as "incentive budgeting". Under the incentive budgeting process, any unexpended balance from a non-maintenance account is divided into 80% and 20% portions. The 80% is, in fact, the portion used for incentive budgeting; the campus presidents are allowed to use this money at their discretion for unfunded educational or administrative purposes on their campus. The other 20% is designated for deposit into the campus maintenance reserve account.

Maintenance reserve accounts are used to provide funds for anticipated future expenditures that occur at intervals longer than one fiscal year. Theoretically, a maintenance reserve system would allow campuses to "put away" a certain sum of money every year towards the anticipated repair or replacement of a portion of campus facilities.

The Committee found that ideally, campuses should budget from 1% to 2% of the total estimated replacement value on all campus buildings for maintenance purposes. Table 2 depicts current maintenance budgets for each campus with a calculation of the ideal budgetary figure:

**Table 2**

**Maintenance Budgeting Within the University of Maine System**

<u>CAMPUS</u>	<u>ESTIMATED BUILDING VALUE</u>	<u>1.5% OF BUILDING VALUE</u>	<u>ACTUAL FY 1988 MAINTENANCE BUDGET</u>
UMA	\$ 5,651,492	\$ 84,772	\$ 25,709
UMF	35,396,107	530,942	150,566
UMFK	9,503,626	142,554	55,737
UMM	16,222,874	243,343	69,739
UM	252,707,425	3,790,611	923,608
USM	72,607,757	1,089,116	465,477
UMPI	<u>22,091,646</u>	<u>331,375</u>	<u>143,352</u>
TOTAL	\$414,180,927	\$6,212,713	\$1,834,188

Upon further review, the Committee found that because of budget reductions in the 1970's, each of the campuses had to forego routine maintenance and have never been able to "catch up". Much of the recent literature on campus facilities suggests that this practice of "deferred maintenance" is common to most public university systems and that deferred maintenance often results in larger costs associated with extensive replacement and renovation.

The Committee also found that the total price tag of the Board of Trustees' recently proposed \$60 million facilities plan could have been significantly less if the various campuses had had more adequate maintenance budgets over the past 10-15 years.

---

Therefore, the Committee recommends that each campus begin work towards budgeting for maintenance at a level equal to 1.5% of estimated building value to reduce the eventual cost of needed facility maintenance, renovation and replacement. Further, the Committee finds that the practice of deferred maintenance results in harmful and expensive effects.



## OFFICE OF HUMAN RESOURCES

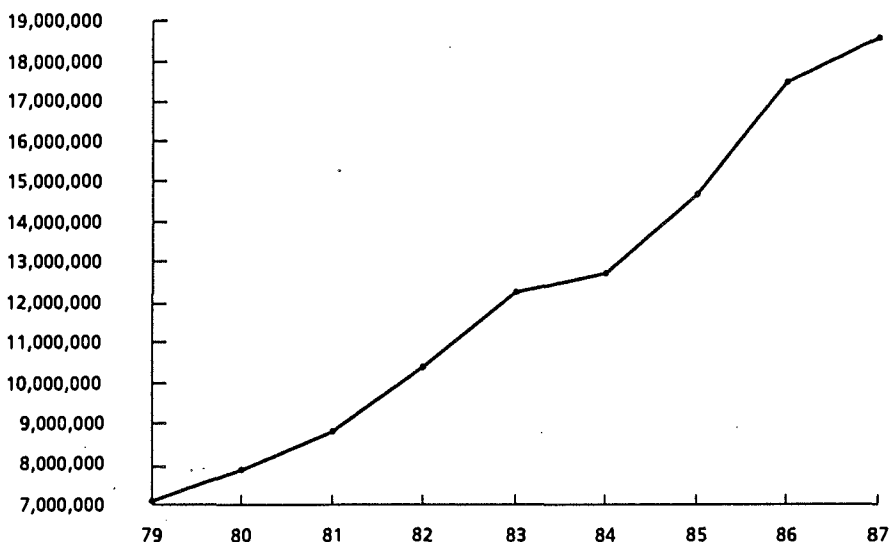
The Chancellor's Office also includes an administrative unit referred to as the Office of Human Resources. The Office of Human Resources resembles the Offices of the Controller and Facilities in that it is headed by an Associate Vice Chancellor who reports to the Vice Chancellor for Administration and provides certain system-wide services for each of the seven campuses.

The Office of Human Resources has several primary responsibilities and functions. In no particular order, these responsibilities include the development and management of System programs in wage and salary administration, employee benefits, personnel policies, equal employment opportunity, staff training and development, and labor relations.

The contents of Graph 4 illustrate one of the responsibilities of the Office of Human Resources as listed above; that of employee benefits. The Office of Human Resources is responsible for administering employee benefits to all employees of the University of Maine System. The Committee found that this expenditure responsibility is treated as a System wide cost and thus should be considered with the other System wide costs shown in Graph 1.

GRAPH 4

Employee Benefit Expenditures  
for the University of Maine System;  
as Administered by the Office of Human Resources  
FY 1979 - FY 1987



COMPILED BY AUDIT STAFF, MARCH 1988

---

Finally, the Office of Human Resources is staffed by:

- Associate Vice Chancellor;
- Assistant Vice Chancellor;
- Two Human Resources Associates;
- Benefits Coordinator;
- Staff Development Coordinator; and
- Five support staff.

---

## FINDING: OFFICE OF HUMAN RESOURCES

FINDING	24.	The Committee finds that funding requested by the University of Maine System to implement the new classification system, should be the highest legislative priority for the second regular session of the 113th Legislature with regards to the University of Maine System, and should be funded in its entirety.
---------	-----	---

During its review of the Administration and Management of the University of Maine System, the Committee became well informed on a number of current issues affecting the System. One of these issues is a proposal for a new classification system for employees of the University of Maine System. Because implementation of this plan is contingent upon additional legislative funding, the Committee has issued a finding regarding the appropriate funding level for this proposal and in the accompanying text has provided information about the history of this proposal, the process used to generate it and a description of its contents.

### Recent Action of the Board of Trustees

During its November 16, 1987 meeting in Machias, the Board of Trustees approved a new job classification system for hourly employees of the University of Maine System. Full implementation of this proposed system is contingent upon a request of \$2.7 million from this session of the 113th Legislature.

### History of Classification Proposal

In 1969, the University of Maine System implemented a job classification program which is still in use. The System's classification program is based on a point-factor job evaluation premise. Points are used to assign particular classified jobs to particular wage bands. This program has been used since 1969 with few significant changes.

In 1983, an effort was initiated to review the premises and adequacy of the job class program. A Joint Study Committee was formed to conduct this review and was composed of University administrators, representatives from the three involved bargaining units and representation from University supervisors who do not have a formal bargaining unit. The three bargaining units are:

- 
- Service and Maintenance Unit (Teamsters);
  - Police (Teamsters);
  - COLT - clerical, office, laboratory and technical (MTA).

Upon review of the existing classification system, the Joint Study Committee found that the system needed significant overhaul. Several weaknesses determined by the Joint Study Committee included:

- inequitable wages, particularly with regards to gender;
- failure to evaluate significant factors for particular positions;
- need to reassess relative weights used to assess job value;
- unfair, arbitrary point assignment to achieve comparability for some jobs with their state counterparts;
- inadequate job titles and descriptions; and
- need for consistent wage systems to fairly deal with issues like longevity, experience, and marketplace.

The Joint Study Committee made two fundamental decisions before designing a new system:

- retention of a point factor premise; and
- grandfathering of incumbents at the present wage level; no current employees would receive lower salaries under the new classification system.

Next, the Joint Study Committee conducted an extensive survey of all classified employees, focusing on nine sub-groups of jobs each of which included the most heavily populated jobs and one job progression for each bargaining unit. A total of 677 employees were actually surveyed with a response rate of more than 90%. From this information, the Joint Study Committee was eventually able to revise job descriptions.

The Joint Study Committee also evaluated the factors used to determine the assignment of jobs to wage bands. Several factors were changed or dropped and several were added. The

---

Joint Study Committee determined through a detailed process of study and review that a new weighting system should be adopted. The final factors and the corresponding weights assigned to them are as follows:

<u>Factor</u>	<u>Weight</u>
I. Knowledge and skills	36%
II. Effort	
A. Mental and Visual Effort	8%
B. Physical Effort	8%
III. Responsibility for Cost Control	8%
IV. Responsibility for others	
A. Injury to others	8%
B. Supervisory Responsibility	8%
C. Sensitive Information and Records	8%
V. Working Conditions	8%
VI. Responsibility for External and Internal Relations	—
Total	100%

Finally, the Joint Study Committee took this information and reviewed the current wage band system. The Joint Study Committee recommended retention of the current number of 25 wage bands and determined which wage band each job title should be assigned to.

In July of 1986, the Joint Study Committee issued its initial recommendations in a report form. This report included:

- recommended revisions in the classification system; and
- new job descriptions for the 75 representative jobs that were selected for detailed study.

Since that time, the Joint Study Committee continued its review of the job classification system with the following activities:

- conducted extensive public hearings on the 75 job descriptions;
- finalized those job descriptions;
- conducted a survey of 610 employees in the other 242 job titles not covered in the initial review;

- 
- evaluated each job title in light of a careful consideration of the survey data;
  - assigned each job title to a specific wage band.

On September 20, 1987, the Committee issued its final report which is a document of more than 300 double sided pages. This document includes revised job descriptions for every classified position in the University of Maine System, evaluations and wage band assignments for all classified employees within the University of Maine System. The report makes several recommendations for adequate implementation of this system:

- University of Maine System should conduct audits of current employees in jobs that were significantly changed to determine proper classification;
- upon request of individual employees, the Committee will continue to hold hearings on revised job descriptions through January 1988 and issue final descriptions in February of 1988;
- results of the Committee's work will be issued to all involved parties. Acceptance of this report will involve a determination of funding sources, and implementation will be subject to the collective bargaining process; and
- the University of Maine System should develop a review process to ensure that the new system is revised and updated when necessary.

#### **Current status (March 1988)**

As mentioned earlier, the Board and all involved parties have adopted the report. The Board of Trustees has a pending request for \$2.7 million before the Legislature to implement the new classification system. Language pertaining to the new job classification system has been written into the contracts for each bargaining unit. For example, the Teamsters' contracts includes the following provision:

---

"....the University agrees to implement the Job Classification Program no later than July 1, 1988 as provided for in the recommendation of the joint study Committee, in whole or part, dependent on adequate funding by the State of Maine and negotiations between Teamsters Local Union No. 48 and the University of Maine System.

The \$2.7 million figure requested by the University of Maine System represents a calculation of what it would cost to implement the new job classification system with current employees. The wages of each incumbent were recalculated in accordance with his/her placement in the new system. Calculations included:

- additional wage cost;
- overtime adjustment;
- comp time adjustment;
- benefit adjustment; and
- temporary adjustment.

If funded by the Legislature, the \$2.7 million will be distributed according to broad percentages of bargaining unit representation. The funds allotted to a particular bargaining unit will then be subject to the collective bargaining process; i.e. the distribution of those monies within a bargaining unit will be negotiated through collective bargaining.

Therefore, after careful consideration of the above information, the Joint Standing Committee on Audit & Program Review finds that funding requested by the University of Maine System to implement the new classification system, should be the highest legislative priority for the second regular session of the 113th Legislature with regards to the University of Maine System, and should be funded in its entirety. Prior to the publication of this report, the Committee has also communicated the contents of this finding by letter to the Joint Standing Committee on Appropriations and Financial Affairs.

---

## INTRODUCTION: CAMPUS REVIEWS

To accomplish a complete a review as possible of the administration and management of the University of Maine System, the Committee separately reviewed each of the seven campuses. Like the overall System review, the individual campus reviews focussed on the manner in which each campus is administered and managed. Like the System review, the campus review efforts were designed not to infringe upon the campus's academic decision making responsibilities, again trying to remain cognizant of the nature of the Legislative/University System relationship.

Accordingly, with the exception of one request for future information, the Committee did not attempt to make recommendations regarding the administration and management of the campuses. The purpose of the campus reviews was to acquire an accurate understanding of how each campus is organized and administered and to then communicate this knowledge in the context of this public report.

The Committee constructed its campus reviews in a uniform manner. Each campus was visited for a two day period by Committee staff who were accompanied, whenever possible, by Committee members. While at each campus, Committee staff conducted numerous interviews and public meetings with administrators, faculty, professional and classified staff, students and other interested members of the campus community. In addition, a detailed tour of the physical plant of each campus was conducted.

In a series of regularly scheduled Committee meetings, the Committee received written papers on the results of each campus visit. During these meetings, the administration and management of each campus was thoroughly discussed. Campus Presidents were invited to make their own presentations and given the opportunity to answer questions from Committee members.

The Committee has included the written results of this review process in the following papers. Each campus is uniformly described in the following ways:

- purpose;
- history;
- description of physical plant characteristics;
- description of organization, staffing levels and salaries;
- description of academic degrees;
- review of financial data and trends;



- 
- review of enrollment trends; and
  - results gathered from campus visit and interview process.

Finally, the Committee has included the following recommendation as a request for future information.

ADMINISTRATIVE 25.

---

Request that the Board of Trustees report to the Joint Standing Committees of Audit & Program Review, Education and Appropriations on the results of an internal USM study currently under way to assess the size and growth rate of the administrative structure of that organization.

---

---

## UNIVERSITY OF MAINE AT FORT KENT

### PURPOSE

As defined by its current mission statement, the University of Maine at Fort Kent (UMFK) exists as a regional baccalaureate institution of the University of Maine System. Within that context, UMFK has a particular mission which is directly related to the nature of the region it is located in. UMFK fashions itself as an institution which functions as an educational and cultural center for the St. John River Valley region; a region which has predominant French-Canadian, Acadian and Anglo cultural influences.

In adapting to its unique cultural setting, UMFK strives to meet the bicultural educational needs of traditional and non-traditional students by offering a variety of undergraduate, associate and baccalaureate degree programs, cultural programs, public service programming for the region and the offering of several graduate programs originating from other campuses in the University of Maine System.

### HISTORY

UMFK was first established by an act of the Legislature as the Madawaska Training School in 1878. Since that time, this institution has had the following titles:

- Fort Kent State Normal School;
- Fort Kent Teacher's College;
- Fort Kent State College; and
- Fort Kent State College of the University of Maine

UMFK was brought into the University of Maine System upon the creation of that entity in 1968. UMFK received its present title in 1970.

### PHYSICAL PLANT

UMFK is located on a fifty-two acre campus with 12 buildings. These facilities include:

- a principal classroom building;
- physical education center;
- 2 dormitories; and
- a dining complex

---

The 12 buildings have a gross area of 166,512 square feet. 6.7% of this space was initially occupied between 1925 and 1949; 69% between 1950-1974, 21% between 1975-1979 and 3.3% since 1980. The newest building is the Physical Education Center which was built in 1975. A library addition will be constructed in the spring of 1988.

Of the gross square footage, 117,810 is usable space for a particular purpose. By percentage, this space is used for the following purposes:

- special use, 23%
- residential, 18.6%;
- general, 18%;
- office, 15.2%;
- study/library, 5.8%
- laboratory, 5%;
- classroom, 4.5%; and
- support, 3.9%

As of July 1, 1987, the UMFK physical plant had the following estimated replacement costs:

- Buildings, \$9,503,628;
- Contents, \$2,127,843;
- Land, utilities and land improvement, \$1,047,900;
- Total of \$12,679,371

In the \$60 million capital plan that the Board of Trustees submitted to the Legislature in January, UMFK has the following projects:

- renovation of existing lab space and construction of a new science wing for a cost of \$1,350,000; and
- installation of a new telephone system at a cost of \$125,000

UMFK's total of \$1,475,000 comprises 2% of the \$60,000,000 System Plan.

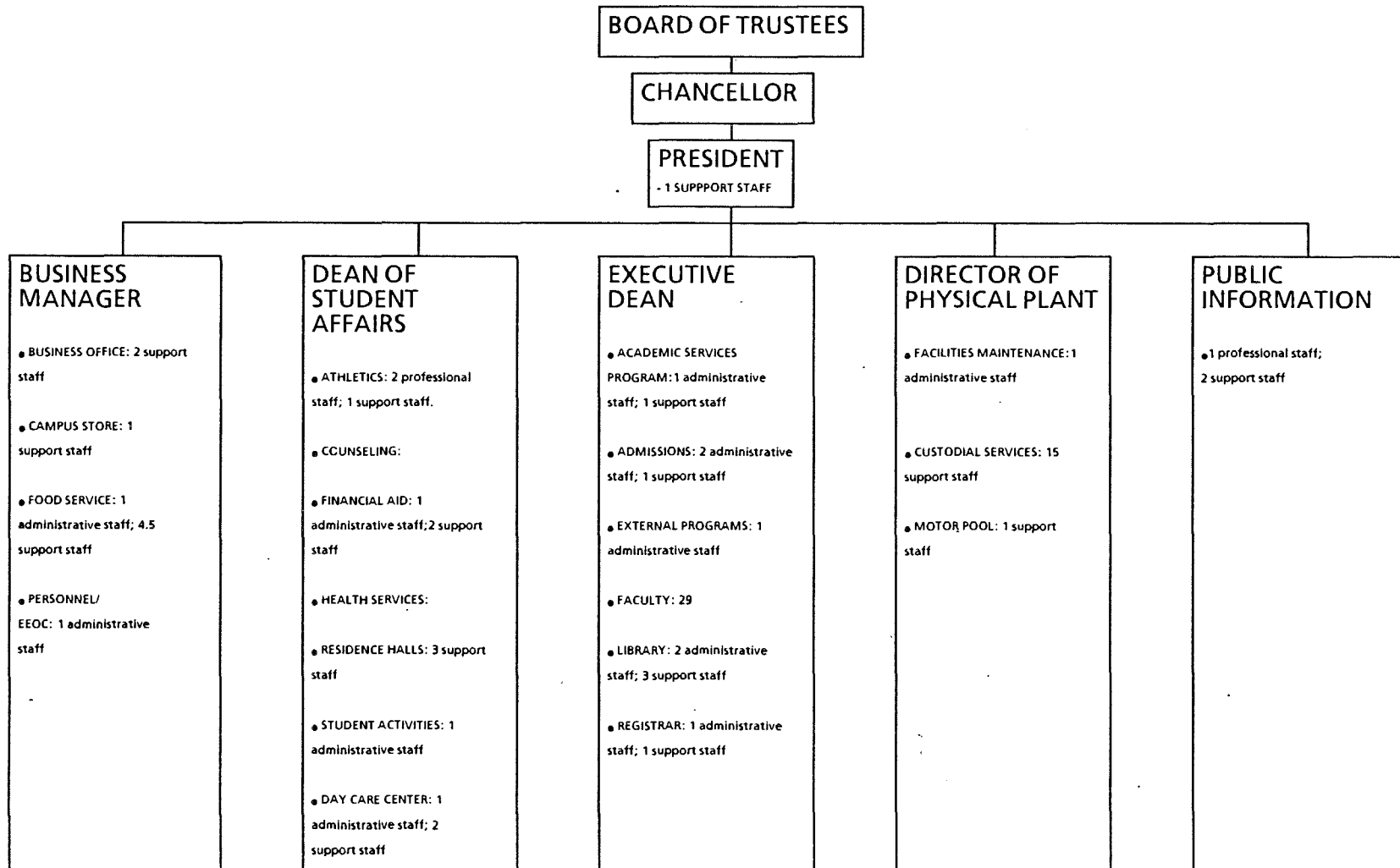
---

As portrayed in Diagram 6, UMFK has a rather simple organizational structure:

- President - serves as chief executive officer for the campus. The President reports to the Chancellor who reports to the Board. By Board policy each campus president has a large degree of administrative autonomy in running the day-to-day operations of their particular campus. The present UMFK president is Dr. Barbara Leondar who was appointed in 1986. The president's office has 1 support staff;
- Executive Dean - functions as chief academic officer for the institution who reports directly to the President. Areas of responsibility include Academic Services; Admissions; External Programs; Faculty; Library and Registrar. These functions are staffed by a total of 7 administrative staff with 6 support staff. There are a total of 29 faculty members;
- Dean of Student Affairs - reports directly to the President. Areas of specific responsibility include Athletics, Counseling, Financial Aid, Health Services, Residence Halls, Student Activities and Day Care Center. These functions are staffed by 3 administrators, 2 professionals and 8 support staff;
- Business Manager - reports directly to the President. Areas of responsibility include the Business Office, Campus store, Food Service and Personnel/EEOC. These functions are staffed by 2 administrators and 5.5 support staff;
- Director of Physical Plant - reports directly to the President. Specific areas of responsibility include Facilities Maintenance, Custodial Services and Motor Pool. These responsibilities are staffed by 1 administrator and 16 support staff; and

DIAGRAM 6

ORGANIZATIONAL STRUCTURE & STAFFING:  
UNIVERSITY OF MAINE AT FORT KENT



- Public Information - This function reports directly to the President and is staffed by 1 professional and 2 support staff.

Salaries for the following top level administrative positions are listed below. As a means of comparison, median FY 87 salaries for similar positions in comparable public institutions are provided.

	<u>FY 88 Salary</u>	<u>Median National FY 87 Salary</u>
• President	\$61,480	\$62,000
• Executive Dean	46,921	49,402
• Dean of Student Affairs	35,000	41,975
• Business Manager	29,682	45,614
• Director of Physical Plant	25,347	32,635

Faculty salaries range from a low of \$14,752 (Lecturer) to a high of \$38,639 (Professor). Average salaries for each faculty level are listed below with the system-wide average:

	<u>FY 88 UMFK Average</u>	<u>FY 87 System Average</u>
• Professor (7)	\$34,219	\$37,890
• Associate Prof. (3)	28,646	30,151
• Assistant Prof. (13)	26,123	24,131
• Instructor (4)	24,188	18,642
• Lecturer (1)	14,752	23,037

### ACADEMIC PROGRAM OFFERINGS

UMFK currently offers an Associate of Arts in General Studies degree, Bachelor degrees in arts, science and University studies. Within these broad categories, UMFK offers a wide variety of majors, minors and areas of concentration.

### FINANCIAL DATA AND TRENDS

As with most other campuses within the University of Maine System, UMFK relies on student tuition and fees for roughly one-third to one-fourth of its total revenue needs; the other two-thirds coming from the state appropriation. For example, in FY 87, UMFK generated \$577,739 in revenues from student fees and tuition. This figure comprised 25% of the total UMFK E & G expenditures for FY 87; \$2,303,984. (In addition, UMFK also had "Other" revenues of \$25,587 mostly from federal grants and contracts.)

**TABLE 3**

**UNIVERSITY OF MAINE AT FORT KENT**

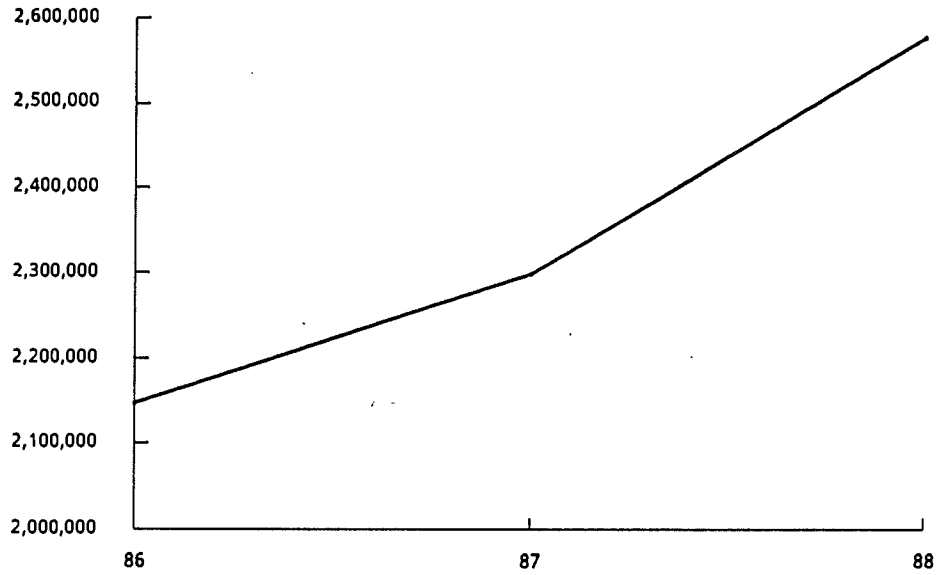
**Unrestricted E & G Budgeted Expenditures\***

	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Instruction	\$ 943,625	\$ 997,122	\$1,098,326
Research	0	0	0
Public Service	0	0	36,842
Academic Support	213,577	232,833	287,202
Student Services	209,211	231,470	310,552
Institutional Support	328,561	356,298	358,516
Physical Plant	376,290	387,544	389,668
Student Aid	75,856	92,657	93,927
<b>TOTAL</b>	<b>\$2,147,120</b>	<b>\$2,297,924</b>	<b>\$2,575,033</b>

\* Does not include fringe benefits

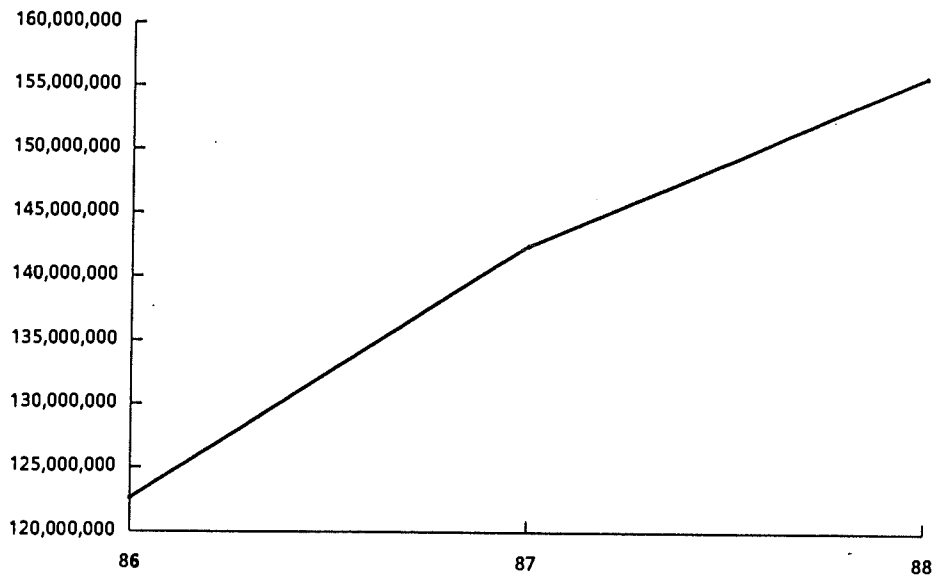
In recent years, UMFK has had annual unrestricted E & G expenditures of more than \$2,000,000. These expenditures are detailed by activity for the most recent 3 fiscal years in Table 3. Total UMFK expenditures for these years are also portrayed in Graph 5 which is aligned for comparative purposes with Graph 6 which shows system-wide expenditures. Finally, UMFK appears to receive about 2% of E & G unrestricted funds allocated by the Board of Trustees to the seven campuses.

**GRAPH 5**  
University of Maine at Fort Kent  
Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



COMPILED BY AUDIT STAFF, DECEMBER 1987

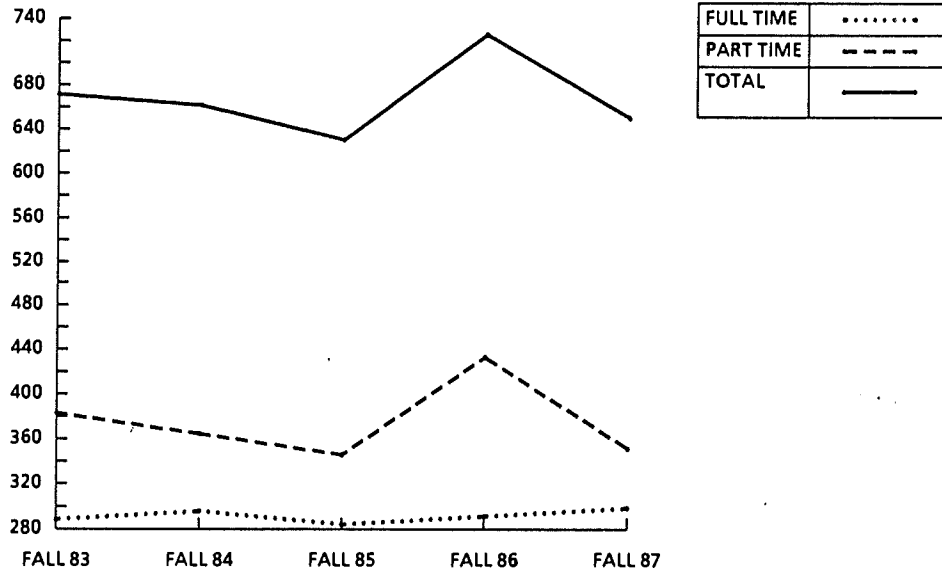
**GRAPH 6**  
University of Maine System  
Total Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



COMPILED BY AUDIT STAFF, JANUARY 1988

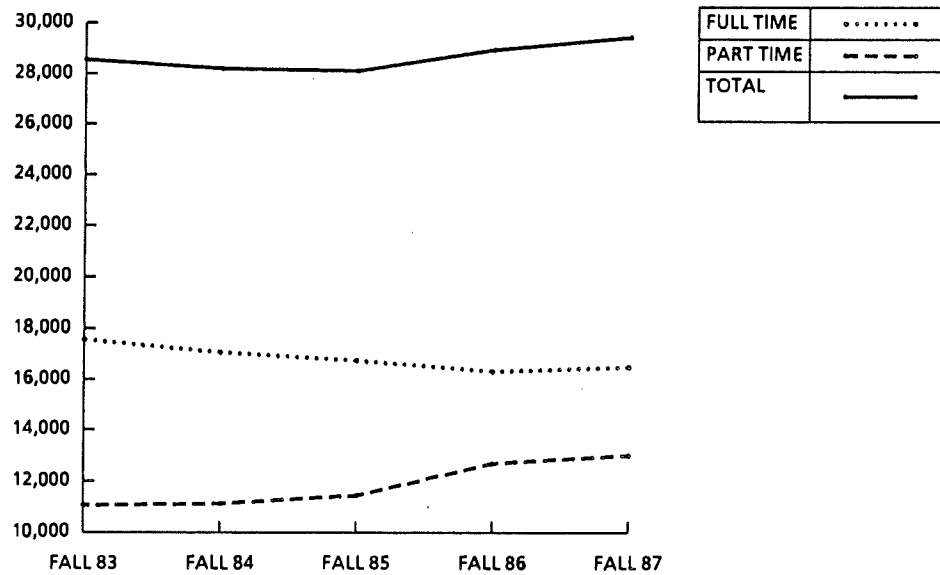


**GRAPH 7**  
University of Maine at Fort Kent  
Enrollment by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, DECEMBER 1987

**GRAPH 8**  
University of Maine System  
Total Enrollments by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, JANUARY 1988

---

## ENROLLMENT TRENDS

As evidenced by Graph 7, total enrollment at UMFK appears to fluctuate around 650 with no discernible trend over the past 5 years. In keeping with its mission, UMFK serves a large number of part-time (non-traditional) students. Part-time students have consistently outnumbered full-time students at UMFK during this time period; a statistic which varies from the overall system data shown in Graph 8.

## RESULTS OF CAMPUS VISIT AND INTERVIEWS

On behalf of the Committee, staff visited the UMFK campus on September 29, 1987. The following individuals were interviewed by staff:

- Dr. Barbara Leondar, President;
- Dr. Roland A. Burns, Exec. Dean;
- Dr. James Nabors, Dean of Students; and
- Ms. Dianne Nadeau, Business Manager

In addition, staff went on a detailed campus tour with the current Director of Physical Plant. Finally, the faculty (Sharon Zimmer-Boucher) and student (Andrew Hanum) representatives to the Board of Trustees were both invited by letter to offer their comments about UMFK and the Board.

The following paragraphs represent annotated comments and observations gathered by staff during the campus visit. To ensure anonymity, comments are identified by an identification by classification, such as "ADMINISTRATOR".

- Because of its relatively small size, UMFK is lacking in capital and financial planning expertise. Plans are underway to develop a new position of Director of Administrative Services (ADMINISTRATOR);
- UMFK is also lacking any compilation of formal written policies, therefore requiring decision making on a day-to-day basis. Long range plans include the development of written policies (ADMINISTRATOR);
- Chancellor Woodbury's tenure represents a new beginning for the University System and has been successful in encouraging the campuses to work as a team (ADMINISTRATOR);

- 
- The present system allocation of funds to campuses based on proportional relationships results in unmet needs in smaller campuses like UMFK. The Board's new strategic planning process is seen as an opportunity to have previously unmet priorities addressed (ADMINISTRATOR);
  - Faculty generally seemed to be pleased with the present UMFK administration and appear to have no burning issues (FACULTY);
  - Because of its diverse academic programming, UMFK needs more faculty positions (ADMINISTRATOR); and
  - UMFK's physical plant is in good shape and is conscientiously maintained by UMFK staff (CHANCELLOR'S OFFICE).

---

## UNIVERSITY OF MAINE AT PRESQUE ISLE

### **PURPOSE**

The University of Maine at Presque Isle (UMPI) has a mission as a regional baccalaureate institution within the University of Maine System. UMPI interprets this mission as an obligation to provide diverse academic programming, research, public service, and cultural programming to Aroostook County as well as to other in-state and out-of-state students.

UMPI also seeks to fulfill its mission by providing graduate programs originating from other University of Maine System campuses, as well as through the establishment of outreach centers at Loring Air Force Base and in Houlton.

### **HISTORY**

UMPI was first established by the Legislature in 1903 as the Aroostook State Normal College. Since that time it has had four different name changes. UMPI was brought into the University of Maine System when that entity was created in 1968.

### **PHYSICAL PLANT**

The UMPI campus consists of 150 acres with 14 buildings. These buildings include:

- 2 classroom buildings;
- library;
- dining commons;
- 4 dormitories, which also house certain administrative functions and office space;
- 3 administrative buildings; and
- 1 multipurpose building which includes a gymnasium, auditorium, offices, and a student lounge and snack bar.

The UMPI facilities have a total gross area of 304,831 sq. ft. The following percentages reflect the dates of initial use for UMPI facilities:

- pre-1925, 18%;
- 1925-1949, 8.7%;
- 1950-1974, 64%;
- 1975-1979, 9.2%; and
- post 1980, .1%.

Of the above gross total, some 203,035 square feet is serviceable as assignable space. By percentage, this space is used for the following purposes:

- 29.6% for residential;
- 14% for offices;
- 12.9% for general use;
- 9.8% for laboratory;
- 9.4% for classroom;
- 7.9% for special use; and
- 6.4% for support.

As of July 1, 1987, the UMPI physical plant had the following estimated replacement costs:

- Buildings at \$22,091,646;
- Contents at \$6,207,301;
- Land, utilities and land improvement at \$1,984,500; for a
- Total of \$30,283,447.

UMPI has the following facilities in the Trustee's proposed 60 million dollar bonding request:

- construction of a campus center at a cost of \$2,000,000. The Trustees plan calls for \$1,000,000 of this to be in state monies with the other half to be raised privately. (Of some interest, are the January 1987 recommendations from Ketchum Inc. This private consulting firm was retained by UMPI to assess the feasibility of constructing a campus center at a cost of \$2.3 million and what fund raising potential existed in the Presque Isle community for such a venture. The original UMPI proposal projected raising \$1.3 million dollars privately with the balance to be borrowed from the Farmers Home Administration against bookstore and snack bar revenues. Ketchum's assessment appeared to confirm that the private fund raising potential did exist if a carefully conceived planning effort was made. It appears that there was some reluctance to assume that the bookstore and snack bar revenues would be adequate, thus the request for state monies);
- renovation of an academic building at a cost of \$1,085,000;
- construction of a facility support building at a cost of \$440,000; and

- 
- construction of a gymnasium addition at a cost of \$500,000.

These proposed facilities for UMPI total \$3,025,000 in public monies and comprise 5% of the total \$60 million bonding request.

### ORGANIZATION, STAFFING AND SALARIES

UMPI recently underwent a significant administrative reorganization. The current organizational structure was arrived by a committee composed of administrators and faculty and was approved by the President. This organization is depicted in Diagram 7 with these component parts:

- President - chief executive officer who reports directly to the Chancellor. UMPI has a new President, Dr. James Roach who was appointed in 1986. The President has one support staff with several staff functions reporting separately to him:
  - University Relations;
  - EEO; and
  - Grants.

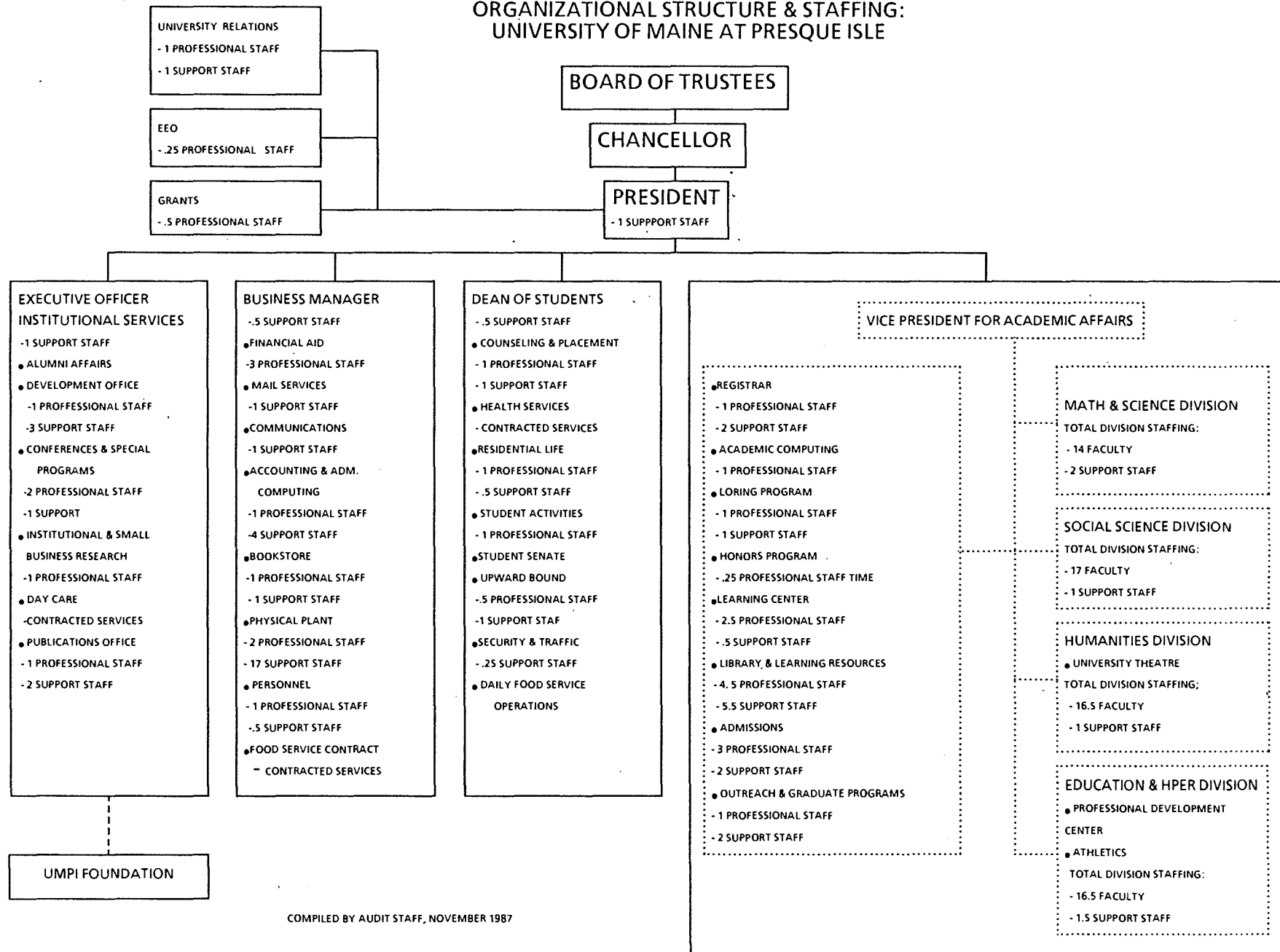
These functions are staffed by a total of 1.75 professional positions and 1 support staff;

- Vice President for Academic Affairs - functions as the Chief Academic Officer who is responsible for the following academic activities:
  - Registrar;
  - Academic Computing;
  - Loring Program;
  - Honors Program;
  - Learning Center;
  - Library and Learning Resources;
  - Admissions; and
  - Outreach and Graduate Programs.

These activities are staffed by a total of 14.25 professional positions and 11.5 support staff.

DIAGRAM 7

ORGANIZATIONAL STRUCTURE & STAFFING:  
UNIVERSITY OF MAINE AT PRESQUE ISLE



---

In addition, the Vice President for Academic Affairs is responsible for the faculty which is divided into four divisions:

- Math and Science;
- Social Science;
- Humanities; and
- Education and HPER (Health, Physical Education and Recreation)

UMPI has 64 individual faculty members with 55 support staff:

- Dean of Students - reports to the President and is responsible for all areas of student life which include the following functions;

- Counseling and Placement;
- Health Services;
- Residential Life;
- Student Activities;
- Student Senate;
- Upward Bound;
- Security and Traffic; and
- Daily Food Service Operations.

These functions are staffed by a total of four professionals, more than 2.75 support staff and some contracted services;

- Executive Director for Institutional Services - reports to the President and is responsible for all development related activities which include:

- Alumni Affairs;
- Development Office;
- Conferences and Special Programs;
- Institutional and Small Business Research;
- Day Care;
- UMPI Foundation; and
- Publications Office.

These activities are staffed by a total of four professionals, four support staff and some contracted services; and



- Business Manager - reports directly to the President and is responsible for all financial and budgeting activities which include:

- Financial Aid;
- Mail Services;
- Communications;
- Accounting and Administrative computing;
- Bookstore;
- Physical Plant;
- Personnel; and
- Food Service Contracts.

These activities are staffed by a total of eight professionals, 25 support staff and some contracted services.

The salaries for the following top level administrative positions have been listed with average FY 87 salaries for similar positions in comparably sized public institutions:

	<u>FY 88 Salary</u>	<u>Median FY 87 Salaries</u>
• President	\$63,600	\$62,000
• Vice President for Academic Affairs	47,000	49,402
• Executive Officer for Institutional Services	43,858	29,510
• Business Manager	39,658	45,614
• Athletic Director	42,114	34,000

Faculty salaries at UMPI have the following range:

- Low of \$19,400 (System \$12,502);
- Median of \$29,090 (System \$29,074); and
- High of \$43,784 (System \$55,670)

#### **ACADEMIC PROGRAM OFFERINGS**

At the present time UMPI offers the following degrees:

- Associate of Arts;
- Associate of Science;
- Bachelor of Arts;
- Bachelor of Science;
- Bachelor of Science in Secondary Education;
- Bachelor of Fine Arts;

- Bachelor of Liberal Studies;
- Bachelor of Science in Environmental Studies; and
- A number of brokered graduate programs originating from other University of Maine System campuses.

At the present time, UMPI has a total of 134 students in Associate Degree programs, 732 in Baccalaureate Degree programs, 114 in Graduate programs and 437 non-degree students.

#### FINANCIAL DATA AND TRENDS

Like the other University of Maine System campuses, UMPI provides roughly 1/4 to 1/3 of the revenues needed to cover expenditures from student tuition and fees with the balance coming from the appropriation to the University of Maine System. Most recently, in FY 87 UMPI had total revenues of \$1,336,473; a figure which has declined significantly from a high of \$1,495,861 in FY 82. UMPI's FY 87 revenues from student fees and tuition comprise 29% of the total expenditures for that same time period. (UMPI also had \$87,475 in "Other" revenues for that same FY).

TABLE 4

#### UNIVERSITY OF MAINE AT PRESQUE ISLE

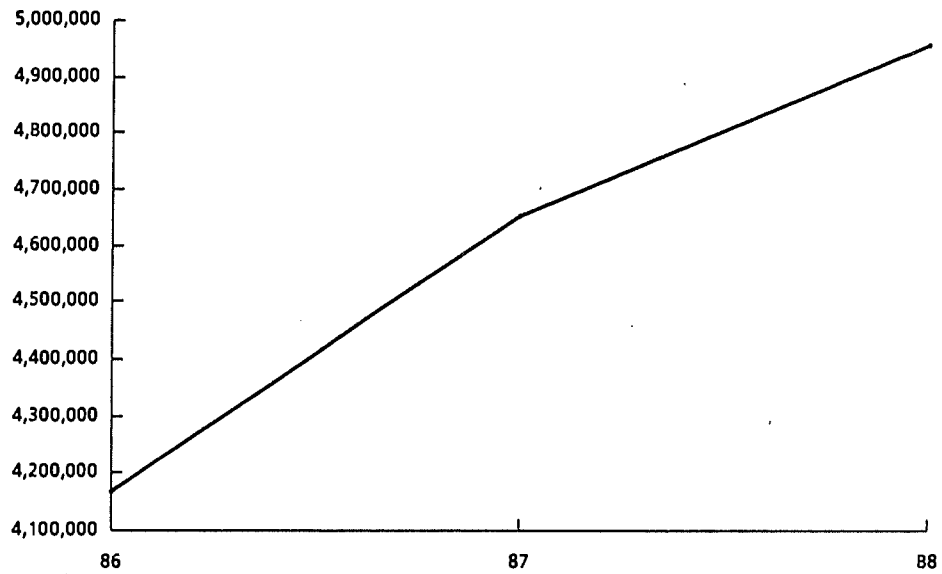
##### Unrestricted E & G Budgeted Expenditures\*

	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Instruction	\$2,148,570	\$2,260,283	\$2,414,855
Research	22,556	17,893	38,1370
Public Service	67,177	86,805	81,624
Academic Support	335,428	486,982	495,839
Student Services	376,645	428,304	479,167
Institutional Support	598,493	656,380	661,025
Physical Plant	608,600	604,206	609,811
Student Aid	109,572	111,763	116,765
TOTAL	\$4,166,961	\$4,652,616	\$4,954,924

\* Does not include fringe benefits

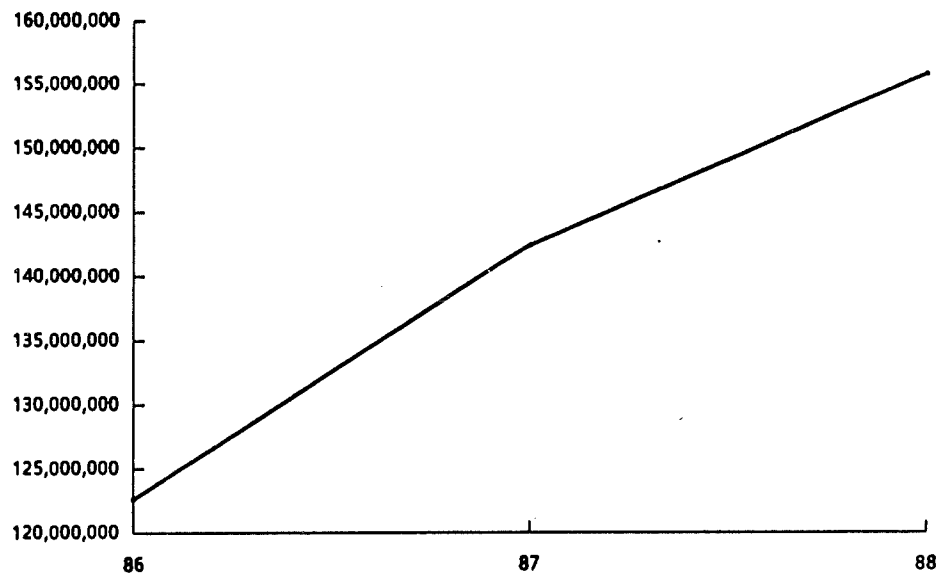
As depicted in Table 4, unrestricted E & G expenditures at UMPI have risen from \$4.1 million in FY 86 to \$4.9 million in FY 88. An analysis of the expenditure categories shows a fairly uniform growth in most, with a decline in some of the smaller ones.

**GRAPH 9**  
 University of Maine at Presque Isle  
 Unrestricted E&G Budgeted Expenditures:  
 FY 1986 - FY 1988



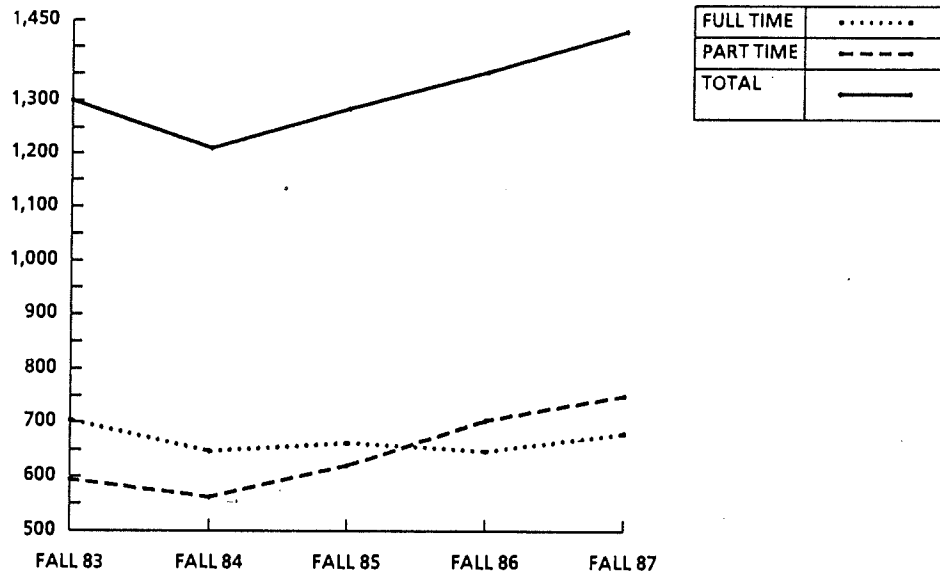
COMPILED BY AUDIT STAFF, DECEMBER 1987

**GRAPH 6**  
 University of Maine System  
 Total Unrestricted E&G Budgeted Expenditures:  
 FY 1986 - FY 1988



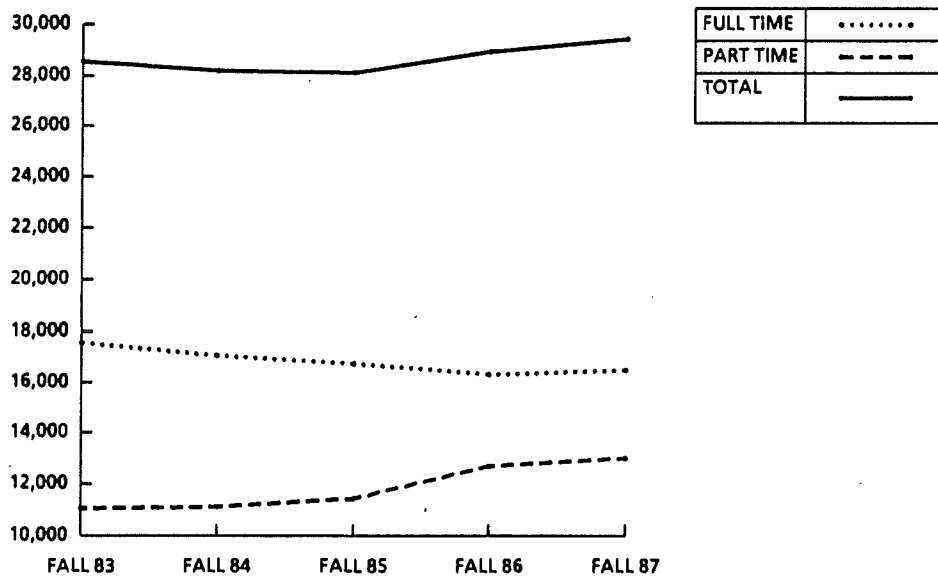
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 10**  
University of Maine at Presque Isle  
Enrollment by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, DECEMBER 1987

**GRAPH 8**  
University of Maine System  
Total Enrollments by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, JANUARY 1988

---

Total UMPI expenditures for E & G purposes is also portrayed in Graph 9 and can be compared to total University of Maine System E & G expenditures (Graph 6) for that same time period. Finally, total UMPI E & G expenditures appear to comprise between 4-5% of the total allocated to campuses for that purpose within the University of Maine System.

### ENROLLMENT TRENDS

As depicted in Graph 10, total enrollment appears to be increasing at UMPI. However, most recently, part-time students have begun to outnumber full-time students. This may be a trend which suggests that, like other campuses with the University of Maine System, UMPI is relying on non-traditional students to maintain enrollment levels. This trend is also apparent by the narrowing of the gap in the University of Maine System totals of part-time and full-time students as shown in Graph 8.

### RESULTS OF CAMPUS VISIT AND INTERVIEWS

On behalf of the Committee, staff visited the UMPI campus on October 29-30, 1987. The following interviews and meetings were conducted by staff:

- Dr. James Roach, President;
- Dr. Thomas Clayton, VP for Academic Affairs;
- Dr. George James, Executive Officer for Institutional Affairs;
- Mr. Charles Bonin, Business Manager;
- Ms. Carol Ann Hall, Faculty Representative to the Board of Trustees;
- Mr. Wally LeBlanc, Student Representative to the Board of Trustees;
- Open meeting for Faculty; and
- Open meeting for Students.

In addition, staff went on a tour of the physical plant.

The following represent the summarized comments of interviewed personnel. To ensure anonymity, responses are identified only by classification such as "faculty":

- President Roach is highly regarded for his responsiveness and his encouragement of greater involvement (student);
- Recent declines in residence population is a problem that can be traced in part to student apathy and disinterest; a situation being addressed by a more aggressive admissions policy (Student);

- 
- Up until recently, facilities maintenance was not up to par at UMPI; this situation has been improved in recent years (Chancellor's Office);
  - Maintenance problems were attributable in part to declines in enrollment and the subsequent decline in the availability of student workers (Student);
  - UMPI Faculty are "marvelous" (Student);
  - The Board has an increasing tendency to standardize processes which should be left to the individual campuses (Faculty);
  - The Board needs more academic representation in its membership; current board is strong on financial and management issues, but weak with regards to academics (Faculty);
  - President Roach deserves praise for his leadership (Administrator);
  - UMPI faculty are of very high quality (Administrator);
  - The Chancellor's Office is considered to be responsible to UMPI needs; and Chancellor Woodbury is praised for his work in improving the relationship with the Legislature and Governor (Administrator);
  - System is to be criticized for the difficulty UMPI has in providing graduate programs for Aroostook County. UM and USM should somehow be required to make more graduate programs available at UMPI and other small campuses (Administrator);
  - Interactive TV proposal is regarded with significant reservations (Administrator);
  - UMPI is not well served by the System, some sentiment for separate Boards of Trustees - one each for USM, UM and a proposed University of Northern Maine (Faculty);

- 
- There are many concerns about the Board's interactive TV proposal. Questions regarding reduced quality, validity of data used to support the proposal; "interactive" nature of the system, levels of appropriate technical support, adequate training for faculty to teach by interactive TV, loss of campus autonomy, paranoia about loss of faculty jobs, copyright ownership, concerns about outdated tapes resulting in damaged reputations, conviction that the proposal is a foregone conclusion that isn't supported by faculty and finally a concern that this issue has been bumped by other more pressing needs (Faculty);
  - The System needs more and better contact with the Legislature; and there is a feeling that this will happen with Chancellor Woodbury (Faculty);
  - Faculty salaries should be differentiated to recognize the situations of smaller campuses (Faculty);
  - Many faculty lack the expertise to adequately advise students. Perhaps there is a need for a professional advisory center (Student);
  - Dr. Roach is highly regarded for his positive and responsive leadership (Student);
  - There is some questioning of the allocations made to individual campuses based on percentages. It is felt that the allocation process should reflect the demonstrated academic and geographic needs of a campus like UMPI (Administrator).

---

## UNIVERSITY OF MAINE AT FARMINGTON

### **PURPOSE**

The University of Maine at Farmington (UMF) has a mission to be a regional baccalaureate institution within the University of Maine System. In addition to its regional mission, UMF emphasizes its long history as a center for undergraduate teacher training in the state. While striving to maintain leadership as a teacher education facility, in recent years, UMF has broadened its academic mission to liberal arts, sciences and human services.

UMF is also an educational research and cultural center for the region which it serves, and includes public service to the community as an important responsibility.

### **HISTORY**

UMF was created by Legislative act in 1863, thus establishing UMF as the oldest chartered public institution of higher education in the state. UMF was first known as the Western State Normal School and has undergone several name changes during its long history. UMF was made a part of the University of Maine System upon its creation in 1968.

### **PHYSICAL PLANT**

UMF has a comparatively small campus area of 32 acres with 29 buildings. The availability of raw building space is clearly an ongoing issue at UMF; campus property weaves in and out of residential properties and many campus facilities are relatively close together. UMF is constantly acquiring, when available, adjacent private properties, to meet the growing needs for space. Current facilities include:

- 3 principal classroom, laboratory, and academic facilities;
- library;
- student center which includes dining facilities;
- gymnasium;
- 7 residence halls;
- art gallery; and
- a large number of facilities of varying sizes for administrative, service delivery and faculty office purposes.



---

The most recently constructed academic facility was the student center which was built in 1974. In the upcoming year, a classroom addition will be built at a cost of \$1,000,000. This facility was funded by a total \$7.7 million bond issuance approved by the 112th Legislature and voters of the state.

The current UMF facilities have a total gross area of 569,572 sq. ft. The following percentages reflect the dates of initial use for existing UMF facilities:

- 22.2%, pre-1925;
- 2.3%, 1925-1949;
- 71.5%, 1950-1974;
- 1.8%, 1974-1979; and
- 2.2%, post-1980.

Of the above gross area figure, some 363,485 sq. ft. exist as assignable space which is used in the following manner:

- 36.3% for residential;
- 15.8% for general;
- 12.3% for offices;
- 9.1% for classrooms;
- 8.8% for laboratories;
- 6.7% for special use;
- 4.7% for study/library; and
- .3% for health care.

As of July 1, 1987. the UMF physical plant had the following estimated replacement costs:

- Buildings at \$35,396,107;
- Contents at \$6,420,023;
- Land, utilities and land improvement value at \$5,292,000; for a
- Total of \$47,108,130.

UMF has the following facilities as a part of the Board's \$60 million bonding request submitted to the 113th Legislature in January of 1988:

- conversion and expansion of an existing academic building at a cost of \$1,450,000;
- construction of health, physical education and recreation center with \$2,000,000 in public monies. The Board's capital plan calls for an additional \$1,000,000 to be raised from other sources;

- 
- construction of a physical plant facility at a cost of \$550,000;
  - renovation of another academic building at a cost of \$160,000; and
  - other safety, health, and exterior improvements at a cost of \$640,000.

Total UMF costs under the Board's \$60 million capital plan amount to \$4,800,000. This figure comprises 8% of the total \$60 million bonding request.

### ORGANIZATION, STAFFING AND SALARIES

As shown in Diagram 8, UMF has an organizational structure which features a rather traditional approach by separating out education services, general administration and academic affairs. A number of separate functions report directly to the President:

- President - reports directly to the Chancellor and is the Chief Executive Officer for the institution. UMF has had an interim President, Dr. Norman Crawford, for the past academic year. During their November 1987 meeting, the Board appointed Dr. J. Michael Orenduff from West Texas State University. Dr. Orenduff assumed his duties on January 18, 1988.

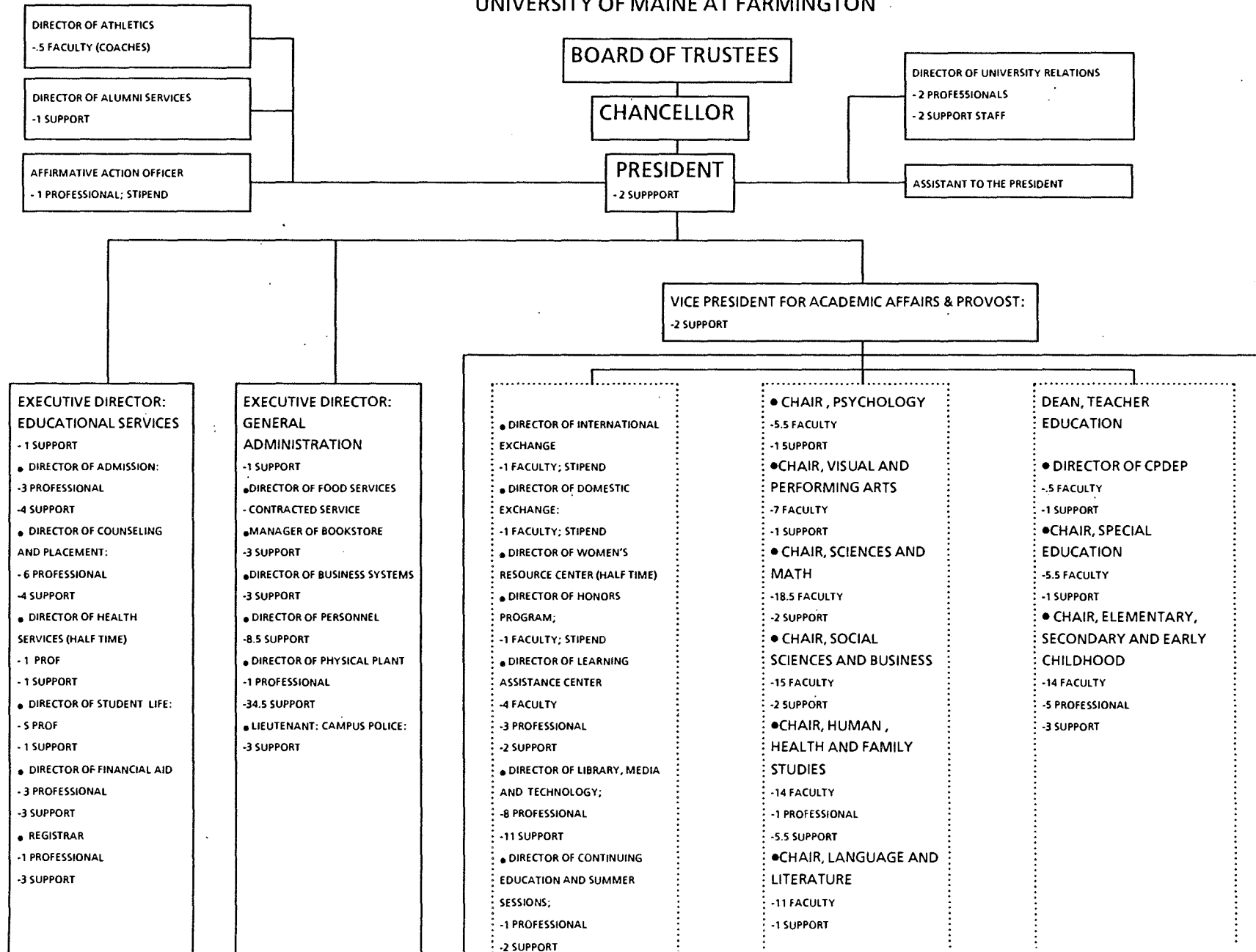
At the present time, the President has two support staff and the following staff report directly to him:

- Athletics;
- Alumni Services;
- Affirmative Action;
- University Relations; and
- Assistant to the President.

These activities are staffed by three administrators, part-time services of one faculty and one professional and 3 support staff;

- Vice President for Academic Affairs and Provost. Functions as Chief Academic Officer who reports directly to the President. The VP for Academic Affairs has two support staff and oversees three organizational groupings:

**DIAGRAM 8**  
**ORGANIZATIONAL STRUCTURE & STAFFING:**  
**UNIVERSITY OF MAINE AT FARMINGTON**



---

1. Miscellaneous academic functions which include the following:

- International Exchange;
- Domestic Exchange;
- Woman's Resource Center;
- Honors Program;
- Learning Assistance Center;
- Library, Media and Technology; and
- Continuing Education.

These activities are staffed by three administrators, four full time faculty, three part time faculty, 12.5 professionals and 15 support staff;

2. Teacher Education which has its own Dean and the following divisions:

- Center for Professional Development, Evaluation and Research;
- Special Education; and
- Elementary, Secondary and Early Childhood.

These divisions are staffed by six administrators, 28 faculty members, one professional and 12.5 support staff;

3. Other Academic Divisions each of which have their own chairs:

- Psychology;
- Visual and Performing Arts;
- Sciences and Math;
- Social Sciences and Business;
- Human Health and Family Studies; and
- Language and Literature.

These divisions are staffed by 6 administrators, 77 faculty members, 1 professional and 12.5 support staff.

- Executive Director; Educational Services. Reports directly to the President and is responsible for all aspects of student life which include:

- Admissions;
- Counselling and Placement;
- Health Services;
- Student Life;
- Financial Aid; and
- Registrar.

These activities are staffed by 5.5 administrators, 19 professionals and 17 support staff; and

- Executive Director; General Administration. Reports directly to the President and is responsible for financial, budgetary and certain administrative services:

- Food Services;
- Bookstore;
- Business Systems
- Personnel;
- Physical Plant; and
- Campus Police.

These activities are staffed by two administrators, two professionals, 53 support staff and certain contracted services.

Currently salaries for top level administrative positions are listed with a comparison to average FY 87 salaries for similar positions in comparably sized public institutions of higher education:

	<u>FY 88 Salaries</u>	<u>Median FY 87 Salaries</u>
• President (Interim)	\$60,000	\$62,000
• VP for Academic Affairs (Interim)	52,513	49,402
• Exec. Dir. - Ed Services	47,311	41,995
• Exec. Dir. - Gen. Adm.	45,614	48,578
• Dean of Education (Interim)	50,195	41,500

Faculty salaries at UMF have the following range:

	<u>UMF</u>	<u>System</u>
Low	\$19,888	\$12,502
Median	30,700	29,074
High	47,450	55,670

---

## ACADEMIC PROGRAM OFFERINGS

At the present time UMF offers the following degrees:

- Associate of Arts;
- Associate of Science;
- Bachelor of Arts;
- Bachelor of Science;
- Bachelor of Science in Secondary Education; and
- Bachelor of General Studies.

In the current academic year, UMF has the following enrollment by degree type:

- Associate - 215;
- Bachelor - 1,489;
- Basic studies - 98;
- Non-degree - 514; and
- Other - 42.

## FINANCIAL DATA AND TRENDS

UMF appears to generate 1/4 to 1/3 of its total revenue needs from student fees and tuitions. In FY 87, UMF budgeted \$2,690,261 in student fees and tuition which comprised 30% of the total E & G expenditure budget (\$8,860,672) for that year. (UMF also collected \$58,502 in "other" revenues during that year) The balance of UMF revenue needs are provided from the state appropriation to the University System.

In recent years, UMF's budgeted revenues from student fees and tuition have increased significantly: \$1,431,012 in FY 79 to \$2,690,261 in FY 87.

Total UMF expenditures for E & G purposes have increased steadily in the past three fiscal years. These expenditures reached \$9.8 million for FY 88 and are portrayed in Table 5 and Graph 11 and can be compared to similar University of Maine System expenditures (Graph 6) during the same time period.

**TABLE 5**

**UNIVERSITY OF MAINE AT FARMINGTON**

**Unrestricted E & G Budgeted Expenditures\***

	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Instruction	\$3,608,907	\$4,197,713	\$4,491,279
Research	0	0	0
Public Service	0	0	64,896
Academic Support	558,920	675,101	731,927
Student Services	676,741	776,231	845,351
Institutional Support	1,661,246	1,785,753	2,126,295
Physical Plant	698,184	807,780	887,391
Student Aid	268,094	618,094	678,094
<b>TOTAL</b>	<b>\$7,472,092</b>	<b>\$8,8600,672</b>	<b>\$9,825,233</b>

\* Does not include fringe benefits

Total UMF expenditures appear to comprise 6-7% of total University of Maine System E & G allocations to the individual campuses.

**ENROLLMENT TRENDS**

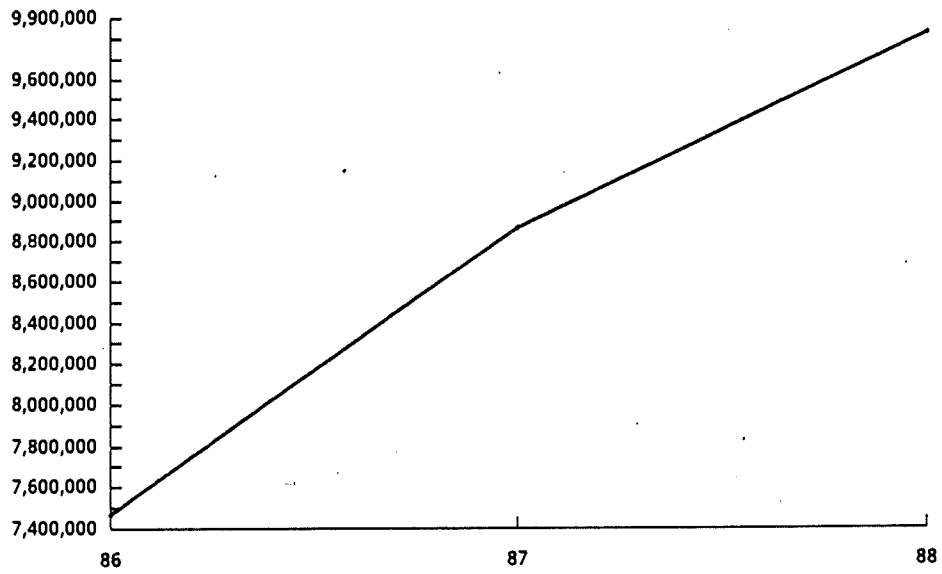
As depicted in Graph 12, overall enrollment at UMF has increased in small amounts over the past several years, reaching a high of 2,358 in the fall of 1987. It appears that both part-time and full-time student counts either remain steady or alternatively increase in a random fashion. To some degree, these trends run counter to the overall system enrollments (Graph 8) which show a decrease in full-time and an increase in part-time students.

**RESULTS OF CAMPUS VISIT AND INTERVIEWS**

On behalf of the Committee, staff visited the UMF campus on October 26-27, 1987. The following interviews and meetings were conducted by staff:

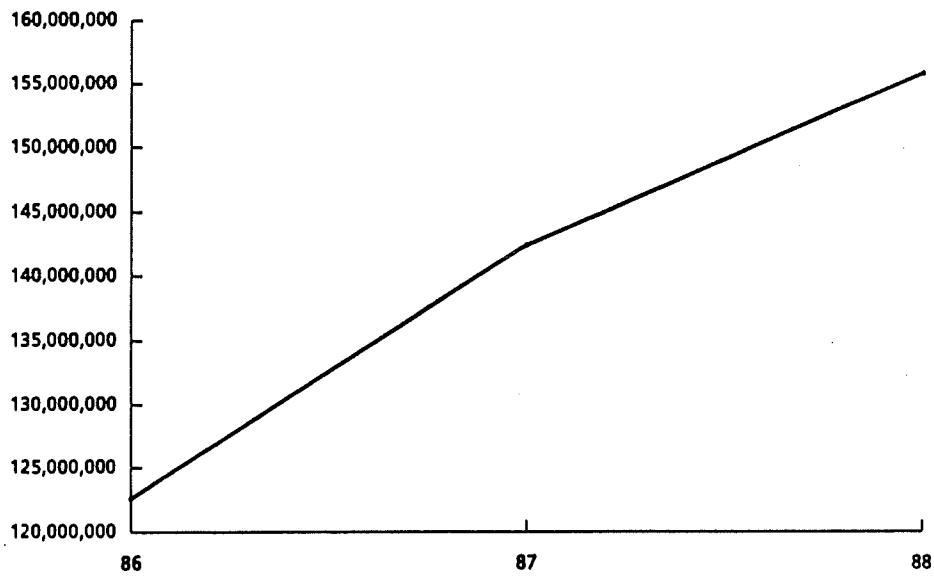
- Dr. Norman Crawford (Interim President);
- Dr. Harry Kerr, Interim VP for Academic Affairs and Provost;
- Mr. William Geller, Executive Director for Educational Services;
- Mr. Roger Spear, Executive Director for General Administration;

**GRAPH 11**  
University of Maine at Farmington  
Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



COMPILED BY AUDIT STAFF, DECEMBER 1987

**GRAPH 6**  
University of Maine System  
Total Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988

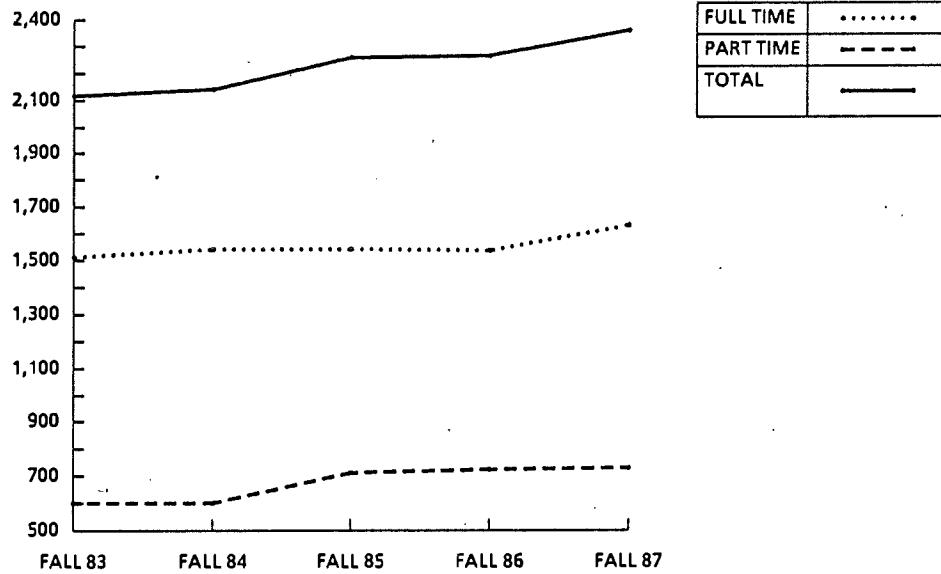


COMPILED BY AUDIT STAFF, JANUARY 1988



**GRAPH 12**

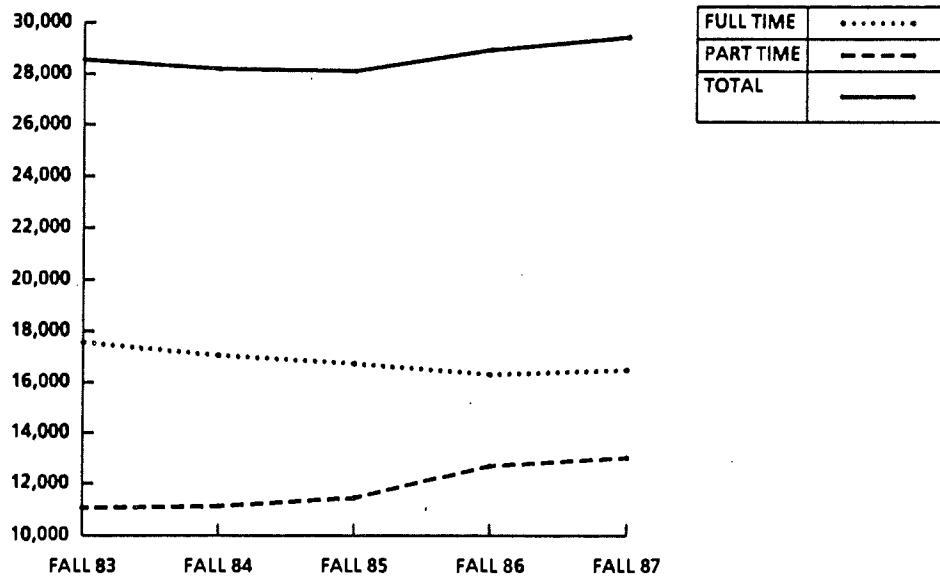
University of Maine at Farmington  
Enrollment by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, DECEMBER 1987

**GRAPH 8**

University of Maine System  
Total Enrollments by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, JANUARY 1988

- 
- Dr. Edward Schultz, Interim Dean of Education;
  - Dr. Douglas Dunlap, Faculty Representative to the Board of Trustees;
  - Open meeting with faculty and other employees; and
  - Meeting with student Senate.
- In addition, staff went on a tour of the physical plant.

The following represent the summarized comments of interviewed personnel. To ensure anonymity, responses are identified only by classification such as "students":

- UMF is lacking in facilities, particularly classrooms (Faculty);
- UMF suffers when new facilities are finally provided but not adequately equipped (Faculty);
- UMF also suffers when facilities aren't adequately staffed (Professional);
- The System needs a method of evaluating priority needs relative to other campuses (Professional);
- The Capital planning process is lacking. The Chancellor's office gave UMF a \$1 million allotment with which UMF had to shape their soon to be built classroom addition. Also, UMF was only given a month in recent planning process to develop and identify priorities (Professional);
- The Chancellor's office should have someone in charge of development efforts (Professional);
- There is a possible organizational concern that Liberal Arts Department Chairs report directly to the VP for Academic Affairs (Faculty);
- Chancellor Woodbury and the Board are more open and encouraging of meaningful campus involvement than in the past. The Board places a new value on participation from student and faculty representatives even though they don't have voting privileges (Faculty);
- There is a concern that the System does not adequately examine the needs of smaller campuses. The legitimate undergraduate missions of smaller campuses should not be neglected in the effort to improve graduate offerings at the larger campuses (Faculty);

- 
- Recent UMF strategic plans were generally constructive but overly detailed, burdensome and difficult to administer (Administration);
  - Admissions have become more selective because of vigorous leadership, improved quality and tremendous faculty involvement (Administrator);
  - Recent enrollment increases were hard to predict and ultimately reflect the institution's good health (Administrator); and
  - Present organizational structure is "clean and crisp" (Administrator).

---

## THE UNIVERSITY OF MAINE AT MACHIAS

### **PURPOSE**

As defined by its current mission, the University of Maine at Machias (UMM) is a regional baccalaureate institution within the University of Maine System. It's location in Machias establishes UMM as the easternmost public university in the United States. UMM seeks to maximize its unique geographical location by providing academic programs which integrate an awareness of the natural environment into the various curriculums. UMM prides itself in offering noteworthy academic programs in science, recreation management and teacher education.

UMM also interprets its mission as a responsibility to provide applied research, public service, and cultural opportunities to the larger Washington County area.

### **HISTORY**

UMM was established in 1909 by an act of the Legislature, and was first known as the Washington State Normal School. UMM was made a part of the University System upon the establishment of that entity in 1968.

### **PHYSICAL PLANT**

UMM is located on a campus which consists of 46 acres with 9 principal buildings. These facilities include:

- dining commons;
- library;
- 2 dormitories;
- physical education center;
- classroom building;
- teaching laboratory;
- administrative building; and
- President's house.

The newest building is the science building which was built in the mid-1970's. The 112th Legislature approved a bond issue which in part provided \$700,000 for a new library addition at UMM. Construction of this building will be started in the spring of 1988.

---

The 9 buildings at UMM encompass a gross area of 243,413 square feet. The following percentages reflect the date which this space was first used at UMM:

- pre 1925, 0%;
- 1925-1949, 28.7%;
- 1940-1974, 60.7%;
- 1975-1979, 10.6%; and
- post 1980, 0%.

Of the above gross total, some 159,282 square feet is serviceable as assignable space. Of this total, the following percentages reflect use of space by function at UMM:

- 28.6% for residential;
- 18.5% for general;
- 13.2% for classroom;
- 11.1% for office;
- 7.7% for laboratory;
- 6.5% for study/library;
- 5.8% for support; and
- 5.6% for special use.

As of July 1, 1987, the UMM physical plant had the following estimated replacement costs:

- Buildings at \$16,222,874;
- Contents at \$4,742,551;
- Land, utilities and land improvement at \$1,433,250; for a
- Total of \$22,398,675.

UMM has not requested any major new facilities in the Board's \$60 million capital plan. Instead, UMM has emphasized renovation and maximum utilization of existing space. Specific UMM projects which are included in the Board's plan are as follows:

- renovations to existing academic building at a cost of \$745,000;
- completion of performing arts facility at a cost of \$155,000; and
- construction of a program and facility support building at a cost of \$150,000.

These proposed projects at UMM total \$1,050,000 in public funds. UMM's projects comprise approximately 2% of the Board's total \$60 million plan.

---

## ORGANIZATION, STAFFING AND SALARIES

UMM has a relatively uncomplicated organizational structure which breaks out academic affairs, student affairs, business and physical plant as major organizational components. Several programs reporting directly to the President. This organizational structure is depicted in Diagram 9 and is described in more detail as follows:

- President. Functions as the chief executive officer who reports directly to the Chancellor and the board. The present President of UMM is Frederic Reynolds who has served in that position since 1983. The President currently has the services of one professional and one support staff as well as several programs which report directly:
  - Environmental Resource Project which is staffed by one professional; and
  - Performing Arts Center which is also staffed by one professional.

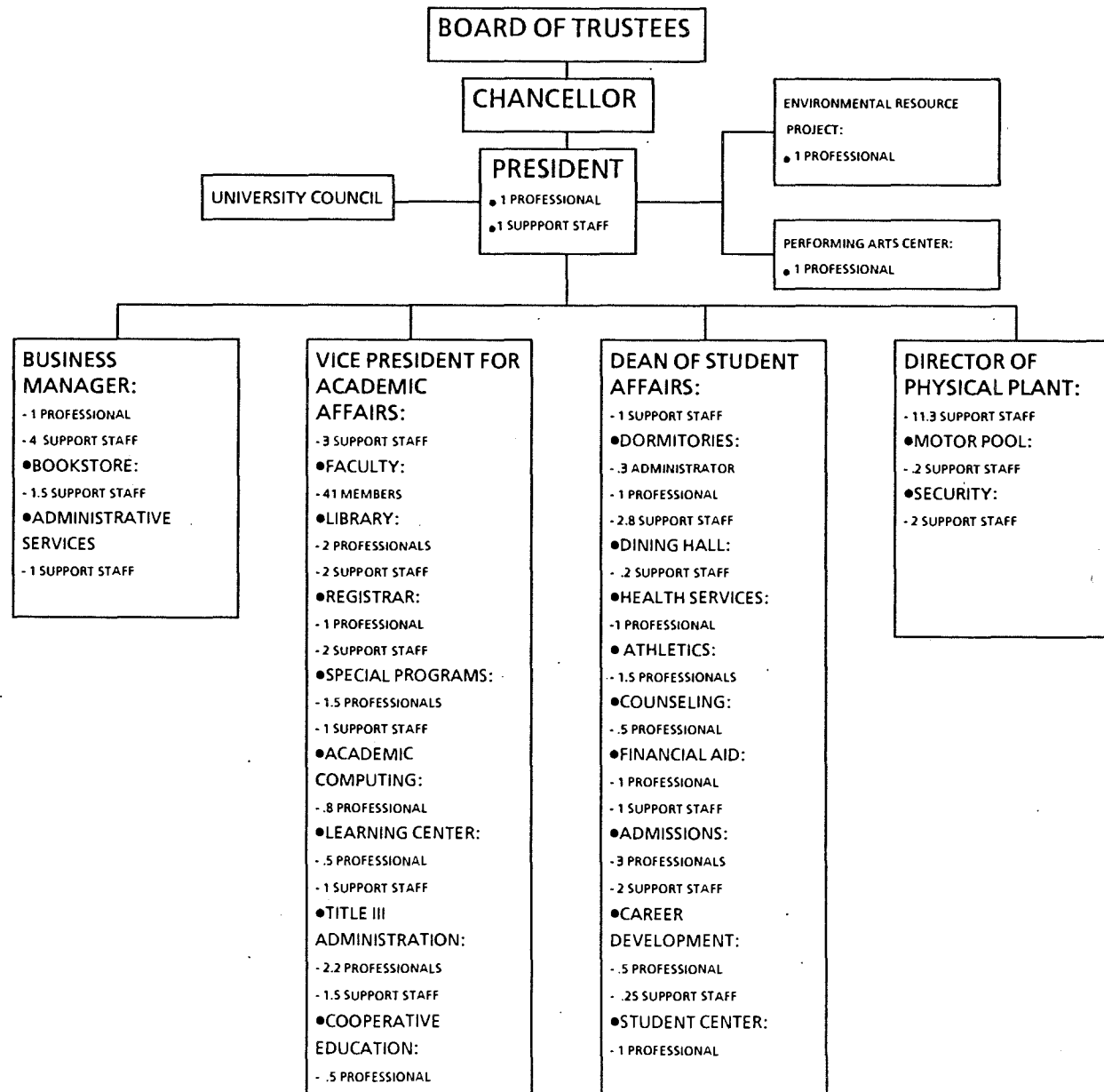
The President also makes use of the University Council which is an advisory group comprised of administrators, faculty and students.

- Vice President for Academic Affairs. Functions as the institution's chief academic officer and has the services of three support staff. The following functions and units report directly to the Vice President:

- Faculty;
- Library;
- Registrar;
- Special Programs;
- Academic Computing;
- Learning Center;
- Title III Administration; and
- Cooperative Education.

These activities at UMM are staffed by a total of 41 faculty, 8.5 professional positions, and 7.75 support staff positions;

**DIAGRAM 9**  
**ORGANIZATIONAL STRUCTURE & STAFFING:**  
**UNIVERSITY OF MAINE AT MACHIAS**



- 
- Dean of Student Affairs. This position is responsible for all aspects of daily student life at UMM. The Dean employs one support staff and is responsible for the following activities:

- Dormitories;
- Dining Hall;
- Health Services;
- Athletics;
- Counseling;
- Financial Aid;
- Admissions;
- Career Development; and
- Student Center.

These functions are staffed at UMM by a total of .3 of one administrative position, 9.5 professionals and 6.25 support staff positions.

- Business Manager. The Business manager at UMM is responsible for all financial, accounting, and budgetary functions which include the bookstore and administrative services. These responsibilities are staffed by a total of one professional and 6.5 support staff; and
- Director of Physical Plant. This position is responsible for the management of the UMM physical plant. (This organizational relationship appears to be unique among the University of Maine System campuses; most campuses have physical plant under the Business Manager or the equivalent title.) This organizational unit includes responsibilities for motor pool and security and is staffed by a total of 13.5 support staff positions.

For comparative purposes, FY 88 salaries for top level administrative positions at UMM have been aligned with FY 87 median salaries for similar positions at comparably sized public institutions of higher education:



---

---

	<u>FY 88</u> <u>Salaries</u>	<u>Median FY 87</u> <u>Salaries (National)</u>
• President	\$57,240	\$62,000
• Vice President for Academic Affairs	\$43,727	\$49,402
• Business Manager	\$40,325	\$45,614
• Dean of Student Affairs	\$35,560	\$41,995
• Director of Physical Plant	\$35,703	\$32,635
• Registrar	\$38,239	\$31,992

Faculty salaries at UMM have the following ranges:

- Low of \$19,491 (System, \$12,502);
- Median of \$28,164 (System, \$29,074); and
- High of \$38,454 (System, \$55,670).

### ACADEMIC PROGRAM OFFERINGS

At the present time, UMM offers the following degrees:

- Associate of Arts;
- Associate of Science;
- Bachelor of Arts;
- Bachelor of Science; and
- several brokered and cooperative programs originating from other University of Maine System campuses.

At the present time, UMM has the following number of students enrolled by degree type:

- Associate, 155;
- Bachelor, 358;
- Non-degree, 318; and
- Other, 0.

### FINANCIAL DATA AND TRENDS

Like other campuses within the University of Maine System, UMM appears to provide approximately 1/4 of its total revenue needs through student fees and tuition, the other revenues coming from the state appropriation to the University of Maine System. For example, in FY 1987, UMM generated \$795,278 in revenues from student tuitions and fees. This figure represented 25% of total UMM revenue needs for that time period. (In addition, UMM also had \$43,582 in "other" revenues for that fiscal year.)

As shown in Table 6, total unrestricted E & G expenditures at UMM have risen steadily from \$2.6 million in FY 86 to \$3.4 million in FY 88. An analysis of the expenditure categories in Table 6 shows that many of the increases came in "instruction" and "institutional support".

**TABLE 6**

**UNIVERSITY OF MAINE AT MACHIAS**

**Unrestricted E & G Budgeted Expenditures\***

	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Instruction	\$1,087,985	\$1,219,481	\$1,520,617
Research	0	0	0
Public Service	87,127	102,085	47,992
Academic Support	294,933	403,635	320,430
Student Services	342,773	459,540	477,503
Institutional Support	374,075	444,314	489,414
Physical Plant	363,338	370,060	400,263
Student Aid	121,000	210,331	201,465
<b>TOTAL</b>	<b>\$2,671,241</b>	<b>\$3,209,446</b>	<b>\$3,457,684</b>

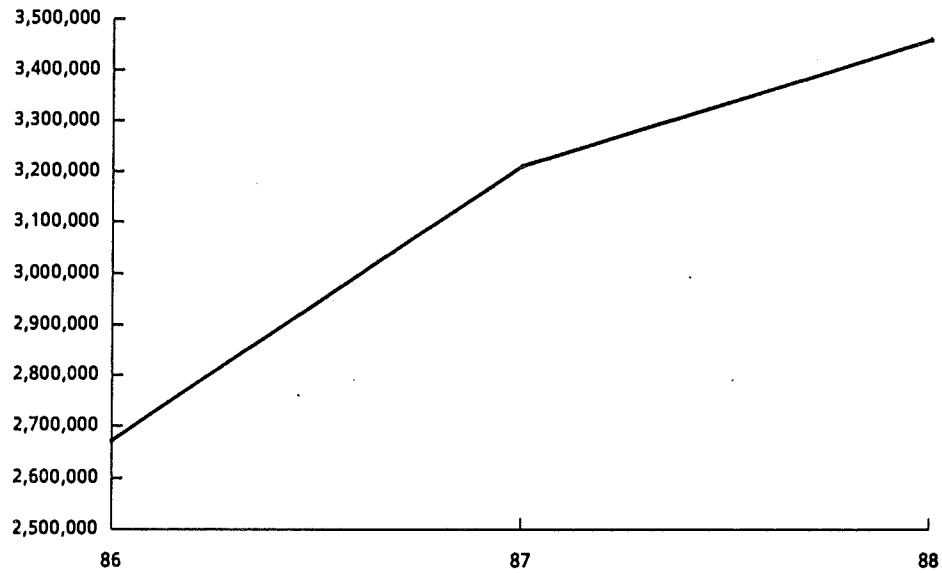
\* Does not include fringe benefits

Total UMM E & G expenditures (Graph 13) can be compared to those for the System (Graph 6) during that same time period and shows a relatively consistent growth rate. Finally, total UMM E & G expenditures appear to comprise 2-3% of the total System E & G expenditures.

**ENROLLMENT TRENDS**

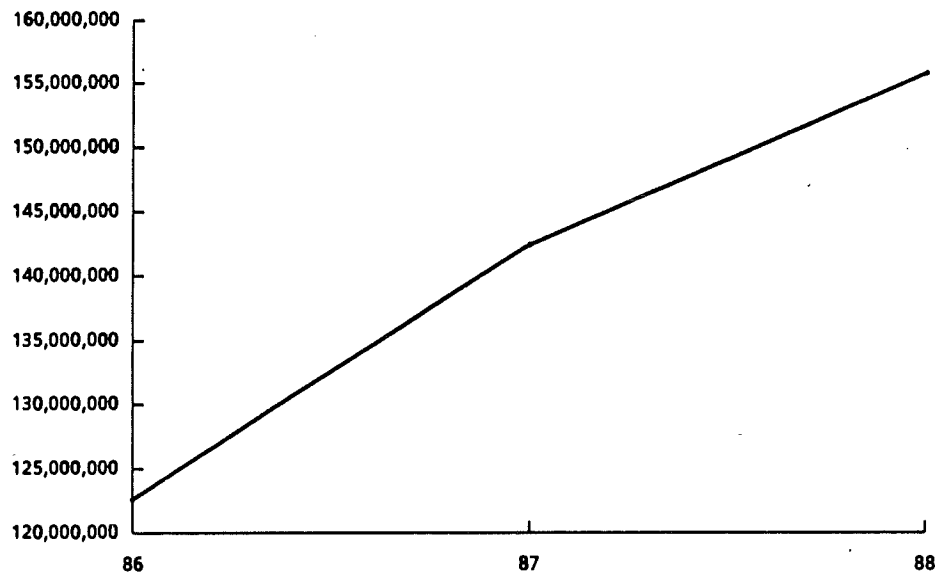
Graph 14 shows that total enrollment at UMM, as reflected by the opening fall headcount, slowly increased from the fall of 1985 to the fall of 1986, peaking at close to 900 students. Total enrollment declined in the fall of 1987 to about 820.

**GRAPH 13**  
University of Maine at Machias  
Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



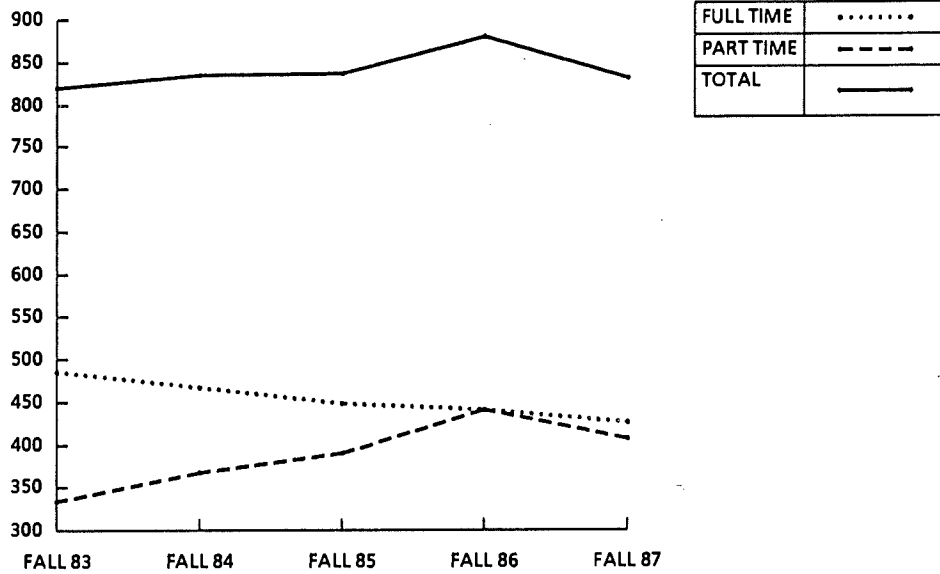
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 6**  
University of Maine System  
Total Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



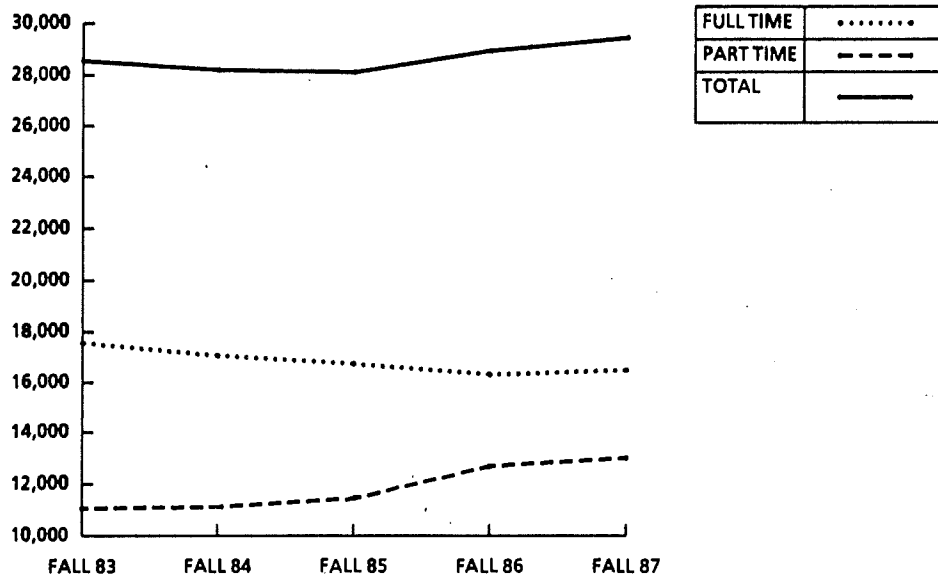
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 14**  
**University of Maine at Machias**  
**Enrollment by Opening Fall Headcount**  
**Fall 1983 - Fall 1987**



COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 8**  
**University of Maine System\***  
**Total Enrollments by Opening Fall Headcount**  
**Fall 1983 - Fall 1987**



COMPILED BY AUDIT STAFF, JANUARY 1988

---

Of some significance is a trend that was also evident at UMPI. In recent years, the numbers of full-time students has steadily decreased while the numbers of part-time students has been increasing. In the fall of 1986, the numbers of full and part-time students were virtually equal with both categories showing a slight decrease. These general enrollment trends also appear to be reflected in the System totals for that same time period. (Graph 8)

### RESULTS OF CAMPUS VISIT AND INTERVIEWS

On behalf of the Committee, staff visited the UMM campus from November 15-17. This visit also incorporated attendance at the Board of Trustees' at Machias on November 16. The following interviews and meetings were conducted by staff:

- Mr. Frederic, Reynolds, President;
- Dr. Jack Armstrong, Vice President for Academic Affairs;
- Dr. John Edwards, Dean of Student Affairs;
- Mr. Donald Crandlemire, Director of Physical Plant;
- Mr. Gene Larrabee, Business Manager;
- Dr. Ralph Jans, Faculty Representative to the Board of Trustees;
- Mr. Robert Tracy, Student Representative to the Board of Trustees; and
- Open meeting for faculty, students and staff. (no attendance.)

The following comments were made to Committee staff during the interview process. To ensure confidentiality, comments are identified only by classification, such as "student":

- The separation of Physical Plant from the Business Manager responsibilities works well; current work load of the Business Manager would not allow adequate time to the physical plant needs of the campus. The Director of the Physical Plant and the Business Manager have an effective working relationship (ADMINISTRATOR);

- 
- The UMM administration functions very smoothly. President Reynolds should be credited for his leadership. He is well respected on campus having advanced up the career ladder. President Reynolds has an open style of leadership in which communication is both encouraged and accomplished (ADMINISTRATOR);
  - UMM is treated equitably within the System. UMM makes frequent use of System wide services provided by the Chancellor's office and rates these services highly. Finally, priority needs at UMM are responded to by the Chancellor's office (ADMINISTRATOR);
  - Discussion of UMM facility needs for the Trustees Capital Plan was open and was the subject of a campus meeting (FACULTY);
  - The interactive TV/Community College plan is regarded with a "wait and see" attitude by most UMM faculty. There are some concerns about the teaching quality of interactive TV as well as the differing motivations of traditional and non-traditional students who would use such a system (FACULTY);
  - Faculty Representatives to the Board should have votes at the committee level to make their participation more meaningful (FACULTY);
  - UMM is not always treated equitably within the System. Two examples of this inequity are the percentage of budget allocations and the larger merit faculty salary increases negotiated for the two larger campuses. Also, like the other smaller campuses, UMM suffers from a lack of facilities that are somewhat comparable to those of the larger campuses (FACULTY);
  - UMM offers a tremendous bargain in quality education and has a superb faculty (ADMINISTRATOR);

- 
- Low administrative and faculty salaries are a problem at UMM; a problem that the System appears to be addressing (ADMINISTRATOR);
  - UMM serves a vital educational and cultural function to the Washington County area (ADMINISTRATOR);
  - UMM benefitted tremendously from the \$15 million supplemental appropriation from the Legislature. Funds can be stretched to maximum benefit at a smaller institution like UMM (ADMINISTRATOR);
  - UMM is treated well within the System. UMM receives needed support from the Chancellor's office. Chancellor Woodbury and Vice Chancellor Bowers are highly regarded. As of late, UMM has received a fairer share of financial resources (ADMINISTRATOR);
  - UMM has an excellent physical plant and the student body works cooperatively to maintain it. Such an effort is typical of the close relationships on a smaller campus (ADMINISTRATOR);
  - The UMM Administration is typified by close, cooperative working relationships which extend to the larger community. President Reynolds is widely respected for his open and practical sense of effective administration (ADMINISTRATOR);
  - UMM is treated equitably within the System, particularly financially. Increased funding has enabled UMM to offer new educational programming that has been needed for a number of years (ADMINISTRATOR);
  - Faculty and student representatives to the Board are respected by the Board and Chancellor's office. The use of these representatives is developing and voting privileges are likely to occur in the future. At times, representatives to the Board are overwhelmed by information (STUDENT);

- 
- The Interactive TV/Community College Plan appears to be well received by most UMM students, though not frequently discussed (STUDENT);
  - The Board's Capital Plan represents legitimate facility needs of the System. UMM was adequately consulted and there was a high level of campus awareness about the planning process (STUDENT);
  - UMM is well run administratively and its priorities are appropriate. President Reynolds is very popular; his responsiveness and open door policy are greatly appreciated. Finally, UMM faculty are "fantastic" and very responsive to student needs, both in and out of the classroom (STUDENT);
  - System wide services from Chancellor's office offer valuable expertise to UMM (ADMINISTRATOR);
  - UMM is treated equitably within the System. The \$15 million downpayment gave \$501,000 to UMM (3.3% of the total). The UMM perspective is that they did much better than in the past in getting that allotment (ADMINISTRATOR);
  - Chancellor Woodbury is very highly regarded and has established a positive working relationship with UMM. Services of the Chancellor's office are particularly valuable to the smaller campuses which couldn't afford to provide those same services on their own. It is estimated that services received from the Chancellor's office are provided at a cost which is 200-300% less than if each campus had to contract for that service (ADMINISTRATOR); and
  - UM does not adequately extend its graduate program offerings to small, rural campuses like UMM (ADMINISTRATOR).



---

## THE UNIVERSITY OF MAINE AT AUGUSTA

### **PURPOSE**

The University of Maine at Augusta (UMA) has a stated mission from the Board of Trustees to be the Community College of the University System. In that capacity, UMA has chosen to emphasize the following responsibilities:

- provide open access to inadequately prepared students who wish to eventually take college level courses;
- offer appropriate associate degree programs which may also be used as the first two years of a baccalaureate degree; and
- delivery of programs through extensive use of off-campus centers.

UMA also offers a limited number of its own baccalaureate degree programs, as well as baccalaureate and masters programs which are brokered from other campuses in the University of Maine System.

Most recently, UMA was designated by the Board of Trustees as the campus responsible for the implementation and administration of "The Community College of Maine/Telecommunications System." Implementation of this system, approved by the Board in their November 1987 meeting, is dependent in part, upon a pending funding request of \$2.2 million for FY 89 to the 113th Legislature.

### **HISTORY**

UMA was established by Legislative charter in 1965. Thus, UMA is the most recently created institution which in the University of Maine System. For a number of years, UMA held classes in different facilities within Augusta. In 1967, a bonding referendum passed which provided \$1.1 million (supplemented by \$600,000 in federal funds) to purchase land for a campus and the initial classroom building. The new campus was first used in 1970. Since that date, several new facilities have been constructed. In 1968, UMA was made a part of the University of Maine System.

---

## PHYSICAL PLANT

UMA is located on a campus of 165 acres and presently has seven primary buildings with a long term renewable lease for significant space in the Augusta Civic Center. The newest facility is the Learning Resource Center which was constructed in 1974. Principal facilities include the following:

- Learning Resources Center (Library);
- Administration/classroom building;
- Student services center;
- Arts building; and
- Civic Center - classrooms, gymnasium.

In addition, because of its Community College mission, UMA offers a significant amount of its academic programming through three off-campus centers:

- The Lewiston-Auburn Center;
- The Bath-Brunswick Center; and
- The Mid-Coast Community College Center (Thomaston).

Currently, the UMA facilities have a total gross area of 102,818 sq. ft. The following percentages reflect the dates of initial use for UMA facilities:

- Pre 1925, 0%;
- 1925-1949, 0%;
- 1950-1974, 77.9%;
- 1975-1979, 22.1%; and
- Post 1980, 0%.

Of the above square footage, 70,870 sq. ft. can be used as assignable space. By percentage, this space is used for the following purposes:

- 22% for offices;
- 22.1% for classroom;
- 16.8% for study/library;
- 16.7% for laboratory;
- 8% for special use;
- 7.4% for general; and
- 5.4% for support.

As of July 1, 1987, the UMA physical plant had the following estimated replacement costs:

- Buildings at \$5,651,492;
- Contents at \$3,963,850;
- Land, Utilities and land improvement at \$820,050; for a
- Total of \$10,435,391.

---

Current facilities planning at UMA appear to be focussed on adding to, and renovating existing facilities. In brief, the Board of Trustees has included the following UMA projects as a part of its \$60 million Capital Plan submitted to the Legislature in January of 1988:

- addition to the Learning Resource Center (Library) at a cost of \$2,550,000;
- renovation of auditorium at a cost of \$550,000;
- renovation of student center with \$160,000 in public monies. The Board's plan also specifies that \$25,000 in private funding will also be used to complete this renovation at a total project cost of \$185,000; and
- installation of a new telephone system at a cost of \$175,000.

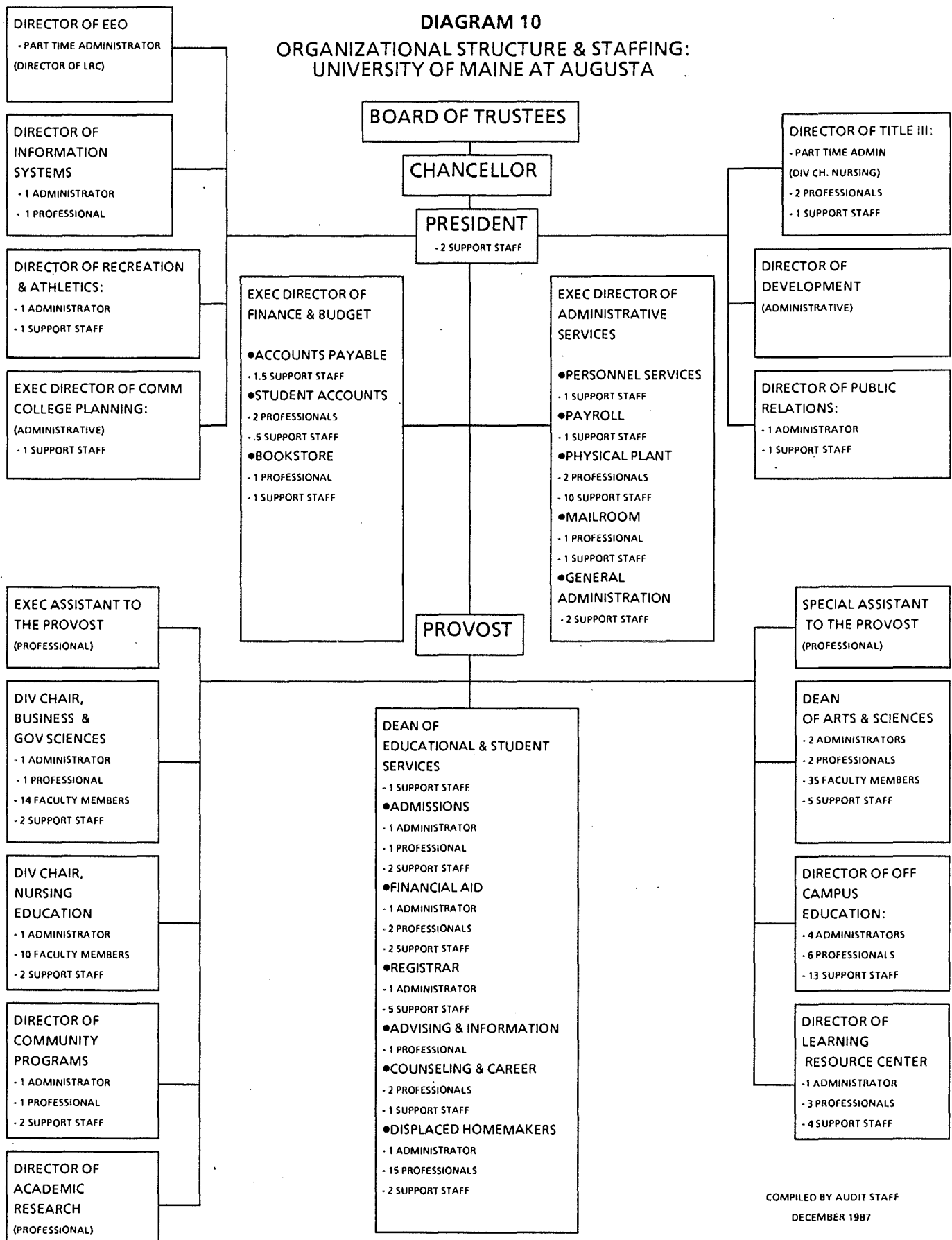
These proposed UMA projects total \$3,460,000 and comprise some 6% of the \$60,000,000 total.

#### ORGANIZATION, STAFFING AND SALARIES

The organizational structure at UMA appears to be markedly different than any of the other campuses in the University of Maine System. To a significant degree, the somewhat unique UMA organizational structure can be attributed to its Community College mission. As with the other campuses, UMA's organizational structure also reflects the administrative prerogative of the current President as well as those of past presidents. The UMA organizational structure is depicted in Diagram 10:

- President. Functions as the institution's chief executive officer who reports directly to the Chancellor and the Board. The current UMA President is Dr. George Connick who was appointed in 1986. The UMA President appears to have a comparatively large number of senior staff members with specific program responsibilities that report directly to him. To a large extent, this circumstance may reflect the diverse and varied administrative demands that UMA incurs in its mission as the Community College for the University of Maine System. In brief, these direct line, staff relationships are as follows:
- Director of Development. Responsible for all private fund raising activity and grantsmanship, staffed by one administrator;

**DIAGRAM 10**  
**ORGANIZATIONAL STRUCTURE & STAFFING:**  
**UNIVERSITY OF MAINE AT AUGUSTA**



COMPILED BY AUDIT STAFF  
 DECEMBER 1987

- 
- Director of Title III. Responsible for administering UMA's participation in the federal government's special needs Title III program. In brief, UMA applied for and received \$3.5 million for the initial construction of the statewide, interactive telecommunications network for college level construction. This program is staffed by one part-time administrator, two professionals and one support staff;
  - Director of Equal Employment Opportunity. Responsible for administering UMA's participation in the federally mandated EEO program; staffed by one part-time administrator;
  - Director of Information Systems. Responsible for administering UMA's computer and electronic data systems; staffed by one administrator and one professional;
  - Director of Recreation and Athletics. Responsible for the administration of all UMA athletic programs; staffed by one administrator and 1 support staff; and
  - Executive Director of Community College Planning. Responsible for planning and administering UMA's Community College programming effort; this activity is staffed by one administrator and one support staff.

Also somewhat unique to UMA is the following organizational division of finance and administrative services:

- Executive Director of Finance and Budget. Responsible for all financial, accounting and final budgeting formulation at UMA and reports directly to the President. Specific activities include accounts payable, student accounts and the Bookstore. Aside from the Director (administrator) these activities are staffed by a total of three professionals and three support staff; and

- 
- Executive Director of Administrative Services. Responsible for all campus wide administrative services and reports directly to the President. Specific activities include Personnel Services, General Administrative, Payroll, Physical Plant and Mailroom. Aside from the Director (Administrator) these activities are staffed by a total of three professionals and 15 support staff.

The final organizational component at UMA is also, when compared to the other University of Maine System campuses, somewhat unusual. Most campuses separate out student affairs from academic affairs. At UMA however, both functions are grouped under a single Provost in the following manner:

- Provost. At UMA, the Provost is considered to be the second in charge and often functions as the chief executive officer when the President's current responsibilities take him off-campus. The Provost reports directly to the President and, in turn, has a wide variety of functions and programs which report directly to him. These are as follows:
  - Dean of Educational and Student Services. This position is responsible for administering all activities concerning student life at UMA which include Admissions, Financial Aid, Registrar, Advising and Information, Counseling and Career, and Displaced Homemakers. Aside from the Associate Dean (administrator) these responsibilities are staffed by a total of four administrators, 2 professionals and 13 support staff;
  - Executive Assistant to the Provost. Staffed by one professional;
  - Special Assistant to the Provost. Staffed by one professional;

- 
- Dean of Arts and Sciences. This academic division is staffed by a total of two administrators, two professionals, 35 faculty members and five support staff;
  - Division Chair, Business and Governmental Science. This academic division is staffed by a total of one administrator; 1 professional, 14 faculty members and two support staff;
  - Division Chair, Nursing Education. This academic division is staffed by a total of one administrator, 10 faculty members and two support staff;
  - Director of Off-Campus Education. Responsible for administration of the three off-campus centers. This responsibility is staffed by a total of four administrators, 6 professionals and 13 support staff. Staffing for this program includes staffing for the three off-campus centers;
  - Director of Learning Resource Center (Library). This program is staffed by a total of one administrator, three professionals and four support staff;
  - Director of Community Programs. This community service programming effort is staffed by a total of one administrator, one professional and two support staff; and
  - Director of Academic Research. Staffed by one professional.

The FY 88 salaries for the following top level administrative positions at UMA have been listed with median FY 87 salaries for similar positions in comparably sized public institutions:

---

---

	<u>FY 88 Salary</u>	<u>Median FY 87 Salaries</u>
• President	\$63,600	\$62,000
• Provost	\$52,026	\$49,402
• Director of Academic Research	\$49,455	\$29,712
• Director of Information Systems	\$42,548	\$34,254
• Dean of Arts & Sciences	\$48,000	\$44,000
• Associate Dean of Educational & Student Services	\$45,500	\$41,995
• Executive Director of Finance	\$38,170	\$37,146

	<u>FY 88 Salary</u>	<u>Median FY 87 Salaries</u>
• Director of Recreation and Athletics	\$35,071	\$34,000
• Executive Director of Administrative Systems	\$34,125	\$45,614

Average Faculty salaries at UMA for FY 87 were as follows:

	<u>UMA</u>	<u>SYSTEM</u>
• Professor	\$31,601	\$37,890
• Associate Professor	\$24,340	\$30,151
• Assistant Professor	\$20,024	\$24,131
• Instructor	\$16,225	\$18,642

### ACADEMIC PROGRAM OFFERINGS

At the present time, UMA offers the following degrees:

- Associate of Arts;
- Associate of Science;
- Bachelor of Science;
- Bachelor of Music in Jazz and Contemporary Music; and
- Brokered undergraduate and graduate degree programs from other campuses in the University of Maine System.

In the fall of 1987, UMA had the following enrollment by academic degree program:

- Associate Degree; 1185;
- Baccalaureate Degree; 479;
- Graduate Degree; 52;
- Non-degree; 1809; and
- Non-credit; 1421.



## FINANCIAL DATA AND TRENDS

In recent years, UMA appears to raise close to 40% of its total revenue needs through student fees and tuition. For example, in FY 87, UMA collected \$2,155,907 in tuition and fees; this figure comprised 38% of the total E & G expenditures for that same FY (\$5,735,702). On a percentage basis, UMA's revenues from tuition and fees appears to significantly exceed the percentages for the four smaller campuses in the University of Maine System, none of which have exceeded 30%.

Finally, like the other University of Maine System campuses, UMA has a small amount of revenue from "Other" sources (\$85,650 in FY 87). The balance of UMA's revenue needs not covered by student tuition and fees and "Other" come from the state appropriation to the University of Maine System.

TABLE 7

### UNIVERSITY OF MAINE AT AUGUSTA

#### Unrestricted E & G Budgeted Expenditures\*

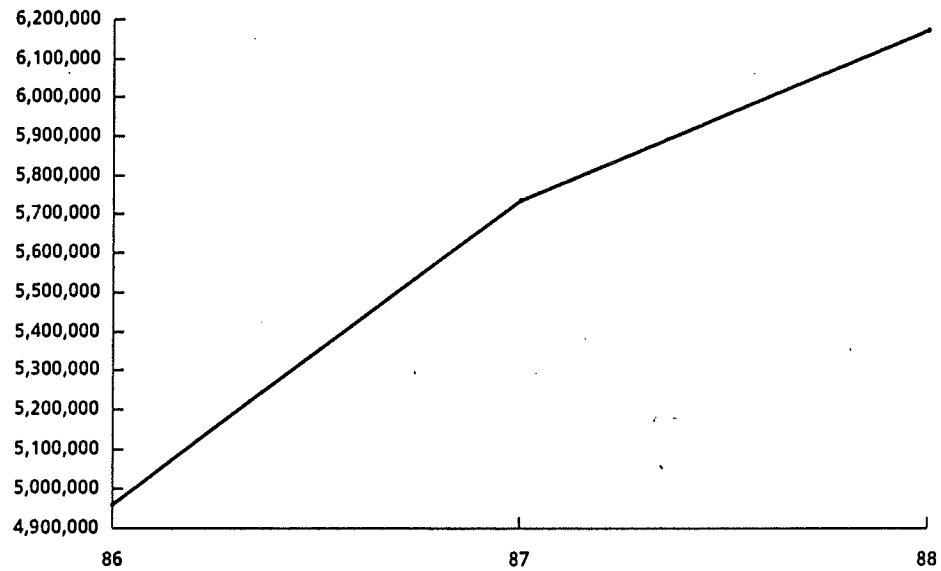
	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Instruction	\$2,221,228	\$2,524,406	\$2,587,919
Research	0	0	0
Public Service	190,968	194,674	292,431
Academic Support	698,786	989,918	1,080,155
Student Services	490,401	486,572	541,859
Institutional Support	750,771	864,181	889,699
Physical Plant	495,875	559,868	628,815
Student Aid	112,405	116,083	146,083
TOTAL	\$4,960,434	\$5,735,702	\$6,166,961

\* Does not include fringe benefits

Total unrestricted E & G expenditures have risen steadily at UMA for the past several years. As shown by the figures in Table 7, the increases appear to have occurred with some uniformity with the exception of a relative large increase for "academic support" in FY 87. Total unrestricted UMA E & G expenditures are also portrayed in Graph 15 and can be compared to the University of Maine System totals for that same time period.

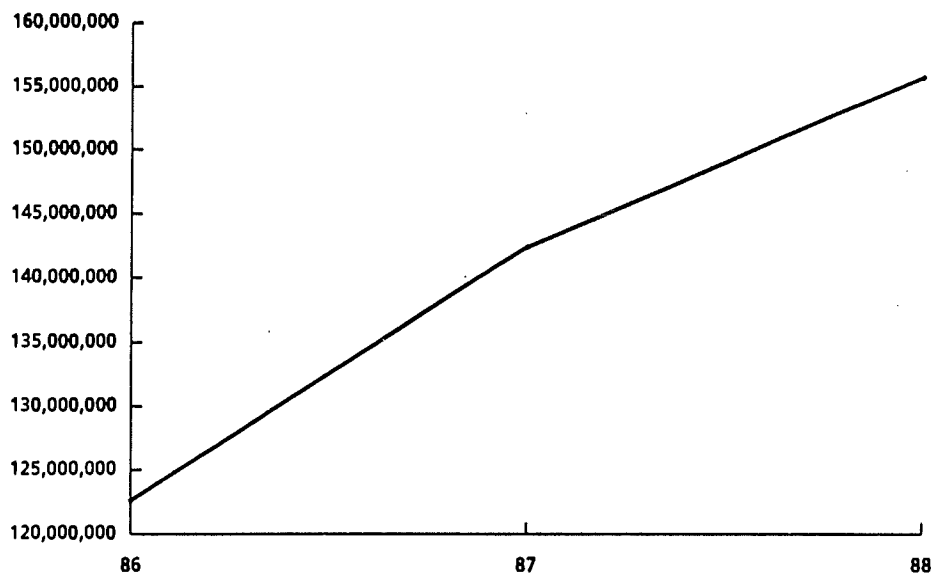
Finally, total UMA unrestricted E & G expenditures appear to comprise 4% of total University of Maine System campus spending for that same purpose.

**GRAPH 15**  
University of Maine at Augusta  
Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



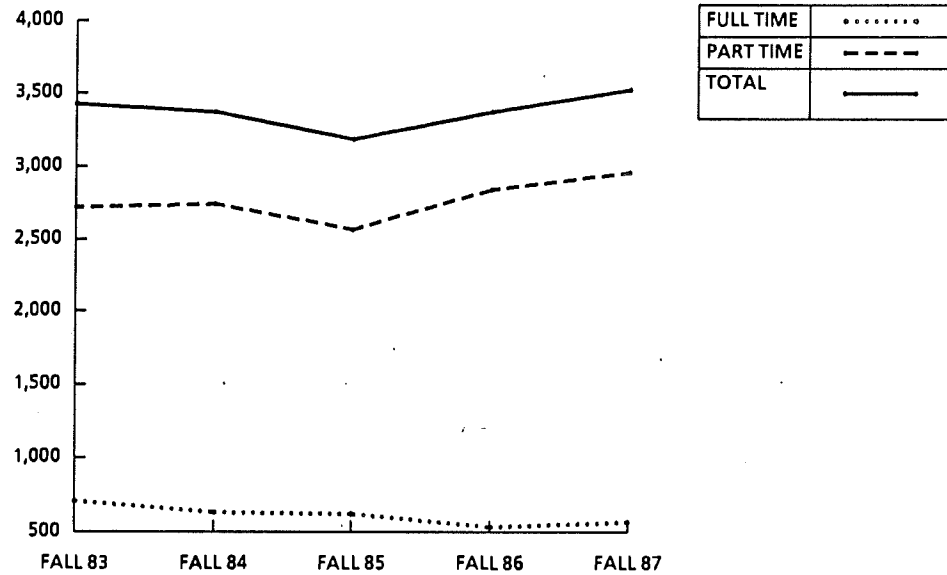
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 6**  
University of Maine System  
Total Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



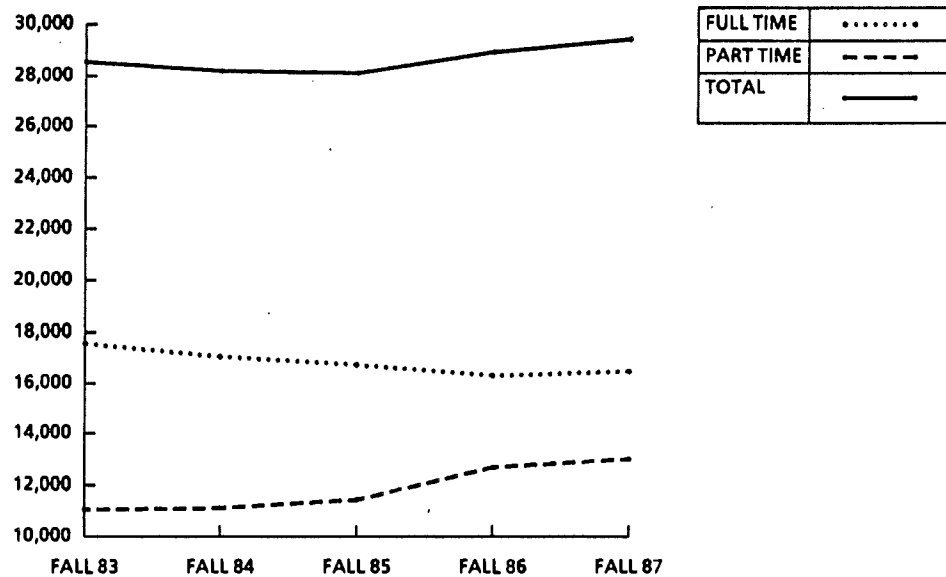
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 16**  
University of Maine at Augusta  
Enrollment by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 8**  
University of Maine System  
Total Enrollments by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, JANUARY 1988

---

## ENROLLMENT TRENDS

As shown in Graphs 16 and 8, in contrast to the other University of Maine System campuses, part-time students at UMA significantly outnumber full-time students. In fact, the gap appears to be widening in recent years. During the past three years, total UMA enrollment, as reflected by opening fall headcount, has steadily increased.

## RESULTS OF CAMPUS VISIT AND INTERVIEWS

On behalf of the Committee, staff visited the UMA campus on November 19-20, 1987. The following interviews and meetings were conducted by staff:

- Dr. George Connick, President;
- Richard Randall, Provost;
- Charles Danforth, Acting Associate Dean of Arts & Science;
- Jon Schlenker, Interim Associate Dean of Educational and Student Services;
- Tom Abbott, Director of Learning Resource Center;
- Russ Cotnoir, Faculty Representative to the Board of Trustees;
- Norma Abbott, Student Representative to the Board of Trustees;
- Laura Pruett, Executive Director for Finance;
- Sherri Stevens, Executive Director of Administrative Services;
- Open meeting with students (no attendance); and
- Open meeting with faculty (no attendance).

The following represent the summarized comments of interviewed personnel. To ensure confidentiality, responses are identified only by classification, such as "Administrators":

- The UMA physical plant is in relatively good shape but many of the buildings will be in need of the routine upkeep that is necessary after the first 20 years of the structure's life (Administration);
- UMA receives good services from the Chancellor's office for physical plant support services (Administrator);

- 
- Overall enrollment totals at UMA will probably stabilize at 1987 levels; part-time student enrollment is likely to continue to increase and full-time will continue to decrease (Administrator);
  - Because of its Community College mission, UMA is likely to become a leader in non-traditional public higher education. The primary issue which will face UMA in the future will be, does the institution have an adequate response capacity (Administrator);
  - There is considerable support at UMA for the comprehensive planning process which is being developed and implemented by the Chancellor's office ( Administrator);
  - In recent years, system treatment of UMA has become much more equitable. UMA did not fare well under the previous Chancellor who was not regarded as an advocate for the Community College mission (Administrator);
  - UMA receives good support from the Chancellor's office particularly with regards to services from the Controller and from Physical Facilities (Administrator);
  - Faculty representatives to the Board should have votes at the Committee level (Faculty);
  - Chancellor Woodbury is "very highly regarded and seen as offering a new and needed approach to System leadership (Faculty);
  - UMA faculty are divided in their support for the Interactive TV/Community College Proposal: 50% are probably disinterested or not in favor, while the other 50% are in favor (Faculty);
  - The UMA library is significantly lacking in the size of its collections: 40,000 volumes as opposed to a national average of 60,000 - 80,000 for two-year colleges. The shortage may be exacerbated by the added demands of the Interactive TV/Community College proposal (Administrator);

- 
- Chancellor Woodbury is held in extremely high regard; the previous Chancellor was not sympathetic to UMA (Administrator);
  - Dr. Connick is regarded as a leader who gets a lot done (Administrator);
  - UMA faculty is fairly evenly divided in their opinion of the Interactive/Community College proposal; those who are in favor may be better informed and have had actual experience teaching on interactive TV (Administrator);
  - The UMA administration is receptive to student concerns. UMA faculty is considered to be a good group of educators although the involvement of a significant number is questioned (Student);
  - Dr. Connick is not perceived as being effective with students on a one-to-one basis; perhaps because he has been so busy with the Interactive TV/Community College proposal (Student);
  - Not many UMA students know about the Interactive TV/Community College proposal; and for those that do, there is some questioning about the large size of financial resources that are being dedicated to it all at once (Student);
  - Dr. Connick is regarded as an inspirational leader and one who has restored optimism to UMA and stability in administrative leadership (Administrator);
  - In general, the UMA organizational structure works fairly well although there is some lack of clarity as to the current level of academic authority to be delegated to the Associate Deans. As a result, the Provost may be overwhelmed (Administrator);
  - UMA faculty appear to be evenly divided in their opinions regarding the Interactive TV/Community College proposal (Administrator);

- 
- UMA is treated equitably within the System even though the legitimate priorities at UMA warrant more funding (Administrator);
  - UMA has a unique mission as the Community College within the System and its future as a vital institution is tied to this mission (Administrator);
  - Through the Interactive TV/Community College proposal, UMA has opportunity to exercise national leadership with a distinctive educational program. The initial \$2.2 million being requested from the Legislature is the absolute minimum needed to implement an adequate system (Administrator);
  - Chancellor's office is a great help to UMA. The CAPS function is inadequately staffed and, therefore, has been historically overwhelmed (Administrator); and
  - UMA has not been treated equitably by the System in the past. No matter what the budgetary process, the allocations are always the same on a percentage basis (Administrator).

---

## UNIVERSITY OF SOUTHERN MAINE

### **PURPOSE**

The University of Southern Maine (USM) has a mission from the Board of Trustees to be the urban comprehensive campus for the University of Maine System. USM also has a mission to be "one of" the graduate centers for the System.

In accomplishing its mission as the urban comprehensive University, USM has been directed by the Board to develop overall programming that is aimed at a diverse, non-traditional student body. Further, USM has been mandated to develop an educational effort which:

- improves education in public schools;
- strengthens management capabilities of individuals and organizations;
- contributes to the development of public policy;
- leads the effort to improve human service efforts in the state;
- develops technologies essential to the southern Maine region; and
- enhances the overall quality of urban life.

Finally, like the other campuses in the University of Maine System, USM has a public service responsibility to the region in which it is located.

### **HISTORY**

USM derives its origins from two state-chartered institutions. The first to be created by the Legislature was Western Maine Normal School which was established in 1878. This institution underwent a name change to Gorham State Teacher's College in 1945.

The second institution was first established as Portland Junior College in 1933 and was later renamed as the University of Maine at Portland in 1957. In 1970, the two institutions were merged as the University of Maine at Portland/Gorham with the final change to the present name occurring in 1978.

The component parts of USM were made a part of the University of Maine System upon the creation of that entity in 1968.



---

## PHYSICAL PLANT

USM is unique among the campuses in the University of Maine System in that it is fairly evenly split into two locations; one campus in Portland and one campus in Gorham. The two campuses are located on a total of 122 acres with 49 buildings. Principal facilities include the following:

- 61 general purpose classrooms;
- 36 laboratories;
- 7 lecture halls;
- 441 faculty/staff offices;
- 2 dining centers (one on each campus);  
and
- 2 libraries (1 on each campus); and
- 2 gymnasiums (1 on each campus);

The most recently constructed building at USM was built in 1974, although a new nursing education building is currently being constructed at a cost of \$3.5 million.

In addition, USM has established off-campus centers in the following locations:

- Sanford;
- Saco;
- Bath/Brunswick; and
- Lewiston/Auburn (jointly administered with UMA).

Currently, the USM facilities have a total gross area of 1,194,383 sq. ft. The following percentages reflect the dates of initial use for USM facilities currently in use:

- pre-1925, 12.6%;
- 1925-1949, 2.7%;
- 1950-1974, 79.9%;
- 1975-1979, 1.0%; and
- Post 1980, 3.9%.

Of the above square footage, 792,852 sq. ft. can be used as assignable space. By percentage, this space is used for the following purposes:

- 19.7% for residential;
- 16.4% for general;
- 15.1% for office;
- 12.1% for classroom;
- 10.8% for laboratory;
- 9.4% for special use;
- 9.3% for study/library;

- 
- 5.4% for support; and
  - 1% for health care.

As of July 1, 1987, the USM physical plant had the following estimated replacement costs:

- Buildings at \$72,607,757;
- Contents at \$19,088,102;
- Land, utilities and land improvement at \$8,426,250; for a
- total of \$100,122,109.

Facilities planning at USM appears to emphasize building expansion and renovation with the construction of one major new facility. The Board of Trustees has included the following USM projects as a part of its \$60 million plan:

- expansion of the library with \$11.2 million of public monies. The Board's plan also calls for an additional \$1 million in costs to be covered through private fund raising for a total project cost of \$12.2 million;
- construction of a new Theatre complex with \$2.3 million in public funds. The Board's plan calls for another \$1.2 to be raised through private fund raising for a total project cost of \$3.5 million; and
- renovations to existing academic facilities at a cost of \$1 million.

These proposed USM projects have a total cost of \$14.5 million and comprise 24% of the Board's \$60 million total plan.

### ORGANIZATION, STAFFING AND SALARIES

During its September 28, 1987 meeting, the Board approved an extensive reorganization of the USM administrative structure. This reorganization involved a series of title changes to reflect contemporary higher educational organization and then a reshuffling of several reporting relationships to align with the newly defined positions. Although this reorganization has been fully implemented, the Committee did not have complete staffing figures to accurately portray the reorganization. As a result, Diagram 11 depicts the USM organization prior to January 1988. However, whenever possible, the new organization has been described and new titles have been supplied in parenthesis:

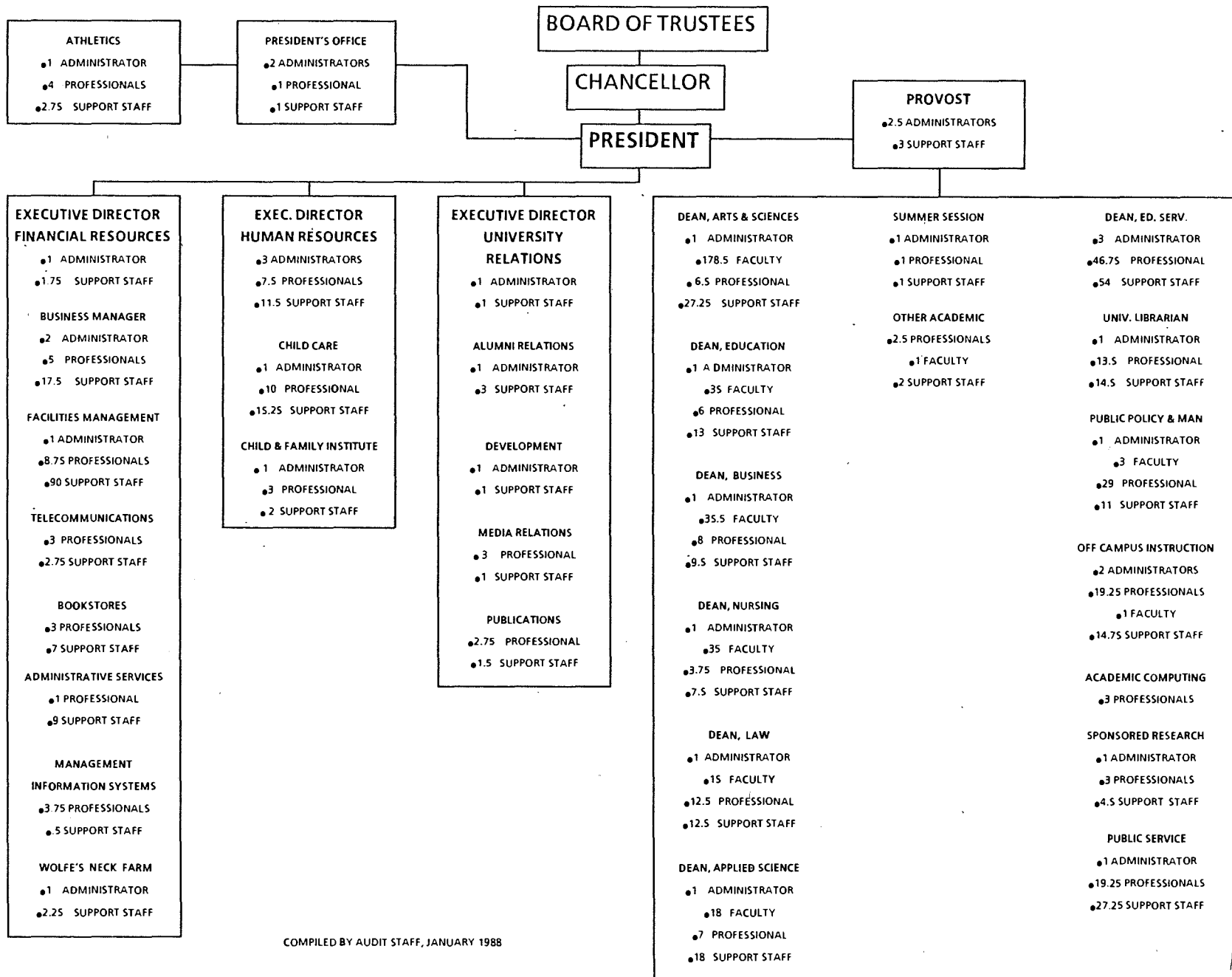
- 
- President. Functions as the chief executive officer for the institution and reports directly to the Board and to the Chancellor. The present USM President is Dr. Patricia Plante who was appointed by the Board in 1987. Unlike many of the other University of Maine System campuses, the USM President does not have many staff reporting directly to her. The only staff function that reported directly to the President was that of the Executive Assistant to the President who in turn was responsible for the Director of Athletics. The responsibilities of the President's office were staffed by a total of:
    - 3 administrators;
    - 5 professionals; and
    - 3.75 support staff.
  - Provost (and Vice President for Academic Affairs). In an arrangement which is somewhat typical of campus organization in the University of Maine System, this position is responsible for all programming and services pertaining to academic affairs which include:
    - the College of Arts and Sciences;
    - the College of Education;
    - the School of Business;
    - the School of Applied Science;
    - the School of Nursing;
    - the School of Law;
    - Director, Basic Studies;
    - Director, CRAS;
    - Director, Public Policy Center;
    - Dean, Educational Services;
    - University Libraries;
    - Director, Public Service; and
    - Director, Summer Session.

This alignment of programs and service was staffed by a total of:

- 18.5 administrators;
- 173.75 professionals;
- 322 faculty; and
- 208.5 support staff.

ORGANIZATIONAL STRUCTURE & STAFFING:  
UNIVERSITY OF SOUTHERN MAINE  
(DECEMBER 1987)

DIAGRAM 11



- 
- Executive Director of University Relations. Under the former USM organization, University Relations was headed by a director who reported directly to the President. Under the reorganization, this unit reports to the newly created position of Vice President for Development and External Affairs. This organizational unit included the following functional responsibilities:

- Alumni relations;
- Development;
- Media Relations;
- Publications; and
- University Relations.

These activities were staffed by a total of:

- 3 administrators;
- 5.75 professionals; and
- 7.5 support staff.

- Executive Director of Human Resources. This organizational unit is now included under the Vice President for Administration (formerly known as the Executive Director of Financial Resources). This unit had the following broad functional responsibilities:

- Child-Family Institute;
- Child Care Services; and
- Human Resources.

- Executive Director of Financial Resources (Vice President for Administration). The Executive Director was responsible for all campus wide administrative systems and served as USM's Chief Budget Officer. This position has been retitled as Vice President for Administration and new responsibilities include the human resources functions described earlier. This organizational unit, known as Financial Resources, included the following activities:

- Business Office;
- Management Information System;
- Facilities Management;
- Wolfe's Neck Farm;
- Telecommunications;
- Bookstores;
- Administrative Services; and
- Financial Resources.

---

These programs and services were staffed by a total of:

- 5 administrators;
  - 22.75 professionals; and
  - 131 support staff.
- As a final explanatory note, the function of student affairs in the current USM organization was formerly grouped under the Dean of Educational Services who reported to the Provost. Under the reorganization, Student Affairs has been elevated to a major organizational unit headed by a newly created Vice President for Student Affairs. This new unit includes the following activities:

- Admissions;
- Financial Aid;
- Residence Halls;
- Student Activities;
- Student Affairs;
- Public Safety; and
- Career Counseling.

Although staffing levels for this unit have already been reported under the Provost under the former USM organization, in the reorganization, these responsibilities are staffed by a total of about:

- 3 administrators;
- 46.75 professionals; and
- 54 support staff.

The FY 88 salaries for the following top level administrative positions at USM have been listed under median FY 87 salaries for similar positions in comparably sized public institutions:

	<u>FY 88 Salary</u>	<u>Median FY 87 Salary</u>
• President	\$81,000	\$78,112
• Executive Assistant to the President	47,749	NA
• Executive Director, Financial Resources	52,139	60,681
• Executive Director, Human Resources	45,091	40,240
• Executive Director, University Relations	48,801	41,952
• Provost	62,823	64,500
• Director of Athletics	49,562	45,500

---

---

	<u>FY 88</u> <u>Salary</u>	<u>Median FY</u> <u>87 Salary</u>
• Dean, Arts & Sciences	53,250	58,195
• Dean, Education	55,913	56,517
• Dean, Business, Economics and Management	61,770	59,040
• Dean, Applied Science	51,440	53,000
• Dean, Nursing	52,558	55,170
• Dean Law	70,993	70,008
• Director, Academic Computing	51,967	38,289
• Director, Off-Campus Instruction	49,915	NA
• Director, Center for Research	58,906	39,141
• Director, Public Policy & Management	55,380	NA
• Dean, Educational Services	49,112	55,000

Faculty salaries at USM have the following range:

	<u>USM</u>	<u>SYSTEM</u>
• High	\$60,598	\$63,981
• Median	33,559	29,074
• Low	15,779	12,502

#### ACADEMIC PROGRAM OFFERINGS

At the present time, USM offers the following degrees:

- Associate of Arts;
- Associate of Science;
- Bachelor of Arts;
- Bachelor of Science;
- Bachelor of Fine Arts in Art;
- Bachelor of Music in Performance;
- Master of Arts;
- Master of Science;
- Master of Business Administration;
- Master OF Science in Immunology;
- Master of Science in Nursing;
- Doctor of Jurisprudence; and
- An extended Bachelor of Science in Electrical Engineering from UM.

Current enrollment at USM by type of degree is as follows:

- 879 in Associate Degree programs;
- 5,166 in Bachelor Degree programs;
- 935 in Graduate Degree programs; and
- 2,566 in non-degree programs.

---

## FINANCIAL DATA AND TRENDS

For the most recent 5 year period, USM revenues from student tuition/fees and "other" have risen steadily. USM appears to raise 1/3 or more of its total revenue needs through student fees and tuition. For example, in FY 87, USM collected \$9,587,555 in revenues from student fees and tuition. This figure comprised 33% of total unrestricted E & G expenditures (28,939,370) at USM during that time period. This percentage figure places USM among the campus leaders for providing the largest share of their own revenue needs through tuition and fees.

Like the other campuses in the University of Maine System, USM receives a significant amount of revenue from "other" sources; this figure amounted to \$980,362 in FY 87. Finally, the balance of USM revenues not covered by fees, tuition or "other" is supplied through the state appropriation to the University of Maine System.

As reflected in Table 8 and Graph 17, total unrestricted E & G expenditures at USM have risen steadily over the most recent three year period. This growth rate is paralleled for the system as a whole and a large jump from FY 86 to FY 87 reflects the impact at USM of the \$15 million "downpayment".

TABLE 8

### UNIVERSITY OF SOUTHERN MAINE

#### Unrestricted E & G Budgeted Expenditures\*

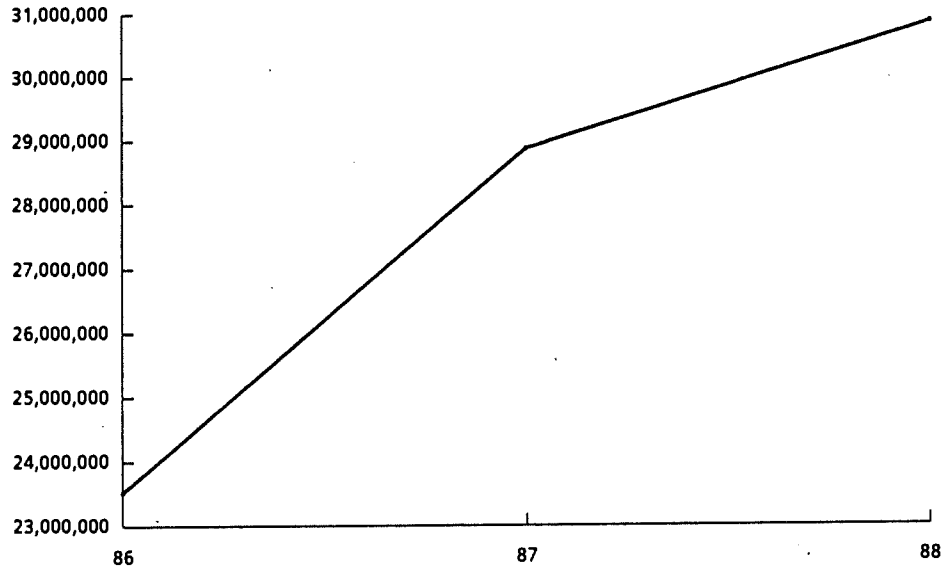
	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Instruction	\$13,284,127	\$16,155,604	\$16,555,981
Research	509,340	536,760	559,528
Public Service	231,086	244,218	306,798
Academic Support	1,577,029	2,738,887	3,195,496
Student Services	1,759,513	2,077,606	2,473,279
Institutional Support	3,026,446	3,508,522	4,055,879
Physical Plant	2,441,233	2,673,573	2,932,348
Student Aid	691,100	952,200	777,200
TOTAL	\$23,519,874	\$28,887,370	\$30,856,509

\* Does not include fringe benefits

Finally, total unrestricted E & G spending at USM appears to comprise about 24% of total campus spending in the System.

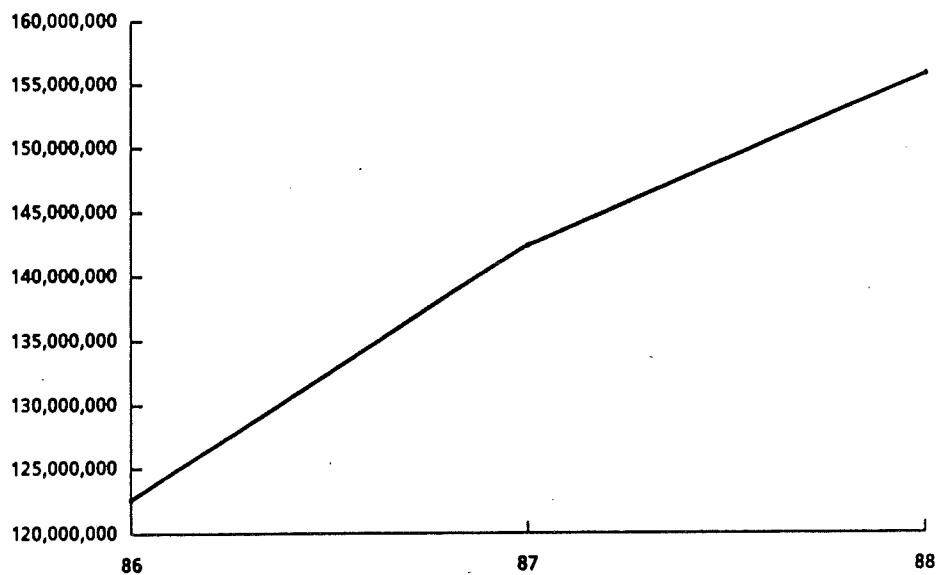


**GRAPH 17**  
University of Southern Maine  
Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



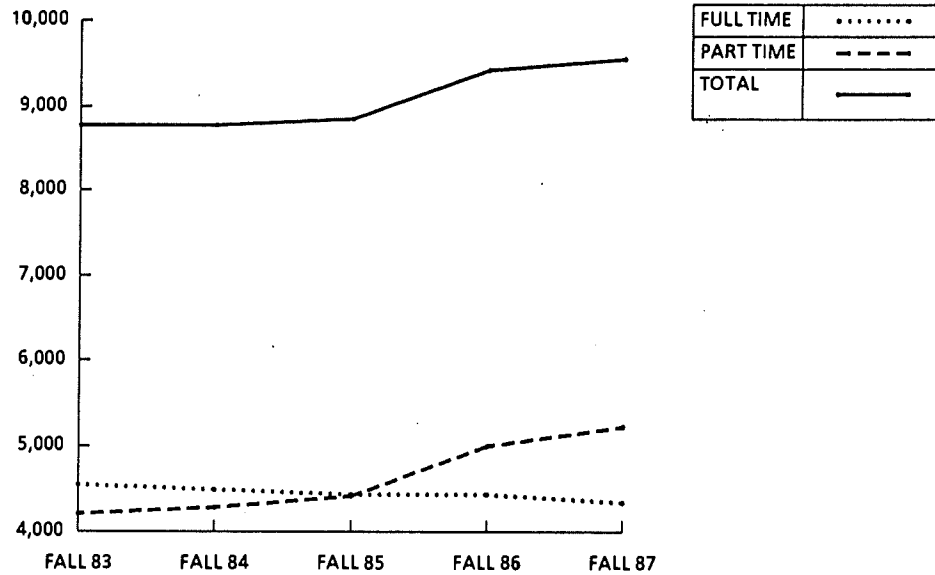
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 6**  
University of Maine System  
Total Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



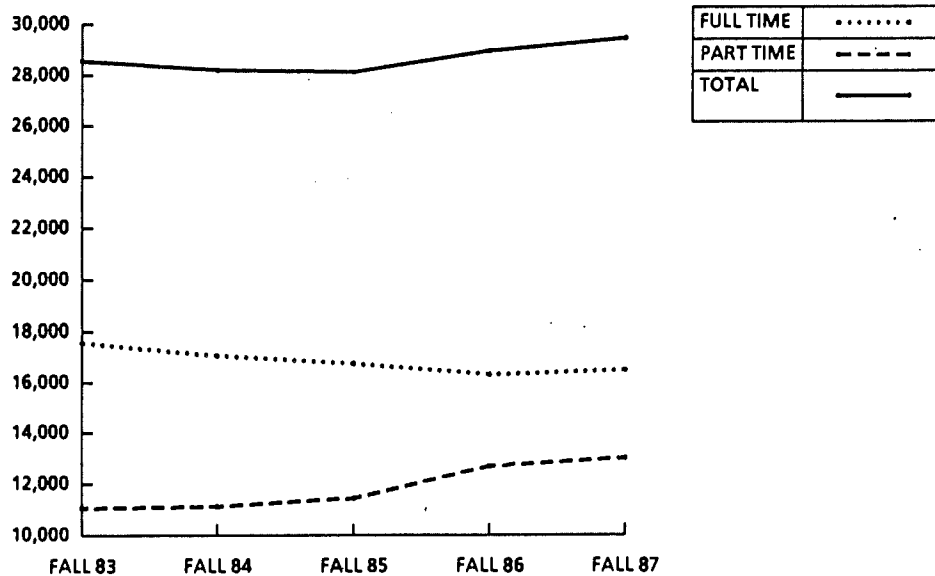
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 18**  
**University of Southern Maine**  
**Enrollment by Opening Fall Headcount**  
**Fall 1983 - Fall 1987**



COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 8**  
**University of Maine System**  
**Total Enrollments by Opening Fall Headcount**  
**Fall 1983 - Fall 1987**



COMPILED BY AUDIT STAFF, JANUARY 1988

---

## ENROLLMENT TRENDS

As shown in Graph 18, in recent years the number of part-time students has exceeded the number of full-time students. A significant increase in part-time students in recent years has apparently fueled a growth in the total number of students at USM, as measured by opening fall headcount.

## RESULTS OF CAMPUS VISIT AND INTERVIEWS

On behalf of the Committee, staff visited both USM campuses on November 5-7, 1987. Committee member Representative Harriet Ketover accompanied staff in conducting and attending the following interviews and meetings:

- Dr. Patricia R. Plante, President;
- Dr. Helen L. Greenwood, Provost;
- Mr. Sam Andrews, Vice President for Administration;
- Dr. John W. Bay, Director of Off-Campus Instruction and Academic Support;
- Meeting with Provost's staff (Deans);
- Meeting with USM student senate (student representative to the Board of Trustees is a member);
- Meeting with Mr. John E. Keysor, Dean of Educational Services and staff;
- Meeting with Ms. Alyce O'Brien, Executive Director for University Relations, Ms. Beth Warren, Executive Director of Human Resources, Mr. William Wise, Executive Assistant to the President and select members of their staffs;
- Meeting with Dr. Andrew Anderson, Dr. John Zanner, Faculty Representative to the Board of Trustees and faculty members of their invitation;
- Open meeting on both campuses; and
- A tour of each campus with Mr. Sam Andrews, Vice President for Administration and Mr. Randy Reynolds, Director of Facilities Management.

The following represent the summarized comments gathered by staff during the campus visit. To ensure confidentiality, responses are identified only by classification, such as "students".

- 
- The present Human Resources function at the Chancellor's office represents an excessive bureaucracy and a very cumbersome structure. USM has had a draft of an Affirmative Action plan ready for the past three years but has not been able to implement it because of the slowness of the System bureaucracy. The System should encourage different campuses to take a lead in developing policies to be considered for and by all campuses within the System (Administrator);
  - Since the merger which created the System, there has been a feeling among faculty that USM has become administratively top-heavy. Allegedly, the original USM administrative structure was designed for an enrollment of 10,000 students. This figure has been reached, but the USM administration has significantly expanded since inception. However, no clear statistical evidence has been developed to substantiate this claim of administrative top-heaviness (Faculty);
  - USM welcomes the accountability that is sought by the Legislature; however, this accountability should recognize the uniqueness of the USM mission (Administrator);
  - Transferability of courses between campuses has not been a problem at USM; the System matrix has worked well. USM needs to be able to develop more graduate programming to meet the needs of the southern Maine region; UM is often seen as offering resistance to this effort, particularly with regards to engineering programs (Administrator);
  - Overall, USM is administered effectively. Recent student efforts to encourage the renovation of the student center at Gorham and to acquire space for a student union have not been successful and students are discouraged (Student);

- 
- Students are not given a valuable role in shaping the future of USM. A small number of administrators make a sincere effort to help, but most are not even willing to take the risk of listening to students. Sometimes it appears that student input is feared rather than valued (Student);
  - USM needs to put more emphasis on the needs of commuting, non-traditional students (Student);
  - A great deal of competition exists between the two USM campuses, and not much cooperation. Many faculty do not appear to be motivated, which may be tied to a high degree of student apathy. There is no distinct sense of student identity or campus spirit at USM. USM needs to develop a professional position to deal with non-traditional students at the Portland campuses. Dr. Plante is highly motivated and appears to seek input (Student);
  - USM faculty are great in the classroom but not helpful outside of the classroom (Student);
  - Parking at USM is a severe problem for commuting students. USM faculty have little confidence in the USM libraries, often referring students to the Portland Public Library (Student);
  - Student apathy may be attributable to the fact that the administration does not value student input, therefore, students have very little influence on events at USM (Student);
  - Lack of facilities at the Gorham campus results in exodus of juniors and seniors to Portland where they become commuters (Student);

- 
- Student Representatives to the Board of Trustees need voting status, as well as increased numbers. The Board of Trustees needs to be more representative. The state needs to make more of a commitment to help students attend college in the state (Student);
  - Student participation is not encouraged at USM and existing student representation is only tokenism. USM administration has no real concerns about students' needs. Recent difficulties in labor relations has resulted in employee frustration (student services) that boil over onto students (Students)
  - Overall, the USM faculty are very good and willing to help (Student);
  - Students are disgusted to be told on every project that it can't be done because it hasn't been done before. Students are disappointed that the USM administration lacks the fortitude to try something new. Also, students are disappointed about the lack of opportunities for meaningful student participation and often have to ask for inclusion. Space provided for student activities is deplorable at USM. Finally, students are providing higher quality than that offered by the institution itself (Student);
  - Student perceptions about faculty inactivity outside of the classroom are accurate to some degree. However, this is a two-way street; students themselves do not often participate in activities outside of the classroom (Faculty);
  - Recent system improvements are credited to Chancellor Woodbury's leadership (Faculty);
  - Many new faculty are shocked at the lack of tradition and campus identity at USM (Faculty);
  - The recent reorganization at USM has resulted in needed elevation of student affairs (Faculty);

- 
- USM is underfunded and true accountability with the Legislature should address this fact (Faculty);
  - The Board needs to develop more and better ways to communicate with faculty; and the faculty union is not always an adequate vehicle for communication. Faculty were not adequately consulted on Community College/TV plan. The Board has demonstrated a reluctance to get collective views from the faculty on non-bargaining issues (Faculty);
  - The ten-year cycle of the Audit Committee is too long a span for adequate oversight of University of Maine System. Also, USM needs more accountability with regards to faculty planning; completed facilities often vary significantly from approved proposal (Faculty);
  - The system works well as a structure; campuses have adequate autonomy and generally receive good services (Professional);
  - Some faculty are concerned about top heavy administration at USM, particularly in regards to the ratio of administrators to students and faculty. It is alleged that the USM administration has grown by 150% since the 1950's, far outstripping enrollment growth during that time period. Also, the USM administration has a far greater ratio of support staff than do faculty. Finally, the new USM phone system is a waste of money (Faculty);
  - A major strength at USM is the high quality of the various Deans who work well together. USM may not be receiving equitable treatment because of a failure to consider the non-traditional nature of its student body. USM is faced with a large number of part-time students who wish to take a limited number of credit hours. If one adds up the total credit hours, it may be close to that of other

---

campuses, but USM has to provide programming for a far greater proportion of actual headcount. The present allocations to USM may not fairly represent this factor (Administrator);

- USM is an exciting dynamic institution; many things are currently on the upswing. The issue of revenue bonding authority is of extreme importance to USM (Administrator);
- USM has a unique mission among the University of Maine System campuses and this uniqueness needs to be better understood. It may be easier for the public and the Legislature to understand USM's academic mission and more difficult to understand its public service and research responsibilities (Administrator);
- USM has been addressing the issues of access and improved quality for the past five years. A great deal of thought has been given to the notion of balancing increased access with improved quality. USM's five year academic review cycle is a rigorous one (Administrator);
- The nature of the population in southern Maine requires USM to provide more graduate programming. USM's graduate programs suffer in comparison with those at UM. The present method of funding allocation does not recognize the legitimate needs of USM and its unique student body. Funds should not be distributed on the basis of credit hours; very unfair to USM with its large numbers of part-time students (Administrator);
- Present process of funding allotment does not address the needs of expectations of the community served by USM. USM is about to experience a faculty recruitment crisis because of low salaries and reduced pool of applicants. Finally, secretarial salaries are set on a statewide basis, placing USM in a very non-competitive position in the Portland market (Administrator);



---

## UNIVERSITY OF MAINE

### **PURPOSE**

The University of Maine (UM) has a mission established by the Board of Trustees to be the Land-Grant and Sea Grant institution of the University of Maine System. As mentioned earlier in this report, land grant colleges were first established under the provisions of the federal Morrill Act (1862) which provided federal lands to each state which could be sold and the proceeds used to establish an endowment for the purposes of creating public state controlled institutions of higher education. Originally intended to stress education in agriculture and mechanic arts, the missions of land grant institutions have expanded over time to encompass all aspects of a well rounded "liberal and practical education". At the present time, there are 71 Land Grant institutions across the 50 states and protectorates; 16 states have two designated institutions.

Sea Grant institutions also exist through federal funding received from the Office of Sea Grant, National Oceanic and Atmospheric Agency. The UM's status as a Sea Grant institution is in partnership with the University of New Hampshire and enables UM to provide a program of marine research, graduate education and a marine extension program.

As the Land and Sea Grant institution within the University of Maine System, UM has three primary responsibilities:

- provide undergraduate and graduate educational programming;
- conduct basic and applied research of a state, national or international significance; and
- provide statewide public service programming.

### **HISTORY**

The University of Maine was chartered by the Legislature in 1865 in response to the opportunities represented by the federal Morrill Act in 1862. UM was first known as the State College of Agriculture and the Mechanic Arts and was changed to its present title in 1897. (For a period of about 15 years, UM was known as the "University of Maine at Orono"; this title was changed as a result of the Visiting Committee Recommendations in 1986).

UM was made a part of the University of Maine System upon the creating of that entity in 1968.

---

## PHYSICAL PLANT

In keeping with its status as the largest institution with the University of Maine System, UM has the largest campus. In total, UM owns approximately 3,300 acres in various locations across the state. The Orono campus consists of 600 acres and the Bangor campus is on another 162 acres.

The Orono campus has approximately 200 buildings; of which 100 are considered to be major facilities. These 100 buildings include 32 dormitories and 68 buildings used for E & G purposes.

The Bangor campus consists of some 35 buildings not being used or leased to other interests. At the present time, there are no dormitories being used for their purpose at Bangor and 10 buildings are used for E & G purposes.

Currently, the UM facilities have a total gross area of 4,071,043 square feet. The following percentages reflect the dates of initial use for the UM facilities:

- 10.2%, pre-1925;
- 27.3% from 1925 - 1949;
- 54.2% from 1950 - 1974;
- 3.6% from 1975 - 1979;
- 4.8%, post-1980.

Of the above square footage, 2,860,762 sq. ft. can be used as assignable space. By percentage, this space is used for the following purposes:

- 25.8% for residential;
- 16.4% for office;
- 13.8% for general;
- 13% for laboratory;
- 9.6% for special use;
- 9% for support;
- 5.2% for study/library;
- 5.1% for classroom; and
- 4% for health care.

As of July 1, 1987, the UM physical plant had the following estimated replacement value:

- Buildings at \$252,707,425;
- Contents at \$44,249,240;
- Land, utilities and land improvement \$27,562,500; for a
- Total of \$324,519,165.

---

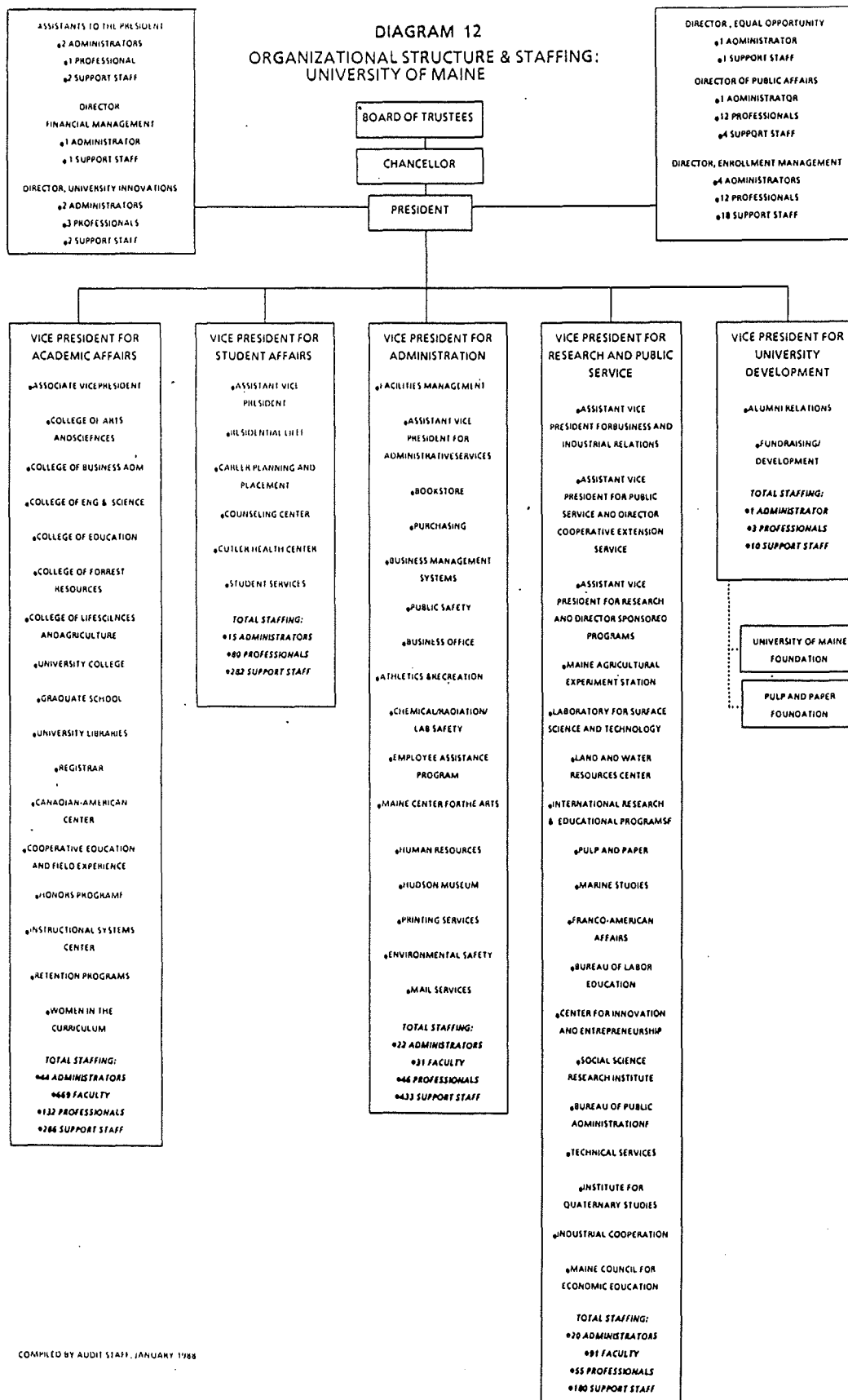
At the present time, facilities planning at UM appears to reflect a fairly even mix of entirely new facilities, additions to existing facilities, renovations of existing facilities and capital improvements. The following UM projects have been included in the Board's \$60 million Capital Plan:

- construction of a new Business Administration classroom facility with \$6 million in public funds. The Board's plan also calls for \$1 million to be raised in private funds for a total facility cost of \$7 million;
- construction of a new science building at a cost of \$6.5 million;
- installation of a new data, voice and video communications system at a cost of \$4.5 million;
- construction of an addition to the library at a cost of \$4 million;
- renovation of existing academic facilities at a cost of \$4 million;
- construction of a performing arts building with \$2 million in public funds. The Board's plan also calls for \$2 million to be raised in private funds for a total facility cost of \$4 million; and
- renovation of the Hauck Auditorium at a cost of \$500,000.

These proposed UM projects total \$27.5 million and comprise 45% of the \$60 million total.

### **ORGANIZATION, STAFFING AND SALARIES**

In terms of sheer size, the organizational structure at UM is much larger than those of the other campuses in the University of Maine System. Aside from size, the UM organizational structure appears to be fairly typical of public university structures and much of it corresponds to the campus mission. The current UM organizational structure is depicted in Diagram 12 and is described briefly below.



- 
- President. Functions as the institution's chief executive officer who reports directly to the Board and to the Chancellor. The current president of UM is Dr. Dale Lick who was appointed by the Board in 1986. The President's office is staffed by a total of two administrators, one professional and two support staff. As with several of the other campuses, the President has a number of staff functions reporting directly to him;
  - Director, Financial Management. This position functions as the chief budget officer for UM and appears to represent a unique organizational structure among the campuses. The customary placement of the budget function is with the Vice President for Administration or Business Manager. At UM, the position of Director of Financial Manager has been developed so that no one organizational unit with the overall budgetary responsibility for the campus could be perceived as favoring its own interests in the budgetary process. At UM, all budgetary proposals are submitted to the Director of Financial Management. This function is staffed by a total of one administrator and one support staff;
  - Director, University Innovations. This is a relatively new position at UM which has overall responsibility for Telecommunications/Computer Innovations, Institutional Planning and Institutional studies. These responsibilities are staffed by a total of two administrators, three professionals and two support staff;
  - Director, Equal Opportunity. This position is responsible for developing, overseeing and administering UM's federally mandated Equal Opportunity and Affirmative Action plans. These programs are staffed by a total of one administrator and one support staff;

- 
- Director, Enrollment Management. Relative to the other campuses, this position has a rather unique functional responsibility which includes admissions and student aid. This position was created to develop a new organizational model in response to declining applications and enrollment, and to the decreasing quality of applicants. The original model also included the Registrar, as well as Institutional Planning, both of which have since been moved to other organizational units. To some extent, the problems which precipitated the creation of this organizational model have been addressed and it appears that under the present UM administration, this present organizational configuration will be completely dismantled in the very near future. At the present time, these responsibilities are staffed by a total of four administrators, twelve professionals and eighteen support staff; and
  - Director of Public Affairs. This position is responsible for all aspects of campus public affairs at UM which include publications, photography and radio/TV. These activities are staffed by a total of one administrator, twelve professionals and four support staff.

UM has five major organizational units, each headed by a Vice President:

- Academic Affairs. This organizational unit is traditional to most higher educational structures and, as such, deals with the tremendous majority of UM's educational programming efforts. Included in Academic Affairs at UM are the seven colleges within the University as well as the Graduate School, all eight units being headed by a Dean:
  - College of Arts and Sciences;
  - College of Business Administration;
  - College of Education;
  - College of Engineering and Science;
  - College of Forest Resources;
  - College of Forest Resources;

- 
- College of Life Sciences and Agriculture;
  - University College; and
  - Graduate School.

In addition, the Vice President for Academic Affairs is responsible for the following programs and activities:

- University Libraries;
- Registrar;
- Canadian-American Center;
- Cooperative Education and Field Experience;
- Honors Program;
- Instructional Systems Center;
- Retention Programs; and
- Women in the Curriculum.

Academic Affairs at UM is staffed by a total of:

- 44 administrators;
- 669 faculty;
- 132 professionals; and
- 286 support staff;

- Student Affairs. This organizational unit at UM is another traditional to most campuses in the University of Maine System; and is a function that separates out most activities and programs relating to daily student life at UM. Student Affairs consists of:

- Student Services;
- Residential Life;
- Career Planning and Placement;
- Counseling Center; and
- Cutler Health Center.

Student Affairs programming at UM is staffed by a total of:

- 15 administrators;
- 80 professionals; and
- 282 support staff.

- Administration. This is another fairly traditional organizational unit among the campuses. At UM, Administration is mostly composed of units delivering campus wide services and includes:

- Facilities Management;
- Public Safety;
- Bookstore;

- 
- Purchasing;
  - Business Management Systems;
  - Chemical/Radiation/Lab Safety;
  - Business Office;
  - Athletics and Recreation;
  - Employees Assistance Program;
  - Human Resources;
  - Printing Services;
  - Mail Services;
  - Maine Center for the Arts;
  - Hudson Museum; and
  - Environmental Safety.

The programming and services by the Administration organizational unit at UM is staffed by:

- 22 administrators;
- 31 faculty;
- 46 professionals; and
- 433 support staff

- Research and Public Service. As a major organizational unit, Research and Public Service is unique to UM when compared to the other campuses. The existence of this unique organizational unit at UM is directly tied to two of the essential elements of the campus mission:

- to conduct basic and applied research of either state, national and international significance; and
- to provide statewide public service programs.

Although research and public service are important components to many of the various campus missions, it may be worth noting that research and public service at UM, because of its Land-Grant/Sea-Grant status, play a much more prominent role in the overall campus mission. Accordingly, Research and Public Service at UM appear to require nearly 13.1% (\$9.2 million in FY 88) of the total unrestricted E & G expenditures for the campus.



---

Research and public service at UM includes the following programs and services:

- Business and Industrial Relations;
- Cooperative Extension Service;
- Maine Agricultural Experiment Station;
- Marine Studies;
- Land and Water Resources Center;
- Institute for Quaternary Studies;
- Laboratory for Surface Science and Technology;
- Social Science Research Institute;
- Maine Council for Economic Education;
- Bureau of Labor Education;
- Bureau of Public Administration;
- Center for Innovation and Entrepreneurship;
- Industrial Cooperation;
- Technical Services;
- Pulp and Paper;
- Franco-American Studies; and
- International Research and Educational Programs.

These programming and services at UM are staffed by a total of:

- 20 administrators;
  - 91 faculty;
  - 55 professionals; and
  - 180 support staff.
- Development. This organization is quite new at UM, having been created in 1987. The Vice President for Development is essentially responsible for all private fund raising from corporate, group and individual sources. The Vice President for Development is also responsible for alumni relations and acts as liaison with the University of Maine Foundation and the Pulp and Paper Foundation.

This organizational unit is the smallest of the five major units headed by the Vice Presidents. Total staffing for Development purposes at UM is as follows:

- 1 administrator;
- 3 professionals; and
- 10 support staff.

Selected FY 88 salaries for top level administrative positions at UM have been listed below with FY 88 median salaries for similar positions in comparably sized institutions:

	<u>FY 88 Salary</u>	<u>Median FY 87 Salary</u>
• President	\$97,520	\$88,600
• Vice President for Academic Affairs	78,000	75,000
• Vice President for Student Affairs	64,500	68,000
• Vice President for Administration	71,355	68,000
• Vice President for Research and Public Service	72,000	NA
• Director for University Innovations	53,250	54,100
• Director for Financial Management	52,718	47,320
• Director of Admissions	46,505	43,500
• Dean, Business Administration	60,267	67,600
• Dean, Education	56,617	62,160
• Dean, Engineering & Science	67,095	70,700
• Dean, Arts and Science	68,671	66,500
• Acting Dean, Forest Resources	69,750	60,900
• Dean, Life Sciences and Agriculture	58,502	61,800
• Dean, University College	57,449	53,904
• Dean, Graduate School	62,835	60,284
• Director of Libraries	61,770	55,350
• Dean, Student Services	53,573	NA
• Director, Cutler Health Center	67,095	62,412
• Director, Residential Life	42,600	46,250
• Assistant Vice President Administrative Services	54,659	NA
• Director, Facilities Management	46,904	50,310
• Athletic Director	55,000	53,974
• Assistant Vice President, Public Service	59,235	NA
• Interim Director, Cooperative Extension Service	58,498	NA
• Assistant Vice President, Research	59,000	NA
• Director, Center for Marine Studies	56,120	NA
• Director, Quaternary Studies	53,363	NA
• Director, Department of Industrial Cooperation	57,293	NA

---

Faculty Salaries at UM have the following ranges:

	<u>UM</u>	<u>System</u>
• High	\$63,981	\$63,981
• Median	35,200	29,074
• Low	16,400	12,502

### ACADEMIC PROGRAM OFFERINGS

At the present time, UM offers the following degrees:

- Associate of Arts;
- Associate of Science;
- Bachelor of Arts;
- Bachelor of Science;
- A total of six other Baccalaureate degrees;
- Certificate in Pulp and Paper Technology (5 year program);
- Master of Arts;
- Master of Science;
- A total of 21 other Master's degrees;
- Certificate of Advanced Study (Education);
- Doctor of Education; and
- Doctor of Philosophy.

For FY 88, UM had the following enrollments by degree program:

- 1563 in Associate degree programs;
- 7128 in Baccalaureate degree programs;
- 1311 in Graduate degree programs; and
- 1089 in non-degree programs; for a
- Total of 11,091.

### FINANCIAL DATA AND TRENDS

From FY 83 through FY 86, UM experienced a slow rate of growth in revenues collected from student fees and tuition and "other" sources. In FY 87, revenues from student fees and tuitions dropped significantly, an occurrence which may be the result of steadily dropping enrollments of full-time students up until that year. However, information received thus far indicates that the tuition revenue for FY 88 has again increased. In all probability, the UM tuition and fee revenues for FY 88 will be close to 15% above the FY 87 level. There are several reasons for this increase: (1) a 5% tuition increase, (2) the establishment of a mandatory student life fee, and (3) an increase of 1.3% in FTE student enrollment.

**TABLE 9**

**UNIVERSITY OF MAINE**

**Unrestricted E & G Budgeted Expenditures\***

	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Instruction	\$22,440,369	\$23,254,391	\$28,056,767
Research	3,695,270	4,377,278	5,051,191
Public Service	2,928,771	3,337,086	4,138,825
Academic Support	5,526,624	8,683,998	8,912,038
Student Services	5,201,530	5,568,787	6,296,358
Institutional Support	6,364,289	7,112,685	7,814,734
Physical Plant	7,336,432	7,659,281	8,153,936
Student Aid	757,143	1,647,143	1,647,143
<b>TOTAL</b>	<b>\$54,250,628</b>	<b>\$63,640,649</b>	<b>\$70,070,992</b>

\* Does not include fringe benefits

Typically, UM appears to raise about 1/4 of its total revenue needs through student fees and tuition and "other". For example, in FY 87, UM raised a total of \$17,581,961 in tuition and fees. This figure comprised 28% of the total unrestricted E & G expenditures for FY 87. (UM also generates a considerable amount in revenues from "other" sources; \$4,917,240 in FY 87). Finally, like the other campuses, the balance of UM revenue needs not covered by the sources mentioned above, are covered by the state appropriation to the University of Maine System.

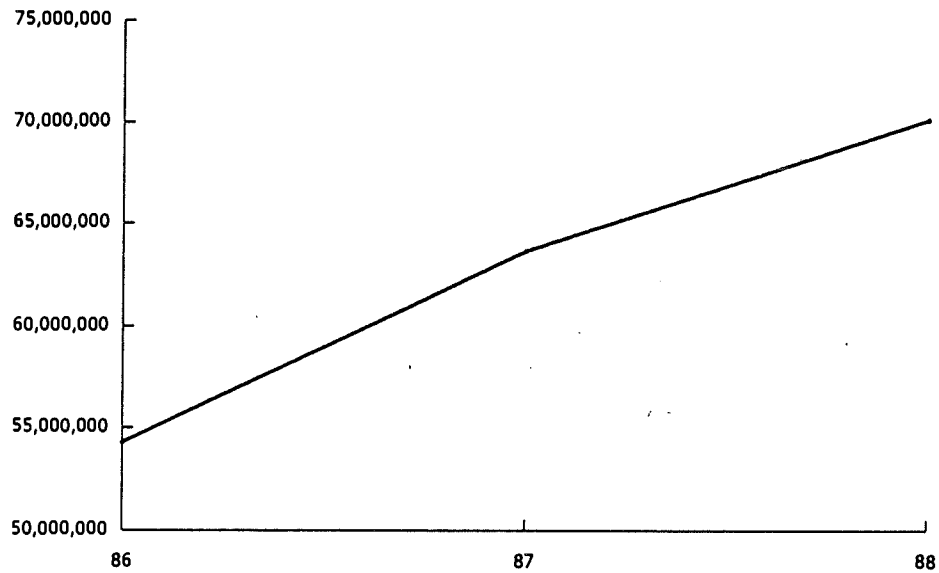
Total UM unrestricted E & G expenditures increased dramatically from FY 86 to FY 88 (Graph 19) reflecting the impact of UM's share of the \$15 million downpayment. Expenditures have increased moderately from FY 87 to FY 88.

Finally, total UM expenditures appear to comprise about 55% of total campus spending in the University of Maine System.

**ENROLLMENT TRENDS**

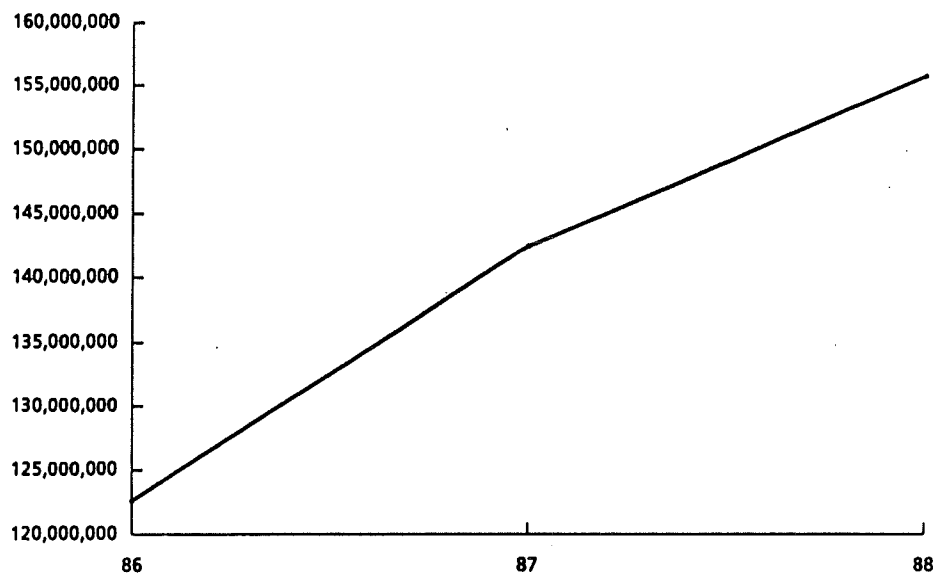
As evidenced by Graph 20, total enrollment at UM, as measured by opening fall headcount, declined slightly from the Fall of 83 to the Fall of 86 with a leveling off in the Fall of 87. Enrollment of part-time students rose slightly in that time period while enrollment of full-time students declined slightly. However, in the Fall of 88, enrollment head count and FTE totals both increased by 1.3%

**GRAPH 19**  
University of Maine  
Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



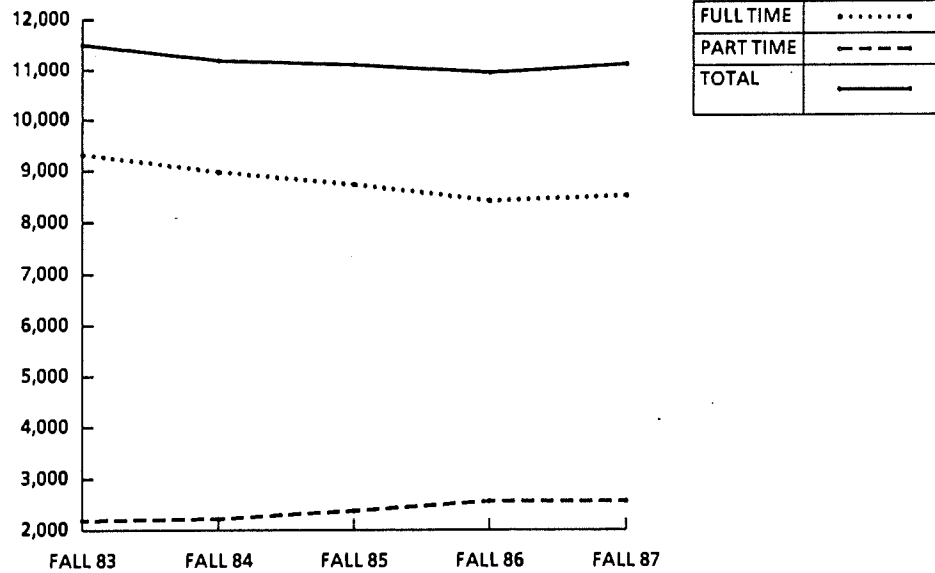
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 6**  
University of Maine System  
Total Unrestricted E&G Budgeted Expenditures:  
FY 1986 - FY 1988



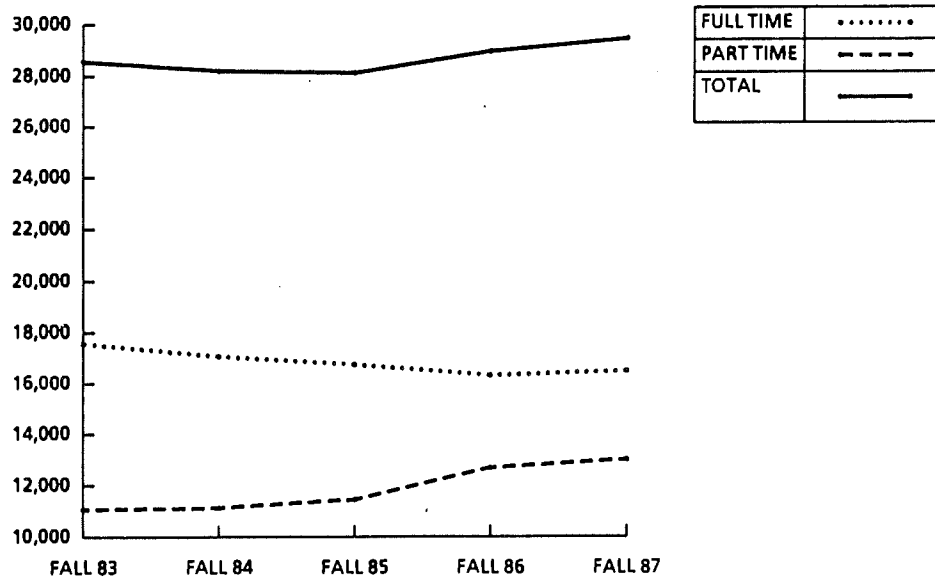
COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 20**  
University of Maine  
Enrollment by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, JANUARY 1988

**GRAPH 8**  
University of Maine System  
Total Enrollments by Opening Fall Headcount  
Fall 1983 - Fall 1987



COMPILED BY AUDIT STAFF, JANUARY 1988

---

## RESULTS OF CAMPUS VISIT AND INTERVIEWS

On behalf of the Committee, staff visited the UM campus at Orono on November 23-24, 1987. The following interviews and meetings were conducted/attended by Committee staff. Committee member Senator Mary-Ellen Maybury also participated in a number of these meetings:

- Dr. Dale W. Lick, President;
- Dr. John Hitt, Vice President for Academic Affairs;
- Dr. John Halstead, Vice President for Student Affairs;
- Dr. Thomas Aceto, Vice President for Administration;
- Dr. Gregory Brown, Vice President for Research and Public Service;
- Mr. Robert Holmes, Vice President for Development;
- Dr. Charles F. Rauch, Jr., Director of Financial Management;
- Mr. Jim White, Associate Director of Admissions;
- Dr. Suzanne Estler, Director, Equal Opportunity;
- Dr. Owen Gaede, Director, University Innovations;
- Ms. Anita Wihry, Director, Enrollment Management;
- Mr. Steven Moore, Student Representative to the Board of Trustees;
- Mr. Scott Anchors, Director of Residential Life;
- Dr. Jefferson White, Faculty Representative to the Board of Trustees
- Mr. John Henderson, President, Professional Employees Advisory Council;
- Ms. Jean Goss, President, University Supervisors Advisory Council;
- Ms. Minnie Rowell, Chairperson, University Supervisors Representative Council;
- Mr. William Murphy and Mr. Ralph Newbert, President and Vice President respectively of University of Maine Professional Staff Association;
- Dr. Charles Russ, President of the Associated Faculties of UM;
- Mr. Paul Miragliuolo, representing Police and Safety and Service and Maintenance Bargaining Units;

- 
- Ms. Mary Ann Drake, President COLT Bargaining Unit;
  - Meeting with Student Government Representatives:
    - Mr. Chris Boothby, President;
    - Mr. Carl Robbins, Vice President;
    - Ms. Leslie Doolittle, Vice President for Financial Affairs;
    - Mr. Bill Kennedy, Jr., Treasurer; and
    - Mr. Mike Scott, President of Off-Campus Board.
  - Meeting with Dean's Council;
  - Meeting with Council of Colleges;
  - Open meeting for University Community members (no attendance); and
  - Campus tour with:
    - Mr. Thomas Cole, Director of Facilities Management;
    - Mr. Alden Stuart, Assistant Vice President for Administrative Services; and
    - Mr. Andy Abbott, Director, Instructional Systems Center.

The following represent the summarized comments gathered by staff during the campus visit. To ensure confidentiality, responses are identified only by classification, such as "administrators":

- The Community College/TV proposal is a good idea which offers many potential uses for UM and will encourage UM to develop more Associate level courses. However, the reception at UM has only been lukewarm; many individuals have unanswered questions (Administrator);
- Chancellor Woodbury and Vice Chancellor Bowers are very favorably regarded. UM is being treated equitably by the System. Finally, the System's Comprehensive Plan has not provided enough input for faculty although future opportunities look more promising (Administrator);
- The Equal Opportunity program receives good support and coordination from System Office of Human Resources (Administrator);



- 
- Dr. Lick provides positive leadership for UM although some faculty have questions about the recent emphasis on athletics (Administrator);
  - As the flagship campus, UM deserves more than its current 50% allocation; UM's research and public service responsibilities are mandated and should be recognized by further Legislative actions (Administrator);
  - The Chancellor's office has done a much better job in the past year in representing the needs and status of UM. Chancellor Woodbury offers positive, high profile leadership (Administrator);
  - The present Board is very politicized and is thus unfair to UM. There should be more relevant criteria for Board member selection. As a result of politicization, the Board has not always worked in the interests of higher education. A separate Board should be created for UM (Administrator);
  - The Legislature is to be commended for its work of the past two years in improving faculty salaries (Administrator);
  - The Legislature should consider the issues raised by collective bargaining. The UM faculty do not generally approve of their union, but are consistently outvoted by the other campuses. The collective bargaining process should be decentralized with separation for UM (Administrator);
  - The new Vice Presidents at UM are very impressive. Dr. Lick is popular but some faculty are concerned about his emphasis on athletics. UM faculty are pleasantly surprised by Chancellor Woodbury's leadership. UM faculty are not impressed with the current Board, there is a feeling that they are out of their depth and should have more professional educators as members (Faculty);

- 
- The UM organization has worked well under Dr. Lick's leadership. Dr. Lick has done a good job in improving UM's image. The University of Maine System generally bargains in good faith and there are comparatively few grievances filed (Professional);
  - Chancellor Woodbury and Dr. Lick are highly regarded for their positive leadership skills. The System's reclassification plan is a positive step (Supervisor);
  - Dr. Lick is well regarded by most at UM; the current administrative structure works well and has helped to create a positive attitude on campus (Professional);
  - Student involvement is meaningful at UM; a student is currently included on the President's Executive Committee (Student);
  - UM administration and staff have developed a disassociation with students; students are to serve the institution rather than the other way around. Students at UM were not actively consulted on the Capital Plan (Student);
  - There is a general disbelief that one staff person from the Committee can effectively review the entire University of Maine System and that such an effort represents only a token gesture by the Legislature (Student);
  - Students are divided as to the wisdom of Dr. Lick's perceived emphasis on athletics as the road to better academics (Student);
  - The Interactive TV/Community College Plan is a step in the right direction but may have only limited utility due to continued technological developments (Administrator);
  - UM is benefitting under Chancellor Woodbury's leadership but historic funding inequities are difficult to overcome (Administrator);

- 
- The Board is doing an excellent job and respects student and faculty representatives. Student and faculty representatives do not need votes at the committee level because they are not well informed and are already listened to. Finally, there should be a Faculty Trustee on the Board (Student);
  - The Board did not negotiate in good faith on the recent reclassification study and could have settled much earlier. The Board settled only because of public pressure from the bargaining unit (Support staff);
  - The issue of equitable treatment of UM by the System is a complicated one. In terms of undergraduate education, UM gets a fair share but not in terms of graduate, research and public service. Basically, present funding allocations are based on an historic base which results in a passed on inequity. UM is also treated unfairly in the Capital Plan and should have 55-60% of the total proposal (Administrator);
  - The current perception of an undue emphasis on athletics is not accurate. The perceived emphasis is often a result of what the press may choose to focus on. In fact, there is a reduction of about \$.5 million in public monies used for athletics in the past two years. The overall athletic budget has increased but the increases have come from student fees and athletic revenues. See Appendix 2 for detailed figures (Administrator);
  - Services received from the Chancellor's office are highly regarded as are Chancellor Woodbury and Dr. Lick (Administrator);
  - UM is administratively top heavy; many individuals are concerned that administrative jobs are being created at the expense of working positions. Generally, the Board bargains in good faith (Support staff);

- 
- The Board has greatly improved its mechanism for receiving faculty and student input. Much of the recent improvement is attributed to Chancellor Woodbury's leadership. Board members could benefit from instituting a policy of campus visitations patterned after the Audit Committee's visitation (Faculty);
  - The State needs to make up for recent reductions in federal GSL program (Administrator);
  - The Chancellor's office needs to establish a primary contact person for student affairs (Administrator); and
  - A recent internal task force on Program and Budget Review generated 34 recommendations which effected significant savings and increased program effectiveness. It is anticipated that this task force will continue to operate in accordance with the overall budgetary process (Administrator).



**APPENDIX 1**

**STATISTICAL ANALYSIS OF  
SURVEY OF MAINE STATE  
LEGISLATURE REGARDING  
THE UNIVERSITY OF MAINE SYSTEM**

Appendix 1

STATISTICAL ANALYSIS

5507N

**SURVEY OF MAINE STATE LEGISLATORS  
REGARDING THE UNIVERSITY OF MAINE SYSTEM**

(Note - NR = No response. Also, because of rounding off, certain percentages add up to slightly less or more than 100%)

1. The Board of Trustees of the University of Maine System has been legislatively chartered by Private and Special Laws of the State of Maine to provide a system of public higher education in the state. The terms of this charter have been judicially interpreted as meaning that the University System, though created by the state, is "not a branch of the state's educational system, nor an agency or instrumentality of the state, but a corporation and legal entity wholly separate from the state." However, elsewhere in Maine State Law the University of Maine System is described as an "instrumentality and agency of the state for the purpose for which it was established" (20-A MRSA @10903) with specific reference to the charter described above.

These legal ambiguities notwithstanding, the University of Maine System should be considered to be:

- 28% A. A state agency;  
47% B. A state chartered institution.  
10% C. An independent institution.  
4% D. Other (Please specify) \_\_\_\_\_

NR - 2%

2. The present relationship between the Legislature and the University of Maine System is:

- 10% A. Excellent  
41% B. Satisfactory.  
28% C. Fair  
17% D. Needs improvement.  
2% E. Other (Please specify) \_\_\_\_\_

NR - 2%

3. Please rank, in order of importance, the ways by which the present relationship between the Legislature and the University of Maine system could be improved:

4 Clarification of Legislature's present legal relationship with University of Maine System.  
3 Improved budgetary/appropriations process.  
1,2 Increased accountability from the University of Maine System.  
\_\_\_\_ Better communications.  
\_\_\_\_ Other (Please specify) \_\_\_\_\_

**\* See Audit staff for detailed statistics.**

4. In recent years, the state has appropriated the following amounts of General Fund money to the University of Maine System:

	<u>% of Increase Over Previous Year</u>
FY 1985 - \$ 72,879,390	
FY 1986 - \$ 79,449,150	9%
FY 1987 - \$101,026,132	22%
FY 1988 - \$113,254,616	11%
FY 1989 - \$125,195,499	10%
Four year average increase	13%

Which of the following would you favor in terms of future state appropriations to the University of Maine System:

2% A. Decrease in total funding;  
3% B. No increase in total funding;  
7% C. Reduced rate of average increase in total funding;  
41% D. Same rate of average increase in total funding; or  
40% E. Higher rate of average increase in total funding.  
NR = 6%

5. In recent years, the state has appropriated the following funds in grant moneys to the Maine Student Incentive Scholarship Program (MSISP) to be used for University of Maine students.

FY 1981 - \$500,000
FY 1982 - \$100,000
FY 1983 - \$100,000
FY 1984 - \$100,000
FY 1985 - \$200,000
FY 1986 - \$100,000
FY 1987 - \$290,000
FY 1988 - \$355,558
FY 1989 - \$355,558



In addition, according to recent figures supplied by the Department of Educational and Cultural Services, there were approximately 9,000 eligible students who applied for a MSISP grant to help meet their educational costs. Of this total, 4,200 received grants from the MSISP programs.

Which of the following would you favor in terms of direct state appropriations for grants to students in the University of Maine System?

- 1% A. Decrease in total funding;
- 40% B. Retain current funding levels;
- 57% C. Increase in total funding;
- NR = 1%

6. The present level of state appropriations for the University of Maine System:

- 32% A. Is satisfactory.
- 3% B. Is excessive.
- 49% C. Is inadequate.
- 13% D. Other. (Please specify) \_\_\_\_\_

NR = 2%

7. "Government must be supplied with better data by academia if it is to judge the effectiveness with which higher education uses the tax revenues it receives."

- 55% A. Strongly agree.
- 33% B. Somewhat agree.
- 7% C. Somewhat disagree.
- 2% D. Strongly disagree.
- 1% E. Don't know.

NR = 1%

8. At the present time, the State of Maine carries the bonded indebtedness incurred by the University of Maine System. Preliminary research indicates that many states have allowed their public universities to incur, within certain limits, their own indebtedness. My initial reaction to the possibility of allowing the University of Maine System to assume their own indebtedness is:

- 24% A. Favorable.
- 45% B. Unfavorable.
- 29% C. Need more information.
- 0% D. No opinion.

NR = 2%

9. What appear to be the main concerns of the constituents in your district regarding the University of Maine System?

---

---

---

10. How important do you think the University of Maine System is to the economy of Maine?

89% A. Very important.  
7% B. Not too important.  
0% C. Not important at all.  
2% D. Don't know.  
NR = 2%

11. Please rank the following issues concerning the University of Maine System in order of importance to the State of Maine:

2 Improved access.  
3 Expanded course and program offerings.  
1 Improved quality.  
4 Other (please specify).  
\* See Audit staff for detailed statistics.

---

---

12. What is your personal impression of the overall quality of education offered by the University of Maine System?

13% A. Excellent.  
72% B. Good.  
11% C. Fair.  
0% D. Poor.  
1% E. Don't know.  
NR = 2%

13. Should the University of Maine System establish additional campuses?

15% Yes  
79% No  
NR = 6%

If yes, where should these campuses be located?

---

14. Should the University of Maine System decrease the number of existing campuses?

22% Yes

64% No

NR = 14%

If yes, which campuses should be discontinued?

---

15. Does the University adequately cover every area of the State?

55% Yes

36% No

NR = 9%

If no, where is additional coverage needed?

---

---

16. If a private college fills a special need for course offerings, should the University of Maine System offer the same type of educational programming?

28% A. Yes

25% B. No

43% C. Need more information

2% D. No opinion

NR = 2%

#### BACKGROUND INFORMATION

17. In which chamber of the Legislature do you serve?

80% House

18% Senate

NR = 1%

18. Indicate the highest level of education which you have completed.

7% A. High School.

23% B. Some College.

43% C. College Graduate.

25% D. Graduate Degree.

NR = 2%

19. My district is predominantly

63% rural  
23% suburban  
11% urban

20. Optional signature\_\_\_\_\_

GENERAL COMMENTS

Please include any comments that you feel may be helpful to the Joint Standing Committee on Audit & Program Review in conducting its review of the University of Maine System.

---

---

---

---



**APPENDIX 2**

**SUMMARY REGARDING  
RECOMMENDATIONS  
FROM THE VISITING COMMITTEE  
TO THE UNIVERSITY OF MAINE (1986)**

APPENDIX 2  
5301N

VISITING COMMITTEE RECOMMENDATIONS:  
UNIVERSITY OF MAINE SYSTEM RESPONSE, IMPLEMENTATION  
AND CURRENT STATUS

<u>VICOM RECOMMENDATION</u>	<u>UNIVERSITY OF MAINE RESPONSE</u>	<u>UNIVERSITY OF MAINE IMPLEMENTATION</u>	<u>CURRENT STATUS</u>
1. The Committee recommends that the University System consist of 4 elements; a research and doctoral university, an urban comprehensive university, a group of regional baccalaureate colleges, and a community college component. The Committee does not recommend the inclusion of the Vocational Institutes or the Maine Maritime Academy in the University System.	The Board concurred that the University System mission should have the 4 listed elements. Board draws a distinction between VICOM's references to UMF, UMFK, UMM and UMPI as "Colleges" and the Board's contention that these institutions are "Universities".	The Board stated that Mission statements for the System and its 7 campuses had been developed.	As of September 1987, Mission statements for the various campuses have not been formally revised since 1985 (i.e. before VICOM recommendations.) Also, a Mission statement for the System does not currently exist. It is anticipated that these Mission statements will be formally developed and revised with adoption of Comprehensive Plan in March 1988.
2. The Committee recommends that the University of Maine at Orono be strengthened as a research and doctoral institution, befitting its historic role as the state's land grant university, and that its graduate offerings rest upon a first-class undergraduate educational program.	The Board concurred and authorized a study comparing UMO to other similar institutions to determine relative strengths and weaknesses.	A comparative study was completed which found that UMO did not compare well in terms of faculty salaries, academic department budgets and services, library support, facility maintenance and graduate assistant stipends. The study estimated that nearly 25 million in additional funds would be needed to bring UMO to average levels.	The UM received \$8,467,155 (56.5%) of the 15 million downpayment. Most recently, UM received \$1,168,803 in new funds for inflation and program initiatives, excluding compensation. The UM received 51.45% of the total FY 87 System budget, an estimated 54.48% of new funding for the System in FY 88 and had an estimated 51.73% of the total System budget in FY 88.
3. The Committee recommends that the University of Southern Maine continue to be developed as an urban comprehensive university, offering an undergraduate program of high quality and limited graduate programs, and collaborating in the delivery of programs to the southern Maine region and to other units of the System. (Note: In accompanying text the VICOM also recommended the USM <u>not</u> initiate any more doctoral programs.)	The Board concurred and authorized a study comparing USM to other similar institutions to determine relative strengths and weaknesses.	The Board reported that the study is underway and should be completed by March, 1987. Board also made mention of implementation of plans to offer a PhD in Ed. Adm. program at USM, "through UM".	The USM comparative study was completed in January of 1988. The study found that although USM did not compare well in terms of program and resource factors, the gap was not insurmountable. By one measure, it was estimated that \$9.4 million in additional funding would be required to bring USM up to the average budget per FTE student.

VICOM RECOMMENDATIONUNIVERSITY OF MAINE RESPONSEUNIVERSITY OF MAINE IMPLEMENTATIONCURRENT STATUS

4. The Committee recommends that the regional baccalaureate institutions at Farmington, Fort Kent, Machias, and Presque Isle continue to offer two- and four-year programs consonant with their defined missions.
- The Board concurred and added a statement which emphasized the important roles that each campus has in terms of public service and cultural affairs.
- The Board cited increased improvement of academic service, student financial aid, faculty development, equipment replacement and teacher education as a direct result of the 15 million dollar supplemental appropriation. (See VICOM Rec. 20 for details).
- Most recently, in addition to new funds for inflation and program initiatives, these campuses received additional "earmarked" legislative funding for program support in FY 86: UMF, \$308,815; UMFK, \$123,000; UMM, \$66,760 and UMPI, \$60,000. These institutions appear to have maintained their basic share of total System funding in FY 87.
- |      | FY 87 | FY 88 |
|------|-------|-------|
| UMF  | 6.22% | 6.34% |
| UMFK | 1.89% | 1.93% |
| UMM  | 2.55% | 2.53% |
| UMPI | 3.83% | 5.97% |
- 
5. The Committee recommends the establishment and recognition within the University System of a formal community college program, one that will collaborate at both administrative and programmatic levels with the VTIs.
- The Board concurred and cited its own previous activities to accomplish this:
- + initiation of a community college study in July 1981;
  - + directive in November 1985 that a proposal to implement study results was to be submitted by April 1986.
- In May 1986, the Board received a proposal and authorized implementation of the second stage of planning. The plan seeks to electronically link, through the use of interactive TV, 10 new regional centers and 18 extended sites with existing campuses to promote access. In Sept. 1986, UMA was awarded a 3.5 million dollar federal grant to implement this plan for community college development.
- As of February 1988, the Board has approved a program to establish a Community College of Maine/Telecommunications System. The Board has submitted a supplemental funding request of \$2.2 million for FY 89 to the Second Regular Session of the 113th Legislature.
- 
6. The Committee recommends changes in the names of the University System and some of its components. These are not merely nominal changes, but modifications that reflect the structure the Committee is recommending, a more accurate description than the present set of names. The Committee considers the present basic legal structure of the University System as it stands to be acceptable and to require no change.
- The Board partially concurred; agreeing with necessity of name changes for the System and UMO, but disagreeing about the need to rename UMA, UMF, UMFK, UMM and UMPI. The Board felt that the VICOM did not have a proper historical understanding of why the present titles of these institutions needed to remain unchanged.
- The Board supported Legislative action which formally named the System as the "University of Maine System" and renamed UMO as the "University of Maine".
- No other changes relative to this recommendation have occurred.



VICOM RECOMMENDATIONUNIVERSITY OF MAINE RESPONSEUNIVERSITY OF MAINE IMPLEMENTATIONCURRENT STATUS

(Note: In the accompanying text  
VICOM recommended the follow-  
ing name changes:

a. For the entire System:  
The State University of Maine

b. For UMO: the University  
of Maine

c. For USM: the University of  
Southern Maine

d. For the regional baccalau-  
reate institutions: Farming-  
ton College of the State  
University of Maine  
Fort Kent College of the State  
University of Maine

Machias College of the State  
University of Maine

Presque Isle College of the  
State University of Maine

e. For the community colleges:  
Augusta Community College of  
the State University of  
Maine

Bangor Community College of  
the State University of Maine

Such other community colleges  
as may in time be established)

- 
7. The Committee recommends  
that there should be varying  
standards of admission for  
the different institutions  
in the System.

The Board did not concur, maintain-  
ing that standards of admission  
should vary according to academic  
program requirements. Thus,  
admission standards could vary  
significantly among academic  
programs on a particular campus.

The Board maintained its previous  
position.

No other changes relative to this  
recommendation have occurred. At the  
present time, individual campuses and  
programs within the campuses have the  
authority to determine their own  
admission standards.

---

VICOM RECOMMENDATIONUNIVERSITY OF MAINE RESPONSEUNIVERSITY OF MAINE IMPLEMENTATIONCURRENT STATUS

- 
- |   |  |   |  |
|---|--|---|--|
| 8. The Committee recommends that procedures for academic program review be strengthened and enforced, and that funds be provided for external evaluation.   | The Board concurred with the assessment that the academic program review process needed improvement and strengthening, but noted that one-third of new program requests are not approved. The Board took formal action by authorizing the development of a proposal to strengthen the academic program review process. | The Board adopted a proposal for a review process in their January 87 meeting. This review process requires that each campus develop a time frame of not more than 10 years for review of all academic programs. These reviews shall include self-assessment, external review by outside consultants and a final report with recommendations. | The approved academic review process is starting to be implemented this year. At this point, the Chancellor's office plans to fund these program reviews with System wide monies. (The Audit & Program Review Committee has made several recommendations regarding the Board's planning process).  |
| 9. The Committee recommends that efforts be made to have the accreditation process apply to the University System as well as to the separate entities within it.  | The Board concurred and stated its intention to seek system wide accreditation "in an appropriate time frame". The Board also noted that at the present time there were no university system in New England that have been accredited.   | The Board reiterated its support for this recommendation but commented that no steps had yet been taken to initiate system accreditation.   | No further action has been taken on this recommendation. It does not appear, however, that the New England Association of Schools & Colleges offers any type of "system" accreditation.  |
| 10. The Committee recommends that the Board recognize as a central priority the strengthening of the faculties, not just at UMO but throughout the System, and that a program of faculty development be given encouragement, financial and otherwise. | The Board concurred and committed itself to providing encouragement and financial support to a faculty development effort.   | The Board committed a significant part of the 15 million dollar downpayment to faculty development (see Rec. 20 for more detail).   | Most recently, the Legislature appeared to acknowledge the continuing need for faculty development by authorizing an additional \$1,052,700 for FY 88 and \$821,875 in FY 89 in earmarked funds for program support in different campuses. UM was the only campus not to receive any of this funding.  |
| 11. The Committee recommends that funds be augmented for the libraries and computer services, with assurance of continuing support for improvement and strengthening.   | The Board concurred and pledged to continued support for improved libraries and computer services.   | The Board committed a significant part of the 15 million dollar downpayment to the improvement of libraries and computer services (see Rec. 20 for more detail).  | In FY 1988, the Bd. had requested \$675,000 in new Part I monies for "library". After accounting for inflation, compensation and specifically earmarked funds for the different campuses, the Bd. had about \$1 million in new funding. Of this total, some \$80,000 was budgeted for "library" although it is likely that other activity funding, as well as the "earmarked" campus spending, directly benefitted libraries. Libraries are usually included in the broad category of "Academic support"; an activity which accounted for 12% (18.5 million) of total E & G expenses in FY 88. |
-

VICOM RECOMMENDATIONUNIVERSITY OF MAINE RESPONSEUNIVERSITY OF MAINE IMPLEMENTATIONCURRENT STATUS

- |   |   |  |  |
|---|---|--|--|
| 12. The Committee recommends that academic support services be provided in such areas as maintenance and replacement of equipment, clerical services to the faculty, and laboratory supplies, according to a schedule drawn up by members of the faculties and appropriate administrators.  | The Board concurred.  | The Board committed a significant part of the 15 million dollar downpayment to the further development of academic support services (see Rec. 20 for more detail).   | See comments for Recommendation #4.  |
| 13. The Committee recommends that the Chancellor and Board of Trustees acknowledge teacher education as one of the most important functions of the University System. (Note: The Committee recommended that the Board appoint a statewide Committee to study the overall issue of teacher education in the University of Maine System.) | The Board concurred and reaffirmed the importance of teacher education in the University of Maine System. The Legislature took the initiative on the recommendation study and authorized the "Special Commission to Study Teacher Training in the University of Maine System" (1985 Resolves, Ch. 52) | The board once again acknowledged the importance of teacher education and cited its recent efforts to improve relationships with public schools. In addition, \$379,283 was dedicated to teacher education purposes from the 15 million dollar amount downpayment. (See Rec. 20 for more detail) | The Special Commission to study Teacher Training in the University of Maine System issued its report in Dec. of 1987. The Commission made a number of recommendations which included:<br>+ expansion of existing professional development centers for teachers;<br>+ require each teacher ed program to receive accreditation from the National Council for the Accreditation of Teacher Education; and<br>+ \$2 million in funding for innovative Teacher Education programs. |
| 14. The Committee recommends that the Board address itself to the policies of the System, concern itself with missions and the means to fulfill them and avoid unnecessary involvement in the problems that arise on the separate campuses.   | The Board concurred and directed each campus president to review and make more explicit, their campus missions.   | In January 1987, the Board approved a University of Maine System comprehensive planning process which will include as an integral component on-going review of campus Missions.  | A review of Board minutes from 1982 through May 21, 1987, shows that the Board does appear to focus on system-wide issues and rarely involves itself in the particulars of campus day-to-day administration of the various campuses. Also mission statements for the campuses and system are to be adopted as a part of the Comprehensive Plan in March 1988.  |
| 15. The Committee recommends that the Board of Trustees delineate clearly the different responsibilities of the Chancellor and the institutional Presidents.  | The Board appeared to concur and directed its Executive Committee to review existing governance policies and make any necessary recommendations.  | The Board reported that the governance policies are being reviewed and revised.  | As of September 1987, many governance policies reflected in the Board's Policy and Procedure Manual do not appear to have been formally revised since the 1970s. (The Audit & Program Review Committee has made several recommendations regarding this situation).   |

<u>VICOM RECOMMENDATION</u>	<u>UNIVERSITY OF MAINE RESPONSE</u>	<u>UNIVERSITY OF MAINE IMPLEMENTATION</u>	<u>CURRENT STATUS</u>
16. The Committee recommends that the Board develop a procedure of working through committees and that it regard the Administrative Council as advisory rather than as a voting body to approve decisions or policy.	The Board appeared to concur. The Bd. also reaffirmed the advisory status of the Adm. Council and stated its intention to review its own current structure.	The Board commented that it had been reviewing its procedures for conducting business and that an LD has been submitted to the 113th Legislature proposing the elimination of the Administrative Council.	The 1st Regular Session of the 113th Legislature passed a bill to eliminate the Administrative Council.
17. The Committee recommends that the Board of Trustees be chosen with special care, with consideration not only for intellectual qualifications appropriate for the management of so crucial an enterprise, but for the wide and unprejudiced concern that a member of the Board must demonstrate in the adjudication of statewide issues.	The Board stated that it was their belief that this recommendation was directed to the Governor and the Legislature.	The Board restated their earlier contention about this recommendation.	Since the VICOM recommendations, it appears that 6 Board members have been either nominated or renominated. The last 2 appointments by Governor Brennan received less than unanimous support from the Education Committee, for reasons that included a concern that the Board did not have adequate geographic representation of all areas of the State. In May 1987, 4 board members were nominated by Governor McKernan and approved by the Education Committee without dissent. All 4 Board members are from central, eastern or northern parts of the state.
18. The Committee recommends that the increased support expected to be forthcoming for the University System in the next few years be seen as a strong reason to end the reliance of the System on tuition increases.	The Board agreed that the present reliance on tuition revenues was detrimental to continued educational access of Maine students.	The Board cited their concern about a continued reliance on tuition increases as a source of more revenues. However, the Board also stated that the effort to maintain quality should not fall behind and indicated its plan to raise tuition for the first time in 3 years by an average of less than 5%.	During its July 1987 meeting, the Board approved a rise in tuition rates which averaged less than 5%.

VICOM RECOMMENDATION

19. The Committee recommends that a larger allocation of funds be directed to financial aid for students.

UNIVERSITY OF MAINE RESPONSE

The Board concurred and noted that their 15 million dollar supplemental appropriation request included a significant amount for the purpose of student financial aid.

UNIVERSITY OF MAINE IMPLEMENTATION

The Board stated that student financial aid is a primary state-wide objective. The Board also mentioned that a significant amount of the 15 million downpayment go to student financial aid purposes. (see Rec. 20 for more detail) The Board also noted that its appropriation request to the 113th would increase student financial aid by 2.1 million.

CURRENT STATUS

The University of Maine System submitted a request to the 113th which included \$2,115,765 for the biennium in addition to Part I funds were to be distributed by campus in the following manner:

+ UMA, \$ 155,000;  
+ UMF, 625,000;  
+ UMM, 10,765;  
+ UMO; 1,160,000;  
+ UMPI; 50,000; and  
+ USM; 201,250.

None of these Part I requests were funded by the First Regular Session of the 113th Legislature. IN FY 87, the University of Maine System expended approximately 3.8 million for student financial aid or 2.7% of total expenditures. It appears that this dollar amount is likely to increase for FY 88 and 89 with the proportions remaining roughly the same.

---

20. The Committee recommends that the Legislature enact an immediate fifteen million dollar supplemental appropriation for the University System as a down payment on the long-term investment necessary to develop the University System Maine needs.

The Board of Trustees concurred and submitted a supplemental request to the Legislature for \$15 million.

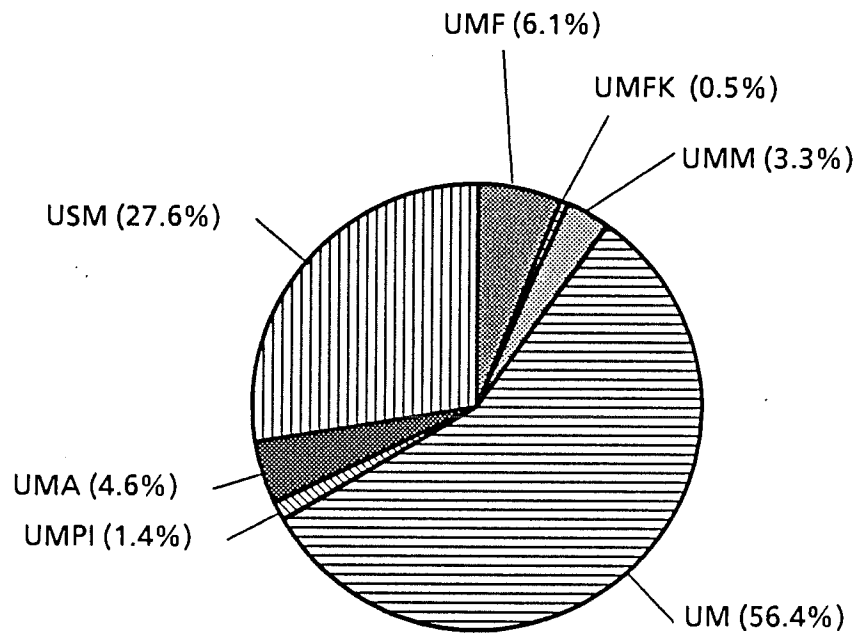
The 2nd Regular Session of the 112th Legislature approved the 15 million dollar request. The details of this request are depicted in dollar amounts in in Table 2. Further illustrations of the ways in which the 15 million was used are illustrated by Graph 1 (by campus) and by Graph 2 (by function).

The 15 million supplementary appropriation was expended during FY 87, with the exception of some \$2.5 million which was held in escrow pending completion of the University of Maine comparative study.

---

# GRAPH 1

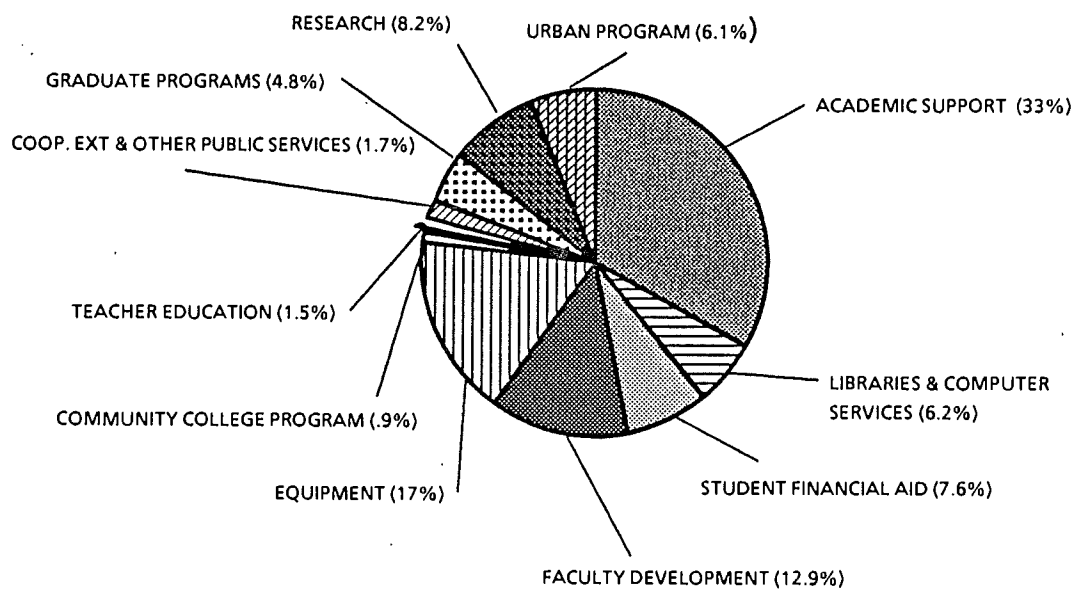
## DISTRIBUTION OF \$15 MILLION SUPPLEMENTAL APPROPRIATION BY CAMPUS, 1986



COMPILED BY AUDIT STAFF  
SEPTEMBER 1987

## GRAPH 2

### DISTRIBUTION OF \$15 MILLION SUPPLEMENTAL APPROPRIATION BY ACTIVITY, 1986



COMPILED BY AUDIT STAFF  
SEPTEMBER 1987

**APPENDIX 3:**

- **FY 87-88 SALARIES FOR  
PROFESSIONAL EMPLOYEES  
IN UNIVERSITY SYSTEM  
OFFICE;**
- **SELECTED SALARY  
COMPARISONS FOR FY 87;  
CHANCELLOR'S OFFICE; AND**
- **SELECTED SALARY  
COMPARISONS FOR FY88;  
CHANCELLOR'S OFFICE.**



**FY 87-88 Salaries for  
Professional Employees in University System Office**

Chancellor

Robert L. Woodbury	Chancellor	\$101760
Richard C. Bowers	Vice Chancellor for Academic Affairs	\$ 75260
William J. Sullivan	Vice Chancellor for Administration	\$ 73140
Mary Ann Haas	Associate Vice Chancellor	\$ 62058
Kent A. Price	Assistant to the Chancellor	\$ 47925
Richard H. Hayden	University Counsel	\$ 55913
Diane J. Gilmour	Staff Assistant	\$ 19703
Patricia Martincak	Staff Assistant	\$ 17573

Clerk of the Board of Trustees

JoAnne R. Magill	Clerk of Board	\$ 35893
------------------	----------------	----------

Academic Affairs

Nelson Walls	University College of Education Director (LEAD)	\$ 35000
Loren Downey	Executive Director College of Education	\$ 59138

Finance

B. Russell Smith	Controller and Associate V. Chancellor	\$ 63650
William J. Gilfillan	Director, Financial Analysis & Research	\$ 39483
Peter S. Andersen	Microcomputer Specialist	\$ 28416
Warren E. Foss	Coordinator Student Financial Services	\$ 31477
Craig A. Boyd	Director, Funds Management	\$ 25558
David L. Ireland	Director of Accounting Contracts & Grants	\$ 42430
Jennifer M. McCourt	Payroll Supervisor	\$ 26190
Leslie M. Shaw	Manager of Accounting Operations	\$ 25019
Raymond H. Stout	Senior Grants & Contracts Accountant	\$ 24938
Dawn Chaisson	Accounting Supervisor	\$ 19657
Mary Allen	Financial Analyst	\$ 22874

Facilities

Richard A. Eustis	Director of Physical Plant and Associate Vice Chancellor	\$ 56349
Francis S. Harvey	Asst. Director of Physical Facilities	\$ 38360
Robert W. Hunt	Facilities Analyst	\$ 21877
Frederick Stoddard	Building Construction Engineer	\$ 32909
Robert L. King	Safety Engineer	\$ 34518
Dave Merritt	Project Engineer	\$ 23663

Human Resources

Samuel J. D'Amico	Associate Vice Chancellor for Human Resources	\$ 69207
Tracy B. Bigney	Assistant Vice Chancellor for Human Resources	\$ 44198
Sally E. Debres Spang	Human Resources Associate	\$ 25939
David P. Lane	Human Resources Associate	\$ 35204
Anthony J. Richard	Benefits Coordinator	\$ 24078
Evelyn S. Silver	Staff Development Coordinator	\$ 23000

Computer Center

Jeremy E. Johnson	Director, CAPS	\$ 60941
Gerald F. Dube	Associate Director, CAPS	\$ 55714
Barbara Friedman	Assistant Director	\$ 53250
Albert J. Ross	Systems Analyst	\$ 36750
George E. Lagasse	Systems Analyst	\$ 30570
Wayne T. Smith	Senior Analyst/Programmer	\$ 29094
Irelann K. Anderson	Senior Analyst/Programmer	\$ 29013
Wayne B. Pearson	Senior Analyst	\$ 27493

Internal Audit

Lawrence D. Stanchfield	Director of Internal Audit	\$ 42242
Stephen F. Kenney	Audit Manager	\$ 27690
Karen L. Cunningham	Senior Auditor	\$ 24300
Clair Bradstreet	Senior Auditor	\$ 24042
Raymond I. Cooper	Staff Auditor	\$ 19170
Jean M. Reams	Staff Auditor	\$ 19170

TABLE 1

## SELECTED SALARY COMPARISONS:

CHANCELLOR'S OFFICE, FISCAL YEAR 1986-87 SALARIES  
 SOURCE OF COMPARISON - ARKANSAS STUDY  
 (5625N)

<u>POSITION</u>	<u>SALARY FY 86-87</u>	<u>NO. OF RESPONDENTS</u>	<u>MAINE'S RANKING</u>	<u>AVERAGE SALARY</u>	<u>MEDIAN SALARY</u>	<u>HIGH SALARY</u>	<u>LOW SALARY</u>
CHANCELLOR	\$96,000	29	17	\$104,570	\$101,000	\$154,500	\$73,300
VICE-CHANCELLOR ACADEMIC AFFAIRS	\$71,000	23	18	\$ 84,898	\$ 84,000	\$141,625	\$60,000
VICE-CHANCELLOR ADMINISTRATION	\$69,000	10	8	\$ 81,365	\$ 79,800	\$106,000	\$68,143
ASSOCIATE VICE-CHANCELLOR	\$58,270	5	3	\$ 60,666	\$ 58,270	\$ 76,500	\$48,410
ASSOCIATE VICE-CHANCELLOR FINANCE	\$59,740	9	6	\$ 62,994	\$ 59,774	\$ 82,220	\$46,758
ASSOCIATE VICE-CHANCELLOR FACILITIES	\$52,910	4	4	\$ 62,302	\$ 60,498	\$ 75,270	\$52,910
ASSOCIATE VICE-CHANCELLOR HUMAN RESOURCES	\$64,983	NA	NA	NA	NA	NA	NA
UNIVERSITY COUNSEL	\$52,500	24	22	\$ 66,751	\$ 65,130	\$110,000	\$42,000
CLERK TO THE BOARD	\$33,702	16	13	\$ 53,263	\$ 47,254	\$ 92,700	\$22,793

Compiled by  
 Audit Staff  
 November 1987

TABLE 2

## SELECTED SALARY COMPARISONS:

CHANCELLOR'S OFFICE, FISCAL YEAR 1987-88 SALARIES  
 SOURCE OF COMPARISON - COMMITTEE SURVEY OF COMPARABLY SIZED INSTITUTIONS  
 (5640N)

<u>POSITION</u>	<u>SALARY FY 87-88</u>	<u>NO. OF RESPONDENTS</u>	<u>MAINE'S RANKING</u>	<u>AVERAGE SALARY</u>	<u>MEDIAN SALARY</u>	<u>HIGH SALARY</u>	<u>LOW SALARY</u>
CHANCELLOR	\$101,760	8	4	\$ 98,756	\$ 98,380	\$135,000	\$73,300
VICE-CHANCELLOR ACADEMIC AFFAIRS	\$ 75,260	8	5	\$ 77,471	\$ 75,856	\$ 95,005	\$64,000
VICE-CHANCELLOR FOR ADMINISTRATION	\$ 73,140	8	5	\$ 75,282	\$ 73,595	\$ 99,756	\$54,995
UNIVERSITY COUNSEL	\$ 55,913	6	5	\$ 62,354	\$ 59,132	\$ 78,005	\$48,500
CLERK TO THE BOARD	\$ 35,893	3	3	\$ 57,524	\$ 60,680	\$ 76,000	\$35,893
ASSOCIATE VICE-CHANCELLOR FOR FINANCE	\$ 63,650	2	2	\$ 72,793	\$ 72,793	\$ 81,936	\$63,650
ASSOCIATE VICE-CHANCELLOR FOR FACILITIES	\$ 56,349	5	4	\$ 62,512	\$ 57,327	\$ 81,411	\$41,175
ASSOCIATE VICE-CHANCELLOR HUMAN RESOURCES	\$ 69,207	NA	NA	NA	NA	NA	NA

Compiled by  
 Audit Staff  
 November 1987

**APPENDIX 4**

**RATIO ANALYSIS:  
UNIVERSITY OF MAINE SYSTEM**

UNIVERSITY OF MAINE SYSTEM  
BALANCE SHEET RATIO ANALYSIS

NO. 1		1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	AVERAGE
	EXPENDABLE FUND BALANCE	123.7%	118.5%	109.7%	118.3%	108.5%	85.5%	75.9%	63.5%	63.5%	63.9%	93.0%
	GENERAL LIABILITIES											
	UNRESTRICTED CURRENT FUND BALANCE	9,558,189	7,069,831	6,560,289	12,432,907	12,044,006	8,231,505	6,969,519	7,048,018	6,673,088	6,634,789	8,322,214
	RESTRICTED CURRENT FUND BALANCE	6,163,802	5,536,286	5,043,069	4,417,919	4,441,281	4,230,544	3,809,611	4,478,803	4,692,849	4,813,984	4,813,984
	QUASI-ENDOWMENT FUND	5,326,035	5,324,484	5,151,440	2,940,147	2,137,432	2,005,345	1,937,988	1,930,550	1,899,493	1,642,023	3,029,194
	UNEXPENDABLE PLANT FUND	2,057,986	5,609,479	4,935,105	4,822,029	4,846,362	4,477,075	4,538,470	33,655	973,999	922,432	3,321,659
	FUNDS FOR RETIREMENT OF INDEBT	1,240,242	1,260,304	1,383,398	1,528,627	1,626,980	1,751,363	1,877,959	1,966,918	1,764,926	2,560,284	1,696,100
	TOTAL "N"	24,346,254	24,800,384	23,073,301	26,141,629	25,096,061	20,695,832	19,133,547	15,457,944	16,004,355	16,573,512	21,132,282
	NOTES PAYABLE	2,456,301	2,735,909	1,904,096	2,060,188	2,205,086	2,424,738	2,038,430	342,026	388,966	1,477,191	1,477,191
	BONDS PAYABLE	17,228,960	18,186,180	19,128,400	20,031,860	20,925,320	21,768,240	22,596,160	23,392,300	24,183,440	24,162,273	21,160,313
	MORTGAGE PAYABLE	0	0	0	0	0	0	573,669	610,066	644,275	676,427	250,444
	TOTAL "D"	19,685,261	20,922,089	21,032,496	22,092,048	23,130,406	24,192,989	25,208,259	24,344,392	25,216,681	26,315,891	23,214,050
NO. 2	NET INVESTMENT IN PLANT	777.6%	661.4%	627.6%	581.1%	544.9%	506.2%	473.6%	488.8%	460.4%	433.7%	555.5%
	PLANT DEBT											
N	NET INVESTMENT IN PLANT	153,077,167	138,385,334	132,003,462	128,385,682	126,047,196	122,454,980	119,384,135	118,984,283	116,085,704	114,121,744	126,892,969
D	No. 1 "D"	19,685,261	20,922,089	21,032,496	22,092,048	23,130,406	24,192,978	25,208,259	24,344,392	25,216,681	26,315,891	23,214,050
NO. 3	EXPENDABLE FUND BALANCE	12.4%	13.1%	12.9%	15.8%	16.6%	14.7%	14.7%	13.6%	15.3%	17.5%	14.6%
	TOTAL EXPENDITURES AND M.T.											
N	SAME AS NO. 1 "N"	24,346,254	24,800,384	23,073,301	26,141,629	25,096,061	20,695,832	19,133,547	15,457,944	16,004,355	16,573,512	21,132,282
N	TOTAL E & G EXPENSES AND M.T.	165,963,889	158,954,270	150,378,608	138,308,207	125,745,846	117,975,329	109,508,421	95,003,740	86,963,662	77,716,523	122,651,850
N	TOTAL AUXILIARY ENTERPRISES	30,752,259	30,015,301	28,976,282	27,645,278	25,406,431	23,098,423	20,752,807	18,410,421	17,847,231	16,968,141	23,987,257
	TOTAL EXPENSE AND M.T.	196,716,148	188,969,571	179,354,890	165,953,485	151,152,277	141,073,752	130,261,228	113,414,161	104,810,893	94,684,664	146,639,107
	NON-EXPENDABLE FUND BALANCE	21.3%	21.6%	21.1%	23.7%	21.9%	23.1%	22.9%	24.1%	23.2%	23.9%	22.7%
	TOTAL EXPENDITURES AND M.T.											
N	TOTAL LOAN FUND BALANCE	27,733,497	27,598,448	26,771,801	25,408,892	23,924,560	22,851,311	21,313,404	19,246,918	16,579,745	14,654,734	22,608,331
	TRUE ENDOWMENT FUND BALANCE	14,113,861	13,221,484	11,001,902	13,841,296	9,799,188	8,550,617	8,550,617	8,119,017	7,745,405	7,351,918	10,351,435
	TOTAL EXPENSE AND M.T.	41,847,358	40,819,932	37,773,702	39,250,188	33,094,226	32,650,499	29,864,021	27,365,935	24,325,150	22,606,652	32,959,766
D	SAME AS NO. 3 "D"	196,716,148	188,969,571	179,354,890	165,953,485	151,152,277	141,073,752	130,261,228	113,414,161	104,810,893	94,684,664	146,639,107

6165N

UNIVERSITY OF MAINE SYSTEM  
NET OPERATING RATIOS

		1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	AVERAGE
NO. 5	NET TOTAL REVENUES	1.8%	0.9%	-1.1%	1.5%	3.9%	2.5%	1.6%	2.9%	2.7%	2.5%	1.8%
	TOTAL REVENUES											
N	TOTAL REVENUES	200,362,685	190,637,309	177,476,477	168,541,136	157,223,076	144,692,058	132,321,203	116,837,890	107,677,334	97,080,023	149,284,919
	LESS TOTAL E & G EXPENSES AND M.T.	(165,963,889)	(158,954,270)	(150,378,608)	(138,308,207)	(125,745,846)	(117,975,329)	(109,508,421)	(95,003,740)	(86,963,662)	(77,716,523)	(122,651,850)
	LESS TOTAL AUXILIARY EXPENSES AND M.T.	(30,752,259)	(30,015,031)	(28,976,285)	(27,645,278)	(25,406,431)	(23,098,423)	(20,752,807)	(18,410,621)	(17,847,231)	(16,968,141)	(23,987,251)
	TOTAL NET REVENUES	3,646,537	1,668,008	(1,878,416)*	2,587,651	6,070,799	3,618,306	2,059,975	3,423,529	2,866,441	2,395,359	2,645,819
D	TOTAL REVENUES	200,362,685	190,637,309	177,476,477	168,541,136	157,223,076	144,692,058	132,321,203	116,837,890	107,677,334	97,080,023	149,284,919
NO. 6	NET E & G REVENUES	2.2%	0.5%	-2.0%	1.3%	3.0%	1.9%	1.5%	2.7%	2.9%	2.4%	1.5%
	TOTAL E & G REVENUES											
N	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
	LESS TOTAL E & G EXPENSES AND M.T.	(165,963,889)	(158,954,270)	(150,378,608)	(138,308,207)	(125,745,846)	(117,975,329)	(109,508,421)	(95,003,740)	(86,963,662)	(77,716,523)	(122,651,850)
	NET E & G REVENUES	3,655,356	831,027	(2,900,998)	1,809,036	3,918,775	2,259,147	1,618,348	2,639,507	2,559,661	1,881,433	1,827,129
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 7	NET AUXILIARY REVENUES	.0%	2.7%	3.4%	2.7%	7.8%	5.6%	2.1%	4.1%	1.7%	2.9%	3.3%
	TOTAL AUXILIARY REVENUES											
N	TOTAL AUXILIARY REVENUES	30,743,440	30,852,012	29,998,867	28,423,893	27,558,455	24,457,582	21,194,434	19,194,643	18,154,011	17,482,067	24,805,940
	LESS TOTAL AUXILIARY EXPENSES AND M.T.	(30,752,259)	(30,015,031)	(28,976,285)	(27,645,278)	(25,406,431)	(23,098,423)	(20,752,807)	(18,410,621)	(17,847,231)	(16,968,141)	(23,987,251)
	NET AUXILIARY REVENUES	(8,819)	836,981	1,022,582	778,615	2,152,024	1,359,159	441,627	784,022	306,780	513,926	818,690
O	TOTAL AUXILIARY REVENUES	30,743,440	30,852,012	29,998,867	28,423,893	27,558,455	24,457,582	21,194,434	19,194,643	18,154,011	17,482,067	24,805,940

UNIVERSITY OF MAINE SYSTEM  
CONTRIBUTIONS RATIO ANALYSIS

		1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	AVERAGE
NO. 8	TUITION & FEES											
	TOTAL E & G EXPENSE AND M.T.	21.2%	22.2%	23.9%	23.8%	24.0%	21.9%	20.6%	21.1%	21.6%	21.4%	22.3%
N	TUITION & FEES	35,107,046	35,357,054	35,875,254	32,945,402	30,119,764	25,845,973	22,526,361	20,904,483	19,550,947	17,212,956	27,544,524
D	TOTAL E & G EXPENSE + M.T.	165,963,889	158,954,270	150,378,608	138,308,207	125,745,846	117,975,329	109,508,421	98,847,670	90,482,494	80,513,961	123,667,870
NO. 9	FEDERAL GOVT REVENUE											
	TOTAL E & G EXPENSE AND M.T.	19.4%	20.5%	20.8%	22.4%	24.1%	24.6%	26.6%	24.6%	23.9%	21.0%	22.5%
N	FEDERAL GOVT REVENUE	32,137,771	32,528,234	31,259,138	31,003,860	30,275,737	29,038,467	29,166,964	24,326,363	21,627,199	16,927,143	27,829,088
D	SAME AS 8 D	165,963,889	158,954,270	150,378,608	138,308,207	125,745,846	117,975,329	109,508,421	98,847,670	90,482,494	80,513,961	123,667,870
NO. 10	STATE GOVT REVENUE											
	TOTAL E & G EXPENSE AND M.T.	50.0%	46.6%	42.1%	44.0%	44.3%	45.0%	43.4%	42.4%	43.4%	45.8%	44.9%
N	STATE GOVT REVENUE	82,996,416	74,147,823	63,348,094	60,913,719	55,701,194	53,086,180	47,558,058	41,880,744	39,240,078	36,870,431	55,574,274
D	SAME AS 8 D	165,963,889	158,954,270	150,378,608	138,308,207	125,745,846	117,975,329	109,508,421	98,847,670	90,482,494	80,513,961	123,667,870
NO. 11	OTHER REVENUE											
	TOTAL E & G EXPENSE AND M.T.	7.1%	7.2%	7.2%	7.4%	7.2%	6.6%	7.5%	4.7%	4.0%	4.1%	6.6%
N	OTHER REVENUE	11,852,071	11,431,272	10,863,493	10,294,633	9,114,714	7,823,265	8,234,303	4,642,436	3,654,581	3,294,082	8,120,485
D	SAME AS 8 D	165,963,889	158,954,270	150,378,608	138,308,207	125,745,846	117,975,329	109,508,421	98,847,670	90,482,494	80,513,961	123,667,870
NO. 12	PRIVATE GIFTS & GRANTS											
	TOTAL E & G EXPENSE AND M.T.	3.8%	3.6%	3.5%	2.9%	3.0%	3.3%	2.6%	3.1%	3.3%	4.1%	3.3%
N	PRIVATE GIFTS & GRANTS	6,267,516	5,652,298	5,240,580	4,057,263	3,797,457	3,874,938	2,863,461	3,110,632	2,989,919	3,311,976	4,116,604
D	SAME AS 8 D	165,963,889	158,954,270	150,378,608	138,308,207	125,745,846	117,975,329	109,508,421	98,847,670	90,482,494	80,513,961	123,667,870
NO. 13	ENDOWMENT INCOME											
	TOTAL E & G EXPENSE AND M.T.	0.5%	0.6%	0.6%	0.7%	0.5%	0.5%	0.7%	0.6%	0.6%	0.5%	0.6%
N	ENDOWMENT INCOME	828,034	968,616	891,051	902,366	655,755	565,653	777,622	571,390	555,513	432,028	714,813
D	SAME AS 8 D	165,963,889	158,954,270	150,378,608	138,308,207	125,745,846	117,975,329	109,508,421	98,847,670	90,482,494	80,513,961	123,667,870



UNIVERSITY OF MAINE SYSTEM  
DEMAND RATIOS

		1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	AVERAGE
NO. 14	INSTRUCTION											
	TOTAL E & G REVENUES	32.9%	33.5%	33.7%	32.9%	32.6%	32.6%	32.8%	33.5%	34.0%	36.0%	33.3%
N	INSTRUCTION	55,777,417	53,583,898	49,660,819	46,120,018	42,259,245	39,190,183	36,452,524	32,747,724	30,469,764	28,630,127	41,489,772
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 15	RESEARCH											
	TOTAL E & G REVENUES	9.9%	10.4%	10.3%	10.7%	10.6%	10.4%	10.8%	10.0%	10.3%	10.7%	10.4%
N	RESEARCH	16,876,477	16,569,954	15,153,167	14,940,154	13,773,819	12,511,788	12,049,859	9,719,134	9,259,681	8,507,713	12,936,175
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 16	PUBLIC SERVICE											
	TOTAL E & G REVENUES	9.3%	9.1%	9.2%	8.9%	8.7%	9.0%	8.4%	9.1%	9.4%	9.6%	9.1%
N	PUBLIC SERVICE	15,785,769	14,577,376	13,576,112	12,483,136	11,322,116	10,778,510	9,350,753	8,842,782	8,456,659	7,660,789	11,283,400
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 17	ACADEMIC SUPPORT											
	TOTAL E & G REVENUES	9.4%	9.5%	10.2%	9.0%	8.4%	7.9%	7.6%	7.4%	7.4%	7.3%	8.6%
N	ACADEMIC SUPPORT	15,909,503	15,217,416	14,990,184	12,542,967	10,862,916	9,547,486	8,432,167	7,215,094	6,663,940	5,824,978	10,720,665
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 18	STUDENT SERVICES											
	TOTAL E & G REVENUES	6.8%	6.6%	6.8%	6.6%	6.4%	6.0%	5.8%	5.9%	5.6%	5.7%	6.3%
N	STUDENT SERVICES	11,486,751	10,610,122	9,998,254	9,273,859	8,280,427	7,252,081	6,450,614	5,793,455	5,034,401	4,507,346	7,868,731
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 19	INSTITUTIONAL SUPPORT											
	TOTAL E & G REVENUES	8.7%	8.2%	8.6%	8.5%	8.0%	7.7%	7.4%	7.7%	8.4%	7.9%	8.2%
N	INSTITUTIONAL SUPPORT	14,744,237	13,120,871	12,699,335	11,971,853	10,430,833	9,306,276	8,265,528	7,510,093	7,555,297	6,307,967	10,191,229
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 20	OPERATIONS & MAINTENANCE											
	TOTAL E & G REVENUES	8.8%	9.2%	9.3%	9.3%	8.8%	9.0%	8.4%	8.7%	8.5%	8.5%	8.9%
N	OPERATIONS & MAINTENANCE	14,869,232	14,700,245	13,743,041	12,967,489	11,406,389	10,822,476	9,344,530	8,508,772	7,576,636	6,778,837	11,071,765
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979
NO. 21	STUDENT AID											
	TOTAL E & G REVENUES	12.1%	12.9%	13.9%	12.9%	13.4%	15.4%	17.2%	15.0%	13.3%	9.4%	13.6%
N	STUDENT AID	20,514,503	20,574,388	20,557,696	18,008,731	17,410,101	18,566,529	19,756,446	14,666,686	11,947,294	7,498,766	16,890,113
D	TOTAL E & G REVENUES	169,619,245	159,785,297	147,477,610	140,117,243	129,664,621	120,234,476	111,126,769	97,643,247	89,523,323	79,597,956	124,478,979

[illegible]

**APPENDIX 5**

**TEXT OF:  
PART I DEFINITION USED  
FOR  
THE UNIVERSITY OF MAINE SYSTEM**

## **Part I Definition for the University of Maine**

The University of Maine's Part I (Current Services) budget request should reflect that funding level which is both necessary and supportable for continuation of existing programs at levels comparable to those already authorized and funded by the Legislature. The request should include a reasonable provision to offset the impact of actual and projected inflation on All Other and Capital Equipment costs. Also, the request may include an amount sufficient to permit the payment of currently authorized employees at previously approved levels plus an amount not to exceed 2% of base salaries in each year. No funding related to new programs, capital construction or additional staffing should be included. The request should be presented in a manner conducive to the review of the incremental escalators used to arrive at the total request for each fiscal year of the biennium.

## **APPENDIX 6**

### **TABLES FOR:**

- **COMPARATIVE STUDY  
OF SIMILARLY SIZED  
(FTE STUDENTS) PUBLIC  
HIGHER EDUCATION SYSTEMS; AND**
- **COMPARATIVE STUDY OF  
SIMILARLY SIZED (FTE STUDENTS)  
LAND GRANT INSTITUTIONS.**

COMPARATIVE STUDY OF SIMILARLY SIZED (FTE STUDENTS) PUBLIC HIGHER EDUCATION SYSTEMS  
6025N

	ARKANSAS	ALABAMA	ALASKA	SOUTH CAROLINA	MONTANA	NEW HAMPSHIRE	MAINE	AVERAGE	HIGH	LOW
Total FTE students	24,598	30,000	14,177	29,159	25,223	18,556	19,908	23,089	30,000	14,177
Current E&G Budget	238,222,188	429,000,000	199,759,259	280,297,109	135,325,488	199,241,033	157,274,704	234,159,969	429,000,000	135,325,488
E&G Budget per FTE Student	9,685	14,300	14,090	9,613	5,365	10,737	7,900	10,241	14,300	5,365
Legislative Appropriation E&G	162,605,961	231,000,000	137,565,700	146,814,116	88,522,533	48,690,000	111,459,124	132,379,633	231,000,000	48,690,000
Legislative Appropriation per FTE Student	6,611	7,700	9,703	5,035	3,510	2,624	5,599	5,826	9,703	2,624
Legislative Appropriation as percent of E&G Budget	68%	54%	69%	52%	65%	24%	71%	58%	71%	24%
Number of Employees System Office (1)	26.0	51.0	230.0	(5)	19.6 (6)	135.7 (8)	116 (10)	96	230	19.6
Budget System Office (1)	1,481,298 (2)	2,909,000 (3)	18,728,700 (4)	(5)	5,504,927 (7)	3,151,812 (9)	8,673,352 (11)	6,741,515	18,728,700	1,481,298

Compiled by  
Audit Staff  
February 1988

### EXPLANATORY NOTES

- (1) Much of the submitted data for System employees and Budgets does not delineate exactly what has been included in the total. Whenever possible, detailed information on subtotals has been provided through explanatory note.
- (2) The central office(s) at the University of Arkansas provides the following services:
  - implementation of all board policies;
  - legal services;
  - coordination of communication with all elected officials;
  - supervision of preparation of all budget and financial reports;
  - coordinates fringe benefits for all University employees;
  - oversees all construction;
  - coordinates relations with State Department of Higher Education;
  - approves all contracts over certain limits; and
  - is responsible for focussing all University wide planning activities.
- (3) The Central Office(s) for the University of Alabama System provides the following services:
  - program review for all new campus academic programs;
  - encouraging cooperation and coordination among the campuses;
  - review and evaluation of existing academic programs;
  - providing coordination in a variety of management services;
  - overseeing a review and approval process for all financial matters;
  - continuous long-range planning;
  - evaluation of campus Presidents and Chancellor at 5-year intervals;
  - providing systemwide legal services;
  - coordinating systemwide institutional research services;
  - coordinating systemwide auditing services;
  - coordinating systemwide university relations effort;
  - coordinating systemwide legislative relations effort;
  - executive compensation and systemwide fringe benefits;
  - comprehensive general liability insurance; and
  - coordinating and overseeing Trustee relations.

- (4) The Central Office(s) for the University of Alaska System provides the following services:

- Finance;
- Academic Affairs;
- Accounting Services;
- Affirmative Action (EEO);
- Alumni Network;
- Audit Internal;
- Budget Development;
- Computing;
- Development/Foundations;
- Facilities Planning and Construction;
- Government Relations;
- Human Resources;
- Information Services;
- Institutional Research;
- Instructional Telecommunications;
- Land Management;
- Legal Services;
- Purchasing;
- Regents Affairs;
- Risk Management/Records;
- Sea Grant; and
- Student Information Network.

- (5) The University of South Carolina System does not have a single system level office. System officers have both system and individual campus responsibilities thus separate system totals cannot be determined.

- (6) Budget figures for the Central Office(s) of the Montana University System are as follows:

• Administration	\$ 794,638
• Student Services	4,670,102
• Federal Programs	
Indirect Costs	12,236
• Board of Regents	<u>27,951</u>

Total \$5,504,927

- (7) The Central Office(s) for the Montana University System provides the following services:

- coordination of inter-unit affairs;
- implementation of Board actions;
- preparation for Board meetings;
- labor negotiations;



- budget preparation and supervision;
- legislative liaison and relations;
- enrollment reporting and estimation;
- guaranteed student loan operations;
- administration of certain federal grants;
- administration of certain federal grants;
- community college coordination;
- vocational technical center education coordination;
- academic program review;
- legal services; and
- capital construction coordination.

(8) Budget figures for the Central Office(s) of the University System of New Hampshire are as follows:

• Board of Trustees	\$ 140,165
• Chancellor's Office	171,462
• Computer Services	1,047,293
• Financial Affairs	1,021,372
• General Counsel	82,960
• University Relations	84,715
• Resource Administration	603,895
• Administrative Services	<u>311,627</u>

Total                      \$3,151,812

(9) The Central Office(s) for the University System of New Hampshire provides the following services:

- Financial Affiars;
  - Treasurer;
  - Budgeting and Financial Planning;
  - Internal Audit;
  - Controller; and
  - Purchasing;
- General Counsel;
- University Relations;
- Resource Administration;
  - Physical Plant Development;
  - Benefits Administration;
  - Affirmative Action;
  - Career Development; and
  - ELF;
- Chancellor's Office;
- Computer Services; and
- Board of Trustees.

(10) Budget figures for the Central Office(s) of the University of Maine System are as follows:

• Chancellor's Office	\$ 541,469
-----------------------	------------

• Clerk of the Board of Trustees	134,405
• Computer Center	2,350,292
• System Wide Services <sup>1</sup>	2,228,047
• University Committments <sup>2</sup>	<u>3,419,139</u>

Total \$8,673,352

<sup>1</sup> includes Accounting, Human Resources, Physical Plant, Controller, Payroll, University Counsel, and Financial Planning.

<sup>2</sup> includes External Fees (e.g. Auditors), Risk Insurance, Campus Maintenance Pool, College of Education, Health Professions, Campus Sabbaticals, Campus Professional Development.

(11) The Central Office(s) for the University of Maine System provides the following services:

- Chancellor's Office;
- Responsibility for internal governance and administration of the University;
- Responsibility for system-wide planning for academic affairs, financial operations and resource utilization;
- Preparation, for approval by the Board of Trustees, of all operating and capital budgets, appropriation requests, bond issues and statutory changes;
- Presentation of appropriation requests, bond issues and statutory changes to executive or legislative branches of Maine government in accordance with the provisions of the Maine statutes;
- responsibility for the nomination of persons to head the various campuses and other major staff for appointment by the Board of Trustees, and for the evaluation of performance of the preisdents and vice chancellors;
- Office of the Clerk of the Board:
  - preparation of Board minutes;
  - notification and certification of Board activities;
  - coordinates Board meeting arrangements; and
  - publishes Board policies;
- Office of Human Resources;
  - wage and salary administration;
  - employee benefits;
  - personnel policies;
  - EEO;
  - staff training and development; and
  - labor relations;
- Office of Facilities;

- Long and short range planning of university facilities;
- Design and construction management of contracted construction, renovation and major maintenance projects;
- Assistance to campus maintenance personnel in development of maintenance procedures;
- Administration of risk and property insurance programs;
- Acquisition, disposal and leasing of real estate;
- Energy conservation, safety and pollution control management; and
- Normal physical plant services for facilities occupied by CO/SWS;
- Office of the Controller:
  - Administer and control university budget practices and procedures for E & G, Auxiliary Enterprises, restricted funds and designated funds;
  - Prepare the University's annual financial statements;
  - Collect, report and publish statistical and financial information about all aspects of the University's activities for both internal users and external agencies;
  - Coordinate policies and procedures to promote efficient methods of meeting student financial aid and loan collection objectives of all campuses;
  - Assist campus personnel in the management and reporting of University resources, in the development of financial computer systems and in providing user education to appropriate departments; and
  - Maintain control of 6,000 operating accounts which handle 700,000 transactions per year (e.g., journal entries, payroll, accounts payable and receivable, cash control, etc.);
- Department of Internal Audit:
  - Examines and evaluates the adequacy and effectiveness of internal controls and the quality of performance for all System units; and
- Computing and Data Processing Services (CAPS):
  - Supports System computing needs relative to instruction, research, public service and administrative functions.

COMPARATIVE STUDY OF SIMILARLY SIZED  
(FTE STUDENTS) LAND GRANT INSTITUTIONS  
5926N

	UNIVERSITY OF WYOMING	UNIVERSITY OF RHODE ISLAND	UNIVERSITY OF VERMONT	UNIVERSITY OF IDAHO	UNIVERSITY OF MAINE	AVERAGE
<u>TUITION</u>						
Undergraduate - In-State	\$ 788	\$ 1,670	\$ 3,118	0	\$ 1,590	\$ 1,431
Undergraduate - Out-of-State	\$ 2,442	\$ 5,477	\$ 8,986	\$ 2,000	\$ 4,650	\$ 4,711
Graduate - In-State	\$ 7,789	\$ 1,620	\$ 3,118 (5)	\$ 334	\$ 1,830	\$ 2,964
Graduate - Out-of State	\$ 2,442	\$ 3,932	\$ 8,986 (5)	\$ 2,000	\$ 5,370	\$ 4,546
<u>FEES</u>						
Total Annual Fees	(1)	\$ 420	\$ 314 (6)	\$ 1,042	\$ 256	\$ 406
Health Center Fee	(1)	\$ 179	\$ 136	\$ 39	\$ 0	\$ 71
Mandatory	Yes (1)	Yes		Yes (8)		
Optional	(1)		Yes			
Student Union Fee	(1)	\$ 153	\$ 74 (7)	\$ 61	\$ 0 (8)	\$ 58
Mandatory	Yes (1)	Yes		Yes	Yes (8)	
Optional	(1)		Yes			
TOTAL TUITION & FEES	778	2,089	3,432	1,042	1,846	1,837
<u>EMPLOYEES</u>						
Faculty - full- time	614	777	802	685	626	701
Faculty - part- time	198	-	120	92	94	101

	UNIVERSITY OF WYOMING	UNIVERSITY OF RHODE ISLAND	UNIVERSITY OF VERMONT	UNIVERSITY OF IDAHO	UNIVERSITY OF MAINE	AVERAGE
Faculty - FTE	806.33	757.78	844	713.5	665	761
Professional - full time	717	549	710	400	546	584
Professional - part time	N/A	-	66	33	72	34
No. Classified - full time	1,011	1,253	1,151	697	1,241	1,071
No. Classified - part time	N/A	-	105	60	94	52

BUDGETARY - REVENUES

State Appropriation	\$ 76,971,663	\$ 63,636,310	\$25,224,600	\$37,681,500	\$55,126,391	\$ 51,728,093
Tuition & Fees	\$ 9,231,152	\$ 33,300,652	\$58,852,085	\$10,988,949	\$19,713,861	\$ 26,417,340
Indirect Cost Rec- overy	\$ 0	\$ 2,000,000	\$ 7,400,000	\$1,661,433	\$ 1,850,000	\$ 2,582,287
Endowment and private Gifts	\$ 0	-	\$ 2,126,089	\$ 5,371,966	\$ 77,129	\$ 1,517,037
Misc. Other	\$ 16,661,121	\$ 5,120,107	\$ 5,259,378	\$ 6,364,179	\$ 2,883,170	\$ 7,257,591
Total	\$102,863,936	\$104,057,069	\$98,872,152	\$62,068,027	\$79,650,551	\$ 89,502,347
Total Revenues/ Total FTE Students	9,392	8,997	10,311	8,532	8,624	9,171

EXPENSES

Instruction	\$ 60,098,497	\$ 46,998,642	\$14,950,215	\$30,394,282	\$27,255,697	\$35,989,467
% for Salaries	79.5%	92%	87.3%	85%	90.5%	86.8%
Research	(2)	\$ 2,155,917	\$ 2,461,184	\$ 3,102,813	\$ 4,921,091	\$ 2,528,201
Public Service	\$ 5,994,953	\$ 3,453,874	\$ 3,232,365	\$ 194,294	\$ 3,976,609	\$ 3,370,419
Academic Support	(3)	\$ 9,729,672	\$ 7,282,990	\$ 7,781,358	\$ 8,842,998	\$ 5,727,404
Student Services	\$ 5,696,080	\$ 5,408,895	\$ 6,349,498	\$ 2,252,907	\$ 6,223,945	\$ 5,186,265

	UNIVERSITY OF <u>WYOMING</u>	UNIVERSITY OF <u>RHODE ISLAND</u>	UNIVERSITY OF <u>VERMONT</u>	UNIVERSITY OF <u>IDAHO</u>	UNIVERSITY OF <u>MAINE</u>	<u>AVERAGE</u>
Institutional Support	\$ 6,965,320	\$ 14,900,200	\$14,202,849	\$ 6,518,449	\$ 7,770,945	\$ 10,071,553
Physical Plant	\$ 11,364,376	\$ 14,554,142	\$12,431,444	\$ 8,329,998	\$ 8,143,326	\$10,964,657
Student Aid (4)		\$ 4,439,630	\$ 6,067,684	\$ 806,170	\$ 1,647,143	\$ 2,592,125
Other	\$ 12,744,700	\$ 2,416,097	\$ 1,225,639	\$ 144,102	\$10,868,797	\$ 5,473,867
Auxiliary Enterprise	-	\$ 23,988,826	\$42,415,436	\$10,680,977	\$21,199,487	\$19,656,945

#### RESEARCH

Annual Amount	\$ 21,017,000	\$ 25,000,000	\$24,100,056	\$21,079,264	\$10,408,081	\$20,820,880
---------------	---------------	---------------	--------------	--------------	--------------	--------------

#### STUDENT POPULATION

FTE Students	10,952	11,566	9,589	7,275	9,236	9,724
FTE Students/FTE Faculty	14	15	11	10	14	13

#### FACULTY SALARIES

High Salary	\$ 91,500	\$ 69,458	\$ 81,325	\$ 67,030	\$ 63,981	\$ 74,659
Median Salary	\$ 36,890	\$ 40,607	\$ 35,992	\$ 35,411	\$ 34,234	\$ 36,627
Low Salary	\$ 14,748	\$ 18,900	\$ 17,000	\$ 15,553	\$ 15,779	\$ 16,396
Reporting Date	11/22/87	10/12/87	10/11/87	10/1/87	11/19/87	

Compiled by Audit Staff  
February 1988

NOTES

- (1) All fees are incorporated as part of tuition at the University of Wyoming.
- (2) Instruction and Research are one budget item at the University of Wyoming.
- (3) Academic and Institutional Support are one budget item at the University of Wyoming.
- (4) Student Services and Student Aid are one budget item at the University of Wyoming.
- (5) Graduate students at the University of Vermont normally carry 24 credit hours and as such pay \$3,118 in-state and \$8,986 out-of-state.
- (6) Annual fees at the University of Vermont are \$314 (undergraduate) and \$228 (graduate).
- (7) Student union fees are mandatory for undergraduates only at the University of Vermont.
- (8) The mandatory student life fee at UM includes both health center and student union fees.

**APPENDIX 7**

**COMPILATION OF  
DEVELOPMENT EFFORTS  
WITHIN THE UNIVERSITY  
OF MAINE SYSTEM**



TABLE 1  
ALUMNI/DEVELOPMENT ORGANIZATIONS  
WITHIN THE UNIVERSITY OF MAINE SYSTEM  
BY CAMPUS  
6176N

Campus	Organization	Date of Establish- ment	Purpose	Current Staff	Method of Organization	Recent Fund Raising Activity
UM	Office of University Development	1959	To secure from private sources funds which will advance the interests of UM.	5 professional, 6 support.	Dept of the UM, acting under IRS ruling; 501 (C) (3) of Code.	\$2.6 million in FY 87.
	UM Alumni Association	1875	To raise funds from alumni for UM use. Also exists to further and improve alumni relationships with UM and UMS.	10 professional, 10 support, 6 students.	Independent non-profit organization recog- nized by IRS under section 501 (C) (3) of the Code.	\$1.9 million in FY 87.
	UM Pulp & Paper Founda- tion	1952	To promote the educa- tional promotion and career development of students interested in engineering and forestry careers in pulp & paper related industries.	1 3/4 professional, 2.5 support.	Independent non-profit corp. authorized by IRS under Section 501 (C) (3) of the Code.	\$571,914 in FY 87.
	U of ME Foundation	1935	To solicit, invest and manage funds to benefit the UM.	1 professional, 1 support.	By Private and Special Law, Legislative Charter.	\$1.3 million in FY 87.

Campus	Organization	Date of Establish- ment	Purpose	Current Staff	Method of Organization	Recent Fund Raising Activity
	Me. Endowment for Research Extension and Training	Aug. 1987	To raise funds for, and to promote, UM's Land Grant Mission and Cooperative Extension Service.	None at the present time.	Non-profit, publicly supported organiza- tion authorized by IRS under 501 (C) (3) of the Code.	None as of yet.
USM	USM Athletic Association	1985	To promote and support athletics at USM.	0.5 professional.	Advisory group to the Athletic Dept.; all funds go directly to the University.	\$7,925 in FY 86.
	USM School of Law Alumni (The Develop- ment, Alumni Relations and Placement Office)	1971	To solicit funds from alumni to benefit USM Law School and to encourage and improve Alumni relationships with the school.	2 positions.	Independent non-profit organization recog- nized under section 501 (C) (3) of the Code, staffed by USM.	\$43,350 in income for FY 87.
	USM Alumni Association	1975	To solicit alumni funds to benefit USM and to promote alumni relationships with USM.	1 professional; 2 support; 1 part time support.	Independent non-profit organization recog- nized under section 501 (C) (A) of the Code, staffed by USM.	\$43,907.27 in FY 86.
	USM Develop- ment Office	1983	To solicit private funds to benefit USM.	2 professional; 2 support.	Office of the Univ.	\$2,163,175.06 in FY 86.
UMA	University of Maine at Augusta Found- ation	1984	To solicit private funds to benefit UMA and to promote community relations.	None.	Independent non-profit organization recog- nized by the IRS under section 501 (C) (3) of the Code.	None in recent years; total assets of \$9,622 are held in deposit in a local bank.
	Development Office	1987	At this point, to raise funds for UMA through grant-writing.	1 professional.	Office of the Univ.	None as of yet.

Campus	Organization	Date of Establish- ment	Purpose	Current Staff	Method of Organization	Recent Fund Raising Activity
UMF	Office of Alumni Services	1978	To solicit alumni funds to benefit UMF and to promote alumni relationships with UMF.	1 professional, 1 part-time.	Office of the Univ.	\$62,538 in FY 86.
	University of Maine at Farmington Alumni Founda- tion.	1987	To solicit private funds to benefit UMF.	None at the present.	Independent non-profit.	None as yet.
UMPI	The Foundation of the UMPI	1972	To solicit private funds to benefit UMPI.	None; although the UMPI Executive Officer for Institutional Services serves as Treasurer and Ex. Dir. of the Foundation.	Independent non-profit organization recog- nized by the IRS under section 501 (C) (3) of the Code.	Approx. \$45,000 in FY 87.
UMM*	UMM Alumni Association	1912	To solicit private funds to benefit UMM and to promote relationships between alumni and UM.	None, although Assoc- iation activities are supported by the UMM President and staff.	Independent non-profit organization recog- nized by the IRS under section 501 (C) (3) of the Code.	\$8,216.64 in FY 87.
*UMM also has plans to establish a Development Office in the next year.						
UMFK*	UMFK Alumni Association		To support the Univ. in its functions. Fund raising is mini- mal and usually for the purpose of cover- ing the Association's own operating expenses.	(1 prof. part time UMFK position works as liaison with the Association.	Does not appear to be incorporated.	

\*UMFK does not have a formal development effort at this time. President Barbara Leander plans to request additional spending to establish this function.