

FOR IMMEDIATE RELEASE  
January 28, 2009

Contact: John Diamond 973-3224 or 949-4904  
or Peggy Markson 973-3245



### **CHANCELLOR NAMES TASK FORCE TO ADDRESS UNIVERSITY SYSTEM'S LONG-TERM FINANCIAL SUSTAINABILITY**

BANGOR—University of Maine System Chancellor Richard L. Pattenaude today announced his appointment of a 12-person task force to review and recommend operational and structural changes to Maine's 40-year-old, 45,000-student state university system.

The task force is part of a major financial sustainability plan Pattenaude presented to university system trustees at their recent meeting at the University of Southern Maine.

"It is imperative that the System achieve this objective in order to secure financial sustainability for the seven universities and the critical role they play in Maine's future," Pattenaude said.

The task force will be chaired by David T. Flanagan of Manchester, the former president/CEO of Central Maine Power Co. Flanagan served on the University of Maine System (UMS) Board of Trustees from 1985-95, including one term as Board chair.

Other members of the task force are:

- Current UMS trustees Norman L. Fournier of Wallagrass and Marjorie M. Medd of Norway
- Dr. Sandra Featherman of Kennebunkport, the former president of the University of New England
- M. Michelle Hood of Bar Harbor, president/CEO of Eastern Maine Healthcare Systems
- Dr. Allyson Hughes Handley of Readfield, president of the University of Maine at Augusta
- Susan A. Gendron of Raymond, commissioner of the Maine Department of Education and Cultural Affairs and a current ex officio member of the UMS Board of Trustees
- Dr. Bertram H. Jacobs of Wilton and Dr. Robert W. Rice of Veazie, both of whom serve as faculty representatives to the UMS Board of Trustees representing the University of Maine at Farmington and the University of Maine (Orono), respectively
- Charles Weiss of Presque Isle, an undergraduate student at the University of Maine at Presque Isle and a representative of his school's student body at committee meetings of the UMS Board of Trustees
- James F. Bradley of Mechanic Falls, a staff member at the University of Southern Maine and president of the Associated C.O.L.T. Staff of the Universities of Maine
- Ronald A. Mosley of Machias, a faculty member at the University of Maine at Machias and president of the Associated Faculties of the University of Maine System

In addition, Pattenaude said that James H. Breece, vice chancellor for academic affairs, and Rebecca M. Wyke, vice chancellor for finance and administration, will serve the task force as non-voting, ex officio members.

-more-

The task force is charged with developing recommendations regarding the size and role of the chancellor's office; the structure, funding and oversight of common functions serving all universities (known as System-Wide Services, which, along with the Chancellor's Office, is based in Bangor); and funding levels, missions, and relationships among universities. The planning process features financial targets and timetables for completion of recommendations and action steps, all of which would be submitted to Pattenauade in June.

The task force's recommendations would be considered as part of a broader set of recommendations Pattenauade intends to submit to the university system's board of trustees in July. Pattenauade said that the task force will have wide latitude to recommend changes but will proceed with the expectation that the state university system will continue to operate as an affiliated group of seven universities, each with specific missions.

"The make-up of this task force offers an excellent perspective and familiarity with Maine and higher education's purpose, operation, and governance," Pattenauade said. "I am grateful to all members for their willingness to accept this vitally important assignment."

"The Chancellor has asked us to undertake a very serious responsibility," Flanagan added. "It will be an enormous challenge to recommend a structure for Maine's higher education system that reconciles our resources, our needs for access and quality, and the changes in the market, technology and population over the last four decades. But I believe that working together, relying on objective information, learning from the experience of other cash-strapped states, and acting in good faith, this committee has the ability to come up with practical and constructive recommendations equal to this challenge."

In October, trustees asked Pattenauade and Maine's public university presidents to examine alternative strategies that would result in a long-term financial sustainability plan. In addition, the trustees established a set of financial planning guidelines to be used in making any immediate decisions pertaining to a university, the central office, or the university system as a whole.

On January 11, Pattenauade presented to trustees a planning process focusing on administrative, academic, and structural changes as well as revenue growth. Pattenauade said the plan would produce "major transformational changes" necessary to reduce overall expenses by \$42.8 million over the next four fiscal years—in addition to \$34.2 million in reductions already adopted to balance the current year's budget alone.

Pattenauade, who developed the proposal with the seven university presidents, said the action is necessary due to several related reasons: the financial consequences of the current recession on students and the university system itself; rising health care, energy, and personnel costs; changing demographics; and the need to invest in technological improvements related to teaching and learning, research, and university management and operations.

"Incremental cost-cutting—both by our seven universities and within the shared service functions provided by the System Office—will not do enough to attain financial sustainability," Pattenauade told trustees on Jan. 11. "The university system must pursue deeper and broader change that ensures its academic quality and service to Maine, maintains affordability for undergraduate and graduate students, and achieves operating efficiencies and cost-reductions. We have no choice."

Pattenauade's full report, entitled "New Challenges, New Directions: Achieving Long-Term Financial Sustainability," may be found at <http://www.maine.edu/pdf/NewChallengesandNewDirections.pdf>.

"Although negative financial and demographic forces challenge us, the work ahead should be viewed as an opportunity," Pattenauade told trustees earlier this month. "The result will be stronger universities, clearer objectives, and more measurable outcomes, all of which will reinforce the University of Maine System's place as an economic and cultural engine of the state and the financial sustainability of Maine's public universities."

-more-

Established in 1968, the University of Maine System is the state's largest educational enterprise. It features seven universities—some with multiple campuses—located across the state, as well as 10 University College outreach centers, a law school, and an additional 75 interactive distance learning sites. With an annual enrollment of approximately 45,000 students, it educates 68 percent of all students enrolled in Maine's public universities, community colleges and Maine Maritime Academy. Its student population represents 48 percent of all students enrolled in Maine's public and private postsecondary institutions combined. For more information, visit [www.maine.edu](http://www.maine.edu).