



BOARD OF TRUSTEES EXECUTIVE COMMITTEE

Meeting Held at New Hampshire Technical Institute
Kirby Conference Room, Capital Commons
31 College Drive, Concord, NH
(May 5, 2025)

Meeting Minutes

In Attendance: Executive Committee members present at meeting location: Chair Mike Pilot, Jackie Eastwood, Cathy Green, and Gregg Tewksbury. Executive Committee members participating by videoconference: Peter Paul (unavoidable scheduling conflict). Committee members unable to attend: Kass Ardinger. Other Trustees present at meeting location: Don Birx, Jamie Burnett, Elizabeth Chilton, James Gray, and Cathy Provencher. Other Trustees participating by videoconference: David Westover.

Call to Order: At 4:01 pm, Chair Pilot called the meeting to order and confirmed the presence of a quorum sufficient for the conduct of business.

Approval of Minutes of Previous Meeting: By motion made by Trustee Eastwood and seconded by Trustee Green, the Committee unanimously voted by roll call as follows to approve the minutes of its previous meeting:

VOTED, the Executive Committee hereby approves the minutes of its April 17, 2025, meeting as presented in the materials for this meeting.

Preliminary FY 26 Budget Assessment: Chancellor Provencher led a discussion on the current preliminary assessment of the System's FY 26 budget. At its last meeting, the Board had set an FY 26 budget goal of a positive 1% operating margin and capital spending at 100% of depreciation. Based on the preliminary work of the institutional leaders and CFOs, Chancellor Provencher reported that achieving those goals will be challenging if not impossible. Factors for this include:

- A reduction in the State appropriation (while the size of the reduction remains in question, the budgets proposed by both the Governor and House include reductions of some size and the State's fiscal challenges mean the final budget will also reflect a cut).
- Reduced federal grant support for research and increased federal compliance requirements; and
- Regional demographics, which have led to a decline in enrollment.

While the institutions continue to work to bridge the projected gap with expenditure reductions, the proposed FY 26 budget will likely pull back on capital spending to ensure the System remains cash-

neutral for ongoing expenses and revenues in FY 26. The exact amount of the pullback is yet to be determined but likely will cause observable effects at the campuses, especially in light of an additional \$12M reduction in state capital funding from the Governor's proposed budget to the legislative budget. The institutions have plans for further downsizing but not all are actionable in time to bridge the FY 26 gap.

Trustees then discussed the risk of an additional state budget cut. Chancellor Provencher noted that, per past practice, current USNH FY 26 budget development assumes State funding at the level proposed by the Governor. However, the House adopted a \$25 million or 27.5% reduction from the Governor's levels. If the final State funding is significantly less than the Governor's proposed levels, remaining cash neutral for the year will be highly unlikely in the timeframe needed. Trustees then asked about the timeline for State budget approval. The joint committee of conference is expected to issue its report on June 19, with a final vote scheduled for June 26. As the System is required to adopt its FY 26 budget at its June 27 meeting, the System cannot guarantee that the budget presented to the Board will reflect the final State budget.

UNH President Elizabeth Chilton then discussed UNH's budget process in more detail. UNH already faced the challenge of moving from FY 25's approved -0.7% margin to the +1.0% goal set by the board, but potential changes to federal grant funding has increased uncertainty and made that challenge more difficult. President Chilton stated that UNH believes it can hit the 1% FY 26 goal at the Governor's funding level, but that doing so will require letting go of some priorities. Longer-term, the combination of a likely cut in state funding and reduction in federal support for research will require real consideration of the extent UNH's research enterprise, with foreseeable negative consequences for the State's economy.

Finally, Chancellor Provencher noted that the System is projected to make its FY 25 budget, although that budget assumed a small negative operating margin and so making the target does not by itself improve the System's cash position. The institutions were able to make their targets through rigorous position control, a reduction in travel, services, and supplies, and better than expected short-term investment results at the System level.

Standing Item: Update on President and Chancellor Systemwide Goals: Chancellor Provencher updated the Committee on the status of this work. Presidents' Council is proceeding with its work of setting a vision for the System's future. The institutional CFOs are modeling different structures and the Chancellor is optimistic that work will identify a vision for addressing the structural budgetary and cash burn issues identified by the Board. The vision will also necessarily need to address the projected excess in the System's physical plant part, which could exceed future need by as much as 20%. The Chancellor noted that moving to a new structure may require conversations with the legislature and other stakeholders before any strategic implementation plan could be developed. Rather than a detailed plan, the goal is to present the Board with a benefit/risk/obstacle summary in June to determine whether the Board agrees with the vision in concept.

Trustees acknowledged the difficult decisions ahead regarding the research enterprise and the real need to go beyond previous efforts to right-size in order to ensure long-term sustainability. Trustees also noted a strong preference for unity among the institutional leaders regarding the vision. Trustees also expressed concern that the lack of state support will make it difficult to compete regionally and emphasized the need for a long-term solution for what is best for the State in mind. Trustees also discussed the ongoing challenge of instilling in the state at-large an understanding of the value provided

by the System. Chair Pilot reiterated the need to show a pathway to a sustainable future state for the System.

Adjourn: At 5:13 pm, Chair Pilot called for further business and, hearing none, adjourned the meeting.