University System of New Hampshire

BOARD OF TRUSTEES
Regular Meeting
June 25-26, 2026

Meeting Held at University of New Hampshire
Stafford Room, Memorial Union Building
Durham, NH

Meeting Minutes

In Attendance June 25: In attendance at the meeting location: Chair Mike Pilot, Vice Chair Kass Ardinger, Matthew Ash, Maureen Beauregard, Donald Birx, Jamie Burnett, Elizabeth Chilton, Caitlyn Davis, Ethan Dupuis, Brendan Finn, Patrick Griffin, Tim Hoheneder, Shawn Jasper, Rick Ladd, Brian McCabe, Joël Nkounkou, Peter Paul, Jennifer Higgins Pitre, Catherine Provencher, Wayne Semprini, Christiana Thornton, and David Westover. Trustees participating remotely: Secretary Kevin Knarr, George Hansel, and Gregg Tewksbury. Trustees absent: none. Others in attendance: Governor's representative Paul Dean (remote).

Call to Order: At 9:00 am, Chair Pilot called the meeting to order and noted the presence of a quorum sufficient for the conduct of business.

Chair's Welcome: Chair Pilot outlined the day's agenda. He noted changes to the usual meeting structure. Specifically, because of the gravity of the issues involved, the full Board will meet to review the FY 27 budget rather than the Financial Affairs Committee. The Board will also have an initial discussion on the future structure of the USNH Chancellor position before considering possible action on the issue on June 26. Ordinary committee business will follow later today.

Multi-Year Plan and FY27 Budget; Approval of FY27 System Operating and Capital Budgets: Chair Pilot introduced this item. He noted that the System and each of its institutions are undergoing a revenue shock driven by reduced undergraduate enrollment, which is significantly lower than it was in 2015, and state appropriations which have run considerably behind inflation since 2015 (although the appropriations may also reflect the reduction in in-state enrollment). Beginning in FY27, the System's operating margins are projected to go negative for the first time in institutional memory, with the gap increasing in at least each of the next three years if we do nothing more to offset the market and economic trends. Chair Pilot also noted that PSU and UNH are projected to have negative margins for the first time since 2015, and that KSU has been posting negative margins since around 2015. Chair Pilot noted that the System does not exist to make a profit, but that positive margins are required in order to invest in programs, maintain campuses, and provide financial aid to students.

Chair Pilot then reviewed the assumptions underlying the institutions' multi-year planning through FY30, which include a projected further reduction in undergraduate enrollment associated with the demographics and other market trends. The Board then reviewed financial estimates based on those assumptions. The estimates indicate that by FY30, if we do nothing, the gap to achieve a targeted 1%

recurring operating margin will reach $95.8 million, requiring the System to take urgent action. The Presidents' Council has identified five action areas: Revenue and Enrollment, Facilities Restructuring and Monetization, Systemwide Shared Services and Administrative Restructuring, Institutional Administrative Restructuring, and Academic Delivery Transformation.

Revenue and Enrollment: UNH Vice Provost Kim DeRego reviewed enrollment trends. Enrollment at public colleges was down nationally this year, and enrollment at all colleges in New England fell by 2.2%. Discount rates also increased nationally as colleges competed more intensely for a smaller pool of students. Vice Provost DeRego then noted that all institutions are constantly adjusting their rates while also working on communication strategies in order attract students. In determining how to project future enrollment and discount trends, System institutions have taken current data and overlaid it on projected demographic and regional enrollment trends. Without further changes, undergraduate enrollment is projected to decline by an additional 361 students by 2030. If initiatives are successful, much of that decline will be mitigated, although overall enrollment will still decline. In addition to this projected enrollment loss, PSU and KSC project further increases in discount rate; UNH believes that discount rates will stabilize. Trustees asked questions regarding competition between System institutions and the data underlying the projections.

The institutional presidents then discussed initiatives designed to mitigate these enrollment trends. UNH President Chilton reviewed initiatives at UNH. These include identifying new markets and underserved groups, undertaking an academic program review to identify program areas which could grow (such as nursing and occupational therapy), expanding online credit hours, increasing retention by 1.5%, and finding sources of revenue other than residential undergraduates (such as professional development and training programs). President Birx reviewed initiatives at PSU and KSC. Both institutions have retained a new marketing consultant which is projected to expand the number of applications. PSU is additionally implementing 96-credit degrees and stackable programs, programmatic expansion in nursing, business, and forensic sciences, and increased retention. KSC is repositioning itself in the market by emphasizing the full range of its offerings and reorganizing into three schools and further expanding KSC's successful applied programs. Trustees asked questions regarding the initiatives and possible alternatives and also discussed the contributions of a recently formed community group in Keene.

Facilities Restructuring: Vice Chancellor for Finance and USNH Treasurer Karen Benincasa introduced this item. She noted that the high-level takeaway is that the System has more facilities than it needs or than it can afford to maintain, with a higher-than-average backlog of deferred maintenance projects. Selling or leasing underutilized facilities could help improve the System's financial position.

Nonpublic Session: At 10:45 am, by motion moved by Trustee Ardinger, seconded by Trustee Paul, and approved by roll call vote with no dissenting votes, the Board entered nonpublic session for the reasons set forth below:

VOTED, pursuant to RSA 91-A:2.I(a) and 91-A:3.II(j), that the Board enter nonpublic session for the purposes of considering matters related to collective bargaining strategy and/or considering confidential commercial or financial information.

Return to Public Session: At 11:50 AM, by motion duly made and seconded, the Board voted unanimously to return to public session.

Sealing of Nonpublic Session Minutes: The following motion was moved by Trustee Griffin, seconded by Trustee Ardinger, and approved by roll call with no dissenting votes:

VOTED, pursuant to RSA 91-A:3.III, that the minutes of the nonpublic meeting be sealed because divulgence of the minutes would render the purpose of the nonpublic session ineffective.

After the return to public session, VC Karen Benincasa continued discussion on this item by presenting a report on the System's projected cash position. IfUSNH does nothing to change and offset near-term operating activities, by FY30 the System's cash position is projected to decline to the point where up to 90% of the System's approximately $350 million in total cash and investments not currently restricted or designated for a purposewould have to be liquidated in order to meet operating needs if changes are not made. Spending down the available cash and investments would also reduce the amount of annual investment income available to the institutions to support operations and require a rebalancing of the USNH endowment portfolio. Trustees asked questions regarding whether such a decline could trigger accreditation or other regulatory issues.

VC Benincasa then reviewed the proposed FY27 budget. The budget provides for an operating loss of $16 million, driven by an approximately $19 million drop in revenue from FY26 to FY27 which includes a $10 million state appropriation reduction. With additional one-time expenditures included, the overall projected loss is approximately $35.5 million with a $44 million reduction in cash. After VC Benincasa reviewed the underlying budget in more detail, trustees noted the need for additional, more active oversight of institutional initiatives and the need to think creatively about additional ways to inform and engage employees and other stakeholders about the financial challenges facing the System.

Finally, as requested by Chair Pilot, VC Benincasa went on to review proposed new guidelines governing any potential liquidations or withdrawals from the System's long-term treasury fund/quasi-endowment. The guidelines would provide that any such withdrawals require approval from the Board and could be used only to: (1) address a financial emergency; (2) for strategic one-time investments with demonstrable returns on investment; or (3) as needed to meet regulatory or legal requirements.

Following discussion, the following motion was moved by Trustee Beauregard, seconded by Trustee Griffin, and **approved 24-1** by roll call (Trustees Ardinger, Ash, Beauregard, Birx, Burnett, Chilton, Davis, Dupuis, Finn, Gray, Griffin, Hansel, Hoheneder, Jasper, Ladd, McCabe, Nkounkou, Paul, Pilot, Pitre, Provencher, Semprini, Thornton, and Westover **in favor**; Trustee Knarr **opposed**):

VOTED, on recommendation of the Presidents' Council (PC), that the BOT approve the operating and capital budgets, for the University System applicable to the fiscal year beginning July 1, 2026, and ending June 30, 2027 (FY27) as presented in the attachments;

AND FURTHER, in the event revenues are lower than currently anticipated in the attachments, PC will make budget adjustments to reduce expenses to the lower revenue levels to meet the budgeted system-wide Operating Loss; if unable to do so, PC will seek amended approval from BOT for the revised FY27 Budgeted OM by August 2026;

AND FURTHER, in the event material expense savings targets are incorporated into the proposed budgets (across the board reductions, planned initiatives, etc.), PC will provide updates to the Executive Committee of the BOT to include detailed plans for achieving the savings;

AND FURTHER, available restricted and external funding will be used prior to the use of USNH funds with exceptions requiring the approval of the institutional EVPFA or EVPFA designee;

AND FURTHER, that the Treasurer is authorized to liquidate a portion of the Long-Term Treasury Investments Quasi-Endowment fund pursuant to BOT.G.1, if needed, to support the approved FY27 capital and operating budgets;

AND FURTHER, that the Long-Term Treasury Investments Quasi-Endowment Fund established by the Financial Affairs Committee in May 2008, as authorized in policy pursuant to BOT.G.1, be amended to incorporate guidelines for future withdrawals authorized beginning July 1, 2026, as outlined on the previous slides, to help preserve USNH long-term financial health.

Recess: At 12:40 pm, Chair Pilot recessed the Board for lunch.

Return to Order: At 1:05 pm, Chair Pilot called the meeting back to order and noted the continued presence of a quorum.

USNH Future Leadership Recommendation: Following an introduction by Chair Pilot, Chancellor Provencher presented this item. She noted that in March, the Presidents' Council was tasked with bringing back to the Board a recommendation for the future structure of the USNH Chancellor position, with particular focus on whether that position ought to be merged with the office of UNH President. The Council's recommendation is that the UNH President take on the USNH Chancellor position as of July 1, 2027. Chancellor Provencher noted that this will require a change to the System's authorizing statute, and thus the Board's action today would only serve as a recommendation to the Legislature on how to proceed.

The Chancellor's office currently provides back-office support to all System institutions. The Council believes these services can be transitioned to UNH. This change would remove a layer of administration, saving money, aligning accountability and authority, and breaking down operational barriers without affecting the student experience and outcomes. The Chancellor noted that the proposal would require a great deal of trust from all involved, but that the potential benefits outweigh the risks. The Chancellor further noted that the System could maintain three separately accredited under this proposed structure. She also stated her belief that this change alone will not address all of the financial challenges facing the System, although it can be a step in that direction.

Trustees then engaged in a lengthy and detailed discussion of the advantages and disadvantages of the proposal. That discussion initially included the history of the relationship between the UNH President and USNH Chancellor positions, whether the proposal could lead to reduced operating expenses and increased support for PSU and KSC, and how the Board would need to hold the UNH President accountable for bringing UNH's scale advantages to bear. Trustees went on to discuss whether the combined position would be viable for one person and whether the combined role is sufficiently well understood to act at this time. They also discussed the benefits and risks of increasing shared services and debated whether this would increase efficiency or limit flexibility and autonomy at the regional institutions. Discussions also included what the proper timeframe is for deciding whether to make this recommendation and the process by which the System's authorizing statute could be amended to allow for the proposed changes and how it might assist in clarifying lines of responsibility within the system in order to better harness the power of a system. Trustees also noted the urgency caused by the earlier presentation outlining the System's financial challenges.

Recess: At 2:43 pm, Chair Pilot noted that this item would return for further Board consideration the following day and recessed the Board until 9:00 am on Friday, June 26.

In Attendance June 26: In attendance at the meeting location: Chair Mike Pilot, Vice Chair Kass Ardinger, Matthew Ash, Maureen Beauregard, Donald Birx, Jamie Burnett, Elizabeth Chilton, Caitlyn Davis, Ethan Dupuis, Brendan Finn, Patrick Griffin, Tim Hoheneder, Shawn Jasper, Rick Ladd, Brian

McCabe, Peter Paul, Jennifer Higgins Pitre, Catherine Provencher, Wayne Semprini, Christiana Thornton, and David Westover. Trustees participating remotely: Secretary Kevin Knarr, George Hansel, Joël Nkounkou, and Gregg Tewksbury. Others in attendance: Governor's representative Paul Dean (remote).

Return to Order: At 9:12 am on June 26, Chair Pilot called the meeting back to order and noted the continued presence of a quorum.

Comments by Employee Organizations: Audrey Robison of the UNH Graduate Student Union noted the important work done by graduate students and asked for a swift conclusion to the ongoing collective bargaining process between UNH and the union. Julia Rodriguez of the UNH chapter of the AAUP urged that faculty voices be heard by the Board before decisions are made.

Host Campus Presentation: UNH President Elizabeth Chilton introduced a presentation on UNH's collaboration with industry partners in New Hampshire. She noted that students are seeking out universities that provide internships, experiential learning, and paths to the workplace. She further noted that with the recent reduction in federal research funding, industry research partnerships are more important than ever. These partnerships also benefit workforce development and entrepreneurship throughout the state. President Chilton then introduced Kevin Kerls of Lonza and Brendan Bogart of Airtho, two of UNHs industry partners.

Mr. Kerls noted that approximately 33% of Lonza's New Hampshire workforce are graduates of System institutions and noted that Lonza's ongoing investment in the state is attributable in large part to the presence of UNH and its research program. Lonza's partnership with UNH has extended to the establishment of a cell culture laboratory on campus where students can learn skills needed for a career in biotechnology.

Mr. Bogart described Airtho's work in creating specialized workspaces for cutting-edge manufacturing. Airtho is co-located in UNH's Olsen Center and approximately 50% of its staff are System graduates. The Olsen Center has enabled Airtho to develop and test new products in collaboration with UNH and has been critical to the company's development.

President Chilton then highlighted planned work to simplify the process by which industry partners can approach UNH, modernizing contracting processes, and connecting partnership work to philanthropic work. President Chilton then sought feedback on what additional sector opportunities may exist and what data the Board would want to see to measure the effectiveness of this work. The Board also heard about the day-to-day work involved in the partnership programs. Board members concluded by expressing their appreciation for the work and for the time of Mr. Kerls and Mr. Bogart.

USNH Future Leadership Recommendation: Chair Pilot began by summarizing the previous day's discussion on this item and re-emphasizing the Board's commitment to maintaining three independent, financially viable institutions. Trustees who were unable to express their thoughts during that discussion then took the opportunity to do so. Trustees then discussed logistical issues associated with the proposal and agreed upon the need for the Board to hold leadership accountable for the implementation of the proposal. Trustees also extensively discussed whether a decision on this item should be made at this time or postponed to a future meeting, balancing the desire for consensus and complete information against the perceived urgency of the System's financial position. Chair Pilot closed by directing that more detailed information, including organizational charts and a job description, plus additional information related to trustee concerns, be brought before the Board in the fall.

After discussion, the following motion was made by Trustee Pilot, seconded by Trustee Burnett and **approved 20-5** by roll call with Trustee Birx abstaining (Trustees Ardinger, Beauregard, Burnett, Chilton, Davis, Dupuis, Finn, Gray, Griffin, Hoheneder, Knarr, McCabe, Nkounkou, Paul, Pilot, Pitre, Provencher, Tewksbury, Thornton, and Westover **in favor**; Trustees Ash, Hansel, Jasper, Ladd, and Semprini **opposed**):

> ***VOTED***, that, subject to statutory authorization from the State of New Hampshire, the UNH President shall assume the dual role of USNH Chancellor and UNH President on July 1, 2027; and
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> ***FURTHER***, that staff are directed to work with elected officials to recommend such changes to the System's authorizing statute as are needed to allow for the permanent merging of the roles of UNH President and USNH Chancellor; and
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> ***FURTHER***, that the Executive Compensation and Performance Committee is hereby authorized to approve in the name of the Board any changes to the employment agreements of the UNH President and USNH Chancellor needed in order to reflect any State-approved role change; and
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> ***FURTHER***, that the Presidents' Council is directed to begin planning and implementation of additional internal changes as set forth in the memorandum attached to this agenda item.
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> *NOTE: prior to approval, a motion to amend the item as follows was made by Trustee Ladd and seconded by Trustee Jasper. The motion failed 6-19 with Trustee Birx abstaining (Trustees Ash, Hansel, Jasper, Ladd, Semprini, and Westover in favor; Trustees Ardinger, Beauregard, Burnett, Chilton, Davis, Dupuis, Finn, Gray, Griffin, Hoheneder, Knarr, McCabe, Nkounkou, Paul, Pilot, Pitre, Provencher, Tewksbury, and Thornton opposed):*
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> > *MOVED, that the Board of Trustees shall study and report findings by October 1, 2026 regarding the UNH President assuming the dual role of USNH Chancellor and UNH President by July 1, 2027; and*
> >
> > *FURTHER, based upon the report's findings, USNH staff are directed to work with elected officials to develop and submit a legislative service request documenting changes to Chapter 187-A and any other associated statutory references necessary to allow for the merging of UNH President and USNH Chancellor; and*
> >
> > *FURTHER, that the Executive Compensation and Performance Committee is hereby authorized to approve in the name of the Board any changes to the employment agreements of the UNH President and USNH Chancellor needed in order to reflect any State-approved role change; and*
> >
> > *FURTHER, that the Presidents' Council is directed to begin planning and implementation of additional internal changes as set forth in the memorandum attached to this agenda item following the report of findings.*

Educational Excellence Committee Report and Related Board Action: Committee Chair Griffin presented the report of the committee. Following discussion, the following motion was made by Trustee Ash, seconded by Trustee McCabe, and approved by roll call with no dissenting votes:

> ***VOTED***, on recommendation of President Chilton and the Educational Excellence Committee, that the Board of Trustees approves the appointment of two individuals at the rank of professor with tenure at the University of New Hampshire, as presented in the supporting material.

Governance Committee Report and Related Board Action: Committee Chair Ardinger presented the report of the committee. The committee received additional information related to governance option for the potential project She noted that Committee reviewed the results of the annual Board self-assessment. Among the takeaways was that the Board should consider adding back either an additional abbreviated Board meeting or additional Financial Affairs Committee meeting given the volume of issues facing the System. Next year, the Committee will also review whether the Nomination Committee should remain a separate committee or be folded into another committee. Finally, because there are no new trustees entering the Board this fall, existing trustees will be offered a training on higher education finances. Finally, she noted that the Committee had recommended Board approval of minor changes to the Board policies on student trustee elections and cross-institutional student discipline, and the bylaws of the Keene Endowment Association.

Following discussion, the following motion was made by Trustee Burnett, seconded by Trustee Griffin, and approved by roll call with no dissenting votes:

> ***VOTED***, on recommendation of the Governance Committee, that the Board approves items VII.C.1, 2, and 3 on its agenda for this meeting.

Audit Committee Report: Committee Chair Paul presented the report of the committee. The committee received an update on the implementation of the Workday system and was encouraged by the progress that has been made.

Nomination Committee Report: Committee Chair Burnett presented the slate of FY27 board officers and Nomination Committee members recommended by the Committee. The following motion was then made by Trustee Burnett, seconded by Trustee Griffin, and approved by roll call with no dissenting votes (Trustees Ardinger, Knarr, and Pilot abstaining):

> ***VOTED***, on recommendation of the Nomination Committee, that the Board approves the following slate of Board officers and Nomination Committee members for FY26-27:

UNSH Board Chair:	Michael Pilot
USNH Board Vice-Chair:	Kassandra Ardinger
USNH Board Secretary:	Kevin Knarr
Nomination Committee Chair:	Christiana Thornton
Nomination Committee Members:	Maureen Beauregard
	Gregg Tewksbury

Additional Business: The trustees discussed whether to authorize the commencement of a search for a new permanent president of Keene State College, and trustees unanimously expressed support for a search. Trustee Knarr additionally briefly updated the Board on endowment investment results. Sen. Gray reminded the Board of his proposal to adjust the mechanism by which the Legislature provides funds to the System and asked for feedback by the September meeting in order to allow for consideration by the Legislature.

Chair's Closing Remarks: Chair Pilot thanked outgoing student trustees and USSB members for their service to the System and welcomed the incoming trustees and USSB members. He closed by thanking trustees for their contributions to the day's discussion and for their commitment to the System. The Chair also asked Trustee Knarr to put together a working group to evaluate the financial plans proposed in more detail and to report back to the board his finding.

Adjourn: Chair Pilot called for further business and, seeing none, adjourned the meeting at 12:22 pm.