A meeting of the Committee on Board Governance of the Board of Trustees of the University of Vermont and State Agricultural College was held on Thursday, October 9, 2008 at 9:30 a.m., via conference call, in room 351 Waterman Building.

MEMBERS PRESENT: Chair Robert Cioffi*, Vice Chair Edwin Amidon*, Bill Botzow*, Jason DePatie, John Snow and Donna Sweaney*

ABSENT: Bill Ruprecht

PERSONS ALSO PARTICIPATING: Vice President for Legal Affairs and General Counsel Francine Bazluke, Chief of Staff Gary Derr and Trustee Coordinator Corinne Thompson

TRUSTEES ALSO PRESENT: None

*via conference call

Chair Robert Cioffi called the meeting to order at 9:35 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the minutes from the August 11, 2008 meeting as presented.

Review of Committee Charge

Chair Robert Cioffi referenced the Committee’s charge and a chart developed by Vice President Bazluke summarizing best practices of governance committees at other institutions, and then offered an opportunity for comments and discussion. Vice Chair Edwin Amidon emphasized the importance of the Committee’s role regarding Trustee recruitment. Trustee John Snow indicated he has recently been asked to lead the newly-appointed ad hoc Committee on Trustee Recruitment, which is charged to address this issue. Discussion also ensued regarding possible conflict of interest issues. Vice President Francine Bazluke indicated that there are policies in place and that she will forward these policies to the Committee. After revisiting the charge, the Committee concluded it was comfortable with the scope and focus of the work as outlined. Chair Cioffi will follow up with absent members to ensure they are in agreement.

Committee Orientation

Chair Cioffi reported that there is clear indication that the New Trustee Orientation program has been well received, yet many Trustees feel they need a detailed orientation for Committees to which they are assigned. Vice President Bazluke has compiled recommendations for the content of such orientations,
which are in the Committee’s materials. After discussion, the Committee concurred that, in addition to written materials, Committee orientations should be held “live” and include an overview of the Committee’s work. Vice President Bazluke agreed to circulate a revised draft of the orientation content recommendations to the Committee.

**Annual Review of Board Policies**

As part of the cyclical review schedule for Board approved polices, the following polices were reviewed:

*Operational Guidelines for Nomination of Board and University Officer Appointments:* Chair Cioffi reminded the Committee that it functions as the Nominating Committee for the election of University and Board officers and that guidelines were developed in 2005 to assist in that process. He noted that the Committee will convene as such in December to begin the process for elections in February. Committee members offered no amendments to the guidelines at this time.

The *Guidelines for Selection of University Trustees* came up for discussion and review. Chair Cioffi indicated that the guidelines were developed in 2007 as a recruiting tool for all sources of appointment to the Board. Member Botzow indicated that the guidelines proved valuable in advising legislative candidates for trusteeship of Board expectations. Committee members did not have any suggested changes.

Chair Cioffi next presented the *Strategic Plan of the Board of Trustees* for review. Vice President Bazluke indicated that Chair Boyce felt the annual review of this document was unnecessary and suggested it be reviewed in a three year cycle. The Committee concurred with this recommendation.

**Discussion of Board and Retreat Meeting Dates through 2010**

Chair Cioffi indicated that, as discussed at the last retreat, the Board and the administration both support a three-Board-meetings and one-Board-retreat format for the annual Board meeting schedule beginning in 2009.

Various opinions were expressed regarding the seasonal timing of the next Board Retreat and whether a Thursday/Friday format will work for the annual Fall Board meeting. The Committee agreed that all Trustees should be polled regarding their opinions on both topics, and scheduling options will be selected that best work for the majority.

Trustee John Snow offered that the Board may wish to interact formally with members of the community of future retreat locations to strengthen the relationship the Board has with residents of Vermont. The Committee agreed and this will be considered for future retreats.

Chair Cioffi discussed the importance of including time for “Board Effectiveness” at each retreat. He recalled the benefit of the Board survey completed prior to last year’s retreat and suggested the same process be used next year. He indicated that topics identified in the evaluation completed after the last retreat could be addressed through educational modules. Vice President Bazluke indicated that staff will
actively scout potential site and consultant options for the 2009 retreat to ensure they can be booked in time for next summer.

**Status Updates**

**Interim Chair Work Group**

Trustee Snow thanked Vice President Bazluke for the executive memo prepared for the work group summarizing the existing provisions and outlining possible options for consideration. At his request, the memo will be appended to the minutes.

Trustee John Snow reported on the deliberations of the work group appointed to review the logistical issues associated with the “gap” that currently occurs in alternate years between the start of a new Board year (March 1) and election of the new Chair (annual meeting in May). Work group members concurred that the situation did not rise to the level such that a revision of the University Charter should be pursued, although the issue might be added to a working list of charter items to be revisited in the future.

The Work Group concluded that the most attractive approach would be to have a new “regular meeting” held in early March for the exclusive purpose of electing the Board Chair in years election of a new chair must occur. The Committee agreed with this recommendation and directed Vice President Bazluke to draft a resolution for recommendation to the Full Board.

**September Meeting Assessments**

Chair Cioffi commended Trustee Coordinator Corinne Thompson for facilitating the process of moving assessments on-line, noting increased participation. He next presented the assessment summaries and offered an opportunity for comments and discussion. Chair Cioffi noted there was a strong sentiment that the Board meeting was too long and agendas need to be streamlined. The Committee agreed that trends with respect to assessments of specific Committees should be monitored.

Members and staff agreed that the quality of Board Educational Modules needs to be improved. Chair Cioffi stated that copies of slide presentations should be sent to Trustees prior to the meeting. Additionally, Trustee Snow commented that the most successful slide presentations have a time minimum of five minutes per slide. Trustee Snow also suggested that faculty be asked to present at a future module, which could educate the Board on current education trends and offer exposure to faculty and their work.

Trustee Snow also recommended that the revised protocol for governance leader reports be readjusted to encourage the leaders to identify a strategic initiative. All Members agreed that the inclusion of a hard-copy of each report in Board materials is helpful and that each leader should be asked to verbally highlight one or two topics and remain available for questions.

**Trustee Exit Interviews**

Chair Cioffi indicated he will provide a verbal summary of recent Trustee exit interviews at the next Committee meeting.
Other Business

In response to suggestions provided in the Deloitte & Touche LLP report issued last month, Vice President Bazluke provided the Committee with a chart that illustrates the application of Sarbanes-Oxley Governance Principles to Nonprofit organizations. The Committee decided these principles should be investigated for potential policy additions or revisions. Members Botzow and DePatie agreed to work on this project with Vice President Bazluke and will report their findings to the Committee in December.

Adjournment

There being no further business, the meeting adjourned at 10:57 a.m.

Respectfully submitted,

Robert Cioffi, Chair
To:        Bill Botzow  
           Jason DePatie  
           John Snow  

cc:        Ian Boyce, Robert Cioffi, Dan Fogel  

From:      Fran Bazluke  

Re:        Interim Chair Status  

Date:      September 3, 2008  

This memo summarizes existing provisions relating to election and service of a Board Chair as well as options to address the situation that arises where an Interim Chair must be appointed to serve from March 1 until the Chair election at the annual May Board meeting.  

Existing Provisions  

The University Charter contains several provisions relevant to this issue:  

§ 1-2. Board of trustees; membership, terms of service; presiding chair  

…. The terms of office of the trustees shall expire on the last day of February in the respective years of expiration, and the terms of office of their successors shall thereafter begin on March 1 and expire on the last day of February.  

…. it shall be the duty of the legislature at its session during which the terms of office of any class of the members expire to elect three successor members for terms of six years. The terms shall commence on March 1 in the year of election.  

…. The term of office of a student trustee shall begin on March 1 following the date of appointment, and the term of office shall end the last day of February in the year of expiration.  

…. The board shall annually, at its first regular meeting after the election of new trustees, elect one of its members to serve as chair.
In addition, the University Bylaws contain the following provisions:

**Section 4.2. Manner of Appointment and Election:** The trustees shall be appointed or elected in the manner set forth in Section 4.1 of these Bylaws and in the Charter.

**Section 4.3. Term of Office:** The term of office of each trustee, other than the two student members and the *ex officio* members, shall be six (6) years and until his or her successor has been duly elected or appointed. The term of office of each student trustee shall be two (2) years. ... The term of office for each trustee other than the *ex officio* trustees shall begin on March 1 of the initial year of such term and expire on the last day of February in the final year of said term.

**Section 5.3. Meetings:** The regular meetings of the Board of Trustees shall include the annual meeting of the Board of Trustees shall be held in May of each year,

**Section 6.1. Officers and Qualifications:** The officers of the University shall be the Chair, Vice Chair, and Secretary of the Board of Trustees; the University President, Provost, and Treasurer; and such other officers as the Board of Trustees may determine. ... No trustee may be initially elected Chair unless he or she has at least two years of his or her term as trustee remaining. ...

**Section 6.2. Election:** All officers of the University other than the President and the Chair of the Board of Trustees shall be elected annually by the Board of Trustees at a regular meeting held in the month of February, or at such other time as is determined by the trustees by resolution. The Chair of the Board of Trustees shall be elected in a manner consistent with the Charter.

**Options**

1. One solution to the dilemma is to elect as Chair a trustee whose term as Chair expires at least one year prior to his or her last year of service. The Bylaws require that a trustee have at least two years of a term as trustee remain to be eligible for election, but not that he or she serves during the last two years of trustee service. The custom has been for Chairs to serve for two years, during the last two years of service, the implicit rationale being that (a) the Chair will thus have the benefit of four years of experience on the Board when assuming office; and (b) departing from the Board immediately following service as Chair avoids “lame duck” status and potentially compromising the leadership of a new Chair. If the latter consideration proves problematic in practice, the custom could become resignation of the outgoing Chair at the end of a fifth or earlier year of service; however, it is also possible that a new Chair would find helpful mentoring from, or special assignments to, the previous Chair.

2. An alternative solution is to structure the officer “ladder” in a manner that presumes that the Vice Chair will succeed the Chair.¹ In other words, the officer nominations process would identify as Vice Chair (at least for the year preceding the last year of the Chair) the trustee trustees presumptively will elect at the May meeting. Under this model, although the Vice Chair will

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¹ This presumptive pre-selection should only be necessary in the last (typically second) year of a Chair’s service because, by custom, once elected the Chair serves as Chair for the remainder of his or her term as a Trustee. It is only during that last year of service that the gap arises beginning March 1.
serve as Interim Chair from March 1 until the May meeting election, there will be continuity in leadership. This approach, however, will require that the Vice Chair be elected as such no later than his or her fourth year of trustee service (to abide by the “at least two years remaining” eligibility requirement for Chairs).

3. Another possible solution is to revise the Board’s calendar of regular meetings so that it meets in early March, just following when the legislature has traditionally elected trustees. This approach would have the Vice Chair serve as Interim Chair for a matter of days rather than from March 1 to the annual May meeting. Were the legislature to change its election schedule, however, the solution would be temporary. Also, the Bylaws would need to be revised to allow for election of the non-Chair officers in early March so as to avoid a February and March meeting.

4. All other solutions appear to require a Charter change. Among the obstacles the Charter presents are:

- Mandate that terms of office for legislatively-elected and student trustees begin March 1, with the Chair elected at the first regular meeting following election of new trustees.
- Six-year trustee terms.

Also problematic in the University Bylaws are the provisions requiring that trustees be appointed or elected as prescribed by the Charter (thus meaning that a Bylaws revision will not be valid if it establishes rules inconsistent with those the Charter sets forth); the Bylaws also state that the annual meeting of the Board shall be held in May (traditionally the first regular meeting following the election of new trustees, which for the legislature customarily occurs in February).

I have not assessed what Charter change would be the least significant and effect the desired result. Our working theory is, however, that any impetus for a Charter change invites the Legislature to reexamine all aspects of the Charter and the statutes under which the University operates, and thus may have unintended consequences.

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2 It is also possibly insulting to the Vice Chair that his or her service as Interim Chair would need to be so circumscribed.