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 Monday, March 28, 2016 at 1:00 p.m. in room 351 Waterman Building.

MEMBERS PRESENT: Chair Frank Cioffi, Vice Chair Ron Lumbra**, David Brandt, Robert Brennan*, Carolyn Dwyer*, Joan Lenes*, and Donna Sweaney*

ABSENT: President Thomas Sullivan ex-officio, and Lisa Ventriss

PERSONS ALSO PARTICIPATING: Vice President for Legal Affairs and General Counsel Fran Bazluke, Vice President for Finance Richard Cate*, and Trustee Coordinator Corinne Thompson

*via conference call
**joined at 1:11 p.m.

Chair Frank Cioffi called the meeting to order at 1:01 p.m.

Approval of Minutes

Chair Cioffi presented the minutes from the December 14, 2015 meeting for approval. A motion was made, seconded, and it was voted to approve the minutes as presented.

Review of Proposed Revisions to the Resolution Regarding Delegation and Retention of Board Authority

Chair Cioffi thanked Vice President Bazluke for the preparation of materials distributed for advance review by Committee members, noting in particular how helpful the summary chart of proposed material changes to the Resolution Regarding Delegation and Retention of Board Authority was (attachment 2; appendix c). He next entertained a motion to approve the revisions. The motion was seconded and an opportunity for discussion was offered.

Vice President Bazluke offered introductory remarks explaining the proposed revisions are intended to enhance clarity and efficacy. As to the latter the revisions are designed to reduce the types and number of matters as to which the Board must take action while requiring the administration to report regularly on major operational matters which do not require Board action. Additionally, the format of the resolution was revised to disaggregate complex paragraphs so that individual topics are freestanding. Housekeeping amendments were also made. Similar documents at various universities across the country were reviewed. The revisions proposed for the Committee’s consideration today are the culmination of consultations with Vice President for Finance Richard Cate and Vice President for University Relations and Administration, and some their direct reports; the Chief Internal Auditor and Compliance...
Services Director; President Thomas Sullivan; Board Chair David Daigle, and immediate past Board Chair Debbie McAneny.

Vice President Bazluke next offered background on proposed changes by reviewing individual paragraphs in the modified tracked change version of the Resolution Regarding Delegation and Retention of Board Authority was (attachment 2; appendix b).1

- #3: For clarity, language was added regarding Board approval for material changes to affiliation agreements;
- #7: Added as a result of provisions of the Statement on Executive Compensation, which was accepted by the Board in May 2012; this May, the Board will be asked to adopt proposed revisions to the University Manual related to severance pay for officers of administration;
- #8, 9 & 11 Are examples of complex paragraphs being separated into single paragraphs;
- #8: The language is consistent with current Faculty Senate protocols regarding the creation or dissolution of academic units, curriculum, research or service endeavors;
- #15: Vice President Cate reminded the Committee that the general fund is 50% of the total operating budget, with the other 50% made up of grants and other funds and income/expense activities. The Board annually approves the general fund budget and the revised language makes it consistent with current practice;
- #18: The approval value for real property interest transfers changes from $500,000 to greater than $1,000,000, and language has been added regarding the annual reporting on transfers valued at $500,000-$1,000,000;
- #23: The language is revised to clarify that Board approves both payment in lieu of taxes and fees for services that the University is not legally obligated to pay;
- #26: Vice President Cate explained that the $1,000,000 value remains the same and that additional language regarding entrance into any financial derivative contract with a notational value greater than that amount brings the language into compliance with current practice of the Investment Subcommittee;
- #27: Addresses capital projects and is another example of simplifying what has been a complex paragraph addressing multiple issues. The proposed revisions set the threshold from $1,000,000 to $2,000,000 and adds language regarding the administration reporting on capital projects as plans are developed and before projects are initiated;
- #28: Is now an individual paragraph addressing contracts for goods and equipment at an aggregate cost of greater than $1,000,000 (no change to value);
- #29: Is now an individual paragraph addressing contracts with vendors for professional services (e.g., engineering/architecture) at an aggregate cost of greater than $250,000 (no change to value);
- #30: A new reserved right intended to cover revenue-generating contracts for services provided by a UVM program or unit, when the value of the contract over the term of the agreement exceeds $1,000,000;
- #35: At Board Chair David Daigle’s request, “trustee” has been added as a named party related to the Board’s authorization to file/settle lawsuits;

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1 All numbered paragraphs references are to the new numbering that appears in attachment 2; appendix b.
• **#36**: Requires Board approval for contracts/leases whose duration, including potential or proposed renewals, exceeds 5 years (independent of cost). The language has been modified to address questions that arose frequently during financial audits.

Chair Cioffi thanked Vice Presidents Bazluke and Cate for their thorough overview and offered Committee members an opportunity to ask questions. Committee members expressed their appreciation for the background materials provided in advance and indicated that questions adequately were addressed during today’s overview.

At the conclusion of the discussion, the following roll-call vote was taken to refer the revised *Resolution Regarding Delegation and Retention of Board Authority* was approved to the full Board in May: Frank Cioffi – Yes, Ron Lumbr – Yes, David Brandt – Yes, Rob Brennan – Yes, Carolyn Dwyer – Yes, Joan Lenes – Yes, and Donna Sweaney – Yes.

Chair Cioffi reported that the proposed changes will be previewed at the upcoming Executive Committee meeting on April 11, 2016 and that the revised *Resolution Regarding Delegation and Retention of Board Authority* will be presented for Board approval at the Committee of the Whole during the annual Board meeting on May 20, 2016.

**Adjournment**

There being no further business, the meeting adjourned at 1:28 p.m.

Respectfully submitted,

Frank Cioffi, Chair