BOARD OF TRUSTEES
COMMITTEE OF THE WHOLE
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

The Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, May 18, 2007 at 8:00 a.m. in Memorial Lounge, Room 338 Waterman Building.

MEMBERS PRESENT: Chair Carl Lisman, Vice Chair Frank Cioffi, Secretary Bill Botzow, Edwin Amidon, Jr., Claire Ayer, James Betts, Ian Boyce, Harry Chen, Robert Cioffi, Jeffrey Davis, Johannah Donovan, Daniel Fogel, Martha Heath, John Hilton, Jr., Susan Hudson-Wilson, James Leddy, Deborah McAneny, Raymond C. Pecor, Jr., Beth Rice, John Snow, Donna Sweaney, Jeanette White and Stirling Winder

MEMBERS ABSENT: James Douglas and Robert Young, Carl Lisman (afternoon only), Martha Heath (afternoon only)

ALSO PARTICIPATING: Provost John M. Hughes, Vice President for Finance and Administration Michael Gower, Director of Capital Planning and Management, and Chris Cowen, Prager, Sealy & Company

Chair Carl Lisman called the meeting to order at 8:05 a.m.

Approval of Minutes

A motion was made and seconded, and voted to approve the minutes of the February 9, 2007 meeting as presented.

Chair’s Report (see full report appended to minutes)

President’s Report (see full report appended to minutes)

Presentation of Gift from Student Group

Alex Bambery, class of ’08 and Vice President of Students Take Action Now Darfur (S.T.A.N.D.), and Achier Mou, class of ’06 presented an autographed fine art print by documentary photographer Ryan Spencer Reed on behalf of the student organization in appreciation and recognition of the administration and board’s commitment to social responsibility and leadership as an international institution.

The photo was presented to Trustee John Snow who coordinated efforts on behalf of the Board leading to a decision of targeted divestment from Sudan, adopted by the Board one year ago this May. The photo will be hung in the new Dudley H. Davis Student Center.
Trustee Snow commented that his participation with faculty, staff, students and trustees in this effort has been an invigorating experience. He acknowledged the hard work of the students which confirmed his best thoughts and expectations of what UVM students are all about.

**Debt Education**

Vice President Gower and Chris Cowen from Prager, Sealy & Company presented an overview of the University’s debt portfolio, bond refunding and potential interest rate hedge opportunity.

Mr. Cowen began by noting that he works with a number of institutions of higher education and is impressed with the management of the debt portfolio at the University and the dedication of the administration, staff and board in looking for ways to improve the management of the portfolio.

The presentation began with a review of the University’s current debt portfolio including Series 1990, 1998, 2002 and 2005 bond issues. With the exception of the commercial paper, currently outstanding in an amount of approximately $40 million and used primarily for interim funding, the University’s debt portfolio is 100% traditional fixed rate.

The Debt Policy, adopted by the Board in September 2004, guides the issuance and management of debt. Debt is managed on a portfolio basis and seeks to minimize interest cost within an acceptable risk parameter, maximize duration of transaction and utilize commercial paper for bridge financing. Internally, Treasury loans funds and collects repayments from projects at a blended rate of 5.5%.

The University is currently moving forward with a plan for a fixed-rate bond issue to refund existing debt for savings, refinance outstanding commercial paper and fund remaining projects approved by the Board through February 2007 to govern any potential current or future derivative transactions.

Refunding opportunities were reviewed including an interest rate swap with an appropriate counter-party in order to preserve savings for the bond refunding opportunities in the event of a substantial change in the market. Given the current rate environment and the impending issuance of bonds, it will likely result in not needing the swap at this time. Since the last Board meeting, an *ad hoc* working group of Trustees has discussed the legal documentation with bond counsel and a financial advisor. The documentation will allow execution of an interest rate exchange agreement at a future date when circumstances are desirable.

The presentation concluded with a review of the risks considerations related to interest rate exchange agreements including counterparty risk, basis risk, hedging cost and accounting issues. Mr. Cowen concluded the presentation by noting that many institutions are utilizing interest rate swaps.
A brief discussion followed regarding the potential for rising interest rates.

Trustee Susan Hudson-Wilson commented that she felt the time is ripe to be assertive and to think more quickly based on the history of interest rates. She discouraged the board from speculating on what might be in the future, and to focus on what can be done today to generate more money for capital projects, noting the unusual period in financial market history.

Chair Lisman concluded the discussion noting that the Budget, Finance & Investment Committee would continue to address this topic and that the Board will be brought up to speed as developments occur.

**Action Items**

Chair Lisman referred members to the Presidential Performance Review and Presidential Compensation Policies included as attachments 2 and 3 in the meeting materials. He noted that Board adoption is sought to institutionalize processes that have been occurring *ad hoc* over time. The Presidential Performance Review Policy adds a five-year comprehensive review of the President, which if approved, will be conducted in the fall. He further noted that both policies have been reviewed by the Executive and Board Governance Committees.

A motion was made, seconded and unanimously voted to approve the Presidential Performance Review Policy.

A motion was made, seconded and unanimously voted to approve the Presidential Compensation Policy.

**Strategic Capital Plan**

Vice President Gower provided a progress report on version 3.0 of the Strategic Capital Plan (SCP). For the benefit of new members he offered a brief background on the creation of SCP v 1.0 in November, 2006, the first comprehensive 10-year view of capital needs, followed by SCP v 2.0, a revised plan presented to the Board in February 2007 showing impact on Strategic Financial Plan ratios. The Board next charged the administration with demonstrating the process behind the grouping and prioritization of capital initiatives.

Since the February meeting the administration has taken the following steps to evaluate projects:

1. reviewed the annual need for smaller deferred maintenance projects including academic buildings, residential facilities, classrooms, energy projects and research equipment
2. clarified criteria for review and prioritization including student and instructional impact, research/program need, faculty recruitment, facility condition, technology
and code requirements, whether the project is an “enabler” – having impact on later projects and financial and public policy imperatives

3. reviewed near-term projects, clarified the sequence of new construction, renovations and infrastructure and updated and tested estimates on longer-term projects

4. through multiple reviews with senior administration and faculty identified the following issues to be addressed: interpretation of impact as a student, consistency in assessing impact, depth of knowledge of each project, political and financial considerations and opportunities and timing

Conclusions drawn from the evaluation process include:

1. review group must be small
2. reviewer must have a full understanding of the qualities of each project and all criteria must be considered and valued
3. characteristics may vary from project to project
4. timing, cost and intangibles must be factored into the review

Additionally, certain projects emerged as clear priorities and those projects, the Plant Sciences Building and Colchester Research Facility, will be reviewed later today by the Educational Policy and Institutional Resources Committee (EPIR) for program and project review (phase I). If EPIR endorses the projects, its timing, and approves moving into the schematic design phase, the Committee will forward the projects and request a funding plan review for the agenda of the next Budget, Finance and Investment Committee meeting.

Next steps for review of the balance of the strategic capital projects include review by a new, small review group to be charged by the President. The School of Business Administration MBA Strategic Planning Class will be engaged in the process. The administration will offer an interim report at the summer EPIR meeting and version 3.0 of the Strategic Capital Plan will be presented to the Board in September.

Chair Lisman remarked that the processes over the last few years have resulted in the development of the Strategic Financial Plan, followed by the Strategic Capital Plan and now the criteria matrix to show the Board in a transparent way the criteria, order and rank of capital projects tied to a timeline. He noted that the criteria matrix continues to be a work in progress and that by the September meeting the Board will be closer to having the tools needed to make tough decisions.

Trustee Debbie McAneny shared that she has had occasions to use similar tools and has found them helpful and useful. She reinforced the importance of student impact and suggested including market competitiveness, mission critical to advance the vision, and readiness to proceed as additional criteria to be considered.
Other Business

Trustee Lisman distributed an Educational Module survey for Trustees to complete. He noted that following this exercise, the administration will be asked to begin preparing a session for the most desired topics to be offered in conjunction with future Board meetings.

At 9:50 a.m. the meeting was recessed.

At 4:05 p.m. the Chair reconvened the meeting in Memorial Lounge, Room 338 Waterman Building for the purpose of highlighting strategic issues, discussions, and actions from the Chairs of the Budget, Finance and Investment and Educational Policy and Institutional Resources Committees. He reminded the Chairs that the purpose was to facilitate initial consideration of strategic issues prior to our Saturday meeting of the full Board rather than report on the full committee meeting.

Chair Lisman excused himself from the meeting and Vice Chair Cioffi presided over the remainder of the meeting.

Educational Policy and Institutional Resources Committee Chair’s Report

Co-Vice Chair John Snow invited Committee members to offer strategic highlights of their assigned agenda topics reminding members that the full summary report would be offered at tomorrow’s meeting.

Trustee Jim Leddy offered highlights of the comprehensive report on the history of UVM and Diversity presented by Associate Provost for Multicultural Affairs Wanda Heading-Grant. Vice Provost Heading-Grant offered an overview of challenges and achievements beginning in the early years, prior to 1970, to the present. He noted he found the report most interesting and was enlightened by how far the University has come and how far it has yet to go. He recommended a copy of the presentation be shared with the full Board.

Co-Vice Chair Claire Ayer shared highlights of the Faculty Senate Curricular Affairs, Student Government Association and Graduate Student Senate reports. She noted a new minor in Geospatial Technologies has been created and will be recommended for Board approval. The Student Government Association has established a new committee on Diversity and Environmental Ethics and elections for new officers for the Graduate Student Center have been elected.

Co-Vice Chair John Snow reported that as part of the Provost’s report the Committee was introduced to two recently promoted faculty members. The Provost would like to make introduction of faculty to the Board an annual process. Provost Hughes highlighted the 1% recovery solution implemented this year in the budget process, whereby each unit returned 1% back to the central administration for redistribution directly back to the units, in strategic areas.
Trustee James Betts highlighted the Vice President for Research Report. The Research Advisory Board, with Vice President for Research Frances Carr, has completed a draft articulating the research strategies for UVM which align with the Signatures of Excellence. Josh Bongard, Assistant Professor in Computer Science, and a recipient of one of five 2007 Microsoft New Faculty Fellowship Awards, provided a brief overview of one emerging research theme, complex systems, which is a study of how relationships between parts give rise to the collective behaviors of a system, and how the system interacts and forms relationships with its environment. Professor Bongard highlighted some of the ongoing programs using the complex system model currently under study at UVM. Some of those programs include invasive species, robotics, and the Lake Champlain watershed. Trustee Betts concluded that it was a masterful presentation.

Trustee Betts next offered highlights of the enrollment management update received by the Committee. A record 18,812 applications were received, and of those applications, 2,083 were Vermonsters (the 2nd highest number of enrolled Vermonsters in UVM’s history) and 1,584 were ALANA applications. Despite the 4% decrease in ALANA applications from 2006 (a record year), the admit rate for ALANA students was 62%. UVM held to an improved selectivity profile in 2007 with a higher-quality applicant pool, Seventy-two percent of Vermonsters and 1,054 ALANA students (up from 931 in 2006) were offered admission. The overall ALANA admit rate was comparable to the out-of-state admit rate.

Trustee Ray Pecor reported that the Committee received a capital project presentation which reviewed financing for five capital projects totaling $15.4M to be considered by the Board tomorrow. The Committee also conducted the phase I review of the Plant Sciences and Colchester Research Facilities.

Co-Chair Snow added that the Committee discussed how much financing for IT Infrastructure Renovations should be capitalized and he suggested this be further addressed by both Committees. He also noted the Committee expressed concern about the ability for growth in the Plant Sciences Building and cost per square footage. The Committee passed both resolutions with a request for further clarification of future building capacity and the cost per square foot for the Plant Sciences Facility at the summer meeting.

Co-Chair Snow concluded by reporting that five action items were endorsed and will be included on the consent agenda tomorrow. He noted that the Committee briefly discussed the implications of the Campus Demonstrations Policy.

**Budget, Finance and Investment Committee Chair’s Report**

Chair McAneny reported the Committee continued discussions from the morning Committee of the Whole meeting regarding debt refunding opportunities. The Committee reviewed a resolution and accompanying materials authorizing the issuance of fixed-rate bonds for the refunding of appropriate bonds from 1998, 2002, and 2005 and for long-term financing for approved projects that are being carried on commercial paper
(total amount is $297M). She noted that recent moves in the bond market could result in sufficient savings to make refunding additional bonds in those series financially attractive and that only recallable bonds with a 3% savings in interest on bonds previously taken out would be included in the new 2007 Bond. Closing is anticipated in early July.

The Committee next considered documentation and a resolution for an interest rate swap. The resolution would authorize an advance swap with an appropriate counter-party in order to preserve savings for the bond refunding opportunities in the event of a substantial change in the market. For the swap, once documents are executed, they may be utilized for future transactions -- but that the only potential transaction being approved at this time is a swap to hedge the 2007 bond issuance, if needed. Given the current rate environment and the impending issuance of bonds, it will likely result in not needing the swap at this time. The documents can be retained and be available as part of a “tool kit” with a shelf life of up to 30 years and the administration would seek Board authorization before using.

Chair McAneny reminded Trustees that an ad hoc subcommittee of the BFI has worked closely with bond counsel and the administration to review the documents, the differences between the counter-parties, and the resolution. The Committee did request an amendment to section 5 of the Interest resolution. The amendment changed “consultation with the Swap Subcommittee” to “approval from the ad-hoc Swap Subcommittee”. The Committee recommends and will forward both resolutions for Board approval tomorrow.

The Committee also reviewed and recommends for Board approval financing for five capital projects including: DeGoesbriand Fit-Up (Phase II) $1.6M, Williams Hall Interim Renovations $2.0M, Rowell Hall- Exercise and Movement Science Renovations $2.5M, Research Lab Renovations $1.5M and IT Infrastructure Renovations – FY 07 $7.0M and the cost of issuance and capitalized interest for a total of $15.4M.

Co-Vice Chair Robert Cioffi offered highlights of the afternoon session. He reported that the Committee reviewed and approved the FY 2008 general fund budget premises including tuition rates, room and meal rates, student fees and the operating budget for the Morgan Horse Farm. These resolutions will be added to the consent agenda for the Board’s consideration tomorrow.

The Committee had a spirited discussion regarding the debt policy and ratio benchmarking against peer and aspirant groups, in particular UVM’s unique relationship to the state and its quasi-private attributes. The Committee would like to review ratios for peer private institutions. The administration was asked to assess several versions of ratio scenarios and what level of the capital plan could be funded with each in order to evaluate changes, if any, to the current debt ratio policy levels. The Committee would like this assessment prepared for the September meeting.

Co-Vice Chair Cioffi offered highlights of the Investment Subcommittee meeting noting that the endowment is at an all-time high of $327M, including $222M for the Wilbur
Trust. The Subcommittee will conduct an annual review of asset allocation at its July meeting scheduled in Boston.

The Investment Subcommittee recommended and the BFI Committee approved continuation of the endowment management fee (a 0.5 percent fee applied to the University endowment to cover reasonable costs associated with endowment management and operation) beyond June 20, 2008, contingent upon Board re-authorizatio

The Subcommittee also recommended and the BFI Committee approved a resolution authorizing the administration to enter into a contract for investment advisory services for the period of July 1, 2007 to June 30, 2008.

Lastly, the Subcommittee and BFI Committee reaffirmed the resolution for Divestiture from Sudan adopted by the Board one year ago. Trustee Cioffi publicly thanked Trustee Snow for his leadership in bringing this resolution to fruition.

All of these resolutions will be forwarded to the Board for consideration tomorrow.

Other Business

There was a brief discussion regarding the organization of Board materials and timing of distribution. The administration will consider ways to improve the organization of materials and work toward an earlier distribution date to allow sufficient time for Trustees to review the materials in advance of each meeting.

Adjournment

There being no further business, the meeting was adjourned at 5:10 p.m.

Respectfully submitted,

Bill Botzow, Secretary
Chair’s Report  
Board of Trustees, May 18, 2007

I want to make clear to you that I take very seriously the responsibilities that you have entrusted to me. UVM is an incredibly complex institution - and we are responsible for its [management and operation]; as your Chair, my primary role, in addition to the ceremonial, is to ensure that our strategic goals for the institution remain on target, and work with and assist our President. There is, in addition, a secondary role - to be the voice of the Board in asking questions, seeking explanations, and measuring responses - always having in mind the best interests of the University and its constituent groups. I believe that the next 12 months will be challenging, demanding - and exciting. I know that we will perform our responsibilities, and I look forward to working with all of you.

With that said, let me officially welcome our newest trustees - in alphabetical order - Harry Chen, Jeff Davis, Donna Sweaney and Jeanette White, for whom this is their first meeting, and Beth Rice, who was able to attend our February meeting. The five of you represent roughly 1/5 of the entire composition of the Board, and we need to get you up-to-speed as quickly as possible. You are well past the point of reconsidering whether you made the right choice to join us. You are here and now full-fledged members of the Board. There is no turning back.

Each of you has been appointed to one or the other of our Board mega-committees, as well as other committees and working groups.

Because of scheduling problems, your official orientation program won’t begin until after this meeting. We have tentatively set an orientation session for July 25. Nonetheless, you have a role to play here, and we are pleased that you are now part of the UVM team; we look forward to working with each of you. In the next few days, I’ll be appointing a Board mentor for each of you.

Today will not be the first time that I have addressed this Board on the issue of the personal safety of our students, faculty, administration and staff. The unimaginable tragedy at Virginia Tech reminds us that UVM is not - if it ever was - an ivory tower surrounded by a moat and impenetrable to outsiders. Remember that, at Virginia Tech, the stone cold murderer was an insider, a student.

Only a few months ago, we suffered our own tragedy at UVM with the senseless murder of Michelle Gardner-Quinn. Her brutal attacker struck off the official campus, but in a location that had been, until then, thought to be safe.

So what, if anything, can be done at UVM to better protect our students, faculty, administration and staff? I know that I don’t know the right answer or answers; in fact, there may not be right answers.

As a general rule, though, personal safety begins with each of us. When I was studying for my driver’s license examination - no, we really didn’t have a crank by the front bumper to start the engine in those days - the mantra was “drive defensively.” That meant that a driver should always be looking out for the oncoming erratic driver, the careless pedestrian, and so forth. Now, we must continue our efforts to ingrain in our campus population a similar mantra - “In the first instance, I’m responsible for my own personal safety.”
Neither UVM nor any other university is in a position to guarantee personal safety. Even if we assigned a bodyguard to every person on campus, an individual or group bent on evil will be successful. No university can function with locked lecture halls, metal detectors at every building entrance, armed guards and the like - each of which flies in the face of free assembly and speech. Even so, we do have in place practices and procedures. President Fogel has already begun a review of those practices and procedures, and he’ll be sharing more with us on what UVM has been doing and what’s in store in the near future.

Physical safety is, in many ways, the condition precedent for different kinds of successes. We surely do not want our students cowering in their residence halls, afraid to go to class, fearful of reaching out to the greater community with good works, or too intimidated to take care of their need to exercise their minds and bodies.

In round numbers, we have almost 12,000 undergraduate and graduate students on campus, more than 1,200 faculty, and over 2,300 administrators and staff. To serve their physical well-being, we have the Patrick-Forbush-Gutterson complex that was originally built in 1961 when we had 3,400 students on campus. In those days, virtually all the undergraduates could fit into Patrick. Since then, the athletic complex has grown a little: We added the tennis court/gymnastics facilities/dance studio; the already-overflowing Gucciardi exercise facility; and added 400 seats to Gutterson Fieldhouse (which was originally planned to share tennis and hockey). We have Centennial Field. We have the open green at Redstone, some lawn areas on main campus. We used to have bowling lanes right here in Waterman!

Said differently, it’s pretty clear that UVM has outgrown its physical wellness facilities.

It’s time to consider what should be done about this. In our outreach efforts for potential students, we talk about UVM being the “university of the outdoors” - emphasizing the opportunities for physical wellness. It’s time we put truth into our advertising.

We want our students to be fit - and they want that, too. They need more locker rooms, more training facilities, more playing fields - more opportunities for exercise and fitness. We need more space for club activities, intramural events and other recreational activities on those rare occasions when the weather is too inclement for outdoor gatherings.

We need event space on campus that can handle major speakers, concerts and University events including, by way of example, commencement and graduation activities.

We need competitive venues for America East basketball, Hockey East hockey and for our other interscholastic teams to meet standards set by our conferences and to be worthy of Division I programs.

We need to ensure that the Center for Health and Well-Being is capable of providing the essential services we must demand of it.

For all of these reasons, I intend to appoint a task force - similar to the task force appointed in 2002 - regarding what has become the Dudley H. Davis Student Center.

This task force will be charged to undertake an investigation of need and to recommend a course of action. It may be that nothing will come of this undertaking, though I sincerely hope to the contrary. We need to encourage more intramural activities,
more opportunity for individual and informal exercise and organized events. It may be that the task force will also recognize that these goals cannot be achieved without new facilities and, if so, it will need to recommend a funding source or sources.

The task force will need to gather input from our students; assess needs in the areas of major events, fitness, wellness and athletics; assess the adequacies and inadequacies of our existing facilities; examine where we are in relation to other universities; and preliminarily explore funding options.

I recommend that the task force should be comprised of four or five members of this Board, as well as four students, three faculty, three from administration and two staff persons. I’ve discussed this topic with a few of you and I’ve asked Trustee Ian Boyce to chair the task force and plan to name three or four other Trustees to be members of the task force. With your permission, I’ll work with President Fogel and Ian to fill out the rest of the task force.

More on this to follow.

On Sunday, the University will repeat an event that has occurred 202 times before – our senior and graduate students will have earned their degrees and we will recognize them at formal graduation exercises. It also reminds us that our core mission at UVM is learning, sharing and advancing knowledge - not just in our students but also our teaching and research faculty. I know that many of you will join with me at the Sunday exercises to make a personal showing of our commitment to this mission. President Fogel has assured me that it will be sunny and pleasant on Sunday morning - if not here, then somewhere else in the world.

Today and tomorrow will be busy days for us - just as yesterday was for many of us. I have said just about all I wanted to say, and I thank you for your attention.

I’m almost done.

Let me publicly express my gratitude to two individuals who regularly attend our meetings and whose current term of office has expired. Justin Joffe has served as President of the Faculty Senate with distinction, good humor and great effectiveness. So, too, has Eileen Hanerfeld served the Staff Council in her capacity as President. Each has helped us to discharge our responsibilities. We will miss Justin; we may not miss Eileen - because she may be back for a second term!

I do have three more items of interest to Trustees:

First, progress is being made on the Board retreat for the summer of 2008. It will likely occur in June, on a Thursday afternoon-Friday morning schedule at a delightful off-campus location. The program is being finalized. The Governance Committee will report more on this later during this meeting.

Second, each of you has received the survey on the various educational modules. Please take the time to complete the document during this session and return it to Corinne when we break.

Third, though we do not meet together as a Board until September, the Investment Committee will be meeting monthly through the summer, and the Educational Policy and Institutional Resources Committee will be meeting on July 26. All Trustees are welcome to attend all meetings of all committees of the Board.

Again, thanks for your decision to allow me to further serve you and the University.

And this completes the Chair’s report.
Chairman Lisman, Vice-Chair Cioffi, trustees of the University, faculty, staff, students, alumni, and friends, to everything there is a season. We gather here for the last meeting of both our academic and fiscal years on the threshold of UVM’s 203rd Commencement exercises. We have 2,494 graduates to celebrate, including 1,919 bachelor’s, 401 master’s, 57 doctoral, and 97 M.D. degree recipients, in addition to graduate certificates. We have our first graduate who has completed, ahead of the rest of her cohort, all of the requirements of UVM’s new Honors College—the first of hundreds we will honor in the next few years, and of thousands to come over the course of time. And we have the pleasure of greeting five new trustees, as Carl has noted. We also have a newly elected Faculty Senate President, Professor of English Robyn Warhol, who will succeed in 43 days our wonderful colleague Justin Joffe (thank you, Justin, for all you have done as a wise, tolerant, and delightfully witty leader of the UVM faculty), and new leaders of the Student Government Association, President Kesha Ram and Vice President DaVaughn Bryan, who have already accomplished the majestic, peaceful transfer of responsibilities from their predecessors, Seth Bowden and Ajay Schmidt, to whom we are also grateful. We don’t know who will succeed Eileen Hanerfield as President of the Staff Council—she is a candidate in an as yet incomplete election, so she may possibly succeed herself, but whatever the outcome, Eileen, we are grateful to you, too, as we are to Robin Collins, President of the Graduate Student Senate, who has just been succeeded by Jill Hoffman. Warm greetings to one and all!

What strikes me above all as I look back over the ground we have traversed this past year is that it has been a passage marked by frightening turns. The year began with my serious illness, and I remain enormously grateful to the Board and to the entire leadership team, most notably Acting President John Bramley and then-brand-new Provost John Hughes, for coming together to ensure that the positive momentum of the University was maintained during my period of leave. Then came the murder of Michelle-Gardner Quinn in the fall, an appalling and irremediable loss, yet that tragedy too demonstrated that UVM is a community with reserves of strength and resourcefulness that have stood us in good stead and that I believe will continue to do so. I am grateful to the diverse teams and persons who performed so ably in response to such significant and varied challenges—including Police Services (working with the lead agency on Michelle’s case, the simply exemplary Burlington Police Department), Student and Campus Life, Communications, Finance and Administrative Services, personnel in the Offices of the Provost and President, and our truly great student body, whose members supported Michelle’s family and friends and who stood together in grief, solidarity, comfort and support throughout the ordeal.

We all know that even our exceptionally safe and caring community cannot be fully immunized against the perils of a world that still has the power to appall us utterly, most recently illustrated by the horror of the lethal rampage at Virginia Tech. I want this Board to know that we take our responsibility of ensuring a maximally safe campus with the utmost seriousness and that we are, I believe, both exceptionally well prepared for
crisis and also intent on doing even more as we move forward to minimize the probabilities of campus calamities and to improve our ability to respond to them should they arise.

With respect to students at risk, UVM has an experienced team of professionals who work collectively to provide education and outreach to students as well as to manage individual situations. When students apply to UVM, we ask about school disciplinary actions and criminal convictions. Positive responses trigger an in-depth case-by-case evaluation before an admissions decision is made. We also do a great deal of outreach to faculty and staff to let them know that they can contact the Counseling Center, Police Services, academic deans’ offices, and the Dean of Students Office if they are ever concerned about a student's well-being or behavior.

While we cannot prevent or predict all problem behavior, we have been able to respond effectively to some very serious situations: we have successfully advised students to withdraw and seek more in-depth counseling assistance, have referred them through our judicial system if their behavior is in violation of University policy, and have on occasion, ended their association with UVM. We have a very low threshold for intimidating, hostile, or threatening behavior. Our coordinated model is considered best practice in the field of higher education and, in fact, we were requested to share this same information for hearings that were held in Washington, D.C. recently.

Our principal public safety agency, UVM Police Services, is a professional police force. It is a fully accredited law enforcement agency (something rare among campus police services). The integrated teamwork of UVM Police Services with the Vermont State Police and the Burlington Police Department and other police agencies and emergency responders is embedded in policy and practice at a very high level and multiplies the effectiveness of our emergency response systems many times.

We regularly rehearse scenarios employing the federal Incident Command System model for handling a wide range of public safety emergencies. These rehearsals involve multiple agencies on and off campus and extend up to me and the rest of my senior leadership team. The week before the Blacksburg tragedy we had highly-qualified external consultants on campus working with us for two days, culminating in a broad-based workshop to fine-tune coordination, emergency response, and campus safety practices and policies. As a result of this work we will be taking additional measures to improve the culture of our campus in areas that bear critically on public safety. For example, one of my personal objectives next year is to step up presidential advocacy for responsible behavior by our students, including the goal of greatly reducing the binge drinking that is so worrisome here at UVM and on college campuses everywhere. Such behavior is not only life-threatening in and of itself, but also impairs judgment, promotes disregard for the safety and welfare of others, and, far too often, correlates highly with acts of violence, including relationship violence and date rape. I intend to make it clear—and I call on our colleagues and students to make it clear to all members of the community—that such behaviors must never be encouraged, condoned, or tolerated at UVM.

Turning to the business at hand, I want to make a pledge to you that bears on the presentation you will hear shortly from Mike Gower: by the time two critical projects being presented today to our Educational Programs and Institutional Resources committee—the construction of a new Plant Sciences Building and the renovation of the
portion of the Colchester Research Facility recently vacated by the tenant that was in place when we purchased the building—come before the Budget, Finance and Investment committee and the full Board in September, we will have developed a mechanism that will convey to you and to the broad campus community in clear and transparent terms the criteria that underlie the rank order and timing of projects proposed within the Strategic Capital Plan. The squaring of the circle on that plan, our ability to prosecute it effectively and to maintain this Board’s invest-and-grow strategy, remains, as I suggested in February, the greatest single challenge we must surmount if we are to meet the high expectations UVM’s advance over the course of the last five years has created. The next steps in that plan—projects such as the Greening of Aiken to create a showplace exemplifying UVM’s environmental leadership; the Given Courtyard infill to expand UVM’s capacity for basic and clinical translational research; the restoration of our most cherished architectural gem, H. H. Richardson’s Billings Library, as the home of Library Special Collections and of the Carolyn and Leonard Miller Center for Holocaust Studies and the Center for Research on Vermont; and the renovation and expansion of space for the physical sciences and engineering—must be prosecuted as rapidly as possible if UVM is to maintain its competitive position.

We see the advance of UVM manifested almost everywhere we look, and acknowledging the many elements of that advance should be part and parcel of the celebration we enjoy this weekend. The advance is evident in the exceptional work of the Faculty Senate in developing and approving unprecedented initiatives over the course of the last few years, from the Honors College approval four years ago to the strong work now under way on implementation of the six-credit diversity requirement and the creation of new interdisciplinary matrix centers, the first of which, in clinical translational science, will be brought to the Board for approval in September. The advance is registered in the heartening generosity and enthusiasm of our community of support that has already brought our Campaign for the University of Vermont to some $264.5 million dollars as we sprint to the June 30th finish line, with many records falling as we sweep forward, including the first time ever that our commitments through the UVM Fund have exceeded $9 million and that our Parent’s Fund has exceeded $2 million in cash donations. The advance is punctuated by the academic prowess of our students, from our winning student-athletes who, for the second year in a row, walked off with the coveted America East Academic Cup to two of our Honors College students, Kesha Ram and Laura Balzer, who this spring won the first Truman and Goldwater Scholarships at UVM in more than a decade (in fact, Kesha, the new SGA President, is not with us today because she is in Missouri for the first meeting of her cohort of Truman Scholars).

The decline to date this year in the dollar value of research awards to UVM notwithstanding, the University’s advance can be seen in the scholarly productivity of our faculty as it registers in measures less dependent on changes in the external funding environment, notably, for example, in forty-five invention disclosures (so far already three over last year’s total), in twenty-five US patent applications filed, in seven patents issued (with others pending), and in four licenses/options signed (with seven more in negotiation). Note well, too, that a key part of this advance in innovation aimed at commercialization of University research in order to support Vermont’s economy by creating new businesses and new jobs has been our creation of new mechanisms for identifying and supporting the development of valuable intellectual property through the
Seed Grant Fund and the Innovation Grant Fund that are central elements of our new agency, UVM Ventures, while faculty research is also being supported through the successful launch of UVM’s National University Transportation Center and the Vermont Advanced Computing Center.

UVM’s advance is also seen, of course, in the transformation of the physical campus, with new state-of-the-art residence halls at University Heights, renovated classrooms and instructional labs throughout the campus, the new Carrigan Wing of the Marsh Life Sciences Building, and of course the nearly completed Dudley H. Davis Center. And yet, even more important than these built structures are the programmatic richness that has been built by faculty, staff, and students together, not just the Honors College but new interdisciplinary graduate programs, new undergraduate majors and minors, a cutting-edge new curriculum in a Medical College ranked seventh in the nation this year in primary care, thriving new residential learning communities, the rapid expansion of service-learning and other forms of experiential learning, and the development by faculty of problem-based learning communities in response to the stimulus of our collaborative exercise in visioning the curricular development of the University embodied in Signatures of Excellence. And, finally, the advance of UVM is recorded in our enrollments—the highest in our history, with student credentials equally or exceeding the high-water marks of past eras, with more medical, more graduate (including more Ph.D.), and more undergraduate students than we have ever had—in our applications, at an all-time high, and in the largest enrollment deposit cohort of undergraduates we have ever seen, with a 5% increase in Vermonters and an even larger increase in non-residents.

This advance has been recognized throughout Vermont, as has been UVM’s role as our State’s one research university, which was heralded, for instance, in a Burlington Free Press editorial this month, “Higher Education Calls for Higher Investment.” That piece, calling for enhanced state support of all of Vermont’s publicly supported post-secondary institutions, noted that “There are other ways that schools, especially a research university like UVM, act as an economic driver,” observing further that ideas developed at the University have been “spun off into the private sector, creating jobs.” The Rutland Herald really said it all in the headline of a marvelous editorial in March: “Building Quality at UVM Benefits All Vermonters.” We are extremely grateful to our legislative colleagues on the Board, to the entire General Assembly, and to the Governor for the generous expansion in this legislative session of state appropriations to higher education, including a 3.5% increase in the base for all of higher education, historic investments in scholarships for Vermont students, Next Generation investments in workforce development and, importantly, continuing investment in UVM’s capacity to produce research important to the economic development of the State. The fruits of our work together to advance UVM—this Board’s work, the achievements of our students, and above all, the work of our talented faculty and dedicated staff—have been recognized not only in Vermont but also in the national press including a front-page story in the New York Times this week.

So, as we noted at our last Board meeting, all of our hard work together has built up very high expectations of UVM. We will have to work very hard to fulfill the promise. Thanks very much for your attention and for all that the members of this Board do for UVM. Let’s continue to move forward together.