The Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, May 16, 2008 at 8:00 a.m., in the Silver Maple Ballroom, Room 401 at the Dudley H. Davis Center.

MEMBERS PRESENT: Chair Ian Boyce, Vice Chair Frank Cioffi, Secretary Bill Botzow, Edwin Amidon, Claire Ayer, Samuel Bain, James Betts, Harry Chen, Robert Cioffi, Jeffrey Davis, Jason DePatie, Johannah Donovan, Daniel Fogel, Martha Heath, John Hilton, Jr., Susan Hudson-Wilson, James Leddy, Debbie McAneny, Beth Rice, William Ruprecht, John Snow and Donna Sweaney

MEMBERS ABSENT: James Douglas, Jeanette White and Robert Young

ALSO PARTICIPATING: Senior Vice President and Provost John M. Hughes, Faculty Senate President Robyn Warhol-Down, Staff Council President Eileen Hanerfield, Alumni Council President Janet Terp, Student Government Association President Jay Taylor, Graduate Student Senate President Jill Hoffman, Associate Provost for Multicultural Affairs Wanda Heading-Grant, Dean of the College of Arts and Sciences Ellie Miller, Associate Dean of Arts and Sciences Stephanie Seguino, and Director of Affirmative Action and Equal Opportunity Kathryn Friedman

Chair Ian Boyce called the meeting to order at 8:11 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the minutes of the February 22, 2008 meeting as presented.

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

Chair Ian Boyce delivered a portion of his report, and then gave President Fogel the opportunity to give his report before concluding.

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

Faculty Senate President’s Report

Faculty Senate President Professor Robyn Warhol-Down reported that the Senate finished its review of the proposed new University Manual, which is designed to replace the outdated Officers’ Handbook.
The Senate also drafted for approval through normal channels a new on-line format to simplify the tasks for candidates and department chairs who must compile files and standardize materials for the reappointment, promotion, and tenure decisions regarding faculty.

Professor Warhol-Down reported that the Senate created a process for appointing ten University Distinguished Professors to honor the most outstanding researchers and creative scholars on campus.

Professor Warhol-Down concluded her report by stating the Senate approved two interdisciplinary matrix centers, the Center for Clinical and Translational Science and the Transportation Research Center. Both are currently operating.

Staff Council President’s Report

Staff Council President Eileen Hanerfeld reported on several recent changes made by the Council. Staff Council Bylaws were updated to facilitate election of a larger and more representative Staff Council. Additionally, representatives’ terms were increased from two years to three, with one-third of the Council body transitioning each year. Departments or units with a high staff population will have more representatives than smaller units. Terms are staggered so that larger units, spread across campus and often with differing expertise, have a continual presence of at least one experienced representative serving on the Staff Council.

Ms. Hanerfeld also reported that the roles of the Staff Council President and Vice President have changed. Their terms now mirror those of the Faculty Senate in duration, which the Council anticipates will provide more continuity and stability.

In addition, all Council meetings are now noticed and agendas are posted. The Council hopes the noticing process will encourage staff to attend meetings.

Ms. Hanerfeld noted that this was her last address to the Board as Staff Council President. She thanked the Board for its support and interest in the University staff and also expressed gratitude to Staff Council representatives. She concluded by thanking Beth Wright and Diane Trono for their dedication to the Council and wished all a wonderful Commencement weekend.

Alumni Council President’s Report

Alumni Council President Janet Terp began her report by discussing the Alumni Association, led by the Alumni Council, which includes more than 90,000 University alumni around the world. The Council’s main objectives are to support the administration’s aspirations for the University; help advance the University’s national reputation; and advocate for the needs and interests of alumni.

Ms. Terp indicated her surprise that so many alumni are unaware of the University’s growing
national prominence or the numerous ways they can be involved with their alma mater. Alumni play an important role in the long-term financial health of the University and are key in elevating its reputation. The Council has been working with the Alumni Relations Office to identify strategies for facilitating alumni engagement. Last fall, a telephone survey was conducted to solicit alumni feedback regarding their involvement with the University. While survey results are still being reviewed, alumni seem eager to be more involved with and connected to the University. Ms. Terp also encouraged the Board to invite Meg Guzewicz, incoming President, and Ted Madden, incoming Vice President, to a future meeting to hear the full survey results and plans for responding to this helpful feedback.

Ms. Terp also indicated that the Council has expanded its membership in the last two years to be more inclusive and representative. The Council added representatives from the Parents’ Council, the Regional Boards and the Student Class Councils in an effort to better plan and coordinate programs and activities that involve alumni, parents and students.

Another Council priority is an alumni center. The Council is pleased with the University’s acquisition of the Delta Psi property, which will become the future home for alumni to reconnect with one another and to hear from students, faculty and staff about the University. On behalf of the Alumni Association, Ms. Terp thanked President Fogel for his efforts to make the house a reality and for his continued interest in and support of the University’s alumni.

 Incoming President Meg Guzewicz reported on the future goals and direction of the Council. The Council’s strategic priority is to develop a culture of engagement at the University, which begins the moment students enter their first year on campus and continues after they graduate. Ms. Guzewicz emphasized the importance of broadly engaging existing alumni in order to harness their resources both as ambassadors and contributors to aid the University in its capital challenges and to achieve its long-term goals. Immediate goals of the Council are to analyze the alumni survey data, continue planning development for the Alumni house, and build partnerships on campus.

**Student Government Association President’s Report**

Recently elected Student Government Association President Jay Taylor, a Junior majoring in English, indicated that he has served on the SGA since Fall 2006. He announced that Josh Miller, a Senior majoring in Political Science, has been elected as Vice President, and Ben Porter, a Senior English and Political Science double major, will serve as Treasurer.

Mr. Taylor reported that the Student Senate completed its 2007-2008 session with a major revision of its Constitution, including the addition of two seats, resulting in a total voting body of forty-two. The Senate also passed a resolution asking for revision of the residential meal plan structure.

Mr. Taylor also noted that several student groups have been engaging the Senate in innovative ways. As illustrations, he indicated that the SGA has supported initiatives including the Clearcut sustainable paper products campaign, the livable wage campaign, and investment divestments.
Mr. Taylor informed the Board that the Senate will be purchasing an online voting system for its elections and will be planning for a newly expanded treasurer workshop. In preparation for the election year, several Senators are becoming notary publics so they can provide continuous voter registration to students during the fall months.

In conclusion, Mr. Taylor expressed his wish for the best of luck to former President Kesha Ram in her bid for the State House, and also to former Vice President Davaughn Vincent-Bryan who will be a Residence Director at Southern New Hampshire University next year.

**Graduate Student Senate President’s Report**

Graduate Student Senate President Jill Hoffman stated that increased funding from the Graduate College has allowed for an expansion of the Mini-grant program for the 2008-2009 academic year. This program provides financial support to graduate students for participation in academic conferences.

Ms. Hoffman also reported that the Senate participated in a review process this spring with Aetna Student Health, provider of the University’s Health Insurance Policy, and the Center for Health and Wellbeing, which surveyed graduate and medical student satisfaction with the University’s current health care plan. The most common concerns related to dental and vision coverage, preventative health care, coverage outside of the UVM health center and the cost of the policy (including deductibles). A formal summary and report are available for the next policy bidding process.

The Senate recently held its annual Spring Fling event at Oakledge Park, which included food and live music.

Ms. Hoffman believes the Senate has been successful in their mission to increase graduate student visibility on campus. However, she feels the Senate needs to continue strengthening ties with graduate students.

Ms. Hoffman concluded by announcing the new membership of the GSS Executive Council: President Clint Jasperson is entering his second year as a master’s student in the Higher Education and Student Affairs program; Vice-President Jennifer Kenyan is a second year MPA student; Secretary Kelly Macy is a second year master’s student in Communication Sciences; Outreach and Programs Director Denise Dunbar is a doctoral student in Educational Leadership and Policy; and Public Relations Director Nicholas James is a fourth year Biochemistry Ph.D. student.

**Strategies for Recruiting and Retaining Faculty of Color**

The Committee of the Whole next received a special report on strategies for recruiting and retaining faculty of color.
Executive Director for Diversity and Equity Kathyrn Friedman began the presentation by emphasizing the importance of a diverse faculty to offer different viewpoints and solutions to problems the University may face. She noted initiatives undertaken to recruit faculty of color as well as female faculty. Recruitment procedures, for example, have been revised to require recruiting representatives to meet with each faculty committee and work closely with their respective Dean’s office during hiring searches.

Dean of the College of Arts and Sciences Eleanor Miller next explained that the College has faced staffing challenges associated with faculty retirements over the last three years. In connection with the development of hiring plans, she launched an initiative at faculty meetings and visited all twenty-one departments to underscore her personal commitment to the goal of a diversified faculty. Dean Miller appointed Associate Dean Stephanie Seguino to assist the College in developing and executing effective hiring practices to achieve this goal.

Associate Dean Seguino reported that, since the initiative has been set in motion, the College of Arts and Sciences has seen a notable growth in faculty diversity. She mentioned several strategies used to achieve these results:

- The Affirmative Action and Equal Opportunity Director and the Associate Dean meet with all search committees
  - The approach to recruitment is proactive, including creation of diversity recruitment plans, provision of funding for faculty networking at conferences; and mentoring on how to network
- The job ads posted include the University’s diversity statement
- Work is done with the Associate Provost for Multicultural Affairs and Academic Initiatives to connect candidates with ALANA faculty

Associate Dean Seguino explained that the broadening of networks for recruitment is more labor-intensive than traditional approaches, but it has produced excellent results. Associate Provost for Multicultural Affairs and Academic Initiatives Wanda Heading Grant discussed retention of faculty of color. She started the Circles of Conversations in 2007, which were small dinner gatherings for faculty of color. The Circle of Conversations generated suggestions for improvement of the UVM experience for faculty of color, including the need to create a more welcoming environment, such as receiving more invitations to informal gatherings, being included in conversations, having their research accepted, and not being the only voice at the table to challenge negative thinking on multiculturalism. Some faculty mentioned they would like the administration to be more understanding regarding the additional demands faculty of color have on their workload. Faculty identified the need for more mentoring. Additionally, some faculty of color indicated they would like to see more diversity on campus. Finally, faculty sought professional development opportunities for all faculty about issues faced by new faculty - especially faculty of color.

Chair Boyce commended the presenters for their efforts and willingness to change the campus culture. He asked if other Colleges have inquired about the College of Arts and Sciences’ work. Executive Director Friedman responded that diversity commitment varies in strength, but that she believes there will be more collaboration in the future.
Trustee James Leddy asked if the University is actively engaged with the outside community in this effort. Associate Dean Seguino answered that one initiative that has been undertaken is that most candidates are introduced to various members of the Chittenden County community, and that these networks are currently being strengthened. Associate Provost Heading-Grant added that she has been able to assist in candidate introductions to the community through her personal connections with community and religious leaders in addition to networks in the service industry.

Trustee James Betts inquired whether the LGBTQ population was being included in the faculty diversity initiatives. Associate Provost Heading-Grant explained that she has been working with the LGBTQ community, many of whom have struggles like those of people of color.

Approval of Amended Presidential Performance Review Policy

Chair Boyce entertained a motion to approve the amended presidential performance review policy to clarify and address transparency of the process. A motion was made, seconded and it was unanimously voted to approve the policy as amended.

Other Business

Trustee James Leddy thanked all presenters and thanked Vice Chair Frank Cioffi for his work as Interim Chair.

Trustee Leddy then raised what he considers a structural deficit in the Board’s governance: that the Board functions for four months with an interim chair during years a new Chair is elected. Trustee Leddy added that the Board has functioned well during this interim period because of the quality of the Board, but that there were still challenges without a formal chair. General Counsel Francine Bazluke offered a point of information that the process for the election of Chair is dictated by the University Charter and would require legislative action to effect a change.

The meeting recessed at 9:52 a.m.

The meeting reconvened at 1:47 p.m. Chair Boyce entertained a motion to enter into executive session for the purpose of discussing the evaluation of a public officer. The motion was seconded and it was voted to enter into executive session.

Adjournment

The meeting was reopened to the public at 3:00 p.m. There being no further business, the meeting was adjourned.

Respectfully submitted,

Bill Botzow, Secretary
President’s Report
Board of Trustees, May 16, 2008

Chairman Boyce, Vice-Chair Cioffi, trustees, faculty, students, staff, alumni, and friends, let me begin with congratulations to Ian Boyce and with sincere thanks to Frank Cioffi for his service as Interim Chair of the Board this spring. I want to express admiration as well as gratitude for the wisdom and steadiness with which Frank has guided and counseled me personally as well as for his leadership of the Board through a period of unexpected challenges. I want to add, with gratitude, that I have also been supported in addressing these challenges by every member of this Board in conversations and consultations that—with Ian and Frank, and with Debbie McAneny, Rob Cioffi, and Bob Young, the chair and the two vice-chairs of the Budget, Finance, and Investment Committee—have been frequent and at times almost daily.

Before we turn to my perspective on the disquieting events we have discovered in the office of the Treasurer of the University and the challenges and opportunities ahead, I ask that we take a moment to recognize and celebrate the achievements of the thousands of students who graduate this weekend, and the support—emotional and financial—of their families. Steeped as we are in the plans and operations on which leadership and management necessarily must focus, it is important to acknowledge the precious mission of a university – To create, evaluate, share, and apply knowledge and to prepare students to be accountable leaders who will bring to their work dedication to the global community, a grasp of complexity, effective problem-solving and communication skills, and an enduring commitment to learning and ethical conduct. This is our mission, this is our charge, and this is our labor of love.

As you know, this spring we learned of significant financial commitments having been made in a manner that requires us to examine with focused due diligence the efficacy of our internal controls, intra-institutional checks-and-balances, organizational culture, and the vigilance of our continuing oversight. We will be assisted in that critical work by independent examiners who will report to the Audit Committee of this Board.

As we await the findings and recommendations of the independent examination, I want you to know that, as President, I unequivocally accept responsibility for what occurred and occurs on my watch. I pledge to this Board that I will extend my utmost efforts, in close consultation with you, to meet this challenge and to take full advantage of the opportunity that it presents: the opportunity to develop a strong, more effectively managed organization through which our objective of building academic quality for the benefit of our faculty and staff, our students and alumni, and the people of Vermont will be best achieved.

Pending the results of the independent examination, I have taken the following actions: First, we are expediting completion of a comprehensive process designed to identify all financial obligations incurred relative to project budgets during the past five years. This process includes obligations associated with projects properly approved but for which some or all of the funding sources may not have been identified, and as to which not all costs have been properly retired in the University’s internal budget accounts. Three points are particularly important with respect to this process: first, I believe that all external obligations have been satisfied and that the audited
financial statements for the fiscal years in which the expenditures we are examining occurred will be found to be correct and will not require restatement (and thus that these internal accounting issues have no bearing on expendable net assets or on our debt ratios); second, I fully appreciate and intend to honor the Board’s understandable interest in these matters. The internal accounting issues I am addressing here are essentially ones for management to resolve and then of course to demonstrate to the Board that such matters are well under our control; and third, I will keep the Board fully informed through the Audit Committee on the outcomes of this process, with special attention to developments that may bear on compliance, internal controls, and other issues with which the Audit Committee and the Board are rightly concerned as a fiduciary matter. With these parallel actions under way—one under the auspices of management and the other under the auspices of the Board through the Audit Committee, under Trustee Amidon’s judicious leadership—we can be assured that there will be no recurrence of the missteps of the past. I would add, moreover, that I as President would fully endorse a decision by the Board that the Internal Audit function going forward should report directly to the Audit Committee.

Second, I will shortly issue a directive to all administrators with respect to authority for approval of financial commitments and the processing of payment requests. Although we expect that the independent examination of internal controls will yield new recommendations, administrators will be held strictly accountable for compliance with this directive until those recommendations emerge.

Third, I have expedited the appointment of a highly qualified person to the position of Interim Vice President for Finance and Administration. Through a process of wide consultation, I built a small, diverse and exceptionally qualified pool and worked with a screening committee to narrow the field. I want to thank the colleagues who served on that committee: Professors Jim Burgmeier (Faculty Senate President-Elect) and Judy Cohen (Faculty Senate Vice-President), Executive Director of Affirmative Action and Equal Opportunity Kathryn Friedman, Assistant to the Provost Jane Knodell, Associate Vice President Ted Winfield, Vice Presidents Tom Gustafson and Karen Meyer, and Provost John Hughes. In addition, I have drawn on the expertise of the Board and have kept governance leaders and senior management officials apprised as I moved toward extending an offer, which I am pleased to announce has been accepted by Vermont State Commissioner of Education Richard Cate, who will begin work here on an expedited basis. Richard is a seventh-generation Vermonter who comes to us with a stellar reputation for clear and direct communication, effective organizational leadership, and the highest ethical standards. His professional life is rich with relevant experience, from his work as Chief Financial Officer and later as Chief Operating Officer for the New York State Department of Education (with a budget of $19 billion) to his Vermont-based work, including his time as Barre City Manager. Richard has dealt with numerous complex and difficult challenges throughout his career, and I believe he is exactly what UVM needs at this important time. We are deeply pleased that Richard has agreed to join the UVM community, and I know you will welcome him with warmth and enthusiasm. Richard, please stand. I will also be seeking the advice of the Board with respect to plans to address leadership and management of the functions of the Vice President for Finance and Administration on a permanent basis.
Fourth, as you know, John Evans, former Dean of the College of Medicine, is on special assignment, charged by me with determining the status of the PeopleSoft implementation and, most urgently, the work and cost remaining to ensure that the administration of grants and contracts is current by the start of the new fiscal year and remains current thereafter. I am grateful to John and confident that his work will produce the optimal roadmap for the University to operate our administrative information systems, to take full advantage over time of their capabilities, and to optimize the business processes of the University.

In short, we are responding swiftly and comprehensively, with the wise counsel of this Board, to developments that, though clearly regrettable, create an important opportunity to improve internal controls, business practices, and our organizational culture. We will, going forward, develop the fullest understanding we can of the recent history of operations within the Division of Finance and Enterprise Services so that we may in short order implement best practices in this critically important sector of University operations.

Finally, before leaving this complex set of issues, it is important to note that we must recognize the unbudgeted expenditures that the PeopleSoft implementation has entailed to date and that it will incur going forward, the costs of the independent examinations that will be conducted under the auspices of the Audit Committee, and in addition all other hitherto unrecorded charges that our ongoing examinations will fully identify. It would be ill-advised to identify a precise total of these items while our work is still under way—including, importantly, the identification of currently available funding sources that may be applied to reconciliation of some portion of the pertinent accounts immediately even as we formulate a strategy to retire the balance of the obligations in a graduated way over the course of time—but I am certain of two things: first, the sum will be very significant; and, second, the obligations carried forward will be significantly less than the obligations-to-be-retired-over-time that the University was carrying when I started my work here in the 2003 fiscal year, when the total of deficits in Continuing Education accounts and of forward obligations under the terms of the faculty buy-out known as the Voluntary Separation Agreement came to some $20 million. The reconciliation of those accounts was fully completed over the course of five fiscal years ending in FY 2006, and lest anyone here fear that we will not be able to take the unbudgeted expenditures that are now coming to light in stride let me assure you of the complete confidence I have, in concert with the leadership of this Board, that we can readily do so: consider this—that it is not too early to say that the as-yet-to-be-precisely-determined balance of forward obligations will be less in absolute dollars and far, far less as a percentage of both the current General Fund and Total Enterprise Budgets than the $20 million represented in 2003. In the Budget, Finance, and Investment Committee meeting today, we will show you how the recognition of the estimated charges of which we have recently become aware will produce place-holder deficits in the FY 2008 budget and in the FY 2009 budget that the Board will approve tomorrow, and we will bring to the Board through the Executive Committee this summer and then to the full Board in September a plan for addressing all of these obligations over time. That plan will require clarity, resolve, and discipline but I am confident that it will not impede the advance of the University or the continuing honing of UVM’s competitive advantage.

Turning now to other matters, we continue to pursue the imperatives laid out in the essay I circulated to the campus five weeks ago, “Continuing UVM’s Advance: Contexts for a
Refocused Strategic Plan.” As you will recall, that essay explained what I see as UVM’s current programmatic and operational imperatives in recognition of significant demographic and economic challenges. Those imperatives include enhancement of the student experience, intensified investment in faculty research and scholarship, and focusing of resources on a limited number of doctoral programs in order to build national distinction. They also include reduction of spending in areas less important to educational quality and student priorities along with intensified cost reduction and cost avoidance efforts in every domain. In line with that increasingly pressing imperative, I have put in place new position control protocols, effective July 1, 2008, to bring rigorous discipline to the processes by which vacancies are filled, by which new positions are created, and by which the funds from temporarily vacant positions are allocated. These protocols will lead in turn to a better understanding of our costs and of how to manage them.

Meanwhile, as I also said in “Continuing UVM’s Advance,” The University of Vermont is well-positioned. Even recognizing, as you will hear in the meeting of the Budget, Finance, and Investment Committee, a decrease for the coming fiscal year in projected earnings on short-term assets of $2.25 million, we expect the General Fund Budget of the University to grow in FY 2009 by 7.2% at a time when many other public flagships are taking material hits below the waterline, including, in many instances, substantial cuts in public funding offset by massive hikes in tuition. We are very grateful to the political leadership of Vermont—most especially our legislative trustees and Governor Douglas—that in some measure our comparatively strong position among public research universities derives from their successful effort in the Session of the Generally Assembly concluded two weeks ago to keep higher education funding in Vermont whole. Our commitment to Vermont, in turn, is expressed in a myriad of a ways, including our efforts in technology transfer and enterprise creation (of 12 licenses of UVM intellectual property in the last year, 9 went to Vermont firms), our significant investment in the Land Grant mission to support Vermont agriculture and rural communities (of which the ground-breaking this afternoon for James M. Jeffords Hall serves as a powerful emblem), and—to cite just one more example with which I am especially pleased—our new scholarship program closing the gaps to cover the full cost of tuition and fees for all Vermont Pell-eligible students.

And our successes mount in many other domains: the increasing recognition of the academic quality of the University, as reflected in measures like the ranking by U.S. News & World Report of our College of Medicine as fifth in the nation in Primary Care; the recent listing of two of our alumnae on the Wall Street Journal list of “Fifty Women to Watch”; faculty recognitions like John Todd’s recent receipt of the $100,000 Buckminster Fuller Award and NSF Career Awards this winter to Matthias Brewer in Chemistry and to Frederic Sansoz in Engineering; student recognitions like the Goldwater Scholarship garnered this year by Dan Koenemann (the second consecutive year that UVM students have netted one of these prestigious national fellowships); strong national press for the University, including, on March 9th, the latest in a string of front-page New York Times stories associating UVM with the nation’s elite independent colleges and universities; the recovery, this year, of our grant and contract awards to bring them back into the record zone achieved in 2004; and our rise from 153rd in 2003 out of 920 colleges and universities that received direct federal appropriations to 20th this year.
Our academic initiatives are proceeding apace, with good reports on the first problem-based learning communities this spring, rapid progress in developing an interdisciplinary Ph.D. program in Public Policy, and the approval by the Faculty Senate Executive Council of a new matrix center that will come before the full Senate next fall and thereafter before the Board, assuming Senate approval. The new matrix center—a Center for Sustainable Solutions—is an outgrowth of the work we did last year with Amory Lovins and the Rocky Mountain Institute, the work of the Leading by Design Task Force during the current academic year, and the vision John Hughes and I have had of a College of Planetary Health. Among program initiatives, none has had more notable success than the Honors College, which will see its first full class graduate on Sunday. I want to congratulate Dean Abu Rizvi on his appointment as the second Dean of the UVM Honors College and on the energized yield on Honors College offers of admission, which as of May 2 registered a 39% increase in enrollment deposits over last year, from 133 to 185. That is a great tribute to the public perception of the quality and value of the Honors College; to the work of Dean Rizvi and his colleagues; and above all to the faculty, staff, and students who have made participation in the Honors College community such an enriching and rewarding opportunity.

Kudos are due, too, to the enrollment management team led by Chris Lucier and by Sue Wertheimer and, again, to faculty, staff, students, alumni, parents and friends whose collective efforts are bringing us, this fall, the most highly qualified and diverse class in our history, on track with overall enrollment deposits at 101% of our target, ALANA deposits up 34%, from 162 to a record high of 217, and every quality indicator up significantly as well, as you will hear in more detail at the EPIR meeting. The record of over 21,000 applicants has been converted to a class of 2012 that is ample proof that our efforts in building the quality and reputation of this great University are being recognized where it counts most—among students and their families. Accountability and assessment are keys to the success of our ongoing efforts to build quality at UVM. Under the leadership of Jill Tarule and Mara Saule and the Provost’s oversight, we are far along in developing the Self-Study for our Ten-Year accreditation by the New England Association of Colleges and Schools, a process that culminates in the arrival on campus next spring of a Visiting Team. The NEASC process entails institutional reflection and self-assessment that I am confident will serve us well. At the same time, John Hughes, with the skilled assistance of Dale Jaffe and the participation of the dedicated members of the University Planning Council, has developed a revised strategic plan that the Senate approved yesterday. The revised strategic plan will come to the Board for review and approval in the fall, prefaced by Dale’s presentation to EPIR later today. I offer heartfelt thanks to John Hughes, to Dale Jaffe, and to all University Planning Council members for the wonderful job they have done in developing this latest iteration of the UVM Strategic Plan.

Going forward, Provost Hughes has asked Dr. Jaffe to concentrate this summer on developing, in collaboration with the Faculty Senate, a significant revision of the Program Review process to provide a mechanism for focusing extraordinary resources on those programs of highest priority and quality. I believe that the faculty, the administration, and the Board will find the new assessment tools and metrics a revised Academic Program Review will provide to be invaluable in assisting us in making sound decisions to focus investments in programs that have academic distinction and that are strategically aligned with our mission.
In closing, I wish to say this: I believe with all my intellect and heart that we, collectively, are at least in good part responsible for the present success and vibrancy of this University. We have together transformed challenges into opportunities that we have converted into fine outcomes. On the not-distant horizon, new challenges—most faced by our peer institutions, some of special consequence to Vermont—are visible and understood; there are also challenges yet to be identified. I have complete confidence that, with your continuing dedication, good will, and the attention of each of us to the tasks before us, we will succeed.

Thus, I thank you—the Board, our faculty, students, staff, my colleagues in administration, our alums and donors, and my beloved wife—for support past, present, and future as we advance together on the next stage of this journey.
Chair’s Report
May 16th, 2008

Good morning everyone and welcome to the May Meeting of the Board of Trustees. I would like to begin by saying that I am honored yet respectful of the responsibility you have entrusted me with, as the Chair of the Board. I take the privilege of serving in this important role very seriously and will do my utmost to meet the expectations of this Board and that of the broad UVM community.

UVM is an incredibly complex institution and together we are responsible for its management and operation. As your Chair, my primary role in addition to the ceremonial is to ensure that the strategic goals for the institution remain on track and to work with our President, Dan Fogel to ensure their success.

There is another important role that the Chair is required to play – that is to be the pulse of the Board, listening and clarifying the multitude of thoughts and ideas and forming them into a consistent message that supports the best interests of the University and its future. I look forward to working with all of you to continue supporting our University’s mission.

With that said, let me officially welcome our newest trustees - in alphabetical order – Sam Bain, Jason DePatie and Bill Ruprecht. Although they have participated in various committee meetings, this is their first official Board meeting. Sam, Jason, and Bill: you all have already made significant contributions and we are confident you will deliver more.

Yesterday, you took the first step in getting up to speed on the University through the Trustee orientation process. We trust the process served you well. Speaking from experience I am certain there will be times over the next few days and perhaps several months where you will feel entirely confused, if not lost. Don’t be dismayed. The rest of us have been there. Continue to prepare for meetings, listen and participate and know that you are surrounded by a family of Trustees who are approachable and more importantly knowledgeable. Each of you has been assigned a Trustee mentor and has been appointed to one or the other of our Board mega-committees, as well as other committees and working groups. We welcome all of you to the Board.

As we will experience in the upcoming Commencement ceremonies and celebrations, our work can be joyful – but it is never easy. The events of recent weeks have reinforced the responsibility, candor, and integrity with which I, and we, must lead. I know that all of us understand and embrace the critical responsibilities of trusteeship – which is doubly important in challenging times. As your chair, I intend to reinforce the importance of direct and timely communication, realistic assessment of our problems and opportunities, and the need to focus on constructive approaches and solutions.
I will have a few more closing comments in a moment, but at this time I wish to exercise the Chair’s prerogative and turn the podium over to President Fogel and ask him to deliver his report.

[refer to President Fogel’s report]

Thank you, Dan. As Dan mentioned in his comments, we are facing some significant challenges in the near term. The events of the last several weeks demand that we focus significant attention and resources to shoring up our internal policies and protocols with regard to the approval of expenditures and contracts.

The Board, through its Audit committee, is in the process of defining the scope of work to be done by an external auditor as it relates to consulting expenditures on the PeopleSoft project, other contracted expenditures, and our overall process of internal controls. As we’ve said from the very beginning, we will get to the bottom of this and will do so thoroughly at a measured pace. We will keep you fully apprised as progress is made.

Furthermore, we look forward to implementing the recommendations of our Auditors to ensure financial efficacy moving forward. This to be sure will be a grueling process but one from which much can be gained. I am confident that despite the difficulties this issue has presented us with, this institution will emerge much stronger and better prepared for the future.

We also must keep in mind the challenges resulting from a slowing economy. We have already seen the impact of reduced earnings on the cash in our short-term pool and almost certainly will hear the same as it relates to the endowment. Constant vigilance with respect to our costs will be necessary in an effort to maintain our affordability to all students, particularly Vermonters and to retain our competitive advantage.

The realities of the changing demographics with declining numbers of prospective high school graduates is also upon us. The advent of the same number of colleges chasing fewer and fewer students demands that our competitive metabolism continues at a high level. This very complex problem facing institutions all over the country must be addressed within our strategic planning efforts. I know we have talented people in place here who will be fully up to this essential task.

Thinking positively, UVM’s particular funding structure has sheltered us somewhat from the challenges facing other states that are having to deal with budget deficits. We recognize the challenges faced by the state of Vermont this year and are appreciative again for their clear support of higher education.

More good news: the high levels of quality and quantity of our enrollment numbers are highlighted by significant gains in Vermont students, those interested in the Honors College and ALANA students continue to support and reinforce the invest and grow strategy. Kudos to enrollment management, and the entire UVM community, for their good work in recruiting and retaining such a remarkable cadre of students – who enrich our campus every day.
Changing gears slightly, we are about to embark on another commencement, something that has occurred 203 times in the past. On Sunday, we will celebrate with our senior and graduate students and will recognize them at formal graduation exercises. Commencement 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 hope that you will join with me at the Sunday exercises, and other events this weekend, to make a personal showing of our commitment to this mission. There is nothing that will make you more proud of our University than witnessing and celebrating the accomplishments of our graduates.

In conclusion, I would like to note that we are privileged to have an excellent team of Trustees and senior leaders who work well together, in both good times and hard times. All of us are busy both personally and professionally. Those in the legislature had and continue to have additional responsibilities. Yet, in times of challenge and uncertainty you all were there to support this great institution we care so much for. Thanks to all who have helped move us toward informed and constructive solutions.

President Fogel, I want to thank you for stepping forward in a highly responsible and effective manner to identify and address issues and problems we are now working to resolve and correct. You and your senior I team have shown tremendous leadership in moving us through this process while keeping the institution moving forward. The Board shares responsibility and accountability in this matter and support you in bringing this problem to resolution.

Finally, I wish to recognize Frank Cioffi for all of his hard work as Chair during these past few months, and for all of the good work I know we will do together looking forward. He has been a trusted leader and colleague and I know we will make an excellent team!

This concludes my report.