The Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, May 15, 2009 at 8:15 a.m. and 1:45 p.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, Claire Ayer, Samuel Bain, James Betts, Carolyn Branagan, Christopher Bray, Harry Chen, Robert Cioffi, Jeffrey Davis, Jason DePatie, Johannah Donovan, Daniel Fogel, John Hilton, Jr., Susan Hudson-Wilson, Debbie McAneny, David Potter, Adam Roof, Bill Ruprecht, John Snow, Donna Sweaney, Jeanette White and Mark Young

MEMBERS ABSENT: James Douglas

ALSO PARTICIPATING: Senior Vice President and Provost John Hughes, Faculty Senate President Robyn Warhol-Down, Staff Council President Beth Walsh, Alumni Council President Meg Guzewicz, Student Government Association Vice President Kate Ash, Graduate Student Senate President Clint Jasperson, Associate Vice President for Budget and Resource Management Ted Winfield and Vice President for Finance and Administration Richard Cate

Chair Ian Boyce called the meeting to order at 8:19 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the minutes of February 6, 2009 meetings as presented.

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

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

Governance Leaders Reports

Chair Boyce invited Faculty Senate President Robyn Warhol-Down to provide her last report to the Board and expressed gratitude for her service. She began by acknowledging the elimination of catering at the meeting and thanked the administration for this symbolic gesture. She also acknowledged a definite improvement in the relationship between faculty and administration and feels it is a positive result of the budget crisis.

Staff Council President Beth Walsh began by reporting that the Council has requested that the administration not eliminate fitness classes, which are part of the Wellness Program. She also stated that Staff Council recognizes that their original request for a 5% wage increase for all staff is not currently practical and encouraged a slight pay increase to be evenly distributed, rather than merit-based. President Walsh also reported that ten Council seats were recently filled by
election and that seven seats remain vacant with outreach efforts commencing to fill the vacancies.

Alumni Association President Meg Guzewicz reported that the Diversity Committee has prepared its first survey for ALANA alumni. The Career Service Committee has identified a need to focus on upgrading web and database resources. The Association also wants to focus on developing a class identity for students and on strengthening regional Boards. President Guzewicz announced that the junior class has been chosen as student group of the year. She also reported that the Association has made several initiatives to operate more efficiently and results have been encouraging.

Student Government Association (SGA) Vice President Kate Ash began her report by announcing that the SGA Executive Committee has been assembled. She also acknowledged that the Naked Bike Ride was a success, despite concerns regarding the course and student participation. Vice President Ash stated that the students do not feel completely informed and confident about the budget reconciliation process. Additionally, the SGA is addressing the issue of student protests and have encouraged protestors to pursue other means of communicating with the administration. Chair Boyce commended SGA efforts.

Chair Boyce invited Graduate Student Senate (GSS) President’s Clint Jasperson to provide his last report and thanked him for his service. President Jasperson began by announcing that the GSS would like to be recognized as an official body and has started the process of making a formal request. Additionally, this year’s GSS Executive Officers have been elected, with Melanie Brown elected as President.

Trustee Susan Hudson-Wilson asked why the recognition process for GSS has proven to be lengthy. President Jasperson explained there have been challenges, such as consensus-building. So far, the GSS has submitted a formal letter of request to President Fogel. Trustee John Snow announced that a small workgroup, comprised of selected Board Governance members, has been charged to address this request over the summer.

**Action Items**

Chair Boyce invited Vice President for Finance and Administration Richard Cate to introduce the resolution approving a five-year office supply contract. Vice President Cate explained that the contract is bid out every five years and that Office Max is our current vendor. The recent bid process received three proposals, with Office Max placing the best bid.

Trustee Bill Ruprecht asked how prices are ensured throughout the contract. Vice President Cate explained the contract is annually reviewed and that renegotiation is possible, including for price reductions. Cate added that the there are exit provisions and the purpose of having a five-year contract is to keep prices down.

Trustee Johanna Donovan inquired if any of the bidding vendors were local. Vice President Cate replied there was a regional vendor, but whose pricing was significantly higher.
Resolution Approving Five-Year Office Supply Contract

BE IT RESOLVED, that the Vice President for Finance and Administration or his successors or designees are each authorized to enter into a five-year contract with Office Max for the University’s office supplies for the period July 1, 2009, thru June 30, 2014.

Chair Boyce invited Audit Committee Chair Bill Botzow to introduce the ratification of the Red Flag Rule Program. Chair Botzow explained that this program brings the University into compliance with Federal regulations as far as identity theft issues.

Approval of Red Flag Rule Program

WHERAS, the Red Flag Rule Program to reduce the risk of identity theft was developed by the University in compliance with Sections 114 and 315 of the Fair And Accurate Credit Transactions Act;

BE IT RESOLVED, that the Board hereby approves the Red Flag Rule Program as recommended by the Audit Committee and appearing as attachment A to this document.

BE IT FURTHER RESOLVED, that the Board delegates ongoing oversight of the program to the Vice President for Enrollment Management.

Audit Committee Chair Botzow also introduced the resolution approving revisions to the Audit Committee Charter, which set forth the new reporting line of the Internal Chief Auditor and incorporates SOX best practices.

Resolution Approving Audit Committee Charter Revisions

RESOLVED, that the Board hereby approves the revisions to the Audit Committee Charter as recommended by the Audit Committee and appearing as Attachment B to this document.

Chair Boyce invited Vice President for Legal Affairs Francine Bazluk to introduce the resolution regarding the University Seal policy. She explained that the administration became aware this spring that such a policy or protocol was not currently in place at UVM and that policies elsewhere were reviewed to develop the UVM model.

Resolution Regarding Use of University Seal

RESOLVED, that the Board hereby approves the policy regarding use of the University Seal appearing as Attachment C to this document.
Chair Boyce introduced the following resolution and announced that the final Campus Life Task Force II report will be posted on the Trustee website by next week.

**Campus Life Task Force II Appreciation Resolution**

WHEREAS, in May 2007, the Board of Trustees authorized the Chair to appoint the Campus Life Task Force II to investigate, analyze, and recommend to this Board what actions, if any, should be taken with respect to the University’s health and wellness, recreational and fitness, athletic and multipurpose events facilities; and

WHEREAS, the Board of Trustees accepted the report of the Task Force in February 2008, acknowledging that its recommendations have been considered in light of the principles set forth in the University Campus Master Plan and that the Task Force has articulated a set of principles that require such facilities to be closely aligned with the vision, mission, and values of the University; and

WHEREAS, the Board of Trustees charged the administration with preparing a detailed assessment of the projects articulated in the report with respect to financial scope, potential phasing, resource generation strategies, and project priorities within the approved Strategic Capital Plan; and

WHEREAS, this work has been completed and included in a comprehensive final report that will provide a blueprint for future facilities planning;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees gratefully acknowledges the effort and commitment of the Task Force members in successfully fulfilling its charge; and

BE IT FURTHER RESOLVED, that the Board of Trustees accepts the final report and its findings as a useful guide for long-term planning with respect to new and renovated facilities dedicated to the purpose of student health and wellness, indoor and outdoor recreational activities, a comprehensive Division I athletic program, and a multipurpose facility for University events, athletic contests, and ceremonial activities.

A motion was made, seconded and unanimously voted to approve all resolutions as proposed.

**Acceptance of Gifts and Grants Reports**

A motion was made, seconded and unanimously voted to accept the gifts and grants reports.

Chair Boyce recessed the meeting at 9:29 a.m.

The meeting reconvened at 1:55 p.m.

President Fogel began the meeting by announcing Dr. Gary Margolis’s decision to leave his position as Chief of University Police to join the faculty. Dr. Margolis will teach and develop a
new nationally-focused research initiative with the College of Education and Social Services geared towards campus safety and security. During his tenure as chief of police, UVM Police Services earned international accreditation through the Commission on Accreditation for Law Enforcement Agencies.

Captain Lianne Tuomey has been appointed as Dr. Margolis’s replacement. She has 27 years in police work, including serving as UVM Police Captain since 2000. Captain Tuomey will be the only woman police chief in Vermont and joining the 1% of police chiefs who are women nationally.

**Strategic Financial Plan Annual Review and FY 2010 Budget Review**

Chair Boyce invited Vice President for Finance and Administration Richard Cate to discuss the University Strategic Financial Plan. Vice President Cate explained that previous plans were based on projected growth and net. When his department reevaluated this approach, there was a $90 million drop in endowment this year and 2008 and a $50 million shortfall of the projection. Going forward, other factors will be added. For example, a 6% growth will be projected for future years, rather than the previous 8%. This plan will also have a 5% annual distribution. He is projecting one/third of growth compared to previous projections. In good years, growth outpaces depreciation, but the new scenario projects that net access will not grow as fast.

Another factor is post-retirement health benefits. Under the new scenario, the University should book $36 million a year to address these costs, rather than the past practice of booking $10 million. Vice President Cate predicts that program changes will made, as this benefit is not sustainable.

In past strategic plans, Cate noted, the University has been conservative in increasing annual operating expenses, and he emphasized that costs must be contained going forward. By October, he will be discussing the future of tuition increases. Another change in the plan is that it projects half as much for net assets in 2018, as compared to the previous version.

President Fogel pointed out that page 9 of attachment 8 assumes very steady and modest gifts to the endowment and does not figure potential for net assets that may be obtained from future campaign or large gifts. Vice President Cate replied that there are a number of things that can be done to improve predicted net assets, but he taking a conservative approach that makes projections with hard data. Trustee Bill Ruprecht added that 6% may even be too high of a figure for projected growth.

Trustee John Hilton asked if a sensitivity analysis has been run. Vice President Cate responded his department plans on doing so this summer and reporting to the Board in October.

Chair Boyce invited Budget, Finance and Investment Committee Chair Deborah McAneny to provide the framework for the FY 2010 budget, as to which work has been in progress over the last several months. In April, Chair McAneny said, BFI met to review the draft FY 2010 budget, focusing on major policy issues rather than undertaking a line-by-line analysis. To work with all perspectives and achieve the best result, Chair McAneny thinks the Board must be confident that
it has completed its fiduciary duty notwithstanding that reasonable people disagree. She added that BFI is recommending the Full Board approve the budget as proposed.

Chair McAneny deferred to Vice President Cate to further present the budget. He concurred that there is not a perfect process for comprising the budget, noting that there is pressure is hold costs down for students while also attempting to balance the budget. The FY 2010 budget is still off-balance by 8 million, which is being addressed by using reserves and stimulus money. The goal next year, Cate said, is to not have to utilize reserves.

Trustee John Hilton asked what the forecast for FY 2010 looks like. Vice President Cate responded they are hoping for no structural gaps in the 2010 budget; however, if an issue exists, other adjustments will have to be made.

Trustee Jim Betts queried if the budget should be forecasted to 2014. He is also asked what pressure has been placed on the next 2-3 years in order to balance this year’s budget. Vice President Cate replied that the bottom line is that the University cannot keep growing indefinitely and that a balanced budget will be heavily influenced by cost containment.

**Other Business**

Trustee Jeff Davis announced his concern regarding the decision of the administration to eliminate the baseball and softball programs. He disagreed with the view that this is not an issue within the purview of the Board.

Chair Boyce thanked Trustee Davis for discussing his concern and stated the matter will be discussed as an issue of policy and protocol. Chair Boyce added that he believes the decision has been delegated appropriately to the administration and cautioned that questioning this decision could create a difficult obstacle for management.

Chair Boyce offered an opportunity for discussion.

Trustee Susan Hudson-Wilson stated she feels this had already been properly addressed by the Executive Committee and she does not feel it is an appropriate use of Board time.

Trustee Frank Cioffi responded that he not believe that previous discussion had concluded and thinks the issue should be revisited by the Board.

Chair Boyce reiterated that the current delegation of authority did not place the matter within the scope of the Board. He added that Trustee Davis’s motion could be further discussed at tomorrow’s full Board meeting.

A motion was made to into Executive Session at 2:51 p.m.

**Adjournment**
The meeting was reopened to the public at 5:10 p.m. There being no further business, the meeting was adjourned.

Respectfully submitted,

Bill Botzow, Secretary
Chair’s Report  
Board of Trustees, May 15th, 2009

Good morning and welcome all to the May Meeting of the Board of Trustees. Let me begin by officially welcoming our newest trustees - in alphabetical order – legislative trustees Carolyn Branagan, Christopher Bray, and David Potter, student trustee Adam Roof, and gubernatorial and second term trustee Mark Young. Although you have participated in various committee meetings, this is your first official Board meeting. You all have already made significant contributions and we are confident that you will deliver more.

Undoubtedly you have already begun to recognize the complexity of this institution. As Trustees who have come before you, we recognize that the learning curve is steep. 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. Continue to prepare for meetings, listen and participate and know that you are supported by a welcoming and dedicated group 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 and thank you for your willingness to serve the State University of Vermont.

While every Board meeting provides us with an opportunity to celebrate our accomplishments and success as an institution, there are none more exciting than sharing in the celebration of commencement with our students and their families. This coming Sunday, we will have that opportunity once again as we will release a group of talented students into the world. Despite some of the challenges we have faced over the past year, we can take solace in knowing that we have once again fulfilled our mission: to educate, to share and advance knowledge in our students and to prepare them for the world that awaits them. As always I look forward to the conferring of degrees and encourage you to join me in sharing in this important celebration of accomplishment.

Now to the items of strategic importance during this Board meeting. Later this morning the Budget Finance and Investment Committee will discuss the FY 2010 budget reconciliation process with further discussion to occur this afternoon in the Committee of the Whole. We have come a long way since December when we began modeling a $22 million budget deficit for FY 2010 brought on by reduced endowment yields, projected reductions in state and federal appropriations and the need to recognize and eliminate the use of one time funds to pay for ongoing expenses. In fact we have managed to pare back our need to draw on reserves in FY 2009 to a mere $6 million through internal efficiencies, relatively modest staff and program cuts and restoration of our original appropriation requests. Furthermore, we now believe that no further staff cuts will be necessary at this time and I am pleased to reiterate that we will reinvest $3.2 million in our academic units through strategic investments to enhance the student experience and maintain academic quality.
While I am extremely satisfied with the progress we have made with this budget in collaboration with various constituents across the campus, I acknowledge these achievements did not come without sacrifice and as Chair of the Board I empathize with those who have been personally affected. These are painful decisions not arrived at haphazardly, and whenever members of our precious community are impacted we will work hard to deal with those situations with care and concern.

I must remind all of you that this is a process. Despite the progress that has been gained, difficult decisions remain. Most recently I had the honor of participating in the successful ten-year accreditation of the university completed by NEASC – The New England Association of Schools and Colleges. I say honor because I had the opportunity to hear the extremely positive comments about our institution from the visiting team members representing diverse schools across the country. While their final report is not yet complete I am aware of two key areas they will recommend we address: First, the need for a core educational curriculum – we are one of the few land grant colleges nationwide that does not have a core curriculum requirement. The second is the need to address the decentralization of the institution as created by our individual college structure. This is also one of the issues that emerged as part of the good work done by Professor Robert Taylor and the Transformational Change Work Group. So while we have made tremendous progress, more very important work remains, and most certainly more difficult decisions about strategic emphasis and investment.

I know that Dan will be highlighting a number of other accomplishments this year in his report. But let me take just a moment to highlight a real point of pride for our University: our student-athletes. This year, several of our teams earned notable success in post-season competition. Others played under very difficult circumstances due to the decision to discontinue programs in response to budget constraints. Whatever the circumstances, all of our student-athletes have collectively excelled again this year, witnessed once again by UVM bringing home the America East Academic Cup for the highest grade point average in our league. To all of our student athletes, and their coaches: thank you for all you do. You make us all proud.

In closing, I would like to acknowledge and thank Provost John Hughes for his dedicated and loyal work to the institution. You have remained strong in the face of some difficult challenges and we appreciate your efforts on behalf of the University of Vermont. I look forward to seeing you on campus as you return to the faculty and to the contributions both you and your wife Susan will make to our community.

Let me also take a moment to recognize and thank two very special people who together have graced our University for over 41 years. Jan Gregoire and Darlene Nelligan are both about to retire, and have served the Provost's and President's Offices, and this Board of Trustees with boundless energy, good humor, and great professionalism. Jan and Darlene, we thank you for all you have done for us and for UVM, and wish you all the best in your future endeavors.

Finally, I also want to thank our Trustees for all of their extra effort and time over the course of the last academic year. Your unwavering commitment has not gone unnoticed by me or others. Without your passionate dedication to this institution and its constituents our future could be uncertain. But because of your tremendous contributions I am confident we continue to
remain on the right path to the ongoing success of UVM. Thank you for all of your contributions.

This ends the Chair’s Report.
President’s Report  
Board of Trustees, May 15, 2009

Chairman Boyce, trustees, faculty, students, staff, alumni, and friends, good morning. Let me open by adding to Ian’s my own welcome to our new trustees—to legislative trustees Carolyn Branagan, Christopher Bray, and David Potter, student trustee Adam Roof, and gubernatorial trustee Mark Young. We are very grateful for your willingness to join in the critically important work of this Board. More than ever in these challenging times, to sustain the advance of the University of Vermont we must have a Board that combines a disciplined passion for the mission of the University with wisdom and strategic focus in order to support our academic community in accomplishing that mission at the highest levels of achievement and distinction.

Let us take a moment to recognize and celebrate the thousands of students who graduate this weekend, and the support—emotional and financial—of their families. As we take up our work together in the strategic oversight of the institution, we must always keep at the forefront our students, our faculty, and the precious mission of the University that only they can accomplish and that we are pledged to support: 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.

I wish to report on several administrative transitions. I begin by expressing my gratitude to John Hughes for the service as Senior Vice President and Provost that he will complete at the end of June. We could not have had a more decent, humane, loyal, and hard-working colleague or one who steered with a truer compass in advancing academic values. Thank you so much, John—to you and to Susan too for all you have given to UVM. John Hughes’s provostship reached a high watermark in the exceptionally positive report we had three weeks ago from the Visiting Team for the reaffirmation by the New England Association of Schools and Colleges of the University’s accreditation. That outcome was also a splendid finale to Jill Tarule’s nearly twenty years of administrative service at UVM as dean, associate provost, and co-chair of our reaccreditation team. I also want to acknowledge the service of colleagues who have long served as deans of colleges and schools at UVM—Betty Rambur, who steps down next month after nine years of extraordinary achievement as Dean of the College of Nursing and Health Sciences, over whose creation she presided in bringing together separate Schools of Nursing and of Health Sciences; Rocki-Lee DeWitt, who has served for seven and a half years as Dean of the School of Business Administration in a period of exceptional growth in student enrollment, funded research, and philanthropy; and Larry Forcier, who once again stepped up to serve the University he loves as Interim Dean of the Rubenstein School of Environment and Natural Resources. To each of these academic leaders, as well as Darlene Nelligan and Jan Gregoire, many thanks and all the very best for your continuing work at UVM.

In my view, it is imperative that we identified as Interim Provost a colleague prepared to mentor and guide both continuing and new deans; to manage budgets, space, and other assets at a time that requires great skill in concentrating resources to maintain UVM’s competitiveness and quality; and to advance through design, approval, and implementation critical new initiatives in
areas like core curriculum, the first-year experience, enhanced advising and counseling, academic program review, and identification of the priority programs on which UVM will concentrate investment. An extraordinary group of finalists participated in the Interim Provost search, and I thank them each and all for their willingness to serve. I have selected the individual who—in my view and in the view of a significant majority of the governance bodies and individuals who commented—is best equipped to assume a leadership role with respect to the immediate priorities ahead: Jane Knodell. I am counting on the Board and the academic community to support Jane as she executes her duties. I know that Jane will have superb support from former Dean of the College of Agriculture and Life Sciences Rachel Johnson who, as Provost Hughes announced last week, will join Jane as Associate Provost for Faculty Affairs.

Further, I am pleased to announce that Domenico Grasso has accepted an appointment as Vice President for Research and Dean of the Graduate School. In addition, Larry Shirland, Associate Dean of the School of Business Administration, has agreed to serve as Interim Dean while we extend the national search for the permanent appointment. They will join as academic leaders two other newly appointed deans selected through internal searches, Thomas Vogelmann, Dean of the College of Agriculture and Life Sciences, and Mary Watzin, Dean of the Rubenstein School of Environment and Natural Resources. Although we have deanships to fill in Nursing and Health Sciences and now in Engineering, in my judgment these various appointments constitute, along with a superb cadre of veteran deans and vice presidents, the strong leadership team UVM must have to succeed in partnership with our faculty, staff, students, and alumni.

Let there be no question of my confidence in the strength of UVM’s position in today’s challenging environment. We have weathered this year’s economic vicissitudes drawing on less than half the reserves that the Board authorized last September—$7 million in contrast to some $15 million authorized. Subject to the Board’s approval of our proposed budget, we have not had to implement the second round of layoffs we anticipated before the Legislature and the Governor decided to use the federal stimulus package to help sustain our State appropriation (albeit with a mix of recurring and one-time funds). We have continued to hire tenure-track faculty at a time when many peer institutions, public and private, have been freezing hiring, conducting massive lay-offs, issuing new debt to cover operations, and slashing academic budgets while resorting to mid-year tuition hikes.

Our proposed 6% tuition increase for next year appears to be the lowest among our public peers in New England and among the lowest nationally. Many publics are going to double-digit tuition increases, and doing so without remotely approaching our high level of institutional financial aid, which amounts to a 33.6% tuition discount, netting us less than 4% on our 6% increase. Remember, too, that in FY 08 nearly 30% of our Vermont undergraduates paid zero for tuition and fees—and that percentage has been steadily rising.

This is relatively positive news, but the journey to where we are today has not been a painless one. Longstanding programs have been discontinued, jobs have been eliminated, and individuals have been profoundly affected. I recognize how difficult these realities have been for some members of our community. And we still have more hard work to do. Our 2010 budget remains challenging. The budget gap, even after the nearly $11 million in cuts we have made, will require us next year to draw on between $5 and $6 million in reserves beyond our operating revenues to
cover planned expenditures. But the good news is that, absent further adverse macroeconomic events, we now expect the budget to be balanced in 2011, a year ahead of the schedule for achieving structural balance we presented to you last fall. I am particularly pleased that the 2010 budget, while essentially level with last year’s, accommodates increases for faculty salaries; an increase of at least $10 million in student financial aid; modest raises for staff at lower salary levels; and rising investments in graduate stipends, library acquisitions, and other areas of strategic priority. I am also pleased with the highly strategic allocation of budget cuts that has allowed us to make these priority investments within a flat budget: cuts to non-academic units come to about 6.5% while academic units—net of cuts, academic enhancement reinvestments, and salary increases—are seeing an average 4% increase in their budgets in 2010 over 2009. Finally, the Board should derive confidence from Vice President Cate’s analysis showing that UVM exhibits virtually none of the thirteen “red flag indicators” published last month by Moody’s Investors’ Service for assessing the financial strength and risk of all colleges and universities in this time of economic turbulence (the one modest exception is that we exceed by 6% a guideline for the percentage of endowment invested with one manager, but with that risk mitigated because the investment is in a passive bond fund rather than a higher risk actively-managed fund).

Turning from the province of our Budget, Finance, and Investment Committee to the work of the Board’s Committee on Educational Programs and Institutional Resources, Provost Hughes has developed with Committee Chair Claire Ayer an ambitious work plan for the coming year. Work plan items include review of recommendations from the accreditation team and the Transformational Change Working Group aimed at attaining the enhanced academic quality, increased levels of student success and satisfaction, and intensified focus on strategic priorities called for in an essay we distributed to the campus some fourteen months ago, “Continuing UVM’s Advance.”

There is no question that UVM’s advance continued even in this very challenging year. Consider that:

- UVM’s undergraduate applicant pool exceeded records in every category, including academic quality, diversity, and, with more than 22,000 applications, quantity. Now that we have passed the enrollment deposit deadline, we can say with considerable confidence that the first-year class will meet our target enrollment with exceptional student quality—including a record 33 Green and Gold Scholars, a record 12 National Merit Scholars, and unprecedented diversity: 11.7% of our deposits are from ALANA students!
- At the end of April, UVM’s research awards—led by a benchmark-smashing performance in Medicine that stretches back across the last two years—were running $11.6 million ahead of last year’s near-record pace. Across all faculty, UVM is producing more than $100,000 in research awards per faculty member per year, placing us as the only public institution among the top 20 of the 70 American research universities that have 15,000 or fewer students, an earnest of the credibility of the UVM vision of being among the nation’s premier small research universities.
- Production and licensing of intellectual property at UVM continues to accelerate, from commercial spin-offs with global applications (for example, a diabetes
diagnostic) to those with special applications in Vermont, the northeast, and Canada (for example, a patented maple sugar tap, now in production under license to a manufacturer in Franklin County, Vermont, that will have the corner on the market for 50 million taps per year with a device that roughly quadruples average production per tap);

- Faculty and student achievement continues to rise, with major scientific awards and fellowships, including, this year, Presidential Career Awards in Science and Engineering, a Sloan Research Fellowship, and, for students, Goldwater, Boren, and Fulbright Scholarships, among many others;
- In a variety of rankings UVM continues to shine, including top rankings in the last year for environmental programs and practices (UVM was ranked 10th by *Forbes* and 3rd by *Sierra*), in primary care (the UVM College of Medicine stood 6th nationally in this just-released *U.S. News & World Report* ranking of the quality of physician education, higher than any other school in New England and the Middle Atlantic States), and UVM ranked 40th on a list published by BusinessWeek.com of the 50 U.S. colleges whose bachelors’ degree graduates earn the highest salaries (and 7th among public universities), among many other external accolades.

There is no question in my mind that UVM must persist in its extraordinary efforts to maintain and build academic quality, distinction, and distinctiveness. Exceptional effort and keen resourcefulness are essential in order to enhance our increasingly competitive position within what Fareed Zakaria, in his recent book *The Post-American World*, calls “America’s best industry” – the higher education sector in which competition must inevitably intensify in a period of constrained resources and, in our region, a declining college-age population. To compete on the rapidly changing terrain of today’s world, we must be true to our academic values and to the precious mission we will celebrate with our graduating students and their families this weekend. And we must also be intent on execution and accountability as we ramp up, creatively and collaboratively, the work of focusing in every domain on quality, with special emphasis on the few areas in which we can without question be among the very best of the best for the benefit of our students, faculty, and staff, of our Green Mountain State, and of the world beyond Vermont’s borders. I look forward to continuing that work with this Board. Thank you.
Red Flag Rule Program

Background

The Federal Trade Commission (FTC) issued a regulation known as the Red Flag Rule (Sections 114 and 315 of the Fair and Accurate Credit Transactions Act), to be implemented no later than May 1, 2009 that is intended to reduce the risk of identity theft. This program is intended to detect, prevent, and mitigate opportunities for identity theft at the University of Vermont (UVM). The Red Flag Rule applies to UVM due to our participation in the Federal Perkins Loan program, our institutional loan programs, our extension of credit for student accounts, and the fact that we request background checks that may be “credit reports” for some potential employees and for certain students. Our analysis of the type and scope of activity covered in the regulation, and our risk assessment of potential identity theft opportunities has resulted in a determination that there is a low level risk of possible identity theft at the University of Vermont.

Scope of Covered Activities

- Participation in Federal Perkins Loan Program
- Institutional student loan programs
- Payment plans and promissory notes for covered student accounts.
- Background checks/credit reports in employee hiring process and for students enrolled in certain programs

Existing Policies and Practices

Many offices at UVM maintain files, both electronic and paper, of student biographical, academic, health, financial, and admission records. These records may also include student billing information, Federal Perkins Loan records, and personal correspondence with students and parents. Policies to insure compliance with Gramm-Leach-Bliley Act (GLB), Family Educational Rights and Privacy Act (FERPA), system and application security, and internal control procedures provide an environment where identity theft opportunities are mitigated. Records are safeguarded to ensure the privacy and confidentiality of student, parents, alumni and employees.

The Office of Human Resources performs credit and criminal background checks on some potential employees prior to their date of hire. This population includes police services employees. Additionally, criminal background checks are performed during the admission process for undergraduate and graduate level nursing students and for students applying to the College of Medicine. Many clinical placement sites also require background checks for students during clinical/practical training.
The University’s controls over privileged information include:

- Students are given the opportunity to set up an authorized payer that enables a third party (ex. Parents, or grandparents) access to their student account which includes information regarding their bill only.
- Access to non-directory student data in UVM’s Banner system is restricted to those employees of the University with a need to properly perform their duties. These employees are trained to know FERPA and Red Flag regulations.
- Social Security numbers are not used as primary student identification numbers and this data is classified as non-directory student data.
- Student Financial Services employees managing covered accounts are trained to know FERPA and Red Flag regulations.
- The University is sensitive to the personal data (unlisted phone numbers, dates of birth, etc.) that it maintains in its personnel files and databases. We will not disclose personal information, except by written request or signed permission of the employee (for example, the Campus Directory), or unless there is a legitimate business "need-to-know", or if compelled by law.
- Every effort is made to limit the access to private information to those employees on campus with a legitimate "need-to-know." University staff members who have approved access to the administrative information databases understand that they are restricted in using the information obtained only in the conduct of their official duties. The inappropriate use of such access and/or use of administrative data may result in disciplinary action up to, and including, dismissal from the University.
- The University's official personnel files for all employees are retained in the Human Resources Office. Employees have the right to review the materials contained in their personnel file.
- The University’s College of Nursing and Health Sciences and College of Medicine each have policies and procedures relating to obtaining and safeguarding information obtained through background checks of students.
- The University has policies that address the safeguarding of various forms of confidential information. Those policies include:

**Detecting Red Flag Activity**

*The University’s risk assessment has identified the following potential “red flags” as pertaining to its business activities:*

- Address discrepancies noted in background check reports
- Presentation of suspicious documents
• Photograph or physical description on the identification is not consistent with the appearance of the person presenting the identification
• Personal identifying information provided is not consistent with other personal identifying information on file with the University
• Documents provided for identification that appear to have been altered or forged
• Unusual or suspicious activity related to covered accounts
• Notification from students, borrowers, law enforcement, or service providers of unusual activity related to a covered account
• Notification from a credit bureau of fraudulent activity

**Responding to Red Flags**

• Should an employee identify a “red flag” (patterns, practices and specific activities that signal possible identity theft as identified above), they are instructed to bring it to the attention of Director of Student Financial Services, the Director of Human Resources, or University Registrar immediately. The administrator will investigate the threat of identity theft to determine if there has been a breach and will respond appropriately to prevent future identity theft breaches. Additional actions may include notifying and cooperating with appropriate law enforcement, notifying the student or employee of the potential for attempted fraud and notifying background check vendors of any address discrepancies between information contained in the background check report and the University’s records.

**Oversight of Service Providers**

• UVM employs Educational Computing Services Inc. (ECSI), a loan servicer for the purpose of billing and collection of Federal Perkins and UVM institutional loan payments. The only information that is shared with ECSI is information required to properly bill and collect loan payment as established by the Department of Education. This includes student name, address, telephone number, social security number, and date of birth. UVM will collect and maintain on file documents from ECSI confirming their compliance with “Red Flag Rules”.
• UVM uses several collection agencies for the purpose of collecting overdue student receivables, defaulted Institutional and Federal Perkins Loans. The only information that is shared with the collection agencies is that information required to perform address searches, and to properly bill and collect payment. This includes student name, address, telephone number, social security number, and date of birth. UVM will collect and maintain on file documents from all collection agencies regarding their compliance with “Red Flag Rules”.
• UVM employs Tuition Management Services (TMS), a tuition billing service, for monthly tuition payment plans. The only data that is shared with the TMS is information relating to the tuition payment plan established by the student or parent. UVM provides TMS with the student name, id, University e-mail, phone number, class and address. UVM will collect and maintain on file documents from TMS confirming its compliance with Red Flag Rules.
• UVM uses Nelnet to host our monthly billing statements and process on-line payments for tuition accounts. The only information that is shared with Nelnet is the student name, student id, address, and billing transactions. UVM will collect and maintain on file documents from Nelnet regarding their compliance with Red Flag Rules.

• UVM uses Pearson Government Solutions to print and host our 1098T. The only information that is shared with Pearson is the student name, social security number, address, and pertinent tax information. UVM will collect and maintain on file documents from Pearson regarding their compliance with Red Flag Rules.

• UVM contracts with Applicant Insight to perform background checks for employees and with Verified Credentials or Certiphi to perform background checks for students. UVM reviews the vendors’ security policies with regard to information in any background check reports to ensure that the vendors adequately safeguard sensitive information.

**Periodic Update of Program**

This program will be re-evaluated on or about the first day of each calendar year to determine whether all aspects of the program are up to date and applicable in the current business environments, and revised as necessary.

**Program Oversight**

Operational responsibility of the program is delegated to the Director of Student Financial Services and the University Registrar. The University Official responsible for the oversight and administration of this program is the Vice President for Enrollment Management.

**Internal Procedures for Red Flag Rule**

**I. IDENTIFICATION OF RED FLAGS**

In order to identify relevant Red Flags, the University considers the types of accounts that it offers and maintains, methods it provides to open its accounts, methods it provides to access its accounts, and its previous experiences with Identity Theft. The University identifies the following Red Flags in each of the listed categories:

**A. Notifications and Warnings from Credit Reporting Agencies**
1. Report of fraud accompanying a credit report;
2. Notice or report from a credit agency of a credit freeze on an applicant;
3. Notice or report from a credit agency of an active duty alert for an applicant;
4. Receipt of a notice of address discrepancy in response to a credit report request; and
5. Indication from a credit report of activity that is inconsistent with an applicant’s usual pattern or activity.

**B. Suspicious Documents**
1. Identification document or card that appears to be forged, altered or inauthentic;
2. Identification document or card on which a person’s photograph or physical description is not consistent with the person presenting the document;
3. Other document with information that is not consistent with existing student information;
4. Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information
1. Identifying information presented that is inconsistent with other information the student (example: inconsistent birth dates);
2. Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a loan application);
3. Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
4. Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
5. Social security number presented that is the same as one given by another student;
6. An address or phone number presented that is the same as that of another person;
7. A person fails to provide complete personal identifying information on an application when reminded to do so; and
8. A person’s identifying information is not consistent with the information that is on file for the student.

D. Suspicious Covered Account Activity or Unusual Use of Account
1. Change of address for an account followed by a request to change the student’s name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way that is not consistent with prior use;
4. Mail sent to the student is repeatedly returned as undeliverable;
5. Notice to the University that a student is not receiving mail sent by the University;
6. Notice to the University that an account has unauthorized activity;
7. Breach in the University's computer system security; and
8. Unauthorized access to or use of student account information.

E. Alerts from Others
1. Notice to the University from a student, Identity Theft victim, law enforcement or other person that the University has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

II. DETECTING RED FLAGS

A. Existing Accounts
In order to detect any of the Red Flags identified above for an existing Covered Account, University personnel will take the following steps to monitor transactions on an account:

Detect
1. Verify the identification of students if they request information (in person, via telephone, via facsimile, via email);
2. Only accept requests to change billing addresses by mail or University assigned email and provide the student a reasonable means of promptly reporting incorrect billing address changes.
B. Consumer (“Credit”) Report Requests
In order to detect any of the Red Flags identified above for an employment position or application to an academic program or activity for which a credit or background report is sought, University personnel will take the following steps to assist in identifying address discrepancies:

1. Require written verification from any applicant that the address provided by the applicant is accurate at the time the request for the credit report is made to the consumer reporting agency; and

2. In the event that notice of an address discrepancy is received, verify that the credit report pertains to the applicant for whom the requested report was made and report to the consumer reporting agency an address for the applicant that the University has reasonably confirmed is accurate.

III. PREVENTING AND MITIGATING IDENTITY THEFT
In the event University personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

Prevent and Mitigate
1. Continue to monitor a Covered Account for evidence of Identity Theft;
2. Contact the student or applicant;
3. Contact the vendor providing a credit report if there is an address discrepancy
4. Change any passwords or other security devices that permit access to Covered Accounts;
5. Provide the student with a new student identification number;
6. Notify the Director of Student Financial Services or Human Resources for determination of the appropriate step(s) to take;
7. Notify law enforcement;
8. File or assist in filing a Suspicious Activities Report (“SAR”); or
9. Determine that no response is warranted under the particular circumstances.

Protect Student Identifying Information
In order to further prevent the likelihood of Identity Theft occurring with respect to Covered Accounts, the University will take the following steps with respect to its internal operating procedures to protect student identifying information:
1. Ensure that its website is secure;
2. Ensure complete and secure destruction of paper documents and computer files containing student account information when a decision has been made to no longer maintain such information;
3. Ensure that office computers with access to Covered Account information are password protected;
4. Avoid use of social security numbers;
5. Ensure computer virus protection is up to date; and
6. Require and keep only the kinds of student information that are necessary for University purposes.

IV. PROGRAM ADMINISTRATION

A. Oversight
The Director of Student Financial Services in conjunction with the University Registrar will be responsible for the performance of this program under the oversight of the Vice President for Enrollment Management. These responsible parties will designate a Program Administrator who will be responsible for the operational activities of the program. These operational activities include responsibilities for ensuring appropriate training of University staff on the Program, for reviewing
any staff reports regarding the detection of Red Flags and the steps for preventing and mitigating Identity Theft, for determining which steps of prevention and mitigation should be taken in particular circumstances, for oversight of service provider compliance and for initiating the annual review of the Program with recommendations for change to be reported to the Vice President for Enrollment Management for consideration and approval.

B. Staff Training and Reports
University staff responsible for implementing the Program shall be trained in the detection of Red Flags and the responsive steps to be taken when a Red Flag is detected. University staff shall be trained, as necessary, to effectively implement the Program. University employees are expected to notify the Program Administrator once they become aware of an incident of Identity Theft or of the University’s failure to comply with this Program. At least annually the Program Administrator shall report to the Director of Student Financial Services and the University Registrar on compliance with this Program. The report should address such issues as effectiveness of the policies and procedures in addressing the risk of identity theft in connection with the opening and maintenance of Covered Accounts, service provider arrangements, significant incidents involving identity theft and management’s response, and recommendations for changes to the Program.

C. Service Provider Arrangements
In the event the University engages a service provider to perform an activity in connection with one or more Covered Accounts, the University will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent and mitigate the risk of Identity Theft.
1. Require, by contract, that service providers have such policies and procedures in place; and
2. Require, by contract, that service providers review the University's Program and report any Red Flags to the Program Administrator or the University employee with primary oversight of the service provider relationship.

D. Non-disclosure of Specific Practices
For the effectiveness of this Identity Theft Prevention Program, knowledge about specific Red Flag identification, detection, mitigation and prevention practices may need to be limited to those employees with a need to know them. Any documents that may have been produced or are produced in order to develop or implement this program that list or describe such specific practices and the information those documents contain are considered “confidential” and should not be shared with other University employees or the public. The Program Administrator shall inform those employees with a need to know the information of those documents or specific practices which should be maintained in a confidential manner.

E. Program Updates
The Program Administrator will periodically review and update this Program to reflect changes in risks to students and the soundness of the University from Identity Theft. In doing so, the Program Administrator will consider the University's experiences with Identity Theft situations, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, and changes in the University's business arrangements with other entities. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted the Program Administrator will update the Program subject to approval by the Vice President for Enrollment Management.
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

AUDIT COMMITTEE

Charter

This Charter sets forth the responsibilities of the University Board of Trustees Audit Committee.

I. Principal Responsibilities

The principal responsibilities of the Committee shall include:

a. promoting the development and monitoring the effectiveness of an institutional system of risk assessment and internal controls;

b. reviewing and, as appropriate, making recommendations to the Board, regarding institutional policies relevant to the scope of Committee responsibilities, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, and documents retention;

c. ensuring that audit plans encompass significant and material aspects of University operations;

d. full authority and oversight of the internal audit function including appointment decisions, performance evaluations, and employment termination of the chief internal auditor;

e. selecting and retaining the independent auditor and recommending such additional audits as the Committee and/or the Board must approve under the Board’s reserved authority;

f. maintaining direct and effective communication with independent auditors on behalf of the Board;

g. reviewing the results of internal and external audits (including the annually audited financial statement), and assessing the quality and timeliness of management’s response and corrective actions;

h. evaluating the scope and quality of internal and independent audit services, and the degree of coordination and appropriate degree of independence between them; and

i. reporting regularly and promptly to the Board regarding matters within the scope of the Committee charge.
II. Membership

The University of Vermont Board of Trustees shall annually appoint at least 7 of its members to the Committee. Its members shall be independent of management and the University including its component units and affiliated organizations. For the purposes of this charter, “independence” is defined as rendering a Trustee ineligible for Committee service if he or she is (1) is employed by the University; (2) is a partner or employee of a firm retained to conduct an audit of the University; (3) held such University employment or audit engagement at any time during the previous three years; or (4) is receiving consulting, advisory, or other compensatory fees for services provided to the University. Members of the Investment Subcommittee are eligible for appointment to the Audit Committee, but no such member may serve as its Chair or Vice Chair. The University President is ineligible for service as a member, ex officio or otherwise, of the Audit Committee, as a University official and employee.

Committee members shall otherwise be subject to the Conflicts of Interest Policy in the conduct of their work.

Members of the Committee shall receive orientation appropriate to their Committee membership. They will have the goal of understanding general accounting, business and finance principles, including the ability to read and understand institutional financial statements. If possible, at least one member of the Committee will possess accounting or financial expertise.

III. Authority

The Committee is authorized to investigate any matter within the scope of its Charter, with full and direct access to all pertinent University records, personnel, independent auditors and consultants.

IV. Adoption of Charter

This Charter shall be effective as of the date of its approval by the Board. The Committee will periodically review the Charter and recommend to the Board revisions thereto, in view of evolving accounting standards, legal developments and experience gained.
Audit Committee Guidelines

These Guidelines serve as an operational supplement to the Audit Committee Charter. They are intended to reflect generally accepted accounting industry standards and practices applicable to non-profit corporations and higher education institutions.

The Guidelines shall be reviewed annually by management, and management shall report annually to the Committee regarding the status of the Guidelines. The Committee shall make revisions to the Guidelines as necessary or appropriate in view of evolving accounting standards and practices, legal developments and experience gained.

I. Retention of the Independent Audit Firm

a. The Committee shall annually select and retain an independent audit firm to conduct mandatory annual financial attestation and/or compliance audits. In conjunction with such selection, the Committee will assess the independence and objectivity of the firm by reviewing and assessing the letter the firm issues under Independence Standards Board Standard No. 1. The Committee will review and assess any relationships disclosed that may impact auditor objectivity and independence.

b. The Committee shall solicit requests for proposals relative to mandatory annual financial attestation and/or compliance audits from qualified independent audit firms no less than once every five years.

c. In the event that an independent audit firm is retained to conduct a mandatory annual financial attestation and/or compliance audit for seven or more consecutive years, the Committee shall, as a condition of retention of the firm, require rotation of the lead audit partner on the University engagement.

II. Retention of Other Audit Services

a. The independent audit firm retained to conduct mandatory annual financial attestation and/or compliance audits generally shall not be eligible for University engagements to perform non-audit services that would violate the U.S. General Accounting Office Independence Standard, including bookkeeping; financial information systems design, implementation or operation; appraisal or valuation services, fairness opinions or contribution-in-kind reports; internal audit outsourcing services; management functions or human resources; broker or dealer, investment advisor, or investment banking services; legal services and expert services unrelated to the audit; or preparation of the indirect cost proposal or cost allocation plan. If, due to extenuating circumstances, and in the exercise of its reasonable discretion, management deems it to be in the best interests of the University to retain the independent audit firm for non-audit services, the proposed retention is subject to review and action by the Committee where the retention will result in fees of $10,000 or more.
b. Contracts for non-audit services with independent audit firms not already retained by the University to conduct mandatory annual financial attestation and/or compliance audits are subject to review and recommendation by the Committee and subsequent Board consideration and action when such retentions will result in fees of $250,000 or more.

III. Oversight of Audits

The Committee will, no less than once annually, and otherwise periodically as necessary or desirable:

a. review annual audit plans developed by the Office of Institutional Risk Assessment and Audit Services, and receive regular progress reports relative to such plans;

b. review and approve audit plans developed in consultation with independent audit firms, including (i) the critical accounting policies and practices to be used; (ii) all alternative treatments of financial information discussed with management, ramifications of alternative treatment and the treatment preferred by the firm; (iii) other material communications between the firm and management; and (iv) required communications from the firm under Statement of Auditing Standards No. 114, as amended;

c. review and approve mandatory annual financial attestation and/or compliance audit reports, including the annual audit reports on federal awards received as required by Office of Management and Budget Circulars (e.g., A-133) and the financial agreed upon procedures report of institutional National Collegiate Athletic Association programs;

d. resolve disagreements between management and the independent audit firm regarding financial reporting;

e. review the independent audit firm management letter comments regarding institutional financial internal controls, accounting policies and procedures, and management’s response to those comments;

f. review with management, the Office of Institutional Risk Assessment and Audit Services, and the independent audit firm their respective judgments about the quality of University accounting principles; the consistency, and the degree of aggressiveness or conservatism, in the application of accounting principles; the reasonableness of significant accounting judgments; and the clarity and completeness of the financial statements and related disclosures;

g. confirm with management, the Office of Institutional Risk Assessment and Audit Services and the independent audit firm respectively that the annual financial statements disclose all material off-balance sheet transactions, arrangements, obligations, and other relationships of the University with unconsolidated entities or other persons that may have a material current or future effect on institutional financial condition, and the results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses;
h. receive reports from management, the Office of Institutional Risk Assessment and Audit Services and the independent audit firm, regarding new and significant accounting standards to understand their impact on institutional financial statements;

i. receive reports from the Office of Institutional Risk Assessment and Audit Services regarding any financial fraud which, in single incident or aggregate, results in an institutional uninsured or insured loss in excess of $10,000;

j. review the organizational structure, qualifications, independence, scope of services inclusive of office charter, and adequacy of resources of the University’s Institutional Risk Assessment and Audit Services Office;

k. annually review the appointment, evaluate the performance and set the salary of the chief internal auditor;

l. identify and document specific administrative responsibilities relevant to the routine operations of the office of chief internal auditor that are assigned to the President;

m. ensure that regular quality assessment reviews of the internal audit operations are performed in accordance with IIA standards; and

n. meet separately with both the internal and external auditors without management representatives present subject to the requirement of the Vermont open meeting laws.

IV. Internal Controls

a. Certifications

i. The Committee will receive periodic reports from management on attestations it is rendering in conjunction with mandatory annual financial attestation and/or compliance audits as well as significant and material debt financing, such as issuance of bonds.

ii. Without limitation on 4.a(i), the Committee will receive from the Chief Financial Officer record of certification along with the annual financial statement report that:

   a. He/she has approved the audit report,
   b. Based on his/her knowledge, the report does not contain any material untrue statements or omissions,
   c. Based on his/her knowledge, the financial statements materially present the financial condition and result of operations,
   d. He/she is responsible for establishing and maintaining a system of financial internal controls, and that
   e. He/she has disclosed to the auditors and the Audit Committee all significant internal control deficiencies and changes that could materially affect financial data.
b. Policy Review.

The Committee will receive for its review and comment and, if necessary, its recommendation to the Board, institutional policies relevant to its scope of work, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, and documents retention.

c. Required Disclosures and Compliance Monitoring.

The Committee shall oversee compliance with the Board Reserved Rights and Delegated Authority resolution. Violations of the Board Reserved Rights and Delegated Authority resolution identified by management or the internal audit office shall be reported to the Committee.

d. Confidential Reporting.

The committee will ensure that the University has a mechanism that permits confidential communications from employees and others regarding potential financial or accounting improprieties or nonfeasance.

As approved by the Board of Trustees: November 13, 2004.
Approved as amended by the Board of Trustees: September 8, 2007.
Revised by the Audit Committee: November 12, 2007
Approved as amended by the Board of Trustees: December 1, 2007.
Revised by the Audit Committee: April 28, 2009
Approved by the Board: May 16, 2009
Policy V. 8.0.4.1

Responsible Official: Vice President for Legal Affairs and General Counsel

Effective Date:

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**University Seal**

**History of the Official Seal of the University of Vermont**

The University first adopted an official seal in 1807. The seal depicts the sun rising over the Green Mountains with the original "college edifice" (now the remodeled Old Mill) in the upper foreground, and a diagram of the Pythagorean Theorem, a quadrant, and a globe in the lower foreground. The outer ring of the oval includes the motto "Universitas V. Montis. A.D. 1791." "Collegiumque Agriculturae" in an inner ring notes the establishment of the College of Agriculture in 1865. From 1891 until 1975, the original seal was replaced with a round seal developed to include the College of Agriculture. In 1975, the University Board of Trustees approved a return to the original oval seal, modified to include the College of Agriculture representation within the inner ring of the oval.

**Policy Statement**

The embossed seal is, in addition to a symbol of the identity of the University, a corporate mark of identification demonstrating the authenticity of academic records, contracts and other documents executed in the name of the University. It is important as a fiduciary matter and to the integrity of the University that the seal ("Seal") be used only for permissible purposes by authorized University officials. This policy therefore sets forth rules regarding use of the Seal and describes how authorization is conferred.

**Use to Authenticate Documents**

The University Secretary or delegate(s) (“the Secretary”) shall be the keeper of the University Seal. The University Seal shall be used for the purposes of authenticating documents for both corporate and academic purposes by University officials whom the Secretary designates to do so. University officials the Secretary authorizes to maintain and utilize the University Seal, including replicas, shall keep the Seal in a secure location that allows for vigilant oversight.
Use for Promotion, Marketing and Communications

The University Seal is a registered trademark that may be used only in accordance with the following institutional policies:

- Trademarks
- Licensing
- University Name, Symbols, Letterhead, and other Proprietary Indicia of Affiliation; Use of
- Graphic Design [in process]

Reason for the Policy

The Policy is established to fulfill fiduciary responsibilities to, and protect the integrity of, the University.

Strategic Direction

This Policy supports the following goal in the University’s Strategic Plan:

- Institutional Efficacy: As an institution, model the highest standard of ethical conduct, public service, and strong commitment to lifelong learning.

Applicability of the Policy

The Policy applies to all proposed uses of the Seal, including without limitation to authenticate documents and for promotional, marketing or communications purposes, whether commercial or non-commercial.

Definitions

The Seal: is the emblem described in the introductory paragraph of this Policy.

The Secretary: is the Secretary of the Board of Trustees.

Procedures

Authorization of University officials to authenticate documents and/or to maintain the Seal or a replica thereof. The Secretary shall, through express and written delegation of authority, authorize specific institutional officials ex officio to maintain the Seal or a replica thereof. Any additional authorizations that become necessary in the course of University business must also be obtained from the Secretary.
Authorization of persons or entities to use the Seal for promotional, marketing, communications or related purposes. Policies and procedures applicable to use of the Seal for these purposes are listed in this Policy above.

Contacts

The Assistant Secretary to the Board, under the direction of the Secretary, is the official responsible for the operational interpretation of this Policy as it concerns use of the Seal to authenticate documents. Questions should be directed to:

Office of the Assistant Secretary of the Board and General Counsel:
351 Waterman   802 656 8585

The officials responsible for administering the Policies relating to Trademarks; Licensing; Use of University Name, Symbols, Letterhead, and other Proprietary Indicia of Affiliation; and Graphic Design are identified in those Policies.

Related Documents/Policies

- Contract Approval and Authority
- Graphic Design [in process]
- Licensing
  http://www.uvm.edu/~uvmppg/ppg/general_html/licensing.pdf
- Trademarks
  http://www.uvm.edu/~uvmppg/ppg/general_html/trademark.pdf
- University Name, Symbols, Letterhead, and other Proprietary Indicia of Affiliation
  http://www.uvm.edu/~uvmppg/ppg/general_html/letterhead.pdf

Effective Date

Approved by:

_____________________________________________ President
Daniel M. Fogel

_____________________________________________ Date

_____________________________________________ Chair Board of Trustees
Ian D. Boyce

_____________________________________________ Date