The Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, February 4, 2011 at 8:00 a.m. and 4:00 p.m., in the Silver Maple Ballroom, Room 401 at the Dudley H. Davis Center.

MEMBERS PRESENT: Chair Robert Cioffi, Vice Chair Harry Chen, Secretary Bill Botzow, Claire Ayer, Samuel Bain, Carolyn Branagan, Christopher Bray, Frank Cioffi, David Daigle, Jeffrey Davis, Johannah Donovan, Daniel Fogel, Susan Hudson-Wilson*, Debbie McAneny, David Potter, Dale Rocheleau, Adam Roof, Bill Ruprecht, Brian Sozansky, Donna Sweaney, Jeanette White and Mark Young

MEMBERS ABSENT: Ian Boyce, John Hilton, Jr. and Peter Shumlin

ALSO PARTICIPATING: Senior Vice President and Provost Jane Knodell, Faculty Senate President Jim Burgmeier, Staff Council President Ida Russin, Alumni Council President Ted Madden, Student Government Association President Kofi Mensah, Graduate Student Senate President Dustin Evatt, Vice President for Finance and Administration Richard Cate, Vice President for Legal Affairs and General Counsel Francine Bazluke, Vice President for Enrollment Management Chris Lucier, Vice President for Executive Operations and Chief of Staff Gary Derr, Vice President for Student and Campus Life Thomas Gustafson, Vice President for Research and Dean of the Graduate College Domenico Grasso, Chief Diversity Officer Wanda Heading-Grant, Associate Vice President for Budget and Resource Management Ted Winfield, Renee Bourget-Place of KPMG, Director of International Education Services Kim Howard, Director of the Office of Sustainability Gioia Thompson, Director of Admissions Beth Wiser, Associate Professor of English and ALANA U.S. Ethnic Studies and Gregory Gause, Professor of Political Science and Noel-Levitz Financial Aid Consultant Randy Renell

*via conference call.

Chair Robert Cioffi called the meeting to order at 8:12 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the minutes of October 29, 2010 meeting as presented.

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

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

Faculty Senate President Jim Burgmeier reported on the Senate’s progress since he submitted his last report. Progress includes: final approval of the new Academic Program Review procedures by the Curricular Affairs Committee; beginning work of the Joint Liaison Oversight Committee to promote shared information, staff support and goals and metrics of three Spires; review of a proposal for a PhD program in the College of Education and Social Services; consideration of inclusion of SGA questions in course evaluations; and ongoing progress on creating a proposal for General Education component of degree requirements. This spring, the Senate will consider participation in the Fiscal Year 2012 budget process, Senate approval of the Academic approval of academic calendars, and the creation of a December Graduation Commencement Ceremony in place of the current practice to hold a more simple celebration.

Staff Council President Ida Russin stated that the Council presented to the Administration their annual salary increase proposal. The recommendation is for a flat increase of $1,000 for all employees, regardless of their pay band. The Salary and Budget Committee researched four distinct methods of increases prior to making their final decision including a flat-dollar increase, salary-based graduated increase, salary-based increase with a cap of 1% for those making over $75,000, and a flat 1.5% increase regardless of salary. President Russin indicated that staff remain concerned regarding the post-retirement benefits discussion and are hopeful that the administration will make a fair decision.

Alumni Association President Ted Madden reported that the Association is excited to have Rich Bundy as the new Vice President for Development and Alumni Relations. The Alumni House remains a top priority as it aims to change how Alumni can stay connected to campus. Engagement is strong with many events held in the first quarter, including ten Admitted Student Events and career events hosted in Boston and New York City. The Association has been hosting hockey telecasts in over twenty sites nationwide. In March, the Vermont Regional Board will be hosting a Ski and Ride Weekend in Stowe with a half-day off-site workshop being held in conjunction to plan activities in areas of strategic focus. On January 22nd, the Class Councils held a retreat to focus on developing a new organizational model to more closely align with the Alumni Association.

Trustee Samuel Bain inquired as to the status of fundraising for the Alumni House. President Madden replied that efforts have gone well so far. Over $1 million has been raised and the Association is in the process of forming a development committee to strengthen this process.

Trustee Jeannette White asked if continuing education students are considered in plans for fundraising. President Madden replied that they had not previously been included in plans, but he thinks it would be a great idea and will research the possibility.

Student Government Association (SGA) President Kofi Mensah reported that the Senate has recently elected new members. He also recalled last semester’s course evaluation boycott, enacted by the SGA, which is an effort to allow assessment results to be available to all students. The boycott sparked significant discussion and was supported by many students. President Mensah hopes that this issue can be resolved this semester. He also reemphasized the need for a new
center for ethnically diverse students on campus. Lastly, he stated that the working number of a 5.8% tuition increase, to be discussed later today by the Budget, Finance and Investment Committee, will create additional burdens on students and he urged that the University attempt to keep education as affordable as possible.

Graduate Student Senate (GSS) President Dustin Evatt stated that the GSS continues its work on a graduate student fee proposal. He also announced that the GSS is working with the Office of International Education to create an online survey to collect data and feedback on the graduate student experience at the University. GSS has also been working with members of the administration concerning stipends, which are amongst the lowest in the country for UVM graduate students. President Evatt concluded by noting several social events and professional development workshops that are being held as a means to allow graduate students the opportunity to network and develop career skills.

**Action Items**

Audit Committee Chair Bill Botzow introduced the following resolution, noting the proposed revision conforms the resolution and annual audit practices:

**Revision to Resolution Regarding Delegation and Retention of Board Authority**

RESOLVED, that the Board of Trustees revises its resolution of September 11, 2004, entitled *Resolution Regarding Delegation and Retention of Board Authority* as follows:

(11) "the institutional annual budget and acceptance of the annual audited financial statements;"

A motion was made, seconded and unanimously voted to approve the resolution.

Chair Botzow invited Renee Bourget-Place, of KPMG, and Vice President for Finance and Administration Richard Cate to present the Fiscal Year 2010 Audited Financial Statements. Ms. Bourget-Place explained that the audit results were presented to the Audit Committee at their December 15, 2010 meeting. She noted that the responsibility of financial statements rests solely with management. KPMG does not audit the statements of the College of Medicine University Medical Education Associates or management’s discussion and analysis of financial statements. KPMG has an unqualified opinion and are presented in accordance with general accounting principles. KPMG issued a management letter with recommendations, which has been reviewed and responded to. Ms. Renee Bourget-Place emphasized that the audit found no material weaknesses or significant deficiencies.

The following resolution was presented for approval:

**Acceptance of Fiscal Year 2010 Audited Financial Statements**

WHEREAS, the books and accounts of the University of Vermont and State Agricultural College for the Fiscal Year ended June 30, 2010, have been audited by KPMG LLP,
Certified Public Accountants, and the report of that audit published in detail in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, that the Board hereby accepts the FY 2010 Audited Financial Statements as recommended by the Audit Committee and presented today and acknowledges receipt of the FY 2010 Financial Report.

A motion was made, seconded and unanimously voted to approve the resolution.

Chair Botzow introduced the next resolution, which was approved for recommendation by the Audit Committee at their meeting yesterday. This resolution has been added since materials were originally distributed. He noted that the University is in their third year of a 5-year contract with KPMG and the contract is reaffirmed annually during its duration.

The following resolution was presented for approval:

**Resolution Authorizing Retention of External Audit Firm for FY 2011**

RESOLVED, that the Committee authorizes and directs the Committee Chair to retain KPMG LLP, Certified Public Accountants, to conduct the mandatory annual audit of the financial statements and compliance audits for the fiscal year ending June 30, 2011, in accordance with the fee schedule set forth in KPMG’s proposal for services dated December 23, 2008. The annual audits shall be conducted in compliance with the requirements of the University Bylaws and state and federal law.

A motion was made, seconded and unanimously voted to approve the resolution.

Board Governance Committee Chair Frank Cioffi introduced the following resolution for approval and noted that the suggested amendments including preferred vendors are highlighted in attachment 7a of the meeting materials.

**Resolution Approving Revisions to the Trustee Expense Reimbursement Policy & Guidelines**

RESOLVED, that the Board hereby accepts the revisions to the Trustee Expense Reimbursement Policy & Guidelines as recommended by the Committee on Board Governance and appearing as Attachment A to this resolution.

A motion was made, seconded and unanimously voted to approve the resolution.

Chair Frank Cioffi reported that on December 10, 2010, the Committee on Board Governance also endorsed proposed amendments to the Policy on Orientation, Training, and Development for Trustees which supports a proposed redesign for New Trustee Orientation and recommends discontinuing the formal process of assigning an incumbent Board member to serve as mentor for new Trustees. He noted that the amended policy is included as attachment 7b in the meeting materials:
The following resolution was presented for approval:

**Resolution Approving Revisions to the Policy on Orientation, Training, and Development for Trustees**

RESOLVED, that the Board hereby accepts the revisions to the *Policy on Orientation, Training, and Development for Trustees* as recommended by the Committee on Board Governance and appearing as Attachment B to this resolution.

A motion was made, seconded and unanimously voted to approve the resolution.

**Consideration of Revisions to Board Reserved Rights**

Vice President for Legal Affairs and General Counsel Francine Bazluke approached the Board seeking its direction on the consideration of revisions to Board reserved rights concerning settlement authority and approval of contracts with terms exceeding five years. She stated her opinion that grants and contracts with durations of over five (5) years are not subject to Board approval because the Board does not approve grants and contracts awards but, rather, accepts periodic grants and contracts reports. Regarding settlement authority, she inquired whether the Board wishes to exempt workers’ compensation settlements from its approval of matters in litigation over the specified dollar threshold and whether the Board wishes to approve settlement of disputed claims that are not in litigation but that involve amounts over the dollar threshold specified for litigation. Trustee Bill Ruprecht replied that siloing categories is not desirable. Vice President Bazluke identified an apparent consensus that the Board will approve both workers’ compensation settlements in excess of the existing settlement approval threshold and settlement of non-litigation claims at amounts over the threshold. Vice President Bazluke will make the appropriate revisions and present them for consideration at the March Board meeting.

**Acceptance of Gifts and Grants Reports**

A motion was made, seconded and unanimously voted to accept the Gifts and Grants reports.

**Academic Presentations**

Provost Jane Knodell announced that two presenters were invited to provide academic presentations with focus on areas of the liberal arts. She introduced the first presenter, Professor Gregory Gause, who is Chair of the Department of Political Science and focuses his teaching and research in international relations and Middle Eastern politics.

Professor Gause noted President Barack Obama administration’s focus on Egypt’s domestic policy, which differs significantly from the focus on foreign policy as it had been in previous administrations. Professor Gause feels this is a startling change and quite controversial. He believes that there should be consideration of less direct US involvement as there is indication of strong political change in Arab countries; it appears there is a paradigm shift from the longstanding history of extended regimes.
Trustee Sam Bain inquired what this political shift might mean in relation to Israel. Professor Grause replied that the events in Egypt are going to have major effects in the Arab world and will likely cause strain on US-Israel relations. He summarized that intense support for democracy could potentially create an Arab world that is not as cooperative with the United States.

Provost Knodell introduced the second presenter, Associate Professor of English & ALANA U.S. Ethnic Studies, Emily Bernard. Professor Bernard has published several award-winning books and her presentation focused on her soon-to-be-published book *White Shadows: Carl Van Vechten and the Harlem Renaissance*. She stated that Carl Van Vechten’s life has always fascinated her because he was a white man who was focused on and aided black culture, notably the Harlem Renaissance. Her book examines letter correspondence chronicling his “black life”. For Professor Bernard, his life story has been an anchor for her in a time where it seems Americans feel race no longer matters. She fears that this change will cause discussions concerning racial differences to become a negative, rather than a positive, exploration. She noted that “color blindness” is a cultural epidemic and she suggested that our society might consider removing this blindness and embracing racial differences.

Chair Cioffi thanked both presenters and announced that academic presentations will continue to be included at future meetings.

At 9:50 a.m., Chair Cioffi recessed the meeting. Trustees Ruprecht and Young departed the meeting.

The meeting reconvened at 10:10 a.m.

**Internationalization**

Chair Cioffi invited the following presenters to discuss internationalization at UVM: Provost Jane Knodell, Vice President for Enrollment Management Chris Lucier, Vice President for Student and Campus Life Thomas Gustafson, Chief Diversity Officer Wanda Heading-Grant and Vice President for Research and Dean of Graduate Studies Domenico Grasso. Provost Knodell explained that internationalization falls into the category of strategic priorities and recalled the commitment to diversity outlined in both the Statement of Trustees Responsibilities and one of the five key goals listed in the University’s Strategic Plan. She stated that diversity is about the student experience and student success. It will assist to prepare students to be accountable leaders in the global community. Student learning comes from personal and group interaction which must be enriched by diverse people and ideas. Provost Knodell also stated that diversity is important for academic programs, graduate education, research, enrollment management, recruitment and retention of students representing national and global societies.

Provost Knodell explained that the intention of this presentation was to seek Trustee feedback on whether internationalization should be an area of focus. She emphasized the importance that efforts to internationalize do not affect enrollment of Vermont students or divert resources dedicated to them. She further noted that the administration has been engaged with members of the University community to gather their opinions on this initiative.
Trustee Claire Ayer recalled a recent statement Provost Knodell had made indicating that if the University does not begin this initiative now, it might never happen. Trustee Ayer asked if this was still the case. Provost Knodell replied that now is an extremely desirable time to begin this initiative. She noted that, due to demographics, the University is facing a decline in the number of potential applicants. She also said that students are entering into an increasing global society. Provost Knodell identified potential connections of this initiative to General Education and the Spires of Excellence. She also referenced the current trend of several countries that are making enrollment harder for international students and opined that now is the time to enter competition for these students.

Trustee Harry Chen commented that international students will require more intensive support and asked how the Administration would be prepared to offer, and finance, such support. Provost Knodell replied that the US Sino Pathway Program (USSP), an initiative involving students from China, has highlighted the importance of a transitional education experience. The administration would need to create a “gap year” program. With the USSP, this program is being provided largely outside the University. Vice President Gustafson affirmed the need for thorough discussion of the details of how many students, how fast, where will students come from, cost, and other factors. Vice President Grasso added that, based on numbers alone, the top ten percent of students in China account for more than all of students in the United States, emphasizing that there is a highly talented pool into which to tap.

Trustee Johannah Donovan asked if these students would likely be the more economically elite. President Fogel responded that they would be a diverse group, with some who are affluent and some who are academic standouts sponsored through scholarships.

Trustee Brian Sozansky commented that he is a Teaching Assistant for a class in which many USSP students are enrolled. The class specifically aims to improve students’ writing skills, motivate their interest, and create understanding of support systems. He has witnessed great success and noted that they are amongst the hardest working students at the University.

Trustee Jeannette White asked if the goal is to expand the number of the student body or to create a diverse mix. Provost Knodell replied that this will be discussed, but noted the University is currently at optimal class sizes for undergraduates.

Trustee Bill Botzow acknowledged that this is a competitive endeavor and inquired if the University has benchmarked its potential against global competitors. Vice President Grasso replied that the administration is starting to look at how we could globally position ourselves. Trustee Botzow followed up by stating that another consideration would be how to form strategic relations with other international Universities. Vice President Grasso acknowledged that this is a consideration and advised that the University has a current initiative involving Engineering students in Lima, Peru.

Trustee Sam Bain asked what the University’s objective might be in working with an external consultant on this initiative. Provost Knodell replied that the first step is to engage the community to determine if it thinks the initiative is promising and, if so, the next steps would be addressed. The administration will be working with the Board to identify alternatives, including the
possibility of an external consultant. Trustee Bain also asked about social integration and the use of our existing programs. Trustee Adam Roof answered by referring to the social integration successes of the USSP program. He identified the competitive dynamic that the program has created, although he noted there have been failures as well.

Trustee Roof commented that it is important to look further into details of what we have learned so far from the successes and failures of the USSP. Director of International Education Services Kim Howard cited examples of success, yet affirmed there are students who have taken longer to integrate. Chief Diversity Officer Heading-Grant added it is hard to embrace diversity without embracing internationalization. She affirmed her supportive of this initiative, but cautioned that the University will have to determine what this might mean for domestic ALANA students.

President Fogel recalled that, when he was considering taking his position at UVM, he was concerned with the low levels of diversity. He noted enormous strides have been made, but that there remains much to be done.

Trustee Debbie McAneny stated that it is evident that the University is behind in terms of diversity and emphasized that it will need to differentiate itself to the global student body.

**Campus Climate Commitment Planning Update**

Vice President for Finance and Administration Richard Cate and Director of the Office of Sustainability Gioia Thompson provided an update on the Campus Climate Commitment. Trustees were reminded that the University became a signatory of the American College & University President’s Climate Commitment in 2007. The Commitment requires that the University define a date for achieving climate neutrality and submit a climate action plan with financing mechanisms.

Vice President Cate commented on the University’s current emissions, noting that the major resources used are electricity and natural gas. He emphasized the need to plan ahead for the possibility that natural gas could run out. He then presented a proposed timeline for achieving climate neutrality by 2025. The timeline calls for, by 2015, all of the University’s electricity to be generated from renewable sources. Vice President Cate hopes this is a realistic goal for electric estimates, but acknowledges that the projection for carbon neutrality of heating emissions by 2020 is even more challenging.

Several strategies were cited to address climate neutrality, including the continued focus on reducing energy use, switching from primarily fossil fuels to primarily renewable energy, and engaging with energy and carbon markets. Vice President Cate listed several current and projected ways the University can finance climate neutrality through emissions reduction and mitigation. The goal is to gradually build into the budget money devoted to this process. Board engagement will be in several ways, but Trustees will be most involved with the budget aspect. Chair Cioffi affirmed the importance of the Board being educated about these issues, because the initiative will undoubtedly be a costly undertaking.
In reference to the goal of having electric emissions become obsolete in 2015, Trustee Debbie McAneny asked how this could be achieved. Vice President Cate replied that this would have to be a result of working with electricity providers and producers and will not be based on significant changes to the University’s infrastructure.

Trustee Christopher Bray asked Vice President Cate to expand on the not-yet-funded priority of a $40 million environmental utilities infrastructure project. Vice President Cate explained that this figure is a rough estimate of cost as he cannot accurately predict the cost of future technology. He felt that the $40 million figure highlights that this will be a significant capital investment.

Trustee Carolyn Branagan inquired what role students might play in this initiative. She asked whether physics or engineering students could be involved in brainstorming potential technology and planning. Director Thompson stated that the Commitment includes integrating sustainability into the curriculum, which is currently being done through areas such as services learning and the Student Government Association. She added that there was a class that examined potential technologies that could be used to assist with the Commitment goals.

Director Thompson moved on to discuss the Sustainability Tracking Assessment and Rating System (STARS) that is designed to assist in monitoring progress with education, research and outreach climate goals.

Trustee Joey Donovan inquired as to the relationship of the University and Burlington Electric in regards to this initiative. Vice President Cate replied that the two entities are working together to figure out long-term needs and how to meet them.

Trustee Bill Botzow pointed out that it would be helpful to have energy-use figures included in the University Sourcebook.

**Financial Aid Presentations**

Chair Cioffi invited Vice President Lucier and Noel-Levitz financial aid consultant Randy Rennell to provide a presentation concerning financial aid. Vice President Lucier recalled that the first financial aid leverage model was initiated in 2004 and has since been refined. As the University entered 2010, his team concluded the model needed further refinements and that the process could benefit from hiring a consultant. This process commenced with Noel-Levitz last February.

Mr. Rennell emphasized the need to consider both students’ ability and willingness to pay the costs of attending an institution when determining how and where to invest institutional aid. Trade-offs must be considered between improving quality and shaping the student body, and the net revenue available for operations. A matrix was presented illustrating this concept and how to award financial aid. Surprisingly, he observed, students who have the higher ability to pay are often less willing to pay greater tuition costs. Trustee Debbie McAneny asked why the affluent would be less willing and Mr. Rennell replied that they are often looking for merit scholarships.
Mr. Rennell next discussed how statistical analysis was used to measure the price-sensitivity of selected students by examining the percentage of need met with gift. This exercise illustrated significant break points. His firm utilized two years of prior data to determine trends. He noted that the greater reputation a University has, the more likely students can be attracted with less money. He noticed this has certainly played a role at UVM.

Mr. Rennell moved on to discuss numerous challenges and trends that complicate enrollment efforts. Even before the recent economic crisis, colleges were facing the following six major issues in managing affordability: rising college costs, decreased purchasing power of federal aid, sustained discounting, shifting demographics, increased family borrowing, and declining yield rates. As to shifting demographics, Vermont has a huge challenge as high school graduates are projected to decline 23% by 2019-20. The good news is that Vermont often retains approximately 25% of these graduates. The number of high school graduates in New York is also expected to decline, which will impact UVM as it typically enrolls 400 students from there. Trustee Carolyn Branagan inquired why our projections are so much worse than other Northeastern states. Though the specific answer is unknown, Vice President Cate stated that low Vermont birthrates have a significant impact.

Mr. Rennell next addressed the University’s discount rate. He noted that the University is unique as it is considered a public institution, but operates like a private school for three quarters of the student population. He also noted that UVM has a fairly long history where the overall discount rate has only changed slightly. In 2008 and 2009, there had been some increase, which was likely driven by concerns related to the economy. He also stated that many institutions have increased awards to increase enrollment. As long as cost goes up, he noted, discounts also have to go up.

Trustee McAneny inquired if there is a point at which the idea of a high price/high discount model will fall apart. Mr. Rennell acknowledged that there is fear that this model will not be sustainable. He noted that the University will know when the model is no longer working when it no longer have students willing to pay the full sticker price. As long as the institution has enough of a no-need merit population and full-paying students, then the model is still working. He added that it is also important to place more focus on the net tuition revenue and not on the discount rate.

Trustee Adam Roof commented that the University currently employs an early action model rather than an early decision model. He asked if moving to early decision would allow for more control. Vice President Lucier stated that early action allows for a prediction of our placement in a broader market. Director of Admissions Beth Wiser recalled that UVM used to employ an early decision model, but UVM chose to switch as it was not successful due to number of undergraduates we enroll.

Mr. Rennell discussed the last slide illustrating that, like many colleges and universities, UVM has experienced a significant increase in freshman with financial need and especially those eligible for Pell Grants. In order to compile this data, UVM was compared to five public and nine private institutions. UVM’s enrollment has remained relatively flat comparatively. Looking at financial need, the statistics for UVM are positive because although our enrollment has remained stable, the growth we have had is not represented by needy students.
Mr. Rennell stated that though we may have concerns, the situation is relatively positive.

The meeting recessed at 12:16 p.m.

**Other Business**

The meeting reconvened at 4:05 p.m., Trustees Ruprecht and Young rejoined the meeting. The Chair entertained a motion to go into executive session to consider contracts and collective bargaining. All in attendance were excused from the meeting with the exception of Provost Knodell, Vice President for Legal Affairs and General Counsel Francine Bazlule, Vice President for Finance and Administration Richard Cate, and Vice President for Executive Operations and Chief of Staff Gary Derr, Vice President for Student and Campus Life Thomas Gustafson and Vice President for Enrollment Management Chris Lucier.

Vice President Lucier was excused after the first executive session item.

The meeting was reopened to the public at 5:26 p.m.

The following resolutions were presented for approval:

**Authorization relative to Collective Bargaining**

BE IT RESOLVED, that the Board hereby authorizes the administration to negotiate and, as appropriate, resolve, a collective bargaining agreement with United Academics governing the terms and conditions of employment of faculty in the certified unit, such agreement to be consistent with the material terms the administration has proposed.

**Authorization relative to Post-Retirement Medical Benefits**

RESOLVED, that the Board authorizes the administration to proceed with planning and implementation of adjustments to the post-retirement medical benefits program in which eligible retirees participate post-65, subject to collective bargaining requirement and other applicable consultative practices.

A motion was made, seconded and unanimously voted to approve the resolutions.

**Adjournment**

There being no further business, the meeting was adjourned at 5:28 p.m.

Respectfully submitted,

Bill Botzow, Secretary
Chair’s Report
Board of Trustees Meeting
February 4, 2011

Good morning, and thanks to all of you for your efforts to get here by braving some difficult, but apparently increasingly typical weather. We have a full agenda, so as usual I will try to be brief.

And in light of this latest storm and the requisite dumping of the white stuff, let us take just a moment to recognize and celebrate the following headline from the NCAA website: “Vermont has propelled to the No. 1 spot in the latest Ski Racing Magazine Power Rankings after its dominating performance at the St. Lawrence Carnival to open the 2011 EISA Circuit.... Vermont's 1,046 points are the most ever in a carnival by a collegiate ski team.”

Congratulations to the coaches and members of UVM Men’s and Women’s Ski Team who I understand are up on the mountain practicing right now. We wish you great success during the remainder of the season especially at the NCAA tournament to be held in Stowe, VT.!

As I thought about my remarks today, I first read each and every word of the Board Book with intense focus and fascination, of course. And as did I noticed with interest Professor Burgmeier’s Faculty Senate Report, in which he summarizes the recommendations of the TRI Ad Hoc Advisory Committee and the Senate Executive Committee’s observations about them. (Of course, this not only illustrates how important I think the faculty are, but also shows that I actually read my Board Book).

Among the recommendations are:

1) Identify the existing research strengths, associated costs, and needed investments at UVM using defined metrics.
2) Assess specific areas of research strength for future investment that will be fiscally affordable and appropriate for the breadth of interests at UVM.
3) Determine optimal directions for implementing interdisciplinary research initiatives at UVM.

Clearly these are specific recommendations made with respect to a particular initiative: TRI. But I was struck by their relevance as a microcosm of what we must do as a University in order to remain competitive in this crowded marketplace of higher education. We need to identify our strengths and invest in them, and better understand how the sum of those strengths, combined with the unique cultural, geographic, and social aspects of UVM and Vermont roll up into what I will call our distinctiveness as a university. In other words: What is it that makes us special, so much so that a lifelong bond is created between UVM, its current inhabitants, and those who have been here and moved on to new challenges.

Let me share a couple of stories to illustrate what I mean. At a recent Development dinner, I met an alumnus from the class of 1959 who walked into the dinner with his Boulder jacket on. (I was most impressed that it still fit and hope I can say the same when I go to a dinner 30 years from now.) For those of you that don’t know, Boulder is the Senior Men’s Honor Society here at
UVM. His wife, who did not go to UVM, expressed the sentiment that whenever her husband talks about UVM, he just glows. She said, “If you could figure out what that is and bottle it, it would be amazing.”

Story #2: A prospective student who I have met with in the past few months is from a family that has exclusively attended Notre Dame - a University and alumni base known for their distinctiveness and love of their alma mater. But guess what? This young man and his somewhat confused and conflicted father both told me the same story. (And Dad added he had hoped his son would become another member of the fighting Irish family). When they visited UVM, it took about ½ of the admissions tour before the son knew where he wanted to go. His father put it this way, “Your campus and student body as well as the community of Burlington and the state of Vermont had something that resonated with him like no other campus that he has ever been on.” That impressed me, and I’m happy to report that this young man will be in Burlington rather than South Bend next year.

Now, look: I understand that these are just two anecdotes, and that it is easy for an older alum to wax nostalgic about bygone days, or a young prospective student to have a wonderful first impression of a university. I get that. But among us here we have heard scores of these stories, and have even been in them ourselves. And at UVM, we have something that makes us special and is a cornerstone to our future that will be even more important as the higher education marketplace becomes ever more competitive.

I fully recognize that being competitive means more than being distinctive or special. We must face some difficult budget realities, which we will be discussing later today. Within those realities we have to fund adequate financial aid to remain accessible and affordable to our students. We must be competitive in our ability to recruit and retain high-quality faculty and staff. We have essential facilities to build, improve, and maintain. We must deal with costs that are hard to control, from energy to health care to competitive salaries. Our commitment to academic quality must remain strong and vital, and we must find ways to invest in strategic imperatives like the Transdisciplinary Research Initiative, the General Education Requirements, and the newly-forming UVM foundation for fundraising.

But on top of all of this, we need to understand what attracts and keeps our students, and what it is that we could put in that bottle and amaze people with. I’ll wager that if we asked everybody in this room and each of the 10,371 undergraduates, 1,516 graduate students, and 460 medical students (How are my numbers, Dan?): “What is it that makes UVM distinctive and unique?” We would get many different answers. Yes, the alumnus who I mentioned earlier who proudly wore his Boulder jacket some 51 years later would talk about that Senior Men’s Honor Society or his fraternity. Sam might talk about football or meeting his wife. Frank might talk about his Presidency of the Student Body or lobbying the Vermont legislature. Bill might talk about that special Professor who ignited a passion for Art. Deb would likely mention her time as a Student Trustee. David might talk about the education he received that allowed him to be a successful teacher and legislator. The list could go on and on but I am also confident that they would include some of the same themes: a sense of place, a community, a well rounded individual, a quality academic experience, and engagement in something that they were passionate about.
I understand that there is a retention study currently underway that will help us figure out what this uniqueness is, and because I don’t think we can bottle it; this is important work as it will help us continue to be competitive. Because competitive and uniqueness, or distinctiveness, or what is special (you know what I mean) must go hand and hand. And while it is important for us to understand why some 10% of our first year students leave UVM, I would argue that it is also essential that we understand better why 90% stay here. Why they have great experiences that are remembered and celebrated all of their lives, so that we can build on those, and preserve those strengths. And at the risk of stating the obvious: as we determine our strengths, and what makes us unique, we should apply those determinations to make decisions on what we aren't and therefore should not be investing in.

This effort will be unsuccessful if it is placed solely on the back of the administration. This Board, the faculty, our staff, our alumni, and student body should also work to consider what it is that makes UVM distinctive, and what does it mean to be a UVM graduate going forward. We must determine these deliverables and, of course, deliver them to our students.

As Board Chair, I want to be clear: This is very, very important work and I look forward to seeing the outcomes of these critical tasks that will strengthen our competitiveness, highlight our strengths, and give us a better understanding of the distinctive personality of our University.

I will take just a brief moment to welcome our newest Trustee, in absentia: Governor Peter Shumlin. I think we all know about the daunting challenges and the full plate that Governor Shumlin and all of his colleagues in Vermont have before them, and I for one also recognize the courage, will, and creativity that will be required to make headway in these difficult times. On behalf of this Board, I want to welcome the Governor and wish him well. And I also wish to reinforce how important UVM is to the future of Vermont, and that this Board, and Vermont’s University will do all we can to be a trustworthy and effective partner as we face the many challenges and opportunities ahead. I hope we will work in an environment of mutual support that recognizes the importance of mutual success.

We will be recognizing departing Trustees in detail at dinner tonight and tomorrow morning, but I want to recognize the group now in front of so many members of the UVM community. First, Adam Roof, thank you for your tireless service and many contributions as a student Trustee. Adam, I fully expect that you will be back at this table in 20 or so years as is becoming somewhat of a tradition with former Trustees who happen to be students during their FIRST terms. Thanks, Adam.

Next, Claire Ayer. I’d like to specifically highlight Claire’s stellar leadership of the EPIR committee during a very busy few years for that committee. TRI, a new provost and Gen ED have kept Claire’s plate full. For all you have done, we thank you.

Joey Donovan. We deeply appreciate your distinguished service to this Board, and I must note here how much I am anticipating the rebuttal of your brother and former Trustee, Jim Leddy at dinner tonight, after you spoke so eloquently, and hilariously, about your sibling a few years back. Thank you, Joey.
Bill Botzow. For your always dependable and thoughtful work, especially as Secretary of the Board, and in your leadership role with the Audit Committee, during some very trying times, many thanks.

And finally Frank Cioffi, for your longtime and generous service to us as Vice Chair of the Board, Chair of the Governance Committee, and numerous other roles, you have our gratitude. To all of you, thank you again.

This ends my report.
Chairman Cioffi, trustees, vice presidents, deans, faculty, students, staff, alumni, and friends:
good morning. Thanks very much, Rob, for those telling observations. To paraphrase, you have
challenged us to define, foreground, and enhance the distinctive dimensions of the UVM
experience that engender deep love of the University in so many of UVM’s sons and daughters.
We have been working hard over the last nine years to build the quality, diversity, and distinction
of the University. Many of our efforts have been focused on the very issue you have raised of
UVM’s distinctive appeal, including the Hartley-Copernicus study of what draws students to
UVM and a recent Art & Science Group study of Student Success and Satisfaction. Your
exhortation will, I am sure, inspire us to intensify and expand our efforts.

To restate the matter: we must continue to focus and excel—we must focus in order to excel. We
must continue to invest in quality, diversity, distinction, and distinctiveness even as we exercise
together the fiscal discipline to which the times challenge us.

I will return to those broad themes of investment and discipline shortly. First, I want to join Rob
in offering heartfelt thanks for their service to the trustees who are completing terms on this
board: Claire, Bill, Frank, Joey, and Adam, we are all grateful for the many contributions each of
you have made to our work together and to UVM and we look forward to the next phase of your
engagement with Vermont’s University. I also want to offer a few current updates. Applications
for admission next fall in the undergraduate class of 2015 look very strong. For the third year
running we have exceeded 22,000 applicants, with demonstrable academic quality and diversity.
It appears, moreover, that enrollment this spring has brought us 94 students above the fall/spring
average on which the budget was based for the current year. Our fund-raising also yields
favorable indicators: at mid-year total, voluntary support stood slightly above $17 million,
positioning us well to achieve our $30 million goal. A subset of that goal, unrestricted annual
giving, was also positive at mid-year, with slightly more than two-thirds of the $3 million target
in hand. In contrast, though not unexpected, sponsored program awards year-to-date were down
at the end of December by $4 million compared to the same time last year ($75 million
compared to $79 million). The decline reflects the funding agencies’ loss of billions of dollars in
federal stimulus dollars. Awards at the end of December 2007 stood at just under $61 million
and, at the end of December 2008 at $73 million, so that the $75 million in December 2010 is
second only to the historic high of stimulus-fueled 2009 and, absent stimulus dollars, seems to be
a creditable performance against historic norms. Our success in the face of intensifying
competition for shrinking funding pools is a tribute to the hard work and scholarly power of our
faculty. The resource shrinkage against which their achievements should be measured is still
under way in peer institutions across the country, in states throughout the nation, and in nations
around the world.

I am pleased to welcome Governor Shumlin to the Board. Governor Shumlin’s support for
higher education is reflected in the budget he has presented to the General Assembly, in which
he has recommended that UVM and the Vermont State Colleges be level-funded with respect to
the base dollars in last year’s appropriation. For this we are grateful. We also recognize the
reality of Vermont’s projected $180 million budget shortfall, which has required the removal in
the budget recommendation of $2.5 million in one-time funds that were made available as a result of the State’s receiving substantial federal stimulus funding in each of the past two years.

We began our work on next year’s budget with a presumed 4.5% tuition increase and a budget gap of about $9 million. The budget team has worked for months to reduce that shortfall by identifying all feasible opportunities for savings and revenue enhancements, including reducing the allocation for financial aid, level-funding operating budgets, and trimming back the assumption for salary increases. With all of those measures, the gap was still nearly $5 million. It was then that we adjusted the tuition assumption upward by 1.3% to 5.8%. That notional tuition increase reduced the gap to $1.6 million to which we must now add the loss of $2.5 million in one-time funding from the State. To address the $4.1 million shortfall, we are currently engaged in additional modeling in order to present you with a balanced FY ’12 budget for approval in May. Specifically, the Provost has asked the deans and vice presidents for recommendations for budget reductions and revenue enhancements that combined will provide, alternatively, an additional $3 million or $6 million dollars. On top of the $15 million we took out of the general fund in FY 09 and FY 10, these targets present a substantial challenge, and it is our judgment that anything less than a 5.8% tuition increase will necessitate cuts that will adversely impact the University generally and enrollment specifically in the near and long term. Earlier this week, Provost Knodell and Vice President Cate issued a call to faculty and staff for proposals for revenue enhancements and expense reduction opportunities in the belief that creative thinking and resourcefulness throughout the community can help us attain the goals of the $3 million and $6 million dollar gap-filling scenarios with some resource gains mitigating and at least modestly reducing the need for further unit budget reductions.

We remain deeply committed to helping students and families meet financial aid needs. The biggest single driver of cost increases in next year’s budget is financial aid, which increases by nearly $10.8 million dollars even after the reductions we made in the course of our budget work. In our judgment, further aid reductions would materially reduce access to the University for lower income families and would negatively affect the quality and diversity of the student body. We will be hearing from Chris Lucier shortly about the work we have been doing to enhance the effectiveness of our financial aid programs, so I will only say that we expect the rate of increase in aid budgets to flatten out after FY 13. UVM’s average tuition increase over the past decade has been lower than the vast majority of our public peers. For example, the university systems in New York, Illinois and California have all, within the past eighteen months, implemented one-year tuition increases ranging from 20% to 32% compared to our 4% last year and to what would be, if we settle on 5.8% for next year, a 4.9% average for fiscal years ’11 and ’12. Because we have restrained tuition growth while others have shot up, it is simply no longer correct that UVM has the highest student costs among peer institutions. In fact, the gap between student costs at UVM and our more expensive private peers is widening, and there is a growing group of public institutions with higher combined tuition and fees than UVM for in-state and out-of-state students both in their “list” prices and even more so in net cost to students after financial aid. For Vermont students, net costs after financial aid remain in the lower half among public universities, and we will exert every effort to making sure that that remains the case. Today one in three Vermont students at UVM attends free of any charges for tuition and mandatory fees other than room and board, and slightly under one in five pays the full fare. With our distinguished faculty, high academic quality, and superb student outcomes, including the record
80.4% graduation rate for Vermonters in 2010, UVM remains an accessible, affordable, high-value opportunity for the people of the State.

I also want to touch on three salient items about which you will not hear a great deal at this week’s Board meeting. First, discussions between the Board and administration on post-retirement medical benefits (or PRMB) are continuing, though we do not expect to implement any changes in our program before the beginning of the 2013 fiscal year. On this very important topic, I can only reiterate what I said in October: some program modifications will be required to ensure UVM’s long-term viability. Our recommendations for addressing the challenge will be mindful of the expectations of current retirees and those eligible to retire and, whatever modifications we recommend, we will seek to maintain a PRMB program in which covered individuals will not exhaust the benefit by outliving it. Second, on another subject, we continue active planning for UVM’s next comprehensive fund-raising campaign and for creating a fundraising foundation for UVM. We plan to bring a resolution to you in May that would authorize the administration to proceed to the silent phase of a campaign to accelerate UVM’s accrual of philanthropic resources for the pursuit of the University’s vision and mission. We expect to brief the Board on our foundation work at our special meeting in March. By May we hope to have incorporated the UVM Foundation, to have fully established its Board of Directors, and to have developed a Memorandum of Understanding governing the relationship between the Foundation and the University that would be brought to this Board for approval. You will be hearing from our new Vice President for Development and Alumni Relations and soon-to-be Foundation CEO Rich Bundy shortly, so I will only say how thrilled we are to have him on the UVM team. Welcome, Rich! Third, I want to call your attention to the opening of an Administrative Services Business Center next month: by consolidating staff from many units in a single integrated unit we are aiming to improve consistency and the quality of service, to improve our management of strategic business risks, and, ultimately, to be more effective and productive.

Three years ago, we forecast that if we made the right moves UVM would be positioned to emerge from the recession earlier and stronger than competitors. With focus on priorities and with fiscal discipline—with two years of balanced budgets—and with rising quality indicators in so many areas, from philanthropic receipts that have gone up while the national trends have been down to student outcomes registered in record graduation rates—I believe we have put ourselves in that strong position. I do not doubt that the continuing work we have to do on the budget will be challenging and at times painful, notwithstanding that what we are contemplating pales beside the draconian cuts that institutions nationwide have been forced to make. We continue to pursue the vision of UVM as one of the nation’s premier small research universities—as a superb place to study, to teach, to conduct research and scholarship, to pursue creative activity, and to work—and we continue to focus effort and resources on the priorities that flow from our mission: 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.

To succeed we must be prepared to focus resources on our highest priorities, not just in FY ’12 but beyond. We must develop and deliver a rigorous, high quality general education curriculum
that is built around a clear and cogent vision of how a UVM undergraduate education prepares our students to be “accountable leaders.” We must create clusters of excellence in transdisciplinary research, undergirded by strong disciplines, competitive graduate programs, and undergraduate programs that engage and challenge our students. And we must build a community of faculty, students, and staff that is genuinely reflective of our nation and our world.

Let me give you a capsule account of where we are on each of these great challenges. This year, the faculty has been having a vibrant dialogue about general education, asking itself a fundamental question: What capabilities, skills, and knowledge do we believe a UVM graduate must have when she leaves UVM, whether she graduates from the Rubenstein School or from the School of Business Administration? Creative and feasible ideas are emerging from this dialogue, which is very exciting, and we expect a proposal to come before the Faculty Senate by the end of the current semester.

The faculty steering groups for each of the three “Spires of Excellence” are “breaking down the silos” and bringing faculty together around common research interests. They are at work organizing research symposia for faculty, students, and community and state partners and identifying faculty groups to apply for large competitive grants. Our development of these exciting cross-campus collaboratives is drawing interest from powerful partners such as IBM, the MITRE Corporation, and Sandia National Labs. A burgeoning relationship under the auspices of Senator Bernie Sanders between Sandia and a group of Vermont partners (including UVM, Vermont’s thirteen utility companies, the Vermont Energy Investment Corporation and VELCO) has already brought this year a million dollar U.S. Department of Energy grant to the partnership, which aspires to make Vermont the national model for an optimized, state-wide smart grid. Sandia has been drawn to Vermont in large part because of UVM’s strength in complex systems and in neuroscience, behavior, and health: in complex systems because of our ability to do things like modeling cascading failures on the grid, and in neuroscience, behavior, and health because understanding of what motivates behavioral change—remember from our last meeting Dr. Higgins and the motivation of smoking cessation during pregnancy—may be essential if Vermonters are to change behaviors to turn feedback from the smart grid into personal and societal savings.

As for our commitment to diversity, founded on the linkage this Board has affirmed between diversity and academic excellence, we have had sustained gains in recruiting and retaining ALANA students. For the first time ever, U.S. students of color this fall constituted more than 10% of the UVM student body. Last semester we appointed Wanda Heading-Grant as Chief Diversity Officer; she is a recognized campus leader on diversity issues and initiatives and she is also strongly grounded in the local community. We have a committed group of faculty and staff working to advance internationalization in the International Advisory Council. And we have seen rapid growth in enrollment in one of our newest majors, Global and Regional Studies. We must prepare our students to be successful in the increasingly diverse national and global communities in which they will live and work, and I hasten to add that we must not pursue internationalization of the University at the expense of multi-ethnic U.S. diversity. Both dimensions of diversity, domestic and international, require investment and care if we are to realize the promise I made to a high school senior at a school assembly in Stowe who asked why she should want to attend UVM with students who would be just like the ones sitting around her on the gymnasium
bleachers. It was a great question, to which I replied, “Oh no, you’ll find lots of great Vermont kids at UVM, but you will also encounter the world at Vermont’s University.” We must make that so to achieve the vision of academic excellence we have set for UVM.

In each of these areas—general education, the transdisciplinary “Spires of Excellence,” and the creation of a diverse campus community—there are numerous faculty members who are taking on additional service loads to advance the University and to think creatively about our academic programs. They know we cannot stand still—that even as we come together to meet next year’s budget challenge, we must have our eyes open, looking out to the future horizon.

The continuing success of the University of Vermont matters not just for our students, faculty, staff, and alumni, but also for the citizens of Vermont. A recent “Pulse of Vermont” poll shows that far more Vermonters have “great confidence” in higher education in their state than in any other major institution: 58%--up 15 points since 2005—expressed “great confidence” in colleges and universities. The poll also reported that “no single issue stood out so prominently...as the state of the economy. In higher proportions than previously, Vermonters expressed a greater desire for job creation and were more persuaded than ever that economic growth contributes to an improved quality of life.”

These results sound a clear note of hope for Vermont. Vermonters increasingly see that economic growth and quality of life go hand in hand, and place their greatest confidence in higher education, widely cited by authorities as a key to regional economic vitality. That link between economic development and higher education centers upon research universities, and thus reflects well on—and creates special obligations for—Vermont’s only research university. Whether measured in enrollment, degree production, employment of faculty and staff, or total expenditures, UVM makes up between 30% and 40% of the higher education sector in the state. Confidence must be earned, and UVM’s performance since the last “Pulse of Vermont” poll in 2005 has been remarkable: for example, the records set last year with the 80.4% Vermont graduation rate and the $146 million in grant and contract awards. Maintaining Vermont’s leadership among the top five states in the percentage of residents with college degrees is key to the state’s well-being. We embrace our role in building Vermont’s human resources through education and training and in building Vermont’s capacity in research, development and innovation.

Educating students is the heart of what we do. But research universities also contribute to society through creating new ideas, processes, and technologies that meet human needs and through innovation that leads to technology commercialization—from the laboratory to the marketplace—and thus to job creation. In an era of belt-tightening, we must invest in education, research, and innovation as essentials of societal well-being, economic competitiveness, and national security.

UVM has invested. We have forged a robust, job-creating alliance with the Vermont Center for Emerging Technologies, a high-tech business incubator headquartered on campus. We have created a program, UVM Ventures, providing seed funding and expertise to faculty and student inventors prototyping new products, developing business plans, and forming companies. And we have engaged faculty, staff, and students in problem-solving for businesses and industries
throughout Vermont. Last summer the National Science Foundation’s online magazine Science360 featured a video about how UVM engineering students, as part of their senior design clinic, solved a problem in the cheese-aging caves of Jasper Hill Farms in Vermont’s Northeast Kingdom—a compelling example of how research and engagement with problem-solving in the real world enrich the educational experience of UVM undergraduates while supporting Vermont enterprises. Moreover, that project was a clear expression of Food Systems, one of UVM’s “Spires of Excellence,” demonstrating our strong commitment to the continuing vitality of Vermont’s agricultural economy through interdisciplinary research, including the School of Engineering and the Department of Food Science and Nutrition (whose Vermont Institute for Artisan Cheese provides certification for every employee at Jasper Hill).

In the decades since UVM professor Dr. Norman Alpert launched BioTek, Vermont has seen an array of companies spring up started by faculty and based in part on their work at UVM, among others Haemotologic Technologies, Apollo Biosciences, and Vtrim. And Vermont has seen a variety of firms launched by UVM graduates, both those based on UVM intellectual property, like Vermont Natural Coatings, and many others whose founders drew substantially on their UVM education and training, including Microstrain, NRG, and AllEarth Renewables. We are committed to educating students, to building Vermont’s economy, and to creating jobs through research and innovation. Those jobs will employ our graduates and other Vermonters, often in firms founded by our faculty and students. Vermont’s University is in the forefront of building a bright future for the Green Mountain State, and at the same time contributing to the economic vitality of the nation. Rob, I will be happy to take questions if we have time. Thank you.
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTEES

TRUSTEE EXPENSE REIMBURSEMENT POLICY AND GUIDELINES

Policy Statement

Any business meal, travel, or amenity expense for which a University of Vermont and State Agricultural College Trustee (hereafter “Trustee”)\(^1\) seeks University coverage, whether in the form of an advance or reimbursement, must be authorized through normal channels and have a University business-related purpose. Expense advance or reimbursement requests must be filed promptly with the Office of the Board Coordinator. Questions as to whether an expense is authorized and constitutes a business expense reimbursable under this policy will be resolved by the Board Chair in consultation with the General Counsel, unless referred by the Chair or Counsel to the Board Executive Committee.\(^2\) It is the intent of the Board to compensate Trustees reasonably for Trustee expenses while exercising fiscal constraint with University funds.

Guidelines

Trustees will have access to the resources specified in the Board of Trustees’ policy on Trustee Access to University Resources. Routine travel expenses associated with Committee and Board meetings are thus authorized. Extraordinary expenses, meaning any expense that is not incurred in connection with travel to and from regular Committee or Board meetings, must be approved in advance by the Board Chair through the Office of the Board Coordinator.

\(^1\) Trusteeship covers Committee as well as Board matters, and those of the State Agricultural College Board and University of Vermont Board as well as the full Board.

\(^2\) Questions involving the Board Chair shall be resolved by the Board Executive Committee in consultation with the General Counsel.
1. The following reimbursement guidelines will apply:

I. Transportation.

A. Private Automobile: Reimbursement will be made at the established University mileage rate, plus tolls and parking. The current mileage rate for reimbursement can be found on the General Accounting web page. Any substantial deviation from a distance shown in a standard mileage guide must be fully explained.

1. If a private auto is used in lieu of commercial air transportation, the lesser of coach economy class airfare or auto mileage will be reimbursed. No reimbursement will be made for lodging en route.

2. Damage to personal autos while being used on University business is not covered because a portion of the mileage reimbursement is intended to defray the insurance cost to the individual. Fines for motor vehicle law violations are not reimbursable.

B. Airfare: Reimbursement will be made at coach / economy class airfare. Use of private airplanes is permitted, although reimbursement is limited to an amount commensurate with coach class airfare on a commercial air carrier for the same or substantially similar route. Trustees are asked to seek the lowest possible fares through use of advance booking.

C. Rental Cars: Rental cars may be used when necessary and economically reasonable compared to other modes of transportation. Rental charges should be net of any discounts and generally not exceed limited to the cost of standard-size cars. Rentals may be booked through the Office of the Board Coordinator to take advantage of contract rates with UVM preferred vendors.

II. Lodging

Hotel / Motel accommodations may will either be booked through the Office of Board Coordinator at the preferred vendor (Sheraton Hotel and Conference Center) or reimbursed at the preferred vendor contracted rate, mid-range rates. Only Lodging and trustee meals expenses may be charged to the University. (i.e., incidentals such as entertainment, personal phone calls, are not reimbursable).
III. Meals

Requests for reimbursement for all business meals (whether incurred in connection with routine meetings or otherwise) must contain the following documentation:

a. Business purpose  
b. Location  
c. Persons in attendance  
d. Date  
e. Itemized receipt

Any business meal or hospitality that includes alcohol expenses must be appropriately documented to ensure that the expense is charged to an allowable account, such as a discretionary gift account. To be eligible for reimbursement, alcohol may only be furnished by a licensed provider.

IV. Conference Expenses

The Board may, from time to time, wish to invite Trustees to attend Trustee development or other educational conferences designed to improve the efficacy of the Board or the knowledge base of Trustees in service to the University. These opportunities will be authorized through the Board Chair in consultation with the Executive Committee.

2. Requests for reimbursement of entertainment or travel expenses associated with a Trustee spouse, partner, or guest, must be approved in advance and will generally only be authorized in relation to social or fundraising occasions where the Trustee is invited or encouraged to have a spouse, partner, or guest attend. However, a double hotel or motel accommodation (as compared to a single) will be reimbursed.

3. Travel reimbursement forms are available at each regularly scheduled board meeting and at annual retreats. Additional forms for expenses incurred for off-cycle meetings may be requested through the Office of Board Coordinator. Please submit requests for reimbursement within fifteen (15) business days of travel, accompanied by receipts.

3-4. Only the Board Chair through its Executive Committee is authorized to make exceptions to this Policy and its Guidelines. In the absence of extenuating circumstances, exceptions should be approved in advance of the expense occurrence.

As approved the Board of Trustees: *February 23, 2008*

*Approved as amended by the Board of Trustees:*
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

POLICY ON ORIENTATION, TRAINING, AND DEVELOPMENT FOR TRUSTEES

Policy Statement

It is the policy of the Board of Trustees to establish and maintain trustee orientation, training, and development programs to enhance the effectiveness of the Board and its member trustees.

Guidelines

1. All new trustees shall participate in an orientation, training and development program (which may involve a session prior to commencing Board service, and a session following a period of service) tutorials, webinars and on campus programs) developed by the President and the Board Chair. The program will be designed to assist trustees in understanding the University and the Board, and their roles and responsibilities as University trustees. From time to time, a “refresher” session shall be offered to all trustees.

2. Following consultation with each new Board member, the Board Chair shall assign an incumbent Board member as mentor for the new member. The Board may develop guidelines for Board member mentoring.

3. All trustees newly appointed to Board Committees shall participate in a Committee orientation program developed by the senior administrator who serves as liaison to the Committee and the Committee Chair. The program should seek to educate Committee members about the strategic priorities of their Committee in order to foster a level of comfort that will allow them to participate freely and actively in meetings and other Committee work.

4. The Board shall annually, but at least every other year, participate in a Board education and training retreat planned under the direction of the Board Chair in consultation with the President. The retreat will be designed to enhance the effectiveness of the Board, as a Board and/or in relation to advancement of the institutional mission and strategic goals. The Board will also periodically undertake self-assessment of its effectiveness in a manner consistent with relevant best practices.
5. The University shall, within the constraints of the approved operating budget, maintain membership in national associations that represent the interests of comparable institutions and promote board and board member effectiveness. Also within such constraints, Board leadership and staff, and the President, are encouraged to participate in the educational and leadership development programs of such associations.

Approved by the Board of Trustees: September 9, 2006
Approved as Amended by the Board of Trustees: