The Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, February 3, 2012 at 8:00 a.m., in the Silver Maple Ballroom, Room 401 at the Dudley H. Davis Center.

MEMBERS PRESENT: Chair Robert Cioffi, Vice Chair Harry Chen, Secretary Donna Sweaney, Samuel Bain*, Bill Botzow, Ian Boyce, Interim President John Bramley, Carolyn Branagan, Christopher Bray, Frank Cioffi, David Daigle, Jeffrey Davis, Kyle DeVivo, Joan Lenes, Debbie McAneny, David Potter, Kesha Ram, Dale Rocheleau, Bill Ruprecht*, Brian Sozansky, Lisa Ventriss, Jeanette White and Mark Young

MEMBERS ABSENT: John Hilton, Jr. and Governor Peter Shumlin

ALSO PARTICIPATING: Senior Vice President and Provost Jane Knodell, Alumni Council President Ted Madden, Faculty Senate President Julie Roberts, Graduate Student Senate President Eduardo Cotilla-Sanchez, Staff Council President Ida Russin, Student Government Association President Julian Golifarini, Dean of the College of Nursing and Health Sciences Patricia Prelock, Dean of the College of Medicine Rick Morin, Professor and Chair of Neurology Robert Hamill, MD, Assistant Professor of Neurology James Boyd, MD, Assistant Professor of Rehabilitation and Movement Science Jesse Jacobs, Ph.D., Vice President for Finance and Administration Richard Cate, Vice President for Legal Affairs and General Counsel Francine Bazluke, Vice President for Executive Operations and Chief of Staff Gary Derr, Chief Diversity Officer Wanda Heading-Grant, Associate Provost for Curricular Affairs Brian Reed, Vice President for Enrollment Management Chris Lucier, Associate Provost for Faculty Affairs and Internationalization Gayle Nunley, John Isaacson** and Vivian Brocard** of Isaacson, Miller

*Joined at 2:45 p.m. via conference call.
**Joined at 2:40 p.m.

Chair Robert Cioffi called the meeting to order at 8:06 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the minutes of October 21, 2011 meeting as presented.

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

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

Alumni Association President Ted Madden highlighted items from his written report. The Association has launched an ad hoc Work Group of the UVM Foundation and UVM Alumni Association Boards to review and propose amended bylaws and a governance structure with the UVM Foundation, evaluate the feasibility of membership programs, and to discuss branding. Recommendations will be made at the Alumni Board meeting this weekend in Stowe and to the Foundation Board in April. President Madden was pleased to report that Reunion 2011, held last October, was a huge success with more than 1,900 attendees and over a 50% increase of participants. He was also happy to report that the Alumni House project has raised over $2.5 million, including the largest gift of $500 thousand from the family of Robert ‘41 and Bill ’71 Davis. A winter stabilization project is underway to prevent further damage to the Alumni House through the winter months. President Madden concluded by recalling events held in January. Career services events were held with over 130 students connecting with alumni moderators in more than 20 job areas. Also in January, the Alumni Association, along with UVM Athletics, sponsored over 50 sites nationally to watch and celebrate the Frozen Fenway hockey game.

Faculty Senate President Julie Roberts highlighted several items from her written report. Last fall, the General Education Committee recommended that a programmatic assessment take place in Spring 2012 to inventory the foundational writing courses and writing intensive instruction currently offered. A pilot program in writing instruction will be planned for 2012. Professor Nancy Welch, of the English Department, will spearhead this assessment and program planning. The Faculty Senate is also working with the Student Government Association regarding its request to have online course evaluations. She thanked the Presidential Search Committee for its inclusiveness of faculty, and the broader campus, in the search process. She noted that, in the last several years, the University community has expressed a reduced amount of trust and a weakened morale. President Roberts thanked the current administration for their efforts in improving trust and hopes this continues with the next President. She concluded by stating that, although improved over the last several years, faculty would like to increase their communications network with the Board.

Trustee Debbie McAneny asked President Roberts to expand on the section of her written report pertaining to concerns of the travel reimbursement policy. President Roberts replied that these concerns were expressed and Vice President for Finance and Administration Richard Cate has since presented an outline plan to address them. The outline will be presented to the Faculty Senate at its Monday, February 13, meeting.

Graduate Student Senate (GSS) President Eduardo Cotilla-Sanchez reported on the progress of several strategic GSS initiatives. The Student Affairs Committee collaborated with more than 100 students in brainstorming, writing, editing and ranking seven Capital Campaign proposals submissions. GSS continues to collaborate with the organization of the Student Research Conference. The Budget Review Committee, along with the GSS Treasurer, is evaluating the second set of applications for the travel mini-grants sponsored by the Graduate College. This Committee is also studying the feasibility of supporting graduate student organization and is working to establish a mechanism to fund activities of these groups. The Social Committee efforts include continuation of student coffee breaks, a new series of Ice Skating Events and, in collaboration with Transportation and Parking Services, organizing the implementation of a pilot
Sunday shuttle schedule to the Apartments and Family Housing. Members of the GSS executive board and program Senators participated in the UVM presidential search interviews. President Cotilla-Sanchez concluded by noting that the Graduate College Executive Committee continues conversations regarding the immediate needs of graduate students, in particular, the need for improvements for graduate students regarding funding, health insurance, and housing.

Staff Council President Ida Russin reported that staff are pleased with community participation in the presidential search process. She added that it is clear that leaders have made quality decisions in choosing the final candidates. Staff encourage that the next president be transparent, a good communicator, trustful and an engager of the community. The Staff Council is also pleased to have been included in the Strategic Initiatives Planning process. President Russin emphasized that staff serve as an enormous resource of knowledge, understand the details of many processes that keep the University running, and are capable of offering ideas of how processes can be improved. President Russin concluded her report by noting that the Council is also pleased that staff concerns regarding salary have been heard and the administration is working toward a 2% increase for FY 2013.

Student Government Association (SGA) President Julian Golfarini provided his last report prior to the ending of his term. He noted that the end of last semester had been particularly tumultuous with Hurricane Irene, a change to the Naked Bike Ride event, the search for a new President and the loss of a fraternity. He reported that the Committee on Diversity, Equity and Environmental Ethics (CODEEE) is currently working to establish a smoking facility to divert smokers away from the library entrance. SGA hopes to add similar facilities in other locations. A comparable initiative is being organized to increase the number of trash, recycling, and composting receptacles on campus. CODEEE continues initiatives to ensure all students are treated equally. The Public Relations Committee is continuing efforts to improve communication among students and their representatives. The Committee on Legislative Action (COLA) partnered with the Veterans Collaboration Organization (VCO) to sponsor Veteran’s Day events. COLA is also working to host the three Burlington mayoral candidates on campus. The Academic Affairs Committee continues collaboration with the Faculty Senate to push for an online course evaluation system. President Golfarini noted that faculty have not responded to SGA’s request for syllabi to be available online before class registration. SGA passed a resolution requesting the inclusion of Queer issues in the University-wide diversity requirement, as well as a request for the expansion of the current University Arabic Program. The Student Action Committee is working to make printers available in Residential campuses, open dining services during breaks, and continue to work with the Red Cross regarding the blood donation policy. The Student Activities Committee has been quite busy and there are now over 160 student clubs on campus. President Golfarini stated that the general student sentiment about the change of the Naked Bike Ride is that the administration could have provided more notice that it was making changes to the event. He also noted that SGA is very excited to be included in the Capital Campaign process. President Golfarini was happy to announce that his weekly President’s email is being opened by almost 50% of the student body, an increase of the average of 25% last year. He thanked the administration for support to end sales of bottled water on campus and to convert drinking foundations on campus to bottle filling stations as well as the Board and administration for their openness.
Action Items

Audit Committee Chair Mark Young presented the Fiscal Year 2011 Audited Financial Statements and was pleased to announce there were no material weaknesses or significant deficiencies. He thanked Vice President for Finance and Administration Richard Cate, Controller Claire Burlingham, and their team for their hard work in obtaining a clean audit. Chair Young also noted that the OMB Circular A-133 Audit had no material weaknesses or significant deficiencies.

The following resolution was presented for approval:

**Acceptance of Fiscal Year 2011 Audited Financial Statements**

WHEREAS, the books and accounts of the University of Vermont and State Agricultural College for the Fiscal Year ended June 30, 2011, have been audited by KPMG LLP, Certified Public Accountants, and the report of the audit published in detail in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, that the Board hereby accepts the FY 2011 Audited Financial Statements as recommended by the Audit Committee and presented today, and acknowledges receipt of the FY 2011 Financial Report

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

Chair Young introduced a pro forma resolution authorizing the retention of KPMG as the external audit firm for FY 2012. The University is in their 4th 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 2012**

RESOLVED, that the Board authorizes and directs the Audit 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, 2012, 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.

Chair Young introduced a resolution approving Audit Committee Charter revisions. The proposed amendments incorporate new language related to expense reimbursements, or summaries thereof, submitted by the President and to ensure that its Guidelines are consistent with the Board’s reserved rights and delegated authority and the Committee’s principal responsibilities.
The following resolution was presented for approval:

**Resolution Approving Audit Committee Charter Revisions**

WHEREAS, the Audit Committee has decided to take responsibility for periodically reviewing expense reimbursements, or summaries thereof, that have been submitted by the President and reviewed and certified by the Vice President for Finance and Administration; and

WHEREAS, the Audit Committee has also decided to ensure that its Guidelines are consistent with the Board’s reserved rights and delegated authority and the Committee’s principal responsibilities;

BE IT RESOLVED, that the Board hereby approves the revisions to the Audit Committee Charter, as recommended by the Audit Committee and appearing as Appendix A to this document.

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

Committee on Board Governance Chair Frank Cioffi introduced a resolution approving revisions to the *Trustee Conflicts Disclosure Form*, which were endorsed by the Committee at its December 12, 2011, meeting. One set of revisions is intended to eliminate confusion regarding the definition of ‘immediate family members’ included in the footnote on page one of Appendix B to this document.

The Committee also discussed the current $1,000 financial disclosure threshold and research conducted by Vice President Francine Bazluke on the topic. The research yielded the following findings:

- Many, if not most, public institutions are subject to a state ethics code, which either serves as the institutional policy or creates standards for a policy. UVM is not subject to such a statute, nor does the Vermont State Colleges policy reference any state law.
- There is no prevailing practice with respect to inclusion versus omission of specific thresholds.
- Of the policies that contain specific threshold, $10,000 appears to be most common.

Following Committee discussion, it was decided to seek Board input regarding the current $1,000 financial disclosure threshold and its views on increasing this to a $10,000 threshold.

The following resolution was presented for approval and an opportunity for discussion offered:

**Resolution Approving Revisions to Trustee Conflicts Disclosure Form**

RESOLVED, the Board adopts the revisions to the *Trustee Conflicts Disclosure Form*, as recommended by the Committee on Board Governance and set forth as Appendix B to this resolution.
Committee of the Whole meeting, February 3-4, 2012

Trustee Debbie McAneny expressed her strong feelings that the threshold should be increased to $10,000. There was consensus among the Trustees to increase the threshold from $1,000 to $10,000.

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

Honorary Degree Work Group Leader Harry Chen explained that the Honorary Degree Work Group met last week to discuss a potential speaker for Commencement 2012. The speaker customarily receives an Honorary Degree, which requires Board approval. Leader Chen invited Interim President John Bramley to provide further details.

Interim Bramley announced that he has chosen Nickelodeon President Cyma Zarghami to be the 2012 Commencement Speaker and asked that the Board authorize him to confer her an Honorary Degree. Ms. Zarghami is an alumna of the University.

The following resolution was presented for approval:

**Resolution for President to Confer Honorary Degree to Commencement Speaker**

RESOLVED, that the President is hereby authorized to confer an honorary degree to the 2012 Commencement Speaker.

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

Chair Robert Cioffi introduced a resolution approving revisions to the Presidential Compensation Policy and Guidelines. He explained that, on December 9, 2011, the Annual Review Subcommittee reviewed and endorsed proposed revisions to the procedures section of the document to eliminate redundancy and to address a President’s eligibility for compensation from a third party. The proposed revisions are included in Appendix C to this document.

**Resolution Approving Revisions to the Presidential Compensation Policy and Guidelines**

RESOLVED, the Board adopts the revisions to the Presidential Compensation Policy and Guidelines, as recommended by the Annual Review Subcommittee and set forth as Appendix C to this resolution.

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

**Acceptance of Gifts & Grants Reports**

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

**Academic Presentations**

Chair Cioffi invited Dean of the College of Nursing and Health Sciences Patricia Prelock and Dean of the College of Medicine Rick Morin to introduce the academic presentations related to
Deans Prelock and Morin introduced presenters Assistant Professor of Neurology James Boyd, MD; Professor and Chair of Neurology Robert Hamill, MD; and Assistant Professor of Rehabilitation and Movement Science Jesse Jacobs, Ph.D.

Dr. Hamill began the presentation with an overview of the brain’s role in PD. He noted that the brain is a daunting organ with over 200 billion nerves cells, 1 trillion supporting cells and 200 trillion synapses. Dr. Hamill’s role in researching PD involves the review of clinical profiles, researching pre-symptomatic components of the disease, examination of animal models of the Synuclein gene, a gene that is known to cause PD, experimentation on how the Synuclein Gene relates to premotor symptoms of PD, specifically bladder failure. He noted that PD is the second most common neurodegenerative disorder and may be viewed in three distinct stages. Symptoms of the initial stage include bladder failure, constipation, affected sense of smell, and sleep issues. The middle stage is one that most people associate with PD and affects the patient’s motor skills, including trembling, slowness, stiffness, changed posture and a shuffling gait. Researchers now know that the disorder begins in the lower regions of the brain perhaps even involving peripheral nervous system tissues. When examining animal models using mice with the Synuclein gene, Dr. Hamill and colleagues are able to conduct pre-clinical studies to learn the sequence of how the bladder nerves cells fail and the relationship to the subsequent deterioration of motor systems and motor functions.

Dr. Boyd continued the presentation by describing his focus on PD, which involves understanding how it can be modified and researching advanced symptoms management. He stated that there is not currently a way to halt or delay PD progression, and there is a lack of consistent strategies in dealing with advanced stages. He also noted that the advance stages of PD are quite difficult to manage. One therapy being researched uses deep brain stimulation surgery. The team at Fletcher Allen Health Care has performed this treatment successfully and Dr. Boyd showed two videos illustrating this success.

Dr. Boyd and his team are also researching the use of a Continuous Levodopa Intestinal Infusion Pump in treating advanced symptoms of PD. The pump administers medication into the patient’s intestine. The study of this treatment is in collaboration with the Department of Gastroenterology & Hepatology.

Dr. Boyd briefly discussed the PD symptom of impulsive behavior. Interestingly, research has shown that people who smoke have reduced risk of PD. In exploring the effects of nicotine, researchers have found that it can help treat impulsive behavior in patients with other conditions, and this is currently being investigated in PD. Dr. Boyd explained that the future of understanding impulsive behavior will explore if it is a contributing factor to falls and injury. Research will also explore how decision-making can be modified to reduce falls.
Dr. Jacobs continued the presentation by explaining the influence of contextual factors on motor impairment in people with PD. He noted that the prior focus of PD has been on the impairments of the disease. In taking this approach, a problem arises in that not every patient has the same impairments. The World Health Organization now looks at a larger model to consider context of PD. The health condition no longer defines the disorder. Dr. Jacobs illustrated contextual impairments by showing comparative videos of people with and without PD doing the same activity with mechanical constraints, with the challenge of multi-tasking, and performing intrinsically generated versus cued movements. Contextually specific impairments are not only evident with PD, as Dr. Jacobs’ research has identified contextually specific impairments in people with low back pain, multiple sclerosis and Huntington’s disease. Dr. Jacobs concluded his presentation by explaining that understanding diseases and disorder requires transdisciplinary collaboration to identify converging factors that determine the development of disease and disorders, presentation of impairments, and activity limitation and disability.

Trustee Debbie McAneny asked if this research suggests whether there is a choice to be made between smoking and potentially having PD. Dr. Boyd explained that nicotine used as a form of treatment is administered via a patch and does not contain the numerous harmful ingredients that are found in cigarettes. He added that the 1% risk of having PD is not worth the well-documented negative consequences of smoking.

Trustee David Daigle inquired about the process of determining what is best done in-house or in collaboration with other entities. Dr. Hamill replied that funding can often be a factor in this determination. For example, the National Institutes of Health (NIH) offer requests for applications related to PD research and the first grant that UVM wrote for this was in collaboration with Dartmouth. Sites were chosen around the country and the initiative became a 40-50 institution group with a data set available to all. Smaller pilot studies can then be initiated from larger databases.

Trustee Chen sought the perspective of the presenters regarding the impact of the TRI on their professional lives. Dr. Jacobs responded that the initiative has generated greater interest in collaborations. He provided an example of collaborative research regarding back pain, which has brought together members from psychology, rehabilitation science, anatomy, and others areas, to evaluate this single disorder from multiple points of view. Dr. Hamill cited another example, the integration of neuroscience across campus, which has allowed the newly created Department of Neurological Sciences an improved the ability to grow.

Trustee Botzow asked, in looking forward 5 to 10 years, what the presenters see as the main concerns or obstacles that the Board should be aware of. Dr. Hamill urged that the Board maintain awareness of the vast resources needed and explained that there are a lot of challenges associated with obtaining external funding. He used the generation of clinical revenues as an example and stated that there is a challenge of balancing time and effort with clinical research. On the investigator side, he said, the competition for funding is incredibly tight. Dr. Hamill indicated it is also imperative that the University continue to recruit quality students and feels that the TRI improves the University’s ability to do so. Dr. Jacobs noted that one of the challenges presented by the TRI is that it takes more time, effort, and resources to integrate different groups in a collaborative endeavor.
Trustee Carolyn Branagan acknowledged her support for the University becoming one of the best premier research universities, noting that her daughter is a UVM graduate student studying chemistry and was published in a recent issue of the Journal of Cellular Biochemistry. She used her daughter’s research as an example of how the research conducted at the University is important to Vermont, as well as all of humanity.

Trustee Christopher Bray inquired if the external funding community is responding well to transdisciplinary initiatives. Dr. Hamill replied that it varies. The most important factor in obtaining external funds is to remain competitive, which often means being in the top 10% of respective industries.

Trustee Jeanette White asked how the information discovered through the University’s research is disseminated to the Vermont medical community, other than through publications. Dr. Boyd replied that much of research is not ready to be applied outside of the laboratory. He added that, when there is an opportunity to share information, the University works hard to develop networks to share it. He cited the Continuous Levodopa Intestinal Infusion Pump as an example of a research treatment that was widely offered to patients across Vermont before commercial availability.

At 9:55 a.m., Chair Cioffi recessed the meeting for a brief break.

At 10:09 a.m., the meeting resumed.

Ad Hoc Report Oversight Committee Final Report

Ad Hoc Report Oversight Committee Chair Bill Botzow reported that the Committee has completed its work commenced in August 2011 as set forth in the Board’s Report on 2011 Reviews. Included as appendix D to attachment 7 is a Statement of Commitment & Expectations in the Workplace developed by the administration and endorsed by the Committee. He pointed out the distinction between required obligations under UVM policies and expectations to preserve and promote values that best serve the community. He also noted the Statement applies to University officials, staff, faculty and volunteers in their capacity as employees. He thanked President Bramley, Provost Knodell and Vice President Bazluckle for their efforts in developing the statement, acknowledging that it has been vetted through governance bodies.

The following resolution was presented for approval:

Resolution Adopting Statement of Commitment and Expectations in the Workplace

RESOLVED, the Board adopts the Statement of Commitment and Expectations in the Workplace, as recommended by the Ad Hoc Report Oversight Committee and set forth as Appendix D to this resolution.

A motion was made, seconded, and unanimously voted to approve the resolution.
Chair Botzow next presented the Committee’s final report, included as attachment 8 in the meeting materials, for adoption. He thanked fellow Committee members and the administration for their good work and accomplishments. A motion was made, seconded, and unanimously voted to adopt the final report.

Chair Cioffi thanked the Committee for completing the task assigned. Noting that there was no further work required for them, he discharged the Committee.

**Presidential Housing Work Group Update**

Presidential Housing Work Group Leader Debbie McAneny reported that the Work Group has determined that it is important that the next President live on campus. Many alternatives were reviewed, but the Work Group concluded that Englesby House remains the best option, even though it requires extensive correction of deferred maintenance issues. She noted that Englesby is an historical landmark, which is an additional challenge for the amount of work to be completed. There is also water movement through the entire block that has created problems in basement and around the house. Preliminary work estimates totaled $2 million. After further review, the Work Group concluded that many problems could be addressed within a smaller scope of work. The final plan being recommended addresses significant deferred maintenance issues, with a total estimate of $875,000. The largest portion of this total, $590,000, will be funded by Treasury operations, and the remaining $285,000 will be funded through unrestricted private gifts.

The following resolution was presented for approval and an opportunity for discussion offered:

**Resolution Authorizing Englesby House Maintenance**

WHEREAS, Englesby House, which was built in 1914, has many deferred maintenance issues that must be remedied to ensure its preservation and use; and

WHEREAS, the Presidential Housing Work Group has reviewed and assessed a proposal to address immediate needs for the repair and maintenance of Englesby; and

WHEREAS, the Presidential Housing Work Group has concluded that it is in the best interests of the University to preserve Englesby so as to render it available for future use;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to implement the immediate needs maintenance work in a manner consistent with the proposal at a total cost of $875,000, utilizing up to $590,000 from the University’s treasury operations account and $285,000 from undesignated private gifts.

Trustee Jeanette White asked if renovations included painting of the interior. Leader McAneny replied that it is included.

Trustee Donna Sweaney inquired if a significant amount of deferred maintenance was related to water issues. Vice President Cate explained that the mitigation of water flow was not part of the cost, but that the estimates based on replacing the roof and some masonry work were related to
damage partially caused by water. He noted that everything is being moved out of the basement to prevent the flow of water from causing damage.

Trustee Bill Botzow asked if there was a connection between this project and the Capital Projects Review and Approval Process. Vice President Cate indicated that there are two factors that allow this project to rise above currently ranked projects. The first factor involves the short-term need for use of the property: it must be move-in ready for the next President. The second factor is that there are funds available.

Trustee Botzow also inquired whether the University has flood insurance for this property. Vice President Cate responded that he does not feel that flood insurance would cover this particular water flow issue, as it is due to ground water. Trustee Botzow replied that it should be looked into as he has come across similar issues where flood insurance would cover such costs.

Trustee Ian Boyce asked if there is a subsequent plan for the house in future years since the proposal is to cover the cost only for the most imminent repairs. He also inquired what the appraised value was of the property. Vice President Cate replied that the appraisal of the house is slightly under $1 million and the entire property was appraised at around $1.7 million. Once the proposed work is completed, the house should be satisfactory for the next decade or so, apart from regular maintenance.

Vice President Cate added that because the structure had been built using methods applied in the early 1900’s, there is significant airflow, which is an asset in this scenario. Trustee McAneny agreed and indicated her surprise that the basement does not have dampness odors and does not appear to have a mildew problem.

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

Chair Cioffi thanked the Work Group for completing the task assigned to it. Noting that there was no further work required, he discharged the Work Group.

**Strategic Initiatives Project Status Update**

Chair Cioffi invited Provost Jane Knodell to provide an update on the Strategic Initiatives Project (SIP) as well as internationalization.

Provost Knodell explained that the SIP essentially ties the University’s Strategic Plan with financial imperatives. The SIP team is comprised of 37 members and is further broken down into five teams. Three of these teams are identifying the most critical investments necessary in the three areas aligned with the strategic plan: TRI & Research, Diversity and Internationalization, and Student, Success, & Satisfaction (known as S³) and General Education. The Net Revenue Enhancement team is identifying opportunities for increasing revenue to support these investments. The Cost Structure and Productivity Improvement (CSPI) team is examining our current resource allocation and identifying opportunities to re-allocate existing resources in support of the strategic investments.
Each team must go through a proposal phase, which is a process of exploration, research, collaboration and engagement with the goal of having a draft set of proposals for consideration. The proposals are then moved to a comment phase, during which the community will have an opportunity to provide feedback. After the comment phase, the project will move on to the deciding/funding phase which will include determining which revenue-generating and cost reduction/resource re-allocation opportunities will be implemented. The last phase will be the implementation phase in accordance with governance considerations and requirements.

The proposal phase is nearing completion for each of the teams, with the exception of the CSPI team, which has gathered a large amount of data and is ready to move to the proposal generation phase.

The SIP campus engagement period will begin this spring, during which there will be opportunities for comment on investment proposals, discussions on the strategic value criteria, and an opportunity to comment on the CSPI proposals. The goal for the May Board meeting is to have a prioritized list of investments accompanied by a funding plan for new President’s consideration.

Trustee David Potter asked which Master’s programs the University is considering offering online. Provost Knodell replied that these programs include a Master’s in Environmental Leadership, Master’s in Public Health, and a Doctorate in Education. Faculty leads have been identified for each program.

Trustee Christopher Bray referenced the writing literacy component of the General Education (GE) program and asked if there is a complementary numeracy component. Associate Provost for Curricular Affairs Brian Reed explained that, out of the proposed GE outcomes reviewed by Faculty Senate, one was quantitative reasoning. To introduce GE, the Senate found it important to choose one outcome to use as a pilot, and writing literacy was selected. The rest of the outcomes will likely be tried in the future, including quantitative reasoning.

Trustee David Potter sought clarification of faculty reserve accounts. Provost Knodell explained that they relate to faculty who receive external funding, and that the accounts are created to allow faculty to use some of these external funds in a flexible way to develop their research programs.

Trustee Kesha Ram expressed concern regarding the Diversity requirement, noting that she has heard feedback that students of color are having the least amount of satisfaction with this initiative. Chief Diversity Officer Wanda Heading-Grant explained that there are two categories of the diversity requirement. The first, D1, was approved to focus on race in terms of power and privilege. The second, D2, examines broader perspectives of other diverse groups. The Diversity Curriculum Review Committee has branched out to take the lead in professional development in all of these areas so that faculty will have an opportunity to enhance their programs. Associate Provost Reed added there is a current ad hoc committee evaluating D1 and D2 courses.

Trustee Botzow asked what concerns Provost Knodell might want the Board to be aware of in terms of the SIP. She responded that her biggest concern, and the most challenging exercise of the project, is determining the re-allocation of resources across the University as well as identifying areas for costs savings.
Provost Knodell moved on to provide an update on internationalization. She presented the outcomes of the Spring Engagement Campaign, which provided results and imperatives. The results include a broad recognition that internationalization and international enrollment are tied to all of our strategic objectives and are critical to our mission and vision. An additional result is that internationalization already has a place on campus, but there is a need to align our objectives and improve coordination. Imperatives are as follows: internationalization cannot be limited to a focus on increased international enrollment; increasing diversity through international enrollment must not be at the expense of domestic diversity; we must increase our own cultural literacy/competence across campus; we must provide appropriate support to international students; and we must appropriately resource that support.

Provost Knodell moved on to discuss the activity of internationalization in 2011. She noted that during August –November 2011, four possible courses of action emerged. These courses are as follows: (1) slow international enrollment growth, relying on direct admission and UVM recruitment travel; (2) establish a UVM Pathways Program with multiple external partners (would involve the use of international recruitment agents); (3) establish a Pathways Program as a joint venture with an exclusive services vendor (ESV); and (4) cease efforts to increase international enrollment.

An internal risk assessment was conducted so as to assist with the assessment of the four international enrollment options. The assessment was performed in the context of the risks and opportunities each option presented. This risk assessment resulted in the understanding that the University must achieve sufficient scale in order to create a viable capability that attracts high-quality students. Another key is that proven expertise and sourcing capability in international recruitment is an essential ingredient for success. Also, it is necessary to prepare students and assess their readiness for matriculation. Finally, it was learned that the University must have an appropriate infrastructure to support students, including a building for the pathway program.

Returning to the potential courses of action, Provost Knodell stated that there are two that contain all of the essential elements. These are to establish a UVM Pathways Program with multiple external partners, or to establish a Pathways Program as a joint venture with an ESV.

Provost Knodell indicated that the Internationalization Work Group is seeking the Board’s guidance on what it should be investigating further and also whether the Board perceives that the work in heading in the right direction.

Trustee Christopher Bray asked whether partners would be drawing students from country to country or pooling at academic institutions. Vice President Chris Lucier explained that they would be coming through a pool; the standard model is use to agents that gather a pool of students and look for a best fit within the group of institutions.

Trustee Kesha Ram inquired if there is a greater risk with multiple partners and also asked how new Americans fit in the plan. Provost Knodell replied that a single partner option can still bring diverse students. Vice President Lucier added that single partners have established networks and, if the University went with multiple partners, it would have to work with representatives from many countries, execute numerous agreements, and engage in more complicated risk management. He also observed that a single partner entity usually has its own quality control.
Finally, he explained that the vision of the pathways program includes potential for new Americans.

Trustee Bill Botzow commented that internationalization efforts are occurring at almost every major University and he wonders if the UVM is too late in this initiative as well as type of competitive advantages we may have. Trustee Botzow added that he frequently hears about the Asia market, but wonders if other continents are being explored for potential. Provost Knodell replied that the administration recently met with a representative from higher education consulting firm Noel-Levitz, which has domestic and international experience. The representative indicated that UVM is well-positioned to enter this market. In particular, it was noted that UVM is comparatively small and safe, and that a lot of international students have a preference for areas similar to Vermont. This ties to the other components of SIP in that we need to figure out how to we can be distinctive to attract high-quality students. Provost Knodell acknowledged there is much work to be done to complete this initiative.

Trustee Harry Chen opined that, when working with partners in this type of initiative, it is like a marriage, as it is a long-term contract with considerable investment for all parties. He encouraged the Board to generate questions for research they would like to receive.

Trustee Jeanette White expressed concern that this initiative would predominately bring wealthy international students and asked how the University can ensure financial diversity. Provost Knodell replied that the approach would be to recruit more broadly. She also explained that, the more successful we are in bringing international students to the University, the more resources will be generated that can be used to recruit students who need more assistance.

Trustee David Potter asked if there is a risk of becoming “too diverse”. Associate Provost for Faculty Affairs and Internationalization Gayle Nunley replied that, although the pathway structure is new at the University, it has been in place at other institutions for decades. There are many models to review to see what works and what does not. She agreed it is important to continue to consider the risks, but that there is a great deal of confidence it will work.

In response to Provost Knodell’s request for Board feedback, Trustee Debbie McAneny reiterated that she would like a statement of our sustainable competitive advantage. She also noted that it would be helpful to have a better understanding of the criteria being used to recommend our partner and, in particular, to have information on the financial viability of the partner we are selecting.

**Other Business**

At 11:19 a.m., Chair Cioffi recessed the meeting.

At 2:40 p.m., the meeting re-convened in the Livak Ballroom, Room 417-419 at the Dudley H. Davis Center, shortly after which a group of approximately 40 faculty, students, staff and external members expressed disapproval of the status of an external issue relating to a union dispute at Sotheby’s.
Chair Cioffi acknowledged the group and its right to express opinions in a peaceful, non-disruptive manner. The group chanted for approximately five minutes and then exited the meeting.

**Executive Session**

At 2:45 p.m., the Chair entertained a motion to go into executive session for the purpose of discussing the appointment or employment or evaluation of a public officer. All in attendance were excused from the meeting with the exception of Dean of the College of Nursing and Health Sciences Patricia Prelock, and John Isaacson and Vivian Brocard of Isaacson, Miller.

Dean Prelock exited executive session at 3:05 p.m.

The meeting was reopened to the public at 5:40 p.m. and recessed until Saturday morning.

The meeting reconvened at 9:56 a.m. on Saturday, February 4, 2012, in the Livak Ballroom, Room 417-419 at the Dudley H. Davis Center.

**MEMBERS PRESENT:** Chair Robert Cioffi, Vice Chair Harry Chen, Secretary Donna Sweaney, Bill Botzow, Interim President John Bramley, Carolyn Branagan, Christopher Bray, Frank Cioffi, David Daigle, Jeffrey Davis, Kyle DeVivo, Joan Lenes, Debbie McAneny, David Potter, Kesha Ram, Dale Rocheleau, Bill Ruprecht*, Brian Sozansky, Lisa Ventriss, Jeanette White and Mark Young

**MEMBERS ABSENT:** Samuel Bain, Ian Boyce, John Hilton, Jr. and Governor Peter Shumlin

**ALSO PARTICIPATING:** General Counsel Francine Bazluke** and John Isaacson and Vivian Brocard of Isaacson, Miller

*Joined by phone.
**Partial meeting

At 9:56 a.m., the Chair entertained a motion to re-enter executive session to resume discussing the appointment or employment or evaluation of a public officer. All in attendance were excused from the meeting with the exception of John Isaacson and Vivian Brocard. General Counsel Bazluke was asked into the meeting at approximately 10:45 a.m.

The meeting was reopened to the public at 11:00 a.m. The following resolution was presented for approval:

**Resolution Authorizing Board Chair to Negotiate and Execute a Letter of Appointment and Agreement**

RESOLVED, that the Board hereby authorizes the Board Chairman to negotiate, finalize and execute a letter of appointment and agreement with a candidate for the presidency on the terms and conditions today reported.
A motion was made, seconded, and unanimously voted to approve the resolution.

**Adjournment**

There being no further business, the meeting was adjourned at 11:05 a.m.

Respectfully submitted,

Donna Sweaney, Secretary
Good morning and welcome. As always, we have a full agenda so I will attempt to keep my remarks as brief as possible. Let me start by noting what an important moment this is for this Board and for the University community. Choosing a President is perhaps the most critical task of a Board of Trustees, and the past two weeks spent engaging our final candidates can only be described as exceptionally positive for everyone involved. And having observed and participated in the entire process, I want to state for the record: We should all be very, very proud of The University of Vermont for who we are, where we are, and for all we have accomplished together.

There is nothing like external validation to help us see ourselves more clearly. We attracted a group of truly exceptional candidates to seek the presidency, something I do not think we would have been able to do if we weren’t in such a positive position as an institution. To a person, our final candidates extolled our virtues, values, and accomplishments, and reminded us what a special place this is. Our community showed its best features as well as its challenges, in a warm, respectful, positive way, and as Chair of the Search Committee I could not be more pleased and appreciative of how well the process has gone.

From the great press coverage we have received to the broad engagement of the Campus and Vermont communities to the feedback we have received from 98% of those who interviewed the candidates; this has been a spectacularly successful series of visits. When was the last time you heard of a 98% return rate on anything? Remember that the next time you hear someone say that UVM is an apathetic place! My profound thanks to all those who have participated in this important effort, especially our very dedicated Search Committee, and the person who has looked after each and every detail with flawless precision and good humor, Gary Derr. I have every confidence that the fruits of our labors will be displayed soon in an exceptional new leader for UVM.

This is our first Board meeting of 2012. Take just a moment and think back one year to February, 2011. Who could have predicted the wild ride we were about to take, and the tumultuous period that lay ahead. I am not going to relive 2011 in detail, but I will tell you that our challenges commanded mine and this Board’s full attention, and there were times that I didn’t know how things would turn out.

Now, a year later, let’s look at where we are. We are attracting amazing individuals who want to be our next leader. Relations with the administration in Montpelier have improved greatly. The Governor wants to invest more in UVM. Our enrollment picture remains strong. Faculty continue to receive national and international acclaim for their work. The talent, performance, and potential of our students is outstanding. Our hardworking staff keeps the place going forward. Our alumni support us and are proud of their University. We are working to make important strategic choices that will strengthen our future. In other words: Despite our challenges, we are in good condition.
Our ability to transcend the difficulties of the past year has been fueled by the members of this dynamic and engaged community, who continue to believe in the compelling, vigorous force for good that UVM represents, and its potential to be even better. We owe thanks to so many who have contributed to our current success – far too many to name here. But let me use the Chair’s prerogative and name one: Our Interim President, John Bramley. John, without your leadership, relationships, and love for this place, John, we would not be in the enviably strong position we are in today. Your re-engagement with us has been our incredible good fortune. Thank you, John, for all you have done for us in these six short months, and all that you will continue to do before wrapping up this summer.

There is another person I want to mention, even though she is not here today and is enjoying some warmer climes. Karen Meyer has officially retired, effective just a few days ago, and I want to take a moment to recognize and thank her for her many accomplishments in her eight years as Vice President for Government Relations. Karen will continue to offer some part time assistance to us and to John in the important work of the committee appointed by the Governor that is examining UVM’s relationship to Vermont. As you know, Karen is a former member of this Board, and has now accepted a position on the Board of the UVM Foundation for which we are most grateful. Please join me in thanking Karen Meyer for her many contributions to UVM.

In closing, I wish to note that the UVM Board will meet tomorrow to discuss candidates to welcome to the Board by March 1. Let me make a prediction: Lisa Ventriss will be among them. We also welcome today our new Student Trustee, Dennis Mahoney, who will be replacing our retiring student Trustee, Brian Sozansky. Welcome, Dennis.

And speaking of retiring Trustees, we will have an opportunity to honor them individually at dinner tonight, but I cannot let this moment pass without collectively recognizing them: Brian Sozansky, John Hilton, and my predecessor as Chair, Ian Boyce. Gentlemen: We salute you and thank you for your excellent and unselfish service to this Board.

This concludes my report.
Good morning. Let me start out with some brief updates related to our national and international reputation.

UVM's Lawrence Debate Union has been ranked seventh out of all college and university debating programs in the world and the top leading US debate school participant by the International Debate Education Association.

The Institute for International Education has ranked the University of Vermont fifth in the nation among public doctoral universities for the percentage of its undergraduate students -- 32.5 percent -- who participate in study abroad programs.

The University of Vermont ranks No. 5 on the 2012 top Peace Corps volunteer-producing colleges and universities in the category of medium-sized institutions.

The Huffington Post recently reported that the University of Vermont rates among “The 10 Best Places to Go to College.

UVM student athletes were awarded the conference academic cup for the 7th year in a row.

All of these are important demonstrations of the quality and competitiveness of the institution and that has been reinforced by the comments of our various Presidential candidates. They also suggest to me that we should be competitive in attracting highly qualified international students to study at UVM - a topic for discussion later on in the meeting.

While proud of our accomplishments and achievements we must acknowledge and address our failings. Sometimes we failed to live to our own standards of behavior respect and inclusiveness as expressed in “Our Common Ground”. Incidents such as the one late last semester with a totally inappropriate questionnaire in one of our fraternities remind us that we need to strive to do better. We have taken steps in this regard but it is something for which the entire community must take personal responsibility and leadership, including the Greek System and the student body itself.

At our last Board meeting I talked about economic trends and how it is likely to impact Vermont and the University in the years ahead. That is a topic I will continue briefly this morning with additional context and opportunities.

In November Governor Shumlin joined us on this campus to discuss higher education in Vermont and the critical and unique UVM role within it. To quote him: “The University is a state treasure and a huge asset”. The Governor announced the establishment of his advisory group to explore the strategies for Vermont’s investment in public higher education and UVM. That is both timely and essential - a cohesive approach or strategy is lacking and sorely needed. To reinforce his commitment to higher education the Governor’s budget included a recommendation for an additional one time investment of $4m to UVM.
Context

Over the last decade the nature of work has changed. That trend will continue with increased use of technology. We get our cash from ATMs, pay our bills and buy our goods on-line, and get our information from computer search engines and find our way by GPS. Computers play chess better than we do, assemble our cars and appliances, operate transportation systems, deliver data and information and can assess and adapt to our rate of learning. Many jobs that provided a decent career for high school graduates have gone, never to return. At the same time new careers have been stimulated, or even invented, by technology. Future personal success and prosperity will require post-secondary and continuing education. High paying jobs will emphasize the skills that artificial intelligence is not good at - the intuitive, creative, entrepreneurial adaptive and soft skills at which humans excel. In addition, there will be many opportunities for individuals possessing the technical, computational, mathematical and scientific skills that drive technology. However, many other skill and knowledge areas will flourish more than 60% of job openings this decade will require post-secondary education. That will be a challenge for Vermont as currently only around 45% of K-12 students enter post-secondary education and half of them leave the state to do so. That will not build the skilled work-force needed for Vermont’s future economy.

Public education must ensure our population has the skills to be competitive and gain jobs with salaries to support themselves and their families. A well-educated local workforce and a strong research university are prerequisites to attract and grow businesses. Furthermore, educated citizens are better able to contribute to society rather than be a burden to it. Our foreign competitors have already worked this out and are producing well educated citizens, are investing heavily in education and research and sending their students to study in the best American and European universities.

Society is understandably concerned about affordability and access to education and we should be. But as Derek Bok said “If you think education is expensive try the cost of ignorance”.

So let me talk about just three topics of great importance and potential.

Embrace different learning models

Our young people are growing up in a different world, surrounded by, and comfortable with digital technology 24/7 connectivity. They download, they text, they talk, they surf and this impacts how they learn and the amounts and quality of information available to them. Information and data increase exponentially and it becomes impossible in many areas the sciences, medicine, geopolitics, etc. to keep pace. Everybody has to be a life-long learner and technology facilitates that.

Software can help make challenging concepts compelling and understandable. Increasingly, the role of educators is one of tutoring, guiding and facilitating students to ensure the basic principles and concepts are understood and that they learn to ask the right questions and to analyze and evaluate the information they obtain. Many students learn better experientially and one has to accept that it constitutes rigorous learning. It is not some soft alternative. Internships and research experiences must not be supplements to a curriculum but a core component. Similarly the soft skills (e.g. team work, work habits, communication skills, and foreign languages) are critical. They are not innate and must be taught and practiced. If I had my
way, and of course Presidents rarely do, every UVM graduate would have studied abroad, undertaken a research project, engaged in service learning or a business internship.

**Reach out to new demographics and programs**

For decades the UVM focus has been on 18-22 year old undergraduates, mainly from the northeast and mid-Atlantic regions. There are seriously declining numbers of those students and increasing competition for them. We must seek to gain a greater market share in the face of stiff competition or our enrollments will decline and so will revenue, jobs and salaries. However, we must also seek other opportunities and engage populations that traditionally we have ignored or done little to serve.

In a world increasingly competitive for jobs many people are going to seek additional qualifications. The Lumina Foundation estimates that in Vermont there are 60,000 people who started but did not finish post-secondary education and that Vermont’s workforce will require an additional 58,000 degrees holding employees by 2025. That is a daunting challenge but one Vermont must position itself to address. Many of our colleagues are thinking about these challenges. For example, the Dean of the Graduate College and the Dean of Continuing Education suggest that we might increase our competiveness and nimbleness by integrating the entrepreneurial, marketing and nimbleness of continuing education, with the academic and administrative functions of professional and graduate education in a unified structure to excel in these opportunities. That is a direction several institutions have gone and which is worthy of exploration.

**Stimulate research, partnerships, private and business funding and entrepreneurship**

The US economy will have to rely on brains not brawn for its future global success. In Vermont that means stimulating research, creativity and entrepreneurship and providing an environment that encourages and attracts private investment and in which the intellectual and research capacity of the University is effectively linked to the economy.

I advocate an expanded role and funding for the Vermont Technology Council to enhance its in partnership with UVM and other institutions and increase state wide economic development activity development via monthly business clinics around the state, research partnerships, strengthened technology transfer and licensing activity. Vermont might also consider the type of matching grant programs employed in Connecticut and Kentucky in which state dollars are used to match private fundraising and investment to support job creation and economic development.

This University has an opportunity to dramatically increase its positive impacts in Vermont, and fortunately the administration in Montpelier is recognizing how essential we are to the future health of this state. In the brief time I have left as your Interim President, working on these issues will be among my highest priorities. Thank you.
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. implementing a selection process to retain the independent auditor and making a recommendation to the Board of Trustees for approval. 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 statements), and assessing the quality and timeliness of management’s response and corrective actions;

h. reviewing the effectiveness of the University’s practices related to monitoring its compliance with laws and regulations;

i. reviewing the results of management’s investigation and resolution of any reported, or otherwise discovered, significant instances of noncompliance;
j. evaluating the scope and quality of internal and independent audit services, and the degree of coordination and appropriate degree of independence between them; and

k. reporting regularly and promptly to the Board regarding matters within the scope of the Committee charge.

l. periodically reviewing expense reimbursements, or summaries thereof, that have been submitted by the President and reviewed and certified by the Vice President for Finance and Administration.

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 (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 annually 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 authorize and direct the Committee Chair to select and retain an independent audit firm to conduct the mandatory annual audit of the financial statements and/or compliance audits. In conjunction with such selection, the Committee will assess the independence and objectivity of the firm by obtaining statements from the firm on relationships between the firm and the University. 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 the mandatory annual audit of the financial statements 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 the mandatory annual audit of the financial statements 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 the mandatory annual audit of the financial statements and/or compliance audits generally shall not be eligible for University engagements to perform non-audit services that would violate the U.S. Government Accountability 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 the mandatory annual audit of the financial statements 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 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. subject to subsequent Board consideration and action, review and approve the mandatory annual audit of the financial statements, Review and/or compliance audit reports, including the annual audit reports on federal awards received as required by the Office of Management and Budget Circular A-133 audit, 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 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 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 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 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 Office of Audit Services;

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 Institute of Internal Auditors 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

The University’s executive management and the Board of Trustees Audit Committee have adopted the Committee of Sponsoring Organizations (COSO) Internal Control – Integrated Framework to help assess and enhance its internal control systems.

a. Certifications

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

ii. Without limitation on IV.a(i), the Committee will receive from the Vice President for Finance & Administration and University Treasurer record of certification along with the annual financial statement report that:

a. He/she has approved the financial statements,

b. Based on his/her knowledge, the report does not contain any material errors 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 internal controls over financial reporting, 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.

V. Compliance

a. Review with the Office of Compliance Services, the effectiveness of the University’s practices related to monitoring compliance with laws and regulations;

b. Review with the Office of Compliance Services and management, the results of management’s investigation and resolution of any reported, or otherwise discovered, significant instances of noncompliance;

c. Review with the Office of Compliance Services and management, the findings of any compliance examinations by regulatory agencies and any auditor observations;

d. Review with the Office of Compliance Services, the process for communicating the code of business conduct to University personnel and for monitoring compliance therewith;

e. Receive quarterly reports from the Office of Compliance Services on its activities;

f. Receive updates from the Office of Compliance Services and management on new and emerging compliance issues, including their impact to the University; and

g. Receive as needed, through the Audit Committee Chair, compliance matters communicated directly by the Chief Compliance Office (by virtue of the dotted line relationship).

As approved by the Board of Trustee: 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 of Trustees: May 16, 2009
Revised by the Audit Committee: October 11, 2010
Approved by the Board of Trustees: October 30, 2010
CONFLICTS DISCLOSURE FORM

The following information is disclosed as required by the Conflicts Policy adopted by this Board on February 12, 2005. All terms used in this Form are as defined in the Policy. Questions arising during completion of the Form may be directed to the University General Counsel.

TRUSTEE Name: ________________________________

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Affiliates of Trustee ²

¹ A spouse or civil union partner, child, parent, sibling, or such relations by marriage or civil union partnership (wherever residing); person claimed as a dependent for federal income tax purposes (wherever residing); and any relative residing in the same household as the Trustee.
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**Affiliates of Trustee Family Members** 2

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2 A business, association, corporation, or other legal entity in which a Trustee or a member of his/her immediate family is a director, trustee, officer, partner, joint venturer, principal, employee, owner, and/or holder of five percent (5%) or more of voting stock or a controlling interest. In addition, an entity from which the Trustee or a member of his/her immediate family otherwise annually receives, or has the right to receive, $10,000 or more compensation, income, or other financial consideration or value.
Please identify:

(1) Any family members currently employed by or enrolled at the University:

(2) Any University employees or students whom you employ or otherwise retain for services:

(3) Any contract negotiations or contracts in progress between you or a family member or affiliate and the University in progress, other than incidental transactions (e.g., ticket sales, food services) in which members of the public engage:

(4) Any gifts or loans you or a family member received from the University, or any source with which the University has significant commercial or philanthropic dealings:

(5) Any nonprofit organizations or institution of higher education boards on which you or a family member serves as an officer, trustee or director:
I hereby certify as follows:

1. I have read the Conflicts Policy.

2. The representations on this Form are accurate and complete to the best of my knowledge after exercise of due diligence.

3. I agree to conduct myself in a manner consistent with this Policy, in good faith and to the best of my ability.

4. I agree to update this Form as circumstances dictate and otherwise as annually required.

Signed and dated by me, this ___ day of ______, 201__

______________________________
Signature

Received and filed:

__________________________
Assistant Secretary to the Board  Date:

cc:  Board Coordinator, General Counsel
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

PRESIDENTIAL COMPENSATION POLICY AND GUIDELINES

This policy and its guidelines are intended for use by the University Board of Trustees in rendering presidential annual compensation adjustment decisions.

Policy

It is the policy of the Board of Trustees to seek to attract and retain highly effective and skilled presidents; to recognize the achievements of the president while serving the University; and to compensate the president in a manner that advances these goals, within the parameters of the fiscal resources available to the University. Presidential compensation decisions will also be made in a manner consistent with the overarching institutional policy on University employee compensation.

Procedures

Upon completion of the annual presidential performance review process, the annual review subcommittee of the Board Executive Committee will again convene promptly to formulate a recommendation regarding a compensation adjustment for the president effective the upcoming fiscal year. Its recommendation will be informed by the criteria and guidelines set forth below. All members of the subcommittee shall be independent, without any actual or appearance of conflict of interest in the matter of the setting of presidential compensation. The president must inform the subcommittee of all compensation paid or assignable to him/her in consideration of his appointment, regardless of the source of funds.

Following its review of the information described below and its related deliberations, the subcommittee will first advise the Executive Committee (in an Executive Session from which the President will be at least initially excused) of its proposed compensation adjustment and the associated rationale (“proposed adjustment”). The Board Chair will then meet with the President to discuss the proposed adjustment. After the latter meeting, the subcommittee will advise the full Board (in an Executive Session from which the President will be at least initially excused) of the proposed adjustment. The Board will take final action on the compensation adjustment in open session. The President shall not be eligible for, nor shall he or she receive, salary or other types of compensation from a third party (exclusive of standard University benefits) without the prior authorization of the Board of Trustees.
Criteria and Guidelines

Criteria for assessing and adjusting compensation will include:

- **Merit**, meaning presidential performance in relation to Board-established annual presidential performance goals and the president’s sustained contributions to the achievement of institutional objectives

- **Market competitiveness**, using relevant institutional comparators as identified by qualified internal personnel or a qualified external compensation consultant, with respect to salary, benefits, deferred compensation, and perquisites

- **Equity**, including relationship to University senior administrators’ compensation and the compensation guidelines and parameters set for the institution as a whole

Subject to consistency with governing law and relevant market practices, compensation may be comprised of elements in addition to base salary and the benefits plans otherwise available to University officers of administration. Thus, it may include, for example, incentives for achievement of specific performance objectives or to encourage longevity in position; tax-deferred compensation; professional association, civic, and club memberships; wellness or health maintenance programs; and sabbatical or other professional development opportunities. To assist the President in carrying out duties reasonably related to the presidency, the compensation arrangement may cover costs such as those associated with automobile use; communications services; housing; staffing for University-related events, such as housekeeping and property maintenance; and insurance.

Compliance

The President shall be solely responsible for individual income tax or other tax liability attributable as result of the compensation and expense payments or reimbursement awarded. The President and the University shall respectively maintain all payment and expense records required for tax and other compliance purposes as well as by applicable University policies.

Periodic Review

The Board shall periodically review these guidelines and revise them as desirable or necessary considering the University’s ability to attract and retain outstanding presidential leadership within the parameters of available fiscal resources; the evolution of institutional compensation guidelines; best practices in setting compensation for university presidents and executive officers; and applicable legal developments.
Appendix A

Parameters for Compensation at The University of Vermont

UVM’s approach to compensation supports and advances our vision of being the nation’s premier small public research university, committed to providing an exceptional educational experience to our students and to fulfilling our research and service missions. All that we do, including compensating employees, must serve these purposes.

Recruiting and retaining outstanding faculty and staff and assessing and rewarding their performance are essential elements of our ability to succeed. UVM is committed to compensating employees competitively and equitably, always with attention to student affordability and within the scope of available resources.

UVM compensation is guided by these parameters:

Compensation should be determined based on the following factors:

- Performance, including advancement of University and unit vision, mission, and goals
- Market competitiveness
- Equity, including attention to basic needs
- Recognition of the role of collective bargaining for unionized employees

Compensation equity encompasses several important factors, including awarding salary and benefits in a lawful, non-discriminatory manner. It also includes acknowledgment of the costs of living in this geographic area and the institutional interest in assisting employees, especially lower-paid employees, in meeting their basic needs. In doing so, we also recognize, and address where feasible, the differing impacts that required employee contributions to benefits have on employees at various compensation levels.

Compensation will be viewed as salary/wages plus benefits (total compensation).


Approved by the Board of Trustees: May 18, 2007
Amended by the Annual Review Subcommittee: December 9, 2011
Approved by the Board of Trustee: February 4, 2012
Statement of Commitment and Expectations in the Workplace

Reason for this Statement

This Statement of Commitment and Expectations (“Statement”) reiterates and reinforces the dedication of the University to compliance with the policies and laws that govern the institution and the values and the principles embodied in Our Common Ground. This Statement also identifies how Our Common Ground is relevant to the workplace.

Applicability

This Statement applies to University officials, staff, faculty, volunteers, and the employees of companies or organizations affiliated (affiliates”) with the University who interact with University officials, staff, faculty, and volunteers.

Requirements and Expectations

All University officials, staff, and faculty are required to fulfill their obligations under UVM policies, the law, and the handbooks and contracts that set forth performance and conduct expectations.

In addition, all University officials, staff, faculty, volunteers and affiliates are expected to preserve and promote the values that will best serve both the community as a whole and its individual members, and thus be aware of, and aspire actively to abide by, Our Common Ground. Consequently, through this Statement and other means, the University will communicate to its officials, staff, faculty, volunteers, and affiliates the expectation that they work cooperatively with others and treat others, regardless of position or status, with professional courtesy and civility. Collegial interactions are essential to support the institutional mission in an effective and ethical manner. In this regard, it is especially critical that those in positions of leadership and authority demonstrate the highest ethical standards of behavior to those whom they supervise, teach and advise.
Commitment

To facilitate achievement of the requirements just described, the University hereby recognizes an ongoing responsibility to maintain a working environment free of conduct that is unlawfully motivated or otherwise prohibited by University policy or the law. The institution will therefore dedicate resources for management and employee training, and compliance monitoring. The University will also facilitate the prompt and effective resolution of policy and legal violations and publicize existing complaint and grievance channels applicable to violations of policy and the law.

To facilitate achievement of the expectations just described, the University will create and maintain channels whereby persons who believe that they are targets of, or witnesses to, conduct at odds with Our Common Ground can access guidance and/or assistance promptly and effectively. These mechanisms shall include, but may not necessarily be limited to, confidential counseling, a confidential hotline and, as applicable, a mediation option. Retaliation for the use of any of these channels shall be expressly prohibited and will give rise to the possibility of serious disciplinary or other appropriate action regardless of the merits of the original charge. Furthermore, the intentional use of these channels to file a false charge shall be prohibited and may result in serious disciplinary or other appropriate action.

NOTE: Barring unusual circumstances, employees and supervisors should first pursue collegial and non-confrontational approaches to problem-solving. In addition, employees whose concerns fall within the scope of defined “grievances” that must be pursued by specified means under policy or contract must use those channels to preserve any rights that may arise under those provisions.

I. EXISTING POLICIES, STATEMENTS AND PROTOCOLS

Perceived violations of existing policies must be pursued through normal channels, as identified in the statements, policies and procedures listed below.

To protect Safety and Security:

- Personal Safety and Security Policy

- Domestic Abuse and Violence Prevention and Response Policy

- Drug-Free Workplace Policy
Statement of Commitment and Expectations

- Alcohol Policy

- Weapons Policy

- No-Trespass

- Laboratory Safety Policy
  [http://www.uvm.edu/policies/riskmgm/labsafety.pdf](http://www.uvm.edu/policies/riskmgm/labsafety.pdf)

To promote **DIVERSITY AND INCLUSION**

- **Our Common Ground**

- Diversity Statement
  [http://www.uvm.edu/president/?Page=whydiversity_statement.html](http://www.uvm.edu/president/?Page=whydiversity_statement.html)

- Equal Employment/Affirmative Action Policy Statement

- EEO Policy Statement

- Discrimination/Harassment Complaint Procedures

- Sexual Harassment
  [http://www.uvm.edu/policies/hr/sexharasemp.pdf](http://www.uvm.edu/policies/hr/sexharasemp.pdf)

- Disability Certification and Support

- Nursing Mothers
  [http://www.uvm.edu/policies/hr/nursingmothers.pdf](http://www.uvm.edu/policies/hr/nursingmothers.pdf)

- Bias Protocol
To preserve **INTEGRITY:**

- Code of Business Conduct  

- Conflict of Interest and Commitment  

- Code of Student Rights and Responsibilities  
  [http://www.uvm.edu/policies/student/studentcode.pdf](http://www.uvm.edu/policies/student/studentcode.pdf)

- Misconduct in Research  
  [http://www.uvm.edu/policies/grants/researchmisconduct.pdf](http://www.uvm.edu/policies/grants/researchmisconduct.pdf)

- Research Conflicts of Interest  

- Amorous Relationships with Students  

- Amorous Relationships – Athletics  

- Computer, Communication and Network Technology Acceptable Use  
  [http://www.uvm.edu/policies/cit/compuse.pdf](http://www.uvm.edu/policies/cit/compuse.pdf)

- Data Breach Notification  
  [http://www.uvm.edu/policies/general_html/databreach.pdf](http://www.uvm.edu/policies/general_html/databreach.pdf)

- Privacy [Interim]  

**II. OTHER RESOURCES**

If an employee believes that a member of the University community or a UVM-affiliated person is engaged in conduct that violates the intent of *Our Common Ground*, the following resources are available to facilitate resolution of those concerns.

**A. CONFIDENTIAL COUNSELING**

Beginning 1/1/12, various health-management services will be administered under a contract with the Massachusetts-based Wellness Corporation. Founded in 1984, The Wellness Corporation is a national provider of Organizational Assistance Services. For UVM, these services will include Employee Assistance Programs and Wellness and Work/Life Programs.

B. **HELP LINE**

The Ethics and Compliance Reporting and Help Line (the “Compliance Help Line”) allows individuals to make anonymous or confidential reports of, or ask questions about, suspected violations of law, University policy, or *Our Common Ground*. The report is made directly to a third-party vendor, Ethicspoint, which relays the report to the Chief Compliance Officer. Each report is immediately screened by trained administrators in the Offices of Compliance Services, General Counsel, Audit Services, as well as the Vice President for Executive Operations, to ensure that the report is referred promptly to the appropriate office for action in view of its content.


C. **OMBUDSPERSON FOR NON-UNIONIZED FACULTY**

The Faculty Senate maintains policies and procedures governing the role and responsibilities of the Faculty Ombudsperson. In general, Faculty Ombudsperson duties will include the following: (a) to assist faculty in determining the institutional channels most appropriate for the resolution of a complaint; (b) to assist faculty in seeking resolution of a complaint through normal institutional channels; (c) to facilitate the informal resolution of complaints through mediation; and (d) to advise faculty as to the information necessary to present a formal complaint to the Grievance Committee.

UNIVERSITY MANUAL APPENDIX B.1 NON-UNIONIZED FACULTY HANDBOOK, Part 6, Section 4.b.: http://www.uvm.edu/~facrsrcs/NON%20UNIONIZED%20Faculty%20Handbook.pdf; http://www.uvm.edu/~facsen/?Page=contact.html

D. **MEDIATION FOR NON-UNIONIZED STAFF AND FACULTY**

Mediation is a voluntary, non-binding dispute resolution process involving the parties engaged in a dispute, and a neutral third party who tries to help the parties reach a mutually agreeable solution. Mediation may be arranged through the Office of Human Resource Services. Presently, the mediation process is available only to non-union-represented staff; however, the administration is exploring the possibility of extending the process to represented employees, who otherwise have grievance channels available under their collective bargaining agreements. (For persons whose terms of employment are governed by collective bargaining agreements, channels for redress and resolution of complaints are addressed through the collective bargaining process.)

http://www.uvm.edu/hrs/forms/mediation_request_form.pdf

E. **OFFICE OF AFFIRMATIVE ACTION AND EQUAL OPPORTUNITY (AAEO)**

One of the roles of AAEO is to protect against bias, unfairness and other improper treatment by serving as a neutral, impartial dispute resolution resource by providing independent confidential, informal and formal assistance in the resolution of concerns and critical situations to all levels of the administration, staff, faculty and students.

http://www.uvm.edu/~aaeo/
F. ADDITIONAL UVM RESOURCES

Office of the Chief Diversity Officer and Special Assistant to the President for Multicultural Initiatives
http://www.uvm.edu/~presdent/diversity/

There are a number of offices that primarily serve UVM students, but which may have information helpful to staff and faculty as well. They include:

ALANA Student Center:
http://www.uvm.edu/~asc/?Page=visionstatement/vision.html
http://www.uvm.edu/~asc/?Page=resources/resources.html&SM=submenu6.html

Lesbian, Gay, Bisexual, Transgender, Questioning & Ally Center:
http://www.uvm.edu/~lgbtqa/

Women’s Center:
http://www.uvm.edu/~women/?Page=about_us/mission.html&SM=about_us/sub_menu.html

Office of International Education:
http://www.uvm.edu/oie/

Disability Services (ACCESS):
http://www.uvm.edu/access/

Counseling & Psychiatry Services (CAPS):
http://www.uvm.edu/~chwb/psych/

Effective Date

Approved by:

__________________________
John Bramley
Interim President

Date:__________

__________________________
Robert F. Cioffi
Chair, Board of Trustees

Date:____________