The Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, May 18, 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, Interim President John Bramley, Carolyn Branagan, Christopher Bray*, Robert Brennan, David Daigle, Jeffrey Davis, Kyle DeVivo, Richard Gamelli, Joan Lenes, Dennis Mahoney, David Potter, Kesha Ram, Dale Rocheleau**, Lisa Ventriss, Jeanette White and Mark Young

MEMBERS ABSENT: Frank Cioffi, Debbie McAneny, Bill Ruprecht and Governor Peter Shumlin

ALSO PARTICIPATING: Senior Vice President and Provost Jane Knodell, Faculty Senate President Julie Roberts, Graduate Student Senate Vice President Jude Dizon, Staff Council President Ida Russin, Student Government Association President Connor Daley, Alumni Council President Ted Madden, Vice President for Legal Affairs and General Counsel Francine Bazluke, Vice President for Research and Dean of Graduate Studies Domenico Grasso, Interim Dean of the College of Engineering & Math Sciences Chip Cole, Senior in the School of Engineering Collin Dailey, 2011 CEMS Graduate in Mechanical Engineering and Vice President of Engineering to Assist and Support You, LLC (E.A.S.Y., LLC), Josh Coffee, President and CEO of the UVM Foundation Richard Bundy, and Vice President for Enrollment Management Chris Lucier

*Joined at 8:39 a.m.
**Joined at 8:30 a.m.

Chair Robert Cioffi called the meeting to order at 8:09 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the minutes of the January 20, 24, 26, 27 & 31 and the February 3 & 4 meetings as presented.

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

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

Governance Leaders Reports

Faculty Senate President Julie Roberts thanked Chair Cioffi and Interim President John Bramley for their accessibility to the faculty and for working to bridge the communication gap that has
existed in recent years. She noted that though there is still room for improvement, faculty morale has improved significantly over the last year. President Roberts shared the Senate’s current goals, with General Education (GE) being a major focus. There is agreement amongst faculty that writing and information literacy are very important components of GE, with a pilot for these areas to be initiated this Fall. Faculty has been pleased with the collaboration shown in the Presidential Search and Strategic Initiative Project (SIP) and hope this continues. A new goal of the Senate is to focus on promoting a stronger presence of humanities and creative arts at the University. Finally, a collaborative effort is under way for a project to improve student advising with the goal of improving student experience and retention.

Graduate Student Senate (GSS) Vice President Jude Paul Dizon reported that this year, GSS’s second year as an officially recognized body, has been one of growth, relationship building and visioning. GSS continues to develop its infrastructure, including the creation of three main Committees and further revisions to its bylaws. In April, elections were held for Senators and the Executive Council. GSS recently worked with campus partners on a research conference, held their second annual awards banquet, and have had several active social events this year. Vice President Dizon noted that graduate students are grateful to be a part of many University committees and processes. GSS has identified several needs that are specific to graduates students including housing, competitive funding and benefits packages, and a continuous orientation process. Vice President Dizon concluded his report by recognizing current and incoming leaders.

Staff Council President Ida Russin provided her final report. She stated that she has learned a great deal during her term, especially regarding the inclusive nature of how decisions are made. She thanked Chair Cioffi for his leadership and collaboration. President Russin reported that the Staff Council report on Compensation, Benefits and Budget was recently distributed to the Board. Though many staff members still struggle financially, the Council is pleased with the draft proposal of a balanced budget and a 2% pay increase. Staff Council Leadership elections will take place soon. She thanked Vice President for Finance and Administration Richard Cate, Associate Vice President for Human Resource Services Barbara Johnson, Provost Jane Knodell, Vice President for Executive Operations Gary Derr and Interim President Bramley for their support throughout her term. She noted that staff look forward to working with President-Elect Thomas Sullivan. President Russin concluded her report by thanking Vice President Michelle Smith, as well as the Staff Council office team, Diane Trono and Jeff Bukowski. Chair Cioffi thanked President Russin for her remarkable service.

Student Government Association (SGA) President Connor Daley provided his first report to the Board. He noted that the SGA Vice President, Treasurer and he are Vermont natives and an area of their focus is finding new ways to give back to and benefit Vermont. President Daley reported that this is SGA’s 70th anniversary and is the first year that the SGA Senate has representatives from every school and college. SGA priorities include improvements of undergraduate career services, academic advising, community relations, and internal improvements of SGA communication to students. This summer, President Daley will be working with student government representatives from peer institutes to discuss and learn best practices in managing student clubs and organizations. Commencing fall semester, SGA will initiate themed weeks, with the first week’s theme being student engagement. In conclusion, he thanked Interim President Bramley for his commitment and service to the University of Vermont.
Alumni Association President Ted Madden thanked Interim President Bramley and his wife Janet Bramley for their dynamic leadership. He reported that this spring has been busy in areas of admissions, diversity, career services and athletics. The Association has worked with leadership of the UVM Foundation to resolve and advance a number of key strategic initiatives that formalize the relationship between the two groups. At its April meeting, the Foundation formally recognized the UVM Alumni Association Board of Directors as a standing committee of the UVM Foundation. President Madden recognized President and CEO of the UVM Foundation Rich Bundy for bringing a heightened level of prioritization and focus. He reported that work continues on the Alumni House, with nearly $2.5 million raised and optimism that a $5 million naming gift will be secured soon. President Madden thanked the members of the Board for joining the tour of the Alumni House offered yesterday afternoon. He also reported that work has begun on an enhanced membership benefits program for alumni and reinvesting revenue generated from the program to expand the scope of programming and engagement. He concluded his report by noting that the Association is very excited to welcome President-Elect Thomas Sullivan and his wife Leslie Sullivan in July. Chair Cioffi indicated that President-Elect Sullivan’s Installation will occur Friday, October 5th the same weekend as Homecoming and thanked the Association for their collaboration in making it possible for these events occur at same time.

Action Items

Interim President Bramley explained that, last October, Chair Cioffi charged him with preparing an assessment of issues associated with executive compensation, exclusive of specifics associated with presidential compensation which are addressed by the Board separately. He has completed this task along with the assistance of Vice President for Executive Operations Gary Derr, and with input sought from governance groups and senior leaders. The result of the assessment is the Statement on Executive Compensation included as Appendix A to Attachment 7 in the meeting materials. The Executive Committee reviewed the Statement at its meeting last month and recommends it to the Board for acceptance. The Executive Committee further recommended that the administration proceed with steps consistent with the report’s recommendations.

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

**Resolution Accepting Statement on Executive Compensation**

WHEREAS, in October 2011 the President was charged with preparing an assessment of issues associated with executive compensation;

WHEREAS, the President presented the results of that assessment (Statement on Executive Compensation) to the Executive Committee on April 16, 2012 and the Committee recommended remittance to the Full Board for acceptance;

BE IT RESOLVED, that the Board hereby accepts the President’s Statement on Executive Compensation appearing as appendix A to this document; and
BE IT FURTHER RESOLVED, that the Board instructs the administration to proceed with steps consistent with the report’s recommendations.

Interim President Bramley offered a correction to page 5 of the Statement noting that words “average of quartile 2 and 3” should be replaced with the word ‘median’ in the opening sentence in the first bullet under the Recommendation paragraph at the bottom of the page.

There being no further discussion, a motion was made, seconded, and unanimously voted to accept the resolution as presented.

Vice President for Legal Affairs Francine Bazluke, in her capacity as Liaison to the Committee on Board Governance, provided background information for the resolutions related to dissolving the current Honorary Degrees Work Group. On February 27, 2012, the Committee on Board Governance reviewed a proposal to dissolve the current Honorary Degrees Work Group and endorsed the recommendation that the President appoint an advisory committee comprised of the governance group leaders, two faculty members, the Foundation CEO or designee, and administrative appointees to develop a list of honorary degree candidates annually. The President’s Advisory Committee will be guided by University Operating Procedures and the President would periodically brief the Board and/or the Executive Committee as the nominee list develops and candidates are screened. The Faculty Senate approved this proposal on April 9, 2012. The restructuring necessitates a housekeeping amendment to the Resolution Regarding Delegation and Retention of Board Authority and a minor revision to the Educational Policies and Institutional Resources Committee Charge.

In referencing the criteria listed in the proposed University Operating Procedures related to Honorary Degrees and Commencement Speaker, Trustee Sam Bain asked if there was discussion that would put us in position of eliminating potential candidates that do not have significant ties to education. Vice President Bazluke replied that it is not a minimum requirement. She added, however, that faculty participants typically ensure there is some academic weight to candidates.

Trustee Bill Botzow inquired who the risk owner will be for the selection of honorary degree recipients and the Commencement speaker. Vice President Bazluke replied that the President will serve as the risk owner.

The following resolutions were presented for approval:

**Resolution Dissolving the Current Honorary Degree Work Group; Endorsing the President’s Adoption of a University Operating Procedures Applicable to Honorary Degrees and Commencement Speaker; and Adopting Revisions to Delegation and Retention of Board Authority**

RESOLVED, that the Board hereby dissolves the current Honorary Degree Work Group and endorses the President’s proposed University Operating Procedures Applicable to Honorary Degrees and Commencement Speaker appearing as appendix B to this document;
BE IT FURTHER RESOLVED, that the Board adopts the revisions to its Resolution Regarding Delegation and Retention of Board Authority appearing as appendix C to this document.

Resolution Approving Amendments to Educational Policy & Institutional Resources Committee Charge

RESOLVED, that the Board hereby approves the amendments to the Educational Policy & Institutional Resources Committee charge appearing as appendix D to the document.

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

Acknowledgement of Grants and Contracts Awards Report

Chair Cioffi noted that with the creation of the UVM Foundation, the Board will no longer receive quarterly gift reports. The UVM Foundation will provide an annual report at the fall meeting. The Board will continue to receive and acknowledge quarterly Grant and Contract reports. The Board acknowledged the Grants and Contracts Awards Report for the period of January 1-March 31, 2012.

Academic Presentations

Vice President for Research and Dean of the Graduate Studies Domenico Grasso introduced the academic presentations, noting that all engineering students are required to create a capstone project related to the UVM Senior Experience in Engineering Design (SEED) program. He explained that these projects benefit the University, its students, and the Vermont economy.

Interim Dean of the College of Engineering and Mathematical Sciences (CEMS) Chip Cole introduced the first presentation titled “Calibrating Underwater Autonomous Vehicles: The BOLTON Test Track”. He introduced presenter Collin Dailey, a senior in the School of Engineering. Mr. Dailey worked as part of a SEED team that included Andrew Stifler, Jon Razinger, Mike Trubia, also seniors in the School of Engineering. The client they worked for on this project was Greensea Systems Inc. (Greensea), located in Richmond, Vermont. John E. Novotny, Lecturer in the School of Engineering, was the team’s faculty advisor.

Mr. Dailey explained that Greensea specializes in complete command, control, and navigation systems for remotely-operated robots. Greensea’s BOLTON System is a navigation sensor package that fits to unmanned, underwater robots to enable them to track their own movements with high accuracy. The system uses a high-performance core sensor, which measures and relays the robot’s location by the inertia of its movements. These robots are used for many underwater activities such as treasure hunting and salvage work. Greensea tasked the team to develop a calibration device for the BOLTON system that would insure accuracy and reliability.

The team began its work by taking Greensea’s problem statement and then identified objectives, requirements and constraints. Next, while remaining within their budget, they investigated possible solutions, created preliminary art of their ideas and performed basic analysis. The
elaborate product design process took almost a year before the team was able to build a prototype. A key component of the prototype included software, which proved a major challenge for the team as their background in the study of mechanical engineering, rather than software engineering.

The team’s final calibration device includes a fully-automated, stable test fixture that precisely translates and rotates the sensor array over a large range of motions and speeds. The system collects data from its motion and the output of the Bolton system, and this information is used to calibrate the sensors. The calibration device works both on-site at the factory and off-site for pool/water testing. The completed project will improve Greensea’s calibration capabilities immensely and insure that each system that is developed and produced is of the highest quality.

Trustee Sam Bain inquired if the test track floats. Mr. Dailey replied the track does not float and is designed to be installed about a foot above water.

Trustee Jeanette White asked if Mr. Dailey and his team received credit or a patent for their product design. Mr. Dailey indicated they will not receive rights to the intellectual property, but he was offered, and accepted, a job with Greensea. Vice President Grasso noted that before the project commenced, there was an agreement with the company that they would retain the intellectual property rights.

Trustee Kyle DeVivo asked if the students were able to test their project in water. Mr. Dailey indicated that they did not, but there is potential that they will be able to in future.

Interim Dean Cole introduced the next presentation titled “Tactile Graphics for the Blind: A SEED Project That Grew into a Start-Up”. He introduced presenter Josh Coffee, 2011 CEMS graduate in Mechanical Engineering and Vice President of Engineering to Assist and Support You, LLC (E.A.S.Y., LLC). Mr. Coffee worked as part of a SEED team that included fellow 2011 CEMS graduates Akie Hasimoto and Keegan Brown. The team’s faculty mentors were Mike Rosen, CEMS Research Associate Professor in the School of Engineering and industrial liaison for SEED; and President of E.A.S.Y. LLC and Mike Coleman, CEMS Senior Lecturer in Mechanical Engineering; and Vice President of E.A.S.Y. LLC. The client for the project was the National Federation of the Blind (NFB). The project’s goal was to develop technology to make possible the production, editing, digitizing, transmission and reproduction of free-hand raised-line graphics for the blind.

Mr. Coffee began his presentation by explaining that one of the results of the project was that, after graduation, he and his team were determined to continue their work and a decision was made to form E.A.S.Y., LLC to undertake the commercialization of their unique tactile graphics technology. He noted they began the company without prior business training and were able to do so with the support from members at UVM as well as from the community.

Mr. Coffee provided background on their project by explaining that, over the last 50 years, little progress has been made in allowing blind persons the ability to create tactile graphics. This limitation hinders their ability to be competitive in education and in the workplace. To address this challenge, the team developed three products, a thermal eraser unit that E.A.S.Y., LLC is
aiming to sell within the next few months, a digitized tablet that would allow blind persons to share graphics with the world, and a printer of tactile graphics that allow them to interact with their drawings. Mr. Coffee explained that there are many uses for these products and provided standardized testing as an example.

The team’s work was presented at the NFB convention in July 2011 and received overwhelmingly positive reviews. This success led to the discussions of founding and developing E.A.S.Y., LLC. Once the decision was made to go forward, the founders approached the President of the NFB to ask if there was money to assist with the start-up company. Within five minutes, the President offered them $100,000. The company was able to secure additional funds, including from UVM Ventures. They have also filed two patents and are in the process of a license agreement with the UVM Office of Technology Commercialization.

In closing of his presentation, Mr. Coffee showed a video statement from Mark Riccobono, Executive Director of the NFB Jernigan Institute. Mr. Riccobono explained that his organization had been disappointed with many previous attempts at developing technology for the blind until they connected with the UVM SEED program. He thanked the SEED team and noted that his expectations were exceeded.

Trustee DeVivo asked if the company faced any management challenges. Mr. Coffee responded that legal barriers were the most challenging followed by patent applications, purchase agreements, operating agreements, and finances. He restated that the guidance they have received has been essential to their success.

Interim President Bramley thanked both presenters and acknowledged that their work exemplifies why Vermont needs a viable research university.

Trustee Harry Chen asked Vice President Grasso and Interim Dean Cole if there are considerations of tying academics with entrepreneurship. Interim Dean Cole replied that he has a vision of all engineer design teams having a connection with the School of Business and has allocated resources for commencing such a collaboration beginning next year

Chair Cioffi concurred that the academic presentations are a reminder of why the University exists and thanked Provost Knodell and Vice President Grasso for pulling the presentations together.

At 9:39 a.m., Chair Cioffi recessed the meeting for a brief break.

At 9:50 a.m., the meeting resumed.

**Strategic Initiatives Project (SIP) Status Update**

Provost Jane Knodell began the SIP update by underscoring the project’s urgency as the University faces a number of challenges including declining demographics and public funding, increasing competition for high quality students, pressures on all revenue sources and the debate over the value proposition of higher education.
Provost Knodell explained the project structure, which includes the generation of funds through cost savings and new sources of net revenue. The three SIP areas to be invested in are Transdisciplinary Research Initiative (TRI) and Research, Diversity and Internationalization, and Student Success and Satisfaction (S³)/ General Education. These areas support the University’s vision, mission and goals.

Provost Knodell next explained the team structure of SIP and the individuals that participated in the project including 18 faculty, 14 academic administrators, 10 senior administrations and 5 senior staff. In addition, the University community has been engaged through measures such as Staff Council and Faculty Senate town hall meetings, an online campus survey, and a number of public presentations. The five SIP teams worked independently, but also incorporated community feedback into their work. Additionally, the entire SIP team met throughout the year to touch base on the work and progress of each team.

Trustee White asked if the teams included representation from Continuing Education. Provost Knodell pointed out that Dean of Continuing Education Cynthia Belliveau is a member of the SIP Team serving on the New Net Revenue team as well as the TRI and Research team.

Trustee Sam Bain asked Provost Knodell to comment on the potential shift of funding for academic initiatives. Provost Knodell explained that SIP does not affect the current budget model in any major way, as units will continue to have base budgets that are increased incrementally each year. She anticipates some funds from programs that are not as in-demand or central as others may be reallocated to other areas within the academic enterprise.

Trustee Botzow inquired whether SIP is an effort to operate differently or if it is a process of rebranding. Provost Knodell replied that SIP will do both. For example, one initiative focuses on course delivery exploring where technology can be used to engage and improve the student experience. SIP is also about creating more value through our existing mode of high quality education. It aims to develop new sources of revenue, such as distance education, but any new model will emerge incrementally, as more of an evolution than a revolution.

Provost Knodell resumed her presentation by discussing investment proposals that emerged as those most worthy of immediate consideration from the TRI and Research team. These proposals included expanding graduate programs, establishing an institutional grant program and further investment in the Spires of Excellence. New investments in graduate programs in FY 13 include the Master of Science in food systems as well as the smart grid training program in the School of Engineering in partnership with Sandia National Laboratories. An institutional grant program protocol will be developed this fall and implemented as early as possible in academic year 2012-13. Continued and new investment will take place in the Spires of Excellence and, next year, there will be an announcement of a plan that will outline the call for new Spires.

The Diversity and Internationalization team recommended the expansion of study abroad programs and development of a New American Outreach and Access as well as Abenaki Outreach program. The team also recommended further exploration of an increase in international enrollment. There is a detailed international enrollment business plan in development for review by President-Elect Sullivan.
Trustee Carolyn Branagan asked for elaboration on Abenaki Outreach and the Vermont Enrollment Project. Vice President for Enrollment Management Chris Lucier explained that there has been an Abenaki Outreach Officer at the University since 1985. A significant component of this position is to reach out to Abenaki students within local schools and bring them to campus for visits during the summer. The connection with these students during the rest of the year requires improvement. In terms of the new American population in Vermont, the admissions office will be hosting a conference with local new American leaders focused on what needs and opportunities exist.

Trustee Jeanette White asked if undocumented dairy workers were included in initiatives designed to assist new American populations. Vice President Lucier replied that they have not been included specifically, but that could be discussed.

In terms of the investments recommended by the Student Success and Satisfaction/General Education team, Provost Knodell stated that there will be continued and new investment in the undergraduate writing program, with a pilot program to be implemented in the fall and a fully-funded implementation in FY 2015. There will be a detailed plan developed in FY 2013 for integrating student career development as well as continued and new investment in the first-year experience.

Provost Knodell indicated that there is on-going work to develop concrete plans in the area of Cost Structure and Productivity Improvement. Elements of the work in process include business process re-engineering, benchmarking, the strategic value and financial attractiveness analysis, and organizational structure improvements.

Trustee Robert Brennan asked for examples of how productivity and improvement are measured. Provost Knodell replied that one indicator is the number of staff per student and faculty. An objective is to get to place where the University is run with quality services provided by the most efficient number of people.

Trustee White asked what prompted the creation of the Administrative Business Center. Provost Knodell explained that, previously, there was a decentralized model across campus for providing basic business services. The quality of administrative services was enhanced by having the work done in centers where the appropriate expertise was located.

In the area of net-revenue enhancement, Provost Knodell said that a business plan for international education plan is being developed for review by President-Elect Sullivan. In terms of distance education, there is current work with Deans to identify a lead master’s degree program. Curricular and administrative preparations for this initiative will continue through FY 2013 with the goal of the first cohort launched in FY 2014. Revenue sharing will be offered to the units that participate in this program.

Trustee David Daigle referenced cost structure and productivity improvement, and encouraged the administration to ensure that the processes taken from the top-down are consistent with the strategic and financial best interest of the units. Provost Knodell clarified that the Committee for this effort included numerous faculty members and that she understands this is a large
undertaking and that many opinions need to come to the table before they take any major steps. Interim President Bramley added that the University needs to be prepared to look at how the world is changing and what organizational relationships need to be established to create synergies, such as those between business and engineering. He noted that this undertaking has had many controversial discussions amongst a diverse group of people that know not to have preconceived notions of the outcome. Trustee Daigle followed-up that there is an opportunity to identify and eliminate institutional “encrustations”. Interim President Bramley agreed and opined that the key to the process is to neither work from the top-down, or vice versa, but to have strong leadership and engagement.

Trustee Dale Rocheleau stated that Enterprise Risk Management (ERM) techniques and tools are important to embed in the SIP process so that the initiative is successful. Provost Knodell indicated that the ERM tool has been applied to the international enrollment initiative and that she sees future applications for this tool.

Trustee Jeanette White asked who will make the final decision for the first program of distance education. Provost Knodell indicated that the University is working with a distance learning company, Bisk Education, and a service they provide is to conduct a market analysis which will assist in the assessment the identification of the lead program.

Provost Knodell concluded her presentation by noting that she has sent the SIP status update to President-Elect Sullivan and will share additional materials with him once he begins his presidency. She looks forward to his involvement and feedback on how to move the project forward.

Campaign Project Priorities

Provost Knodell and Foundation President and CEO Richard Bundy reported on the methods used to generate, review and rank campaign proposals and the outcome of that process. The goals of this process were to align the philanthropic priority setting process with institutional strategic priorities, identify ambitions that can only succeed with private support, and to establish priorities that are meaningful and represent ideas, ideals and initiatives that donors will value.

Provost Knodell explained that the campus planning initiative was launched in September. During this time, deans and senior leaders designed participatory processes for soliciting proposals from faculty and staff in their units. They then filtered the ideas submitted in their units and ranked these priorities, which were submitted to the four SIP teams to further filtering of the proposals. The four teams are Student Success and Satisfaction, Diversity and Internationalization, TRI and Research and Discipline-specific (or “other”). Over 300 proposals were received from the campus community.

The next process was for the SIP teams to provide their assessments to the campaign review team comprised of Interim President Bramley, Provost Knodell, President and CEO Bundy, and Faculty Senate President Julie Roberts. In March, this team reviewed and further narrowed the SIP team recommendations and briefed President-Elect Sullivan of the priorities they identified.
In April, the penultimate recommendations were communicated to campus and also presented to the Foundation Board of Directors.

Provost Knodell advised that the proposals originally received from campus totaled $1.5 billion. The SIP teams advanced $448 million in “Tier One” submissions. She noted that this amount does not include review of facilities or “name the college” ideas. The results were categorized into the following areas: students, faculty, programs, and facilities. Provost Knodell illustrated that the student fund breakdown, of a total of $201 million, was 62% for undergraduate scholarships, 3% related to internships, and 35% for fellowships for graduate support. She noted that student support is an essential objective of the campaign, as it allows the University to support access and affordability.

Trustee Bain asked if Provost Knodell was surprised that 35% of the student goal was related to graduate education even though they do not represent 35% of the student population. Provost Knodell explained that graduate support has been identified as an area of growth and is essential to becoming a premier research university. However, this remains to be tested with donors. Interim President Bramley added that the reality is that, over the years, the University has done a better job of providing financial support to undergraduates than to graduates.

Trustee Bill Botzow inquired whether experiential learning would be aligned with these efforts. Provost Knodell replied that experiential learning was presented in the program category, and acknowledged that 3% for internships may be too small and could perhaps be expanded depending on donor interest.

Both Chair Cioffi and Interim President Bramley reminded the Board that the final determination of which priorities are funded will ultimately be made when donors decide which projects they would like to support.

Provost Knodell illustrated the breakdown for faculty support and noted a goal is to double the current number of endowed professors and chairs from 49 to 100.

Provost Knodell next showed a summary of program support. Trustee Bain noted that there is only a small percent allocated for student recruitment and asked if they only received a small number of proposals for this area. President and CEO Bundy and Provost Knodell explained that this is an area typically funded by the University’s general fund budget. The large goal for scholarship support is also a critical tool in student recruitment.

Provost Knodell next discussed facility support and indicated that the approximate goal for this category is to raise $100 million. She emphasized that facilities are essential to attract and retain students and faculty and also enhance cutting-edge research and programming. Key investments are contemplated in academics, athletics, libraries, research and other areas. The strategic planning around facilities as a campaign priority will be further discussed once President-Elect Sullivan is engaged.

Provost Knodell discussed the current campaign breakdown by fund type and emphasized that this will evolve once active solicitation commences. The current total of provisional campaign
objectives is $597 million and the fund types break down as follows: 34% student, 28% faculty, 21% program, and 17% facility. As donors are engaged in discussions about these priorities, some of them may fall by the wayside and others may emerge. The final campaign goal will be announced publicly in 2015.

Provost Knodell concluded the presentation by explaining next steps. During May-June, the Foundation is discussing the priority list with deans and other key leaders and this group is working with development officers to create business plans for identifying and soliciting gifts aligned with philanthropic priorities. Beginning July 15, Thomas Sullivan becomes President and, along with deans and senior leaders, he will begin engaging leadership donors in conversations about campaign priorities.

Trustee Sam Bain asked through what forum the Board would learn about donor preferences and whether their gifts are restricted versus unrestricted. Chair Cioffi replied that part of this will be discussed during this afternoon’s Foundation presentation and it will evolve. President and CEO Bundy added that, in terms of restricted versus unrestricted funds, the national trend is a decline in unrestricted funds and the University seems to be heading in that direction. He added that as a rule of thumb, only 75% of identified priorities identified by the institution as priorities at the start of a campaign will actually be funded. At the same time, donors will likely present new ideas.

Trustee Kesha Ram asked how the University will reconcile some of the large priorities with the potential that donors will not want to fund them. President and CEO Bundy replied that the administration will have to determine how to use other resources to address otherwise unfunded priorities.

**Other Business**

At 11:08 a.m., Chair Cioffi recessed the meeting.

At 2:49 p.m., the meeting re-convened.

**Educational Policy & Institutional Resources (EPIR) Committee Chair Report**

EPIR Chair Donna Sweaney reported the following action items the Committee is recommending for Board approval: the creation of an On-Line Post-Baccalaureate Academic Certificate of Study for Speech-Language Pathology Assistants; the creation of an On-line Certificate of Graduate Study in Public Health; the creation of a new Astronomy Minor; approval of the Vermont State 4-H Foundation as an affiliated organization; and reaffirmation of the Equal Employment Opportunity/Affirmative Action and Equal Opportunity in Education Programs and Activities and Non-Harassment Policies. The former has a minor amendment as a result of refinements in federal laws protecting veterans. The Committee received standard reports and also had a discussion regarding Vermonters’ Access to the University.
Budget, Finance & Investment (BFI) Committee Chair Report

BFI Vice Chair Sam Bain reported that the Committee recognized Associate Vice President for Budget and Resource Management Ted Winfield for his service to UVM and wished him well in his impending retirement. It also recognized Staff Council Representative Michelle Smith for filling in a vacant spot and outgoing representatives Eduardo Cotilla-Sanchez and Will Vitagliano for their service. The Committee acknowledged that the current business model and financial aid will need to be a continued focal point. The Committee then advanced a resolution to increase the general fund budget 2.4% and to increase tuition and fees by 3.5%. An Investment Subcommittee report was given, with a highlight that the endowment is recovering nicely since the 2008 hit. A Socially Responsible Investing Work Group update was offered and a white paper will soon be presented to the Investment Subcommittee that recommends changes to the Work Group’s structure. The Committee reaffirmed divestiture from Sudan and approved several contracts. The third quarter budget-to-actuals summary was presented and the Committee reviewed its work plan.

UVM Foundation Presentation

UVM Foundation President and CEO Richard Bundy updated the Board on the Foundation’s first year of operation. He recalled that the Board authorized the creation of the Foundation almost exactly two years ago and formed the Foundation Work Group to assist in the process. When discussing the potential of a Foundation, the Work Group identified the following five areas they hoped it would impact: involve and engage key donors; ensure continuity and stability for the fundraising enterprise; increase private support; control the growth of fundraising expenses; and stewardship of donor intent. President and CEO Bundy was hired January 1, 2011 and, by March 14 of the same year, the Foundation was incorporated in Vermont. In April 2011, the first draft Foundation bylaws were issued. Official operations began January 1, 2012 and, as of this point, most of the governance, policy and organizational structure has been completed. All of this while current fundraising and alumni relations programs were simultaneously being managed.

President and CEO Bundy noted that the five areas of focus identified by the Foundation Work Group are still guiding principles. The Foundation’s mission is to secure and manage private support for the benefit of the University of Vermont. Its vision is to foster relationships with alumni and donors that maximize their personal and philanthropic investment in the University of Vermont, towards the realization of the University’s aspiration to remain among the nation’s premier small research institutions.

President and CEO Bundy next explained the Foundation governance structure. The pool from which all Foundation governance members are selected is from the Ira Allen Society, which is comprised of donors with lifetime commitments of $100,000 or more. The UVM Foundation Leadership Council is chosen from this group of donors, and is currently comprised of 36 members with the goal of an eventual membership of 125. The senior governance group is the Board of Directors, the members of whom are elected from the Leadership Council. The current Board was formed a year ago, and each director serves a three year term, staggered so that only 1/3 of the board needs to be replaced on an annual basis. There is a close alignment of the Foundation Board with the University of Vermont Board of Trustees: The President of the
University and the Chair of the UVM Board are ex-officio members of the Foundation Board, and there are two additional trustees who serve on both boards (Bill Ruprecht and Rob Brennan).

President and CEO Bundy displayed a slide reflecting the current Foundation Leadership and explained the Committee structure of the UVM Foundation Board of Directors. He noted that much of the Foundation’s policy and governance work has shifted from staff to the Committees. The Board of Directors met in April and the meeting theme was the preparation of the FY 2013 business plan. Another occurrence at the meeting was that the Alumni Association joined the Foundation as a standing committee.

President and CEO Bundy next introduced the leaders that comprise the Foundation Senior Management team. He indicated that these leaders have been key in transitioning and launching the Foundation and he thanked them for their outstanding work. He also displayed an organizational chart of the Foundation staff to emphasize that the UVM Foundation is a complex, full service advancement operation.

President and CEO Bundy showed an illustration of the past 36 years of production history. Production consists of all outright gifts, full value of all new pledge commitments, and full value of all new deferred (estate) commitments. For the majority of years, the University has seen increases in production. The history also highlights that campaigns have true positive results. He explained that production is a forward indicator of fundraising success, while receipts are often a trailing indicator; strong production in a given year translates to stronger receipts in the years that follow. For the current year, the Foundation is at $30 million in production. There are seven weeks remaining and projections indicate the year will likely finish between $35 and $40 million. If those projections are correct, this will be one of the best production years in the University’s history. President and CEO Bundy reported that to meet a campaign goal of $500 million by 2019, straight-line production growth of 13% annually would be required – this is double the national average. He added that there are anticipated peaks and valleys but, if successful, it will have a smoothing effect in greater receipts.

Chair Cioffi added that the production concept is difficult to understand, and that receipts for this year will be low because production in prior years was low. He affirmed that if projections are correct, the University will document more production this year than at any other time in its history.

Trustee Sam Bain recalled that, in the past, we have had to spend money to attract it, and he has noticed the number of visits made by Major Gift Directors this year are up dramatically. He asked if the amount of money being spent currently is at the right level. President and CEO Bundy replied that, when he started, the cost to raise a dollar was higher than the national average. Overall, the University’s production has grown substantially and there are now more potential donors which will drive the cost to raise funds down.

Trustee Robert Brennan asked if we are in a “trough” with respect to receipts. President and CEO Bundy thinks that we are, and explained that he expects we will trend back up in terms of receipts next year based on the strong production total we have documented this year, coupled with a very solid pipeline of gifts we expect in 2013.
President and CEO Bundy next introduced a graph that projects total production and total receipts for the next ten years. He explained that the University currently provides general fund support to assist in funding the operations of the Foundation. Production figures are related to pledges that have been made. Receipts are the figures of pledges that have come to fruition. From the receipts, a gift fee is deducted and then the rest of the money is distributed to the endowment and the liquidity pool. Other than the short-term earnings from the liquidity pool, which go back to the Foundation, the distributions from the Endowment and the liquidity pool go to the University. The Foundation then reports to donors on how their money was spent.

In the short-term, the operation funds committed by the University is level, but will be reduced over time and we anticipate in the future that the Foundation will eventually become self-funded. All funding that is available through the current funding model is used to advance the fundraising enterprise.

President and CEO Bundy moved on to discuss stewardship and donor intent. When the Foundation Board met in April, it committed the Foundation to conducting its business in compliance with Vermont’s Open Meeting and Open Records Law. He also encouraged everyone to visit the Foundation website to view its document library, which includes many governance documents, meeting minutes, and the like. Also in April, the Foundation adopted the Donor Bill of Rights that will be included in donor reports and receipts and is posted on the Foundation website.

President and CEO Bundy concluded his report with the presentation of a thank you video to donors. The video was prepared by Christina Davenport and will be emailed to approximately 12,000 donors next week.

Referencing Ira Allen Society members, Trustee Bain asked if there are many matching gifts or if challenge gifts are becoming more popular. President and CEO Bundy replied that, specific to the University, donors are moving more towards challenge gifts.

Trustee Bain asked if Bundy could describe again the process of what happens to funds when a donor makes a gift. President and CEO Bundy used the example of a $1 million endowment gift payable over five years; while the pledge payments are being made, the funds (net of gift fees) are invested in the Foundation endowment. Until the full $1 million had been received, annual spending generated by the endowment would be not be made immediately available to campus, but rather would accumulate in a cash account. Once the full pledge is received, the University could spend the funds in compliance with the fund directives. If a one-time endowment gift is received, the University would have access to the funds (net of fees) at the end of the first quarter. If a one-time current use gift is received, the University would have immediate access to the full value of the funds net of gift fee.

Trustee Bain asked if there is a “push or pull” with the University’s spending of funds. President and CEO Bundy indicated it is more of a pull, as the University will always have access to the criteria of the spending and balances of accounts. Once the University spends against the criteria, the Foundation will deposit the money into the University’s account.
Trustee David Potter asked if UVM’s Foundation model is different than the model Bundy worked with at Iowa State. Bundy replied that, when creating the Foundation, it was modeled from his previous experience. This model has evolved as he has learned the uniqueness of the University and Vermont. As an example, when the Foundation was created, fundraisers worked within a central model. After realizing that this model was not best for the University’s needs, fundraisers have since been placed throughout the University and he can see that in the future there might be as many as two or three fundraisers assigned to certain schools and colleges.

Trustee Jeanette White asked if some donors might choose to donate directly to the University rather than to the Foundation. President and CEO Bundy explained that, currently, there are established estate plans that require the donor’s funds to be left to the University. This process will phase out as these established estate gifts are realized. Additionally, donors who made commitments to UVM prior to the launch of the Foundation and are still making pledge payments are also making their gifts directly to UVM.

Trustee Bill Botzow reflected on the previous SIP and Campaign Project Priority discussions and asked if President and CEO Bundy has insight on where the University might lead, and where it might lack, in terms of innovation of donor ideas. President and CEO Bundy replied that the question bears proper reflection, but that his immediate thought is that, as the campaign proceeds, the University will more effectively engage deans, department chairs, and senior faculty members in the fundraising enterprise and then the University will become more open to creative ideas from donors.

Trustee Christopher Bray asked whether, as the Foundation improves, the State might feel less inclined to commit financial support to the University. He asked how the University might deal proactively with this potential. President and CEO Bundy replied that this is a natural concern and that, although the University has not proactively begun to address this, it is important for all parties to know philanthropic support should not be a replacement for investment by the state and should be viewed as an enhancement. He suggested that there may be opportunities for the state to leverage private support, and gave the example of the Kentucky faculty match, where donors who establish endowed faculty positions at Universities in Kentucky have their gifts matched by state funds in an effort to recruit and retain outstanding researchers and teachers.

Chair Cioffi expressed his amazement at how much has been accomplished in the activities of the Foundation in such a short timeframe, specifically in terms of engagement. He credited the professionalism of President and CEO Bundy and his team.

Executive Session

At 3:50 p.m., the Chair entertained a motion to go into executive session for the purpose of discussing personal documents relating to individuals noting that action is anticipated following the session. All in attendance were excused from the meeting with the exception of Provost Knodell, Vice President for Legal Affairs Francine Bazluke and Vice President for Executive Operations Gary Derr.
The meeting was reopened to the public at 4:10 p.m. The following resolution was presented for approval:

**Resolution Regarding Honorary Degrees**

BE IT RESOLVED, that the Board delegates authority to the Executive Committee to authorize the President to offer and confer honorary degrees at the 2013 Commencement pursuant to the status report provided today.

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

**Adjournment**

There being no further business, the meeting was adjourned at 4:11 p.m.

Respectfully submitted,

Donna Sweaney, Secretary
Good morning, everyone and welcome to our annual graduation week Board of Trustees meeting. This is of course a time for celebrating our graduates and indeed our University, and I hope that all who are will partake in the celebration over the next couple of days. Not only do we have a talented, capable, well-educated cadre of students graduating on Sunday, but we also have a very impressive group of honorary degree recipients this year, including our speaker, Cyma Zarghami, who represents UVM very well as President of Nickelodeon. She and I had lunch last week, and I know she is looking forward to Commencement. Please come if you can!

Before the celebration begins, however, we have business to attend to as a Board. To begin, I’d like to first recognize our four newest Trustees. Lisa Ventriss, Rob Brennan, Richard Gamelli, and Dennis Mahoney: Welcome to all of you and thank you for agreeing to serve UVM in this critical role.

As the academic year comes to a close, I think it is important for us to look back over the past year to reflect and appreciate the position of strength we are now in. If we think back to last May, you may recall that it wasn’t an easy time for our University and for this Board. I learned more than I wanted to about speaking to the media and arguing our case in the court of public opinion. I still bear a few scars from my several weeks as spear catcher late last spring and early summer and I know some others around this table bear some of those scars as well.

At that time, we not only needed to face the immediate challenges before us, but had real concerns about our University’s status, reputation, and potential dysfunction going forward. It was a time of uncertainty and angst, with worries of losing the forward momentum we had enjoyed for some time.

Fast forward to May, 2012. We did not lose ground or experience paralysis but instead, we have made significant strides forward. Let’s look at a few examples:

- Our relationships in Montpelier have been revitalized and are much stronger. Thanks in part to our Interim President, our legislative colleagues and our staff in the Government relations office.
- We have had one of our best private fundraising years ever. In fact, we may close the fiscal year in June with a record level of donor commitments in the history of the University. Thank you Rich to you and your entire staff.
- The Governor’s committee, Chaired by Nick DiNofrio, has been working effectively and is working toward issuing its recommendations and from some of the work I have seen, I think these are going to be very thought provoking and meaningful recommendations.
- We won a seventh straight America East Academic Cup in Athletics, as well as a national NCAAA Championship in Skiing, and a league championship and first round tournament game in Men’s Basketball.
• The Strategic Initiatives Process has been highly engaged in examining options for revenue enhancement, cost reduction, and reinvestment.
• Applications and enrollment remain healthy and stable and the Class of 2016 looks like another stellar group of students. Thank you to Chris and his entire team.
• We continue to make progress in terms of becoming a more diverse institution in terms of faculty, staff, and students, as well as being a more culturally aware community. This is the result of hard work by many across the University, and we are most grateful to them for their efforts.
• The Spires of Excellence are gaining strength and recognition, and the door is opening to develop more.
• Our students competed for and won several prestigious national scholarships which John will expand upon in his remarks.
• Our faculty and staff have continued to work hard every day to sustain our momentum, for which this Board is most grateful.
• We completed our Presidential Search very successfully and have found an outstanding new leader in Tom Sullivan. Transition planning is going well, and I am confident that it will be a smooth one.

These are just a few examples of the progress we have continued to make, and there are many more that highlight the position of strength we are in. Oh, wait. There is one more example of why we are in a strong position. His name is John Bramley. Without his steady leadership, it is hard to imagine how we would have enjoyed the astonishing year we have had. John, it has been our great good fortune that you were able willing, and, yes, available to step in to the Interim Presidency. We are very pleased that you are so crummy at retirement. And speaking of which, I have a small token of our esteem. It is a golden watch (notice I did not say gold watch! – these are tough times). Such gifts are given when one retires. Judging from your track record, we are not sure you ever will, but if and when you do, you will be able to sport the appropriate timepiece…

On behalf of the Board, and the entire University community, thanks to you, and to Janet for all you have done, and all you have sacrificed on behalf of UVM. Former Trustee Ben Forsyth is fond of saying, “Choose your predecessor carefully.” Clearly Tom Sullivan made an excellent choice. And so did we.

Let me sound another note of appreciation to someone who has served this University and this Board, Fletcher Allen (and University Health Care before that) very well for some 32 years. Ted Winfield is retiring in just a matter of weeks, and I want all of us to take a moment to that him for his tireless and outstanding work on behalf of the University of Vermont. Ted, you have met every challenge with grace, good humor, and persistence. We thank you and wish you well.

In closing, I will repeat the words of another Chairman of the Board: “It was a very good year.” A very good year indeed when we think about all that has happened in the past 12 months. And yes, we are in a position of strength. But this University, and all of higher education, face what I believe are unprecedented challenges, which will absolutely require new approaches. We have serious questions before us, like:
Will students and their families be willing or even able to pay for higher education in its current form? You need only look at the front page of the New York Times last Sunday to know that this is a national discussion that will continue expand and increasingly impact us and all of our colleagues in higher education in the future.

Will public support continue to shrink? If so, our current model cannot continue. If the current model is unsustainable, or as some say, broken, what will emerge in its place?

Questions like these are just the tip of the iceberg. I believe we have challenges ahead the likes of which we have not seen before, with transformational implications. I firmly believe that my children will not receive their higher education in anything resembling its current form, and their college years are only a decade away. I hope that my seven year old son may someday be a Catamount but I believe that what he learns and how he learns it will be in many ways unrecognizable to today’s students. And very importantly: we are going to have to be much more responsive than we have been in the past to addressing and accommodating the varying needs and priorities of our students as they pursue their educational objectives.

There are interesting times ahead. We will need to work together creatively and effectively to stay ahead of the curve and continue our record of success. This ends my remarks.
Today I present my last set of remarks to the Board as we enter the weekend of events that celebrate the 209th commencement of the University of Vermont. It appears at this stage that the sun is set fare to shine on UVM allowing us to mark this occasion outside on the green in an incomparable setting.

As the Chair has mentioned last August when I assumed this office the climate was less settled – in fact is was stormy both metaphorically and, by the months end, literally as Tropical Storm Irene hit us. A major part of my challenge was to create greater stability, improve morale by open and honest communication while continuing to move forward on critical issues. I feel confident that we have done so.

We demonstrated our value to Vermont by responding in numerous ways to Tropical storm Irene. For example UVM police officers worked tirelessly in Windham County, we provided space for state offices and laboratories, our students, staff and faculty volunteered their time, expertise and money to respond to the state disaster. We chose to forego our state capital appropriation request so that the funds could be used for pressing infrastructure repair. Our Extension professionals worked with farmers on the immediate issues around food and crop safety soil testing and they continue to engage today on the long term economic impacts.

I felt it was important to connect with the state and remind legislators, businesses and citizens of UVM ‘s contributions in educating Vermonters citizens, supporting the state infrastructure in health, agriculture, natural resources and education and our essential direct and indirect contributions to economic viability and job creation. We have done that through media releases, TV and radio programs and by community meetings across the state in the fall semester. We provided compelling evidence and testimony of our contributions to legislative committees and received a level appropriation, a little over $40million. The Governor recognized that a healthy and strong UVM is essential for Vermont’s well-being and established his working committee on higher education, with particular emphasis on UVM’s future role.

We completed negotiations of 3 labor contracts and addressed the difficult and thorny issues of future post-retirement medical benefits while protecting our existing employees. We have budgeted for an increase of 2% in compensation for employees next year with a modest tuition increase at 3.5%.

This year our students have won numerous meritorious national awards including Truman, Goldwater, Udall, Fulbright, Smart, Boren, Gilman and Critical Language Scholarships. The Cynic newspaper won a national award for student journalism and our Lawrence debate team achieved seventh place, and was top US school, in the world debate championships. Our students increasingly engage in enriching learning experiences outside the classroom. This year 90% of the students surveyed in our NSSE study
participated either in study abroad, undergraduate research, community service or an internship while at UVM. This shows what a strong element experiential education is of a UVM education. John Dewey would be proud but remind us that we must embrace experiential learning as fundamental and not supplementary.

We have worked with the Vermont Lake Monsters to create a long term home for minor league baseball at Centennial Field. Our student athletes won a national ski championship, a conference basketball championship and an academic conference cup. As testimony to our environmental leadership we signed onto the Real Food Challenge, we are eliminating bottled water and have completed the renovation of Aiken as a green sustainable building.

We set up the University of Foundation and we are on the verge of a record year of donor commitments.

Sunday we graduate another class to add to the accomplishments and achievements of our 90,000 alumni. We have recruited a very strong class of 2016 to follow in their footsteps. A class that is strong in academic quality, diversity and potential.

So we are in excellent shape and I am very proud of the progress made. However, I am anxious about the future of higher education and our ability to adapt to the challenges predicted. Some say that the current model is broken, that successful residential colleges will become few and far between as new; less expensive ways to deliver education expand. That may not come to pass but I am confident that the next decade or two will bring greater changes to higher education than we have seen since the land grant act of 1862.

Higher education costs have grown at rates in excess even of those of health care and exceeding family’s ability to pay. With jobs hard to come by, the wisdom of investing in a college education is increasingly questioned. Sadly higher education is often presented as a private benefit rather than a public good and is no longer a priority for government investment. We must convince others that we are a public good, worthy of public investment, and essential for the future success of the nation. If we fail a college education may once again become the preserve of the wealthy and privileged and our nation will slip further down the international ladder of competitiveness.

Perhaps technology will provide an answer to some of the cost challenges but what are the implications for UVM? MIT and Harvard are investing $60m in a new on-line course initiative. They are doing that not altruistically but because they see a huge global educational opportunity for them and a future revenue source. Some institutions with huge resources see themselves as the providers of education to an increasing proportion of the world’s students.

UVM will need a distinct identity, a demonstrated value and a competitive edge to prosper in the new educational world. That means exploiting our location and its attributes in programmatic and experiential learning models, and embracing technology in
cost-effective ways that align with what we do better than others. It means relying on high quality content from others in some areas and focusing our own content development elsewhere and making that available to others. There will be new delivery models combining asynchronous learning, real life experience, community college credits and residential college courses in a variety of ways.

Better use of facilities year round will be essential and can make college education more affordable, create new program opportunities and foster powerful alliances and partnerships that generate new revenue. However we will have to change our way of doing business. If we don’t others will.

As Vermont’s only research university we are expected to play an expanded role partnering with Vermont businesses in job creation and economic development. That will be important to the success of our students and to expansion of institutional resources. UVM can be the center of an innovation hub, with spokes state wide that link our students, faculty and Vermont entrepreneurs in an innovative learning and delivery system that prepares students, guides and supports entrepreneurship and creates job.

Fortunately, we have been engaging in dialog around many of these issues through the SIP process and you will be hearing much more about that work at this meeting. We are not at the end of the process of wrestling with measuring and increasing quality, using technology wisely, making strategic decisions about investments, reducing administrative overhead, optimizing of efficiencies and so on. The work done by faculty, administration, staff and students over the course of this year provides an invaluable data base for President Elect Sullivan and the institution to build on and continue this work going forward.

In closing I thank all my colleagues for the wonderful efforts and commitments to UVM. The success we have enjoyed is the consequence not of my efforts but theirs. I also wish to thanks the Board for the faith they showed in me last year in asking me to assume this great responsibility and their support through the year. I feel it turned out pretty well!
Statement on Executive Compensation

A. John Bramley, Interim President

Executive Summary

On October 10, 2011, the Chair of the Board of Trustees charged the President with preparing an assessment of issues associated with executive compensation exclusive of specifics associated with presidential compensation, which the Board would be addressing separately. The charge specifically requested the President to address the following:

1. Are UVM compensation policies and the policy infrastructure sound and adequate in terms of legal compliance considerations and best/common practices? Are there internal policy conflicts or policy "gaps"?

2. What is the extent of actual compliance with existing policies? What procedures and criteria exist for authorized exceptions to policies, and are they adequate?

3. Are the policies optimally streamlined and organized? Is there a set of overarching compensation principles shared by all categories of employees?

4. What data do we collect relative to which we set, monitor and assess salaries? To whom are the data made available?

Based on a review of policies and procedures as well as employment documents and reports along with a review of actual practices, the following summarizes the findings on each issue:

1. Are UVM compensation policies and the policy infrastructure sound and adequate in terms of legal compliance considerations and best/common practices? Are there internal policy conflicts or policy "gaps"?

Conclusion: UVM compensation policies and the related infrastructures are sound and adequate and are legally compliant and in-line with best and common practices both in higher education and in the general labor industry. There are recommendations below that would provide increased clarity and definition current policies.

2. What is the extent of actual compliance with existing policies? What procedures and criteria exist for authorized exceptions to policies, and are they adequate?
**Conclusion:** There is widespread compliance with existing policies and procedures with appropriate review mechanisms that include higher level of approval for certain actions and for all exceptions.

3. Are the policies optimally streamlined and organized? Is there a set of overarching compensation principles shared by all categories of employees?

**Conclusion:** The policies are streamlined and organized and made available through posting on various University websites. The University has several overarching compensation principles and philosophies that are consistently reflected in University policies and procedures. It is recommended that particular practices detailed below be formalized in a university operating procedure. These principles and philosophies apply to all categories of employees, however, better expression in the documents is needed.

4. What data do we collect relative to which we set, monitor and assess salaries? To whom are the data made available?

**Conclusion:** Data are collected on levels of staff employees based on appropriate job markets (i.e. regional vs. national). This is used to set salary ranges for classified positions as well as determine salaries for positions where ranges are not predetermined. It is recommended that an annual summary report be prepared and made available broadly to the University community.

The following provides background as well as supporting policies and procedures along with recommended changes to address findings and the conclusions cited above. (Note: This Statement focuses primarily on issues applicable to executives other than the president, but is some instances the president is included.)

**Background**

In February 2000, the University of Vermont Board of Trustees adopted the Report of the Ad Hoc Committee on Compensation ([Attachment 1](#)), which contains the following statement on Philosophy of Compensation:

“UVM’s philosophy of compensation supports the institution’s mission, goals, and values and the University’s commitment to provide an exceptional educational experience to our students at a reasonable cost, as well as continuing to fulfill our important research and outreach mission. All that we do, including compensating our employees, must serve these purposes.

Recruiting and retaining high quality faculty and staff, and assessing and rewarding their performance, are essential elements of our ability to succeed as a quality university. UVM is committed to compensating employees competitively, equitably, and based on performance.”
Further the Report defined three principles upon which UVM’s compensation philosophy is based:

1. “Compensation must directly relate to the larger goals of fulfilling our mission as a university and improving the educational quality and competitiveness of UVM

2. Compensation should be determine based on the following factors:
   a. Performance
   b. Contribution to University Goals
   c. Market competitiveness
   d. Equity

3. Compensation should be viewed as salary plus benefits.”

In January 2007, Former President Daniel Fogel issued the statement entitled *Parameters for Compensation at UVM* (Attachment 2). This statement reflected advances from earlier documents in that for the first time it specifically identified “attention to the basic needs of lower-paid employees as an element of equity” and addressed the role of the collective bargaining process. It further affirmed that compensation should be guided by these parameters:

- 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

These statements and others have formed and inform the basis of the University’s compensation philosophy and to further advance the University’s compensation program various policies and procedures are in place, including:

- Compensation Policy/Practices (Attachment 3)
- Policy on Off-Cycle Base Salary Adjustments for Non-Represented Staff (Attachment 4)
- Bonus Program for Non-Represented Classified Staff (Attachment 5)
- Statement on Compensation contained in the *UVM Staff Handbook* (Attachment 6)
- Statement regarding Total Compensation: The Surprising Value of UVM Benefits (Attachment 7)
- University Policy on Relocation (Attachment 8)
• Annual guidelines regarding wage and salary increases for non-represented staff (Attachment 9)

**Officers of Administration**

The staff at the University are grouped based primarily on exempt and non-exempt (excluding groupings by represented and non-represented) in compliance with the United States Department of Labor Fair Standards Act (FSLA). Within each group there is further delineation based on a job classification system of specific duties and responsibilities. A group of senior leaders not covered by the classification system and designated officers of administration (officers). This group largely consists of vice presidents, deans, associate vice presidents, associate deans (not all) and other senior level officials (total count: 45 positions). For the purpose of this Statement, officers are considered executives. Policies related to officers are contained in the University Manual which is approved by the Board of Trustees, specifically “Part 400: University Officers; Vice Presidents and Other Officers of the University” (Attachment 10 Part 400, page 42 as well as a list of officers of administration). This section addresses many issues related to officers including recruitment, performance review, resignation, severance, grievance process, and by reference a link to benefits specific to Officers.

While many of the statements, policies, and procedures described above are addressed and applicable to all employees, in particular all exempt and non-exempt as well as represented and non-represented employees, there appears to be an absence of specific references to inclusion or exclusion of executive level employees—officers. It is reasonable to assume that these policies do apply to officers, but that is not expressly stated. The recruitment process is controlled by University policies and procedures, in particular those maintained by the offices of Financial Analysis and Budgeting, Human Resource Services, and Affirmative Action.

This document does not specifically address issues related to presidential compensation. On January 27, 2012, the Chair of the Board of Trustees issued on behalf of the Board of Trustees a summary of information gathered by the Annual Review Subcommittee on Presidential Compensation (Attachment 11).

Most of the UVM Officer positions are included in the 2010 CUPA-HR Administrative Compensation Survey (with the exception of two: director of compliance and associate vice president for development) and therefore the survey can provide benchmark salary for setting purposes, specifically national market medians. The salary data are as of December 1, 2011. In benchmarking against CUPA-HR data, the category of public research extensive universities was used as the comparative group. The most recent data highlights include the following:

• Officers’ salaries average 101% (i.e. 1% above median) of the market median.

• In the group of officers that report directly to the Board of Trustees, president or provost and are not deans the range 82% to 138% of market median with an average of 1% above median.
• For vice presidents reporting to either the president or provost the range is 92% to 117% of market median with an average of 4% above median.

• In the group of officers that report to the provost and are deans the range is 74% to 124% of market median with an average of 4% below median.

• The remainder of the officers range from 66% to 155% of market median with an average of 5% above median.

• The officers’ salaries range from $105,000 to $468,924.

Further, the president is required as part of the annual review process (Attachment 12) to provide a report on the “status of his or her direct reports, including their proposed compensation for the upcoming year (emphasis added).

Previously there was a practice of awarding officers non-base compensation including signing bonuses, performance bonuses, and deferred compensation agreements, however that practice ceased in 2009. Currently, there are a limited number of non-base compensation or benefits provided to officers:

• Vehicle allowance (1) – President.

• Burlington Country Club Membership (3)– Dean of the School of Business, Dean of the College of Education and Social Services, Vice President for Student and Campus Life (note that there is no cost associated with the membership as it is part of our agreement with Burlington Country Club and individuals are subject to income tax for personal use).

The non-base compensation/benefits for the president are covered under Board of Trustee policies and procedures (Attachment 13). There are no policies or procedures that expressly define an approval process for setting officers’ salaries or any non-base compensation/benefits beyond those above.

**Recommendation:** The following practices be included in the recommended university operating procedure to address officers’ benefits and non-base compensation/benefits:

• Hiring officials (defined as the position that the recruited position reports to) can offer base salary at 110% of the CUPA HR median average of quartile 2 and 3 for public research extensive universities. Requests to exceed 110% must be approved by the hiring officials’ immediate supervisor and when the president is the hiring official the request is submitted to the Executive Committee of the Board of Trustees.

• Any off-cycle increase falls under the existing policy for off-cycle base salary adjustments (Attachment 4). Adjustments up to 110% can be made by the officer’s supervisor. Requests to exceed 110% must be approved by the supervising official the request is submitted to the Executive Committee of the Board of Trustees. Off-cycle increases are limited to addressing
“market and equity issues relative to recruitment, retention and organizational change during a fiscal year.” (Attachment 4)

- All non-base compensation or benefits for officers must be approved by the Executive Committee of the Board of Trustees.

**Faculty Appointment for Officers**

A related issue for officers (such as deans or provost) is the need to create an underlying secondary, non-tenured or tenured faculty appointment with a base salary for people recruited from outside the University. Faculty appointed to officer positions who are currently faculty members at the University have an existing base faculty salary. The Office of Institutional Research has utilized a protocol to recommend a faculty base salary which considers benchmark data both within the department/unit, external benchmarks, and years of service (Attachment 14 See below).

**Recommendation:** That the protocol currently used by the Office of Institutional Research be included in the recommended university operating procedure related to determining an appropriate faculty base salary (Attachment 14 see below) and that the faculty salary be set at the time of appointment to the secondary position.

The University Manual addresses the issue of adjustments by the supervising senior officer to the faculty salary for officers assuming or resuming their faculty appointment as follows: “the faculty salary may include appropriate consideration of administrative experience gained as well as factors including salary range of faculty of the same rank in the academic unit, academic experience and expertise, standing in the academic discipline and duties to be performed.” This adjustment is done by the supervising senior official in consultation with the Dean of the College or School in consultation with the department chair or equivalent. Further, the faculty base salary for positions covered by collective bargaining agreements is adjusted according to the appropriate collective bargaining agreement. It is the discretion of the supervising senior officer to determine any merit increases added to the faculty base salary. For faculty appointments in the college of medicine the salary is incremented using the average of increases in the person’s academic department.

**Recommendation:** The University Manual be amended to include both practices related to adjustments to faculty base salaries.

**Administrative Leave of Absence for Deans and other Officers**

The University Manual addresses the issue of one semester leave of absence for deans who are non-reappointed and have an existing tenure or contract right to resume a faculty appointment (Section 301.5.4). Similarly, the University Manual addresses the issue of one semester leave of absence for officers of administration who are non-reappointed who have an existing tenure or contract right to resume a faculty appointment (section 404.2.2). The University Manual does not address the issue of administrative leaves of absence for deans or officers of administration who voluntarily resign their administrative appointment and have an existing tenure or contract right to resume a faculty appointment. In many cases appointment letters address this issue with
some inconsistencies, specifically the length of service required to be afforded an administrative leave as well as the length of the administrative leave (i.e. six months versus one year). Further, there are inconsistencies about the rate of compensation during the administrative leave (faculty bases salary versus administrative salary.) There is also no provision for leaves of absence for officers of administration who do not have an existing tenure or contract right to resume a faculty appointment. Further, there are inconsistencies about the amount of professional development funds provided to officers during the administrative leave.

**Recommendation:** The *University Manual* be amended to address the following issues related to administrative leaves for officers (also in section 301 related to deans) and/or included in the recommended university operating procedure:

- Specify appropriate terms for leaves of absence (not to exceed six months) for administrators who voluntarily resign their administrative appointment prior to assuming an existing tenure or contract right to resume a faculty appointment.
- Specify the length of service (three years) as an officer prior to eligibility for administrative leave.
- Clarify that administrative leaves are at faculty salary, not officer salary.
- Change wording to “sabbatical leave” from administrative leave.
- Specify that there are no provisions for leaves of absence for officers of administration who do not have an existing tenure or contract right to resume a faculty appointment.
- Specify that the amount of professional funds provided to officers during an administrative leave period is determined by the number of years of service as an officer times the amount of professional development funds provided for the in the faculty collective bargaining agreement, up to a maximum of three years. These funds are only available during the administrative leave period and do not carry forward.

**Comprehensive Review**

Senior Leaders undergo a comprehensive review no more often than at three, and at no less than five year intervals (*Attachment 15 – Review and Evaluation of Senior Leaders*). Deans are required to undergo a third year review and a periodic comprehensive review at intervals of no longer than five years (*Attachment 10 - University Manual* Section, 301.4, page 30). This process is coordinated by the Vice President for Executive Operations. At the conclusion of the review process, in particular the five-year comprehensive review, there is no provision allowing the supervisor (president or provost) the ability to adjust base compensation based on a successful review. While not specifically analogous, the process is similar to the faculty promotion. The collective bargaining agreement addresses promotion increases.

**Recommendation:** The appropriate amendments to *University Manual* or inclusion in the university operating procedure to allow the supervisor to award a base increase of up to 10% of base for a successful comprehensive review. Supervisors can increase base salary to 110% of the CUPA HR Administrative Compensation Survey for public research extensive universities. Requests to exceed 110% must be approved by the president for deans and vice presidents reporting to the provost by the Executive Committee of the Board of Trustees for senior officials reporting to the president.
**Recommendation:** The Policy on the Review and Evaluation of Senior Leaders be modified to more clearly define “senior leader”. It is recommended that the policy be revised to limited applicability to vice presidents.

**Summary of Staff Labor Market Data**

The University of Vermont’s salary and compensation program is managed by the Office of Human Resource Services under the direction of the Associate Vice President for Human Resource Services reporting to the Vice President for Finance and Administration. A major area of responsibility includes compliance with all federal and state regulations related to the classification and compensation of employees, in particular the United States Department of Labor Fair Labor Standards Act (FSLA). In 2003, the University completed a comprehensive review and analysis of the classification and compensation system for all non-faculty employees both represented and non-represented. This resulted in standardized position descriptions for all classified positions and includes salary ranges based on market analysis (note: these ranges are regularly reviewed and adjusted based on a similar analysis and inflation). This group of non-faculty employees (staff) are separated into three distinct groups for wage and salary analysis based on the differences in the local, regional, and national market used for recruitment and retention purposes, specifically:

- Eighteen non-exempt positions for which the University recruits locally and benchmarks using data in Gallagher & Flynn’s New England Salary Survey.

- Ninety-three mid-level professional positions for which the University recruits both regionally and nationally and benchmarks using the College and University Professional Association for Human Resources (CUPA-HR) Mid-level Administrative and Professional Salary Survey.

- Forty-eight high-level professional positions where the University recruits nationally and benchmarks using the CUPA-HR Administrative Compensation Survey.

In benchmarking against survey data, the University matches only those positions that are similar enough to UVM positions to ensure data integrity. Based on those matches, the University compares individual and averages salaries against survey average and or median survey data. For the CUPA-HR Administrative Compensation Survey, the University benchmarks against doctoral granting institutions and uses average data from two budget quartiles ($310.2M - $571M and $571M - $1,096.1M). For the CUPA-HR Mid-level Administrative and Professional Salary Survey, the University benchmarks against doctoral granting institutions and uses average data from two budget quartiles ($308.5M - $562.6M and $562.6M - $1,096.1M).

The April 2011 analysis of compensation which examined calendar year 2010 found the following results:

- Our highest level professional salaries average 4% above the national market median
• Mid-level professional salaries average 4% above the national market median

• Non-exempt wages/salaries average the local market median, of those:
  o 3% below market for represented positions (note: one percent of salary is for union dues.
  o 3% above market for non-represented positions

In addition, when considering these average wages relative to benchmarks, it is important to observe that UVM compensation rates vary considerably relative to market averages:

• Top level professional classifications range from 63% to 156% of market median with an average of 104% (i.e. 4% above median)

• Mid-level professional classifications range from 59% to 139% of market median with an average of 105%

• Non-exempt classifications range from 91% to 114% of market with a median of 102%

• (Note: Athletic Department coaches follow practices for university/college coaches and there non-base compensation and bonuses are not addressed in this Statement.)

**Conclusion**

In summary, compensation practices for officers of administration have reflected and been consistent with University policies and statements related to compensation. However, certain elements have not been as clearly expressed or detailed in existing policies and procedures to create a clear appearance of transparency. The result of this has been frustration and anger amongst some members of the community. The recommendations contained here are meant to address this concern and provide a greater degree of transparency and prescribed lines of approval. It is reasonable, that policies and practices related to benchmarking, in particular in relation to national data, apply to officers as well. These are positions where the university often recruits nationally and data exists that can be used to set salary and other benefits. Further, people in these positions, whether recruited from within the University or outside, can reasonably be expected to be compensated based on national averages for their position.
### Officers of Administration (as of December 1, 2011)

<table>
<thead>
<tr>
<th>Position</th>
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<tbody>
<tr>
<td>Associate Dean, College of Medicine</td>
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<td>Associate Dean, College of Medicine</td>
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<td>Associate Provost Curricular Affairs</td>
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<td>Associate Provost Faculty Affairs and Internationalization</td>
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<td>Associate Vice President for Budget and Resource Management</td>
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<td>Associate Vice President for Development</td>
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<td>Associate Vice President for Human Resource Services</td>
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<td>Associate Vice President for Research Administration</td>
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<tr>
<td>Associate Vice President for Student and Campus Life</td>
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<td>Associate Vice President for Student and Campus Life and Dean of Students</td>
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<td>Chief Compliance Officer</td>
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<td>Chief Diversity Officer</td>
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<td>Chief Information Officers</td>
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<td>Chief Internal Auditor</td>
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<td>Dean of Extension</td>
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<td>Dean, College of Agriculture and Life Sciences</td>
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<td>Dean, College of Arts &amp; Sciences</td>
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<td>Dean, College of Education and Social Services</td>
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<td>Dean, College of Engineering and Mathematical Sciences</td>
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<td>Dean, Continuing Education</td>
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<td>Dean, Honors College</td>
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<td>Dean, Libraries and Learning Resources</td>
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<td>Dean, Rubenstein School</td>
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<td>Dean, School of Business</td>
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<td>Director of Admissions</td>
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<td>Director of Athletics</td>
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<td>Director of Institutional Research</td>
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<td>Director of Physical Plant</td>
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<td>Director of Residential Life</td>
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<td>Director of University Communications</td>
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<td>Director Student Financial Services</td>
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<tr>
<td>President</td>
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<td>Provost and Senior Vice President</td>
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<td>University Controller</td>
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<td>University Registrar</td>
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<td>Vice President for Development</td>
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<td>Vice President for Enrollment Management</td>
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<tr>
<td>Vice President for Executive Operations and Chief of Staff</td>
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<td>Vice President for Federal State and Community Relations</td>
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<tr>
<td>Vice President for Finance and Administration</td>
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<tr>
<td>Vice President for Legal Affairs and General Council</td>
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<tr>
<td>Vice President for Research and Dean of the Graduate College</td>
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<tr>
<td>Vice President for Student and Campus Life</td>
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Steps in Establishing a Faculty Salary
for Individuals Initially Hired Into an Administrative Position

Establishing an Initial Faculty Salary

- Obtain a copy of the individual’s curriculum vitae to determine their (a) academic discipline and (b) the year of their highest degree.

- Obtain a copy of the most recent edition *Oklahoma State University Faculty Salary Survey by Discipline*. The OSU salary survey is conducted annually. It provides average, high, and low salaries by academic rank for each discipline at the participant institutions. Data are also provided for “All Ranks.” The institutions invited to participate are major public universities that award doctorates in at least five (5) different discipline areas.

- The OSU participant institutions come from the following current Carnegie Classifications which were established in 2005: Research Universities – Very High Research Activity; Research Universities – High Research Activity; and Doctoral/Research Universities. UVM is classified as a Research Universities – High Research Activity [Note: The Carnegie Classifications are updated and revised approximately every five to seven years. From 2000(?) to 2005, the Carnegie Classifications in the OSU survey were: Doctoral/Research Universities – Extensive and Doctoral/Research Universities – Intensive. UVM was classified as a Doctoral/Research I University in the 2000 Classification.]

- UVM is currently classified as a Research Universities – High Research Activity. However, some consideration may be given to a candidate who is coming from a Research Universities – Very High Research Activity where salaries tend to run higher than UVM’s classification.

- It may be necessary to adjust the relevant OSU salary data to bring them current to the base year for which a UVM faculty salary is to be determined. For example, if asked in November 2011 (i.e., the 2011-12 academic year) to provide a faculty salary for a new senior administrative candidate, the most recent OSU data are for the 2010-11 academic year. Therefore, the OSU salary data would need to be increased in order to estimate 2011-12 salary data. Data on faculty salary increase trends from the American Association of University Professors (AAUP) annual faculty salary report can be used for this calculation. [Note: In some instances, it is necessary to calculate a faculty salary where there will be a two year difference between the year the candidate will begin their UVM appointment and the most current OSU data. Example: One might be asked to calculate an 2012-13 faculty salary early in 2011-12 when the most current OSU and AAUP data are for the 2010-11. This will require one additional calculation to estimate a 2012-13 “OSU” salary. In this example, a 2011-12 UVM salary would be incremented by the salary increase percent in the full-time bargaining unit collective bargaining agreement.]
Once a faculty salary has been estimated using the data and methodology described above, some salary supplements may be given for the candidate’s (a) up to ten percent for one’s previous scholarly activity and (b) up to ten percent for one’s previous administrative experience. [Note: These salary supplements were proposed in a May 2001 document prepared by Professor Robert Low at the request of UVM’s incumbent Provost.]

If UVM salary are available, one should plot the candidate’s estimated salary with the current salaries of faculty at the same rank in (a) the appropriate UVM department and (b) the appropriate UVM college or school. These salaries should be plotted against “years since highest degree” a proxy measure of years of experience.

The above information with appropriate analyses should be forwarded to the appropriate UVM administrator for a final decision.

Setting a Faculty Salary When Actually Moving to a Primary Faculty Appointment

With an initial faculty salary having been previously determined, this process is relatively simple. The protocol has been established to apply the salary increase pools in the appropriate full-time bargaining unit collective bargaining agreements. It is recommended that the individual components of the salary increase pools be used instead of the total salary increase pool. That is, use the separate salary increases for (a) across-the-board; (b) market/compression; and (c) performance should be used in making current the individual’s faculty salary. Using the individual salary increase components not only provides more useful information, it also allows one determine if the calculations for market/compression adjustments exceed the dollar increase caps in the collective bargaining unit. I recommend showing as much detail as possible.

Once these calculations have been prepared, the impacts of adding up to an additional ten percent each for (a) one’s UVM scholarly activity and (b) one’s UVM administrative experience.

These data and analysis is then forwarded to the appropriate UVM senior administrator for review and decision.

Final Note: It must be remembered that there is an element in negotiation, especially in the determination of the initial faculty salary.

Accepted by the Board of Trustees:
University Operating Procedure

HONORARY DEGREES; COMMENCEMENT SPEAKER

Overview

The University annually considers nominations for Honorary Degree recipients and a Commencement Speaker. This University Operating Procedure sets forth the process and criteria applicable to the selection process.

Procedures

The University President shall annually appoint an advisory committee comprised of the presidents of the Faculty Senate, Graduate Student Senate, Student Government Association, and Staff Council; two faculty members selected by the Faculty Senate Executive Council; The University of Vermont and State Agricultural College Foundation, Inc., chief executive officer or his/her designee; the Alumni Council President or his/her designee; and two administrators or staff member selected by the President. The President will also appoint a chair.

The President shall initiate the nominations process in September of each year, which shall proceed on a timetable that will allow for the timely selection of honorary degree recipients and a Commencement Speaker who will appear at the Commencement ceremony taking place in May of the year following the academic year in progress. The advisory committee will be asked to review diligently the nominations submitted and to recommend to the President 3-5 Honorary Degree candidates.

The President will consult with the advisory committee on the selection of Commencement Speaker whom may also be eligible to receive an honorary degree. The final decision of the Commencement Speaker is the President’s.

The advisory committee will also be asked to review nominations for honorary degrees that may be awarded at ceremonies or special events other than Commencement.
Criteria

To be eligible for consideration for the award of an Honorary Degree, a nominee must be recognized as accomplished in at least one of three areas:

1. Outstanding achievement or service at or for the benefit of the University of Vermont.
2. Outstanding achievement or service in or for the benefit of the State of Vermont.
3. Outstanding achievement or service in the nation or the world.

Of particular importance is to identify Honorary Degree candidates and a Commencement Speaker who reflect University values or have achieved distinction in endeavors aligned with institutional goals and strategic priorities.

Also to be considered is the following in evaluating nominees:

- Sustained and dedicated commitment to public life and service
- Significant contributions to the advancement of knowledge
- Significant contribution to the University’s ability to achieve its mission

Forms

Commencement Speaker and Honorary Degree Nominations Form:

Timeline for Honorary Degree Process:
http://www.uvm.edu/president/?Page=honorarydegrees/nom_for_hon_degree.html

Contacts

Questions related to the daily operational interpretation of this policy should be directed to:

University Vice President for Executive Operations

Effective Date

Approved by:

_________________________________________ Date:
A. John Bramley, Interim President

Endorsed by the Board of Trustee: ___________________
Resolution Regarding Delegation and Retention of Board Authority
(see appended chart)

WHEREAS, this Board has, in its Bylaws and through such policies and resolutions as it may issue from time to time, delegated to the President and other officers of the University certain authority and responsibility for the management of the University and its programs, activities and operations; and

WHEREAS, this Board recognizes the need for prompt and timely management decisions made by qualified University personnel, and thus, through such delegations, authorizes officers of the University to negotiate and enter into contracts and other arrangements to facilitate the objectives of University programs and activities and to conduct related operations; and

WHEREAS, in making such delegation, the Board also assigns to such officers responsibility to make informed and prudent decisions in the best interests of the University and to maintain accountability to the Board through prompt and accurate reports on University programs, activities and operations, including their financial status and impact;

NOW, THEREFORE, BE IT RESOLVED that, subject to its retained authority and responsibility for the general oversight of the University, and reserving to itself the power to act on its own initiative as necessary to the fulfillment of its own fiduciary and legal duties, the Board hereby delegates to the President and the officers of the University authority and responsibility to negotiate and enter into contracts and other arrangements to facilitate the objectives of University programs and activities and to conduct related operations, and hereby also recognizes the authority the Board delegates to the Faculty Senate as expressed in the Faculty Senate Constitution and Bylaws, except for the following, which shall require Board approval:

1) statements of institutional mission, principles and values;

2) the institutional strategic plan and associated goals, and related strategic financial plans and goals, and all material revisions thereto;

3) the establishment and dissolution of University-affiliated corporations and foundations, and University membership in other corporate entities (but not institutional memberships in professional associations);

4) the appointment of University Trustees to the boards of other corporate entities or public bodies in their capacity as University Trustees;
the appointment and employment of the President, election of the other officers of the Board and the University in accordance with the University Bylaws, and authorization of severance payments in excess of the standard amount University policy specifies for officials who report to the President;

the creation or elimination of an academic unit, curriculum, research or service endeavor as defined in Faculty Senate protocols; and approval of faculty medical or other clinical practice plans;

the award of honorary degrees;

matters the Faculty Senate may appeal to the Board under the Senate Constitution and Bylaws;

the naming of buildings and academic programs;

through its Investment Subcommittee of the Budget, Finance and Investment Committee (“Investment Subcommittee”), the selection, retention and termination of investment advisors and managers for the Long-Term Investment Pool; provided that: the Board must itself approve policies for the Long-Term Investment Pool and the Limited Term Asset Pool, the endowment spending rate, the endowment management fee, declaration of financial exigency, and the dissolution, merger or the sale or pledge or transfer of all or substantially all of the University’s assets;

the institutional annual budget and acceptance of the annual audited financial statements;

tuition, room and board rates, student fees, and in-state status regulations for purposes of determining tuition;

the purchase, sale, exchange, or transfer of complete or partial interests in real property, regardless of location, at a value that equals or exceeds $500,000; authorization of acceptance of compensation in eminent domain proceedings; the lease or sublease of property with annual or aggregate rental value that equals or exceeds $500,000, and renewals thereof; the pursuit or acceptance of historic preservation designation for University property; and adoption of, and material revisions to, a Campus Master Plan;

payments in lieu of taxes;

the issuance of bonds and approval of the institutional debt policy;
(15) the procurement of loans, lines or credit, or other financing, and performance as surety, in amounts or at a value that equals or exceeds $1,000,000;

(16) contracts for facilities construction or renovation and the purchase or sale of goods, equipment or services at an aggregate cost of $1,000,000 or more, including increases in project costs for previously approved projects whose value in aggregate equals or exceeds $1,000,000; provided that (and subject to the provisions of (18) below), the Board shall approve all contracts for consulting services whose aggregate value equals or exceeds $250,000, and the Board shall also authorize, through its Investment Subcommittee, the selection and retention of all investment advisors regardless of contract cost;

(17) the selection and retention of independent audit firm to conduct the annual audit of financial statements and/or compliance audits, regardless of contract cost; contracts at an aggregate cost of $10,000 or more for non-audit consulting services with the audit firm that is conducting the annual audit of financial statements;

(18) the material terms of collective bargaining agreements and, within the context of annual budget preparation and approval, the annual salary pool for non-union-represented employees;

(19) the settlement of claims and/or lawsuits at a cost that equals or exceeds $250,000, regardless of insurance coverage; and authorization to file and/or settle lawsuits in which the Board or a University officer is a named party or a Board-approved policy is in dispute;

(20) all self-governance matters reserved to the Board in the University Bylaws, including without limitation the election, of Board officers, approval of Board Committee appointments, or as otherwise required or permitted by law; and

(21) revisions to University Bylaws; matters required by law, Bylaws, and/or contract; and such other authority as the Board is required to exercise without delegation as a matter of law, or that, in the future and prospectively, it wishes to retain or retrieve in the exercise of its fiduciary duties and sole discretion;

AND BE IT FURTHER RESOLVED, that notwithstanding such delegations, through the President or his designees, the administration shall report periodically on matters of institutional management and operations as the Board may direct and/or as may be appropriate and desirable, including without limitation periodic reporting on gifts and grants; and
BE IT FINALLY RESOLVED, that this resolution shall supersede all preexisting
delegations prospectively.

*Adopted by the Board of Trustees:* September 11, 2004
*Approved as revised by the Executive Committee:* March 14, 2005
*Approved as revised by the Board of Trustees:* May 19, 2007
*Approved as revised by the Board of Trustees:* May 17, 2008
*Approved as revised by the Board of Trustees:* September 5, 2008
*Approved as revised by the Board of Trustees:* February 7, 2009
*Approved as revised by the Board of Trustees:* February 6, 2010
*Approved as revised by the Board of Trustees:* March 8, 2010
*Approved as revised by the Board of Trustees:* February 5, 2011
*Approved as revised by the Board of Trustees:* March 14, 2011
*Approved as revised by the Board of Trustees:*
**Board Reserved Rights and Delegations**

NOTE: Numbers in brackets [ ] correspond to paragraphs in Resolution Regarding Delegation and Retention of Board Authority, as rev. 3/14/11.

<table>
<thead>
<tr>
<th>Real Estate</th>
<th>Financial</th>
<th>Fiduciary</th>
<th>Personnel</th>
<th>Academic</th>
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<tr>
<td>Land purchase/sale, or transfer of real property or interests therein, at value ≥ $500K; eminent domain proceedings compensation [13]</td>
<td>Issuance of bonds and approval of institutional debt policy [15]</td>
<td>Selection and retention of independent audit firms for the annual financial audit and/or compliance audits (regardless of cost); also consulting contracts at an aggregate cost of ≥ $10K for non-audit consulting services with the audit firm conducting the annual financial audit [18]</td>
<td>Appointment and employment of President (contract, evaluation, termination) [5]</td>
<td>Creation or elimination of academic units, curriculum, research or service endeavors, as defined in Faculty Senate protocols [6]</td>
</tr>
<tr>
<td>Leases/subleases with annual or aggregate rental value of ≥ $500K; renewals thereof [13]</td>
<td>Contracts for facilities construction or renovation projects ≥ $1 million; including increases in projects costs for previously approved projects whose aggregate value is ≥ $1 million [17]</td>
<td>Creation or dissolution of a UVM-affiliated corporation or Foundation [3]</td>
<td>Election of Board officers [5]</td>
<td>Adoption of strategic plan and goals, and related strategic financial plans and goals, and all material revisions thereto [2]</td>
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1. In addition to the rights expressly reserved to the Board in the numbered paragraphs of its resolution, the Board in a general statement of resolution reserves to itself the power to act on its own initiative as necessary to the fulfillment of its own fiduciary and legal duties.

2. See “Fiduciary” for special rules regarding audit firms [18].
<table>
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<tr>
<td>Naming of buildings [9]</td>
<td>Selection and retention of the independent audit firm for the annual financial statements audit and selection and retention of an independent audit firm for compliance audits (regardless of contract cost); and consulting contracts at an aggregate cost of ≥$10K for non-audit consulting services with the audit firm conducting the annual financial statements audit; all non-audit consulting services contracts whose aggregate value equals or exceeds $250K [18]</td>
<td>Statements of institutional mission, principles or values (e.g., Our Common Ground) [11]</td>
<td>Appointment of UVM trustees to external boards or other public bodies in their capacity as UVM trustees [4]</td>
<td>Matters appealable to the Board under Senate Constitution and Bylaws [8]</td>
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<tr>
<td>Tuition, room &amp; board rates; student fees, and in-state status regulations for purposes of determining tuition [12]</td>
<td>Matters required by law, Bylaws, or contract; Board self-governance actions reserved to the Board, including the election, of Board officers [21]</td>
<td>Authorization of severance payments to officers of administration who report to the President in excess of the severance amount specified in the University Manual [5]</td>
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<tr>
<td>Contracts for facilities construction or renovation projects ≥ $1 million, including increases in projects costs for previously approved projects whose value is ≥ $1 million [17]</td>
<td>Approval of annual budget [11]</td>
<td>Adoption of strategic plan and goals, and related strategic financial plans and goals, and all material revisions thereto [2]</td>
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<td>Material terms of collective bargaining agreements and, within the context of annual budget preparation and approval, the annual salary pool for non-union-represented employees [19]</td>
<td>Acceptance of the annual audited financial statements [11]</td>
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<td>Filing or settlement of claims or lawsuits at a cost ≥ $250K, regardless of insurance coverage [20]</td>
<td>Via BFI Investment Subcommittee, selection, retention and termination of investment advisors and managers for the Long-Term Investment Pool; provided that, the Board must itself approve policies for the LTIP and the Limited Asset Pool, the endowment spending rate, endowment management fee, declaration of financial exigency, and dissolution, merger, or the sale or pledge or transfer of all or substantially all of the University's assets [10]</td>
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<td>Payment in lieu of taxes [14]</td>
<td>Initiation or settlement of claims or lawsuits at a cost ≥ $250,000, regardless of insurance coverage, and/or authorization to file or settle lawsuits in which the Board or a University officer is a named party or in which a Board-approved policy is in dispute [20]</td>
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<td>Acceptance of gifts and grants reports [be it further resolved final paragraph.]</td>
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3 This includes workers’ compensation claims and lawsuits.
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

COMMITTEE ON EDUCATIONAL POLICY
AND INSTITUTIONAL RESOURCES

The Committee shall have responsibility for overseeing the development and status of strategic, long-range University programmatic and resource use plans and related plan objectives.

The Committee shall oversee matters relating to educational policies and programs, including student enrollment; rates and fees associated with enrollment, and financial aid; the quality of student and campus life; accreditation, academic programs, and degrees; research and scholarship, instructional, and service activities; and faculty affairs.

The Committee shall oversee strategic planning relating to diversity and promote the achievement of diversity goals across a broad spectrum of University programs and activities.

The Committee shall oversee matters relating to the procurement, use, quality, condition, and disposition of the University’s buildings and other facilities, and its assets, infrastructure, technologies, and other institutional resources.

The Committee shall oversee the University’s development and advancement programs and campaigns.

The Committee will exercise its charge in a manner consistent with University governance, including the Board’s reserved rights and delegations of authority.

Approved by the Board of Trustees: September 9, 2006
Amended by the Board of Trustees:
Operational Elaboration of Charge

The subject matter of the Committee may include:

- Enrollment management policies, plans and programs, including admissions; student body enrollment and composition; and retention and graduate rates
- The University’s strategic diversity and campus climate priorities and initiatives
- Tuition and room and board rates, student fees, and financial aid
- Quality of student life, including policies and programs relating to academic excellence; the health, safety, and general welfare of students; residential life; and co-curricular activities, such as athletics
- University and academic program accreditation status
- Curriculum development and revision, and the creation or elimination of academic units and programs
- Awarding of honorary degrees
- Faculty affairs, including faculty recruitment, composition, and retention
- Research and scholarship (including external support), instructional, and service activities
- Annual and special fundraising campaigns, and institutional advancement initiatives, including programs to foster productive relationships with alumni and other communities of friends of the University, as well as corporate and foundation, and governmental relations
- Campus master plans
- Quality, condition, and adequacy of the physical assets of the University, including real property, grounds, campus infrastructure and technologies, and equipment, and the acquisition, use, and disposition of such resources
- Construction and capital renovation or improvement projects
- Naming of campus facilities
- Such other matters consistent with its charge as may be referred to the Committee by the Board Chair