A meeting of the Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, February 3, 2017, at 8:00 a.m., in the Silver Maple Ballroom, Room 401 at the Dudley H. Davis Center.

MEMBERS PRESENT: Chair David Daigle, Vice Chair Ron Lumbra, Secretary Joan Lenes, Briar Alpert, David Aronoff, Bill Botzow, David Brandt, Robert Brennan, Frank Cioffi*, Carolyn Dwyer, Don McCree, Curt McCormack, Ed Pagano, Kesha Ram, Tom Sullivan, Donna Sweaney, Soraiya Thura**, Tristan Toleno, Lisa Ventriss, and Jeff Wilson

MEMBERS ABSENT: Cynthia Barnhart, Richard Gamelli, Bernie Juskiewicz, Anne O’Brien, and Governor Phil Scott

ALSO PARTICIPATING: Provost David Rosowsky, Student Government Association President Jason Maulucci, Staff Council President Karmen Swim, Graduate Student Senate President Devin Champagne, Faculty Senate President Cathy Paris, Alumni Association President Penrose Jackson, UVM Foundation Executive in Charge Mark Dorgan, Lt. Colonel Timothy Knoth, Coordinator of Student Veteran Services David Carlson, ROTC Cadet Kaelyn Burbey, ROTC Cadet Kyle Elliott, ROTC Cadet, Robert Motely, Director of Capital Planning and Management Robert Vaughan, Vice President for Finance and University Treasurer Richard Cate, Kaufman Hall Consultant Charles Kim, Kaufman Hall Consultant David Woodward, Vice President for University Relations and Administration Tom Gustafson, Director of Institutional Research Alex Yin, Director for Athletics Jeff Schulman, Chief Risk Officer Al Turgeon, Chief of Staff and Senior Counsel to the President Sharon Reich Paulsen, Vice President for Executive Operations Gary Derr, Vice President for Legal Affairs and General Counsel Francine Bazluke, Chief Internal Auditor William Harrison, and incoming Trustee Caitlin McHugh

*Arrived at 8:36 a.m.
**Arrived at 10:07 a.m.

Chair David Daigle called the meeting to order at 8:04 a.m.

Approval of Minutes

Chair Daigle presented the October 21, 2016 meeting minutes for approval. A motion was made, seconded and voted to approve the minutes as presented.

Chair’s Report (see full report appended to minutes, beginning on page 23)

President’s Report

President Sullivan began his report by highlighting coverage of UVM in the national news. He stated that, once again, Kiplinger’s Personal Finance magazine has ranked UVM among the top best-value public colleges in the country. UVM also appeared on the front page of the Boston
Globe in recognition of the innovative new curriculum in place at the Robert Larner, M.D. College of Medicine. Additionally, the Chronicle of Higher Education published an article that referenced UVM as a model for educating Chinese students and assisting them in finding employment.

President Sullivan next reported that James Fallows will be the May 2017 Commencement Speaker. Mr. Fallows is a longtime writer and national correspondent for *The Atlantic* and the author of 10 books, including *National Defense*, for which he won the National Book Award. In addition, he has served as the editor of *US News and World Report* and has taught at the University of California, Berkeley, the University of Chicago, and the University of Sydney.

Referencing UVM’s value proposition, President Sullivan mentioned that a brochure will be handed out highlighting outcome measures of what success looks like after graduating from the University of Vermont. In relation to the value proposition, President Sullivan recalled UVM’s recent launch of the Catamount Commitment, which provides an excellent value proposition, paying full-tuition, for Vermont students. This program helps recruit and graduate students from lower income Vermont families; nearly 30% of Vermont students fall into this income group.

President Sullivan next stated that the Billings Library is now closed for renovations. When the building reopens in fall 2018, it will become home to the University of Vermont’s world-renowned special collections, the Carolyn and Leonard Miller Center for Holocaust Studies, the Center for Research on Vermont, in addition to other groups.

President Sullivan moved on to recall that, in late fall 2016, UVM opened a new Interfaith Center and a new Mosaic Center that replaces the ALANA Student Center. He invited Trustees to visit the new locations.

President Sullivan next reported that Trustee Richard Gamelli, MD, FACS, was recently recognized by the Robert Larner, M.D. College of Medicine for his contributions as a burn surgeon. During the event, Dr. Gamelli became the first awardee of the Catamount Surgeon Award.

President Sullivan concluded his remarks by noting that, this week, Western Connecticut Health Network announced that the State of Connecticut Office of Higher Education approved licensure of a branch campus in partnership with UVM’s Robert Larner, M.D. College of Medicine. The process for approving the partnership has been five years in the making and will allow UVM medical students to complete their clinical experience at the network’s three hospitals. The relationship will not only help UVM to attract more medical students from Connecticut and New York, but will also expose them to a different patient base.

**Governance Leaders Reports**

Student Government Association (SGA) President Jason Maulucci provided his final report. He began by stating that the Associate Directors for the Appointment of Student Trustees, Inc., selected Caitlin McHugh, a first-year student from Nassau, New York, to the Board of Trustees. Ms. McHugh excelled through a very competitive process and replaces David Brandt, who will
complete his term at the end of February. President Maulucci thanked Trustee Brandt for his service to the Board.

President Maulucci moved on to convey the status of several major initiatives that SGA has been working on during his term. He stated that SGA is in the process of expanding the Peer Advising and Mentoring programs. The SGA is also finalizing the terms to launch, by the fall, the pilot of the Safe Ride Home Initiative. In addition, the SGA is preparing for the launch of the Catamount Innovation Fund which will invest tens of thousands of dollars every year in innovation and entrepreneurship for UVM students. President Maulucci stated that SGA has fully implemented the new responsibility centered budget model and is partnering with the UVM Foundation in new ways, some leading to the highest fundraising in SGA’s history. SGA has also set a goal of becoming carbon-neutral by 2025. Additionally, SGA has articulated to the administration and Faculty Senate the necessity for students to have more information to make thoughtful choices about courses. He also reported that SGA will hold the third annual Women in Leadership Summit and organize the University’s third annual Sexual Violence Awareness Month.

President Maulucci next cited the transformation of campus with the new STEM Complex and First-Year Residence Hall construction. He is thrilled to hear about the Multipurpose Center proposal, noting that SGA spends approximately $100,000 annually to hold sports off campus due to limited space and options. He concluded by stating that his last two years have been inspired by the creativity, compassion and resourcefulness of fellow students.

Chair Daigle stated that peer advising is critical to student success. He asked if President Maulucci is confident that the program has the necessary infrastructure in place to succeed. President Maulucci confirmed that the program is in great shape to continue to expand.

Trustee Ed Pagano asked about SGA spending for use of off-campus facilities due to lack of space on campus. President Maulucci replied that he can provide a breakdown of such spending per team.

Chair Daigle thanked President Maulucci for his service and commitment to UVM.

Staff Council President Karmen Swim began by stating that Staff Council is focused on educating staff on how they can take advantage of available benefits. The Council often receives feedback from non-represented staff that they feel there is a lack of opportunity for advancement. As a result, Staff Council is working with Human Resources, Diversity and Multicultural Affairs (HRDMA) and other campus partners to make more resources available to help staff to pursue advancement opportunities, develop skills and obtain certifications.

President Swim also reported that the Compensation, Benefits & Budget Committee is working with Staff Council Leadership and HRDMA to develop improved guidelines for supervisors to distribute salary increases this spring. The Personal & Professional Development Committee is taking action on the issue of staff concerns regarding their commutes. The Outreach Committee recently assisted the UVM Sustainability Office in preparing a report about the Staff Council Survey for inclusion in the latest UVM Sustainability Tracking, Assessment & Rating System
(STARS) application to ensure that UVM is recognized for efforts in advancing the well-being of employees.

Graduate Student Senate (GSS) President Devin Champagne reported that GSS has worked hard to improve several aspects of the graduate student experience. He highlighted that, at the beginning of each fall semester, GSS hosts a resource fair that exhibits UVM organizations and offices, as well as local businesses that support the financial, social and living necessities that new students need. He next reported on the volunteer program “Grads Give Back”, which has added several new organizations at which graduate students volunteer, including Special Olympics Vermont. Lastly, this year, GSS revamped its Professional Development Series, which helps graduate students transition to post-UVM student life. This semester’s workshops track the theme of “Landing the Job.” President Champagne reported that he recently attended the Winter Networking Night in Washington, D.C., which was a very informative experience. He noted that many university career services are focused on the undergraduate perspective and he sees this as an area at which UVM can set a new standard and be more inclusive of the graduate student perspective. In an effort to work on this, GSS has connected with both the Career Center and Alumni Association.

Faculty Senate President Cathy Paris began her report by stating that the Senate is working on further development of the UVM General Education curriculum. She is pleased to report that a new general education requirement, quantitative reasoning, will soon be launched. The requirement will be presented to the Curricular Affairs Committee, and Faculty Senate in the spring. President Paris also reported that the Senate is creating a General Education Steering Committee to coordinate the efforts of the Diversity Curricular Review Committee and the Sustainability Curricular Review Committee. President Paris next reported that, at its January 23 meeting, the Senate adopted a resolution reaffirming UVM’s core values in relation to Our Common Ground. She explained that the reaffirmation is in response to apprehension on campus following the election of U.S. President Donald Trump. She read the resolution as follows:

In 1998, the University of Vermont Board of Trustees endorsed Our Common Ground platform, which articulates our collective values at the University of Vermont. Today, we reaffirm these UVM values.

The University of Vermont is an educationally purposeful community seeking to prepare students to live in a diverse and changing world.

We uphold the principle that the core mission of the university is to create a context for disciplined free inquiry, for the rigorous pursuit of truth, being open to how complex and challenging that pursuit can be.

We take critical reflection and empirical research to be necessary ingredients in how we as a society analyze, understand, and solve the most difficult challenges that we face.

The University of Vermont Faculty Senate reaffirms and emphatically supports the values of Our Common Ground; specifically, our collective values of respect, integrity, innovation, openness, justice, and responsibility.
As faculty members and as members of the UVM community, we believe in the transforming power of education and agree to help create and foster an environment where we can discover and reach our true potential. Towards that end, as a community, we unite against all forms of injustice toward any member of our community, including, but not limited to, racism; we reject bigotry, oppression, degradation, and harassment.

We are personally and collectively responsible for our words and deeds; and we pledge to help, listen to, and support those experiencing fear, harassment, or persecution.

On this day of January, 2017, and on every day going forward, we will stand together, with every member of the UVM community, to vigorously uphold these values and those of Our Common Ground.

President Paris concluded her remarks by thanking retiring trustees David Brandt, Joan Lenes, Kesha Ram, and Bill Botzow for their service on the Board.

Trustee David Brandt noted that he recently attended a Faculty Senate Educational & Research Technologies Committee meeting and applauded it for its efforts on expanded section descriptions.

Trustee Robert Brennan asked whether the Faculty Senate is focused on the priorities presented by SGA. President Paris replied that the Senate is not specifically focused on those priorities, but will reach out to the SGA discuss them.

Chair Daigle commended the Senate on moving forward with the new general education requirement of quantitative reasoning.

Alumni Association President Penrose Jackson reported that the Association is poised for its most successful year of engagement. She stated that the Association’s overarching focus is three-fold: engaging more alumni, building stronger alumni/student networking interactions, and leveraging the strength of the alumni community to advance key institutional priorities. President Jackson indicated that the launch of the Refer-a-Catamount Program yielded 125 referrals and plans are underway to leverage the class of 2017 to double that number. Annual growth in the referral program is part of the Association’s five-year strategic plan. She next reported that, over the next three months, the Association will partner with UVM Admissions to deliver more than 15 regional events to help enroll the strongest class in UVM’s history. In addition, it will launch a “Tea and Tour” program at the Alumni House for legacy families as they attend Admitted Student Visit Day programs. Moving on, President Jackson stated that regional alumni engagement was strengthened by the formation of the Hartford, Connecticut Affinity group, with more than 150 in attendance at the group’s inaugural event. The event was followed by the UVM/UConn Men’s Hockey game. She took a moment to recognize UVM Athletics for its strong partnership in the event and for its support of other alumni programs. Lastly, President Jackson noted that the Alumni House has held over 50 events since opening four months ago.
Trustee Bill Botzow commented that he noticed that each governance leader’s report included a theme of cultural commitment to lifelong learning.

**Move Mountains: The Campaign for the University of Vermont Update**

UVM Foundation Executive in Charge and Vice President for Development Mark Dorgan offered a brief campaign update on progress made since the last Board meeting. He began by reporting that, as of December 31, 2016, the total for campaign commitments is over $402 million of the $500 million goal. He noted that the UVM Medical Center has raised $44.5 million through December 31, 2016, accounting for 11% of the total so far.

Mr. Dorgan next recalled that, this past September, UVM received the largest gift in its history: a $66 million gift from Dr. Robert Larner, M.D., and his wife Helen. The Chronicle for Higher Education recently cited the gift as 11th out of 22 of the largest private gifts received by a University in 2016. He next stated that, since the Larner Gift was announced, the Foundation has raised an additional $30 million for a total of over $102 million so far in Fiscal Year 2017.

Mr. Dorgan next stated that the Foundation continues to have success in the campaign in the priority areas that align with the University’s strategic action plan. For scholarship support, for example, a total of $59 million has been committed. He reminded the Board that, on April 27, the Foundation will hold the annual scholarship dinner, which celebrates philanthropy and highlights many scholarship recipients. In the area of chairs and professorships, $46 million has been committed so far. Mr. Dorgan added that the original campaign goal was to double the number of endowed faculty positions, from 52 to 104, and the campaign has surpassed that with a total of 105. He added that, next week, an investiture ceremony will be held celebrating the first ever-endowed professorship in the College of Education and Social Services. Regarding facilities, $55 million has been committed so far and fundraising has been completed for several projects and focus continues on others. He reminded those present that the Alumni House and Silver Pavilion is now open and he encouraged all to tour the facilities. He also added that, on April 21, a groundbreaking will take place for the new UVM Rescue Facility. Finally, in the area of academic support, the campaign has had great success in supporting research. He added that almost 60% of the total of $243 million committed in this area is designated at the University/College/School or Department/Unit level.

Mr. Dorgan moved on to report that, to date, the campaign has raised 80.5% of the $500 million goal. There is $97 million left to raise by the conclusion of the campaign in 2019. He added that the Foundation will continue to fundraise after the campaign concludes.

President Sullivan thanked Mr. Dorgan for serving as the UVM Foundation’s Executive in Charge as the search works to fill the positon of the UVM Foundation President & CEO.

**Acknowledgement of Grants and Contracts Awards Report**

The Board acknowledged the Grants and Contracts Awards Report for the period of August 1, 2016 – December 31, 2016. Chair Daigle noted that that total amount received during this period was $55 million.
**Action Items**

Audit Committee Vice Chair Jeff Wilson introduced a resolution accepting the fiscal year (FY) 2016 audited financial statements and acknowledgement of the FY 2016 Financial Report. He explained that, on November 7, 2016, the Audit Committee reviewed and recommended for Board acceptance the FY 2016 Audited Financial Statements. He added that there were no material weaknesses or significant deficiencies identified in the audit.

The following resolution was presented for approval:

**Acceptance of Fiscal Year 2016 Audited Financial Statements**

WHEREAS, the financial Statements of the University of Vermont and State Agricultural College for the Fiscal Year ended June 30, 2016, have been audited by Grant Thornton LLP, Certified Public Accountants, in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, that the Board of Trustees hereby accepts the FY 2016 Audited Financial Statements as recommended by the Audit Committee and presented today, and acknowledges receipt of the FY 2016 Financial Report.

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

Audit Committee Vice Chair Jeff Wilson next introduced a resolution amending the Code of Business Conduct to the Code of Conduct and Ethical Standards Policy. He explained that, on November 7, 2016, the Audit Committee reviewed and recommended for Board acceptance a proposal to amend the University’s Code of Business Conduct Policy to the University’s Code of Conduct and Ethical Standards Policy. The intent of the amended Policy is to incorporate best practices for higher education and help members of the University community make ethical choices.

The following resolution was presented for approval:

**Resolution Amending the Code of Business Conduct Policy to the Code of Conduct and Ethical Standards Policy**

WHEREAS, the University’s Code of Business Conduct Policy is being amended to the University’s Code of Conduct and Ethical Standards Policy so as to incorporate best practices for higher education, address those areas that pose the greatest risk to the University, and help members of the University community make ethical choices if and when they are faced with a difficult decision or situation;

BE IT RESOLVED, that the Board of Trustees approves the Code of Conduct and Ethical Standards Policy as recommended by the Audit Committee and included as Appendix A to this document.
* Included for informational purposes as Appendix B to the consent agenda is the current Code of Business Conduct.

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

Committee on Board Governance Chair Frank Cioffi introduced a resolution approving amendments to the Presidential Review Policy. He stated that, on December 12, 2016, the Committee on Board Governance reviewed and recommended for Board acceptance amendments to the Presidential Performance Review Policy. In addition, the policy was reviewed by members of the administration and staff as well as members of the ad hoc Presidential Comprehensive Review Committee. He added that some of the changes reflect recommendations coming out of the experience garnered from the previous comprehensive review process.

Chair Daigle added that the changes were minor. He also stated that the five-year Presidential Review process will be initiated shortly, and that consultant interviews are currently taking place. He confirmed that the review process will be as inclusive and robust as possible.

The following resolution was presented for approval:

**Resolution Approving Amendments to the Presidential Performance Review Policy**

WHEREAS, the Board Governance Committee reviewed and endorsed amendments to the Presidential Performance Review Policy on December 12, 2016;

BE IT RESOLVED, that the Board of Trustees hereby approves the amendments to the Presidential Performance Review Policy set forth in Appendix C to this document.

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

Moving on, Chair Daigle referred Trustees to the 2018 Board meeting and retreat dates as proposed in Attachment 8 of the meeting materials.

**Academic Presentation – Green Mountain Battalion ROTC Program and Veteran Services**

Lt. Colonel Timothy Knoth, Reserve Officers' Training Corps (ROTC) Commander and UVM Professor of Military Science, provided a brief introduction of the Army ROTC program at UVM, which is officially designated as the Green Mountain Battalion. Next, he shared mission statements from both the Green Mountain Battalion and the University of Vermont and explained that a goal of UVM’s ROTC program is to synchronize the two missions for enrolled cadets.

Lt. Colonel Knoth next explained that the UVM Army ROTC program is not limited to the UVM campus, but is also affiliated with the following locations: St. Michaels’s College, Champlain
College, Middlebury College, Castleton University, and SUNY Plattsburgh. He offered highlights from UVM’s program, including the composition, by college, of cadets as well as a breakdown of how many are enrolled in each class and the class’s average GPA. He noted that UVM received the MacArthur Award for the school year 2014-2015. The award recognizes eight schools selected from among 275 senior Army ROTC units nationwide.

Lt. Colonel Knoth invited Cadet Kaelyn Burbey, to provide a snapshot of the ROTC experience. Cadet Burby is an Environmental Engineering Major and Mathematics Minor, from San Marcos, California. She will be commissioning into active duty as an Officer in the Army Corps of Engineers. Cadet Burbey stated that the program pushes cadets mentally and physically, while establishing trust and teamwork. Cadets are taught about leadership, ethics, history, and current events. She also stated that the program teaches cadets how to be adaptable and tests critical thinking. Cadet Burbey provided an example of a real-time experience where she was able to apply the skills she has learned through ROTC. She shared that while she was a leader of a large group of cadets at a training camp, the group learned of a tornado warning in the area. Cadet Burbey was responsible for ensuring that all cadets were accounted for, that equipment was properly secured, and that the group was ready and able to endure the tornado threat, which they did with success. Cadet Burbey also added that ROTC encourages experiential learning. For example, she was able to attend the MIT Lincoln labs to work on a hydrogen fuel cell.

Cadet Kyle Elliott further elaborated on the experiential learning piece of the program. Cadet Elliott is a civil engineering major from Berlin, Vermont, who will be commissioning into the Vermont Army National Guard as an Infantry Officer. He stated that cadets in their senior year are responsible for planning and developing a year-long training program, which prepares them for their roles of becoming active officers. Cadets in their freshman, sophomore and junior years are also given the leadership learning opportunities, during which time their responsibilities increase each year. Cadet Elliott stated that the ROTC program prides itself in participating in out-of-the-classroom activities that enrich their academic experiences. For example, upperclassman participate in “staff rides” where they study a pivotal historical battle, and then visit the physical site where the battle took place. Cadet Elliott mentioned that the fall 2015 site was the Battle of Gettysburg venue.

Cadet Robert Motley talked about international opportunities afforded by the ROTC program. Cadet Motely is a psychological science major with a biology minor from Woodstock, Connecticut, and will be commissioning into active duty as an armor officer. He stated that the program places a high value on diversity and there are opportunities where the Army sends cadets for a semester abroad. These opportunities aid cadets in developing skills to transcend cultural and language barriers. Cadet Motely stated that the Army also offers an immersion program for selected cadets via The Cultural Understanding & Language Proficiency (CULP) Program. The program allows cadets to go abroad, spending up to three weeks immersed in foreign cultures. UVM’s ROTC program has a future goal of sending half the cadets on CULP trips. Cadet Motley stated that the most valuable lesson learned in the CULP experience is working with people of other languages to accomplish a shared goal.

Lt. Colonel Knoth next invited Coordinator of Student Veteran Services David Carlson to highlight the veteran services, programs and support services offered by the University.
Coordinator Carlson is a Marine who has served three deployments and is also a former student veteran. He explained that Student Veteran Services works with recently discharged veterans who are non-traditional students. Many of the veterans are married and have children, mortgages, daycare, and other responsibilities that the traditional student would not have. Coordinator Carlson explained his position was created in 2013 to keep up with increasing demands. Since 2013, the office has increased the staff to two and they now have their own physical space.

Coordinator Carlson explained that Student Veteran Services has two main priorities. The first is to ensure that student veterans receive their benefits. The second priority is to assist student veterans in transitioning from the military to the much different culture of higher education. He noted that the office has adopted a concierge enrollment process to support veterans and their families. Finally, Coordinator Carlson was pleased to report that, in January, the University had their first compliance audit since 2008, conducted by the Department of Veterans Affairs. The audit found zero discrepancies.

Chair Daigle thanked the presenters for their service and noted that their leadership attributes are evident. An opportunity for questions was offered.

Trustee Brennan inquired regarding recent trends in the ROTC program’s participation rate. Lt. Colonel Knoth replied that the program has grown in the past few years. He stated that the primary recruitment goal is quality. The program is commissioned to graduate 15 officers per year, and it averages 19. Lt. Colonel Knoth added that he would like the program eventually to graduate up to 20 officers per year.

Trustee Kesha Ram asked how the Student Veteran Services maintains engagement with Veteran alumni. She also asked if such engagement is adversely affected by the Veteran population experiencing a greater volume of mental health issues and lack of resources. Coordinator Carlson answered that Veteran alumni engagement is an area that his office is working to improve, but that it exists informally through venues such as Facebook. Speaking to mental health and resource constraints, he explained that Veterans are fortunate to have access to healthcare through the local Veteran’s Affairs (VA) in Burlington. He noted that VA Healthcare has been exempted from the recent hiring freeze. He also added that UVM offers quality mental health services.

Trustee Lisa Ventriss asked what the ROTC program’s level of engagement has been with secondary schools in Vermont. Lt. Colonel Knoth answered that UVM sponsors two Jr. ROTC programs, both located upstate. UVM’s ROTC also has an enrollment officer who has a broad network throughout Vermont. He added that interested students are welcome to visit various activities and that some local outreach occurs. Lt. Colonel Knoth stated that the best source of recruitment is through the cadets.

Trustee Bill Botzow asked what the cadets like to do for entertainment. Cadet Motley said that he likes to ice climb in his spare time and that he started the UVM Mountaineering program. Cadet Elliott is heavily involved in UVM’s intramural hockey team. Finally, Cadet Burbey stated that she is very active with numerous outdoor activities.
Trustee Ron Lumbra asked about future growth of the ROTC program. Lt. Colonel Knoth replied that the program could continue to increase; however, his first priority is to maintain the quality of the cadets admitted and that currently, there is an ideal instructor-to-student ratio and if the program were to grow, it would need additional resources. He also added that the program is limited depending on the size of the operating Army force, which is anticipated to grow over the next two years.

Other Business

Chair Daigle stated that the Board is required to approve the 2018 Board meeting and retreat dates that were referenced earlier during meeting.

A motion was made, seconded and voted to approve the 2018 Board meeting and retreat dates as presented.

At 9:45 a.m., the meeting had a brief break.

At 10:00 a.m., the meeting resumed.

Capital Projects Update

Vice President for University Relations and Administration Tom Gustafson began the capital projects update by stating that the construction of the Science, Technology, Engineering & Mathematics (STEM) Complex and the new First Year Residence Hall are on time and on budget. Additionally, the UVM Medical Center Miller Building remains on schedule. However, UVM does not maintain the budget of the Medical Center project, so Vice President Gustafson stated that he could not report on that piece.

Director of Capital Planning & Management Robert Vaughan displayed project photos that depicted how much the construction of the Discovery building of the STEM Complex has progressed from a year ago. He added that the building will open in May. Within the first few weeks of June, everyone from the Cook Building will move into the Discovery building in time for summer school courses. Director Vaughan also stated that the second floor of the building is exclusively teaching labs, with a total of eight labs, each with the capacity for 24 students.

Director Vaughan next showed a slide of the construction of the First Year Residence from a year ago. At the time, the building only had one level of steel erected. Director Vaughan then showed what the building looks like today, which includes most of the exterior completed. The building is scheduled to open at the end of August. Director Vaughan stated that the building will have 699 beds and a 450-seat dining hall. On each level, there will be four restroom cores that will include 24 single-occupancy bathrooms.

Director Vaughan then displayed slides of progress of the Chiller Plant from October and today. He also showed progress of the UVM Medical Center Miller Building, which now has a new ambulance bay that became active last Friday. Director Vaughan noted that the Miller Building is
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not a UVM project, but that progress is tracked because it has influence on some of our construction areas.

Trustee Curt McCormack asked if the new dining hall in the First Year Housing building will eliminate any existing dining facilities. Director Vaughan explained that the new dining hall is replacing the Cook Commons dining hall in the Billings Library. The space that is being replaced will soon become the location of special collections.

Trustee Curt McCormack next asked if the new First Year Housing building and STEM Complex are increasing housing and lab space. Director Vaughan answered that the new building will have double the rooms of the shoeboxes. For labs, when all is finished, there will not be a huge gain in space, but that we expect a significant improvement in quality.

**Introduction to Strategic Financial Planning**

Vice President for Finance and Treasurer Richard Cate introduced the strategic financial planning presentation by explaining that he has been reflecting on how the University looks at its finances in total and has concluded that a model is necessary for proper long-term financial analysis. As a result, The Division of Finance leadership has been working with consultants from Kaufman Hall to develop a strategic financial plan model that will assist the administration and Trustees in analyzing the University’s financial condition and the impact of any proposals for future projects that require funding. He added that the goal of the presentation is to discuss the creation of the model and is not intended to address outcomes.

Kaufman Hall Consultant Charles Kim provided brief background of his firm, which specializes in financial management for not-for-profit entities. He added that Kaufman Hall has been working with the UVM Medical Center for the last 10 years. In addition to offering financial expertise, the company also offers financial management software tools.

Consultant Kim commented that the financial planning process is an important foundation for decision-making. He has been working with The Division of Finance leadership for the past three months to review key planning issues faced by UVM. The project should take a total of six months. He added that the model that they create will allow for quality financial decisions, whether capital or programmatic, and will also allow for leadership to assess these decisions against financial capacity. The next three months of the process will be developing the strategic financial plan model that is anticipated to be ready to share with the Board at the May meeting.

Consultant Kim next highlighted the following planning framework of the model:

- To assess the impact of individual initiatives or capital projects
- For University executives to develop proposals for the Board of Trustees
- For the Board of Trustees to evaluate the likely financial condition of UVM

Consultant Kim offered several initial observations. The first was that, based on fundraising expectations and continued trends in operating performance, the University is expected to have adequate cash for its $193 million capital plan through FY 2021. He stated that UVM is in a
good position and has adequate cash to support these projects, assuming that it can continue to perform as well as it has the last few years. However, the University has to consider if capital or operating expense requirements will exceed current assumptions. He added that UVM currently has limited capacity to issue new debt.

Consultant Kim moved on to state that UVM is expected to maintain its liquidity and debt rating. However, if strategic decisions result in operating performance that exceeds past trends, UVM could have opportunity for the following:

- Strengthen the University’s liquidity position
- Accelerate funding for deferred maintenance
- Proceed with yet-to-be-approved capital projects

Consultant Kim opined that the financial planning model tool will provide more definition and confidence about where UVM is heading and will test the likelihood of operating cash requirements estimated by the position assessment. The tool will ultimately establish and monitor a financial plan for UVM.

Vice President Cate added that the Budget, Finance and Investment (BFI) Committee will discuss initial numbers that the tool generates. He said that, so far, the process has not yielded any surprises, but that he feels the University will benefit by having a better financial model illustrated to the Board. He concluded by stating that he is constantly thinking of the need to balance investing in the long-term, financial health of the University, without adversely affecting it in the short-term.

Chair Daigle stated that the University has not previously utilized five-year financial plans, despite them being useful when considering large projects. He added that this topic has been explored at the BFI Committee level, but stated that he is very pleased that a formal model is being created for use at the Board and University level.

Trustee Robert Brennan asked who will own the software tool when it is finished. Vice President Cate answered that the University would own it and would have the ability to adjust it as needed.

Chair Daigle asked how long Kaufman Hall has been providing financial analysis and tools for institutions of higher education. Consultant Kim answered that they have been working with higher education for the last five-seven years. However, they have been working with the field of healthcare for thirty years.

Vice President Cate added that Kaufman Hall is currently assisting the University with new budgeting software that has tied in nicely with the strategic financial planning piece.

Trustee Briar Alpert asked for further elaboration on the University’s limited debt capacity. Consultant Kim responded that they have completed a credit analysis and compared it against rating agency mediums and peer analysis. Vice President Cate added that the University has had limited debt capacity multiple times during his tenure and that, in each case, all it took was for some passage of time for the debt capacity to improve.
Deferred Maintenance Plan Review

Vice President Cate next led a presentation regarding a proposed approach for addressing the University’s facilities needs over the next ten years. He began by stating that there is an array of deferred maintenance projects that do not rise to the Board level so the Board would not be familiar with them. He next highlighted the following facility facts:

- There is a deferred maintenance backlog of approximately $370 million.
- UVM has approximately 5.6 million square feet of space in 271 buildings and an extensive network of communication lines and equipment.
- There is an annual contribution (about $1 million) to a building reserve for 1.8 million square feet.
- There is a system for annual reserve payments of 1% of construction cost (UVM would need this to increase to 2.5 - 3% to keep pace with depreciation).
- Annual depreciation is approximately $26 million.
- The current annual combined budget allocations (including state appropriation) to address deferred maintenance is $9 million.
- With a reliable stream of funding, Physical Plant can integrate more deferred maintenance projects into the schedule of its staff, thereby saving time and money.

Vice President Cate highlighted UVM’s Buildings and Grounds Categories. Categories include historic buildings; utilities; key academic buildings; student services buildings; large number of small buildings; and roads, parking lots and walkways. He added that, in terms of utilities, the University is constantly making cost efficient improvements.

Vice President Cate next highlighted the following order of project prioritization:

- Life safety and health (fire alarms, egress, etc.), code upgrades and ADA egress
- Building envelopes (roofs, windows, exterior sheathing, and waterproofing of basements)
- Elevator modernization and vertical transportation
- Electrical and mechanical infrastructure
- Exterior renovations and repairs beyond the envelopes
- Roadways, sidewalks and exterior stairs

Vice President Cate then briefly described the deferred maintenance needs for historical buildings. He noted that, for some historical buildings, there is potential opportunity to lease them to private entities that would have the funds to fix the buildings. He cited Dewey Hall as an example, as it currently houses the Department of Psychology, but has become functionally obsolete.

He also noted that, in some cases, new construction can assist with reducing deferred maintenance backlog; for example, sometimes the best option is to demolish a building and replace it with new infrastructure.
Vice President Cate indicated that the BFI Committee will talk more about the possibility of incrementally increasing base funding for facilities as well as short-term borrowing options that would eventually be funded by long-term debt.

Trustee Robert Brennan asked what entity is responsible for designating buildings as historical. Vice President Cate replied that it depends: there are some cases where the designation is part of a national historic record, and other cases are due to the Vermont designation of buildings being considered historical if they are over fifty years old.

Trustee Brennan followed up by asking if the University could negotiate with the State regarding historical designations. Vice President Cate explained that the process is very complex and must be addressed on a case-by-case basis. Some buildings are listed on the National Historic Register, while others come under the jurisdiction of the Vermont Department of Historic Preservation and/or Act 250.

Chair Daigle opined that the State has to be open to logical conversations regarding the challenges that historical designations have placed on the University. Vice President Cate replied that the University has ongoing conversations about this issue.

Trustee Jeff Wilson referred to the suggestion of offering certain buildings for lease to the private sector in exchange for them improving the building. He asked if the administration has plans to develop an inventory of buildings that fall into this category and if the inventory will be presented to the Board in the future. Vice President Cate said that a list was developed a couple of years ago and that it is still being updated. He added that the University needs to have appropriate conversations with members in the private sector so that it can present a more informed proposal. Vice President for University Relations and Administration Tom Gustafson added that another piece is figuring out where existing tenants of the buildings will go if a building goes offline.

**Dashboard Indicators Annual Review**

Provost and Senior Vice President David Rosowsky facilitated the Committee’s annual review of the dashboard indicators. He noted that all of the information he will present is also included in Attachment 9 of the meeting materials.

He began by identifying the comparator institutions used in compiling the data. He next explained that the indicators fall into three categories: input (student data), output (how the University prepares and graduates students) and financial.

Provost Rosowsky provided data for several input indicators. He reported that the University’s application numbers have steadily increased in recent years; however, there was a slight decrease in this year’s number, a total of 22,476, due to last year’s strategic decision to eliminate “free” applications to out-of-state students, effectively removing those with reduced likelihood of attending. He added that focus continues to be on the acceptance rate and yield, rather than simply growing the applicant pool.
He next said that first-time first-year (FTFY) acceptance rates peaked at 78% in Fiscal Year (FY) 2014. However, the administration continues to lower this rate to become closer to the comparator rate of 50%. The FTFY acceptance rate for FY 2017 was 69% and the goal for next year will be 68%.

Provost Rosowsky then stated that the FTFY yield rate dropped slightly between FY 2011 and FY 2016, as did the yield rate of our peers. However, the University’s yield rate is moving up again with a yield of 16% in FY 2017.

Moving on, Provost Rosowsky observed that the FTFY SAT combined verbal and math indicator scores are slightly lower than the average of our comparators. However, the University saw a 10-point increase in FY 2017, which puts the average score at 1209.

Provost Rosowsky reported that, in terms of the percentage of students admitted in the top 25% of their high school class, UVM has increased from 69% in FY 2011 to 73% in FY 2017. Provost Rosowsky added that the University does not have data for comparators, as not all schools track/report this information.

The University’s underrepresented minority population is becoming more diverse, consistent with the UVM’s commitments to inclusive excellence, access, quality, and building a truly diverse academic community. The number of student enrollment in this group has increased from 8% in FY 2011 to 11% in FY 2017. International student enrollment has increased from 1% in FY 2011 to 5% in FY 2017. The University is on track to continue increasing the percentage of undergraduate international students to 7-8% in the coming years.

Provost Rosowsky next reported on several output indicators. He explained that the University’s first-year retention rate has remained steady. The University’s FY 2017 retention rate is 86%, and the University remains committed to achieving a rate exceeding 90%.

Provost Rosowsky stated that the University’s four-year graduation rate improved from 61% in FY 2011 to 64% in FY 2016. The University’s rate is well above the national average (all institutions or publics), but that UVM remains committed to achieving the benchmark of select privates, and has a goal to be above 70% in the coming years, and above 75% after that.

In terms of student engagement and satisfaction, Provost Rosowsky explained that it is important to collect National Survey of Student Engagement (NSSE) data and the University will be doing so in 2017. He stated that participation rates in study abroad, undergraduate research, and two or more high-impact practices (e.g., internships or other experiential learning, international travel/study, research or directed inquiry, service learning) are at or above average of our comparators. Percentage reporting excellent/good overall educational experience (90%) is higher than the average of our comparators (88%). Provost Rosowsky added that this is an important area for UVM’s value proposition.

Moving on to the success rate indicator, Provost Rosowsky explained that this figure is based on the percentage of graduates who are employed full-time or enrolled in a graduate or professional school. He stated that the University’s success rate increased from 88% in 2012 to 93% in 2016.
He noted that initiatives such as the Four-Year Plan for Success, the Career+Experience Hub, expanded internship opportunities, and efforts to increase the presence of employers on campus have all contributed to this trend in success following graduation.

Moving on to undergraduate degrees granted, Provost Rosowsky explained that there was a slight drop in FY 2016, with a total of 2,318. However, he added that the figures reflect distinct individuals receiving undergraduate degrees. For example, in FY 2015, 156 students (6.3%) were double-majors and received two baccalaureate degrees. Therefore, a total of 2496 undergraduate degrees were awarded to 2340 individual graduates. Provost Rosowsky added that UVM graduates more than 1,000 Vermonters students every year (including undergraduates and graduates).

The final output indicator on which Provost Rosowsky reported was graduate degrees granted. He stated that the graduate enrollment declined from 1961 students in 2009 to 1843 students in 2015; however, it increased to 1946 students this year. The number of Master’s degrees awarded has remained relatively steady (approximately 390) during that period, as has the number of Doctoral degrees (approximately 220). These trends are nearly the same as the averages of our comparators. Graduate enrollment offers some of the greatest potential for growth and new revenue for select units in the coming years. The University’s goal is to increase total graduate enrollment to 2,500.

Provost Rosowsky next described several financial indicators. He began by reporting that endowment assets per student full-time equivalent (FTE) have increased from $24,800 in FY 2012 to $33,400 in FY 2016. The University is directing more endowment assets toward the education of undergraduate students.

As to total commitments such as new gifts, pledges, and bequests, the University has seen extraordinary increases. In FY 2011, commitments were $20.3 million, compared to $102.6 million to-date in FY 2017. However, State support for higher education, per $1,000 of personal income, has dropped from $3.68 in FY 2011 to $3.12 in FY 2016. The national median is $5.36, with Vermont ranking 47th out of 50 states for higher education support. Over the last five years, the national median level of state support has decreased 7%. Over that same time period in Vermont, the level of support decreased 15%. At the rate of decreasing support since 1980, the national median will hit “zero” in 2058, while Vermont will hit “zero” in 2033.

Provost Rosowsky next noted that the average net cost of attendance for FTFY in-state students receiving financial aid did go up significantly between FY 2011 and FY 2014, but only went up slightly in FY 2016, to an average of $18,217.

Finally, Provost Rosowsky stated that the average indebtedness of students at graduation has increased slightly from $27,773 in FY 2012 to $28,790 in FY 2016. However, the percent of student graduating with debt has decreased from 60% to 55% in the same time period. He added that 43% of Vermonter students attend UVM tuition-free.

Regarding retention, Trustee David Brandt asked how the University distributes priorities of the first-year experience. Provost Rosowsky responded, that in the last two years, the administration
has reviewed current efforts, and assessed them with respect to the efforts of comparator schools and exemplar schools. As a result, several high impact areas have been identified, such as core experience courses and themed first-year student housing, among others. Provost Rosowsky stated that the University is currently growing those areas. In terms of quality, Provost Rosowsky believes that, as the University pushes higher, it will see more first-year student success. However, he added that there are challenges such as increasing mental health issues and other external pressures and that, as a result, the University has developed new intervention measures.

Referencing the four-year graduation rate, Trustee Soraiya Thura asked if there are any noticeable trends amongst majors or departments. Provost Rosowsky responded that there are definitely noticeable trends amongst some majors, and sometimes in entire schools or colleges, which affect the graduation rate.

President Sullivan added that, in terms of student success, studies have proven that the most successful student is one who is fully engaged. He stated that this is exactly why the new First Year Residence Hall is placed in the heart of campus. He also mentioned that in the book, *Crossing Finish Lines*, by Bill Bowen, two factors were cited for graduating on time: the first is the academic preparation of the student entering college, and the second is the expectations placed on the student by their parents and community that they will graduate on time.

Trustee Briar Alpert asked if the University regularly engages with parents as far as outreach in encouraging a four-graduation timeline. Provost Rosowsky replied that such outreach takes place in a variety of ways. For example, it is discussed during campus visit days; the President and Provost emphasize it during their speeches at Convocation; and letters are sent to parents throughout the year that encourage conversations with students regarding their behavior, advising, and graduating in four years.

At 11:33 a.m., the meeting was recessed.

At 4:34 p.m., the meeting reconvened.

**Multipurpose Center**

Educational Policy and Institutional Resources (EPIR) Committee Chair Bill Botzow stated that EPIR discussed the programming and conceptual design for the proposed Multipurpose Center. He also advised that Vice President for University Relations and Administration Tom Gustafson, Director of Athletics Jeff Schulman, and Cannon Design Principal Colleen McKenna responded to numerous questions from the Committee. Overall, Committee members expressed enthusiasm and appreciation for the project. The Committee unanimously approved a resolution approving the initial project concept to be referred to the Budget, Finance & Investment Committee (BFI) for authorization to proceed with the schematic design phase and to generate an associated project cost estimate and funding plan.

BFI Committee Chair Don McCree stated that BFI Committee members were also supportive of the proposed Multipurpose Center. They reviewed the debt capacity analysis related to the concept and a student fee that could be instituted to pay the debt service on a portion of the
project cost, with the remainder of the project to be funded by private gifts. The Committee unanimously approved a resolution authorizing $750,000 of funding for the schematic design phase, which will include an estimate of project cost for project.

An opportunity was offered to address Trustee questions in follow up to presentations made earlier in the day and following committee level discussions. Trustees did not have any further questions.

**Annual CY 2016 Risk/Opportunity Portfolio Register Update**

Chief Risk Officer (CRO) Al Turgeon began by thanking his colleagues, Director of Risk Management Mary Dewey and Assistant Director of Compliance Services Erica Heffner, for their contributions to the annual risk assessment process. He also noted that he provided a detailed presentation on this topic to the Audit Committee at its meeting yesterday.

As background, CRO Turgeon explained that the University began developing its ERM program in 2008. The purpose of the ERM program is to provide the Board of Trustees assurance that management is identifying and responding to emerging risks and opportunities that could affect UVM’s mission, vision, strategic goals and/or competitiveness.

Next, CRO Turgeon described the annual risk assessment process, and reviewed the results depicted on the Calendar Year (CY) 2016 UVM Risk-Opportunity Portfolio-Register heat map. He explained that each item in the risk-opportunity portfolio-register has an assigned Responsible Official (RO). He concluded his presentation by pointing out the CY 2017 reporting schedule of each RO’s Management Response Plan (MRP) to their assigned Board of Trustees’ Committee.

CRO Turgeon noted that it takes eight months to produce the annual risk assessment. The process begins in April with interviews of all UVM senior officials and all of the Board of Trustees Committee Chairs, and ends in late November when the President approves the results.

Trustee Kesha Ram noted that grant funding has recently decreased and asked where it is included on the heat map. CRO Turgeon explained that grant funding is included in the “higher education funding model” risk. He stated that he does not typically track grants closely because the Vice President for Research monitors grant funding diligently. CRO Turgeon noted that ROs help keep him apprised of changes to existing risks that would require updates to the heat map. The CRO also consults with ROs when he thinks updated to the heat map are indicated.

Trustees asked how the University addresses risks that occur outside the formal annual risk assessment process. CRO Turgeon explained that all ROs manage risks within their portfolios on a regular basis, and that they can, and do, initiate risk assessments, which can be either formal or informal. He also said that President Sullivan, from time to time, will request a formal risk assessment and, if the results warrant, the heat map is updated.

Trustee David Aronoff asked how deferred maintenance risk is addressed on the heat map. CRO Turgeon responded that the deferred maintenance risk was assessed as high impact for its
financial impact, and as “high likelihood” because deferred maintenance is continuously occurring. When these assessment are combined, CRO Turgeon stated, deferred maintenance scores as one of the highest risks in the risk portfolio.

Trustee Bill Botzow asked about the response time for addressing emerging risks and whether, if the Board were to request a risk assessment, it could be completed in a short time frame, such as two to three weeks. CRO Turgeon explained that the completion timeline varies depending on the risk, and what is required to assess it. He explained that when risks arise that are urgent, they become his first priority and are completed as quickly as possible. President Sullivan then provided a current example of one of the ways the University responds to a high velocity emerging risk: he stated that, just this past Tuesday, he asked the CRO to convene a risk assessment team to monitor post-election emerging risks and, if need be, assess and submit recommended mitigation strategies for him to consider. CRO Turgeon stated that this risk assessment team has already been organized, and that the team will hold its first meeting on February 13.

Amendments to the Services Agreement with The University of Vermont Foundation

Chief of Staff and Senior Counsel to the President Sharon Reich Paulsen presented amendments to the services agreement with the University of Vermont Foundation. She explained that UVM and the UVM Foundation have a memorandum of understanding (MOU) regarding their relationship that was signed in June 2014 and extends through June 30, 2020. The MOU stipulates that the Foundation will provide development services in consideration of UVM providing financial support for the Foundation’s operations. The form and extent of that support is specified in a services agreement. The current services agreement identifies the extent of support for the first three years of the MOU, through fiscal year (FY) 2017. It is time now to amend that services agreement to specify the nature and amount of support UVM would provide the Foundation for the next three fiscal years.

Chief of Staff and Senior Counsel Reich Paulsen stated that the following amendments to the services agreement for FY 2018-2020 are proposed:

1. That UVM maintain level funding to the Foundation, in the amount of $8,325,000 per year, for FY 2018-2020. Chief of Staff and Senior Counsel Reich Paulsen explained that UVM holds the expectation that the Foundation will become increasingly self-supporting, but considers it imprudent to begin decreasing support at this time, given in particular the current campaign.

2. That the College of Medicine, which supplements UVM’s annual support contribution, maintain level funding, in the amount of $420,000 per year, for FY 2018-2020.

3. That the University continue, at no charge, to provide 14 visitor parking spaces at the Alumni House for FY 2018-2020.

4. That the University continue to provide a 50% discount for rental of UVM space for Foundation events.
In exchange for those terms, the Foundation has agreed to provide UVM with the following additional benefits:

1. The Foundation will increase the discount rate offered to UVM, from the current rate of 50% to 75%, for rental of the Alumni House and Silver Pavilion.
2. The Foundation will purchase china and silverware for use at Alumni House and Silver Pavilion events and provide UVM a 75% discount for the rental of the china and silverware.
3. The Foundation will provide dedicated fund-raising assistance for the Honors College and Library, with special emphasis on the Honors College.

Trustee Joan Lenes asked if the Alumni House would lose any potential funds by offering significant discounts to UVM. Chief of Staff and Senior Counsel Reich Paulsen explained that UVM-related events are a supplement, filling vacant times that the House is not being used. She also stated that UVM would not be able to continue holding as many events at the Alumni House without the discounted rate. Lastly, she said that if there were a point where the frequency of UVM events was affecting the ability for the Alumni House to book external events, conversations could be held that would address the challenge.

Trustee David Brandt asked if student groups would also receive UVM’s discounted rate for holding events at the Alumni House. Chief of Staff and Senior Counsel Reich Paulsen explained that all UVM-affiliated groups, including SGA, would receive the discounted rate.

The following resolution was presented for approval. Chair Daigle disclosed that he, President Sullivan, and Trustees Ron Lumbra and Don McCree will be recusing from voting on the resolution due to their membership in the UVM Foundation Board of Trustees:

**Resolution Authorizing Amendments to the Services Agreement with The University of Vermont Foundation**

RESOLVED, that the Board hereby authorizes the administration to negotiate and execute amendments to an existing Services Agreement with The University of Vermont Foundation, with terms consistent with the report given on this date.

A motion was made, seconded and it was unanimously voted to approve the resolution as presented with Trustees David Daigle, Ron Lumbra, Don McCree and President Sullivan abstaining from the vote.

**Executive Session**

At 5:24 p.m., Chair Daigle entertained a motion to enter into executive session to consider contracts, premature general public knowledge of which would clearly place the University at a substantial disadvantage. He noted the session would be brief and that action was anticipated following. Everyone was excused from the meeting with the exception of Provost David Rosowsky; Vice Presidents Richard Cate, Tom Gustafson, Gary Derr, and Francine Bazluke;
Chief of Staff and Senior Counsel to the President Sharon Reich Paulsen; Chief Internal Auditor William Harrison; and incoming Trustee Caitlin McHugh.

The meeting re-opened to the public at 5:37 p.m.

The following resolution was presented for approval with opportunity for discussion. Trustee Lisa Ventriss disclosed that she had a conflict of interest and will be recusing from voting on resolution.

**Resolution Authorizing Selection of the External Auditor**

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Treasurer to enter into a contract with KPMG LLP, Certified Public Accountants to obtain external audit services to conduct the annual financial statement audit and other related audits of the University for five consecutive years during the period January 1, 2017, through December 31, 2021, at a total contract price not to exceed $1,745,000 with continuation of said contract subject to an annual performance review by the Audit Committee; and

BE IT FURTHER RESOLVED, that the annual audit shall be conducted in compliance with the requirements of the University Bylaws and state and federal law.

A motion was made, seconded and it was unanimously voted to approve the resolution as presented with Trustee Lisa Ventriss abstaining from the vote.

**Other Business**

Chief of Staff and Senior Counsel Reich Paulsen provided an update on the search for the UVM Foundation CEO and President. She noted that the search is being assisted by the firm Witt Kieffer. She expressed that the quality and depth of the candidate pool is extraordinary. As a result, the search timeline has been accelerated with applications being reviewed February 14th, and interviews to be scheduled for the week of February 28th.

There being no further business, the meeting was adjourned at 5:39 p.m.

Respectfully submitted,

David A. Daigle, Chair
Good morning everyone, and welcome to our February board meeting. We are on a tight schedule today, and I ask in advance for your patience and understanding if we need to move along in our agenda.

“Account for the Value Proposition”. These were recent words of advice provided to a group of high school students and their parents by a college admissions director at my daughter’s high school.

This notion of value proposition will become more important with time. The real (inflation-adjusted) cost of tuition and fees at public universities has increased at a compound annual growth rate of nearly 4% over the past three decades. UVM has done better, but the real cost of attendance continues to rise even at UVM. Within a few years, families will be asked by UVM to pay a quarter of a million dollars for a bachelor’s degree; they will account for the value proposition.

In my October remarks, I commented on UVM’s strategic imperative to improve its academic profile and, in turn, selectivity. Selectivity is not a synonym for elitism, but rather an indirect measure of the perception of value. UVM has strategic assets that enhance its value proposition: a rich historical legacy, an impressive array of academic and athletic programs, meaningful research activity that elevates faculty and student learning, a fabulous campus location, and many more.

Still, it is clear that we can, and must, continue to improve our value proposition. The dynamics of higher education funding will continue to evolve in ways that introduce considerable risks to the status quo. Virtually everyone in this room is in some way a leader of this institution – faculty members, student leaders, administrative leaders, and trustees. Through our collective efforts, we need to ensure the future viability and success of UVM, even as historical models of higher education may be disrupted. On behalf of our board, I want to thank each of you for your many contributions to this cause.

One of the enduring core values of The University of Vermont is to provide an excellent value proposition for Vermont students. In fact, after considering the benefit of our annual state appropriation, 43% of Vermont students enrolled at UVM attend tuition-free. The most recent manifestation of this core value is the new Catamount Commitment, which further removes financial barriers for one quarter of our Vermont undergraduate students.

Vermont has a strong record in graduation rates for high school students, measured against regional and national benchmarks. The unfortunate corollary is that, both regionally and nationally, Vermont ranks poorly in terms of college enrollment of those successful high school graduates. This is particularly true with Vermont males, who enroll in postsecondary education at a much lower rate than females. We need to find ways to more effectively promote UVM’s outstanding value proposition to these students.
The Federal Reserve conducted research that concluded that the primary factor behind differences in per capita state income levels was the “knowledge stock”, which was defined to include high school and college attainment rates as well as the number of patents. Their conclusion is entirely consistent with economic theory, which tells us that income is a function of productivity, and productivity is a function of knowledge. Quoting from a VSAC report that referenced the study:

“Simply put, higher state per capita income is a product of its efforts to increase education attainment. Conversely, low per capita income is a product of state disinvestment in postsecondary education attainment.”

If Vermont is seeking to improve its “knowledge stock”, there is no better conduit than the University of Vermont.

Yet we appreciate that the State of Vermont is limited in its capacity to contribute to the advancement of UVM. Consequently, it is imperative that we consider the value proposition we present to out of state families. The University of Vermont is, quite uniquely, a public institution funded largely privately. Private resources, including net tuition and philanthropic contributions, support the vast majority, and an increasing proportion, of our budget. While we seek to maintain the excellent value proposition we offer to Vermont students, we must increasingly acknowledge that our financial foundation rests on offering a compelling value proposition to out of state students and donors.

As the administration seeks to improve the value proposition, by restraining tuition increases, by controlling costs, by advancing its commitment to improve the quality of our academic programs, by seeking to improve the health and wellness of our students, it has this board’s unwavering support. We are making progress in all of these areas, and yet the need to do more is very clear.

Finally, I have the honor of introducing our newest board member, Caitlin McHugh, a first-year UVM student. It is not unprecedented, but it is rare, to have a first year student succeed in the nomination process. Welcome, Caitlin; we look forward to working with you over the next two years.

This concludes my chair’s report.
Code of Conduct and Ethical Standards

Code Statement

The University of Vermont is committed to continually strengthening its ethical culture. From the University’s motto of “Studiis et Rebus Honestis” (Integrity in Theoretical and Practical Pursuits) to our values stated in “Our Common Ground” (http://www.uvm.edu/~presdent/?Page=miscellaneous/commonground.html), we are all expected to perform our jobs and to conduct business in an ethical and compliant manner. All University personnel have a shared responsibility to the University, to those we serve, to our community and to each other.

Reason for the Code

This Code of Conduct and Ethical Standards (“Code”) is a tool to help you comply with legal and regulatory requirements and with University policies and procedures. The Code is designed to help you make ethical choices when and if you are faced with a difficult decision or situation.

Applicability of the Code

This Code applies to all University of Vermont personnel. For the purpose of this Code, personnel includes but is not limited to, faculty, staff, volunteers, student employees, and individuals hired or contracted to perform a function that is generally associated with an employment relationship (i.e., temporary employee, student employees).

Code Elaboration

The Office of Compliance Services is responsible for the oversight of the University’s compliance program; however, we are all individually responsible to be aware of and comply with the legal and regulatory requirements and with University policies and procedures relevant to our jobs. In addition, certain professions also have additional ethical standards or professional codes of conduct which members of those professions are also expected to comply with. Examples include, but are not limited to, the American Medical Association’s Code of Medical Ethics and the American Bar Association’s Model Rules of Professional Conduct.
Depending on the alleged violation, there may be mandatory reporting requirements (see Minors; Protection on Campus and Campus Security Authorities (CSA) – Designation of and Reporting By). If not required by a regulation, you may feel a moral obligation to report. Additionally, under this Code, reporting all types of wrongdoing is encouraged. For the purpose of this policy, “wrongdoing” is defined as:

- Real or suspected violations of legal and regulatory requirements (laws, acts, statutes, regulations), policies and procedures and/or professional standards.
- Fraudulent or dishonest conduct resulting in violation of law or University policy.

Not all compliance reports have to be reports of wrongdoing. You may also use any of the compliance reporting mechanisms if you need guidance or clarification on a policy or procedure, if you have questions related to a University process designed to comply with a legal or regulatory requirement or if you are looking for assistance or have questions when faced with an ethical decision or dilemma.

**Compliance Reporting System:**
The University has established a robust compliance reporting system made up of several reporting mechanisms. For more information on available reporting mechanisms, review the Whistleblower Policy: Reporting, Protections, & Non-Retaliation policy located at [http://www.uvm.edu/policies/general_html/whistleblower.pdf](http://www.uvm.edu/policies/general_html/whistleblower.pdf). This policy outlines the different mechanisms including the Compliance and Ethics Reporting and HelpLine (“HelpLine”). Policies that contain reporting requirements include the preferred methods of reporting that should be followed. If a policy is silent to reporting requirements, if anonymity is requested and not provided by other reporting channels, reports may be made through the HelpLine.

For reports that are made directly to a manager or supervisor, the manager/supervisor is required to notify the Director of Compliance or the Office of General Counsel when the manager/supervisor suspects the report may result in either a violation to legal or regulatory requirements or fraudulent activity. Managers/Supervisors are encouraged to seek the advice of Compliance Services as soon as possible when they receive reports of alleged noncompliance to a legal or regulatory requirement.

Reports made through the HelpLine are received and screened through a third-party vendor. While some other mechanisms can accept anonymous reports, the best reporting method for maintaining the anonymity of anonymous reports is the HelpLine. Regardless of the reporting mechanism used, all reports are kept as confidential as possible. However, anonymity can never be guaranteed. For more information on anonymous reporting, refer to the HelpLine FAQ’s ([http://www.uvm.edu/compliance/help_line_faq](http://www.uvm.edu/compliance/help_line_faq)).

**Non-Retaliation:**
The University prohibits retaliation or retribution for a good faith report, for supporting a person who files a good faith report, or for participating in an investigation of a report. Individuals making bad faith reports are not afforded these protections. The University has adopted, “Whistleblower Policy: Reporting, Protections & Non-Retaliation” policy ([http://www.uvm.edu/policies/general_html/whistleblower.pdf](http://www.uvm.edu/policies/general_html/whistleblower.pdf)). Prohibited retaliation may
result in discipline up to and including discharge from employment independent of the outcome of the reported wrongdoing.

**Disciplinary Action:**
If wrongdoing has been substantiated, those individuals found to have committed the wrongdoing will be subject to disciplinary action at a level appropriate for the violation. Levels of disciplinary action range from a verbal warning up to dismissal. Disciplinary action could also include termination of University institutional recognition or external affiliate relationships with the University and, depending on the University’s regulatory requirements, and could even include civil claims and criminal charges. Investigation and determination of discipline for represented employees will occur in accordance with provisions of the applicable collective bargaining agreement.

**Definitions**

*Bad Faith Report:* A report that is made to deceive, is dishonest, knowingly untrue or otherwise intentionally misleading.

*Confidential Information:* Any non-public information pertaining to the University’s business.

*Good Faith Report:* A report that made with a sincere belief that the issue is occurring, has occurred or there is a likelihood that it could occur. There is no malice or desire to defraud others.

*Personnel:* For the purpose of this Code, University Personnel refers to faculty, staff, volunteers, student employees, and individuals hired or contracted to perform a function that is generally associated with an employment relationship. Examples include temporary employees, graduate students receiving stipends, and contractors or other third parties serving in an employee capacity.

*Retaliation:* Taking action to harm someone in response to a report.

*Retribution:* The act of taking revenge.

*Student Employees:* This includes undergraduate and graduate students that are paid by the University for performing a function generally associated with an employee function. Student employees include, but not limited to, Graduate Teaching Assistants, Graduate Research Assistants, Graduate Assistants, Undergraduate Student Employees, and Post-Doc Associates. Pre-Doc and Post-Doc Fellows are not considered student employees.

*Whistleblower:* Someone who informs on a person or organization that they have reason to believe is engaged in an unethical, non-compliant, illicit or illegal activity.

**Procedures**

See Principles and Standards.
Principles and Standards

The intent of this code is to communicate the principles and standards that have been identified as most relevant to the University’s stated values and your compliance program recognizing that UVM’s policies and procedures extend beyond those identified in this code.

Creating a Respectful Campus Environment: Under state and federal statutes, it is illegal to discriminate based on race, color, national origin, religion, sex, disability, certain Veterans, age, citizenship status and genetic information. The State of Vermont also prohibits discrimination based on sexual orientation, gender identity and related characteristics, place of birth, ancestry, veteran status, HIV status, and discrimination on the basis of age as to persons 18 and older.

University policies, procedures and other guidance that contain language related to this section of the code include:

- Disability Accommodations for Employees and Applicants for Employment: https://www.uvm.edu/policies/hr/disabilityemployee.pdf
- Diversity Statement: http://www.uvm.edu/president/?Page=whydiversity_statement.html
- Equal Opportunity in Educational Programs and Activities and Non-Harassment: https://www.uvm.edu/policies/student/equaledu.pdf
- Our Common Ground: http://www.uvm.edu/~presdent/?Page=miscellaneous/commonground.html

Privacy and Security of Confidential Information: At UVM, we recognize the importance of protecting the privacy and security of confidential information. Some of this information is legally protected. Some of it is sensitive and, for a variety of reasons, needs to be kept confidential. Whether it is legally required or just the right thing to do, the University takes this responsibility very seriously and demonstrates its commitment through its Information Security and Privacy Programs. All persons covered by this Code have a responsibility to maintain the privacy and security of confidential or sensitive information. Protection of this information can greatly reduce the risk of the misuse of information or a breach.
Conflicts of Interest and Conflicts of Commitment: If you, or a member of your immediate family, has (or could have) a personal or financial interest that affects independent judgment as it relates to University duties OR it could result in personal gain or advancement at the expense of the University, you may have a conflict of interest. If you engage in external activities that significantly interfere with your ability to perform your UVM duties or are reasonably expected to interfere with your ability to perform your UVM duties, you may have a conflict of commitment. In both cases, the agreement, arrangement or activity could be prohibited.

Protecting University Assets and Appropriate Use of University Resources: We all have a responsibility to make sure that University resources are not wasted or used inappropriately. Stealing, committing fraud, bribing, and providing kickbacks are all examples of inappropriate use of University resources and are all violations of the law, University policy and this Code. We must all do our part to protect University resources.
• Facilities and Grounds Use:  
  http://www.uvm.edu/policies/facil/facsched.pdf

• Procurement or Lease of Goods and Services and Contract Approval and Signatory Authority for Procurement or Lease of Goods and Services:  
  http://www.uvm.edu/policies/procure/procurement.pdf

• Travel:  

**Accuracy in Recordkeeping:** The University has an obligation to ensure the trust of the public and other stakeholders through its financial and regulatory reporting. This includes ensuring the accuracy and timeliness of our records and reports. Submitting false information on a timesheet or expense report is stealing. Knowingly including false financial information in a report to the government is fraud. It is imperative for all of us to be honest and truthful in all records we maintain as part of our work duties.

University policies, procedures and other statements that contain language related to this section of the code include:

• Business Meal, Hospitality and Amenity:  
  http://www.uvm.edu/policies/procure/businessmeals.pdf

• Effort Management and Reporting on Sponsored Agreements:  
  https://www.uvm.edu/policies/grants/effortreporting.pdf

• Export Controls:  
  https://www.uvm.edu/policies/grants/export.pdf

• I-9:  
  https://www.uvm.edu/policies/hr/I9.pdf

• Movable Equipment:  
  https://www.uvm.edu/policies/grants/moveable_equipment.pdf

• Records Retention:  
  http://www.uvm.edu/policies/general_html/recordretention.pdf

• Travel:  

**Relationships with University Vendors and Other Third Parties in Business Transactions**

Personnel are expected to deal fairly with vendors and other third parties UVM conducts business with. No unfair advantage shall be taken of prospective or current vendors through manipulation, concealment, abuse of privileged information, misrepresentation of material fact or any other unfair practice. Additionally, all procurement policies and guidance must be followed to provide for a fair, impartial and inclusive selection process.

• Affiliated Organizations:  
  http://www.uvm.edu/policies/general_html/affiliated_organizations.pdf

• Procurement or Lease of Goods and Services and Contract Approval and Signatory Authority for Procurement or Lease of Goods and Services:  
  http://www.uvm.edu/policies/procure/procurement.pdf
Research: At the University, the scope of research is broad and diverse. While research activities are an integral part of the University, it is also an area that is heavily regulated and, as such, poses significant compliance risks. Ethics are fundamental to all academic research. Without ethics and trust, a complex, modern research institution cannot function. Researchers must be aware of the ethical standards governing their discipline and to avoid even the appearance of impropriety.

University policies, procedures and other statements that contain language related to this section of the code include:

- Copyright: [https://www.uvm.edu/policies/general_html/copyright.pdf](https://www.uvm.edu/policies/general_html/copyright.pdf)
- Effort Management and Reporting on Sponsored Agreements: [https://www.uvm.edu/policies/grants/effortreporting.pdf](https://www.uvm.edu/policies/grants/effortreporting.pdf)
- Export Controls: [https://www.uvm.edu/policies/grants/export.pdf](https://www.uvm.edu/policies/grants/export.pdf)
- Issuing and Monitoring Subawards on Sponsored Agreements: [https://www.uvm.edu/policies/grants/MonitorSubaward.pdf](https://www.uvm.edu/policies/grants/MonitorSubaward.pdf)
- Misconduct in Research and Other Scholarly Activities: [http://www.uvm.edu/policies/grants/researchmisconduct.pdf](http://www.uvm.edu/policies/grants/researchmisconduct.pdf)
- Moveable Equipment: [https://www.uvm.edu/policies/grants/moveable_equipment.pdf](https://www.uvm.edu/policies/grants/moveable_equipment.pdf)
- Residual Balances on Sponsored Agreements: [https://www.uvm.edu/policies/grants/BalancesSponsoredAgreements.pdf](https://www.uvm.edu/policies/grants/BalancesSponsoredAgreements.pdf)
- Sponsored Project Administration (SPA) Website: [http://www.uvm.edu/spa/](http://www.uvm.edu/spa/)
- Use of University Research Facilities and Equipment by External Users: [https://www.uvm.edu/policies/grants/researchfacil.pdf](https://www.uvm.edu/policies/grants/researchfacil.pdf)

Freedom of Expression: While our mission is dedicated to free expression and facilitation of the exchange of ideas, we need to balance that with our need to ensure that University endorsement is not improperly attributed and that University resources and facilities are used in a manner consistent with policy and campus safety.
University policies, procedures and other statements that contain language related to this section of the code include:

- Campus Speakers:  
  http://www.uvm.edu/policies/general_html/campus_speaker.pdf
- Copyright:  
  https://www.uvm.edu/policies/general_html/copyright.pdf
- Political Activities: Tax Exempt Organization Restrictions:  
  http://www.uvm.edu/policies/general_html/political_activity.pdf
- Solicitation:  
  http://www.uvm.edu/policies/general_html/solicitation.pdf
- Trademarks:  
  https://www.uvm.edu/policies/general_html/trademark.pdf
- University Name, Symbols, Letterhead and Other Proprietary Indicia of Affiliation:  
  http://www.uvm.edu/policies/general_html/letterhead.pdf
- University Sponsored Social Media:  
  http://www.uvm.edu/policies/cit/socialmedia.pdf

Creating a Safe and Healthy Campus:  A safe and healthy campus refers to both environmental safety (i.e., buildings, grounds) and personal safety. When it comes to a safe and healthy campus, we are all equally responsible for how we behave as well as how we treat others. If you ever feel unsafe or if you see or hear about unsafe conditions on campus or in your workplace, let someone know. Contact anyone listed under the resources section of this Code. If you ever feel that you are in immediate danger, call 911.

University policies, procedures and other statements that contain language related to this section of the code include:

Personal Safety:
- Alcohol Policy – Faculty and Staff:  
  http://www.uvm.edu/policies/general_html/alcohol_employees.pdf
- Campus Safety and Security: Clery Act:  
  http://www.uvm.edu/policies/riskmgm/clery.pdf
- Campus Security Authorities (CSA) – Designation of and Reporting By:  
  http://www.uvm.edu/policies/riskmgm/campussecurity.pdf
- Drug Free Workplace:  
  https://www.uvm.edu/policies/general_html/drugfreeworkplace.pdf
- Minors in the Lab:  
  https://www.uvm.edu/policies/riskmgm/minorslab.pdf
- Minors; Protection on Campus:  
  http://www.uvm.edu/policies/general_html/protectminors.pdf
- Minors; Reporting of Abuse or Neglect of and Crimes:  
  https://www.uvm.edu/policies/general_html/abuse_minors.pdf
- Personal Safety and Security:  
  http://www.uvm.edu/policies/general_html/personalsafety.pdf
- Sexual Harassment and Misconduct: http://www.uvm.edu/policies/general_html/sexharass.pdf
- Weapons and Explosives: https://www.uvm.edu/policies/general_html/firearms.pdf

Environmental Safety:
- Emergency Management: https://www.uvm.edu/policies/riskmgm/emergency.pdf
- Fire Safety: https://www.uvm.edu/policies/riskmgm/firesafety.pdf
- Laboratory Health and Safety: http://www.uvm.edu/policies/riskmgm/labsafety.pdf

Resources

While the Office of Compliance Services oversees the University’s compliance program, there are other offices and individuals that can provide guidance when faced with a difficult decision or situation.

- Faculty Senate: http://www.uvm.edu/faculty_senate
- Human Resources Services: http://www.uvm.edu/hrs/
- Office of Audit Services: http://www.uvm.edu/~auditwww/
- Office of General Counsel: http://www.uvm.edu/~gencnsel/
- Office of the Vice President of Executive Operations: http://www.uvm.edu/president/?Page=exec_operations.html

In addition to the above listed resources, the University also offers these resources depending on the issue or your needs:

- Disability Certification and Support: http://www.uvm.edu/hrs/?Page=info/general/disabilitycertification.html&SM=info/infomenu.html
- Diversity and Equity Unit: https://www.uvm.edu/~diversit/?Page=diveq.html&SM=servicesmenu.html
- Office of International Education: http://www.uvm.edu/oie/
- Office of the Vice President for Human Resources, Diversity and Multicultural Affairs: http://www.uvm.edu/~hrdma/?Page=contact.html
- Risk Management & Safety: http://www.uvm.edu/~riskmgmt/
Forms
None

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

Director of Compliance Services, Office of Audit and Compliance Services
(802) 656-0847
Tessa.Lucey@uvm.edu

The President is the official responsible for the interpretation and administration of this policy.

Related Documents/Policies
Employee Handbooks and Collective Bargaining Agreements:
http://www.uvm.edu/hrs/?Page=info/general/handbooksandpolicies.html&SM=info/infomenu.htm
UVM Institutional Policy Website
http://www.uvm.edu/policies/

Effective Date
Code of Business Conduct

Policy Statement

This Code of Business Conduct requires all University personnel to assume responsibility for safeguarding and preserving institutional resources so as to advance the institutional mission. It is the responsibility of supervisors to ensure that personnel whom they supervise receive adequate information and training to understand all laws and regulations, and all University policies and procedures, relevant to the discharge of their duties. In addition, all University personnel are expected to assume personal responsibility and accountability for understanding and abiding by relevant laws and policies and for adhering to the spirit of this Code.

Reason for the Code

All University personnel play a role in ensuring that institutional resources are protected, preserved and enhanced. This Code sets forth the fundamental expectations relating to business and fiduciary conduct. It is not intended to modify or restate University policies otherwise applicable to specific types of conduct or activities (see “Related Policies” below), or to limit in any way any additional rules or regulations that an administrative or academic unit may, through appropriate officials and channels, promulgate. Rather, the Code is a statement of the underlying standards and principles under which the University expects those with business and fiduciary responsibilities to carry out their duties.

Applicability of the Code

This Code applies to all employees, including administrators, staff, faculty, and student employees, who manage, supervise or conduct University business or financial transactions or activities (“personnel”), and to University-recognized organizations and affiliated entities.
Persons and entities who are not affiliated with the University may also use the Ethics and Compliance Hotline (https://secure.ethicspoint.com/domain/media/en/gui/24544/index.html) to report perceived violations of this Code.

**Code Elaboration**

Administrators are required to report suspected fraudulent or dishonest conduct to the Audit Services Office. In addition, administrators are responsible for maintaining a system of management controls that deter and/or detect fraudulent or dishonest conduct. Failure by an administrator to establish management controls or report misconduct within the scope of this policy may result in adverse personnel action against the administrator, up to and including dismissal.

All University personnel are expected to be aware of and comply with University and unit policies relevant to their work duties, including without limitation the principles and policies listed below. Confirmed violations will result in disciplinary action, up to and including dismissal, and/or termination of institutional recognition of University group or organization status or external affiliate relationships with the University. In some instances, civil claims and criminal charges may also result. Procedures for the investigation of suspected violations, imposition of disciplinary action, and the availability of grievance or appeal channels shall be governed by otherwise applicable University policies, handbooks, and collective bargaining agreements.

Personnel in certain professions or occupations may be subject to additional ethical and professional standards. Failure to adhere to those standards may constitute a job performance issue to be addressed through customary performance review processes.

Neither the University nor its employees may retaliate against a whistleblower with the intent or effect of adversely affecting the terms or conditions of employment or enrollment (including but not limited to, threats of physical harm, loss of job or educational status, punitive work assignments, or impact on salary or wages). Relative to non-affiliated entities or persons who act as whistleblowers, neither the University nor its employees may retaliate with the intent or effect of adversely affecting business or other opportunities with the University.

**General Principles of Conduct**

- **Fraud, Theft or similar conduct** – Any act that involves theft, fraud, embezzlement or misappropriation of the property of University or any of its employees or suppliers is prohibited.

- **Fair Dealing** – University personnel must deal fairly with services and goods vendors. No unfair advantage shall be taken of prospective or current vendors through manipulation, concealment, abuse of privileged information, misrepresentation of material fact or any other unfair practice.
• Financial Reporting – All University accounts, financial reports, tax returns, expense reimbursements, and other documents that must be completed in the course of the business of the University, including those due government agencies, must contain accurate information and be completed promptly by authorized personnel.

• Personnel Records – All University personnel must scrupulously ensure that all personnel records that they submit in connection with their employment (e.g., job applications; timesheets; vacation and medical leave records; benefits plan coverage or reimbursement requests) are accurate and completed promptly and in a manner consistent with applicable policies and procedures.

• Compliance – Supervisors must ensure that their supervisees receive adequate information and training to understand the laws and regulations, and University policies and procedures, relevant to the supervisees’ discharge of assigned duties. In addition, University personnel are expected to assume personal responsibility and accountability for understanding and abiding by relevant laws, regulations and policies in the discharge of their duties.

• Authority to Contract – University transactions must be authorized by appropriate officials in accordance with applicable institutional policies and procedures.

• Conflicts of interest and commitment – University personnel shall adhere strictly to institutional conflict of interest and commitment policies.

• Stewardship of University assets and resources – University assets and resources must be used prudently and effectively, and only for legitimate and authorized purposes. University property shall not be used, leased, donated, sold, or traded without proper authorization.

• Gifts and Gratuities – So as to prohibit and deter conflicts of interest or the appearance of a conflict of interest, University officials who have executive or management responsibility for a business or equivalent relationship with a services or products vendor shall not directly or indirectly give, offer, ask for, or accept for personal use, any gift or gratuity, in cash or in kind, from any current or potential vendor, nor shall they directly or indirectly give, offer, ask for, or accept for personal use, any gift or gratuity, in cash or in kind, from any potential vendor. See below “Clarification on Gifts and Gratuities and Conflicts of Interest Guidance.”

• Bribery, Kickbacks and Payoffs – Acts of bribery, and kickbacks and payoffs related to the discharge of University duties are prohibited.

• Confidentiality – University personnel must use reasonable diligence to maintain the confidentiality of information entrusted to them by the University or its students, alumni, employees or others with whom the institution has a business or fiduciary relationship, except when disclosure is properly authorized or legally mandated. This confidentiality principle applies both to information designated as such under applicable law, and non-
public University information that might be useful to competitors or harmful to the University if disclosed. University personnel must take reasonable steps to protect and restrict the transfer of such confidential information to unauthorized persons and must share such information within the University on a “need-to-know” basis. All relevant protocols applicable to the safeguarding of information, including computer use protocols, must be followed.

- **Accuracy of Records** – University personnel are responsible for the integrity and accuracy of records they complete or maintain in the course of their duties regarding the business and/or financial operations of the University or a unit thereof. No false, misleading or artificial entries, or unauthorized alterations, shall be made on the University’s books and records or in reports the University is required to make as a matter of law or policy.

- **Records Retention** – Responsible University personnel must ensure that records are maintained and retained as required by University policy and governing law.

- **Responsible Management of Government Funds** – The University will strictly comply with government grants and contracts terms and conditions and expects its personnel to be knowledgeable about, and comply with, such terms and conditions as appropriate to, and required by, the nature of their duties.

- **Political Endorsements** – University personnel shall not, in their capacity as University personnel, endorse political candidates.

- **Commercial Endorsements** – University personnel shall not endorse commercial products or services except as specifically authorized in advance in an employment contract executed by appropriate University officials on behalf of the University and also approved in advance by the Senior Vice President and Provost.

- **Institutional Endorsements** – Institutional endorsements will be handled in accordance with University policies and procedures regarding Trademarks and Licensing.

### Clarification on Gifts and Gratuities Provision and Conflicts of Interest Guidance

Although all University employees are subject to conflicts of interest policies, the Gifts and Gratuities provision is intended to apply solely to University officials who have executive (e.g., Vice President or senior) or management authority and responsibility with respect to specific commercial contracts, such as those with services or products vendors. Its purpose is to eliminate or avoid situations in which it appears that a University official is being, or could be, improperly influenced by the receipt, or prospect of, gifts or other gratuities in selecting a vendor. All purchasing decisions by UVM officials should be made on the basis of the vendor best suited to meet UVM’s needs and not based on personal or financial relationships.
The rule prohibiting gifts and gratuities does not apply to the following examples of situations:

- Mementos or other gifts of nominal value associated with volunteer services offered by a UVM employee to UVM or a charitable nonprofit (e.g., T-shirt for assisting with Move-In Day; “free” movie tickets from Red Cross for donating blood)

- Tokens of nominal value offered at fairs or information sessions available generally to UVM employees (e.g., pens, Post-Its, etc. displayed at a UVM Benefits fair or event)

- Items made generally available by a sponsor or a vendor at a professional conference (e.g., tote bag; mug)

- Hospitality made generally available to attendees at a professional conference or event by a sponsor or a vendor (e.g., refreshments; evening reception; meal made available to attendees or a discrete subset of them, such as New England higher education admissions counselors)

- Courtesy gifts of nominal value (such value not to exceed $50 annually from one source) as dictated by the cultural customs of foreign hosts or visitors. If a courtesy gift of the nature just described exceeds nominal value, it must be turned over to UVM within thirty (30) days through the Office of Vice President for Executive Operations. University personnel are responsible for determining the customs rules applicable to such gifts when traveling out of the U.S.

- Business meals and similar amenities with a significant business purpose, such as would be eligible for expense reimbursement under the applicable UVM Policy: http://www.uvm.edu/~uvmpgg/ppg/procure/businessmeals.pdf. If the amenities are being extended to a University official, their receipt must be associated with a business purpose, appropriate as to time and place, and must not influence or give the appearance of influencing the recipient. Thus, in the latter case, a UVM official having executive or management authority for a contract or business relationship with the person(s) hosting the meal or similar amenity may accept the offer only (1) if it would otherwise be reimbursable under the UVM Business Meal and Amenity policy were the hospitality being offered by the UVM official; and (2) the UVM official declares the business meal or similar amenity on the disclosure form appended to this Code.

- Subsidization or reimbursement of business travel by a professional association or other nonprofit organization that is not a services or products provider to UVM through business arrangements over which the UVM official has executive or management authority and responsibility. In the event that the subsidy or reimbursement is being offered by a services or products provider to UVM through business arrangements for which the UVM official has executive or management authority and responsibility, the official may seek advance approval from his or her supervisor for UVM coverage of such travel expenses if the supervisor concludes that the University’s interests would be best served by the official participation in the event.
Definitions

“Administrator” is a University official who has managerial or supervisory responsibility for another University employee or other University employees.

“Appropriate responsible official” is the individual by whom the possible violator is supervised. If the administrator making the report has reason to believe that the otherwise appropriate responsible official is aware of, or sanctioning, the violation, the report should be made to the next-level supervisor of the appropriate official.

“Contracting authority” is the University official who, under Procurement protocols or the Contract Approval and Signatory Authority, is authorized and required to approve and execute a contract. Contract authority for specified and limited purposes may be delegated under the procedures outlined in Procurement protocols or the Contract Approval and Signatory Authority.

“Good Faith” means honest belief, with the absence of malice or intent to defraud or seek unscrupulous advantage.

“Retaliation” includes any adverse action taken against University personnel because such person made a good faith report of a possible violation of this Policy. Examples of adverse action include, but are not limited to, threats of physical harm, implementing unfavorable changes in employment or educational status, punitive assignments, or negative impact on grades, salary or wages.

“Whistleblower” is a term used for an individual or entity who files a report of suspected wrongful conduct that is believed in good faith to constitute a violation of this Policy.

Procedures

Administrators must report perceived or demonstrated Code of Business Conduct violations to an appropriate responsible official, the Office of Audit Services, or the Office of Compliance Services. Non-administrator personnel are strongly encouraged to report perceived or demonstrated violations to an appropriate official, the Office of Audit Services or the Office of Compliance Services. Reports may also be made using the Ethics and Compliance Reporting and Help Line (https://secure.ethicspoint.com/domain/media/en/gui/24544/index.html). Customary channels will be used in the investigation of alleged violations of this Code and any imposition of related disciplinary or administrative action.

The University cannot guarantee confidentiality to persons making reports of suspected violations (“whistleblowers”). The investigating office will nonetheless strive to keep the identity of a whistleblower confidential unless:

- The whistleblower agrees to be identified;
Identification is necessary to allow University or law enforcement officials to investigate or respond effectively to the report;  

Identification is required by law; or  

The person accused of the violation is entitled to the information in disciplinary proceedings as a matter of legal or policy right.

Whistleblowers who believe they have been retaliated against may file a written complaint with the Audit Services Office or the Office of Compliance Services, which shall refer the report promptly to the immediate supervisor(s) of any person(s) accused of retaliation. If the whistleblower alleges that an immediate supervisor engaged in the retaliation, Audit Services or the Office of Compliance Services shall refer the retaliation report to that supervisor’s immediate supervisor for investigation.

If investigation determines that retaliation occurred, disciplinary action against the offender will be initiated through normal channels. If it is determined that retaliation has not occurred, the appropriate University official will so notify the whistleblower and explain the rationale for the conclusion. A whistleblower is not entitled to be informed of the nature and extent of any disciplinary action taken against personnel found to have engaged in retaliation.

This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

Allegations of suspected violations made in bad faith may give rise to disciplinary action against the whistleblower and personal liability in response to external legal claims filed by an individual wrongfully accused of misconduct. The fact that a report of suspected violation has been investigated and found unsubstantiated is not necessarily indicative of bad faith.

The Ethics and Compliance Reporting and Help Line


Forms

Business Hospitality Annual Disclosure Form
http://www.uvm.edu/~uvmppg/ppg/general_html/related_docs/business_hospitality_disclosure_form.doc

Contacts and Responsible Official

The Vice President for Executive Operations (VPFA) is the University official responsible for the interpretation and administration of this Code. The VPFA may be contacted as follows:
Suspected violations of this Code may be reported to the appropriate responsible official or to the following officials:

Chief Internal Auditor  
Audit Services  
Billings B158, 48 University Place  
802-656-0568  
William.Harrison@uvm.edu

Chief Compliance Officer  
Office of Compliance Services  
Billings B159, 48 University Place  
802 656-0847  
Anna.Drummond@uvm.edu

Related Documents/Policies

Audit Services Investigative Protocol  
http://www.uvm.edu/~uvmppg/ppg/general_html/related_docs/invprotocol.pdf

Code of Business Conduct FAQ  
http://www.uvm.edu/~uvmppg/ppg/general_html/related_docs/businesscodefaq.pdf

Computer and Network Use  
http://www.uvm.edu/~uvmppg/ppg/cit/compuse.pdf

Conflict of Interest and Commitment Policy  
http://www.uvm.edu/~uvmppg/ppg/general_html/conflictinterest.pdf

Contract Approval and Signatory Authority  

Effort Management and Reporting on Sponsored Awards  
http://www.uvm.edu/~uvmppg/ppg/grants/effortreporting.pdf

FERPA Rights Disclosure  
http://www.uvm.edu/~uvmppg/ppg/student/ferpa.pdf

Health Insurance Portability and Accountability Act (HIPAA)  
http://www.uvm.edu/~complian/compliance/?Page=HIPAA_UVM.html

Intellectual Property  
http://www.uvm.edu/~uvmppg/ppg/general_html/intellectualproperty.pdf

Loans to or Guarantees for Trustees and Officers  
http://www.uvm.edu/~uvmppg/ppg/otherdoc/botloans.pdf

Misconduct in Research and Other Scholarly Activities – revisions pending  
http://www.uvm.edu/~uvmppg/ppg/grants/researchmisconduct.pdf
Names, Symbols, Letterhead and Other Proprietary Indicia of Affiliation
http://www.uvm.edu/~uvmppg/ppg/general_html/letterhead.pdf

Political Activity
http://www.uvm.edu/~uvmppg/ppg/general_html/political_activity.pdf

Procurements and Contracts Policy – revisions pending
http://www.uvm.edu/~uvmppg/ppg/procure/procurement.pdf

Records and Documents Requests
http://www.uvm.edu/~uvmppg/ppg/general_html/record_request.pdf

Records Retention
http://www.uvm.edu/~uvmppg/ppg/general_html/recordretention.pdf

Related Significant Financial Interest in Research and Scholarly Activity
http://www.uvm.edu/~uvmppg/ppg/grants/researchcoi.pdf

Trademarks
http://www.uvm.edu/~uvmppg/ppg/general_html/trademark.pdf

Travel

**Effective Date**

Version 4.0.2.4 approved by the President on October 30, 2010

Version 4.0.2.4 Revised by the Audit Committee on October 11, 2010 and approved by the Board of Trustees on October 30, 2010.

Version 4.0.2.3 approved by the President on July 20, 2009

Version 4.0.2.3 Revised by the Audit Committee on July 13, 2009 and approved by the Board of Trustees Executive Committee on July 17, 2009.
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTEES

PRESIDENTIAL PERFORMANCE REVIEW POLICY

Policy

It shall be the policy of the Board of Trustees to review the performance of the President annually. In addition, the Board shall customarily conduct a comprehensive presidential performance review within a minimum of a covering a period of a minimum of three-years and maximum of a five-years time period.

The purpose of the annual review is to enable the President to strengthen his or her own performance, to allow the President and the Board to reset mutually agreeable goals, and to inform annual decisions on compensation adjustments and other terms of presidential employment.

The purpose of the comprehensive review is to examine the effectiveness of the relationship between the President and the Board in the discharge of their respective and collective governance responsibilities; to obtain feedback from key constituents on the progress of the President and the Board in achieving institutional priorities; to reaffirm the partnership between the President and the Board; and, as requested by the Board and the President, to consider consultant recommendations for improving both presidential and Board performance.

The review processes are not intended as a substitute for regular, ongoing communication about progress toward goals between the President and the Board.

The Board shall periodically review and, as necessary or desirable, revise this policy and its associated procedures in light of experience gained, best practices, and legal developments as applicable.

Procedures

Annual review
Criteria and Scope

The annual review will cover the preceding year. The criteria for evaluation and information responsive to those criteria will be based principally on the President’s self-assessment with respect to goals mutually set by the Board Chair and the President, in consultation with the Board, for the year in review. The review will encompass input from Trustees, solicited in the manner described below, and such additional information as the Board Annual Review Subcommittee may request of the President to assist in its assessment of progress toward the mutually established goals.

President’s Self-Assessment

The retrospective elements of the President’s self-assessment will customarily include:

• A copy of the mutually-agreed upon goals, with a description of efforts to meet them and the President’s progress assessment.

• A description of other personal or institutional achievements of which the Annual Review Subcommittee should, or might, be informed by the President as aspects of performance or accomplishment.

• Identification of significant institutional or personal challenges the President faced over the course of the review year that affected progress toward goals, with particular focus on those that are likely to persist into the upcoming year or beyond.

• Presidential self-assessment of relationships with the Board, key governance and constituency group leaders, or other significant stakeholders.

• Key areas in which the Board has been especially supportive.

The prospective elements of the President’s self-assessment will customarily include:

• Goals the President proposes for him/herself and the institution over the course of the (1) upcoming year, and (2) next five years.

• The President’s professional development plans and any associated requests of the Board.

• The President’s assessment of the University’s principal current opportunities and challenges.

• Key areas in which the President would especially benefit from Board support.
The Annual Review Subcommittee

The Board Chair will appoint an *ad hoc* Annual Review Subcommittee from the membership of the Executive Committee ordinarily to be comprised of no fewer than five members. The Chair may, in his/her discretion, serve as a member of the Subcommittee. If the Chair serves on the Subcommittee, s/he will serve *ex officio* as chair of the Subcommittee; if the Chair declines to serve on the Subcommittee, s/he will appoint a chair.

The review process, including consultation undertaken by the Annual Review Subcommittee or its members with the President and Trustees, and Subcommittee deliberations, shall be confidential. Following consideration by the Subcommittee of the President’s self-assessment and input solicited from other Trustees (including the Board Chair if s/he is not a member of the Subcommittee), the Subcommittee will first advise the Executive Committee (in an Executive Session from which the President will be excused) of the status of its review. Subsequent to the Executive Committee meeting, the Chair will, in an Executive Session from which the President will be excused, convey to the full Board the results of the review and provide adequate opportunity for Board discussion and deliberations regarding the findings. Promptly thereafter, the Board Chair will meet with the President to discuss the results of the review. A significant portion of the latter meeting shall include articulation of performance goals for the upcoming year.

The annual review process will generally be initiated in the spring and completed by the September Executive Committee meeting.

Setting of goals

Subsequent to the completion of the annual review process described above, the Board Chair will, in consultation with the President, establish and memorialize in writing performance goals for the upcoming year. In addition, the Chair will convey to the President any recommendations, concerns, or priorities arising out of the review process and the Board’s discussion of review outcomes. The Board shall promptly approve or ratify the goals established by the Chair and President for the upcoming year.

Setting of Compensation and other Terms of Employment

In conjunction with its review process, the Subcommittee will make a recommendation to the Board Chair regarding any component of an annual salary adjustment based on merit. Compensation and other terms of employment will otherwise be set pursuant to guidelines adopted by the Board, provided that the annual compensation review process shall occur subsequent to completion of the annual performance review.
Comprehensive Review

At approximately five-year intervals, the Board Chair will, on behalf of the Board, initiate a comprehensive review process.

Criteria and Scope

The comprehensive review, which ordinarily will be initiated in September, initiated at the direction of the Board Chair, will cover the first five-year period of a presidency or the interval since the last comprehensive review. The criteria for evaluation and information responsive to those criteria will be based on the President’s self-assessment of progress toward goals mutually set by the Board and the President, including those articulated in the institutional strategic plan; all previous reviews, including annual reviews; and qualitative interview data elicited from Trustees, leaders of governance groups, senior administrators, and significant constituencies and stakeholders with direct and substantial knowledge and experience with the President and the University, regarding progress toward established institutional goals and the effectiveness of relationships necessary to sound institutional governance and interactions with external stakeholders and partners.

The Review Committee

The Board Chair will appoint an ad hoc Comprehensive Review Committee from the membership of the Board to be comprised of no fewer than five members. The Chair will serve as a member and chair of the Review Committee. In addition, the Chair may, following consultation with the Board, retain a qualified consultant to assist the Board in the review process, including creation of interview questions, conduct of interviews, and development of recommendations for enhancement of the performance effectiveness of the President and the President-Board relationship.

The Review Process

In addition to the procedures outlined above for the comprehensive review, the following procedures will apply:

- Prior to commencement of the comprehensive review process, the Chair will summarize for all Trustees in writing the steps associated with the process.

- The University community will next be informed of commencement of the review through a communication from the Board Chair and President. The purpose, scope, and procedures associated with the review will be described in the communication.
• The substance of the review process, including deliberations, shall be confidential.

• The review process will customarily be completed within 2-4 approximately 6 months of its initiation.

• The results of the review, including recommendations, will be discussed and synthesized by the Review Committee, with the assistance of any consultant retained. The Chair will next review the results with the full Board in Executive Session, from which Session the President will be excused. Following provision of an adequate opportunity to deliberate regarding the review results, the process will advance to its next step. The Chair, accompanied or not in his/her discretion by the Review Committee, will promptly meet with the President to share the result of the review. The Chair will also at that time convey to the President any recommendations or specific requests and expectations associated with the review, which will be memorialized as an amendment to the President’s annual performance goals.

• At the conclusion of the foregoing steps, the Board Chair will issue a final communication to the University community announcing completion of the review process.

Adapted from: AGB Board Basics Annual Presidential Performance Reviews (2001)
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