A meeting of the Executive Committee of the Board of Trustees of the University of Vermont and State Agricultural College was held on Monday, July 14, 2008 at 12:00 p.m., via conference call, in room 351 Waterman Building.

MEMBERS PRESENT: Chair Ian Boyce*, Vice Chair Frank Cioffi*, William Botzow*, Daniel Fogel, and Martha Heath*

REPRESENTATIVES PRESENT: Staff Council Representative Beth Walsh

OTHER TRUSTEES PRESENT: none

ABSENT: Trustees Edwin Amidon, Robert Cioffi, Debbie McAneny and Robert Young
Faculty Representative Robyn Warhol-Down, Alumni Council Representative Meg Guzewicz and Student Government Association Representative Jay Taylor

PERSONS ALSO PARTICIPATING: Vice President for Legal Affairs and General Counsel Francine Bazluke, Provost John Hughes*, Chief of Staff Gary Derr, Vice President for Federal, State and Community Relations Karen Meyer, Vice President for Student and Campus Life Thomas Gustafson, and Interim Vice President for Finance and Administration Richard Cate

*By means of telephone.

Chair Ian Boyce called the meeting to order at 12:05 p.m.

Approval of Minutes

Chair Boyce entertained a motion to approve the minutes from the June 4, 2008 meeting with a proposed amendment to include notation of President Fogel’s recusal from a portion of the executive session held at the previous meeting. The motion was seconded and it was voted to approve the minutes as amended.

President’s Report

President Fogel offered a brief update on enrollment, noting that good news continues, tempered by caution prompted by the state of the economy and collateral uncertainty about the stability of student lenders. The caution notwithstanding, he reported that “melt” appears to be low, and that Vice President Lucier and his team continue to project an entering class 25 to 50 students above the target of 2400, maintaining the strong returns on new ALANA and Honors College enrollments reported earlier.
On the research front, President Fogel reported that preliminary data show that sponsored program awards to the University, which fell to $107 million in FY 2007, have rebounded in FY 2008 to above $120 million, with a robust recovery by the College of Medicine units and strong performances in a number of other areas, including the Departments of Biology and Chemistry and the School of Engineering.

The President stated that the agreement creating a research and education alliance with certain Maine institutions has been signed by all parties.

President Fogel next reported on ongoing budget work for FY 09 and beyond. The administration is engaged in intensive work on the 2009 budget and on new budgetary measures to be taken in subsequent fiscal years. For the 2009 budget, Interim Vice President Cate, Associate Vice President Winfield and staff have been analyzing all budget assumptions for the original budget and the obligations that will affect it. This work includes:

- Differentiating between unbudgeted one-time expenditures in FYs 2007, 2008 and 2009 (anticipated) and recurring expenditures that must be included in the FY 2009 budget and beyond;
- Identifying one-time revenue sources to help pay for the one-time expenditures and assessing appropriate financing and repayment options;
- Identifying opportunities to reduce spending in the FY 09 budget.

President Fogel will meet with the budget team this week to consider preliminary recommendations for dealing with previous unbudgeted expenditures and for balancing the FY 09 budget, after which he will offer his input and the plan will be adjusted accordingly. Once this work is complete, the proposed budget adjustments will be vetted with Board leadership in advance of the August Executive Committee meeting.

Lastly, President Fogel offered an update on Mount Mansfield. He reminded Committee members that Vice President Bazluke previously advised the Board that Vermont Public Television (VPT), which owns an analog tower on Mt. Mansfield located on University land, would like to leave the tower in place to accommodate increased demand for wireless communications. Under a 2003 agreement to which UVM was a party, however, the analog tower is slated to be removed after the erection of a digital tower. As there is now agreement between the broadcasters and those most interested as environmentalists in protecting the summit that, on balance, the best approach is for the analog tower to remain at the site, President Fogel has authorized Interim Vice President Cate to sign a revised agreement to that effect. Because the University is the property owner, it must apply for the necessary permits.

Chair Boyce offered an opportunity for comments and questions. Trustee Botzow thanked President Fogel for the strategic updates and inquired about the level of difficulty in preparing the budget. President Fogel responded that the process has not been easy, but has been manageable, and that the budget team gives him confidence that he will have a strong foundation from which to present a revised budget to the Board.
Approval of Conveyance of the Pew Forest to The Nature Conservancy

Interim Vice President Cate reported that the University and The Nature Conservancy (TNC) are nearing completion of negotiations for the sale to TNC of the Pew Forest in Manchester, Vermont. The University inherited the 194-acre tract from the Estate of Mary Ethel Pew in 1983. Since the gift was received, the TNC interest in the property has expanded substantially and the interest of the Rubenstein School has decreased. The reduced interest of the School is due to an intensified effort on woodland stewardship programs located closer to campus and the University’s confidence that future UVM research or study needs at the Pew forest property could reasonably be achieved under the deed’s restrictions, even if the property were owned by TNC.

While the sale of the forest does not require Board approval, the executors of the Pew Estate also conveyed to the University, in 1984, a gift of approximately $93,000, which has increased significantly in value as part of the University’s consolidated endowment. To ensure maximum compliance with the letter and the spirit of deed restrictions, the University will transfer the unappreciated original value of the endowment to TNC so that that fund may “stay with the land.” Because of this endowment feature, the Executive Committee is being asked to approve the conveyance of the Pew Forest to The Nature Conservancy.

Chair Boyce indicated that he would be presenting the resolution approving conveyance of the Pew Forest to The Nature Conservancy later in the meeting.

Appointment of Trustee Liaison to the Alumni Council

Chair Boyce reported that the idea of a Trustee appointed liaison to the Alumni Council was discussed with Alumni Council leadership and others as a means of strengthening the relationship between the Board and the Council. Given his former affiliation with the Council, Chair Boyce has asked Frank Cioffi to serve. Chair Cioffi accepted the appointment and was thanked by Chair Boyce.

Chair Boyce indicated that he would be presenting the resolution approving the appointment of Frank Cioffi as liaison to the Alumni Council later in the meeting.

Retreat Debrief

Chair Boyce again thanked Committee members for their attendance at the retreat and encouraged those who have not yet completed an evaluation form to do so. He next referred to the retreat summary distributed earlier for review and offered an opportunity for comments. There being none, he informed the Committee that the report will be finalized following a conference call with the facilitator later this week and that all Trustees will receive a copy of the final report.
Fall Board Meeting Preparations

Chair Boyce reported that the September Board meeting schedule is being developed. Board meetings will begin at 8:00AM on Thursday, September 4 and conclude by 5:00PM on Friday, September 5. Meetings will begin on Thursday morning with the Committee of the Whole. Time will be reserved for discussion of the Audit report followed by a Budget, Finance and Investment Committee (BFI) meeting. Chair Boyce noted that the Educational Policy and Institutional Resources Committee was intentionally not scheduled in the morning to allow those Committee members to attend the BFI meeting for the revised FY 09 budget discussion. Committees will reconvene on Thursday afternoon and Friday morning. A formal discussion of the schedule and committee agendas will occur at the August committee meeting.

Chair Boyce next referred members to the memorandum distributed with the meeting materials as Attachment 3 in which he proposes guidelines for agenda development. An opportunity for feedback was offered.

Trustee Botzow remarked that he thought it was a good document. He suggested that the Board’s support for achieving the University’s goal of educational excellence be reflected in the document, such as in the list of policy matters. Provost Hughes responded this goal may more appropriately fall under strategic matters, and he offered to work with Vice President Bazlute to articulate this goal.

Chair Boyce concluded the discussion by reiterating the importance that all Trustees invest time preparing for each meeting by reading the material distributed in advance to ensure ample time for strategic discussions and decision making to occur at the meetings.

Other Business

Chair Boyce offered a brief update on the status of the audit of financial internal control issues, noting that the audit is on track, with good cooperation from UVM personnel. It is anticipated that the final report will be available for public distribution in conjunction with the September meeting.

Interim Vice President Richard Cate briefly summarized the status of the reconstruction of the Geology’s Cosmogenic Laboratory in Delehanty Hall, which was destroyed by fire in May of last year. The University has been negotiating with the insurance carrier over the last several months; the carrier’s reimbursement will make up the majority of the $1.6 million contract with the construction management firm managing the reconstruction project. The University’s intent is to use funds from the amount granted to Provost Hughes in February for Research Infrastructure to cover the gap between the insurance payment and the $1.9 million total project cost. The remaining amount is less than the threshold that requires Board action, but Interim Vice President Cate stated that he was reporting on this matter to ensure transparency in the contract approval process.
Chair Boyce called to the Committee’s attention the routine written progress report on capital projects included in the meeting materials (Attachment 4), noting there will be an opportunity to discuss these updates at the fall Board meeting.

Chair Boyce next offered the following resolutions for approval:

**Resolution Approving Trustee Liaison Appointment to the Alumni Council**

RESOLVED, that the Board of Trustees approves the appointment of Trustee Frank Cioffi as liaison to the Alumni Council, effective immediately, coextensive with Board Committee appointments.

**Conveyance of the Pew Forest to The Nature Conservancy**

RESOLVED, that the Board of Trustees hereby approves the conveyance to The Nature Conservancy of the Pew Forest in Manchester, Vermont, at the agreed sale price of $199,000.

FURTHER RESOLVED, that the Board approves the transfer to The Nature Conservancy, along with ownership of the Pew Forest, of the sum of $93,115.29, which represents the original value of the forest stewardship fund gifted to the University by the Estate of Mary Ethel Pew in 1984. This fund is transferred with the understanding that The Nature Conservancy will hold the land in perpetuity and will use the fund in accordance with the wishes of Mary Ethel Pew and her executors.

FURTHER RESOLVED, that the President, the Provost, and the Vice President for Finance and Administration, or their successors or designees, are hereby authorized to execute those documents necessary to effect the conveyance and transfer.

FINALLY RESOLVED, that the Secretary or Assistant Secretary will provide certificates of incumbency, as required, showing the names and signatures of those persons appointed to any of the positions heretofore mentioned, and further, that any officer of this corporation is hereby authorized to certify this resolution to whom it may concern.

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

**Executive Session**

At 12:44 p.m., Chair Boyce entertained a motion to enter into Executive Session for the purpose of discussing collective bargaining. The motion was seconded and approved. The following persons were asked to remain: Provost Hughes, Vice President Bazluke, Interim Vice President Cate, and Chief of Staff Gary Derr.
Adjournment

The meeting was re-opened to the public at 12:55 p.m. There being no further business, the meeting was adjourned.

Respectfully submitted,

Ian Boyce, Chair