A meeting of the Executive Committee of the Board of Trustees of the University of Vermont and State Agricultural College was held on Monday, August 17, 2009 at 8:30 a.m., in the President’s Conference Room, 351 Waterman Building.

MEMBERS PRESENT: Chair Ian Boyce*, Claire Ayer, Bill Botzow*, Robert Cioffi*, Daniel Fogel and Debbie McAneny*

REPRESENTATIVES PRESENT: Faculty Representative Jim Burgmeier, Staff Council Representative Beth Walsh and Student Government Association Representative Bryce Jones

ABSENT: Vice Chair Frank Cioffi, Trustee John Snow and Alumni Council Representative Meg Guzewicz

TRUSTEES ALSO PARTICIPATING: Adam Roof

PERSONS ALSO PARTICIPATING: Interim Provost Jane Knodell, Vice President for Finance and Administration Richard Cate, General Counsel Francine Bazluke, Vice President for Executive Operations Gary Derr*, Vice President for Federal, State and Community Relations Karen Meyer, Vice President for Enrollment Management Chris Lucier and Vice President for Student and Campus Life Thomas Gustafson

*By means of telephone.

Chair Ian Boyce called the meeting to order at 8:32 a.m.

Approval of Minutes

Chair Boyce entertained a motion to approve the minutes from the July 17, 2009 meeting. The motion was made, seconded and it was voted to approve the minutes.

President’s Report

President Fogel reported that he has continued working with Interim Provost Jane Knodell, Vice Presidents, and Deans on developing the strategic agenda for the year. This work has sought to promote understanding and support of the unitary vision for focused investment in undergraduate education, graduate education, and research in order to sustain the University’s success trajectory. After discussions with Deans last week, Interim Provost Knodell, Vice President for Research and Dean of Graduate Studies Domenico Grasso, and President Fogel are revising a case statement that they will present to Faculty Senate leadership before presenting to Board leadership. This statement will
describe why the University can only sustain quality in undergraduate education by building quality in graduate education and research.

As one of the first measures taken to align resources in highly strategic ways, Interim Provost Knodell reported that the administration has suspended Deans’ hiring authority for roughly half of the tenure-track positions that would otherwise have been returned to the Deans to be filled this year. This measure will continue until the program prioritization process has been completed and hiring can proceed in strategic alignment under the coordinated direction of the Interim Provost and Deans.

Interim Provost Knodell also stated that Deans have been asked to report, at their upcoming retreat, on the greatest strengths and opportunities they see at the University for development of world-class transdisciplinary research programs. Deans will be asked to comment on the current strengths of their individual units. Professor Cathy Koshland, Vice Provost of Academic Planning and Facilities at the University of California, Berkeley, will attend the retreat to share her experience on academic strategic planning and academic program restructuring. President Fogel and Interim Provost Knodell will report to the Board in October regarding the outcome of the Deans’ retreat. Strategic investment decisions are anticipated to be made by spring semester 2010.

In response to questions from Trustees Debbie McAneny and Bill Botzow, Interim Provost Knodell stated that Deans have been receptive to these measures and that the Faculty Senate will soon become involved in the process.

President Fogel resumed his report by noting that progress continues in addressing the priorities of developing a general education requirement, designating priority doctoral programs and creating consistent dashboard indicators, all of which were items identified as priorities at the recent Board retreat. The administration will have a proposed set of dashboard indicators to share with the Board Governance Committee before the September 14th Executive Committee meeting. The goal is to have the dashboard in place for the October Board meeting.

President Fogel offered the following updated indicators and reports:

- Enrollment projections for fall remain strong. Summer melt had been projected to be slightly greater than last year, but to date has been slightly lower. The administration still anticipates fall enrollment to be robust, high-quality and with unprecedented diversity.

- Last month, President Fogel announced that Sponsored Program awards for FY 2009 had outdone all past records, totaling $130,000,000. This total has been revised to slightly more than $133 million. The number of awards increased, from 718 to 773. The largest gains include a nearly $3 million increase in the Rubenstein School, a $3.5 million increase in College of Agriculture and Life Science, and increases of between half a million and a million in CESS, CEMS, CAS, and Extension.
- The University’s cash position and cash flow projections are strong nearly a year after cash invested with Commonfund was frozen. Vice President Richard Cate will be giving the Budget, Finance and Investment Committee a full update in October. President Fogel reported that to date, 90.4% of cash from the Commonfund Short Term Fund has been redeemed with $8.3 million remaining in the fund. In addition, there is $8 million in the Intermediate Term Fund. Access has recently been granted to all of these funds, but Vice President Cate is waiting for the most opportune time to put in the redemption order in an effort to minimize losses on assets that have been growing over the past few months. The University has $5.7 million remaining in the Absolute Return Fund, and a full redemption of these assets is expected within the next year. The University currently has $97 million in cash on hand with an additional $22 million remaining in the Common Fund. If no further redemptions are made from the Common Fund, the projected low point in December would be $94 million in cash.

Chair Boyce thanked President Fogel for his report and asked for a brief update on H1N1 response planning. President Fogel indicated that the Administration anticipates a complex flu season, projecting as many as 30% of students and personnel to be affected. It is not anticipated that the University will need to close as a result. Vice President for Administration Gary Derr added that Emergency Operations Group will continue to meet weekly to further develop response planning.

**Action Items**

Chair Boyce noted that, at its July retreat, the Board expressed interest in determining the desirability and feasibility of establishing a University-related foundation. As a result, Chair Boyce is seeking approval of a resolution regarding appointments to a Trustee Advisory Work Group that will be charged to examine these issues and to make a recommendation to the Full Board in 2010. Chair Boyce also indicated that he would like to amend the resolution pending before the Executive Committee to include the appointment of Trustee Harry Chen.

Chair Boyce next raised the resolution regarding the Aiken Center Renovation Project. The Board had previously approved the project in 2007 and, by means of the pending resolution, the administration is seeking authorization to proceed with necessary planning steps, including the preparation of detailed construction drawings, to enable the University to put out to bid the Greening of Aiken Project by January 2010. Following such authorization, the administration would prepare a financing plan for the Budget, Finance & Investment Committee to consider in October. Funding includes an $867,000 EPA grant that is an earmark from Senator Leahy. This grant is set to expire on September 30, 2009; however, an extension is expected.

Trustee Claire Ayer inquired as to the cost of the planning steps. Vice President Cate replied that the anticipated cost is approximately $600,000-$700,000, which is included in the total projected costs.
The following resolutions were presented for approval:

**Approval of Appointments to the Trustee Advisory Work Group**

RESOLVED, that the Executive Committee approves the appointment of Trustees, Christopher Bray, Harry Chen, Robert Cioffi, John Hilton, Susan Hudson-Wilson and Mark Young to serve as members of an advisory work group designed to assist the Board and the administration in exploring the desirability and feasibility of establishing a development foundation; and

BE IT FURTHER RESOLVED, Chair Ian Boyce and President Daniel Fogel will serve as *ex-officio* members of the advisory group.

**Aiken Center Renovation Project (Greening of Aiken)**

WHEREAS, at its December 1, 2007 Board of Trustees meeting, the Board approved the Greening of Aiken project and $13.44 million in funding consisting of $8.44 million of debt that was to be combined with $5 million (37%) of non-debt funds; and

WHEREAS, the Greening of Aiken project was not initiated after the Board’s approval because the non-debt financing requirement had not been met; and

WHEREAS, currently $3.27 million in cash and pledges to support this project, including an $867,000 EPA grant that is a direct federal appropriation from Senator Leahy has been received; and

WHEREAS, the importance of the project, both to the Rubenstein School of Environment and Natural Resources and the University is even more critical than when the Board approved the project in 2007; and

WHEREAS, given that the project delay makes securing added non-debt support even more difficult;

NOW THEREFORE, BE IT RESOLVED, that the Executive Committee authorizes the administration to proceed with all necessary planning steps, including the preparation of detailed construction drawings, to enable the University to put out to bid the Greening of Aiken project by January 2010; and

BE IT FURTHER RESOLVED, that the President and Vice President for Finance and Administration shall following such authorization prepare a plan upon which the Budget, Finance and Investment (“BFI”) Committee will act; and

BE IT FINALLY RESOLVED that, if the BFI approves the plan, at the October 2009 meeting of the Board, the administration will submit for Board approval a
resolution amending the original 2007 resolution that authorized the administration to proceed with the project at the same overall cost of $13.4 million; amending the non-debt requirement to a minimum of $3.4 million; and securing up to $10.0 million in debt financing through borrowing secured by cash investment of the same amount.

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

**Other Business**

Chair Boyce offered an opportunity for members to discuss other business.

Audit Committee Chair Bill Botzow stated that the search firm Witt/Kieffer has been identified to assist in the recruitment of a Chief Internal Auditor. The firm will meet with the Chief Internal Auditor Search Subcommittee within the next couple of weeks to develop a job position description. Chair Botzow anticipates the firm will need approximately 10 weeks to identify potential candidates and that a final candidate may be chosen as early as November.

General Counsel Francine Bazluke announced that the position of Chief Internal Compliance Officer will be posted this week.

Vice President for Federal, State and Community Relations Karen Meyer stated that Senator Patrick Leahy today will announce that an innovative new maple spout, developed by the University of Vermont’s Proctor Maple Research Center with funding secured by the Senator, will be commercially produced and have a dramatic impact on maple syrup production, boosting job creation and economic development in the state.

**Adjournment**

There being no further business, the meeting was adjourned at 8:58 a.m.

Respectfully submitted,

Ian D. Boyce, Chair