A meeting of the Executive Committee of the Board of Trustees of the University of Vermont and State Agricultural College was held on Monday, December 10, 2012 at 1:00 p.m., in 427A Waterman Building.

MEMBERS PRESENT: Chair Robert Cioffi*, Vice Chair Harry Chen*, Bill Botzow*, Frank Cioffi*, Debbie McAneny*, Thomas Sullivan, Donna Sweaney*, and Mark Young*

OTHER TRUSTEES PRESENT: Kyle DeVivo* and Dennis Mahoney

REPRESENTATIVES PRESENT: Staff Council Representative Catherine Symans, Graduate Student Senate Representative Kelly Swindlehurst, Student Government Association Representative Connor Daley, Foundation Representative Richard Bundy** and Faculty Representative Julie Roberts

MEMBERS ABSENT: None

PERSONS ALSO PARTICIPATING: Provost and Senior Vice President Jane Knodell, Vice President for Legal Affairs and General Counsel Francine Bazluke, Vice President for Finance and Administration Richard Cate, Vice President for University Relations and Campus Life Thomas Gustafson, Vice President for Enrollment Management Christopher Lucier, and Vice President for Executive Operations Gary Derr

*By means of phone.
**Joined in person at 1:50 p.m.

Chair Robert Cioffi called the meeting to order at 1:05 p.m.

Approval of Minutes

Chair Cioffi entertained a motion to approve the minutes from the October 1, 2012 meeting. The motion was made, seconded and it was voted to approve the minutes as presented.

President’s Report

President Tom Sullivan called attention to the Wing Parking lot incident that occurred December 3rd and the communication mishap following the incident stating that, as a result, he has asked Vice Presidents Cate and Gustafson to convene the Emergency Operations Group to review the situation and to provide recommendations for the improvement of practices.

President Sullivan also reported that the Interim Provost search continues and the final four candidates have been interviewed in public forums. He noted that survey submissions for
candidate feedback are due today, and that the results will be organized to assist in the selection process.

In concluding his report, President Sullivan mentioned that many holiday gatherings are being held to recognize the University community. Last week, he and his wife, Leslie Black Sullivan, hosted the first event at Englesby House since it became their home. The event was held to honor the Women of UVM and had over a hundred participants. President Sullivan noted that a University-wide holiday party is being held December 17th. He also encouraged everyone to attend December Commencement, to be held December 15th.

Chair Cioffi added that President Sullivan has also been attending out-of-state events. Both Chair Cioffi and President Sullivan attended an alumni event held December 5th in New York City. The event drew over 200 alums. After the NYC event, President Sullivan attended an event in Washington D.C. before returning back to campus.

**Action Items**

Vice President for Finance and Administration Richard Cate introduced a resolution approving a contract with US Bank for the University Purchasing Card Program. He explained that a request for proposal had been issued to 18 vendors this past summer. Eleven responses were received, and the proposals were reviewed based on the criteria of program administration, service, technology, reporting, security and fraud protection, conversion and implementation, vendor profile, product information, program fees and costs and incentives. The top four issuers that emerged as a result of the review and analysis were US Bank, Citibank, J.P. Morgan Chase, and Bank of America. After extensive review, US Bank is being recommended. The decision to award to US Bank was based on overall financial offering, better functionality for daily program maintenance, user interface in technology and technological capabilities, and reporting and auditing tools. Vice President Cate noted that the University has held the Purchasing Contract with Mellon Bank for many years, but that the company has changed its policies to such an extent that it is no longer the best option for the University.

Trustee Debbie McAneny asked how the purchasing cards are used. Vice President Cate explained that they are used by University employees for the purchase of services and goods for the University.

The following resolution was presented for approval:

**Resolution Approving Contract with US Bank**

BE IT RESOLVED, that the Vice President for Finance and Administration, or his successors is authorized to enter into a five-year contract US Bank as the issuer for the University Purchasing Card Program with the option of five one-year renewals.

A motion was made, seconded and it was unanimously voted to approve the resolution as presented.
Vice President Cate presented a resolution authorizing a 2007 Bond issue proceeds reallocation. He explained that, in 2007, the Board of Trustees authorized the issuance of General Obligation Bonds in the amount of $158,250,000, of which $7 million was specifically allocated for information technology (IT) infrastructure renovations. The University, in fact, expended proceeds for IT projects that have been completed, but a balance of approximately $371,000 remains. The administration wishes to expend up to $175,000 from the 2007 bond proceeds to purchase a course and curriculum management system to improve the online catalog, and to use the remaining balance of approximately $196,000 to upgrade and replace a portion of the information technology infrastructure that supports the Banner Student Information System and Blackboard instructional management system. The administration has confirmed with bond counsel that the proposed expenditures fit the definition of appropriate uses of these particular bond proceeds.

Trustee McAneny asked whether there are any other bonds that have proceeds available for reallocation. Vice President Cate replied that 2007 bond is the oldest of its kind and that he is not aware of any similar situation.

The following resolution was presented for approval:

Resolution Authorizing 2007 Bond Issue Proceeds Reallocation

WHEREAS, in 2007, the Board of Trustees authorized the issuance of General Obligation Bonds in the amount of $158,250,000 of which $7 million was specifically allocated for information technology infrastructure renovations; and

WHEREAS, the University initially authorized the expenditure of these bond proceeds for certain projects that have been completed, but a balance of approximately $371,000 remains unexpended; and

WHEREAS, the University now wishes to authorize the expenditure of up to $175,000 from the 2007 bond proceeds to purchase a course and curriculum management system to improve the online catalog and to use the remaining balance of approximately $196,000 to upgrade and replace a portion of the information technology infrastructure that supports the Banner Student Information System and Blackboard instructional management system;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to reallocate up to $175,000 from the information technology infrastructure renovation project to finance the purchase of catalog and course management software, and to reallocate the unexpended balance of the bond proceeds remaining after the implementation of the catalog and course management software to support the upgrade and replacement of computing and storage equipment that supports the Banner Student Information System and Blackboard instructional management system.

BE IT FURTHER RESOLVED, that the Secretary or Assistant Secretary will provide certificates of incumbency, as required, showing the names and signatures of those
people 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 resolution as presented.

Vice President Cate introduced a resolution awarding contracts for grounds maintenance. He explained that Physical Plant is requesting grounds maintenance services for Main Campus and Trinity Campus, to include services such as mowing, pruning, edging, seeding, weeding, mulching, and spring/fall cleanup. The resolution offered includes six vendors with varying contract amounts with an aggregate of $2.4 million. He explained that UVM staff oversee the grounds maintenance personnel, and that professional landscape firms are contracted to meet the needs of Physical Plant and any special requests from campus departments.

Trustee Bill Botzow asked if the contracts were being rewarded exclusively to Vermont companies. Vice President Cate confirmed they are all Vermont companies.

The following resolution was presented for approval:

**Resolution Awarding Contracts for Grounds Maintenance Services**

BE IT RESOLVED, that the Vice President for Finance and Administration, or his successor or designee, is authorized to execute contracts that total up to $2.4 million for the University’s grounds maintenance services with Landshapes Landscape Design and Installation, Levinsky Landscaping and Property Management, Inc., ML Scapes, Inc., Pleasant Valley, Inc., A. Marcelino and Company, Inc., and Cedar Glen Property Maintenance, Inc. Each contract will cover services from January, 1, 2013, through December 31, 2015, with the option of two one-year renewals.

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

Audit Committee Chair Mark Young presented a resolution approving the Office of Compliance and Privacy Services restructuring. He explained that, at the November 7, 2012 Audit Committee meeting, the President conveyed his recommendation to reassign oversight of the Office of Compliance and Privacy Services from the Office of the General Counsel to the Office of Audit Services. The proposed restructure would have Compliance and Privacy Services reporting directly to the Chief Internal Auditor, and its staff would have access, and present reports and updates, through the Chief Internal Auditor to the Board Audit Committee.

The Audit Committee reviewed and endorsed the proposal on November 7, 2012. The Committee Chair noted, however, that due to a technical error of an executive session sign remaining on one of two doors to the meeting room during the vote, the Audit Committee reconvened on November 12, 2012 to ratify its action.
The following resolution was presented for approval:

**Resolution Approving Office of Compliance and Privacy Services Restructuring**

WHEREAS, the President has accepted a recommendation to reassign oversight of the University’s Office of Compliance and Privacy Services from the Office of the General Counsel to the Office of Audit Services; and

WHEREAS, the President has conveyed his affirmative decision on the recommendation to the Audit Committee on November 7, 2012; and

WHEREAS, the Audit Committee reviewed and endorsed the proposal by motion on November 7, 2012, and reconvened on November 12, 2012, to ratify its approval;

BE IT RESOLVED, that the Executive Committee approves the Audit Committee’s recommendation to:

1. Endorse the administration’s proposal to restructure the Office of Compliance and Privacy Services to report directly to the Chief Internal Auditor and to have access and present reports and updates through the Chief Internal Auditor to the Board Audit Committee; and

2. Request that the Chief Internal Auditor provide at a future meeting his specific plan with recommendations regarding the restructuring of the University’s compliance and privacy functions to the Board Audit Committee for its consideration and approval.

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

Board Governance Committee Chair Frank Cioffi presented a resolution approving amendments to the *Guidelines for Selection of University Trustees*. He explained that, at its meeting this morning, the Committee on Board Governance approved the proposed changes. In addition to housekeeping amendments, language has been added requiring Board and Committee leadership, the University President, and a student trustee selected by the Board Chair, to meet at least once annually as trustee vacancies arise to discuss the Board’s compositional needs.

The following resolution was presented for approval:

**Resolution Approving Amendments to the Guidelines for Selection of University Trustees**

RESOLVED, that the Executive Committee hereby approves the amendments to the *Guidelines for Selection of University Trustees* appearing as Appendix A to this document.
A motion was made, seconded and it was unanimously voted to approve the resolution as presented.

Executive Session

At 1:21 p.m., Chair Cioffi entertained a motion to enter into executive session to discuss contracts, collective bargaining, and the appointment of a public employee and official. He noted that action was anticipated following the session. Provost Knodell and Vice Presidents Bazluke, Cate, Gustafson and Derr were invited to remain. Chair Cioffi noted that President and CEO of the University Foundation Rich Bundy would attend a portion of the Executive Session once he arrived on campus. All others in attendance were excused from the meeting.

Foundation President and CEO Rich Bundy joined the executive session at 1:50 p.m. and was excused after the second item relating to the Foundation. Trustee Frank Cioffi left the meeting at 2:00 p.m. Provost Knodell and Vice Presidents Lucier and Gustafson were excused after the fifth item.

At 2:28 p.m., the meeting was reopened to the public.

Other Business

The following resolution was presented for approval:

UVM Foundation Post-Retirement Medical Benefits Liability

WHEREAS, the University of Vermont Foundation (Foundation) was created on January 1, 2012 and a number of former employees of the University of Vermont (UVM) became employees of the Foundation at that time; and

WHEREAS, these employees were granted post-retirement medical benefits by the Foundation, thus creating a future liability for the Foundation; and

WHEREAS, the UVM Board of Trustees is working with the board of the Foundation to develop a permanent means of dealing with said liability and needs more time to do so; NOW, THEREFORE BE IT RESOLVED, that the Vice President for Finance and Administration is authorized to develop and sign an agreement with the UVM Foundation stipulating that UVM will retain the post-retirement medical benefit liability for those former employees of UVM that are now employed by the Foundation through June 30, 2013, and that the Foundation will continue to pay during this period all direct post-retirement medical benefit costs associated with the retirement of its staff.

A motion was made, seconded and it was unanimously voted to approve the resolution as presented.
The following resolution was presented for approval:

**Authorizing Resolution Related to Intergovernmental Transfers**

RESOLVED, that the Committee authorizes the administration to enter into agreements, or undertake revisions to existing agreements, designed to effectuate intergovernmental transfers on the proposed material terms the administration reported to the Committee on this date.

A motion was made, seconded and it was voted to approve the resolution as presented with a majority vote of 6 for and one opposed. Trustee Harry Chen recused from voting on the resolution.

The following resolution was presented for approval:

**Resolution Regarding Collective Bargaining**

RESOLVED, that the Executive Committee authorizes the administration to enter into and execute a collective bargaining agreement relative to part-time faculty with United Academics (UA) on the material terms and conditions reported today, and subject to ratification of the UA members.

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

**Adjournment**

There being no further business, the meeting was adjourned at 2:31 p.m.

Respectfully submitted,

Donna Sweaney, Secretary
GUIDELINES FOR SELECTION OF UNIVERSITY TRUSTEES

With full deference to the discretion of the bodies and officials who appoint trustees to the University of Vermont and Agricultural College Board, the Board offers the guidelines set forth below for trustee selection. A trustee’s qualifications should encompass:

- Endorsement of the vision and mission of the institution
- Capacity to understand a large, complex organization
- High integrity and sensitivity to conflicts of interest
- Strong leadership and decision-making skills
- Commitment to the best interests of the University as a whole as well as the larger communities within which it operates
- Full acceptance of trustee responsibilities (as set forth in the Statement of Trustee Responsibilities), including preparation for and regular attendance at Committee and Board meetings and prompt completion of all work required of a trustee and participation in the life of the University through attendance at ceremonial and social events, as feasible
- Support of the principles articulated in Our Common Ground

In addition, the Board strives to include in its composition trustees who have the following skills and/or experience, recognizing that the University and the Board are best served by having a Board comprised of members with complementary skills and experience:

- Financial acumen
- Knowledge of nonprofit organizations
- Experience in higher education or with issues facing educational institutions
- Appreciation of the diverse constituencies of which the University is comprised
- Familiarity with the regulatory and political processes
- Fundraising
- Familiarity with the needs of the community, the state, and the geographical areas and populations specially served by the University

Board and Committee Leadership, the University President and a student trustee selected by the Board Chair, will meet at least once annually as vacancies arise to discuss the Board’s compositional needs.

Attachments:
- Mission statement
- Strategic Plan
- Our Common Ground
- Board Bylaws
- Statement of Trustee Responsibilities
✓ Conflict of Interest Policy
✓ Board Schedule and Workload Expectations (appended)

Approved by the Executive Committee: January 8, 2007
Amendments endorsed by the Committee on Board Governance: September 24, 2010
Approved as amended by the Board of Trustees: October 30, 2010
Amendments endorsed by the Committee on Board Governance:
Approved as amended by the Executive Committee:
Board, Committee, Work Group and Retreat
Meeting Schedule and Workload Expectations

The Board meets three times per-year— in early February, May (in conjunction with Commencement weekend) and late October. Standing Committees meet throughout the day on Friday (8AM- 5PM); the full Board meets on Saturday morning, usually adjourning before noon. Meetings are held on campus. Meeting dates are posted on the trustee website. Trustees receive meeting materials one week in advance of a scheduled meeting and are expected to allocate the necessary time (approximately 4-6 hours) to review these materials, in advance, in order to be effective and actively engaged at meetings.

Standing Committees that meet routinely during each regularly scheduled Board meeting include:

The **Committee of the Whole** convenes during each regularly scheduled Board meeting. All Trustees sit as the Committee of the Whole to enable the Board to give detailed consideration to a matter(s) under conditions approximating those of a Committee of the Board. The Committee takes no action on behalf of the Board other than referral of recommendations for action to the Full Board. At each of these meetings, reports are offered by the Board Chair, the President and Governance Leaders.

The **Budget, Finance & Investment Committee** oversees the development of strategic, long-range institutional financial plans and related plan objectives. The Committee engages in ongoing assessment of the current and long-range financial status of the institution. It oversees the formation and approval of annual budgets and the creation, implementation, and periodic review and revision of financial, treasury, investment and debt management policies.

The **Educational Policy & Institutional Resources Committee** is responsible for overseeing the development and status of strategic, long-range University programmatic and resource use plans and related plan objectives. The Committee oversees matters relating to educational policies and programs, including student enrollment; the University’s strategic diversity initiatives; rates and fees associated with enrollment and financial aid; the quality of student and campus life; accreditation; academic programs; research and scholarship, instructional, and service activities; and faculty affairs. It oversees matters relating to the procurement, use, quality, condition, and disposition of the University’s buildings and other facilities, and its assets, infrastructure, technologies, and other institutional resources. The Committee also oversees the University’s development and advancement programs and campaigns.

There are additional standing Committee, Subcommittee and Work Group meetings scheduled throughout the year, some on a regular basis and others as necessary.
For example:

- The **Audit Committee** routinely meets approximately every other month for 2 hours to promote the development and monitoring of effectiveness of an institutional system of risk assessment and internal controls and to review and make recommendations to the Board as appropriate regarding institutional policies relevant to the scope of Committee responsibilities, including conflict of interest, ethical and fraudulent and conduct, whistleblower protection and document retention. The Committee has full authority and oversight of the internal audit function including appointment decisions, performance evaluations, and employment termination of the Chief Internal Auditor. The Committee selects the independent auditor and reviews the results of internal and external audits (including the annually audited financial statements), assesses the quality and timeliness of management’s response to corrective actions, and reviews the effectiveness of the University’s practices related to monitoring its compliance with laws and regulations. The Committee also reviews the results of management’s investigation and resolution of any reported, or otherwise discovered, significant instances of noncompliance.

- The **Budget, Finance & Investment Committee** meets off-cycle in early April to review budget premises (tuition/fees/room & board and general fund) for Board approval at the annual meeting in May. This planning meeting typically is scheduled for 3 hours.

- The **Committee on Board Governance** meets off-cycle, as necessary, to review Board policies and to develop recommendations regarding new Trustees’ orientation, and training and development programs for continuing Trustees. The Committee oversees Board and Committee self-assessment and considers and makes recommendations to the Board regarding Board policy and protocol matters as referred by the Board Chair, following consultation with the Board. The Committee also serves as the Nominating Committee of the Board for candidates for Board and University officer appointments.

- The **Executive Committee**, which may exercise the authority of the Board except as may otherwise be provided by law, meets monthly (except for February, May and October) for 1.5 hours to oversee the work of the Committees and the University planning process. Membership includes the standing committee chairs and other members as assigned by the Chair of the Board. Annually, a subset of the Executive Committee is appointed to an Annual Review Subcommittee to assess the performance of the President and convey it assessment and a compensation recommendation to the Executive Committee for its deliberation and referral by the Committee of a recommendation to the full Board.

- The **Investment Subcommittee**, a subcommittee of the Budget, Finance & Investment Committee, meets monthly for 1.5 hours and has the responsibility for oversight, hiring, and termination of managers and advisors engaged for the investment of the University’s Long-Term Investment pool and reports on these actions regularly at meetings of the Budget, Finance & Investment Committee. The Subcommittee is responsible for making adjustments to individual investment allocations to confirm to the University’s asset allocation policy and annual reviews the policy and makes recommendations to the Committee. The Subcommittee
oversees the work of the University Treasurer with respect to execution of investment decisions and cash management policies in regards to the Limited-Term Investment Pool.

- The ad hoc Labor Advisory Group meets periodically at the request of the Chair of the Board, the President, or their designees, to receive status reports on matters relating to University Labor Relations and associated collective bargaining agreements.

Over a six-year term of service, Trustees can expect to be assigned to at least one, and up to three, standing committees with opportunities for committee leadership in the latter years of service. Additionally, Trustees will be asked to serve on Subcommittees or Work Groups that will benefit from their knowledge and expertise. From time to time, Trustees will be asked to serve on Work Groups that have a finite task (such as a Foundation Work Group or Tuition Strategy Work Group).

Trustees asked to serve on the Committee and Work Groups referenced above will receive meeting materials one week in advance of a scheduled meeting and are expected to allocate the necessary time (approximately 1-2 hours) to review these materials, in advance, in order to be effective and actively engaged at meetings.

Trustee attendance is expected at Board retreats scheduled annually in the fall (off campus) for the purpose of improving Board and institutional effectiveness. Retreats typically begin at 12N on Friday and adjourn early afternoon on Saturday.

Lastly, in addition to attending Board dinners scheduled on the Friday evening of each regularly scheduled Board meeting, Trustees are encouraged to participate in the life of the University through attendance at ceremonial and social events. Trustees will receive invitations through the Office of the President to the following annual events in addition to receptions and dinners throughout the year:

- Commencement Weekend Activities (in conjunction with annual Board meeting in May)
- Emeriti Faculty Luncheon (August)
- New Faculty Reception (August)
- Convocation Ceremony (kick off to academic year, day before classes begin)
- Reunion & Parent’s Weekend/Homecoming (October)
- December Grad’s Reception