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 24, 2015 at 2:30 p.m., in 427A Waterman Building.

MEMBERS PRESENT: Chair Debbie McAneny*, Vice Chair David Daigle*, Secretary Joan Lenes, President Thomas Sullivan, Bill Botzow*, Frank Cioffi*, and Dale Rocheleau

MEMBERS ABSENT: None

REPRESENTATIVES PRESENT: Faculty Representative Lisa Aultman-Hall*, Staff Council Representative Renee Berteau, Student Government Association Representative Jason Maulucci, Graduate Student Senate Representative Devin Champagne, and Foundation Representative Chief Executive Officer (CEO) & President of the UVM Foundation Richard Bundy

REPRESENTATIVES ABSENT: None

PERSONS ALSO PARTICIPATING: Provost & Senior Vice President David Rosowsky, Vice President for Finance and Treasurer Richard Cate, Vice President for Legal Affairs & General Counsel Francine Bazluke*, Vice President for University Relations and Administration Thomas Gustafson, Vice President for Executive Operations Gary Derr, and Vice Provost for Student Affairs Annie Stevens

*via conference call.

Chair Debbie McAneny called the meeting to order at 2:35 p.m.

Approval of Minutes

Chair McAneny entertained a motion to approve the minutes from the July 9, 2015 meeting. The motion was made, seconded and it was voted to approve the minutes as presented.

Opening Remarks

Chair McAneny welcomed Faculty Senate President Lisa Aultman-Hall to her first meeting.

President’s Report

President Tom Sullivan reported on the following leadership transitions: a new Associate Provost for Faculty Affairs, Jim Vigoreaux, will begin September 1st; two Interim Deans have commenced their roles, Bill Falls in the College of Arts and Sciences and Cynthia Gerstl-Pepin
in the College of Education and Social Services. Searches have commenced to fill both Dean positions permanently. He further reported that the campus has undergone significant transformation over the summer. In June, the University broke ground for the Science, Technology, Engineering and Mathematics (STEM) facility, and that Buckham, Chittenden and Wills residence halls have been demolished. Next, President Sullivan highlighted that Fiscal Year 2015 was officially a record-setting fundraising year for the Foundation, which raised $60 million. He also reported that, as of August 1, the University officially became a tobacco-free campus, joining over 1,500 other institutions of higher education. He concluded by announcing that Veterans with GI Bill tuition benefits now pay in-state tuition rates.

**Action Items**

Chair McAneny explained that each of the pending resolutions will be introduced with an opportunity for discussion following and that, once all resolutions have been presented, the Committee will vote on all as a consent agenda, with the opportunity for resolutions to be voted on separately upon request.

Vice President for Finance and Treasurer Richard Cate was invited to introduce a resolution authorizing a lease agreement renewal with Joseph Frank. He explained that UVM executed an 18-month lease agreement on August 1, 2010, and an additional three-year renewal option with Joseph Frank for space located at 46 Church Street to expand the UVM Catamount Bookstore. This second location was created to provide an additional revenue source, market UVM’s name and products, and provide a local presence in the Burlington marketplace. The University exercised a third renewal option on February 1, 2015, at which point the total term had not yet reached the five-year threshold that requires Board approval. However, since the term of the renewal extends through January 31, 2018, it should have been brought to the Board prior to February. The Board is being asked to approve the renewal in an amount not to exceed $191,500.

Trustee Bill Botzow inquired if the Church Street UVM Catamount Bookstore is profitable. Vice President Cate confirmed that it is and said it has surpassed expected revenue.

The following resolution was presented for approval:

**Resolution Authorizing Lease Agreement Renewal with Joseph Frank**

BE IT RESOLVED, that the Vice President for Finance and Treasurer, or his successor or designee, is authorized to enter into a three-year renewal lease with Joseph E. Frank for rental space at 46 Church Street, through January 31, 2018, in an amount not to exceed $191,500.

Vice President Cate next introduced a contract approving purchases for new and used books. UVM Bookstore provides new and used books for incoming students to purchase. Faculty members select the appropriate materials for each class and submit to the Bookstore to order by quantity of students enrolled from the acquired publisher.
Between five book companies, UVM purchase obligation averages $2,442,907 annually on behalf of the students. As the students are paying for the books and those that are not purchased are returned to the vendors, the administration has not asked for Board approval of this arrangement. However, it is now being presented to the Board as a result of a recommendation from the University’s internal auditors.

The administration, on behalf of the UVM Bookstore, is thus requesting approval to purchase new and used books for the next three academic years from August 1, 2015 through July 31, 2018, in an amount not to exceed $7,330,000.

In response to questions, Vice President Cate clarified that the Board is essentially being asked to authorize a process and it is not a situation where the University is spending money out of its budget. Vice President Cate confirmed that the process does not pose a financial risk to the University and that it is similar to a consignment agreement. He also added that the University receives a slight portion of the book price, but that the arrangement is not as profitable as it had once been.

The following resolution was presented for approval:

**Resolution Approving Purchases for New and Used Books**

BE IT RESOLVED, that the Vice President for Finance and Treasurer, or his successor or designee, in consultation with the Director of the UVM Bookstore, is hereby authorized to purchase new and used books with Pearson Education, Nebraska Book Company, McGraw Hill Higher Education, John Wiley & Sons, and Cengage Learning, beginning August 1, 2015, through July 31, 2018, in an amount not to exceed $7,330,000 in aggregate.

Vice President Cate next introduced a resolution approving an additional contract spend with K C Mechanical, Inc. for repair and maintenance of commercial kitchen equipment for primary and satellite locations across campus. The original contract term awarded to K C Mechanical Inc. was three years with an optional two-year renewal. The Board has previously approved $1,350,000 in spending for kitchen equipment repairs on campus.

Student Life implemented a new preventative maintenance equipment program in 2014, and this new program will require an additional cost of $225,000 through the remaining term of the contract. The total expenditure amount for all components of the K C Mechanical contract for the five-year period is estimated at $1,575,000. K C Mechanical is a local vendor and has their business operations located in Colchester, VT.

The following resolution was presented for approval:

**Resolution Approving Additional Contract Spend with K C Mechanical, Inc.**

BE IT RESOLVED, that the Vice President for Finance and Treasurer, or his successor or designee, is hereby authorized to expend an additional $225,000 for the existing
contract with K C Mechanical Inc., which was previously approved by the Board of Trustees, for preventive maintenance services on commercial kitchen equipment, through September 8, 2016, for a total contract amount not to exceed $1,575,000.

Vice President Cate next introduced a resolution approving a contract with Oracle America, Incorporated. The University licenses several categories of software from Oracle. The biggest annual expense is for PeopleSoft, with an FY 2016 budget of $399,905. The next largest expense is for the Oracle database license, which underlies PeopleSoft, Banner and other applications. The FY 2016 budget for this item is $209,833. Other licenses bring the total for FY 2016 to $684,264. The last Board resolution approving PeopleSoft expenditures expires at the end of August 2015. Oracle has given the University the option to lock in the next three years of PeopleSoft license fees, keeping the expense at $399,905. All other fees are increasing at an average rate of 3%. Chair McAneny asked if all portions of the contract have been firmly negotiated. Vice President Cate confirmed that all portions have been negotiated with a total cost of $2.1 million.

The following resolution was presented for approval:

**Resolution Approving Contract with Oracle America, Incorporated**

BE IT RESOLVED, that the Vice President for Finance and Treasurer, or his successor or designee, is authorized to enter into a three-year contract with Oracle America, Incorporated for software licenses and support for Oracle applications, beginning September 1, 2015, through August 31, 2018, for an amount not to exceed $2,100,000.

Chair McAneny offered an opportunity for final comments before seeking a motion to approve the consent agenda. A motion was made, and seconded and the following roll-call vote was taken to approve the consent agenda: Bill Botzow – Yes, Frank Cioffi – Yes, David Daigle – Yes, Joan Lenes – Yes, Debbie McAneny – Yes, Dale Rocheleau – Yes, and Tom Sullivan – Yes.

**October Board Meeting Preparations**

Chair McAneny next shared highlights of the October Board meeting schedule, noting that the meeting is abbreviated as it is being held in conjunction with the Campaign Kick-Off and Homecoming Events. She reminded all Trustees that they are invited and encouraged to participate in as many of the weekend activities as possible.

Chair McAneny then described the October Committee of the Whole agenda. She called to attention to the fact that the Capital Project Update is a new item to be included at every Board meeting going forward. This update will focus on progress made on the three main projects on central campus (STEM, Student Housing, and the University of Vermont Medical Center project).

Educational Policy and Institutional Resource (EPIR) Committee Chair Bill Botzow reviewed the EPIR Agenda. He explained that the Committee will receive a report from the Faculty Senate Curricular Affairs Committee and that there is currently one action item recommended by
Faculty Senate to create a minor in sports management. The Committee will consider the administration’s request for approval regarding a residential life deferred maintenance project. The Provost will offer his regular report and a routine report on the progress of capital projects, as well as annual reports on the UVM Foundation, the Career Success Action Plan, enrollment, information technology, and international opportunities. In the area of enterprise risk management assessments, updates will be given regarding Internationalization and the Resource Research Vision. Finally, the Committee will receive a presentation on Academic Excellence Goal #4: Increase Interdisciplinary Teaching & Research.

Budget, Finance and Investment (BFI) Committee Chair David Daigle previewed the BFI agenda. He called to attention to the fact that the Investment Subcommittee report section will be more lengthy than usual and cover an endowment performance update, annual approval of the Endowment Budget Policy and Endowment Administration Fee Policy, an update on the Socially Responsible Investing Advisory Council, and review of divestment-related resolutions. The Committee will receive the standard update from Vice President Cate, which will include FY 2015 End of Year General Fund Budget to Actuals. The Committee will also have a discussion regarding liquidity, as to which there may be action if a plan is adequately formulated by October. The Committee will also consider the administration’s request for approval of a residential life deferred maintenance project.

Chair McAneny noted that the Full Board agenda is routine. Trustee David Daigle noted that the UVM Board and Vermont Agricultural College Board reports could be removed from the agenda as the two Boards are meeting off-cycle.

**Executive Session**

At 2:56 p.m., Chair McAneny entertained a motion to enter into executive session to discuss contracts, premature general public knowledge of which would clearly place the University at a substantial disadvantage, and a civil action. She noted that the Session would take approximately forty (40) minutes and that action was anticipated following. Everyone was excused from the meeting with the exception of Trustees; Provost Rosowsky; Vice Presidents Bazluke, Gustafson and Derr; and Vice Provost Stevens.

Vice Provost Stevens was excused after the first item.
The President and all non-Trustees were excused for the last item.

At 3:45 p.m., the meeting was re-opened to the public.

The following resolution was presented for approval:

**Resolution Approving Recommendations of the Presidential Annual Review Subcommittee**

RESOLVED, that the Executive Committee approves the recommendations of the Presidential Annual Review Subcommittee as to the President’s contract as reported on this date, and directs the Chair to take all steps necessary to implement the contract.
A motion was made and seconded to vote on resolution. President Sullivan recused himself. The following roll-call vote was taken: Bill Botzow – Yes, Frank Cioffi – Yes, David Daigle – Yes, Joan Lenes – Yes, Debbie McAneny – Yes, and Dale Rocheleau – Yes.

**Other Business**

Under other business, President Sullivan indicated that he will not be able to conduct his standard pre-Board meeting individual calls with Trustees before the October Board meeting due to the multitude of events happening at that time. However, he encouraged Trustees to reach out him with any questions that may arise once they receive their materials.

Secondly, he advised the Committee that, as foreshadowed in the media, conversations are expected to take place during the next Legislative Session regarding the respective state appropriations to UVM and to the Vermont State Colleges.

**Adjournment**

There being no further business, the meeting was adjourned at 4:12 p.m.

Respectfully submitted,

Joan Lenes, Secretary