A meeting of the Board of Trustees of the University of Vermont and State Agricultural College was held on Saturday, December 1, 2007 at 8:30 a.m. in the Livak Ballroom, room 417-419 Dudley H. Davis Center.

MEMBERS PRESENT: Chair Carl Lisman, Vice Chair Frank Cioffi, Secretary Bill Botzow, Edwin Amidon, Jr., Claire Ayer, James Betts, Ian Boyce, Harry Chen, Robert Cioffi, Daniel Fogel, Martha Heath, Susan Hudson-Wilson, James Leddy, Deborah McAneny*, Raymond C. Pecor, Beth Rice, John Snow, Donna Sweaney, Stirling Winder and Robert Young

MEMBERS ABSENT: Jeffrey Davis, Johannah Donovan, James Douglas, John Hilton, Jr., and Jeanette White

ALSO PARTICIPATING: Provost John Hughes, Vice President for Finance and Administration and Treasurer Michael Gower, General Counsel Francine Bazluke, Chief of Staff Gary Derr, Faculty Senate President Robin Warhol-Down and Eileen Hanerfeld (on behalf of Karla Nuissl, Acting President of the Staff Council)

*via conference phone

Chair Carl Lisman called the meeting to order at 8:35 a.m.

Approval of Previous Meeting Minutes

A motion was made, seconded and voted to approve the minutes from the September 8, 2007 meeting as presented.

Public Comment

Maxwell Tracy and Angela DiGiulio, two members of the Student Labor Action Project (SLAP), spoke to address on-going compensation issues and alleged anti-union organizing behavior. They noted that a hunger strike ended without a change in policy, preventing low-wage employees from meeting basic needs. SLAP is also concerned about the importance of addressing the basis needs of contractor employees.

Mr. Tracy and Ms. DiGiulio also stated that staff are engaged in unionization efforts and SLAP is concerned about a purported administrative directive prohibiting unionization speech in the workplace. They requested that the University declare its neutrality with respect to staff unionization efforts.
Faculty Senate Report

Professor Robyn Warhol-Down began by stating strong support on behalf of the Executive Council of the Faculty Senate for the administration’s proposal to begin addressing deferred maintenance needs on campus. She noted that the quality and atmosphere of the spaces where faculty members teach and conduct research is of great importance to them.

Professor Warhol-Down reported that the Executive Council is also pleased with the new coherence and transparency of planning that is emerging on campus, citing as an example the process the President and Provost now follow in replying to recommendations received from the various Presidential Commissions.

In addition, the newly revived University Planning Council, the President’s Leadership Council, and the committee charged with preparing the self-study for the re-accreditation process are hopeful signs that movement toward coordinating the many planning efforts on campus is taking place. Members of the Senate are hearing an emerging theme from the various discussions leading to the question of allocation of resources – particularly to academic programs – and how they connect with the institution’s stated priorities. While Provost Hughes has been admirably forthcoming in reporting to the Senate the principles by which he has allocated faculty growth lines to meet specific institutional goals, the faculty is looking for similarly candid explanations of how other institutional priorities factor into the allocation of resources.

Professor Warhol-Down concluded her report by observing that, for the first time in her years at the University, there is a feeling that the planning process is on its way toward being specific and focused, and possibly transparent enough, to provide answers.

Staff Council Report

Eileen Hanerfeld provided the Staff Council quarterly update on behalf of Acting Staff Council President Karla Nuissl.

Ms. Hanerfeld reported on the successful transition of the Council from a body of less than twenty staff members to a truly representative body of more than forty officers. The Council is an invigorating mix of staff members with a variety of backgrounds and interests, all sharing resolve to improve the University experience for our students, faculty and fellow staff members.

Ms. Hanerfeld concluded by offering brief updates on the work of the various Staff Council Committees. The Rules & Elections Committee is working diligently to update the Council bylaws to streamline and clarify modes of operation. The Communications Committee is focusing on ways to improve the flow of communication between administration and staff. The Salary and Budget Committee is nearing completion on the Council’s annual Salary Recommendation for non-union-represented staff. The Internal Affairs Committee is developing a Customer Service Award to acknowledge the exemplary customer service found on campus. The Benefits and Employee Environment and Facilities Committees, respectively, are continuing to review and clarify issues affecting staff at all levels. Lastly, the Recreation Committee offers many options to staff as well as the entire University community. Through Committee work, as
well as the full Council, topics such as livable wage initiatives, pandemic planning, and the University’s accreditation process are being addressed.

**Student Government Association (SGA) President’s Report**

Student Government Association President Kesha Ram began by thanking Trustees Beth Rice, Martha Heath, Rob Cioffi, and Frank Cioffi for their words of wisdom to prospective trustee applicants at a forum held on Thursday evening. The new student trustee will be selected in time to attend and observe the February Board meeting.

Ms. Ram next reported on the following initiatives:

- **American Red Cross Debate** – The SGA continues to work with the administration to create a set of principles for Red Cross operations on campus.
- **Focus the Nation/Climate Commitment** – Many students are deeply committed to this issue and are hopeful that tangible solutions will be found to reduce the carbon footprint.
- **Finish in Four/Summer University** – There is on-going dialogue between the SGA Academic Affairs Committee and campus departments about helping students finish their undergraduate career in four years. Ms. Ram expressed gratitude for the proposed reduction in summer session tuition rates and thanked the Board for its consideration.

**Graduate Student Senate (GGS) President’s Report**

Graduate Student Senate President Jill Hoffman reported that the GSS has completed elections for the academic year and inducted thirty-four new Senators into office.

Ms. Hoffman next offered brief updates on activities held since the last Board meeting and current initiatives.

Based upon the success of last year, the GSS and the Center for Teaching and Learning have again offered a three part series for Graduate Teaching Assistant training. The workshops offered in October and November included Facilitating Classroom Discussion and Groups, Responding to Student Writing, and Creating a Respectful Classroom and Dealing with Classroom Issues.

The GSS will hold a Thesis Dissertation Workshop on February 7, along with the Graduate College and Enterprise Technology Services, to provide information to students preparing for the thesis phase of their graduate work.

In response to graduate student questions and concerns, two events were held in the fall focusing on graduate student health insurance and health care access. The first was a roundtable discussion for graduate students to voice concerns and raise issues based on personal experiences. The second was an open forum held at the October Senate meeting with the Medical Director of the Center for Health and Wellbeing, the Director of the Counseling Center, and Insurance Compliance Coordinator, and Associate Vice President for Research and Graduate Education. From preliminary data collected by the GSS Student Affairs Committee, the committee found that UVM’s peer and aspirant institutions typically cover graduate student
health insurance at 80-100%. UVM’s graduate students currently receive 50% of their health insurance premium paid for by the Graduate College. This preliminary data has been the focus of discussion between the GSS and the Graduate College and will continue to be addressed over the upcoming semester.

Ms. Hoffman concluded by reporting that the GSS completed their fall round of mini-grants to aid graduate student participation in academic conferences. A total of over $4500 in funds was awarded to twenty-seven students representing fourteen graduate programs, with nineteen graduate students receiving a match of $200 or more from their own program. All twenty-seven graduate students, who received funding, were first authors on original research abstracts or gave oral presentations at regional, national or international meetings.

Before beginning Committee reports, the following resolution was read by Chair Lisman:

**Resolution Regarding Five-Year Presidential Comprehensive Review**

WHEREAS, the University as a community has achieved extraordinary success across a broad spectrum of academic, educational, research, programmatic, resource, campus life and athletic endeavors; and

WHEREAS, the University is engaged in strategic planning processes designed to ensure its continuing success in the years to come; and

WHEREAS, the University is a community by virtue of its dedication to common goals and values; and

WHEREAS, these shared achievements, goals, and values have coalesced under the outstanding leadership of President Daniel Mark Fogel, as illustrated in the enclosed summary;

THEREFORE, this Board, on behalf of the University community, expresses its respect, gratitude, support and affection for Daniel Mark Fogel.

Chair Lisman thanked President Fogel for his first five-years of strong and dynamic leadership and entertained a motion to approve the resolution.

A motion was made, seconded and it was unanimously voted to approve the resolution. Trustees and members of the audience acknowledged their support and appreciation with a standing ovation.

President Fogel responded that he was humbled and gratified by the confidence placed in him by the Board and by the UVM community and that he was grateful for the opportunity to serve as President.
Committee Reports

*Educational Policy & Institutional Resources*

Co-Vice Chair John Snow offered highlights of the Provost’s report, including a brief update on Fall 2008 applications which he reported are up 21% over last year. The Provost also updated the Committee searches. First, the search for the Director of Writing in the Disciplines has been completed with the appointment of Dr. Susanmarie Harrington, Chair of the Department of English at Indiana University. Secondly, a search committee has been formed for the deanship of the Honors College, chaired by Dr. Brian Reed, Acting Dean of the School of Nursing and Health Sciences.

Committee Member Beth Rice noted that, as part of a proposal to establish a new Department of Asian Languages and Literatures in the College of Arts and Sciences, the Curricular Affairs Committee proposed two majors: a Bachelor of Arts in Chinese and a Bachelor of Arts in Japanese.

Committee Member James Leddy reported that the Committee approved a policy to award conjoint degrees; a new minor in Anthropology; a name change for the Department of Obstetrics and Gynecology; the creation of a Bachelor of Arts Degree in Chinese and A Bachelor of Arts Degree in Japanese; and the naming of the Pole Barn at the Jericho Research Forest. All action items are included on the consent agenda for Board approval.

Committee member James Betts reported that Robert Jenkins, the recipient of the Flint Professorship of Mathematics, Natural or Technic Science, and Kenneth Golden, the recipient of the Williams Professorship of Mathematics, were introduced to the Committee.

Committee Member Claire Ayer reported that the Committee received and discussed the President and Provost’s responses to recommendations from the President’s Commissions on 1) the Status of Women, 2) Racial Diversity, 3) Lesbian, Gay, Bisexual and Transgender Equity and 4) Diversity and Inclusion. The next Campus Climate Surveys will be conducted no later than the end of FY 2010. In addition, the President and Provost are actively examining ways that they can make the discussion and Board input on diversity more extensive and inclusive of the entire Board, reminding all that diversity is the highest priority among the goals of the Strategic Plan.

Committee Member Ray Pecor reported that the Committee considered resolutions for five projects including a modification to the scopes of the Terrill Hall and Given Courtyard renovations, classroom improvements, research infrastructure fund for FY 2009 and deferred maintenance. The Committee expressed concern about not being fully informed in advance of the Terrill Hall request, but ultimately agreed to advance the project. The Committee approved advancing the Given Courtyard project with the understanding that additional funds would be raised through philanthropy. The classroom improvements and research infrastructure fund for FY 2009 were both approved. All resolutions are recommended for the Board’s consideration.
Chair Heath acknowledged that the Committee continues to struggle with understanding their role in reviewing capital projects. Trustee Robert Cioffi, Chair of the Committee on Board Governance, offered to work with the administration and Board Chair to review the process for committee review of capital projects before the next meeting.

Committee Chair Martha Heath concluded by reporting that, due to time constraints the Committee was only able to receive a brief overview of the efforts underway to assess and revise the UVM Strategic Plan. All members of the Board received a copy of the Strategic Plan Performance Indicators Report in their meeting materials and the Committee learned how the University Planning Council will use this information in the report to respond to President Fogel’s charge to review and revise the UVM Strategic Plan. It was noted that UVM has achieved a great deal over the past five years and there remains a good deal more to do. Some specific areas of concern include retention and graduation rates of undergraduates; diversity climate and demographics; data on the student experience from the most recent Survey of Graduates; and the level of sponsored program funding. The Committee began a discussion of the indicators of the seven goals that will be continued at the next meeting.

**Budget, Finance and Investment Committee**

Co-Vice Chair Robert Cioffi provided a brief report of the Investment Subcommittee, noting that results for the quarter were in line with the Cambridge median. For the calendar year-to-date returns were 150 basis points ahead of the Cambridge median. The flash report for October 31 reflected positive return for the portfolio for the month and calendar year-to-date.

In follow-up to a request made to clarify if the Wilbur Trust could be invested through the Long Term Investment Pool (LTIP), it was determined that the University of Vermont Trustees may enter into an agreement where the Investment Subcommittee may invest the Wilbur assets through purchase of units in the LTIP. A condition of the agreement is that at least one member of the University of Vermont Board shall be on the Investment Subcommittee and the Budget, Finance and Investment Committee. The Investment Subcommittee recommended the approval of the Resolution Recommending Approval of Wilbur Fund Investment Management Agreement, and a related Resolution Recommending Revision of the Investment Subcommittee Charge, to the Budget, Finance and Investment Committee who in turn approved resolutions advancing the matter for decision by the Full Board.

In response to a memorandum sent to all faculty, staff and students requesting issues regarding moral, social and ethical considerations in investment and shareholder resolutions, two proposals were received, and a memorandum detailing these proposals was provided to the Committee members. Chair McAneny will appoint a work group to look into these two proposals and report back to the Committee.

In addition to the acceptance of gifts and grants, the Committee endorsed a resolution to authorize the President to request $4,000,000 from the Governor and Legislature of the State of Vermont toward construction, renovation and major maintenance for recommendation to the Full Board. The Committee also unanimously recommends for approval a resolution authorizing a state appropriation request of $45,653,592 for FY 2009 and a resolution authorizing a $6,000 state appropriation request for general operations of the Morgan Horse Farm.
The Committee also approved a resolution to reduce summer session tuition rates by 10% for Vermont and out-of-state students for recommendation to the Full Board. This decrease will create a 15% differential between summer credit hour cost and the balance of the year.

Chair McAneny, who joined the meeting by conference phone, reported that the revised resolution distributed this morning approving amendments to the University of Vermont Debt Policy contains refinements as a result of the lengthy discussions held in Committee meetings yesterday, including further clarification of the minimum 25% non-debt funding rule. The Committee voted to approve the major elements of the discussion by a vote of 10-1, pending final agreement about the specific wording.

Chair McAneny concluded her report by acknowledging that an opportunity for further discussion will be offered when the resolution is presented for the Board’s consideration.

Committee on Board Governance

Chair Robert Cioffi reported that the Committee received status updates on the following initiatives:

- **Retiring Trustee Exit Interviews** - AGB consultant Bob Atwell completed exit interviews of the most recently retired trustees. The retiring trustees reported a highly positive experience of their trusteeship and appreciated the opportunity to share their perspectives on trustee service. Following input on the issue from Mr. Atwell, the Committee recommended that either the Board Chair or the Board Governance Committee Chair conduct the exit interviews annually on behalf of the Board.

- **Education Modules** - The Committee reviewed a proposed outline for offering education modules to trustees over the upcoming year, in conjunction with Board meetings. The modules are slated to include plenary sessions on University financial planning, academic quality and the role of the Board in Development work. Plans for a series of roundtable discussions on an array of issues, such as diversity, capital planning, and tuition-setting and financial aid, are also under consideration.

- **Emeriti Trustee Program** - Committee member Ed Amidon summarized the preliminary recommendations of his workgroup, which include offering interested emeriti trustees a substantive social program scheduled annually in tandem with the September Board meeting. It was noted that feedback from emeriti who participated in the event this past September was uniformly favorable.

The Committee reviewed the Board officers’ nomination process. The Committee will, after solicitation of nominees from, and consultation with trustees, convene to deliberate on a proposed slate and advise the Board of its recommended slate of candidates before the February meeting. Chair Cioffi reminded the Board that under the University Charter, the Chair must be elected at the first regular meeting following identification of new trustees, which is the annual meeting of the Board in May.
The Committee reviewed September meeting assessments and discussed the importance of active dialogue amongst trustees in meetings as well as ensuring that agendas are comprised of matters that require Board action. Chair Cioffi noted the high level of trustee participation and how valuable the input, especially narrative comments, is to improving meetings.

Chair Cioffi concluded his report by foreshadowing that the Committee will be reviewing the issue of the frequency and scheduling of Board meetings and an update on plans for the June 19-20, 2008 Board retreat.

**Audit Committee**

Chair Amidon reported that, since the September Board meeting, the Committee has held periodic conference calls with KPMG representatives to monitor the year-end closing and delay in conclusion of the audit process due to the impact of the PeopleSoft conversion. At the last meeting on November 12, KPMG reported that the financial statement audit fieldwork is finished and that, barring any unforeseen problems, KPMG is on target for a December 14 certification deadline. Chair Amidon noted that determining the accurate grants revenue figure has been the greatest challenge in finalizing the financial statement audit because it has been the most difficult and complex segment of the PeopleSoft financial system implementation. KPMG is confident that the audit will be completed by February and filed with the federal government by its March 31, 2008 deadline.

Vice Chair Snow reported that, at the November 12 meeting, the Committee reviewed changes to its Charter addressing conflict of interest issues and independence from management for Committee membership purposes. The Committee also agreed that Investment Subcommittee members should not serve as Audit Committee Chair or Vice Chair and recommended that the Committee membership be increased from six to seven members. These proposed changes are on the consent agenda for Board approval.

**Vermont Agricultural College Board Report**

Chair Claire Ayer reported that the Board approved proposed amendments to the Bylaws designed to ensure compliance with the Vermont Nonprofit Corporation Act and other applicable law. The approved amendments will require the Board to elect a Vice Chair at its next meeting.

The Board received a report on fall admissions data for Vermont residents that highlighted recent trends in numbers of applications, admit rates, and academic profiles of applicants and admitted students. The Board discussed the challenges presented by declining numbers of Vermont high school students and efforts to raise the numbers of college-bound high school graduates.

Vice President Meyer reported on the activities of the Commission on Higher Education Funding (CHEF) and how it arrived at its FY 2009 recommendation for an 8% increase in base budget funding for higher education.

The Board discussed how the University could build on existing land grant programs and expand them throughout the State. Provost Hughes presented his views on the February 2006
whitepaper on the University’s land grant mission authored by former Provost John Bramely and discussed milestones in public education since the passage of the Morrill Act creating the land grant system. Provost Hughes offered illustrations of ways the University is accomplishing a modernized land grant mission, including how Extension is working with other University units to expand the scope of outreach activities, and the development of a web portal to help the community connect to various University research, instructional, and service programs.

The Board identified three possible areas for future attention and activity including: University operations and policies that favor or inhibit the conduct of the land grant mission; ways to create a more cohesive and accessible communications structure about outreach activities in Vermont communities; and a user-friendly “front door” for external constituencies to access the University. The Office of Federal, State, and Community Relations will draft a set of proposed action steps for both the Board and the administration to consider.

University of Vermont Board Report

Chair Ian Boyce reported that the Board gave authority to the Chair to execute an agreement for management of the Wilbur Fund, a scholarship fund overseen by the University of Vermont Board. The Wilbur Fund has been managed separately from the University’s endowment and this agreement will allow the fund to be managed by the Investment Subcommittee as part of the long-term investment pool.

The advantages to this agreement are the fund will achieve greater diversification through more fund managers and market sectors; it potentially decreases management fees; and provides better monitoring of the fund’s performance through quarterly review by the Investment Subcommittee.

The Committee spent the remainder of the meeting in executive session for the purpose of discussing the appointment and evaluation of public officers.

Campus Life Task Force II Update

Task Force Chair Ian Boyce reported that members of the Task Force have traveled to New England campuses, including Dartmouth College and the University of New Hampshire, to visit facilities and programs as they relate to recreation, health and wellbeing and fitness. Some members also visited Miami University in Ohio. Comparison of those venues affirm the concern that under-investing has occurred at UVM over the years. A trip to Boston and Northeastern Universities is planned in January.

Consultants from Cannon Design and Brailsford & Dunlavey continue to examine UVM facilities and have conducted interviews and focus groups. Over the next couple of months, the Task Force will begin evaluating and developing specific themes, with a full report to the Board expected at the February meeting.

At the conclusion of the reports, Chair Lisman presented the following resolution for approval and re-opened the discussion regarding the proposed amendments to the Debt Policy.
Resolution Approving Amendments to the University of Vermont Debt Policy and Policies Regarding the Funding of Capital Projects

WHEREAS the University wishes effectively to address the essential capital needs of the campus, it hereby commits to the following actions:

RESOLVED:

That the University of Vermont Debt Policy shall hereafter read as shown in the attached document, hereby amending the University’s Debt Policy to permit a maximum Debt Burden Ratio of 6% and a minimum Viability Ratio of 0.8, until further revised by this Board;

That the Board recognizes an annual target of $11.5M of capital expenditures for deferred maintenance, classroom maintenance, infrastructure, and energy efficiency projects;

That for all other capital projects, sources of funding other than debt be secured so that non-debt funding of no less than an average of 25% of these projects is required as part of the capital approval process; further, that the minimum 25% average non-debt contribution is a target to be exceeded if at all possible; and, further, that the 25% benchmark is subject to upward revision to reflect increases over time in the University’s ability to secure non-debt funding;

That the President adopt a series of pledging and naming procedures and requirements designed to produce higher levels of giving for building projects and to strengthen the commitment of potential donors;

That, in addition to annual reviews of the debt policy, the Board conduct a comprehensive assessment of all capital requirements and sources every three years commencing at its November 2010 meeting in order to update and to reaffirm or amend, as appropriate, the policies and practices of the University to assure the best use of capital in conjunction with institutional financial status and requirements;

That the Board directs the Administration to develop and implement a plan to lower the debt burden ratio to 5% by 2017;

That the Board and the Administration shall monitor and adjust as appropriate the plan to lower the debt burden ratio as part of the annual debt policy reviews and of the triennial assessment of all capital requirements and sources; and

BE IT FINALLY RESOLVED, that this academic year the University assess the feasibility of including an increased amount in the University’s annual operating budget designated for recurring capital expenditures, including deferred maintenance, energy efficiency projects, infrastructure upgrades for instruction and research, and academic classroom improvement.
Trustee Robert Young stressed the enormity of deferred maintenance and recommended adding “ongoing” be inserted between the words ‘deferred maintenance’ in the third and last paragraphs of the resolution.

Trustee John Snow characterized the suggested amendment as a good one but stated that he was still not prepared to support the resolution for reasons he identified during the previous day’s discussion. He expressed his hope that his objection is not misinterpreted as a lack support or commitment to the vision or the leadership of the University; while he acknowledges the success of the invest-and-grow strategy of the past few years, he disagrees that raising the debt limit is a necessary component or that buildings are the only form that investment can take. He pointed out that higher debt-service payments over ten years could amount to money that UVM might better spend on beneficiaries such as faculty and students. He further noted that the original 5% debt ratio limit had imposed a needed discipline on spending and that the principal intent was to ask the administration and the Board to develop a strategy to prevent exceeding the ratio. He stated that he does not believe that such a plan has been developed, but he does believe there are alternative strategies and that maintaining the current debt ratio would not jeopardize the University’s momentum.

Trustee Debbie McAneny reiterated that this decision-making process has been difficult for her and that the Board is at a much better place for trustees having challenged each other. She respectfully disagreed that momentum would be achieved if things were slowed down and expressed her full support of the amended resolution.

Trustee Susan Hudson-Wilson spoke in favor of the resolution and argued that the magnitude of deferred maintenance alone requires that the Board defend the value of the University. She further commented that, when the debt policy was first established and the ratio set at 5%, the University’s measurement, forecasting and prioritization tools were weak and that the University’s experience with invest-and-grow was nonexistent. She acknowledged that setting the ratio at 5% required great vision and bravery; today, the University has infrastructure to raise debt limits with confidence. Now that the University has a strategic capital plan; a strategic financial plan, the capital projects scoring system, and a vigilant Board of Trustees, the future can be seen more clearly. Trustee Hudson-Wilson concluded by expressing her full support of the resolution to revise the debt policy.

There being no further discussion, Chair Lisman thanked Trustees for the valuable debate and entertained a motion to approve the resolution.

A motion was made, seconded and it was voted to approve the resolution with the amendment suggested by Trustee Young by a vote of 19-1.

Chair Lisman next presented the following resolution for approval:

**Resolution Approving Wilbur Fund Investment Management Agreement**

WHEREAS, the Investment Subcommittee of the Budget, Finance, and Investment Committee asked the administration to examine the feasibility and efficacy of Wilbur Fund
assets being co-invested with those of the University through purchase by the Wilbur Fund of shares in the University Long-Term Investment Pool; and

WHEREAS, the administration conducted due diligence to determine the terms and conditions, if any, under which such co-investment is appropriate under applicable law and financial accounting principles, obtaining such direction from qualified external consultants and University officials; and

WHEREAS, the Vice President for Finance and Administration has now reported to the Investment Subcommittee and the University of Vermont Board ("UVM Board") the results of this due diligence process and made certain recommendations regarding the proposed funds co-investment; and

WHEREAS, the University of Vermont Board has approved the terms and conditions of an Investment Management Agreement ("IMA") attached hereto, and authorized its Chair to execute the IMA subject to certain conditions; and

WHEREAS the Budget, Finance, & Investment Committee, upon recommendation of its Investment Subcommittee, recommends that this Board approve the terms and conditions of the IMA and authorize the Chair to execute the IMA subject to certain conditions;

NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves the terms and conditions of the IMA and authorizes its Chair to execute the IMA.

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

Approval Consent Agenda

Chair Lisman presented the consent agenda for approval. Resolutions 7 and 8 were removed from the consent agenda to be voted on separately. The remainder of the consent agenda was presented for approval:

COMMITTEE OF THE WHOLE

(1) Resolution Approving Audit Committee Charter Revision

RESOLVED, that the Audit Committee hereby approves the revisions to the Audit Committee Charter shown as Attachment A hereto.

(2) Resolution for President to Confer Honorary Degrees

RESOLVED, that the President be and hereby is authorized to offer and confer honorary degrees at the 2008 Commencement to the individuals recommended by the Honorary Degree Work Group.
(3) **Resolution Re-Authorizing Final Offer for Purchase and Purchase of Delta Psi Property**

BE IT RESOLVED, that the Board re-authorizes the President, or the Vice President for Finance and Administration, to make a final offer for the purchase of the Delta Psi property located at 61 Summit Street, Burlington, (the Project) on the revised material terms and conditions consistent with the President’s report and recommendations of this date; and

BE IT FURTHER RESOLVED, that the Board authorizes the President or the Vice President for Finance and Administration, to take all steps necessary to effectuate the purchase of said property on such terms and conditions, including the execution of a purchase and sales agreement and other requisite documents and;

WHEREAS, the University has adopted its Commercial Paper Note Resolution (the “Resolution”) on November 13, 2004, and thereby established a commercial paper program; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued at the appropriate time for the Project;

NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to purchase the Delta Psi property and to execute any and all contracts and documents necessary to undertake the Project at a total purchase cost not to exceed $660,000; and

BE IT FURTHER RESOLVED, that the President and Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the Project; and

BE IT FURTHER RESOLVED, that the external interim financing, including the use of commercial paper, shall be in an amount not to exceed $700,000, included in which shall be Costs of Issuance, as that term is defined in the Resolution, in an amount not to exceed $15,000 and capitalized interest in an amount not to exceed $25,000; and

BE IT 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; and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and
WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed $700,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

BUDGET, FINANCE AND INVESTMENT COMMITTEE

(4) Resolution Recommending Revision of the Investment Subcommittee Charge

WHEREAS, the Investment Subcommittee of this Budget, Finance, & Investment Committee (BFI) asked the administration to examine the feasibility and efficacy of Wilbur Fund assets being co-invested with those of the University through purchase by the Wilbur Fund of shares in the University Long-Term Investment Pool; and

WHEREAS, the administration conducted due diligence to determine the terms and conditions, if any, under which such co-investment is appropriate under applicable law and financial accounting principles, obtaining such direction from qualified external consultants and University officials; and

WHEREAS, the Vice President for Finance and Administration reported to the Investment Subcommittee the results of this due diligence process and made certain recommendations regarding the proposed funds co-investment; and

WHEREAS, the Investment Subcommittee of this Committee has recommended as follows:

1. BFI recommend to the full Board revision of the Investment Subcommittee charge so that, for as long as the Investment Management Agreement remains in effect, at least
one member of the University of Vermont Board of Trustees is appointed to serve as a member of BFI and its Investment Subcommittee, as attached hereto.

THEREFORE, BE IT RESOLVED, that BFI accepts the recommendations of the Investment subcommittee and forwards its favorable recommendation for action to the University Board of Trustees.

Subcommittee Charge

The Subcommittee shall have responsibility for oversight, hiring, and termination of managers and advisors engaged for the investment of the University’s Long-term Investment Pool, and shall report on these actions at regular meetings of the Budget, Finance, and Investment Committee (“the Committee”). The Subcommittee shall also exercise the responsibilities assigned to it with respect to investment of the Wilbur Fund under an Investment Management Agreement in effect between the University of Vermont and State Agricultural College Board and the University of Vermont Board (“Investment Management Agreement”) under which Wilbur Fund assets are co-invested with those of the University.

The Subcommittee shall also be responsible for making adjustments to individual investment allocations to conform to the University’s asset allocation policy as recommended by the Committee and approved by the Board. The Subcommittee shall also review the asset allocation policy and make recommendations to the Committee for its consideration at least once annually.

For as long as the Investment Management Agreement remains in effect between the University of Vermont and State Agricultural College Board and the University of Vermont Board, at least one member of the University of Vermont Board of Trustees (“UVM Board”) shall be appointed to this Subcommittee, also thus serving as a member of the Budget, Investment, and Finance Committee, who shall among other responsibilities as a member of the Subcommittee act on behalf of, and report to, the UVM Board with respect to the investment of the Wilbur Fund.

The Subcommittee shall, between meetings of the Committee, make decisions relating to investment managers and investments that are necessary in the best interests of the University. Any such decisions shall be reported to the Committee and its next regular or special meeting.

The Subcommittee shall oversee 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 Subcommittee will exercise its charge in a manner consistent with University governance, including the Board’s reserved rights and delegations of authority.

As approved by the Board of Trustees: November 11, 2006.
As revised by the Board of Trustees: December 1, 2007.
(5) **Colchester Research Facility Renovations**

WHEREAS, the Educational Policy and Institutional Resources Committee carefully reviewed the program, scope, and preliminary estimate of $5,500,000 for renovations to the Colchester Research Facility (the Project) at its May 2007 meeting and found it an institutional priority consistent with the *Strategic Capital Plan* and worthy of further consideration; and

WHEREAS, the Educational Policy and Institutional Resources Committee endorsed the Project at its May 2007 meeting and remitted it to the Budget, Finance, and Investment Committee for financial review and approval; and

WHEREAS, the proposed budget has been increased by the administration by $200,000 to reflect the need to replace additional mechanical components; and

WHEREAS, the University has adopted its Commercial Paper Note Resolution (the “Resolution”) on November 13, 2004, and thereby established a commercial paper program; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued at the appropriate time for the Project;

NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to commence Colchester Research Facility renovations, and to execute any and all contracts and documents necessary to undertake the Project at a total project cost not to exceed $5,700,000; and

BE IT FURTHER RESOLVED, that the President and Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the Project; and

BE IT FURTHER RESOLVED, that the external interim financing, including the use of commercial paper, shall be in an amount not to exceed $6,015,000, included in which shall be Costs of Issuance, as that term is defined in the Resolution, in an amount not to exceed $115,000 and capitalized interest in an amount not to exceed $200,000; and

BE IT 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; and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and
WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed $6,015,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

(6) Given Courtyard Infill & Mechanical Systems Upgrade

WHEREAS, the Educational Policy and Institutional Resources Committee carefully reviewed the program, scope, and preliminary estimate of $14,500,000 for the construction of the Given Courtyard Infill and Mechanical Systems Upgrade to the larger Given Building (the Project) at its September 2007 meeting and found it an institutional priority consistent with the Strategic Capital Plan and worthy of further consideration; and

WHEREAS, the Educational Policy and Institutional Resources Committee endorsed the Project at its September 2007 meeting and remitted it to the Budget, Finance, and Investment Committee for financial review and approval; and

WHEREAS, on November 30, 2007 the administration reported to EPIR about an expanded project to include not only the Given Courtyard Infill and the Mechanical Systems Upgrade, but also other backfill laboratory renovations in the Given Building; and

WHEREAS, EPIR has accordingly received an updated preliminary estimate of $17,000,000 for the proposed Project and continues to find it an institutional priority, consistent with the Strategic Capital Plan, and worthy of further review; and

WHEREAS, the Project will be funded from $1,750,000 of external funds, $2,500,000 of internal reserves, combined with $12,750,000 of University long-term borrowing; and
WHEREAS, the University has adopted its Commercial Paper Note Resolution (the “Resolution”) on November 13, 2004, and thereby established a commercial paper program; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued at the appropriate time for the Project;

NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to commence the Given Courtyard Infill & Mechanical Systems Upgrade, and to execute any and all contracts and documents necessary to undertake the Project at a total project cost not to exceed $17,000,000; and

BE IT FURTHER RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the Project; and

BE IT FURTHER RESOLVED, that the external interim financing, including the use of commercial paper, shall be in an amount not to exceed $13,460,000, included in which shall be Costs of Issuance, as that term is defined in the Resolution, in an amount not to exceed $260,000, and capitalized interest in an amount not to exceed $450,000; and

BE IT 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; and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed $13,460,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.
Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

(9) Deferred Maintenance Projects FY ‘09

WHEREAS, the Educational Policy and Institutional Resources Committee carefully reviewed the program, scope, and preliminary estimate of $5,000,000 for the proposed Deferred Maintenance Projects FY ’09 (the Project) at its September 2007 meeting and found it an institutional priority consistent with the Strategic Capital Plan and worthy of further consideration; and,

WHEREAS, the Educational Policy and Institutional Resources Committee endorsed the Project at its September 2007 meeting and remitted it to the Budget, Finance, and Investment Committee for financial review and approval; and

WHEREAS, the University has adopted its Commercial Paper Note Resolution (the “Resolution”) on November 13, 2004, and thereby established a commercial paper program; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued at the appropriate time for the Project;

NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to commence the Deferred Maintenance Projects FY ’09 and to execute any and all contracts and documents necessary to undertake the Project at a total project cost not to exceed $5,000,000; and

BE IT FURTHER RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the project; and

BE IT FURTHER RESOLVED, that the external interim financing, including the use of commercial paper, shall be in an amount not to exceed $5,275,000, included in which shall be Costs of Issuance, as that term is defined in the Resolution, in an amount not to exceed $100,000, and capitalized interest in an amount not to exceed $175,000; and

BE IT 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; and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed $5,275,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:
Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

(10) **Harris/Millis Residential Complex Phase I**

WHEREAS, the Educational Policy and Institutional Resources Committee carefully reviewed the program, scope, and preliminary estimate of $4,000,000 for the proposed Harris-Millis Residence Hall Project, Phase I (the Project) at its September 2007 meeting and found it an institutional priority, consistent with the Strategic Capital Plan and worthy of further consideration; and,

WHEREAS, the Educational Policy and Institutional Resources Committee endorsed the Project at its September 2007 meeting and remitted it to the Budget, Finance, and Investment Committee for financial review and approval; and

WHEREAS, the University has adopted its Commercial Paper Note Resolution (the “Resolution”) on November 13, 2004, and thereby established a commercial paper program; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued at the appropriate time for the Project;
NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to commence the Harris-Millis Residence Hall Project, Phase I, and to execute any and all contracts and documents necessary to undertake the Project at a total project cost not to exceed $4,000,000; and

BE IT FURTHER RESOLVED, that the President, Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the project; and

BE IT FURTHER RESOLVED, that the external interim financing, including the use of commercial paper, shall be in an amount not to exceed $4,220,000, included in which shall be Costs of Issuance, as that term is defined in the Resolution, in an amount not to exceed $80,000, and capitalized interest in an amount not to exceed $140,000; and

BE IT 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; and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed $4,220,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.
(11) **Acceptance of Gifts and Grants**

RESOLVED, that the Board of Trustees hereby accepts grants and contracts in the amount of $44,270,275 for the period July 1, 2007, through September 30, 2007, and gifts in the amount of $6,150,431 for the period July 1, 2007, through September 28, 2007.

(12) **Summer Session Tuition Rates**

RESOLVED, that the Board of Trustees hereby approves the change in tuition for the Summer Session from $410 to $369 per credit hour for in-state students and from $1,034 to $931 per credit hour for out-of-state students. The changes are to become effective with the 2008 summer session.

(13) **State Capital Appropriation Request - Fiscal Year 2009**

RESOLVED, that the President be and hereby is authorized to request $4,000,000 from the Governor and Legislature of the State of Vermont toward construction, renovation, and major maintenance of its facilities in advancement of the mission of the University of Vermont.

(14) **General University and Morgan Horse Farm FY 2009 State Appropriation Request**

RESOLVED, that the President be and hereby is authorized to request from the Governor and the Legislature of the State of Vermont an appropriation for general operations of The University of Vermont in the amount of $45,653,592 for Fiscal Year 2009, representing a 8% increase in base appropriation and a supplemental request of $2,000,000.

BE IT FURTHER RESOLVED, that the President be and hereby is authorized to request an appropriation for Fiscal Year 2009 general operations of the Morgan Horse Farm in the amount of $6,000.

**EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE**

(15) **Resolution Approving a Policy to Award Conjoint Degrees**

RESOLVED, that the Board of Trustees approves the Conjoint Degree Policy as approved and advanced by the Faculty Senate on September 10, 2007, the Provost on September 19, 2007, and the President on September 21, 2007.

(16) **Resolution Approving a New Minor in Anthropology**

RESOLVED, that the Board of Trustees approves a new minor in Anthropology that would replace three existing subfield specific minors, as approved and advanced by the Provost on October 5, 2007, and the President on October 10, 2007.
(17) Resolution Approving a Name Change for the Department of Obstetrics and Gynecology

RESOLVED, that the Board of Trustees approves changing the name of the Department of Obstetrics and Gynecology to the Department of Obstetrics, Gynecology and Reproductive Sciences, as approved and advanced by the Provost on November 2, 2007, and the President on November 7, 2007.

(18) Resolution Approving the Creation of a Bachelor of Arts Degree in Chinese and a Bachelor of Arts Degree in Japanese

RESOLVED, that the Board of Trustees approves the creation of a Bachelor of Arts degree in Chinese and a Bachelor of Arts degree in Japanese as approved by the Provost on November 14, 2007, and by the President on November 16, 2007.

(19) Resolution Approving the Naming of the Pole Barn at the Jericho Research Forest

RESOLVED, that the Board of Trustees approves the naming of the pole barn at the Jericho Research Forest, which will henceforth be called the Forest E. Orr Conservation Center.

(20) Terrill Hall Project

WHEREAS, on September 7, 2007, the Educational Policy and Institutional Resources Committee (EPIR) reviewed the program, scope, and preliminary estimate of $2,000,000 for the Terrill Hall HVAC Project; and

WHEREAS, on that date EPIR found the proposed Project to be an institutional priority, consistent with the Strategic Capital Plan, and worthy of further review; and

WHEREAS, on that date, EPIR endorsed the proposed Project and remitted it to the Budget, Finance, and Investment Committee for financial review and approval at its November 2007 meeting; and

WHEREAS, on November 30, 2007, the administration reported to EPIR about an expanded project, to henceforth be known as the Terrill Hall Renovation Project, to include not only the HVAC system upgrade, but also other mechanical, electrical, and structural system improvements, including the reconfiguration of the facility to accommodate research growth within the Animal Science department; and

WHEREAS, EPIR has accordingly received an updated preliminary estimate of $7,500,000 for the proposed project and continues to find it an institutional priority, consistent with the Strategic Capital Plan, and worthy of further review:

THEREFORE, BE IT RESOLVED, that the Educational Policy and Institutional Resources Committee hereby again endorses the project and again remits it to the Budget, Finance, and Investment Committee for financial review and approval.
(21) **Given Courtyard and Mechanical Systems Upgrade Project**

WHEREAS, on September 7, 2007, the Board of Trustees’ Educational Policy and Institutional Resources Committee (EPIR) reviewed the program, scope, and preliminary estimate of $14,500,000 for the Given Courtyard and Mechanical Systems Upgrade Project; and

WHEREAS, on that date EPIR found the proposed Project to be an institutional priority, consistent with the *Strategic Capital Plan*, and worthy of further review; and

WHEREAS, on that date, EPIR endorsed the proposed Project and remitted it to the Budget, Finance, and Investment Committee for financial review and approval at its November 2007 meeting; and

WHEREAS, on November 30, 2007, the administration reported to EPIR about an expanded project to include not only the Given Courtyard Infill and the Mechanical Systems Upgrade, but also other backfill laboratory renovations in the Given Building; and

WHEREAS, EPIR has accordingly received an updated preliminary estimate of $17,000,000 for the proposed Project and continues to find it an institutional priority, consistent with the *Strategic Capital Plan*, and worthy of further review:

THEREFORE, BE IT RESOLVED, that the Educational Policy and Institutional Resources Committee hereby again endorses the Project with the understanding that the additional funds are being raised through philanthropy and again remits it to the Budget, Finance, and Investment Committee for financial review and approval.

(22) **Classroom Improvements Project FY ‘09**

WHEREAS, the Educational Policy and Institutional Resources Committee has reviewed the classroom inventory and preliminary estimate of $500,000 for the proposed Classroom Improvements Project FY ‘09 and finds it an institutional priority, consistent with the *Strategic Capital Plan*, and worthy of further review;

THEREFORE, BE IT RESOLVED, that the Educational Policy and Institutional Resources Committee hereby endorses the project and remits it to the Budget, Finance, and Investment Committee for financial review and approval at the February 2008 meeting.

(23) **Research Infrastructure Fund FY ‘09**

WHEREAS, the Educational Policy and Institutional Resources Committee has reviewed the concept for the proposed Research Infrastructure Fund FY ‘09 for $1 million and finds it an institutional priority, consistent with the *Strategic Capital Plan*, and worthy of further review;
THEREFORE, BE IT RESOLVED, that the Educational Policy and Institutional Resources Committee hereby endorses the fund and remits it to the Budget, Finance, and Investment Committee for financial review and approval at the February 2008 meeting.

A motion was made, seconded and it was unanimously voted to approve the consent agenda as presented. Trustee Ray Pecor recused from voting on resolution #3.

Chair Lisman presented resolution #8 for approval and offered an opportunity for discussion.

(8) **Terrill Hall Renovation**

WHEREAS, on September 7, 2007, the Educational Policy and Institutional Resources Committee (EPIR) reviewed the program, scope, and preliminary estimate of $2,000,000 for the Terrill Hall HVAC Project; and

WHEREAS, on that date EPIR found the proposed Project to be an institutional priority, consistent with the Strategic Capital Plan, and worthy of further review; and

WHEREAS, on that date, EPIR endorsed the proposed Project and remitted it to the Budget, Finance, and Investment Committee for financial review and approval at its November 2007 meeting; and

WHEREAS, on November 30, 2007 the administration reported to EPIR about an expanded project, to henceforth be known as the Terrill Hall Renovation Project (the Project), to include not only upgrading the HVAC system upgrade, but also other mechanical, electrical, and structural system improvements, including the reconfiguration of the facility to accommodate research growth within the Animal Science department; and

WHEREAS, EPIR has accordingly received an updated preliminary estimate of $7,500,000 for the proposed Project and continues to find it an institutional priority, consistent with the Strategic Capital Plan, and worthy of further review; and

WHEREAS, the University has adopted its Commercial Paper Note Resolution (the “Resolution”) on November 13, 2004, and thereby established a commercial paper program; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued at the appropriate time for the Project;

NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to commence the Terrill Hall Project and to execute any and all contracts and documents necessary to undertake the Project at a total project cost not to exceed $7,500,000;
BE IT FURTHER RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the Project; and

BE IT FURTHER RESOLVED, that the external interim financing, including the use of commercial paper, shall be in an amount not to exceed $7,915,000, included in which shall be Costs of Issuance, as that term is defined in the Resolution, in an amount not to exceed $150,000, and capitalized interest in an amount not to exceed $265,000; and

BE IT 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; and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed $7,915,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

A motion was made, seconded and it was voted to approve the resolution by a vote of 19-1.

**Other Business**

At 11:00 a.m. the Chair entertained a motion to enter into executive session to consider contracts, civil actions and advice of counsel. The motion was seconded and approved. All in attendance
were excused from the meeting with the exception of President Fogel, Provost Hughes, Vice President and General Counsel Francine Bazluke, Vice President for Finance and Administration Michael Gower, and Chief of Staff Gary Derr.

Trustee Frank Cioffi recused himself for the first portion of the session.

Trustee Susan Hudson-Wilson departed the meeting at the start of the executive session.

Trustee Ray Pecor departed the meeting early in the session.

The meeting was re-opened to the public at 12:22 p.m. and Chair Lisman presented the following resolution for approval:

(7) **Greening of Aiken**

WHEREAS, the Educational Policy and Institutional Resources Committee carefully reviewed the program, scope, and preliminary estimate of $13,000,000 for the proposed Aiken Hall Project (the Project) at its September 2007 meeting and found it an institutional priority consistent with the Strategic Capital Plan and worthy of further consideration; and

WHEREAS, the Educational Policy and Institutional Resources Committee endorsed the Project at its September 2007 meeting and remitted it to the Budget, Finance, and Investment Committee for financial review; and

WHEREAS, the Project will be funded from $5,000,000 of anticipated gifts and grants combined with $8,000,000 of University long-term borrowing; and

WHEREAS, the University has adopted its Commercial Paper Note Resolution (the “Resolution”) on November 13, 2004, and thereby established a commercial paper program; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until pledges are received or bonds can be issued at the appropriate time for the Project;

NOW THEREFORE, BE IT RESOLVED, that upon the securing of the necessary gifts and grants and the satisfaction of other contingencies, the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to commence the Aiken Hall Project and to execute any and all contracts and documents necessary to undertake the Project at a total project cost not to exceed $13,000,000; and

BE IT FURTHER RESOLVED, that the President and the Vice President for Finance and Administration and University Treasurer, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the Project; and
BE IT FURTHER RESOLVED, that the external interim financing, including the use of commercial paper, shall be in an amount not to exceed $8,440,000, included in which shall be Costs of Issuance, as that term is defined in the Resolution, in an amount not to exceed $160,000, and capitalized interest in an amount not to exceed $280,000; and

BE IT 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; and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed $8,440,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

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 12:25 p.m.

Respectfully submitted,

Bill Botzow, Secretary
Daniel Mark Fogel  
President  

The creation of the Honors College and honors student housing in University Heights. The current enrollment in the Honors College is 612 and 96 are anticipated to graduate in May 2008.

Creation of new academic programs in Environmental Engineering, Environmental Science, Biochemistry, Italian Studies, Ph.D. in Computer Science, Athletic Training, Animal Science and Food Nutrition, Biological Sciences, Early Childhood Education, Ph.D. in Neuroscience, Public Communication, Film and Television Studies, Exercise and Movement Sciences, Gender and Sexuality Studies, and Pharmacology. Significant breakdown in barriers between colleges and schools to make it easier, for instance, to minor across college/school lines and to double major across those lines as well.

Completion of the acquisition of Trinity College and the renovations to Mann Hall, Delehanty Hall, and Farrell Hall on the UVM Trinity Campus.

Increase the percentage of ALANA faculty from 8.9% in fall 2001 to 11.3% in fall 2006. Increase the percentage of ALANA undergraduates from 5.5% in fall 2001 to 6.8% in fall 2006. Increase the percentage of female faculty from 29.6% in fall 2001 to 31.6% in fall 2006.

Creation of the President’s Commission on Diversity and Inclusion and the President’s Commission on Lesbian, Gay, Bisexual and Transgendered Equity. Also created and chaired by the President for its first year the President’s Commission on Racial Diversity replacing its predecessor PCORE – President’s Commission on Racial Equality.


Increased full-time faculty compensation by 33.75% from FY 2003 to FY 2008

Recruited 215 new full-time tenured-track faculty from FY 2003 to FY 2007.

Creation of the Burack President’s Distinguished Lecture Series (73 distinguished lecturers) and the Marsh Professor at Large program (currently 16 Marsh Professors).

Addition of the following buildings/facilities: Davis Student Center, University Heights (Gold LEED Certification), Carrigan Wing to Marsh Life Science (Silver LEED Certification), Gutterson Parking Garage, Moulton-Winder Athletic Turf Field, acquisition of facilities to establish the Colchester Research Campus, and Medical Education Center and new facilities for the Dana Medical Library.
Major renovations to the following facilities: 438 College Street to house the Dean of the College of Arts and Sciences, 434 College Street to house Financial Analysis and Budgeting and Institutional Studies, Ira Allen Chapel, Delehanty Hall, Mann Hall, Farrell Hall, Perkins Hall, Admissions Welcome Center, Student Services Center in Waterman, installation of carbon monoxide detectors in all buildings and sprinkler system in all residence halls, Fleming Museum, Harris Millis Dining Hall, Wing/Davis/Wilks residence Halls, Living and Learning, and the Chilled Water Plant.

The following capital projects are in various stages of planning and approval: new Plant Sciences Building, Aiken Hall renovation, Simpson Dining Hall Renovation, Given Courtyard, Harris/Millis renovation, Terrill Hall renovation, and Billings Student Center.

The reinvigoration of the strategic planning process with the creation of the University Planning Council.

Creation and approval by the Board of Trustees of the Campus Master Plan.

Creation and approval of the Strategic Financial Plan and the Strategic Capital Plan (now referred to as the Capital Resources Management Plan). Supplemented foregoing large strategic measures with wide-ranging implementation of modern business practices ranging from procurement (including sole-source vending contracts), through streamlined and cost-efficient treasury operations, to cost-effective energy management practices.

Mandated large-scale University policy project, including revision of all major policies and institution of new policies in a wide range of areas, including, importantly, gender identity and expression and campus safety.

Committed University to major investment in programming for students, including late-night programming.

Improved relations with greater Burlington community capped with recently revised City-University agreement. Created Office of Student and Community Relations.

Positioned University to play key role in regional economic development, including prosecution of the “big idea” of UVM as the key driver of a sustainable or green economy for Vermont, now embraced by the Governor through the announcement of a “formal partnership” with the University of Vermont.

Successfully completed the $250 million “Greatness Within Our Grasp” fundraising campaign ahead of schedule and exceeding the goal by over $28.4 million.

Undergraduate enrollment increased from 7,257 in FY 2002 to an estimated 9,180 (fall spring average) in FY 2008. The number of first-time, first-year applications has over the same period increased from 8,268 to 18,814. The yield rate has changed from 28.1% to 18.7% and the admit rate has changed from 79.6% in FY 2002 to 69.5% in FY 2008. The average SAT scored has increased from 1133 in FY 2002 to 1174 in FY 2008.
Graduate Student Enrollment has increased from 1082 in FY 2001 to 1351 in FY 2007.

Creation of four residential learning communities: Green House, Global Village, Health and Wellness, and Honors.

Increased federal appropriations and earmarks from approximately $3.5 million in FY 2002 to $11.8 million in FY 2006. Total of federal appropriations and earmarks from FY 2002 to FY 2006 is $51.8 million with over $16 million for UVM currently pending, totaling $67.8 million for the period.

Creation of the National University Transportation Center, Vermont Advanced Computing Center, and UVM affiliated Vermont Center for Emerging Technologies.


Established a national voice for UVM in higher education affairs and policy, including authored OpEd pieces in the Washington Post, in the Chicago Tribune, and in The Presidency (American Council on Education, ACE). Member of the ACE Commission on Effective Leadership. Slated to chair the Board of the National Association of Land-Grant Colleges and State Universities (NASULGC) and to serve as President of the New England Association of Schools and Colleges. Also delivered several invited keynote addresses to national and regional meetings.


Redesigned University web presence.

Increase in sponsored research from $103 million in FY 2002 to a high in FY 2004 of $124.5 million. (FY 2007 - $107 million).

Reorganization of senior administration to align with strategic priorities, including creation or elevation of: vice president for finance and administration, vice president for research, vice president for federal, state and community relations, vice president for legal affairs, vice president for undergraduate education (now vice president for enrollment management) and chief of staff. Of the current senior administrators five have served in their current positions for four or more years, and they are now joined by successfully recruited colleagues, including the Provost and the Vice Presidents for Enrollment Management and for Development and Alumni Relations.
Recruitment of Robert Corran as Athletic Director (now Associate VP and Director of Athletics) and success of the athletic program including numerous America East Championships, NCAA titles and winning the America East Academic Cup for 2005, 2006, and 2007.

Worked assiduously to build a strong, collaborative, accountable relationship between President and Board. Cultivated strong internal relationships with faculty and staff, resulting in greatly improved morale of University personnel. Created a stronger sense of institutional cohesion and common values and purpose across college/school lines. Restored pride and confidence in UVM among state political leaders, Vermont citizenry, and alumni, students, and parents.
INVESTMENT MANAGEMENT AGREEMENT

THIS AGREEMENT made as of the 1st day of December, 2007, by and between the UNIVERSITY OF VERMONT BOARD OF TRUSTEES (“UVM Board”) and the UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE BOARD OF TRUSTEES (“UVMSAC Board”).

RECITALS:

WHEREAS, the UVM Board is the trustee of the University of Vermont Trust established under the James B. Wilbur Trust Indenture (u/a/d August 12, 1919) (the “Wilbur Fund”);

WHEREAS, the UVMSAC Board has the authority for the investment of the Long-Term Investment Pool (“LTIP”) for the benefit of the University of Vermont;

WHEREAS, the Wilbur Fund and the LTIP are managed separately although similarly;

WHEREAS, the UVM Board and the UVMSAC Board agree that if the Wilbur Fund and the LTIP were managed together there would be several advantages including, but not limited to, the following: (1) the Wilbur Fund would achieve greater diversification through more fund managers and market sectors; (2) to the extent management fees decrease with the size of the managed fund, combining the two funds for investment purposes would decrease fund management fees; (3) to the extent management contracts must be reviewed for the UVMSAC Board and similar contracts must be reviewed for The Wilbur Fund by the UVM Board, there would be economy of administration and reduction of attorney fees reviewing contracts if the two funds were invested together; and (4) if the funds were invested together, the investment committee would be able to monitor the Wilbur Fund’s performance better through quarterly reports; and

WHEREAS, the UVM Board and the UVMSAC Board agree to invest and manage the Wilbur Fund and the LTIP together.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions herein set forth, the parties hereto agree as follows:

1. **Joint Investment.** The UVM Board agrees to invest the assets of the Wilbur Fund together with the LTIP. Shares shall be assigned to represent proportional ownership of the assets. The date of investment into the pool shall set the proportional ownership.

2. **Title to the Wilbur Fund.** The UVM Board retains legal title to the assets of the Wilbur Fund.

3. **Investment Management.** A standing Investment Subcommittee of the Budget, Finance and Investment (“BFI”) Committee has been appointed to manage the
investment of the long term pool assets. At least one member of the BFI shall be a
UVM Board member. The UVM Board member(s) on the BFI shall act on behalf of
the UVM Board with respect to the investment of the Wilbur Fund and shall report to
the UVM Board with respect to the investments of the Wilbur Fund.

4. Allocation of Expenses. Investment management costs will be allocated to the Wilbur
Fund on a pro rata basis (i.e., a percentage of shares).

5. Accounting. The UVM Office of the Treasurer will provide regular accounting for the
investments of the Wilbur Fund and for its income and expenditures. This accounting
will be provided to the UVM Board at its regular meetings or upon request of the
Chair. The UVM Office of the Treasurer is responsible for third-party reporting and
accounting as required by policy, regulation, or law.

6. Termination. This agreement is terminable at will by either party. Upon termination of
this Agreement, the Wilbur Fund assets shall be distributed to the UVM Board and
invested in such accounts as it may direct.

The parties hereto have signed this agreement all of this the date first above written.

University of Vermont Board of Trustees, University of Vermont and
Trustees of the University of Vermont Trust State Agricultural College
Under the James B. Wilbur Trust Indenture Board of Trustees
(u/a/d August 12, 1919)

By: ________________________________  By: ________________________________
Name: ______________________________ Name: ______________________________
Its: Chairman of the Board Its: Chairman of the Board
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

AUDIT COMMITTEE

Charter

This Charter sets forth the responsibilities of the University Board of Trustees Audit Committee.

I. Principal Responsibilities

The principal responsibilities of the Committee shall include:

a. promoting the development and monitoring the effectiveness of an institutional system of risk assessment and internal controls;

b. reviewing and, as appropriate, making recommendations to the Board, regarding institutional policies relevant to the scope of Committee responsibilities, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, and documents retention;

c. ensuring that audit plans encompass significant and material aspects of University operations;

d. approving the selection and retention of the independent auditor and recommending such additional audits as the Committee and/or the Board must approve under the Board’s reserved authority;

e. maintaining direct and effective communication with independent auditors on behalf of the Board;

f. reviewing the results of internal and external audits (including the annually audited financial statement), and assessing the quality and timeliness of management’s response and corrective actions;

g. evaluating the scope and quality of internal and independent audit services, and the degree of coordination and appropriate degree of independence between them; and

h. reporting regularly and promptly to the Board regarding matters within the scope of the Committee charge.
II.  Membership

The University of Vermont Board of Trustees shall annually appoint at least 7 of its members to
the Committee. Its members shall be independent of management and the University including
its component units and affiliated organizations. For the purposes of this charter, “independence” is defined as rendering a Trustee ineligible for Committee service if he or she is
(1) is employed by the University; (2) is a partner or employee of a firm retained to conduct an
audit of the University; (3) held such University employment or audit engagement at any time
during the previous three years; or (4) is receiving consulting, advisory, or other compensatory
fees for services provided to the University. Members of the Investment Subcommittee are
eligible for appointment to the Audit Committee, but no such member may serve as its Chair or
Vice Chair. The University President is ineligible for service as a member, ex officio or
otherwise, of the Audit Committee, as a University official and employee.

Committee members shall otherwise be subject to the Conflicts of Interest Policy in the conduct
of their work.

Members of the Committee shall receive orientation appropriate to their Committee membership.
They will have the goal of understanding general accounting, business and finance principles,
including the ability to read and understand institutional financial statements. If possible, at least
one member of the Committee will possess accounting or financial expertise.

III.  Authority

The Committee is authorized to investigate any matter within the scope of its Charter, with full
and direct access to all pertinent University, records, personnel, independent auditors and
consultants.

IV.  Adoption of Charter

This Charter shall be effective as of the date of its approval by the Board. The Committee will
periodically review the Charter and recommend to the Board revisions thereto, in view of
evolving accounting standards, legal developments and experience gained.

Audit Committee Guidelines

These Guidelines serve as an operational supplement to the Audit Committee Charter. They are
intended to reflect generally accepted accounting industry standards and practices applicable to
non-profit corporations and higher education institutions. The Guidelines shall be reviewed
annually by management, and management shall report annually to the Committee regarding the
status of the Guidelines. The Committee shall make revisions to the Guidelines as necessary or
appropriate in view of evolving accounting standards and practices, legal developments and
experience gained.
I. Retention of the Independent Audit Firm

a. The Committee shall annually select and retain an independent audit firm to conduct mandatory annual financial attestation and/or compliance audits. In conjunction with such selection, the Committee will assess the independence and objectivity of the firm by reviewing and assessing the letter the firm issues under Independence Standards Board Standard No. 1. The Committee will review and assess any relationships disclosed that may impact auditor objectivity and independence.

b. The Committee shall solicit requests for proposals relative to mandatory annual financial attestation and/or compliance audits from qualified independent audit firms no less than once every five years.

c. In the event that an independent audit firm is retained to conduct a mandatory annual financial attestation and/or compliance audit for seven or more consecutive years, the Committee shall, as a condition of retention of the firm, require rotation of the lead audit partner on the University engagement.

II. Retention of Other Audit Services

a. The independent audit firm retained to conduct mandatory annual financial attestation and/or compliance audits generally shall not be eligible for University engagements to perform non-audit services, including bookkeeping; financial information systems design, implementation or operation; appraisal or valuation services, fairness opinions or contribution-in-kind reports; internal audit outsourcing services; management functions or human resources; broker or dealer, investment advisor, or investment banking services; legal services and expert services unrelated to the audit; preparation of the indirect cost proposal or cost allocation plan; or other services that would violate the U.S. General Accounting Office Independence Standard. If, due to extenuating circumstances, and in the exercise of its reasonable discretion, management deems it to be in the best interests of the University to retain the independent audit firm for non-audit services, the proposed retention is subject to review and action by the Committee where the retention will result in fees of $10,000 or more.

b. Contracts for non-audit services with independent audit firms not already retained by the University to conduct mandatory annual financial attestation and/or compliance audits are subject to review and recommendation by the Committee and subsequent Board consideration and action when such retentions will result in fees of $ 250,000 or more.

III. Oversight of Audits

The Committee will, no less than once annually, and otherwise periodically as necessary or desirable:

a. review annual audit plans developed by the Office of Institutional Risk Assessment and Audit Services, and receive periodic progress reports relative to such plans;
b. review and approve audit plans developed in consultation with independent audit firms, including (i) the critical accounting policies and practices to be used; (ii) all alternative treatments of financial information discussed with management, ramifications of alternative treatment and the treatment preferred by the firm; (iii) other material communications between the firm and management; and (iv) required communications from the firm under Statement of Auditing Standards No. 61, as amended;

c. review and approve mandatory annual financial attestation and/or compliance audit reports, including the annual audit reports on federal awards received as required by Office of Management and Budget Circulars (e.g., A-133) and the financial audit report of institutional National Collegiate Athletic Association programs;

d. resolve disagreements between management and the independent audit firm regarding financial reporting;

e. review the independent audit firm management letter comments regarding institutional financial internal controls, accounting policies and procedures, and management’s response to those comments;

f. review with management, the Office of Institutional Risk Assessment and Audit Services, and the independent audit firm their respective judgments about the quality of University accounting principles; the consistency, and the degree of aggressiveness or conservatism, in the application of accounting principles; the reasonableness of significant accounting judgments; and the clarity and completeness of the financial statements and related disclosures;

g. confirm with management, the Office of Institutional Risk Assessment and Audit Services and the independent audit firm respectively that the annual financial statements disclose all material off-balance sheet transactions, arrangements, obligations, and other relationships of the University with unconsolidated entities or other persons that may have a material current or future effect on institutional financial condition, and the results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses;

h. receive reports from management, the Office of Institutional Risk Assessment and Audit Services and the independent audit firm, regarding new and significant accounting standards to understand their impact on institutional financial statements;

i. receive reports from the Office of Institutional Risk Assessment and Audit Services regarding any financial fraud which, in single incident or aggregate, results in an institutional uninsured or insured loss in excess of $10,000;

j. review the organizational structure, qualifications, and independence of the University’s Institutional Risk Assessment and Audit Services Office; and
k. review and take action regarding recommendations from the President to the Committee regarding the appointment, reassignment or employment termination of the University’s Associate Vice President for Institutional Risk Assessment and Audit Services.

IV. Internal Controls

a. Certifications

i. The Committee will receive periodic reports from management on attestations it is rendering in conjunction with mandatory annual financial attestation and/or compliance audits as well as significant and material debt financing, such as issuance of bonds.

ii. Without limitation on 4.a(i), the Committee will receive from the Chief Financial Officer record of certification along with the annual financial statement report that:

a. He/she has approved the audit report,
b. Based on his/her knowledge, the report does not contain any material untrue statements or omissions,
c. Based on his/her knowledge, the financial statements materially present the financial condition and result of operations,
d. He/she is responsible for establishing and maintaining a system of financial internal controls, and that
e. He/she has disclosed to the auditors and the Audit Committee all significant internal control deficiencies and changes that could materially affect financial data.

b. The Committee will receive for its review and comment and, if necessary, its recommendation to the Board, institutional policies relevant to its scope of work, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, and documents retention.

As approved by the Board of Trustee: November 13, 2004.
Approved as amended by the Board of Trustees: September 8, 2007.
Revised by the Audit Committee: November 12, 2007
Approved as amended by the Board of Trustees: December 1, 2007.