A meeting of the Board of Trustees of the University of Vermont and State Agricultural College was held on Friday, September 5, 2008 at 2:00 p.m. in the Silver Maple Ballroom, room 401 Dudley H. Davis Center.


MEMBERS ABSENT: Jeffrey L. Davis, Johannah L. Donovan, James H. Douglas and Robert H. Young

Chair Ian Boyce called the meeting to order at 2:12 p.m.

Approval of Previous Meeting Minutes

A motion was made, seconded and voted to approve the minutes from the May 16, 2008 meeting as presented with Trustee Jeanette White abstaining.

Public Comment

There were no requests for public comment.

Committee Reports

Educational Policy and Institutional Resources Committee

Trustee Beth Rice reported that the Faculty Senate Curricular Affairs Committee approved a Minor in Public Communication and a Certificate of Graduate Study in Complex Systems, which will be forwarded to the Committee at its next meeting. The Diversity Curriculum Committee approved eleven courses in each of the Category 1 and 2 course designations.

Trustee Rice provided a summary of Provost John Hughes’ report to the Committee, including updates on a new system of Course Scheduling that allows students to more easily and effectively schedule courses; examination of a more energy-efficient academic calendar; a revision of the Program Review process; and staffing changes in the Office of the Provost.

Concluding her portion of the report, Trustee Rice commented on reaccreditation and Standard Three of the draft self-study. The first draft of the self-study is now being reviewed and revised pending distribution to the University Community for comment and it will be finalized by December 2008.
Regarding differential tuition, Chair Martha Heath noted that she had provided the Board a related report at the previous day’s Committee of the Whole meeting. Trustee Robert Cioffi asked how prevalent differential tuition is and Provost John Hughes responded that 57% of land grant and 45% of public institutions utilize this approach.

Chair Heath reported that the Committee approved the following resolutions for recommendation to the Full Board:

- Authorization for President to Award Degrees
- Approval of Equal Opportunity Statements
- Approval of Master’s Degree in Accountancy
- Approval of the University Transportation Research Center as a Matrix Center

Trustee Jeannette White presented information on the annual Strategic Capital Initiative Projects, which include five unranked components identified in the Strategic Capital Plan that occur annually. These projects are being introduced this year as a package of initiatives, with the objective being to process them together in future years as an annual request. The Committee commented on the unacceptable condition of several residence halls and requested information on where these renovation projects rank on the deferred maintenance list.

Trustee James Betts reported on enrollment and the strategic use of financial aid. There are 2,450 registered first-time/first-year students, 50 above the University’s target, 26% of whom are Vermont residents. The total undergraduate count is 9,850, 170 above target and 34% of whom are Vermont students. There are 200 ALANA first-time/first-year students, a 2% increase over last year. Overall enrollment is 12,790. The SAT score for incoming first-year students averages 1186, which is 12 points above last year.

Trustee Betts also reported on discussion regarding past financial aid expenditures and Scholarship programs for Vermont residents. Concern was expressed about removing the benefit of priority course registration from the Green and Gold Scholars and Vermont Scholars Programs. Several Trustees emphasized the need to ensure that Vermont student scholarships are maximized to aid with retention of these students.

Trustee John Snow asked that the Committee direct that the issue of debt counseling for students be addressed, to which Trustee Robert Cioffi added personal finance. Trustee Martha Heath suggested these issues be coordinated with the Vermont Student Assistance Corporation.

**Budget, Finance and Investment Committee**

Chair Debbie McAneny noted that the Committee reviewed and discussed proposed revisions to the FY 2009 budget as well as unbudgeted expenditures identified in FY 2007 and FY 2008. Unbudgeted expenditures for FY 2007, FY 2008, and FY 2009 have been fully accounted for and a solution for repayment of those expenditures has been developed.

The anticipated FY 2009 deficit ($15.27 million) will be funded using a portion of the Loan Fund reserve, a transfer from Residential Life reserves, and short-term internal borrowing of $5.0
million from Treasury operations. These funds are generated by internal payment of debt service on capital projects at a higher rate of interest and faster repayment schedule than what the University is paying externally. The borrowing of funds would be treated as a loan to be paid back with interest over a five-year period. Further discussion of current Treasury Operations policy will occur at the December Board meeting.

An additional challenge to balancing the FY 2009 budget, Chair McAneny commented, is a 2.5% rescission of the State general fund appropriation of approximately $1 million. This is reflected in the FY 2009 revised budget as a reduction in revenue and an offsetting reduction in expenditures. A process has begun to identify opportunities to make budget cuts in FY 2009 in the amount of $1.7 million, as well as to identify potential alternative revenue sources. This budget cut is over and above the actions necessary to address the 2.5% state rescission. The FY 2009 budget presented to the Trustees in May totaled $269 million. This revised budget totals $284.77 million. The Committee approved the revised budget as presented for action by the Board.

At its December 2008 meeting, the Committee will discuss the financial statement impact of the requirements of Governmental Accounting Standards Board (GASB) Statement 45, effective for the fiscal year ending June 30, 2008. Previously, the University was only required to report the current actual expenditures each year.

Trustee Robert Cioffi, Chair of the Investment Subcommittee, reported that the Subcommittee has met three times since the May Board meeting, including a full-day meeting focused on a review of the asset allocation policy targets and ranges. He commented on the Long-Term Investment Pool allocations and performance through June 30, 2008, noting that the portfolio had returns of 2.0% for the quarter and .3% for the fiscal year ended June 30, 2008 and -2.2% for the month of July. The calendar YTD endowment returns were -5.7% at July 31 compared to -13.0% for the S&P. He noted that performance for the trailing five years was 11.2% compared to 10.0 % for Cambridge Median.

Chair Cioffi also reported on the annual review of asset allocation targets in the Long-Term Pool, emphasizing that the recommended target portfolio reflects the long-term horizon of the endowment and a conscious decision to accept more risk, as measured by volatility of returns, in order to achieve superior returns.

Chair Cioffi concluded by noting that the Committee unanimously approved the following resolutions included on the consent agenda for consideration by the Board:

- Resolution revising Exhibit 1 of the University Statement of Investment Objectives and Policies (allocation targets and ranges)
- Resolution reaffirming Endowment Management Fee
- Resolution reaffirming Spending Policy
- Resolution Regarding Delegation and Retention of Board Authority

The Committee also reviewed a reallocation resolution to increase the project budgets of the Dudley H. Davis Center, 438 College Street, and the Colchester Research Facility by the use of donor funds and unspent project funds from the DeGoesbriand fit-up; and a second reallocation
resolution combining existing approved funds for the Given Mechanical Upgrade with the Deferred Maintenance funds for the Given Electrical Upgrade. Both resolutions were approved unanimously for recommendation to the full Board.

Lastly, the resolution to accept grant and contract awards of $38,042,399 and gifts of $5,574,709 was approved by the Committee for recommendation to the full Board.

**Board Governance Committee**

Chair Robert Cioffi stated that the meeting took place August 11, 2008 and that Vice Chair Edwin Amidon chaired the meeting in his absence.

The Committee reviewed proposed amendments to the *Statement of Trustees Responsibilities*, which the Board endorsed earlier today.

A work group comprised of Bill Botzow, John Snow and Jason DePatie was appointed to identify optimal solutions regarding the timing for election of Board Chair and to consider implementation options.

The following recommendations for strengthening the process of the Socially Responsible Investing Workgroup were discussed and endorsed by the Committee: (1) the Work Group be a ‘standing’ rather than *ad hoc* workgroup; (2) members be appointed for 2-year (renewable) terms; (3) meetings be routinely scheduled during the academic year; and (4) the work group would report to the Investment Subcommittee, which in turn would make recommendations to the Budget, Finance & Investment Committee (BFI) en route to the full Board for consideration. Chair Cioffi noted that a resolution has been added to the consent agenda under which these recommendations would be adopted.

Discussion of the Committee’s charge and whether it should include an oversight role with regard to University, in addition to Board governance, was tabled to the next meeting.

**Audit Committee**

Trustee Edwin Amidon reported on the last two Audit Committee meetings. At the June 2, 2008 meeting, the Committee received a report from Huron Consulting indicating that grants and contracts would be substantially caught up by the end of the fiscal year (June 30). Recruitment for new and vacant grants and contracts accounting positions was underway as well as planning for transition from Huron to in-house administration.

At the August 15, 2008 meeting, Huron Consulting reported that the goal of bringing grants and contracts accounting current was met with a minor backlog, and that all invoicing and cash management is now being processed through PeopleSoft.

The Committee learned of the selection of Jennifer Gagnon as Interim Director of Grant and Contract Accounting, and that five of six new grant and contract positions had been filled. Huron will remain to train the new employees and is expected to leave the University by November.
Preliminary field work for the FY 2008 external audit has been performed and work is on target for normal completion dates. This is the year that an RFP will be issued for selection of an external audit firm beginning in FY 2009. Preparation and issuance of the RFP will be monitored by a subcommittee, including a representative from the Office of the State Auditor.

The Committee received a report from Vice President Karen Meyer that a Memorandum of Understanding regarding use of the $4 million of Global Commitment Medicaid dollars as part of the University's FY 2008 State appropriation had been signed, under which the University will educate 100 medical students to become physicians. A similar agreement covering the FY 2009 appropriation has been prepared for signature by Interim Vice President Cate.

Trustee Amidon concluded his report by indicating the Committee received a status report on the Deloitte investigation.

**Vermont Agricultural College Board Report**

Trustee Clair Ayer indicated the Board also received the status update on the Global Commitment Memorandum of Understanding.

The Board discussed the status of planning for the Miller Research Facility. There has been an ongoing debate, involving many constituencies, on how to best deliver on the needs of students, research excellence, and State agriculture viability. The Board will be kept apprised of progress.

The prospect of campus tours as a tool to provide legislators and other opinion leaders with information about the University was discussed. Trustee Ayer indicated the tours could be customized depending on who is participating.

The Board discussed the 30th Anniversary celebration of the Center for Rural Studies, which will be held in conjunction with Homecoming Weekend. Finally, it was advised of plans for President Fogel to meet with constituents in Northeast and Central Vermont.

**University of Vermont Board Report**

Chair Susan Hudson-Wilson stated that the Board reviewed the Wilbur Trust report. The report shows that the Wilbur Trust is being merged into the University’s Long-Term Investment Pool as approved by the Board. At its next meeting, the Board will review how the money was awarded in FY08.

Vice President Marcus Diamond led a discussion about the merits of building a council for philanthropic leadership.

The Board also discussed re-nominating members after their six-year term expires.
Campus Life Task Force II Update

Chair Robert Cioffi noted that a small steering committee is now advancing this initiative. Several members met at the office of Cannon Design in Boston in July for a briefing on work to date. Cannon Design and Brailsford and Dunlavey have been meeting regularly with Campus Planning and Architectural and Engineering Services personnel to assemble the various pieces of this complex series of projects in a manner consistent with the University Master Plan.

Chair Cioffi indicated the Task Force will present a final recommendation to the Board in December. The recommendation will represent a "menu" of which each item must be evaluated on its merits and affordability. The task is thus to break these substantial needs into affordable and phased portions. These projects will then be vetted through the established priority-setting process for capital projects before any approvals are requested of the Board.

The steering committee will also be initiating an assessment and strategy for private fundraising with respect to this series of projects.

Trustee Martha Heath expressed her view that the Wellness Center should be a primary focus of this project. Chair Cioffi acknowledged that the University is not currently in the position to finance this Center and indicated it may be one to target financing from donors. President Fogel added that the Wellness Center could potentially be addressed through a student fee, much as the Davis Center. Trustee Beth Rice recalled the substantial costs students already incur.

Consent Agenda

Chair Boyce presented the consent agenda for approval:

COMMITTEE OF THE WHOLE

(1) Resolution Recommending Approval and Adoption of University Strategic Plan

WHEREAS, following extensive consultation with the University community, the administration now presents to this Committee for review and approval a Strategic Plan for the years 2009-2013; and

WHEREAS, the document contains plans and proposed actions designed to position the University strategically for the future;

NOW, THEREFORE BE IT RESOLVED, that the Committee hereby recommends Board approval and adoption of the Strategic Plan; and

BE IT FURTHER RESOLVED, that the Committee recommends that the Board request the President to report periodically on institutional progress toward the goals the Strategic Plan establishes; and
BE IT FINALLY RESOLVED, that the Committee recommends that the Board request the President to seek Board approval of modifications to the Strategic Plan as necessary or desirable in light of developments and experience gained.

(2) Resolution Approving Charge of and Appointments to the Ad Hoc Committee on Trustee Recruitment

RESOLVED, that the Board of Trustees approves the appointment of Susan Hudson-Wilson, John Snow, Claire Ayer, Jeanette White, Frank Cioffi and Jason DePatie to the ad hoc Committee on Trustee Recruitment and the charge of the ad hoc Committee on Trustee Recruitment as set forth in Attachment A.

BUDGET, FINANCE & INVESTMENT COMMITTEE

(3) Acceptance of Gifts and Grants

RESOLVED, that the Board of Trustees hereby accepts grants and contracts in the amount of $38,042,399 for the period January 1, 2008, through June 30, 2008, and gifts in the amount of $5,574,709 for the period January 1, 2008, through June 30, 2008.

(4) Internal Lending Authorization – Treasury Operations

WHEREAS, at the direction of the Board of Trustees the University has instituted an internal budgeting plan for regular payment of debt service obligations for capital projects so that the current payments into Treasury Operations exceed current external debt payment obligations; and

WHEREAS, the current fund balance in Treasury Operations exceeds $10,000,000 and those funds are and will be in excess of those needed to make debt service payments over the coming five years,

BE IT RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration and Treasurer to initiate an internal borrowing of up to $5,000,000 of those funds, should they be needed, to fulfill approved General Fund budget obligations in FY 2009.

BE IT FURTHER RESOLVED, that the funds borrowed from Treasury Operations shall be repaid over a five-year term, beginning in FY 2010, at the same blended interest rate (currently 5.5%) as is charged for other internal debt repayment obligations for capital projects.

(5) Fiscal Year 2009 Amended Budget: General Fund

WHEREAS, in May 2008 the Board of Trustees approved a General Fund Budget of $269,019,000; and
WHEREAS, the Board also resolved that in light of currently unbudgeted costs in FY 2008 and FY 2009 associated with actions required to address ongoing operations of elements of the University’s financial and human resources systems, especially grants management, and as yet undefined costs associated with the Board’s engagement of special external auditors, that the President proceed to assess the level and nature of these costs and be prepared to present to the Trustees at their September meeting a full analysis of the costs, the operations plan that they will support, and a budget or financing plan to address them, together with any modifications of the Fiscal Year 2009 budget that may be appropriate; and

WHEREAS, the analysis of these unbudgeted costs for FY 2007 and FY 2008 and those projected for FY 2009 has been completed; and

WHEREAS, the President has prepared and presented both the analysis and the budget and financing plans to address these costs,

BE IT RESOLVED, that the Board of Trustees hereby approves the budget analysis and funding sources available for Fiscal Year 2009, which lead to a General Fund operating budget for the University of $283,270,000, $284,770,000, and also hereby authorizes the President to proceed with detailed budget preparation in accordance with this plan.

(6) Resolution Reaffirming Endowment Management Fee

RESOLVED, that the Endowment Management Fee Policy is reaffirmed as reads below:

BE IT RESOLVED, that the Board of Trustees hereby approves a 0.5 percent fee applied to the University endowment, to cover reasonable costs associated with endowment administration, management and operation; and

BE IT FURTHER RESOLVED, that on a fiscal year basis, the fee will be calculated and assessed annually as 0.5 percent of the average market value of the University endowment for the previous thirteen quarters ending December 31 of the prior calendar year; and

BE IT FINALLY RESOLVED, that the Investment Subcommittee will review and make recommendation to the Budget, Finance and Investment Committee regarding the reaffirmation or revision of the Endowment Management Fee Policy each year no later than September 30.

Adopted by: Board of Trustees - September 13, 2003
Reaffirmed: Board of Trustees - September 8, 2007
Board of Trustees - September 5, 2008

(7) Resolution Reaffirming Endowment Budget Policy

RESOLVED, that the Endowment Budget Policy is reaffirmed as reads below:
BE IT RESOLVED, that the annual budgets for spending from Endowment be set at 4.5 percent of the average market value for the previous thirteen quarters ending December 31 of the prior calendar year; and

BE IT FINALLY RESOLVED that the Investment Subcommittee will review and make recommendation to the Budget, Finance and Investment Committee regarding the reaffirmation or revision of the Endowment Budget Policy each year no later than September 30.

Adopted by: Board of Trustees - May 13, 1995
Reaffirmed: Board of Trustees - September 8, 2007
Board of Trustees - September 5, 2008

(8) Resolution Revising Exhibit 1 of the University Statement of Investment Objectives and Policies

RESOLVED, that Exhibit 1 of the University Statement of Investment Objectives and Policies shall hereafter read as revised below:

EXHIBIT 1
UNIVERSITY OF VERMONT
ASSET ALLOCATION STRATEGY

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<th>Asset Class</th>
<th>Original Target</th>
<th>Revised Target</th>
<th>Original Range</th>
<th>Revised Range</th>
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<td>15-40</td>
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<td>15-25</td>
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</tr>
<tr>
<td>Inflation Hedging</td>
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<td>10-25</td>
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</tr>
<tr>
<td>Venture Capital/Private Equity</td>
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<td>5-15</td>
<td>5-20</td>
</tr>
<tr>
<td>Fixed Income</td>
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<td>10-25</td>
<td>5-25</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
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<td>0-5</td>
<td>0-5</td>
</tr>
</tbody>
</table>

Adopted by the Board of Trustees - August 13, 2000
Exhibit 1 Approved as revised by the Board of Trustees: May 21, 2004
Exhibit 1 Approved as revised by the Board of Trustees: February 11, 2005
Exhibit 1 Approved as revised by the Board of Trustees: February 9, 2006
Exhibit 1 Approved as revised by the Board of Trustees: September 6, 2007
Exhibit 1 Approved as revised by the Board of Trustees: September 5, 2008

(9) Resolution Regarding Delegation and Retention of Board Authority

WHEREAS, this Board has, in its Bylaws and through such policies and resolutions as it may issue from time to time, delegated to the President and other officers of the University certain
authority and responsibility for the management of the University and its programs, activities and operations; and

WHEREAS, this Board recognizes the need for prompt and timely management decisions made by qualified University personnel, and thus, through such delegations, authorizes officers of the University to negotiate and enter into contracts and other arrangements to facilitate the objectives of University programs and activities and to conduct related operations; and

WHEREAS, in making such delegation, the Board also assigns to such officers responsibility to make informed and prudent decisions in the best interests of the University and to maintain accountability to the Board through prompt and accurate reports on University programs, activities and operations, including their financial status and impact;

NOW, THEREFORE, BE IT RESOLVED, that subject to its retained authority and responsibility for the general oversight of the University and subject to action that it will take in accordance with its own fiduciary and legal duties, the Board hereby delegates to the President and the officers of the University authority and responsibility to negotiate and enter into contracts and other arrangements to facilitate the objectives of University programs and activities and to conduct related operations, and hereby also recognizes the authority the Board delegates to the Faculty Senate as expressed in the Faculty Senate Constitution and Bylaws, except for the following, which shall require Board approval:

1. statements of institutional mission, principles and values;

2. the institutional strategic plan and associated goals, and related strategic financial plans and goals, and all material revisions thereto;

3. establishment and dissolution of University-affiliated corporations and foundations, and University membership in other corporate entities (but not institutional memberships in professional associations);

4. appointment of University trustees to the boards of other corporate entities or public bodies in their capacity as University trustees;

5. appointment and employment of the President, and appointment of other officers of the University in accordance with the University Bylaws;

6. creation or elimination of, and material changes in, academic programs and departments; establishment of endowed professorships; with periodic reports from the administration to the Board of appointments made thereto; and approval of the faculty medical practice plan;

7. award of academic and honorary degrees;

8. matters the Faculty Senate may appeal to the Board under the Senate Constitution and Bylaws;
(9) naming of buildings, academic programs and departments;

(10) through its Investment Subcommittee of the Budget, Finance and Investment Committee, selection, retention and termination of investment advisors and managers for the Long Term Investment Pool; investment and reinvestment decisions as to all restricted and unrestricted funds; and selection, retention and termination of investment advisors and managers; provided that, the Board must itself approve policies for the Long Term Investment Pool and the Limited Term Asset Pool, the endowment spending rate, endowment management fee, institutional debt policy, declaration of financial exigency, and dissolution, merger or the sale or pledge or transfer of all or substantially all of the University’s assets;

(11) the institutional annual budget, State appropriation and capital requests, and the annual audited financial statement;

(12) tuition, room and board rates, and student fees;

(13) purchase, sale, exchange, or transfer of complete or partial interests in real property, regardless of location, at a value that equals or exceeds $500,000; authorization of acceptance of compensation in eminent domain proceedings; the lease or sublease of property with annual or aggregate rental value that equals or exceeds $500,000, and renewals thereof; the pursuit or acceptance of historic preservation designation for University property; and adoption of, and material revisions to, a Campus Master Plan;

(14) authorization to make payments in lieu of taxes;

(15) issuance of bonds and approval of institutional debt policy;

(16) procurement of loans, lines or credit, or other financing, and performance as surety, in amounts or at a value that equals or exceeds $1,000,000;

(17) approval of negotiation and execution of contracts for facilities construction or renovation, and purchase or sale of goods, equipment or services, and all other contracts whose value equals or exceeds $1,000,000, provided that the Board shall approve all contracts for consulting services whose value equals or exceeds $250,000, and shall also authorize, through its Investment Committee, the selection and retention of all investment advisors regardless of contract cost;

(18) selection and retention of independent audit firms to conduct mandatory financial attestation and/or compliance audits, regardless of contract cost; contracts of $10,000 or more for non-audit consulting services with any independent audit firm conducting a mandatory attestation and/or compliance audit for UVM; and, otherwise, contracts with independent audit firms for consulting services whose value equals or exceeds $250,000;
(19) authorization to settle lawsuits whose value equals or exceeds $500,000; and authorization to file and/or settle lawsuits in which the Board is a named party or a Board-approved policy is in dispute;

(20) all Board self-governance matters reserved to the Board in the University Bylaws, including without limitation the election, appointment and removal of Board officers, approval of Board Committee appointments, and election and appointment of Trustees by the UVM Board; or as otherwise required or permitted by law; and

(21) revisions to University Bylaws; matters required by law, Bylaws, and/or contract; and such other authority as the Board is required to exercise without delegation as a matter of law, or that, in the future and prospectively, it wishes to retain or retrieve in the exercise of its fiduciary duties and sole discretion;

AND BE IT FURTHER RESOLVED that, notwithstanding such delegations, through the President or his designees, the administration shall report periodically on matters of institutional management and operations, as the Board may direct and/or as may be appropriate and desirable, including without limitation periodic reporting on gifts and grants; and subject to the terms of (17) and (18) above respectively, retention of consultants and independent audit firms for consulting services whose value equals or exceeds $250,000; and, subject to the terms of (19) above, settlement of lawsuits whose value equals or exceeds $500,000; and

BE IT FINALLY RESOLVED, that this resolution shall supersede all preexisting delegations prospectively.

Adopted by the Board of Trustees: September 11, 2004
Approved as revised by the Executive Committee: March 14, 2005
Approved as revised by the Board of Trustees: May 19, 2007
Approved as revised by the Board of Trustees: May 17, 2008
Approved as revised by Board of Trustees: September 5, 2008

(10) Reallocation of Debt Financing to Davis Center, Colchester Research Facility, and 438 College Street

WHEREAS, at its February 2003 meeting the Board approved the second and final budget, totaling $1,000,000, for the program planning and site selection toward the development of a University Commons; and

WHEREAS, at its September 2004 meeting the Board approved the Dudley H. Davis Center Project (formerly the University Commons) budget for $70,000,000 and subsequently reduced the amount to $61,000,000 with the deferral of the theatre phase, the combined project budget for planning and construction totaling $62,000,000; and
WHEREAS, subsequent cost escalation necessitates further increasing the final Project budget to $63,300,000; and

WHEREAS, also at its September 2004 meeting the Board approved the purchase and partial fitup of the Colchester Research Facility for a total of $13,800,000 and the University completed that project at $14,110,394; and

WHEREAS, at its May 2005 meeting the Board approved the 438 College Street Renovation budget for $3,000,000 and the University completed that project at $3,020,096; and

WHEREAS, at its May 2007 meeting the Board approved the second and final phase of the DeGoesbriand Fitup Renovation budget for $2,100,000 and it has been determined that project can be completed at $1,769,510; and

WHEREAS, the approved capital project of DeGoesbriand was financed through the 2007 Bond issue and has realized a project budget surplus and the Davis Center has attracted additional donor funds;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to increase the Dudley H. Davis Center Project budget from $62,000,000 to $63,300,000, the 438 College Street Project budget from $3,000,000 to $3,020,096, and the Colchester Research Facility Project budget from $13,800,000 to $14,110,394; and

BE IT FURTHER RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to reduce the project budget of the DeGoesbriand Fitup by $330,490 to offset the increased cost of the Colchester Research Facility and 438 College Street projects, and to apply donor funds to offset the increased cost of the Davis Center Project; 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 people appointed to any of the positions heretofore mentioned, and further, that any officer of this corporation is hereby authorized to certify this resolution to whom it may concern.

(11) Reallocation of Funds for Given Building Infrastructure

WHEREAS, at its November 2007 meeting the Board approved the Given Courtyard Infill and Mechanical Systems Upgrade budget, totaling $16,000,000, of which $2,000,000 was identified for the mechanical systems upgrade; and

WHEREAS, at the February 2007 and November 2007 meetings the Board approved the total allotment of $11,000,000 for deferred maintenance, of which $1,400,000 was identified for the Given Building Electrical Upgrade; and
WHEREAS, the electrical and mechanical systems have been determined to be far more interrelated than previously considered for the purpose of performing work to upgrade each system; and

WHEREAS, the electrical system upgrade will provide a more cost efficient solution for the Given Courtyard Infill Project if it occurs simultaneously;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to combine the remaining funds of the $2,000,000 and $1,400,000 allocated to the mechanical and electrical upgrades in order to sequence the execution of work more advantageously; and

BE IT FURTHER RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to rename the succeeding projects as the Given Infrastructure Project and to initiate the electrical system upgrade phase as the first project under this new project title; 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.

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

(12) Resolution Authorizing Award of Degrees

RESOLVED, that the Board delegates to the President and, in the event of his absence or unavailability, to the Provost, each ex officio, the authority to award academic degrees following Faculty Senate approval of the award of those degrees; and

BE IT FURTHER RESOLVED that this authority will be for the academic year 2008 – 2009 or until the Board revokes its delegation.

(13) Resolution Approving Equal Opportunity Statements

RESOLVED, that the Board ratifies the Equal Employment Opportunity/Affirmative Action Policy Statement and the Equal Opportunity in Educational Programs and Activities Policy Statement, both effective as of September 5, 2008, attached hereto as Attachments B and C.

(14) Resolution to Approve a Master’s Degree in Accountancy

RESOLVED, that the Board of Trustees approves the establishment of a Master’s Degree in Accountancy as approved and advanced by the Provost on May 30, 2008 and by the President on June 2, 2008.
(15) **Resolution to Approve Recognition of the University Transportation Research Center as a Matrix Center**

RESOLVED, that the Board of Trustees recognizes the University Transportation Research Center as a Matrix Center as approved by the Provost on August 21, 2008, and by the President on August 21, 2008.

(16) **Annual Strategic Capital Project Initiatives Request**

WHEREAS, the Board Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of $11,500,000 for the proposed Strategic Capital Initiative Projects FY 2010 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 their December meeting.

**FULL BOARD**

(17) **Resolution Establishing a Standing Socially Responsible Investing Work Group**

BE IT RESOLVED as follows:

That the Board hereby establishes a standing Socially Responsible Investing Work Group;

That the charge of the Work Group shall be to consider specific investment policy proposals based on moral, ethical, or social criteria; review the impact of any such proposal on current and potential University investments; solicit input on policy proposals from the campus community at large; and forward its investment policy recommendations as stated below;

That the Work Group membership shall consist of Trustees appointed by the Chair; two faculty members appointed by the Faculty Senate President; two students appointed by the President of the Student Government Association; two graduate students appointed by the Graduate Student Senate President; two staff members appointed by the Staff Council President; one administrative officer appointed by the President; and the Treasurer ex-officio, who shall be a non-voting member of the Committee;

That Work Group members shall serve two-year terms, which are renewable;

That Work Group meetings shall be scheduled routinely throughout the academic year;

That the Work Group shall report its recommendations to the Investment Subcommittee, which in turn shall report its recommendations to the Budget, Finance and Investment Committee; and
That the previously established Socially Responsible Work Group shall be dissolved upon adoption of this resolution.

A motion was made, seconded and unanimously voted to approve the consent agenda as presented.

Chair Boyce next presented the following resolutions drafted following Committee discussion yesterday:

**Resolution Acknowledging Receipt of Deloitte Report and Authorizing Further Action**

WHEREAS, on April 18, 2008, the Executive Committee authorized the Board Chair to enter into consulting agreements to provide the Board services relating to the audit of University engagements with Huron Consulting Group and to assess and make recommendations regarding internal financial controls, specifications relating to the scope of the services to be developed under the direction of the Audit Committee; and

WHEREAS, pursuant to this authorization, the Chair retained external legal counsel to assist the Audit Committee in its development of specifications relating to the scope of services to be performed by the audit firm selected in response to a Request for Proposals, Deloitte LLC; and

WHEREAS, under the direction of the Chair, external legal counsel retained Deloitte LLC, which undertook the requisite investigation; and

WHEREAS, Deloitte LLC generated a final report to the Chair, which he in turn had distributed to all Trustees;

BE IT RESOLVED, that the Board hereby acknowledges receipt of the final report issued pursuant to the above-described process, and authorizes the Chair to discharge the external law firm and Deloitte LLC, subject to reasonable wind-up activities, and to thank them for services rendered; and

BE IT FURTHER RESOLVED, that the Board hereby asks the Audit Committee, in consultation with the administration, to expeditiously recommend a proposed scope of work describing the nature and extent of any additional external consultant services that may be necessary or desirable to effectuate a management response to the Deloitte report recommendations and Board assessment of the management response, upon which Audit Committee recommendation the Executive Committee shall act promptly; and

BE IT FINALLY RESOLVED, that the administration, under the direction and management of the President, is hereby directed to develop and present to the Executive Committee a management response to the findings and recommendations of the Deloitte report, a preliminary report to be made to no later than the October meeting.

**Resolution regarding Presidential Compensation and Contract**

WHEREAS, on this date, at the request and with the authorization of the Executive Committee its subcommittee on presidential evaluation and compensation (“the subcommittee”) has reported its findings to this Board; and
WHEREAS, the subcommittee has demonstrated through its report that it has engaged in work consistent with its charge; and

WHEREAS, the Board has now received the report and itself deliberated on its findings and recommendations;

BE IT RESOLVED, that the Board hereby authorizes the Board Chair to finalize a presidential salary award for FY09 and otherwise to effect presidential contract adjustments in a manner consistent with the deliberations of the Board.

A motion was made, seconded and all voted in favor to approve both resolutions as presented.

Other Business

Trustee Jeanette White recalled for discussion the Amethyst resolution, which had been referred to in Student Government Association President Jay Taylor’s report to the Committee of the Whole. The initiative calls for reconsideration of drinking laws and contends that the current 21 year old drinking age is not effective. The resolution invites debate on how to address this situation. Trustee White expressed this is a serious issue, to which Vice Chair Frank Cioffi commended students for bringing forward.

Trustee White asked that the University declare its position on the resolution. President Fogel indicated he will be directed by the Board on the University’s position to this matter and advised that the Board be cautious and weigh all facts and potential consequences before declaring a firm position.

Vice President for Campus and Student Life Thomas Gustafson indicated the public perception of this resolution is that it is aimed solely to lower drinking age. He also indicated institutions that participate may be perceived to have lax drinking policies.

Further discussion ensued, to which the conclusion was that the Board understands the issue addressed in the resolution, but cannot embrace this initiative without further discussion and the provision of more detailed information. The Board agreed to include this discussion as a future agenda item.

At 3:19 p.m., the Chair entertained a motion to enter executive session for the purpose of discussing collective bargaining and contracts.

All in attendance were excused from the meeting with the exception of Provost John Hughes, General Counsel Francine Bazluke, Chief of Staff Gary Derr, Vice President for Federal, State and Community Relations Karen Meyer, Vice President for Student and Campus Life Thomas Gustafson and Associate Vice President for Finance and Administration Richard Cate.

All non-trustees were then excused for the final Executive Session item except for Provost John Hughes, General Counsel Francine Bazluke, and Chief of Staff Gary Derr.
Adjournment

The meeting was re-opened to the public at 4:00 p.m. There being no further business the meeting was adjourned.

Respectfully submitted,

Bill Botzow, Secretary
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTEES

AD HOC COMMITTEE ON TRUSTEE RECRUITMENT

The Ad Hoc Committee is established to assist trustee appointing authorities in identifying Board-required qualifications that will assist the Board in ensuring that it collectively is comprised in a manner that facilitates optimal achievement of its responsibilities.

Committee membership will minimally include one Trustee appointed from each of the constituent sources of appointment: the UVM Board; the State Agricultural Board; the Governor of the State; and the Associated Directors for the Appointment of The University of Vermont and State Agricultural College Student Trustees, Inc.

Committee work will at all times be informed by the Guidelines for Selection of University Trustees previously adopted by the Board.
Equal Employment Opportunity/ Affirmative Action

Policy Statement

The University of Vermont and State Agricultural College is committed to a policy of equal employment opportunity and to a program of affirmative action in order to fulfill that policy. The University will accordingly recruit and hire into all positions the most qualified persons in light of job related requirements, and applicants and employees shall be treated in employment matters without regard to unlawful criteria including race, color, religion, ancestry, national origin, sex, sexual orientation, disability, age, positive HIV-related blood test results, status as a disabled or Vietnam Era Veteran, or gender identity or expression, as these terms are defined under applicable law, or any other factor or characteristic protected by law.

In addition, the University of Vermont recognizes that discriminatory harassment and sexual harassment are forms of unlawful discrimination, and it is therefore the policy of the University that discriminatory harassment and sexual harassment will not be tolerated. The University also prohibits unlawful harassment on the basis of other characteristics protected by law.

Further, employees and applicants will not be subjected to harassment or retaliation because they have engaged in or may engage in the following: filing a complaint; assisting or participating in an investigation, compliance evaluation, or any other activity related to the administration of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 ("VEVRAA"), Section 503 of the Rehabilitation Act of 1973 ("Rehabilitation Act"), or the Affirmative Action provisions of federal, state or local law; opposing any act or practice made unlawful by VEVRAA, requiring equal employment opportunities for individuals with disabilities, disabled veterans, or veterans of the Vietnam Era; or exercising any rights under VEVRAA or the Rehabilitation Act.

402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974; Executive Order 11246 as amended; the Vermont Fair Employment Practices Act; and such other federal, state and local non-discrimination laws as may apply.

Note: This Statement of Policy is the official University of Vermont Equal Educational Opportunity Policy Statement and supersedes all prior policy statements regarding its subject matter. It may be modified only by written statement issued by the President as Chief Executive Officer of the University or by formal action by the University of Vermont and State Agricultural College Board of Trustees. This Policy Statement is designed to express the University’s intent and commitment to comply with the requirements of federal, state and local non-discrimination laws. It shall be applied co-extensively with such laws, and shall not be interpreted as creating any rights, contractual or otherwise, that are greater than exist under such non-discrimination laws. Persons seeking to participate in educational opportunities offered by the University must consult position and program descriptions to determine criteria for eligibility. All such criteria shall be established in a manner consistent with the legal requirements herein referenced.

Contacts

Questions regarding this policy statement or compliance with its provisions may be directed to:

Executive Director
Diversity & Equity Unit/Office of Affirmative Action and Equal Opportunity
University of Vermont
428 Waterman Building
Burlington, VT 05405
(802) 656-3368

Questions may also be directed to government agencies having oversight and enforcement authority with respect to the referenced laws. A complete listing of such agencies may be obtained from the Office of Affirmative Action and Equal Employment Opportunity.

The President is the University official responsible for the interpretation and administration of this policy.

Related Documents/Policies

Equal Opportunity in Educational Programs and Activities Policy Statement
Sexual Harassment Policy - Employees
Procedures for Investigating and Resolving Discrimination Complaints
Effective Date

Approved by:

_________________________  ________________  ____________
President                      Date
Daniel M. Fogel

_________________________  __________________
Chair Board of Trustees  Date
Ian D. Boyce
Equal Opportunity in Educational Programs and Activities and Non-Harassment

Policy Statement

The University of Vermont and State Agricultural College is committed to a policy of equal educational opportunity. The University therefore prohibits discrimination on the basis of unlawful criteria such as race, color, religion, national or ethnic origin, age, sex, sexual orientation, marital status, disability, or gender identity or expression, as those terms are defined under applicable law, in admitting students to its programs and facilities and in administering its admissions policies, educational policies, scholarship and loan programs, athletic programs, and other institutionally administered programs or activities made available to students at the University. The University also prohibits harassment, as defined in the Vermont Statutes at Title 16, section 11(a)(26). Unlawful harassment is a form of discrimination and is therefore prohibited.

Sources: Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Vermont Public Accommodations Act; and such other federal, state, and local non-discrimination laws as may apply.

Note: This Statement of Policy is the official University of Vermont Equal Educational Opportunity Policy Statement and supersedes all prior statements regarding its subject matter. It may be modified only by written statement issued by the President as Chief Executive Officer of the University or by formal action by the University of Vermont and State Agricultural College Board of Trustees. This Policy Statement is designed to express the University's intent and commitment to comply with the requirements of federal, state and local non-discrimination laws. It shall be applied co-extensively with such laws, and shall not be interpreted as creating any rights, contractual or otherwise, that are greater than exist under such non-discrimination laws. Persons seeking to participate in educational opportunities offered by the University must consult position and program descriptions to determine criteria for eligibility. All such criteria shall be established in a manner consistent with the legal requirements herein referenced.
Contacts
Questions regarding this policy statement or compliance with its provisions may be directed to:

Dean of Students
University of Vermont
41-43 South Prospect Street
Burlington, VT 05405
(802) 656-3380

or to:

Executive Director
Diversity & Equity Unit/Office of Affirmative Action and Equal Opportunity University of Vermont
428 Waterman Building
Burlington, VT 05405
(802) 656-2909

Questions may also be directed to government agencies having oversight and enforcement authority with respect to the referenced laws. A complete listing of those agencies may be obtained from the Office of Affirmative Action and Equal Opportunity.

The President is the University official responsible for the interpretation and administration of this policy.

Related Documents/Policies

Equal Employment Opportunity/Affirmative Action Policy Statement
Harassment - Students
Sexual Harassment Policy - Students
Procedures for Investigating and Resolving Discrimination Complaints

Effective Date

Approved by:

_________________________  President  __________________
Daniel M. Fogel  

_________________________  Chair Board of Trustees  __________________
Ian D. Boyce  

Date  

Date