A meeting of the Board of Trustees of the University of Vermont and State Agricultural College as held on Thursday, November 8, 2012 at 1:15 p.m. in Memorial Lounge, room 338 Waterman Building.

MEMBERS PRESENT: Chair Robert Cioffi, Vice Chair Harry Chen, Secretary Donna Sweaney, Samuel Bain, Bill Botzow, Carolyn Branagan, Christopher Bray, Robert Brennan, Frank Cioffi, David Daigle, Jeff Davis, Kyle DeVivo, Richard Gamelli, Joan Lenes, Dennis Mahoney, Debbie McAneny, David Potter, Kesha Ram, President Thomas Sullivan, Lisa Ventriss, Jeanette White and Mark Young

MEMBERS ABSENT: Dale Rocheleau, Bill Ruprecht and Governor Peter Shumlin

ALSO PARTICIPATING: Vice President for Legal Affairs and Assistant Secretary to the Board Francine Bazluke, Provost Jane Knodell, Vice President for Executive Operations Gary Derr, Vice President for Finance and Administration Richard Cate, Vice President for University Relations and Campus Life Thomas Gustafson and John Evans, Senior Advisor to the President.

Chair Robert Cioffi called the meeting to order at 1:15 p.m.

Approval of Previous Meeting Minutes

A motion was made, seconded and it was voted to approve the minutes from the September 14, 2012 meeting as presented.

Public Comment

Chair Cioffi opened the public comment period noting that two requests had been submitted. He invited David Shiman, faculty member and President of United Academics, to address the Board. Professor Shiman reported that contract negotiations between the part-time faculty and the University are at an impasse and awaiting mediation following the Thanksgiving holiday. He presented petitions with signatures from over 1,500 members of the campus community and highlighted some of their concerns:

- Many part-time faculty teach full-time but are not eligible for full-time status and benefits.
- Many part-time faculty have taught at UVM for 10 years or more, teaching the same courses, but are single-semester appointments, which restricts access to benefits.
- Part-time benefits are sub-standard with all but one member choosing the state’s health plan. Library faculty has no paid sick days.
- The University’s 1% proposed wage increase is below inflation projections.

Professor Shiman concluded his comments by calling upon the administration to be cognizant of the University’s ‘Our Common Ground’, specifically the values of respect and justice in offering a fair contract.
Chairman Cioffi next invited Daniel Cmejla, student and Director of Public Communications and member of Student Climate Culture to address the Board.

Mr. Cmejla thanked the Board for the opportunity to share the goals of the Student Climate Culture, which include freezing all new investments in fossil fuel companies and divesting from two particular endowment accounts that are heavily invested in fossil fuels. The group looks forward to working with the newly formed Socially Responsible Investing Council on both goals with the intention of bringing forward recommendations to the Board at its next meeting in February.

A copy of the proposal that has been endorsed by the 900+ supporters of Student Climate Culture was distributed to Trustees. Mr. Cmejla shared the Student Climate Culture’s belief that the University and its student body have an opportunity to be at the forefront of these issues and that the University has a responsibility to uphold its commitment to innovation as stated the University’s ‘Our Common Ground’.

Mr. Cmejla suggested that the endowment could still earn a decent return by moving investments out of fossil fuel industries and that divesting from fossil fuels is integral to maintaining UVM’s Green image. He encouraged Trustees to support the fight against the fossil fuel industry to ensure a just and stable future for our society.

Chairman Cioffi recognized the students, faculty, and community members in attendance in support of part-time faculty and the Student Climate Culture group at the meeting.

Committee Reports

*Educational Policy and Institutional Resources Committee* (EPIR)

Chair Donna Sweaney reported that the Committee received a report from the Provost on current strategic initiatives and annual reports on enrollment management, research and graduate education and the UVM Foundation. Routine reports were provided on capital projects progress and Cathy Paris, Chair of the Curricular Affairs Committee, reported on activities since the last meeting and offered two recommendations for consideration.

The Committee endorsed the following action items for Board approval:

- termination of the Graduate Programs in Anatomy & Neurobiology;
- creation of the James M. Jeffords Center for Research and Policy Studies;
- a one-year extension to the current contract between UVM and Northeastern University and Kaplan-China.

The Committee also endorsed for referral to the Budget, Finance & Investment Committee three capital projects including renovations to the Living & Learning Building C, the Given Atrium Dining and the Stafford Research Lab. Vice President for Enrollment Management Chris Lucier and Associate Provost Gayle Nunley presented information on the academic aspects of the International Pathway Program that is under development with the goal of welcoming the first
The timeline to achieve this goal includes identifying an external partner by the end of the calendar year. This will require the administration to bring material terms of an agreement with a partner before the Executive Committee no later than its January 14, 2013 meeting. Following the presentation, a motion was approved supporting the process and timeline as outlined.

When the Committee reconvened on Thursday, it discussed the Board’s role in ensuring academic quality. A diagram was distributed that suggested questions that the Board could ask, examples of current activities to support and ensure quality, and examples of key measures of academic quality. The Committee discussed the list of reports that the Board currently receives and also looked at the Dashboard Indicators as of October 24, 2012, which included Inputs – Student Quality Indicators, and Outputs – Students’ Perceptions of Quality of UVM Experience & Institutional Quality, Faculty Research Indicators, and Financial Performance Indicators. Following a lengthy discussion, the Committee agreed that it should continue to discuss this topic at future meetings.

The meeting concluded with a presentation by Chief Diversity Officer Wanda Heading-Grant of the results from the Campus Climate Survey focus groups conducted in the spring of 2012. Next steps include development of two recommendations: conducting a diversity data inventory to be used as the basis of a comprehensive diversity assessment plan, and developing a proposal for a comprehensive professional development program for the University community.

**Budget, Finance and Investment Committee** (BFI)

Chair McAneny reported on the Committee’s discussion regarding the use of a portion of the FY 2012 Fund Balance to achieve the President’s goal to expand aggressively the University’s domestic and international recruitment. The total FY 2012 fund balance is $3.7 million and the Committee unanimously endorsed and recommends for Board approval utilizing $2 million of the balance for a FY 2014 financial aid reserve, and $500,000 for additional expenses to be incurred by the Enrollment Management Division for expanded recruiting efforts and additional financial aid. She noted that using one-time money for ongoing costs is not customary and that these on-going needs will be built into the base of future operating budgets. If these funds were not used for these purposes, they would have remained in the University’s unobligated general reserve.

The Committee also discussed the FY 2014 budget process, including steps leading up to a more detailed discussion of major elements of the budget, with the projected less than 3% tuition increase and financial aid levels to be discussed at the February 2013 meeting.

The Committee referred the following additional action items for Board approval:

- housekeeping amendments to its charge;
- approval of summer session tuition rates, including an all-inclusive USPP Bridge Program fee for Summer 2013;
- use of University Relations and Campus Life unrestricted plant funds to finance renovations to the Living & Learning Building C and to the Given Atrium Dining;
• use of College of Medicine general funds and University Medical Education Association funds to finance renovations to the Stafford Research Lab.

The Committee decided to defer its annual review of the University’s Debt Policy until the February meeting in light of the strategic goals presented by President Sullivan yesterday.

Sam Bain, Chair of the Investment Subcommittee (ISC), reported that the current value of the University endowment is up 1.9%, at $347.6 million. There have been a few manager changes as a result of interviews held in New York and the Subcommittee approved shifting certain monies from Rhumbline S & P 500 to High Yields. The ISC will focus on reviewing its charge, targeting benchmarks and considering private investments versus venture capital.

Action items recommended by the ISC and approved by BFI for recommendation to the Board include the re-affirmation of the Endowment Budget Policy at 4.5% and Endowment Administration Fee Policy at 0.25%.

The Committee also approved the ISC’s recommendation to dissolve the existing Socially Responsible Investing Work Group (SRIWG) and to establish a Socially Responsible Advisory Council, which will align UVM with the approach taken at other public universities. The new Council will serve as an advisory body to the Vice President for Finance and Administration and no longer include trustees as sitting members. The process will otherwise remain the same, with the ISC reviewing proposals recommended by the Advisory Council and the ISC making recommendations to BFI for approval by the Board.

All recommended action items are on today’s consent agenda for Board approval.

Audit Committee

Chair Mark Young referred Trustees to the detailed written summary distributed in today’s meeting materials and offered highlights from the July 9, September 10 and November 7, 2012 Committee meetings. At all three meetings, Chief Internal Auditor William Harrison provided updates regarding internal audit activity, including completed and outstanding audits. Chief Compliance Officer (CCO) Anna Drummond also offered reports at each of the meetings regarding the status of initiatives under way. She presented her FY 2013 work plan, which will address research issues and international education/immigration issues as well as three multi-year projects that are being carried forward from the prior year: (a) Privacy, Information Security and Records Retention, (b) Export Controls, (c) Research Financial Conflict of Interest.

At all three meetings, Information Security Officer (ISO) Dean Williams provided the Committee with updates in the areas of Payment Card Industry Data Security Standards (PCI DSS), Privacy, Information Security, and Data Retention, as well as consultations and support work performed by his team. In September, Mr. Williams announced the selection of Sam Hooker as the new Information Security Engineer. At yesterday’s meeting, Mr. Williams reviewed plans for an external vulnerability assessment.

In July and September, KPMG provided a brief status report on the FY 2012 financial statement and OMB Circular A-133 audits. There were no significant findings or internal control
weaknesses to report. KPMG was in agreement with management on year-end timing. KPMG presented the FY 2012 audit of the financial statements, noting that the University received an unqualified opinion. At yesterday’s meeting, the Committee reviewed the financial statements and recommends them to the full Board for acceptance.

Also at yesterday’s meeting, Senior Strategist for Enterprise Risk and Planning Al Turgeon provided the Committee with a brief summary of Enterprise Risk Management activities since the April 2012 Audit Committee meeting. UVM’s first Preliminary Risk Inventory was finalized following a review by senior management and the ERM Advisory Committee. The Committee was advised of the schedule of ERM work planned through October 2013, noting that the presentation of risk portfolio to the Board at next fall’s meeting.

Chair Young concluded his remarks by sharing that following yesterday’s executive session discussion, the Committee made and accepted an unanticipated motion regarding the administration’s proposal regarding a planned restructuring of Compliance Services. The Committee planned to schedule a follow-up meeting in the near future to ensure that Committee representatives have an opportunity to review and comment on the proposal before it is referred to the Executive Committee for approval at its December 10th meeting.

Committee on Board Governance

Chair Frank Cioffi reported that, as a result of the Committee of the Whole’s endorsement, the following resolutions are included on today’s consent agenda:

- Revisions to the University Bylaws to identify expressly each of the current standing committees, to include representation from the UVM Foundation and to clarify the number of representatives to the standing committees of the Board.

- Amendments to the Trustee Conflict of Interest Policy to conform to best practices regarding honoraria and similar remuneration offered to Trustees from external parties or the University.

Chair Cioffi noted that the Committee is scheduled to meet on Monday and would address a question that arose at the previous meeting regarding whether a Trustee may accept an offer of UVM employment or serve as a consultant to UVM. At the Board Chair’s request, the Committee will also review the Guidelines for Selection of Trustees.

Chair Cioffi concluded his report by reviewing the nominations process for Board and University Officers. Last week, he issued a memo to all Trustees outlining the process and timeline. He informed Trustees that the incumbent Chair is eligible for re-election and that Chair Robert Cioffi is willing to stand for re-election. Committee Chair Cioffi noted that the incumbent Vice Chair and Secretary will be completing their terms of service in February and that their successors must be elected. Following next week’s meeting, Committee members will be reaching out to each trustee to ensure full participation in the nominations process. After nominations have been received, Committee Chair Cioffi will contact each nominee to determine whether they are interested in standing for election. The Committee will reconvene on December 10th to deliberate on a proposed slate of officers after which the Board will be notified of the proposed slate of candidates. In view of provisions of the University Charter, the slate for Vice
Chair and Secretary will be presented to the Board for approval at our February 9th meeting, as well as the slate for University officers. The Board will hold a special meeting on March 11, 2013 at 1:00 p.m. to elect the Chair and to approve Committee and Committee Chair assignments.

_Vermont Agricultural College Board_

Chair David Potter reported that President Sullivan provided an overview of his Vermont outreach travel, during which he has traveled over 1,400 miles, visited 14 counties and met with hundreds of Vermonters at numerous and various events.

The Board discussed the process for the selection of trustees and whether the pool can be enlarged and if so, how. Board members agreed that, in addition to various needed skill sets, diversity and region are factors that should be considered.

_University of Vermont Board_

Chair David Daigle reported that the Board reviewed the Wilbur Trust report and met in executive session to discuss the evaluation and appointment of a public officer.

**Approval of Consent Agenda**

Chair Cioffi presented the consent agenda for approval noting the addition of resolution #8, approving the purchase of three buses from Daimler Buses North America, and the removal of the resolution regarding the annual review of the Debt Policy which has been tabled to the next meeting.

**AUDIT**

(1) **Acceptance of Fiscal Year 2012 Audited Financial Statements**

WHEREAS, the books and accounts of the University of Vermont and State Agricultural College for the Fiscal Year ended June 30, 2012, have been audited by KPMG LLP, Certified Public Accountants and the report of the audit has been published in detail in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, that the Board of Trustees hereby accepts the recommendation of the Audit Committee for acceptance of the FY 2012 Audited Financial Statements presented today, and acknowledges receipt of the FY 2012 Financial Report.

**COMMITTEE OF THE WHOLE**

(2) **Resolution Approving Amendments to the Policy on Presidential Spouse or Partner Services**

RESOLVED, that the Board hereby approves the amendments to the Policy on Presidential Spouse or Partner Services appearing as Appendix A to this document.
Resolution Adopting Revisions to the Resolution Regarding Delegation and Retention of Board Authority

RESOLVED, that the Board hereby adopts revisions to its Resolution Regarding Delegation and Retention of Board Authority appearing as Appendix B to this document.

(As recommended by the Executive Committee – October 1, 2012)

(3) Resolution Approving Amendments to the Executive Committee Charge

RESOLVED, that the Board hereby approves amendments to the Executive Committee charge appearing as Appendix C to this document.

(As recommended by the Committee on Board Governance – October 10, 2012)

(4) Resolution Approving University Bylaws Amendments

RESOLVED, that the Board hereby approves amendments to the University Bylaws, appearing as Appendix D to this document.

(As recommended by the Committee on Board Governance – October 10, 2012)

(5) Resolution Approving Revision to Trustee Conflict of Interest Policy

RESOLVED, that the Board hereby approves revisions to the Trustee Conflict of Interest Policy appearing as Appendix E to this document.

(6) Resolution Approving Renewal of Library Journal Acquisition Contract with EBSCO, Inc.

BE IT RESOLVED, that the Vice President for Finance and Administration, in consultation with the Dean of Libraries, is hereby authorized to renew the contract with EBSCO, Inc. as subscription agent for library acquisitions. The renewal contract for EBSCO, Inc. shall not exceed $2,500,000 for calendar year 2013 nor exceed $2,650,000 for calendar year 2014.

(7) Resolution Approving the Purchase of Three Buses from Daimler Buses North America

BE IT RESOLVED, that the Vice President for Finance and Administration is hereby authorized to contract for the purchase of three buses from Daimler Buses North America for a total cost not to exceed $750,000.
EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES

(8) Approval of Proposal to Terminate the Graduate Programs in Anatomy and Neurobiology

RESOLVED, that the Board of Trustees approves the termination of the Graduate Programs in Anatomy and Neurobiology as approved and advanced by the Provost and the President on October 15, 2012.

(9) Approval of the James M. Jeffords Center for Research and Policy Studies

RESOLVED, that the Board of Trustees approves the creation of the James M. Jeffords Center for Research and Policy Studies as approved and advanced by the Provost and the President on October 15, 2012.

(10) Living & Learning Building “C” Renovation Resolution

WHEREAS, the Board’s Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of $3,500,000 for the proposed Living & Learning Building “C” Renovation 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.

(11) Stafford Research Lab Renovation Resolution

WHEREAS, the Board’s Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of $2,800,000 for the proposed Stafford Research Lab Renovation 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.

(12) Given Atrium Dining Renovation Resolution

WHEREAS, the Board’s Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of $1,000,000 for the proposed Given Atrium Dining Renovation 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.

(13) **Resolution Authorizing One-Year Renewal of U.S. Sino Pathways Program at the University of Vermont**

RESOLVED, that the Board of Trustees hereby authorizes the President and/or Vice President for Enrollment Management to enter into a renewal of the existing contract with Northeastern University and Shanghai Kai Bo Education Investment Management Co., Ltd, for the purpose of continuing for a one-year period the multi-component pathways program for students from the Peoples Republic of China (PRC) to begin studies in the PRC and complete them at the University of Vermont.

**BUDGET, FINANCE & INVESTMENT**

(14) **Resolution Approving Amendments to the Budget, Finance & Investment Committee Charge**

RESOLVED, that Board hereby approves amendments to the Budget, Finance & Investment Committee charge appearing as Appendix F to this document.

(15) **Summer Tuition Resolution**

RESOLVED, that the Board of Trustees hereby approves the change in tuition for the Summer Session from $456 to $472 per credit hour for in-state students and from $1,151 to $1,191 per credit hour for out-of-state students. The changes will become effective for the 2013 Summer Session.

BE IT FURTHER RESOLVED, that the Board of Trustees hereby approves an all-inclusive fee for the US-Sino Pathway Program (USPP) Bridge Program for Summer 2013 of $15,480, pending re-approval of that academic initiative via the Educational Policy and Institutional Resources Committee.

(AS RECOMMENDED BY INVESTMENT SUBCOMMITTEE – September 26, 2012)

(17) **Resolution Reaffirming the Endowment Budget Policy**

RESOLVED, that the *Endowment Budget Policy* is reaffirmed as reads below:

BE IT RESOLVED, that the annual budget 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 October-December 31.

*Adopted by:* Board of Trustees - May 13, 1995  
*Reaffirmed:* Board of Trustees - September 8, 2007  
Board of Trustees - September 5, 2008  
Board of Trustees - October 24, 2009  
Board of Trustees – October 30, 2010  
Board of Trustees – October 22, 2011  
Board of Trustees – November 8, 2012

**(18) Resolution Reaffirming Endowment Administration Fee Policy**

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

BE IT RESOLVED, that the Board of Trustees hereby approves a 0.25 percent fee applied to the University endowment for FY **2012-2013** 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 reviewed and assessed annually as 0.25 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 a recommendation to the Budget, Finance and Investment Committee regarding the reaffirmation or revision of the *Endowment Administration Fee Policy* each year no later than October-December 31.

*Adopted by:* Board of Trustees - September 13, 2003  
*Reaffirmed:* Board of Trustees - September 8, 2007  
Board of Trustees - September 5, 2008  
Amended: Board of Trustees - October 24, 2009  
*Reaffirmed:* Board of Trustees - October 30, 2010  
Board of Trustees – October 22, 2011  
Board of Trustees – November 8, 2012
(AS RECOMMENDED BY THE INVESTMENT SUBCOMMITTEE - AUGUST, 22, 2012)

(19) Resolution Authorizing the Establishment of a Socially Responsible Investing Advisory Council

WHEREAS, the Board on September 5, 2008, established the Socially Responsible Investing Work Group, whose charge was 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 to the Investment Subcommittee which in turn shall report its recommendations to the Budget, Finance and Investment Committee; and

WHEREAS, the Investment Subcommittee subsequently instructed the administration to research how socially responsible investing recommendations are developed at other universities, as well as proxy voting practices, shareholder initiatives, and the screening and monitoring of existing investment portfolio for indications of social harm; and

WHEREAS, this research was completed and the Socially Responsible Investing Work Group (“Work Group”) made formal recommendations on May 2, 2012, specifically, that the Work Group be dissolved and a Socially Responsible Investing Advisory Council be established to support the Vice President for Finance and Administration in fulfilling his/her responsibilities as liaison to the Investment Subcommittee; and

WHEREAS, the Budget, Finance and Investment Committee, following a favorable recommendation from the Investment Subcommittee, recommended that the Board accept the Work Group recommendations;

THEREFORE, BE IT RESOLVED, that the Board hereby dissolves the Work Group and authorizes the creation of the Socially Responsible Investing Advisory Council (“Council”) to be advisory to the Vice President for Finance and Administration, the Council charge to include assessment of investment issues involving ethical, moral, and socially responsible criteria using Our Common Ground, with a focus on proxy voting and shareholder advocacy.

(20) Resolution Approving Living and Learning Building “C” Renovations

WHEREAS, the Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of $3,500,000 for the Living & Learning Building “C” Renovation (the “Project”) 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 has also endorsed the Project and remitted it to the Budget, Finance, and Investment Committee for financial review and approval; and

WHEREAS, the Division of University Relations and Campus Life has budgeted $3,500,000 of its unrestricted plant funds for this project;

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 utilize the University Relations and Campus Life unrestricted plant funds to finance the $3,500,000 Living & Learning Building “C” Renovation; and

BE IT FURTHER 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.

(21) Resolution Approving Stafford Research Labs

WHEREAS, the Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of $2,800,000 for the Stafford Research Lab Renovation (the “Project”) 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 has also endorsed the Project and remitted it to the Budget, Finance, and Investment Committee for financial review and approval; and

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 utilize the College of Medicine general funds and University Medical Education Association funds to finance the $2,800,000 Stafford Research Lab Renovation; and

BE IT FURTHER 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.

(22) Resolution Approving Given Atrium Dining Renovations

WHEREAS, the Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of $1,000,000 for the Given Atrium
Dining Renovation (the “Project”) 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 has also endorsed the Project and remitted it to the Budget, Finance, and Investment Committee for financial review and approval; and

WHEREAS, the Division of University Relations and Campus Life has budgeted $1,000,000 of its unrestricted dining facility funds for this project;

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 utilize the University Relations and Campus Life unrestricted dining facility funds to finance the $1,000,000 Given Atrium Dining Renovation; and

BE IT FURTHER 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.

(23) **Resolution Approving the Use of FY 2012 Fund Balance**

WHEREAS, the President has determined that the University would benefit from elevating its level of selectivity when deciding which undergraduate applicants should be admitted; and

WHEREAS, heightened selectivity will necessitate expanded recruiting efforts and additional financial aid;

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration; to allocate, from the FY 2012 general fund operating budget year-end balance, the sum of up to $500,000 for additional expenses incurred by the Enrollment Management Division during FY 2013 and the sum of $2 million to be placed in a financial aid reserve account for FY 2014.

An opportunity for discussion was offered. There being none, a motion was made, seconded and it was unanimously voted to approve the consent agenda as presented.

**Other Business**

Chair Cioffi reminded Trustees that Sunday is Veterans’ Day and encouraged Trustees to recognize and celebrate the men and women for their service in the armed forces. He called for a five minute break and announced the Board would reconvene in executive session.
Executive Session

At 2:25 p.m., Chair Cioffi entertained a motion to enter into executive session to consider contracts and litigation. The motion was made, seconded and approved. All in attendance were excused from the meeting with the exception of Provost and Senior Vice President Jane Knodell; and Vice Presidents Francine Bazlukê, Richard Cate, Thomas Gustafson, and Gary Derr. John Evans, Senior Advisor to the President, was invited to remain for the first topic.

Provost and Senior Vice President Jane Knodell; and Vice Presidents Bazlukê, Cate, Gustafson and Derr were excused from the meeting at 3:00 p.m.

At 3:55 p.m., the meeting was re-opened to the public.

Adjournment

There being no further business the meeting was adjourned.

Respectfully submitted,

Donna Sweaney, Secretary
POLICY ON PRESIDENTIAL SPOUSE OR PARTNER SERVICES

On behalf of the University, the Board welcomes participation by a President’s spouse or partner (“partner”) in University activities. A partner is not, however, obligated or expected to participate in such endeavors.

If a partner is seeking *employment* with the University, the same policies and procedures that govern other UVM job-seekers apply.

If a partner wishes to offer ongoing *volunteer* services to the University, the procedures below apply.

**PARTNER VOLUNTEER SERVICES**

At an appropriate time during the process of recruiting a president, the University shall, in writing, provide the candidate(s) with a copy of this policy. The University shall not, however, ask candidates about their (marital or) partner status.

A partner who wishes to offer volunteer services must contact the Vice President for Executive Operations, who will in turn contact the appropriate University official(s)\(^1\). The official(s) will then meet with the partner about prospects for a suitable assignment in view of the interests, qualifications and experience of the partner. The official(s) shall obtain the approval of the Board Chair before offering a volunteer appointment to the partner. A final volunteer appointment letter must describe the nature and extent of any proposed services, including his or her reporting line, and be signed by the partner and the appropriate official(s), including the Board Chair.

Due to his or her status as a volunteer, the partner is not, and shall not be, authorized to enter into negotiations or contracts on behalf of the University. In addition, the partner shall not have supervisory authority over University employees or the right to direct the actions of a University employee in any way. Thus, University employees who are assigned to assist the partner in his or her performance of volunteer work shall be supervised by, and report to, their department head or next-level supervisor.

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\(^1\) The officials must minimally include the senior-most person responsible for the activity, operations or program, such as a Vice President.
The University will provide the same insurance coverage otherwise maintained for volunteers to cover the activities of a partner while he or she is engaged in volunteer services assignments. The University shall also cover or reimburse the business travel and entertainment expenses of the partner in accordance with otherwise applicable University policies.

The Board Chair shall meet at least once annually with the partner and the appropriate officials to discuss the ongoing suitability of the volunteer assignment and any adjustments to the assignment that the partner or the officials wish to request. The partner is free to withdraw from his or her volunteer role with reasonable notice to the responsible officials and the Board Chair. Any decision to decline further volunteer services from the partner shall be made by the Board Chair.

To ensure that the partner can maintain the utmost confidence in her or his ability to carry out with integrity any responsibilities she or he assumes as a volunteer, the partner must annually file the Conflicts of Interest Disclosure Form utilized by University personnel pursuant to the University’s Conflict of Interest and Commitment Policy. Any disclosures shall be reviewed and administered by the Board Chair.

To carry out the volunteer duties assumed, the partner may opt for any or all of the following:

- University ID
- University Email account
- Business Cards
- Parking Permit

The Board Chair must approve any other consideration including equipment purchases, in advance and in writing.

*Adopted by:* Board of Trustees – October 22, 2011  
*Amended by:* Board of Trustees – November 8, 2012
Resolution Regarding Delegation and Retention of Board Authority
(see appended chart)

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 reserving to itself the power to act on its own initiative as necessary to the fulfillment of 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) the establishment and dissolution of University-affiliated corporations and foundations, and University membership in other corporate entities (but not institutional memberships in professional associations);

(4) the appointment of University Trustees to the boards of other corporate entities or public bodies in their capacity as University Trustees;
(5) the appointment and employment of the President, election of the other officers of the Board and the University in accordance with the University Bylaws, and authorization of severance payments in excess of the standard amount University policy specifies for officials who report to the President;

(6) the creation or elimination of an academic unit, curriculum, research or service endeavor as defined in Faculty Senate protocols; and approval of faculty medical or other clinical practice plans;

(7) matters the Faculty Senate may appeal to the Board under the Senate Constitution and Bylaws;

(8) the naming of buildings and academic programs;

(9) through its Investment Subcommittee of the Budget, Finance and Investment Committee (“Investment Subcommittee”), the selection, retention and termination of investment advisors and managers for the Long-Term Investment Pool; provided that: the Board must itself approve policies for the Long-Term Investment Pool and the Limited Term Asset Pool, the endowment spending rate, the endowment management fee, declaration of financial exigency, and the dissolution, merger or the sale or pledge or transfer of all or substantially all of the University’s assets;

(10) the institutional annual budget and acceptance of the annual audited financial statements;

(11) tuition, room and board rates, student fees, and in-state status regulations for purposes of determining tuition;

(12) the 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;

(13) payments in lieu of taxes;

(14) the issuance of bonds and approval of the institutional debt policy;

(15) the 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;
(16) contracts for facilities construction or renovation and the purchase
or sale of goods, equipment or services at an aggregate cost of \( \geq \)$1,000,000, including increases in project costs for previously
approved projects whose value in aggregate equals or exceeds
$1,000,000; provided that (and subject to the provisions of (18)
below), the Board shall approve all contracts for consulting
services whose aggregate value equals or exceeds $250,000, and
the Board shall also authorize, through its Investment
Subcommittee, the selection and retention of all investment
advisors regardless of contract cost;

(17) the selection and retention of independent audit firm to conduct
the annual audit of financial statements and/or compliance audits,
regardless of contract cost; contracts at an aggregate cost of
$10,000 or more for non-audit consulting services with the audit
firm that is conducting the annual audit of financial statements;

(18) the material terms of collective bargaining agreements and, within
the context of annual budget preparation and approval, the annual
salary pool for non-union-represented employees;

(19) the settlement of claims and/or lawsuits at a cost that equals or
exceeds $250,000, regardless of insurance coverage; and
authorization to file and/or settle lawsuits in which the Board or a
University officer is a named party or a Board-approved policy is
in dispute;

(20) all self-governance matters reserved to the Board in the University
Bylaws, including without limitation the election, of Board
officers, approval of Board Committee appointments, 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

(21)(22) contracts or leases whose aggregate term does or may exceed five
years, regardless of contract value or amount; but Board approval is not
required for licenses and option agreements, confidentiality agreements,
material transfer agreements, or other similar agreements that are
developed by the University’s Office of Technology Commercialization
program and that typically run for the life of the intellectual property
protection value (usually the term of the patent).
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

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 the Board of Trustees: September 5, 2008
Approved as revised by the Board of Trustees: February 7, 2009
Approved as revised by the Board of Trustees: February 6, 2010
Approved as revised by the Board of Trustees: March 8, 2010
Approved as revised by the Board of Trustees: February 5, 2011
Approved as revised by the Board of Trustees: March 14, 2011
Approved as revised by the Board of Trustees: May 19, 2012
Approved as revised by the Board of Trustees: November 8, 2012
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

EXECUTIVE COMMITTEE

During intervals between meetings of the Board of Trustees (“the Board”), the Executive Committee shall have all the powers of the Board in management of the property and affairs of the University, and may exercise the authority of the Board except as may otherwise be provided by law. The Chair of the Executive Committee shall be the Chair of the Board ex officio.

The Executive Committee shall oversee the work of the Committees of the Board and the University planning process, and it shall assist the Board in the discharge of its responsibilities to support the President and to assess his or her performance.

With respect to evaluation of presidential performance, the Chair shall annually appoint an Annual Review Subcommittee. The subcommittee shall assess the performance of the President and convey its assessment and a compensation recommendation to the Executive Committee for its deliberations and referral by the Committee of a recommendation to the full Board. In conjunction with the presidential evaluation, the President will also provide a report on the status of his or her direct reports, including their proposed compensation for the upcoming year.

Approved by the Board of Trustees: September 9, 2006
Approved as revised by the Executive Committee: March 9, 2009
Approved as revised by the Board of Trustees: November 8, 2012
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

UNIVERSITY BYLAWS

ARTICLE I: Name

Section 1.1. Name: The name of the corporation is the University of Vermont and State Agricultural College. These Bylaws refer to the corporation as the "University."

ARTICLE II: Purpose

Section 2.1. Purpose: The University shall be recognized and utilized as an instrumentality of the State of Vermont for providing public higher education, with all the rights and powers incident to corporations. The University shall not carry on any activity not permitted to be carried on by a corporation exempt from federal income taxation under Sections 501(a) and 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future federal tax code).

ARTICLE III: Offices

Section 3.1. Offices: The principal office of the University shall be located in Burlington, Vermont. The University Board of Trustees (hereinafter “Board of Trustees”) may designate other offices within or without the State of Vermont as the business of the University may require.

ARTICLE IV: Trustees

Section 4.1. Number and Qualification: The Board of Trustees shall consist of twenty-five (25) persons. The Board of Trustees shall be composed of the following members:

- Three (3) members shall be individuals appointed by the Governor of the State of Vermont with the consent of the Vermont Senate
- Nine (9) members shall be individuals elected by the Vermont Legislature, said nine members being the same individuals who constitute the Board of Trustees of the Vermont Agricultural College
- Nine (9) members shall be individuals elected by the Board of Trustees of the University of Vermont, said nine members being the same individuals who constitute the Board of Trustees of the University of Vermont
• Two (2) members shall be full-time students enrolled at the University (each of whom must be at least 18 years old) elected by the Associated Directors for the Appointment of the University of Vermont and State Agricultural College Student Trustees, Inc.

• One (1) member shall be the Governor of the State of Vermont, by virtue of the office ("ex officio")

• One (1) member shall be the President of the University, ex officio

Section 4.2. Manner of Appointment and Election: The trustees shall be appointed or elected in the manner set forth in Section 4.1 of these Bylaws and in the Charter.

Section 4.3. Term of Office: The term of office of each trustee, other than the two student members and the ex officio members, shall be six (6) years and until his or her successor has been duly elected or appointed. The term of office of each student trustee shall be two (2) years. The ex officio trustees shall have a term of office lasting for such period as they serve in their respective offices. The term of office for each trustee other than the ex officio trustees shall begin on March 1 of the initial year of such term and expire on the last day of February in the final year of said term.

Section 4.4. Duties and Powers: The Board of Trustees shall have the entire management and control of the property and affairs of the University. All corporate powers shall be exercised by or under the authority of the Board of Trustees. The trustees may adopt such rules and regulations for the conduct of their meetings and the management of the University as they deem proper, not inconsistent with law or these Bylaws. These Bylaws and resolutions of the Board of Trustees shall take precedence over other documents and policies of the University.

Section 4.5. Resignation: Any trustee may resign his or her office at any time by delivering written notice of the resignation to the Chair of the Board, the President, or the Secretary of the Board. Unless the notice of resignation specifies a later effective date, the resignation shall take effect immediately.

Section 4.6. Vacancies: Any vacancy occurring in the Board of Trustees by death, resignation, or otherwise shall be promptly filled by the appointing authority. The trustee thus chosen shall hold office for the unexpired term of his or her predecessor and until the election and qualification of his or her successor.

Section 4.7. Conflict of Interest Policy: The Board of Trustees shall adopt a written conflict of interest policy, by resolution, which policy shall be reviewed periodically and revised as determined to be necessary or desirable.
ARTICLE V: Meetings of the Board of Trustees

Section 5.1. Notice of Meeting: Notice of regular and special meetings of the Board of Trustees and its committees shall be given, and meetings shall be conducted, in accordance with the Vermont Nonprofit Corporation Act and the applicable state public access laws.

Section 5.2. Waiver of Notice: Whenever under the provisions of these Bylaws or of any statute any trustee is entitled to notice of any regular or special meeting, such meeting may be held without the giving of notice to trustees if every trustee entitled to notice waives the required notice in writing or by attendance at or participation in the meeting; provided, however, such waiver by trustees shall not affect the University's obligations, if any, to provide notice to persons other than trustees, including its obligations under state public access laws.

Section 5.3. Meetings: The regular meetings of the Board of Trustees shall include the annual meeting of the Board of Trustees shall be held in May of each year, the date and time to be fixed by the trustees by resolution. The annual meeting shall be held in Burlington, Vermont or such other place as the Board of Trustees may approve from time to time by resolution. Other regular meetings of the Board of Trustees shall be held at such times and places as the Board may determine at the annual meeting or from time to time. Special meetings of the Board of Trustees may be called by the Chair of the Board of Trustees, the President, or at the request of any five members of the Board of Trustees.

Section 5.4. Telephone Meetings: Members of the Board of Trustees and members of any committee appointed by the Board of Trustees may participate in a meeting of the Board or such committee by any means of communication, including audio conference or conference telephone call, by which all persons participating in the meeting may simultaneously hear each other, and participation in a meeting in such manner shall constitute presence in person at the meeting.

Section 5.5. Quorum; Vote Necessary for Action: At any meeting of the Board of Trustees, the presence of a majority of the Board shall be necessary to constitute a quorum for the transaction of business. The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless a greater vote is required by the Charter, these Bylaws, or by law. Should a quorum not be present, a lesser number may adjourn the meeting to some later time. At all meetings of the Board of Trustees, each trustee shall have one vote. Trustees are not entitled to vote by proxy.
ARTICLE VI: Officers

Section 6.1. Officers and Qualifications: The officers of the University shall be the Chair, Vice Chair, and Secretary of the Board of Trustees; the University President, Provost, and Treasurer; and such other officers as the Board of Trustees may determine. Any two or more offices may be held by the same person, except (a) the offices of President and Secretary and (b) the offices of President and Provost. The Chair Vice Chair, and Secretary of the Board of Trustees, and the President, shall be members of the Board of Trustees. No trustee may be initially elected Chair unless he or she has at least two years of his or her term as trustee remaining. The Provost shall be an individual nominated by the President.

Section 6.2. Election: All officers of the University other than the President and the Chair of the Board of Trustees shall be elected annually by the Board of Trustees at a regular meeting held in the month of February, or at such other time as is determined by the trustees by resolution. The Chair of the Board of Trustees shall be elected in a manner consistent with the Charter. The President shall be elected at a regular or special meeting and said election shall be for an unspecified term.

Section 6.3. Term of Office: Except where a vacancy is being filled pursuant to the requirements of these Bylaws, all officers of the University shall take office effective March 1. All officers shall hold office until their successors have been duly elected and have qualified, or until removed from office in accordance with such procedures as may be adopted by the Board of Trustees from time to time.

Section 6.4. Duties of Officers: The duties and powers of the officers shall be as follows and as set by resolution of the Board of Trustees from time to time:

(a) Chair of the Board. The Chair of the Board shall preside at all meetings of the Board of Trustees. If the Chair is absent, the Vice Chair of the Board shall preside. In the absence of both, the Secretary shall preside for the election of a chair pro tempore.

(b) President. The President shall be the chief executive officer of the University and his or her duties shall be those that commonly pertain to the office of the president of a university. The President shall be the administrative head of the University and its constituent parts and he or she shall have the power to veto any act or resolution of any committee or other collective body within the University or its constituent parts except for the Board of Trustees and committees of said Board, subject to such procedures as the Board may adopt from time to time. The President shall cause to be called regular and special meetings of the Board of Trustees in accordance with the requirements of the Vermont Nonprofit Corporation Act, these Bylaws, and applicable state public access laws. The President shall prepare the agenda for meetings of the Board of Trustees and the Executive Committee in consultation with the Chair of the Board. The President shall have authority to sign and execute all contracts in the name of the University and all notes, drafts, or other orders for the payment of money, unless restricted in any specific instance by resolution of the Board of Trustees.
(c) **Treasurer.** The Treasurer shall be responsible for the receipt and investment of funds. The Treasurer shall also be responsible for the management of cash and securities. The Treasurer shall ensure that all trustees receive financial statements from the University, including comparisons of revenues and expenditures with the budget of the University. The Treasurer shall have such other responsibilities as may be assigned to him or her by the President or the Board of Trustees from time to time.

(d) **Secretary.** The Secretary shall record all votes and proceedings of the Board of Trustees or any committee thereof, unless the Board later delegates such duties to another person. The Secretary shall be custodian of the records and seal of the University and shall authenticate records of the University when required, unless the Board later delegates such duties to another person. The Secretary shall cause the University to maintain an office in Burlington, Vermont where the corporate records of the University shall be kept, and the Secretary shall procure and file in said office certified copies of all papers required by law to be filed with the Secretary of State. The Secretary shall cause the University to make records and documents available to the public in accordance with the applicable requirements of state public access laws. The Secretary shall perform the duties incident to the office of the Secretary as specifically delegated from time to time by the Board of Trustees and as may be required by the laws of the State of Vermont.

(e) **Provost.** The Provost shall be responsible for academic and administrative duties assigned by the President. During the absence or incapacity of the President, or in the case of the death or resignation of the President, the Provost shall assume the administrative duties of the President until such time as the Board of Trustees shall, by resolution, determine who shall exercise said duties or until the vacancy in the office of the President shall have been filled. When so acting, the Provost shall have all the powers and shall be subject to all the responsibilities of the office of the President and shall perform such duties and functions as the Board of Trustees may prescribe.

(f) **Other Officers.** Other officers shall perform such duties and such powers as may be assigned to them by the Board of Trustees.

**Section 6.5. Vacancies:** All vacancies in any office shall be filled by the Board of Trustees, either at a regular meeting or at a meeting specifically called for that purpose.

**ARTICLE VII: Committees**

**Section 7.1. Standing Committees:** The standing committees of the Board of Trustees shall be as follows: Executive Committee, Investment Board Governance Committee, Audit Committee, Budget, Finance & Investment Committee, Educational Policy & Institutional Resources Committee and such other standing committees as may be established by the Board of Trustees from time to time. Any committees, including standing committees, that include non-trustees shall be advisory in nature and shall not have the right to exercise the authority of the Board of Trustees. The President of the University shall be an *ex officio* member of all committees except for the Audit Committee. The chair of each committee other than the Executive Committee shall
prepare the agenda for meetings of the committees. The President shall prepare the agenda for meetings of the Executive Committee in consultation with the Chair of the Board.

Section 7.2. Composition and Duties of Standing Committees: The standing committees shall be comprised of such members as may be determined by resolution of the Board of Trustees from time to time. Appointment of members to each standing committee must be approved by a majority of all trustees in office when the action is taken. Standing committees other than the Executive Committee shall have such duties as may be determined by resolution of the Board of Trustees from time to time.

Section 7.3. Duties of the Executive Committee: During the intervals between meetings of the Board of Trustees, the Executive Committee shall have all the powers of the Board of Trustees in management of the property and affairs of the University and may exercise the authority of the Board of Trustees except as may otherwise be provided by law. In addition to its authority to take action on matters that cannot or should not be deferred to the next scheduled meeting of the Board of Trustees, the Executive Committee shall oversee the work of committees of the Board of Trustees, University planning processes, and the responsibility of the Board of Trustees to support the President and to assess his or her performance.

Section 7.4. Ad hoc Committees: The Board of Trustees may create ad hoc committees and appoint members to them from time to time. The creation of such committees and appointment of members must be approved by a majority of all the trustees in office when the action is taken. Each committee shall have at least two persons who are members of the Board of Trustees. If a committee includes non-trustees, the committee shall be advisory in nature and shall not have the right to exercise the authority of the Board of Trustees. The President of the University shall be an ex officio member of all ad hoc committees.

Section 7.5. Liaisons and Representatives on Committees: The President shall designate one or more members of his or her administrative staff as liaison officer to each standing and ad hoc committee and specify their duties. The Faculty Senate, the Student Government Association, the Graduate Student Senate, the Alumni Council, UVM Foundation, and the Staff Council may respectively designate a up to two representatives to the Budget, Finance & Investment and Educational Policy & Institutional Resources Committee and one representative to the Audit Committee, each of the committees at their discretion. The representatives may attend meetings of the committees and participate in discussions but shall not have any voting rights.

Section 7.6. Meetings, Notices, Quorum: The provisions set forth in Sections 5.1, 5.2, 5.4, and 5.5 of these Bylaws shall also apply to meetings of committees of the Board of Trustees.
Section 7.7. Vacancies: Any vacancy occurring on a committee by death, resignation, or otherwise may be filled by the Board of Trustees. Such appointments to fill vacancies must be approved by a majority of all the trustees in office when the action is taken.

ARTICLE VIII: Fiscal Year

Section 8.1. Fiscal Year: The fiscal year of the University shall begin on the 1st day of July in each year and end on the 30th day of June in each year or such other dates as the Board of Trustees may determine from time to time by resolution.

ARTICLE IX: Indemnification

Section 9.1. Mandatory Indemnification: The University shall indemnify any individual who is or was a trustee or officer of the University to the extent that such indemnification is required under the Vermont Nonprofit Corporation Act.

Section 9.2. Discretionary Indemnification: The University may indemnify a trustee, officer, employee, or agent of the University to the extent permitted by the Vermont Nonprofit Corporation Act. The determination as to whether the University will consider providing discretionary indemnification shall be made by resolution of the Board of Trustees, provided that the determination as to whether an individual has met the standard of conduct necessary to entitle him or her to be indemnified shall be made in the manner specified by the Vermont Nonprofit Corporation Act.

Section 9.3. Advance for Expenses: The University may pay for or reimburse the reasonable expenses incurred by a trustee, officer, employee, or agent of the University in advance of the final disposition of the proceeding in accordance with the Vermont Nonprofit Corporation Act.

Section 9.4. Insurance: Nothing herein shall affect the University's right to purchase and maintain insurance on behalf of an individual who is or was a trustee, officer, employee, or agent of the University. No individual for whom indemnification is intended hereunder shall be indemnified for any expenses or liability for which coverage is provided and reimbursement is paid under an insurance policy.

ARTICLE X: Amendments

Section 10.1. Amendments: The Bylaws may be amended by an affirmative vote of a majority of all of the members of the Board of Trustees. The Bylaws may be amended at any meeting of the trustees, provided that the notice of the meeting at which proposed amendments to the Bylaws are to be considered must state that the purpose, or one of the purposes, of the meeting is to consider proposed amendment to the Bylaws. The notice must also contain or be accompanied by a copy or summary of the amendment.
ARTICLE XI: Miscellaneous

Section 11.1. References to Vermont Act: All references in the Bylaws to the Vermont Nonprofit Corporation Act shall mean and include said Act as it may be amended, supplemented, or replaced from time to time.

Section 11.2. References to the Charter: All references in the Bylaws to the Charter shall mean the Charter of the University of Vermont and State Agricultural College as it may be amended, supplemented, or replaced from time to time.

Section 11.3. Inconsistencies with Charter: To the extent that any provision of the Bylaws is inconsistent with the Charter, the Charter shall govern.

Adopted by the Board of Trustees: February 7, 1998
Revised and adopted by the Board of Trustees: September 8, 2007
As further revised and adopted by the Board of Trustees: October 24, 2009
As further revised and adopted by the Board of Trustees: November 8, 2012
Policy Statement

University Trustees work in service to the institution and the public trust and are obligated to fulfill their responsibilities in a manner consistent with this charge. All decisions of the Board and its members individually must be made in good faith, with diligence and care, in a manner reasonably believed to be in the best interests of the University, and with due regard for the University’s reputation. It is therefore the policy of the University and this Board that Trustees have an affirmative duty to identify, disclose and manage conflicts in conformance with this Policy and the law.

Definitions

Conflict of interest. A conflict arises when there is a direct or indirect potential, apparent or actual divergence between a Trustee’s private interests and his or her fiduciary duties as a University Trustee. Conflicts may affect non-financial as well as financial Trustee interests. The Trustee may be personally involved in a proposed transaction, have an employment, fiduciary or investment relationship with an entity with which the University is dealing, or have a family relationship with a person or entity with which the University is engaged.

For purposes of this Policy, a conflict of interest arises where the relevant material facts affect a Trustee, a member of his/her immediate family, or an affiliate, as herein defined. In the case of conflicts involving a member of the immediate family or an affiliate of a Trustee, the Trustee is obligated to make disclosure when he or she knows or reasonably should know of a conflict.

An apparent conflict exists when a reasonable person would conclude from the circumstances that a Trustee’s ability to discharge his or her duties as a Trustee, as summarized in the Policy Statement above, are compromised by personal interest.

A member of the immediate family of a Trustee includes a spouse or civil union partner, child, parent, sibling, or such relations by marriage or civil union partnership (wherever residing), person claimed as a dependent for federal income tax purposes partnership (wherever residing), and any relative residing in the same household as the Trustee. There may be other family members as to whom disclosure should also be made to avoid the appearance of a conflict, and doubts should be resolved in favor of disclosure.
An affiliate includes a business, association, corporation, or other legal entity in which a Trustee or a member of his/her immediate family is a director, trustee, officer, partner, joint venturer, principal, employee, owner, and/or holder of five percent (5%) or more of voting stock or a controlling interest. In addition, an affiliate is an entity from which the Trustee or a member of his/her immediate family otherwise annually receives or has the right to receive $10,000 or more compensation, income, or other financial consideration or value.

**Policy Elaboration**

It is not possible to provide an all-inclusive list of situations giving rise to a conflict of interest. In general, Trustees may not use their positions or confidential information to which they become privy as Trustees for the gain of themselves or others. Below are examples of situations presenting potential, actual or apparent conflicts.

1. **Commercial transactions.** Commercial transactions between a Trustee and the University are not *per se* barred under this Policy. In such situations, however, due to the actuality or appearance of a conflict, it is essential that, as to such proposed transactions, there is strict adherence to disclosure and recusal protocols. Such transactions will be permissible if (a) the transaction is at fair market value; (b) the University considers alternative competitive proposals; and (c) the University determines that the transaction is fair and reasonable to, and clearly in the best interests of, the institution, despite an actual or apparent conflict.

2. **Confidential, Proprietary or Privileged Information.** Except as required by law, no Trustee shall, without proper Board or institutional authorization, give or release University information or data (“Information”) of a confidential, proprietary or privileged nature, or use such Information to gain personal advantage or avoid personal detriment, insofar as such Information is not in the public domain. This rule applies to Trustees during and after their University service relative to Information acquired in the course of their Trusteeship.

3. **Business Opportunities.** No Trustee shall divert from the University for private gain of self or others a business opportunity in which the University would foreseeably engage in furtherance of its mission, unless the University has been offered, and through an authorized official declined, a right of first refusal.

4. **Employment or Retention of Immediate Family Members or Affiliates.** No Trustee may be directly or indirectly involved in the hiring, supervision, performance evaluation, compensation or retention of personal or business services by the University of an immediate family member or an affiliate.
5. **Remuneration, Gifts, and other Consideration**

   a. **From External Parties.** No Trustee shall solicit or accept from any person, organization, corporation, or other legal entity (or representatives thereof) seeking to do, or doing, business with, or otherwise gain benefit from, the University, any remuneration, gift, gratuity, services, loans, travel, entertainment or other consideration of more than nominal value in exchange for a promise, or reasonable inference, that the Trustee’s influence with the University has been exchanged for such consideration. This prohibition applies without limitation to vendors, contractors, sponsors, donors, and job or admissions applicants.

   b. **From the University.** It shall not be considered a conflict of interest for a Trustee to accept from the University (1) gifts or other items of value in consideration of his/her service or retirement from University service; (2) customary *honoraria*; (3) reasonable reimbursement for travel, food, or lodging for expenses incurred in connection with University Trusteeship pursuant to applicable University policy and procedures; or (4) complimentary tickets for a Trustee and his/her guest at University functions or events when the presence of the Trustee is deemed to serve the best interests of the University.

   c. **From External Parties or the University.** No Trustee shall solicit or accept any fee or honorarium offered in return for a speech or appearance or article made or written in the individual’s official capacity as a Trustee. Reasonable and necessary expenses reimbursed to the Trustee for participation in such an event are permissible subject to the filing of a conflicts disclosure form. Any such appearance shall be subject to the provisions of the Statement of Trustee Responsibilities, and in particular the requirement that a Trustee recognize that the President is the spokesperson for the University and the Chair is the spokesperson for the Board and that, when a Trustee engages in communications with University personnel, students, the citizenry, and the media on an individual basis, the Trustee shall be guided by the duty of loyalty as set forth in the Statement of Trustee Responsibilities.

6. **Employment of University Personnel.** A Trustee wishing to employ or retain a University officer of administration for private consulting or other non-University purposes must first obtain from the General Counsel an opinion as to whether such engagement does, or may, give rise to a conflict of interest. If the General Counsel concludes that a conflict does, or may, arise, the Trustee shall disclose the proposed employment or consulting arrangement to the Board Chair. The Board Chair will either authorize or decline to authorize the proposal, conferring with the Executive Committee in his/her discretion. If the proposal is authorized, the Chair shall communicate the authorization in writing to the Trustee, with a copy to the General Counsel. The Trustee’s Conflict of Interest Disclosure Form shall then be amended to reflect the affiliation. In the case of proposed employment of other University
personnel, the Trustee should consider whether such employment might reasonably result in
a conflict of interest and, if so, he/she should thus amend the Conflict of Interest Disclosure
Form.

7. Testimony. A Trustee who testifies in person or through recorded or written
communication before any public body or public official, whether judicial, legislative or
administrative, shall make it initially and clearly known on the record when s/he is speaking
on the matter as a University representative. Trustees shall obtain authorization to speak on
behalf of the University by means of customary governance protocols.

8. Political or Appointive Office. The constituency of each Trustee is the University,
regardless of the source of appointment. Trustees whose service on the Board is
incidental to elective or appointive office shall engage in such service with due regard for
the fiduciary duties of a Trustee, and in a manner consistent with this Policy.

Summary of Protocol

Upon commencement of Board service, Trustees file Conflicts Disclosure Forms, amending
them no less than once annually and otherwise as circumstances dictate.

In advance of any meeting at which a conflict may foreseeably arise, the Trustee must disclose
the conflict to the Committee Chair (and/or to the Board Chair if the conflict will arise during a
Board meeting). The Trustee, Committee Chair, or Board Chair may request an opinion on the
existence of a conflict from the General Counsel. In the event that a Board Chair or a Committee
Chair conflict is in issue, the disclosure shall be made to the Vice Chair, who may also request a
legal opinion from the General Counsel.

Once having disclosed the conflict, the Trustee may him/herself decide to decline to participate
in discussion of, and any vote upon, the matter as to which a conflict exists. In such instances,
the meeting record shall reflect his/her self-recusal and abstention.

If the Trustee does not her/himself decline to participate in discussion of the matter as to which a
conflict exists, the Committee (or Board) Chair shall, prior to consideration of the matter, and in
open session, identify the conflict. In the event that a Board Chair or Committee Chair conflict is
in issue, the Vice Chair shall identify the conflict. The Trustee as to whom a conflict is identified
may participate in open session discussion of the matter if a majority of the members of the
Committee or the Board authorize such participation by majority vote; if such authorization is
given, the Trustee shall nonetheless abstain from voting on the matter. The Trustee shall be
excused from any portion of an Executive Session devoted to the matter as to which a conflict
arises.
A Trustee who recuses from participation in discussion of, and/or voting upon, a matter before a Committee or the Board shall not be counted toward a quorum.

Protocol

Disclosure Forms

Each Trustee shall file a Trustee Disclosure Form at the time of initial appointment and by March 1 of each subsequent year of service. The Form will require the Trustee to acknowledge his/her review of the Policy and to agree to disclose on the Form and as otherwise required by the Policy any matter as to which a conflict does, or may, exist. The Trustee shall update the Form during the year as circumstances dictate. Forms will be filed with the Trustee Coordinator, and maintained by the Assistant Secretary of the Board, with a copy to the General Counsel.

Disclosure Obligation

In advance of any meeting at which a conflict may foreseeably arise, the Trustee must disclose the conflict and all relevant material facts to the Committee (or Board) Chair. If the Trustee with such conflict is the Committee or Board Chair, the conflict shall be disclosed to the Vice Chair, who shall instead preside for the agenda item as to which the matter arises.

Relevant material facts may include the benefits that could inure to the Trustee; the extent to which, if any, the Trustee is participating in a competitive process to enter into a transaction or business affiliation with the University; whether the Trustee is privy, in his or her capacity as a Trustee, to proprietary or other non-public University information that could be advantageous to the Trustee in relation to other parties interested in a proposed transaction; and/or if the University would be likely to enter into the proposed transaction or relationship in the absence of the Trustee’s University affiliation

A Trustee may elect, following such disclosure, to self-recuse from participation in discussion of the matter as to which disclosure is made. Alternatively, if a Trustee submits a disclosed conflict for consideration by a Committee or the Board, when the item arises on the agenda the Chair shall, for the record, identify to the Committee or the Board the conflict and the material facts relating thereto. (If the Trustee with such conflict is the Committee or Board Chair, the conflict shall be identified by the Vice Chair, who shall preside for the agenda item as to which the matter arises.)

The Trustee shall request authorization from the Committee or the Board to participate in any discussion of the agenda item that takes place in open session, and shall be recused from any portion of an Executive Session devoted to the matter as to which a conflict arises. If the Committee or Board by majority vote authorizes the Trustee’s participation in such public discussion, the Trustee shall nonetheless abstain from voting on any such item.
In all instances, the determination as to whether to permit the Trustee to participate in discussion of the agenda item as to which a conflict arises shall be made following full disclosure by the Trustee of the nature of the conflict, and on the basis of whether, in the considered judgment of the Committee or the Board, the University’s interests will be best served by participation of the Trustee notwithstanding the conflict.

**Role of the University General Counsel**

Prior to each Committee and Board meeting, the General Counsel shall review the agenda in relation to Trustee Disclosure Forms to determine whether a conflict may, or will, arise. If a conflict is identified, the General Counsel shall contact the Trustee and the Committee (or Board) Chair regarding the relevant agenda item. The Trustee and the Chair shall otherwise proceed as described in the first section of this Protocol (“Disclosure Obligation”).

Upon request of the Trustee and/or the Committee or Board Chair, the General Counsel shall provide an opinion as to whether a conflict of interest arises as to such Trustee. All such opinions shall be subject to applicable privileges under law.

**Approval of a Conflict of Interest Transaction**

If a conflict is identified for the first time subsequent to any action by the Board in which a conflicted Trustee participated, such action shall be voidable by the Board in accordance with the Vermont Nonprofit Corporation Act and otherwise applicable procedures relating to Board meetings and action.

Notwithstanding the preceding paragraph, a conflict of interest transaction is not voidable or the basis for imposing liability on the Trustee if the transaction (a) was fair at the time it was entered into or (b) is approved in advance by vote of the Board or a Committee if (i) the material facts of the transaction and the Trustee’s interest are disclosed or known to the Board or Committee; and (ii) Trustees approving the transaction in good faith reasonably believe that the transaction is fair to the University. Any approval must receive an affirmative vote of a majority of the Trustees on the Board, and any Trustee who recuses from participation in discussion of, and/or voting upon, a matter before the Committee or Board shall not be counted toward a quorum.

In cases in which the Board or a Committee considers approval of a conflict of interest transaction, its review of the material facts and its resulting decision shall be documented in the meeting minutes.

**Post-Transaction Challenge Procedure**

Complaints of non-compliance with this Policy shall be filed promptly and in writing with the Chair of the Board, with copies to the Secretary and Assistant Secretary of the Board. Disposition of such complaints shall be handled in the same manner as proposed or approved
transactions under this Policy and, and as to a non-compliant Trustee, under relevant provisions of the University Charter, Bylaws and Vermont Nonprofit Corporation Act.

**Governing Law**

This Policy incorporates by reference any obligations imposed upon the University, the Board, and/or a Trustee by federal or State law.

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*Adopted by the Board of Trustees: February 12, 2005*

*Amended by the Board of Trustees: February 4, 2012*

*Amended by the Board of Trustees: November 8, 2012*
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTEES

COMMITTEE ON BUDGET, FINANCE AND INVESTMENT

The Committee shall have responsibility for overseeing the development of strategic, long-range institutional financial plans and related plan objectives. It shall engage in ongoing assessment of the current and long-range financial status of the institution.

The Committee shall oversee the formation and approval of annual budgets. It shall oversee the creation, implementation, and periodic review and revision of financial, treasury, investment and debt management policies.

The Committee shall retain investment managers and financial advisors as necessary and desirable in the conduct of its work.

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

Approved by the Board of Trustees: September 9, 2006
Approved as amended by the Board of Trustees: November 8, 2012
Operational Elaboration of Charge

The subject matter of the Committee may include:

- Strategic financial planning, including short and long-range financial status assessment
- The annual capital and operating budgets, and quarterly institutional financial statements
- State appropriations and capital requests
- Gifts and grants; Wilbur Fund reports
- Fund investment decisions (such as those relating to the endowment and similar funds, agency funds, trusts and, as lawfully available, funds from bonds, loans, and other sources in excess of immediate debt payment requirements), including assets management and allocation, and policies relating to socially responsible investment
- Purchase, retention, sale, transfer, exchange, investment or reinvestment, or other disposition of securities or similar investments
- Endowment and investment manager performance, and the retention and termination of investment managers and advisors
- Debt management, including the adequacy of assets to meet external debt obligations
- Cash, central bank, and commercial paper policies
- Dissolution, merger, sale, pledge, or transfer of all or substantially all of institutional assets
- Such other matters consistent with its charge as may be referred to the Committee by the Board Chair