Since my last report to the Board, the Staff Council held its annual Holiday Bazaar and Food Drive in early December which was a huge success. This event is the largest put on by Staff Council and recognizes the craftsmanship and artistic talents of our community. The proceeds from a raffle and bake sale at the event helps to support the Staff Council Community Service Award program and defray the costs of Staff Council sponsored social events and activities. We donated 398 lbs. of non-perishable food and $42 in cash donations to the Chittenden Emergency Food Shelf. With more than 45 vendors and over 900 people attending, this was the most successful Holiday Bazaar and Food Drive to date.

The FY 2015 Budget is on the minds of every member of the UVM Community as we are asked to tighten our belts and cut costs again while at the same time explore ways to balance the budget and support the President’s strategic plan. We continue to appreciate the transparency of the administration in communicating the budget issues, creating opportunities for feedback from members of the UVM community and establishing a rapport that will enable our community to have difficult conversations about the challenges and opportunities we face together. However, multiple budget cuts over the years have put staff on the defensive and led to the general perception among staff that they are most negatively impacted by these types of cuts. This perception, which fuels the fire of fear and insecurity, is very real for some staff and based on these all too frequent experiences in the past. Rumors of staff having to bear the substantial increase in cost for benefits only further add to uncertainty of the future.

The Staff Council believes that we can be a source of support during these uncertain times by continually looking for ways in which to provide resources to staff. One of those sources of support is a loan program which is administered by the Staff Council. The Staff Emergency Loan Fund (SELF) provides interest free loans on an emergency basis to staff members experiencing unexpected financial difficulties. Since its inception, SELF has helped hundreds of staff members when they had nowhere else to turn to get money fast to pay for heating fuel, patch a leaking roof, repair a broken car or replace a hot water tank. SELF is supported through funds raised by the Staff Council and individual contributions from members of the UVM community. We are grateful for the opportunity to provide this resource during times of emergency; however, we would prefer seeing those loan applications diminish rather than increase as a result of staff trying to make ends meet.

We recognize the financial challenges that the University must solve; and rest assured, the staff at UVM are committed to working hard to ensure a sustainable budget and doing the best jobs we can with the resources available, but the process of compromise must be shared equitably among our entire community.
Staff Council President’s Comments to the Board of Trustees Committee of the Whole
Friday, February 7, 2014

Catherine Symans, Staff Council President

Good morning President Sullivan, Provost Rosowsky, Chair Cioffi, and Trustees. I am pleased to present my second report of this academic year on behalf of the Staff Council.

As a standard practice, the Staff Council has invited guest speakers to present a topic of interest at our monthly meetings. This year we have been very fortunate to have had a rich and informative roster of guest speakers for every meeting. We began the academic year with President Sullivan addressing us at our September meeting. In October, Provost Rosowsky introduced IBB to the Council. In November, UVM Police Officer Sue Roberts gave a presentation on violence in the workplace. We learned about distance education from the Dean of Continuing and Distance Education, Cynthia Belliveau, in December; and last month, the Dean of Extension, Douglas Lantagne, enlightened us about University Extension services. This past Tuesday, University Budget Director Alberto Citarella spoke to us on the status of the FY15 Budget and IBB. At our meeting next month, the Provost along with Alberto and Richard Cate will provide further budget updates. In addition, members of the administration, including Board of Trustees Chair Cioffi, have been guests at many of our Staff Council Committee meetings. Having access to the administration is critical to the success of the Staff Council. As our mission states, we serve as “an advocate for staff by seeking out and responding to their ideas and concerns, representing them to the University administration….”

With that in mind, I would now like to turn your attention to one of those concerns that has recently risen to the forefront, the University’s review of the cost share of employee benefits. This past December, the President and Provost met with the University Benefits Advisory Council (the UBAC,) and asked them to review cost sharing formulas for employee benefits; specifically, healthcare coverage, dependent tuition remission, and retirement savings plans. The UBAC’s role is to create a report to deliver to the President and Provost in March from which they will prepare a recommendation to be considered by the Board of Trustees this spring.

This cost share review process is reminiscent of the one completed in 2010 around Post-Retirement Medical Benefits (PRMB) which, as a direct result of Staff Council’s advocacy, became more transparent and provided opportunities for feedback. And just as we did in 2010, Staff Council is taking an active role in spreading the word to employees to attend town halls and encouraging them to submit their concerns and suggestions to the UBAC and to Staff Council.

To date, we have received a number of comments and I would like to share just a few those with you now:
Dependent tuition remission “…was one of the main reasons I applied to and accepted a position at UVM.”

Dependent tuition remission “…was one of the main reasons I applied to and accepted a position at UVM.”

“…an increased percentage of healthcare costs would definitely constitute a financial hardship in my household.”

Dependent tuition remission “…is a benefit that people weigh heavily when accepting a position here.”

And finally, from a 23-year employee, “My job is low paying but I have stayed so that my children would have the benefit of tuition remission.”

According to an announcement from Human Resource Services, “the University is mindful that any change to the cost share formulas for benefits will directly affect the lives of the people who work here, even though the costs are done on a progressive, income-sensitive basis. It is therefore critical to this process that any decisions be both well informed and transparent.”

We are hopeful that as the cost share review process moves forward, that many employees, both staff and faculty, will provide the feedback that will inform and guide the direction taken by the administration in making their recommendations. Staff Council remains committed to this issue and will continue to serve as an advocate and voice for staff to ensure that everyone has the opportunity to be heard.

I would like to conclude my report by thanking Chair Cioffi for his extraordinary service to the University of Vermont. It’s been a pleasure working with you and we wish you the very best of luck.

Thank you.
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Staff Council Reports
Board of Trustees February 7, 2014
Staff Representative Comments and Committee Summaries

Audit Committee

The Audit Committee met on November 19, 2013 and February 6, 2014

November 19, 2013

The Chief Compliance officer, Anna Drummond presented her report to the Audit committee. One of the highlights was the results of Annual Compliance survey sent to the Deans, Faculty and Staff. 44 percent responded up from 38 percent last year. The awareness of the Compliance Office, Code of Business Conduct and the Help Line was gone up 5 to 6 percent. The culture potion of the survey asked whether you felt protected from retaliation, felt the University fosters a compliance culture and whether you have observed no misconduct. All three of these rose about 6-7 percent from last year to this one.

One theme emerged from the survey was that a number of comments identified bullying by a manager or supervisor. This was reported to the VP of Human Resources, Diversity and Multicultural affairs for follow-up. Many of the respondents asked for better communication. I asked if there would be any other way to collect the information as many staff are seeming to getting tired of all the surveys going around. Anna replied that they are looking at direct out-reach to help get the message out.

The Athletic department gave an overview of the NCAA rules and procedures and the amount of effort and time that they spend in trying to be sure the UVM is compliant with all of them. UVM has never had any material violations.

KPMG and Claire Burlingham presented the University’s Annual Financial Report and results of the FY13 audit. Claire went over the numbers. KPMG certified the results of their audit. UVM has no material weaknesses. The link to the Financial report is here: http://www.uvm.edu/controller/?Page=fin_statements.html

Al Turgeon, Chief Risk Officer reviewed the University of Vermont Enterprise Risk Management guidelines. This includes the University’s Risk Philosophy and Risk Appetite statements.

Tom Gustafson, VP for University Relations and Administration presented the revised policy on the President’s Official residence. The President’s Official resident expenses were presented at the last meeting and the Chair, Mark Young asked that the meals and dining expenses be removed from the operating costs of the resident. The revised policy reflects this request.

Bill Harrison, Chief Internal Auditor, presented the new structure of the Compliance program at the University. The Compliance Office was moved under the Audit Office when the reorganization of the Administration was announced by the President last year.

February 6, 2014

KPMG reviewed the completed NCAA audit. It was issued with no qualifications. The rest of the meeting went over some of the audits that Audit services has completed this past year though the outcomes of those audits were being discussed at the Committee of the Whole meeting and not at this meeting.

There was a presentation done about the on-going efforts of the Emergency Management Team to have a plan for the University to use during an emergency.

Respectfully Submitted,
Committee on Budget, Finance, and Investment (BFI)

The BFI committee met on February 7, 2014.

1. Meeting began with approval of October 25, 2013 minutes.

2. The committee conducted the annual review of the Debt Policy. Proposed revisions were not substantive and housekeeping in nature. The committee voted to reaffirm the policy.

3. The committee then reviewed the FY13 Year-End Net Assets report. There were questions about deferred maintenance.

4. Investment committee chair, (Sam Bain) reported on the recent performance of the endowment. Cambridge Associates assists the university with endowment management. The recent median return of Cambridge’s other higher education clients was 13.7%, however, UVM investments experienced a return of 16.2%. UVM’s endowment has grown substantially in the last few years and reached $422 in December 2013.

5. The committee then reviewed the Statement of Investment Policies and Objectives and reaffirmed the policy.

6. A resolution regarding proxy voting was approved, including designation of voting authority (within established guidelines), the study of proxy issues by the Socially Responsible Investment Advisory Council (SRIAC) when guidelines do not exist, which includes providing proxy voting recommendations to the VP for Finance. Additionally it was resolved that proxy voting will be published on the SRIAC webpage on an annual basis.

7. Claire Burlington reported that the SRIAC had carefully examined the question of divesting in fossil fuel investments, made a recommendation on energy investments to Vice Presidents for Administration, who then referred the proposal to the Investment Subcommittee of the Board who unanimously decided not to accept the proposal at the subcommittee’s December 18, 2014 meeting. She indicated that SRIAC is looking at developing alternative investment opportunities for those that do not want to invest in fossil or nuclear fuels. They are also looking at concerns related to investments in GMO related businesses.

8. The FY 15 budget process was briefly reviewed. The university is carrying over $5.6M net tuition revenue shortfall in FY14. To deal with budget challenges, FY 15 revenues will include an increase in contributions from Income/Expense accounts by $1.3 million. Additionally, there will be budget reductions to include 2.7% from administrative units and .6% from academic unit budgets. Trustees remain concerned about deferred maintenance issues and need to reduce the backlog. They are also concerned that staff council has a mechanism for being involved in the budget process. A student representative to the committee voiced a concern that they do not carry the responsibility for budget challenges.

9. Comparator institution tuition and fees were shared with board members who remain concerned tuition increases are growing at a rate that surpasses the CPI and the growth rate of family incomes. Trustees reviewed proposals for FY15 maximum room and board, comprehensive, SGA and IRA fees. The resolution was approved.

10. Trustees reviewed and approved two proposals related to STEM project funding. The first expressing the intention of the Board to expend up to 75% of STEM project costs from University funds through issuance of bonds at a future date and subject to various board approvals; and the second authorizing the VP for Finance and Treasurer to spend up to $1.5 million for funding schematic design of the STEM Project.
11. To hold overall health insurance cost increases to a minimum, Trustees were presented a proposal to move to a self funded employee health insurance plan. In this model the university would pay the actual cost of health care claims, plus a negotiated administrative fee to an insurance carrier. Health insurance coverage would remain the same for employees. Any claim margin surplus would be used as a reserve to mitigate the risk of significantly higher fluctuations in premium rates and to pay for claims exceeding expected incurred claims should they occur.

Administration requested a one year contract amendment and extension with BC/BS to initiate the program. Proposal was approved.

12. At the conclusion of the meeting a group of students silently entered the meeting to protest the recommendation/decision not to divest holdings in fossil fuel investments.

Respectfully Submitted,

Tobey Clark, Director IMF/TSP
Patty Eldred, Director AFS Auxiliary Services

Staff Representatives to the BFI Committee

Committee on Educational Policy and Institutional Resources (EPIR)

On February 7, 2014 the Educational Policies and Institutional Resources (EPIR) Committee was called to order by Chair Bill Botzow. Chair Botzow acknowledged and thanked representatives who were attending their final meeting. Minutes from the October 25, 2013 meeting were approved.

The Provost’s verbal report was devoted to the new STEM (Science, Technology, Engineering and Technology) Project. While Chair Botzow did his best to keep this committees conversation on the educational aspects of the project, there was some conversation about financing. The proposal is to have 75% of the project financed as a loan with the remaining 25% non-debt. Bob Vaughan, Director of Capital Planning and Management also noted that approximately $30 million dollars in deferred maintenance for Cook will be removed from the UVM budget as a result of the new and upgraded buildings. In response to committee questions, the STEM Center programs will reach beyond UVM to Vermont schools using UVM outreach programs already in place. This is a campus wide initiative with co-curricular spaces throughout the building and will be a LEAD Certified building.

Trustee Frank Cioffi, Annie Stevens, Vice Provost for Student Affairs and S. Abu Turab Rizvi, Dean of the Honors College reported excellent progress with the internship policy, The Hub and a feature in the Boston media as current highlights of the Career Success Action Plan.

Cathy Paris, the Faculty Senate Curricular Affairs Committee Chair reviewed and took questions to approve an online Master of Public Health degree program. The financial costs will be minimal as the current certificate program is the ground work for this program.

Resolutions to approve an amendment to the College of Medicine Faculty Handbook to establish a new Clinical Practice Physician Pathway as a full-time faculty appointment and the removal of “University Center” designation from the James A. Jeffords Center for Research and Policy Studies and transition to an endowed funding model were briefly discussed and also approved.

Annie Stevens, Vice Provost for Student Affairs reported that the Division of Student Affairs have and will continue to regularly conduct student needs and assessments and implement satisfaction surveys for various programs and services to improve the student experience. In order to achieve more strategic changes and outcomes, the Division of Student Affairs
has adopted the framework of Results Based Accountability. There was much discussion around the goal in the action plan to reduce high risk drinking, with many actions offered by Vice Provost Stevens.

And to close, a presentation was given by Executive Director and Professor Faculty Susan Ryan, UVM students/mentors Brian Veddar and Sophia Gatison and Stirling Peebles a graduate from the Think College Vermont@UVM/Center for Disability and Community Inclusion Program.

Respectfully Submitted,

Amanda McIntire – Human Resource Services
Lesley Boucher – Dana Medical Library

Staff Representatives to the EPIR Committee