This report will be my last to the UVM Board of Trustees as the Staff Council President. Over the last two years our University has faced some difficult challenges which have taught me many things. I have learned diplomacy, that you will never please everyone, and that when an action appears to be a “no-brainer,” you must step back and look at the issue from another angle. I have tried to lead with honesty and integrity during my tenure and I look forward to continuing to serve the Council as the immediate past President and mentor to our new officers. I could not have done my job without the partnership of my Staff Council Vice President, Jon Reidel or the able assistance of the Staff Council Office made up of Diane Trono and Jeff Bukowski. They have helped me every step of the way.

In March, the Staff Council adopted, for the first time, a mission statement that reflects the purpose of our organization and provides the guidance needed as we approach our 40th year at UVM in 2011. This mission statement moves beyond the charge of the Staff Council outlined in our Bylaws and speaks to the work we have done in the past, and will do in the future, within our University community. This is our mission:

The UVM Staff Council serves as an advocate for staff by seeking out and responding to their ideas and concerns, representing them to the University administration, and keeping staff informed of University initiatives. Staff Council works to create a cohesive community, have a positive impact on staff culture, and promote the betterment of all.

It is my hope that this mission statement will help the Staff Council to understand that the motivation behind every initiative or subject addressed should be one of equity and social justice for staff and the University community. Staff Council members, like the Board of Trustees and the administration of our University, must know and understand who the “all” refers to and includes within this mission statement in order to serve them wisely. As leaders of this University, we must work to understand the terms Diversity, Social Justice and Cultural Pluralism, and make sure that every staff member, every student and every faculty member feels safe, welcomed and supported at this institution.

I want to express my sincere thanks to The Board of Trustees, President Dan Fogel and Vice President Gary Derr for your support and guidance during my term as the President of Staff Council. As I leave my post, I am comforted knowing that Staff Council can count on your continued support in years to come.

I will provide information regarding the results of our representative and officer elections at the board meeting in May.
As promised in my report that is contained in your packets, I would like to inform you of the status of our Staff Council elections for representatives and for President and Vice-President.

We recently concluded elections for representatives in several units across campus. There were 19 seats that were either vacant or have representatives whose terms are concluding. Eleven new Council representatives were elected, two representatives were re-elected, and there remain six open seats. We have filled thirty of the 36 representative seats and all units have representation. This is the best representation we have had in our three year history as an advisory body with university-wide representation.

The Staff Council also concluded its second university-wide election for president and vice president this past week. Ida Russin (from the Graduate College) and Michelle Smith (from Capital Planning & Management) were elected president and vice-president, respectively. The Staff Council office reported that there was 20% participation among staff in the presidential elections. Ida and Michelle will begin their two-year terms on July 1, 2010.

I would also like to comment on an issue that is causing great concern among UVM staff. Governor Douglas’s recent call for a 0% tuition increase has greatly affected the morale of staff on our campus. Over the past 2 years budgets have been cut, staff members have been laid off, and work loads have increased. Cutting employees would greatly affect the ability of our University to serve our students well. Staff Council does not support more lay-offs and cannot support a tuition increase lower than the 4.0% recommended by the administration. Removing the proposed 4.0% tuition increase could easily mean scores of staff members out of jobs and collecting unemployment.

I believe that President Fogel and Vice President for Finance and Administration, Richard Cate, have clearly explained the reasons behind the 4.0% increase. The increases in financial aid have helped make tuition as affordable as possible for students, while I along with others here at UVM appreciate the additional one time appropriations of 2.58 million dollars granted us by the state legislature, it is unlikely that these funds have raised Vermont from last place for per capita investment in higher education in the U.S.. While Vermont reaps the rewards of being home to a University that contributes research in the health of our lake and our farms, provides support to our population’s health and well-being through UVM’s affiliation with Fletcher Allen Health Care, and employs thousands of Vermonters, Montpelier continues to view their investment in this institution as less than a top priority. Please consider UVM employees and their families as you make your decisions this weekend. While a 0% tuition increase may seem attractive, it is not reasonable and will mean a decline in the quality of the UVM experience for all students.
Audit Committee

The Audit Committee met on Monday, May 10, 2010. Chair Bill Botzow introduced Anna Drummond, UVM’s new Chief Compliant Officer.

Highlights from the meeting included a presentation by Ms. Drummond explaining the operations of the newly established Compliance Office and an update on the Internal Audit Services Office presented by William Harrison.

“The University of Vermont has separated its compliance and audit functions into two distinct offices. This restructuring was implemented in order to create increased independence of these complementary, but distinct, activities and a heightened focus on both of them.

The mission of the Office of Compliance Services is to work proactively and collaboratively with members of the University of Vermont community to promote an institutional culture of compliance and thus prevent and effectively address violations of law, regulation, and University policy and protocols.

In order to achieve this mission, the Office of Compliance Services will monitor, communicate and educate the University of Vermont community about existing and emerging compliance requirements; coordinate institutional compliance activities; create training opportunities; develop compliance work plans for use by responsible officials, assess and report periodically on progress toward compliance goals and assist in the development of remediation plans needed.”

Currently, a detailed draft Program Description for the Office of Compliance Services is currently being circulated amongst various parties to assure their understanding and acceptance of the roles and responsibilities articulated in that document. The Office of the General Counsel has completed a Compliance Matrix which sets out the areas of compliance that impact the University and the specific legal, regulatory and University policies and protocols that relate to these areas.

For the fiscal year 2011, the Office of Compliance Services will be actively promoting awareness of the program using various means and media. Some methods include a Compliance newsletter and the development of an interactive web site. Ms. Tiemann suggested engaging Staff Council in assisting with the communications of the program. Some discussion ensued regarding privacy surrounding reports of complaints. Ms. Drummond explained that a 3rd party hotline will be available for reporting of compliance

More details of the Compliance Program are available on the UVM web site.

Mr. Harrison, Chief Internal Auditor, presented the Office of Audit Service FY2011 Annual Plan. He reviewed the mission statement and outlined the key areas of audit services. Mr. Harrison outlined the goals for the office and presented the FY2011 budget which includes the allowance for 3 new staff positions in the audit services department. The Mission Statement for Audit Services reads: “Define, develop and build a first-rate, comprehensive internal audit services program based on best practices, held to the highest professional standards and intended to keep UVM at the forefront in comparison to the audit functions at peer institutions.” Mr. Harrison updated the committee on the Internal Audit activity in the points listed below.

Ongoing Internal Auditing Activity: Fieldwork for the Conflict of Interest policy compliance and controls over hiring of temporary employees has been completed and the draft report has been submitted to management for comment.

External Regulatory Auditing: The Department of Labor completed its fieldwork phase of its audit of our affirmative action plan and I-9 compliance. They have provided a very positive report and were pleased and satisfied with UVM’s compliance. The National Science Foundation FFR Award Monitoring Review is in process. The Financial Statement audit is in process.
Other Internal Auditing Activity: Four recruitment actions are in process for an administrative assistant (shared by audit and compliance), and three internal auditor positions. RFP for co-sourced audit resources issued on April 30, 2010 is scheduled to be closed on May 18, 2010. RFP for construction audit services is in process.

Respectfully Submitted,
Marie Tiemann

Staff Representative on the Audit Committee

Committee on Budget, Finance, and Investment (BFI)

- **FY 2011 TUITION RATES**
  At the April meeting, the Committee reviewed the FY 2011 general fund budget parameters. Those included a 4.8% tuition increase, a departure from the 6.0% increase included in the Strategic Financial Plan. Since the April meeting, the University has learned that it will receive $2.58 million in one-time state appropriation in FY 2011. This has allowed the University to bring before the Board a budget proposal that includes a 4.0% tuition increase. It is important to recognize that in making this adjustment, recurring base tuition dollars are being swapped for one-time state funds. If the one-time state funds are not replaced with other funds in FY 2012, whether in one-time or base, the University will need to increase revenues, including consideration of tuition revenues, or further reduce expenditures.

  Tuition rate increases of 4.0% for both Vermont and out-of-state students were proposed. Also included in the resolution are proposed tuition rate increases for the College of Medicine of 2.5% for the first through fourth year classes, for both Vermont and out-of-state students. The Committee was also asked to approve the flat tuition rate for programs that enroll non-degree or certificate students and are offered primarily on-line. A rate of $508 per credit hour for the 2010-11 academic year was proposed. Both tuition resolutions were approved by the Committee for recommendation to the full Board by a vote of 10-1.

- **FY 2011 STUDENT FEES**
  An increase of $44 (2.4%), from $1,842 to $1,886, is proposed for FY 2011. The student fees resolution was approved by the Committee for recommendation to the full Board by a vote of 10-1.

- **FY 2011 ROOM AND MEAL RATES**
  The predominate traditional double room rate is proposed to increase 3.9% to $6,196 for the 2010-2011 academic year and the proposed average meal plan rate will increase 4.1% to $3,156. The room and meal rate resolution was approved by the Committee for recommendation to the full Board by a vote of 10-1.

- **FY 2011 BUDGET – GENERAL FUND**
  The FY 2011 general fund budget proposal, which includes a 4.0% tuition increase, is $289,652,000. The FY 2011 general fund budget resolution was approved by the Committee for recommendation to the full Board by a vote of 10-1.

- **TEN-YEAR BUDGET PLAN FORECAST**
  The Committee decided to table the discussion of the ten-year budget plan until they meet in October where there will be ample time for discussion.

- **REPORT OF THE INVESTMENT SUBCOMMITTEE**
  Investment Subcommittee (ISC) Chair Samuel Bain led the Committee through the Cambridge Associates’ report of University of Vermont Long-Term Pool allocations and performance as of April 30, 2010. The endowment was valued at $303.5 million, up 3.7% for CYTD; up 19.5% for the FYTD; up 26.2% for the trailing 1 year. Vice President Cate briefly discussed the resolution recommending reclassification of investment of land known as
Whittlesley Property. A motion was made, seconded and approved for the Resolution Recommending Reclassification of Investment for recommendation to the full Board.

- **SOCIALLY RESPONSIBLE INVESTING WORK GROUP UPDATE**
  Trustee Bain directed the Committee to the resolutions brought forth from the ISC. The Committee voted unanimously to approve the Reaffirm Divestiture from Sudan, Resolution for Divestment from Sudan, Reaffirm Divestiture from Companies Manufacturing or Distributing Cluster Munitions and/or Military Items Containing Depleted Uranium for recommendation to the full Board. Trustee Bain invited Work Group Leader, Claire Burlingham, University Controller, to give a brief update on the activities of the SRIWG. Three proposals were presented by the university community during the academic year, including two that were on opposing sides of the same issue. SRIWG recognized the need to develop a process around soliciting university community input on proposals. The work group will review best practices of other universities and develop a recommendation.

- **REVIEW OF STRATEGIC CAPITAL PLAN PROCEDURES**
  Vice President Cate noted that there is an increasing need to review the Capital Planning Process including the Capital Planning Prioritization Tool. Rather than bring forward a specific proposal for changes in the Strategic Capital Planning Process, the President will appoint a small group to review the process and prioritization tool and propose any changes to the Committee at a future meeting.

- **APPROVAL OF CLINICAL SIMULATION LABORATORY**
  Robert Vaughn, Director of Capital Planning and Management, presented the proposal from the University of Vermont Colleges of Medicine and Nursing and Health Sciences to renovate approximately 9,000 square feet of existing space in the Rowell Building. The total project cost of $2,300,000 will be accomplished through 100% of non-debt funding towards this project by donor and available college one-time funds. The Committee voted unanimously to approve the resolution Clinical Simulation Laboratory Resolution for recommendation to the full Board.

- **APPROVAL OF REALLOCATION OF EXISTING BOND FUNDS FOR DEFERRED MAINTENANCE AND CLASSROOM PROJECTS**
  Vice President Cate discussed the close out process for twelve capital projects which utilized bond funding over the last five years. The senior administration presented the proposal for the reallocation of those positive balances to address immediate deferred maintenance and classroom needs in several areas of campus. All of the projects have completed the original programs defined by their scopes of work, with the exception of Jeffords Hall. The amount identified for reallocation from Jeffords Hall is 75% of the unused contingency of the project. These funds will finance $2,800,000 of priority deferred maintenance and classroom projects. The Committee voted unanimously to approve the resolution Reallocation of Existing Capital Bond Funds Resolution for recommendation to the full Board.

- **GIVEN MECHANICAL & INFRASTRUCTURE-UPDATE**
  Director Vaughn informed the Committee that there was no change in the status of the grant application for planning on the Given Mechanical & Infrastructure project.

- **VICE PRESIDENT’S REPORT**
  The Committee was provided with a FY 2010 budget to actual report as of March 31, 2010. Overall revenue is tracking at or above budget, while expenditures are below. It is not expected that the Board authorized draw on the loan fund will be needed to balance the year-end budget.

Respectfully Submitted,

Rodman W. Cory, Human Resource Services
Christine D. Ardell, Student Financial Services

Staff Representatives to the BFI Committee
Committee on Educational Policy and Institutional Resources (EPIR)

The May 2010 meeting of EPIR had an aggressive agenda and rich discussion. As a result, the committee had to cut short a couple of topic areas due to time constraints. These topics will be revisited in future meetings.

The Provost’s Report highlighted areas of focus since the last meeting, including work on the Transdisciplinary Research Initiative (TRI), General Education Standards and First Year experience Program Task Force, changes to the Academic Program Review process, and new diversity recruitment plans.

Associate Provost for Faculty and Academic Affairs, Rachel Johnson presented data on student participation in career development opportunities including: internships (6,000 students), federal work study (3,000 students), service learning (1,000 students in service learning courses).

Cynthia Forehand, who is beginning a new role as Associate Dean of the Graduate College reported that the Faculty Senate Curricular Affairs Committee approved the creation of a BA in Linguistics and the elimination of the Studio Art minor. Additionally, the committee recommended the renaming of the Dept. of Communication Sciences to Dept. of Communication Science and Disorders and to move the department from CAS to College of Nursing and Health Sciences. EPIR approved these recommendations.

Interim Senior Vice President and Provost Jane Knodell and Vice President for Research and Dean of the Graduate College Dominic Grasso announced the selection of the initial three spires for the Transdisciplinary Research Initiative – Complex Systems, Food Systems and Neuroscience, Behavior and Health. EPIR emphasized the need for accountability and “aspirational” metrics and echoed a recurring concern of the TRI’s impact on the quality of the undergraduate experience.

Brian Reed, Associate Provost for Curricular affairs presented on the Academic Program Review and General Education Standards. The Academic Program Review process is currently being revised and a draft proposal will be presented to the Faculty Senate in the Fall of 2010. One development is that there will be an external review of the process.

Updates on the General Education requirements included the mention of the Association of American Colleges and Universities (AAC&U) Institute on General Education is being held on campus during the first week of June. The Faculty Senate can expect to see a proposal to implement the first phase of the new General Education requirements in Fall 2010. The Board’s role in the assessment of General Education Standards is an ongoing discussion.

Annie Stevens, Assistant Vice President for Student & Campus Life provided a quick synopsis of the proposal for the First Year Experience Program. The committee acknowledged the importance of the program and suggested that more time be provided in a future meeting to more thoroughly review the plan.

In addition to the prior mentioned academic approvals, EPIR also approved a new Gift Policy and endorsed the Provost’s report on the TRI.

Respectfully Submitted,

Amanda McIntire, Human Resource Services
Shari Langlois, Risk Management

Staff Representative to the EPIR Committee