CONSENT AGENDA

May 22, 2004

COMMITTEE OF THE WHOLE

(1) Resolution regarding Long-Range Vision and Strategic Financial Plan

WHEREAS, at the February 6, 2003 meeting of the Board, President Fogel and the administration articulated a long-range vision, based upon a growth and investment model; and

WHEREAS, at its May 16, 2003 meeting, the Board acknowledged with enthusiasm the articulation of a long-range vision and the continuing development and implementation of the University Strategic Plan (Attachment A), as well as directed development of a multi-year Strategic Financial Plan; and

WHEREAS, the administration subsequently produced a Strategic Financial Plan (Attachment B), dated May 13, 2004, that incorporated and analyzed the premises of the long-range vision and Strategic Plan; and

WHEREAS, the Strategic Financial Plan is intended to serve as a template for reviewing future University financial performance and will aid the trustees in making decisions regarding the future of the institution as strategic issues arise from time to time; and

WHEREAS, a qualified, independent financial consultant, PricewaterhouseCoopers (PwC), has since reviewed and analyzed the Strategic Financial Plan, and issued a report containing its analysis and related recommendations; and

WHEREAS, the Board and the administration recognize and agree that:
  • By its very nature, a long-range strategic and associated financial plan are subject to changing conditions,
  • The long-range plan must be adaptable to such conditions and contingency adjustments must be made, and
  • There is accordingly need for monitoring of all aspects of the Strategic Financial Plan and its implementation, and ongoing progress assessment.

THEN, BE IT RESOLVED, that the Board accepts receipt of the PricewaterhouseCoopers Evaluation of the Strategic Financial Plan; and

BE IT FURTHER RESOLVED, that the Board authorizes the President and the administration to commence implementation of the long-range vision and strategic plan, subject to the monitoring plan and also subject to early development of contingency plans as necessary and desirable to adapt to changing conditions, and periodic reporting to the Board on the results of the implementation, monitoring, assessment, and contingency plan formulation; and
BE IT FINALLY RESOLVED, that the Board thus adopts a Monitoring Plan to guide the process, as follows:

1. Quarterly, the Administration shall present to the Board’s Finance Committee financial performance data for the University compared to this plan or the latest revision thereof.

2. Annually, the Administration shall revise and update the Strategic Financial Plan by adding an additional year to the projections and by revising the projections for the other years to reflect actual results and then-available data. Such revisions shall be presented to the Board for its review and approval in a manner congruent with the annual budget approval process.

3. The University shall retain an independent consultant to assist the University in establishing a debt policy and to study the University’s ability to service the level of debt contemplated by the Strategic Financial Plan. The consultant shall also make recommendations on financing instruments and the sequencing and timing of these instruments, and shall study the impact of such additional debt on the University's credit rating.

The consultant shall engage the administration and a Debt Subcommittee of the Finance and Budget Committee in this work. The initial report of the debt adviser shall be presented to the Finance and Budget Committee in advance of its September, 2004 meeting, with subsequent reports to the Finance and Budget Committee and to the Board in advance of the decision points on major capital investments.

4. The approval of this long-range vision and the Strategic Financial Plan does not constitute the approval of any program, initiative or capital expenditure contemplated thereby. All such programs, initiatives and capital expenditures shall be subject to trustee review and approval according to customary practices and procedures.

5. For this monitoring plan, the Strategic Financial Plan is defined as comprising:

- projected statements of operations and assumptions
- projected balance sheets, including cash flow, investments, debt, etc.
- capital construction plans
- performance indicators
- academic growth projections

6. Pro forma balance sheets and statements of cash flow to be included in the Strategic Financial Plan shall be prepared for the September 2004 Board meeting.
FACILITIES & TECHNOLOGIES COMMITTEE

(2) Gutterson Parking Structure Financing Resolution

WHEREAS, in May 2002 the University of Vermont Board of Trustees authorized the issuance of General Obligation Bonds for various capital projects; and,

WHEREAS, in February 2004 the Board authorized the construction of a parking structure east of the PFG Complex with the understanding that the Vice President for Finance and Administration would provide a financing plan at the May 2004 meeting; and,

WHEREAS, the previously authorized Catamount Apartment Project has been indefinitely delayed due to unresolved regulatory issues; and

WHEREAS, the administration wishes to utilize existing bond proceeds before seeking Board authorization to issue new bonds;

NOW, THEREFORE, BE IT RESOLVED, that the Board authorizes the reallocation within the 2002 Bond Issue of $12,500,000 from the Catamount Apartments Project to the Gutterson Parking Structure Project; and,

BE IT FURTHER RESOLVED, that should all necessary permits be received for the Catamount Apartments Project, the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to utilize internal or obtain external interim financing until the University obtains new bond funding for the project; and,

BE IT FINALLY RESOLVED, that the Secretary or Assistant Secretary will provide certificates of incumbency, as required, showing the names and signatures of those 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.

(3) ERP Project Resolution

WHEREAS, through review of options available to the University, it has been demonstrated that implementation of an Enterprise Resource Planning (ERP) system for the University will assist the University in advancing its strategic objectives, including productivity and service improvements; compliance with federal and other laws, rules, and regulations; and support for the University’s mission; and

WHEREAS, the Board has been presented the complete description and financing plan for the project;
NOW, THEREFORE, BE IT RESOLVED, that the President, Vice President for Finance and Administration, or their successors or designees, are hereby authorized to commence implementation and to execute any and all contracts and documents necessary to undertake the ERP Systems Project at a total cost not to exceed $26,000,000; and

BE IT FURTHER RESOLVED, that the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to obtain internal or external interim financing until bonds can be issued at the appropriate time for the project; and,

BE IT FINALLY RESOLVED, that the Secretary or Assistant Secretary will provide certificates of incumbency, as required, showing the names and signatures of those 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.

(4) Admissions Carriage House Project

WHEREAS, plans have been developed to renovate and expand the former carriage house adjacent to 194 South Prospect Street into an Admissions Welcome Center;

NOW, THEREFORE, BE IT RESOLVED that the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to execute any and all contracts and documents necessary to undertake the Admissions Carriage House Project at a total project cost not to exceed $1,400,000; and,

BE IT FURTHER RESOLVED, that $340,000 remaining unspent in the Trinity Communications Project, and $6,862 remaining from the Perkins Geology Project, funded through the 2002 General Obligation Bond Issue be reallocated to this project, to be combined with $1,053,138 identified from internal sources; and

BE IT FINALLY RESOLVED, that the Secretary or Assistant Secretary will provide certificates of incumbency, as required, showing the names and signatures of those persons appointed to any of the positions heretofore mentioned, and, further, that any officer of this corporation is hereby authorized to certify this resolution to whom it may concern.

(5) Residential Learning Center Project Revisions

WHEREAS, at its May 2002 meeting the Board approved the construction of up to 600 additional residence hall beds at a cost not to exceed $34,000,000; and,

WHEREAS, at its May 2003 meeting the Board increased the scope of the project to approximately 800 beds with an increase in the project budget to $47,000,000; and,
WHEREAS, unanticipated site and utility infrastructure costs, modifications to accommodate the Honors College, LEEDS certification expenses and market pressures in the cost of materials have increased the overall cost of the project to $53,100,000; and,

WHEREAS, a reduction in project scope and/or construction quality is not in the best long-term interests of the University;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration, or his successor or designee, is hereby authorized to increase the project budget from $47,000,000 to $53,100,000; and,

BE IT FURTHER RESOLVED, that the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to utilize internal or obtain external interim financing above the $34,000,000 previously allocated from the 2002 General Obligation Bond Issue until the University reallocates existing, or obtains new bond funding for the balance of the project; and

BE IT FINALLY RESOLVED, that the Secretary or Assistant Secretary will provide certificates of incumbency, as required, showing the names and signatures of those 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.

(6) Resolution Authorizing Right of Way and Deed of Easement to City of Burlington through its Electric Department for Electrical Lines and Transformer at 1 South Prospect Street

WHEREAS, the University is the owner of a building located at 1 South Prospect Street in the City of Burlington; and

WHEREAS, the University desires and is willing to grant a right of way and easement ten feet wide for the installation of electrical lines and cables and fourteen feet by fourteen feet for the installation of a transformer at 1 South Prospect Street to upgrade the electrical service to DeGoesbriand and Jeanne Mance buildings;

THEREFORE, BE IT RESOLVED, that the Board of Trustees hereby authorizes the President or Vice President for Finance and Administration, or their successors, to grant a Right of Way and Deed of Easement for Electrical Lines and Transformer to the City of Burlington, and to execute any and all instruments necessary to accomplish that purpose.

BE IT FINALLY RESOLVED, that the Secretary or Assistant Secretary will provide certificates of incumbency, as required, showing the names and signatures of those persons appointed to any of the positions heretofore mentioned and, further, that any officer of this corporation is hereby authorized to certify this resolution to whom it may concern.
ACADEMIC & STUDENT PROGRAMS COMMITTEE

(7) Approval to Establish the Bachelor of Science Degree Athletic Training Education

RESOLVED, that the Board of Trustees approves the establishment of the Bachelor of Science Degree Athletic Training Education as approved by the Provost on March 24, 2004 and by the President on March 26, 2004.

(8) Approval to Establish the Joint Doctorate of Philosophy Degree in Animal Sciences and Food and Nutrition Sciences

RESOLVED, that the Board of Trustees approves the establishment of a joint Doctorate of Philosophy Degree in Animal Sciences and Food and Nutrition Sciences as approved by the Provost on March 24, 2004 and by the President on March 26, 2004.

(9) Approval to Establish the Bachelor of Science Degree in Early Childhood Special Education

RESOLVED, that the Board of Trustees approves the establishment of the Bachelor of Science Degree in Early Childhood Special Education as approved by the Provost on April 2, 2004 and by the President on April 6, 2004.

(10) Approval to change the name of the degree from “Bachelor of Science, major in Computer Science” to Bachelor of Science in Computer Science”

RESOLVED, the Board of Trustees approves changing the name of the degree from “Bachelor of Science, major in Computer Science” to Bachelor of Science in Computer Science”

(11) Approval to change the name of the minor in Sociolinguistics in Anthropology to Linguistic Anthropology

RESOLVED, that the Board of Trustees approves changing the name of the minor in Sociolinguistics in Anthropology to Linguistic Anthropology.

(12) Approval of the Certificate of Graduate Study in Ecological Economics

RESOLVED, that the Board of Trustees approves the establishment of the Certificate of Graduate Study in Ecological Economics.
INVESTMENT COMMITTEE

(13) Resolution Regarding Shareholder Proposals and Tobacco Products

BE IT RESOLVED that the University will vote in favor of shareholder proposals that restrict the use of advertisements for the sale of tobacco products via any medium, including but not restricted to television, print, or the internet; and

BE IT FURTHER RESOLVED, that the University will vote in favor of shareholder proposals that are introduced for the purpose of ensuring that companies not engage in illegal activities through the sale of tobacco products to minors via the internet.

(14) Resolution Regarding Shareholder Proposals and Discrimination in Employment

BE IT RESOLVED, that the University will vote in favor of shareholder proposals that bar discrimination in employment based on sexual orientation.

(15) Resolution Regarding Investment Advisory Services

BE IT RESOLVED, that the President, Provost, Vice President for Finance and Administration, Associate Vice President for Finance and Controller, or any officer holding the above positions on an interim basis, singly is authorized to enter into a contract with Cambridge Associates LLC for the purpose of serving as an investment advisor to the University for the period July 1, 2004 to June 30, 2005 at a fee to be determined by the Investment Committee Chair.

This resolution supersedes all previous authorizations.

(16) Resolution Revising University Statement of Investment Objectives and Policies – Section E and Exhibit 1

RESOLVED, that Section E.2. and Exhibit 1 of the University Statement of Investment Objectives and Policies, shall hereafter read as follows, until further revised by this Board:

E. Guidelines for the Fixed Income Fund

2. Money market instruments as well as fixed income securities may be used in the Fixed Income Fund, but equities and convertible bonds are excluded. The fixed income fund manager(s) may employ either a passive, index-driven, or so-called active management techniques that exercise interest rate anticipation and intersectoral arbitrage. For the active style of investment, changes in average duration should usually be moderate and incremental. Since the fund is designed as a deflation hedge, an average (See Section J - Definitions) duration within one year of the Lehman Aggregate Index should be maintained.
## EXHIBIT 1
UNIVERSITY OF VERMONT
ASSET ALLOCATION STRATEGY

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Implementation</th>
<th>Target Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S Equity</td>
<td>Core exposure to passive index complemented by one or more satellite managers</td>
<td>39.5% 30-50%</td>
</tr>
<tr>
<td>Non-U.S. Equity</td>
<td>One or more managers investing in developed and emerging markets</td>
<td>12% 10-14%</td>
</tr>
<tr>
<td>Marketable Alternatives¹</td>
<td>A group of complementary managers with a distinct approach to investing, each offering attractive levels of expected returns while not being fully correlated with major equity and debt markets</td>
<td>17.5% 16-24%</td>
</tr>
<tr>
<td>Real Estate/Inflation Hedges</td>
<td>If real estate investments are undertaken, exposure will be achieved by investing in one or more commingled funds, offering broad diversification</td>
<td>5% 3-10%</td>
</tr>
<tr>
<td>Non-marketable/Alternatives</td>
<td>Focus will be on high quality of funds, providing a broad range of diversification</td>
<td>5% 0-10%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>One or more managers will be used to provide broad diversification to high quality domestic fixed income</td>
<td>20% 15-30%</td>
</tr>
<tr>
<td>Cash &amp; Equivalents</td>
<td>Small amounts of cash may be held for purposes that the Investment Committee deems necessary</td>
<td>1% 0-3%</td>
</tr>
</tbody>
</table>

¹ Alternative Assets include: Distressed Securities, Arbitrage and Hedge Funds

## FINANCE & BUDGET COMMITTEE

### (17) Acceptance of Gifts and Grants

RESOLVED, that the Board of Trustees hereby accepts gifts in the amount of $2,985,979.76 for the period January 1, 2004 through April 2, 2004 and grants and contracts in the amount of $22,592,473 for the period January 1, 2004 through March 31, 2004.
(18) Fiscal Year 2005 Budget Premises: General University

RESOLVED, that the Board of Trustees hereby approves the budget premises for Fiscal Year 2005 which lead to a General Fund operating budget for the University of $200,900,000 and authorizes the President to proceed with detailed budget preparation in accordance with these premises.

(19) Tuition Charges for Fiscal Year 2005

RESOLVED, that the Board of Trustees hereby approves increases in the following tuition rates effective with the 2004-2005 academic year:

a. In-state tuition from $8,696 to $9,088 per year, or $379 per credit hour.
b. Out-of-state tuition from $21,748 to $22,728 per year, or $947 per credit hour.
c. Medical student in-state tuition from $22,300 to $23,080 per year for first-year students; from $22,300 to $22,860 for second-year students; from $21,660 to $22,200 for third-year students; and from $21,560 to $22,100 for fourth-year students.
Medical student out-of-state tuition from $39,020 to $40,390 per year for first-year students; from $39,020 to $40,000 for second-year students; from $37,920 to $38,870 for third-year students; and from $37,720 to $38,660 for fourth-year students.

(20) Room and Meal Plan Rates, Fiscal Year 2005

RESOLVED, that the Board of Trustees hereby approves room and meal plan rates for Fiscal Year 2005 as follows:

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Single room</td>
<td>$5,700</td>
</tr>
<tr>
<td>Single room</td>
<td>$5,386</td>
</tr>
<tr>
<td>Double room</td>
<td>$4,710</td>
</tr>
<tr>
<td>Triple room</td>
<td>$3,766</td>
</tr>
<tr>
<td>Basic meal plan</td>
<td>$1,812</td>
</tr>
<tr>
<td>Average meal plan</td>
<td>$2,306</td>
</tr>
<tr>
<td>Carte Blanche meal plan</td>
<td>$2,576</td>
</tr>
</tbody>
</table>

(21) Fees for Fiscal Year 2005

RESOLVED, that the Board of Trustees approves increases to student fees from $940 to $1,138 effective with the 2004-2005 academic year.
(22) Fiscal Year 2004 Operating Budget: Morgan Horse Farm

RESOLVED, that the Board of Trustees approves the recommended operating budget for the Morgan Horse Farm for Fiscal Year 2005 in the amount of $408,000.

COMMITTEE ON HEALTH EDUCATION

(23) Resolution regarding the Affiliation Agreement

RESOLVED, that the Board authorizes the President and/or the Provost to execute, on behalf of the University, an agreement again extending the otherwise governing contractual deadline for providing notice to Fletcher Allen Health Care ("FAHC") of any intent not to renew the Affiliation Agreement between the parties; and

BE IT FURTHER RESOLVED, that the deadline shall be extended to December 31, 2004, in the absence of further action by this Board; and

BE IT FINALLY RESOLVED, that the Board directs the administration, prior to such deadline, to continue its review of the affiliation, internally and in consultation with FAHC and, in the review, to consider such revisions as may best advance the missions of the organizations individually and collectively through their academic medical center.

(24) FULL BOARD

Resolution regarding Presidential Compensation and Contract

WHEREAS, the Executive Committee subcommittee on presidential evaluation and compensation ("the subcommittee") during the past year engaged in work consistent with its charge; and

WHEREAS the subcommittee reported its findings and deliberations to the Executive Committee on May 17, 2004; and

WHEREAS, on this date, the Executive Committee reported its associated findings and deliberations to this Board, and the Board has now received such report and itself deliberated;

BE IT RESOLVED, that the Board hereby directs and authorizes the Executive Committee hereafter to finalize and approve a presidential salary award for FY05 and otherwise effect mutually acceptable presidential contract adjustments, in a manner consistent with such deliberations.