

**BOARD OF TRUSTEES
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

A meeting of the Board of Trustees of the University of Vermont and State Agricultural College was held on Saturday, October 18, 2025, at 9:30 a.m. in the Silver Maple Ballroom (401), Dudley H. Davis Center.

MEMBERS PRESENT: Chair Cynthia Barnhart¹, Vice Chair Donald McCree, Secretary Catherine Toll², John Bartholomew, Scott Beck, Susan Brengle², Frank Cioffi, Matt Devost, John Dineen, Jodi Goldstein, Jennifer Ha, McKenzie Hart, Stephanie Jerome, Ed Pagano, Kristina Pisanelli³, Lucy Rogers, Shap Smith, Tristan Toleno³, and President Marlene Tromp

MEMBERS ABSENT: R. Stanton Dodge, Jason Maulucci, Ron Lumbra, Carol Ode, Monique Priestley, and Governor Phil Scott

ALSO PARTICIPATING: Interim Provost Linda Schadler, Vice President for Finance & Administration Alicia Estey, Vice President for Legal Affairs & General Counsel Sharon Reich Paulsen, Vice President for Research & Economic Development Kirk Dombrowski, Chief of Staff to the President Jonathan D'Amore, and Athletic Director Jeff Schulman

¹ Departed the meeting at 9:57 a.m., and joined the remainder of the meeting remotely

² Departed the meeting at 10:21 a.m.

³ Joined the meeting via remote conferencing

Chair Cindy Barnhart called the meeting to order at 9:31 a.m.

Approval of Minutes

Chair Barnhart presented the May 16, 2025, meeting minutes. A motion was made, seconded and it was voted to approve the minutes as presented.

Public Comment

There were no requests for public comment.

Committee Reports

Audit Committee

Chair Shap Smith offered a report of the Audit Committee meeting held on September 15, 2025 at which the committee conducted its annual review of its charge and

charter. The charter was revised to incorporate cyber and information security policies, aligning with the committee's current scope of responsibilities. These updates were primarily administrative in nature. The charge remains unchanged. A resolution is included on today's Board's consent agenda seeking approval of the proposed revisions to the Audit Committee charter as recommended by the committee.

KPMG Lead Audit Engagement Partner Renee Bourget-Place and Senior Audit Manager Matt Lyman provided a brief status report on the FY 2025 financial statement and uniform guidance audits as well as their information technology (IT) review. At the time, there were no issues to report. He noted that Marie Zimmerman will assume the role of Lead Partner following Ms. Bourget-Place's retirement in March 2026, upon completion of the FY 2025 audits.

Chief Information Officer Dr. Kellie Campbell discussed IT recommendations and provided an update on long-standing recommendations and the steps to address them. She and Information Security Officer Scott Carbee also provided an annual cyber security report as required under the Gramm-Leach-Bliley Act.

The committee received an annual update on FY 2025 presidential housing expenditures as required by the President's Official Residence University Operating Procedure. There were no unusual expenditures to report. The committee was reminded that in 2023 they endorsed a reporting threshold of \$25,000 or greater for reporting on the president's annual travel expenses. Prior to his departure, Vice President for Finance & Administration Richard Cate verified the president's travel expenses for FY 2025 and confirmed that they did not meet the reporting threshold.

Interim Chief Auditor and Director of Compliance Services & Chief Privacy Officer Tessa Lucey presented the results of the 2024 biannual Enterprise Risk Management (ERM) assessment, in advance of her presentation to the Committee of the Whole yesterday afternoon. She reaffirmed the ERM program's focus on identifying emerging risks and opportunities and that response plans are now embedded within existing operational processes, rather than being reported individually at Board meetings. This shift enhances continuity and ensures stronger alignment with strategic objectives. While risk mitigation and opportunity enhancement plans for portfolio level risks and opportunities will still be reported to the Board, they will be included in existing strategic updates.

In other business, the committee was informed of updates to the University's Residency policy in response to a new federal regulation for universities that receive federal funding. Under this new rule, students from the Freely Associated States that include the Federated States of Micronesia, the Republic of the Marshall Islands, and

the Republic of Palau are now eligible for in-state tuition. The Residency policy was updated accordingly.

Lastly, Chair Smith reported that the search for a Chief Internal Auditor is launching very soon.

Budget, Finance and Investment Committee (BFI)

Chair John Dineen reported the committee endorsed and is referring the following resolutions for approval:

Tuition rates for FY 2027

- In-state tuition \$16,938 per year (*increase of 2% over FY 2026*)
- Out-of-state tuition \$46,655 per year (*increase of 4.5% over FY 2026*)
- Medical student in-state tuition \$39,513 per year.
- Medical student out-of-state tuition \$72,527 per year

Student fees and rates

- \$150 increase to the undergraduate and graduate comprehensive fees
- 3% increase to the room and meal plan rates
- All other fees have been maintained at the FY 2026 rate

FY 2026 summer tuition rate

- In-state tuition \$484 per credit hour
- Out-of-state tuition \$1,302 per credit hour

Additionally, the committee endorsed the use of \$1.2 million of the UVM Rescue Club's accumulated net assets of \$1.8 million to establish the UVM Rescue Quasi-Endowment Fund to benefit the club. The committee also endorsed the termination of the Pharmacology Cardiovascular Research Endowment Fund. The fund has been invested since 2003 and was established using the Miles Pharmacology Research Gift fund and has a value of approximately \$140,000. The Department of Pharmacology Chair has requested the funds be withdrawn from the endowment and returned to the gift fund to support current research needs.

The committee reviewed and endorsed the following contracts for Board approval:

- Online instructional design vendors to support development and revision of online degree, nondegree, and noncredit programs
- Staples, Incorporated for general office supplies
- SymQuest Group, Incorporated for multifunctional copier services on campus

Trustee Sue Brengle offered a University of Vermont Management Company report noting the market value of the endowment as of June 30, 2025 was \$902 million and the committee received the required list of consolidated funds.

Lastly, the following updates were provided as part of the Vice President for Finance & Administration's report:

External Audit: the committee was advised that KPMG is completing the FY 2025 financial statement audit. The University Controller expects to deliver an unmodified opinion free of material weaknesses or significant deficiencies for the 15th year in a row. The final report will be presented to the Audit Committee on November 3, 2025.

Dual Enrollment: for FY 2025, there was an increase in the number of high school students enrolled in UVM classes. 314 high school students took classes through the Dual Enrollment Voucher Program, and 157 additional high school students were enrolled outside the Dual Enrollment Voucher Program.

Contract notification

The administration is required to report on renewals of any previous Board-approved contracts or leases that call for an annual increase in costs exceeding 5% per year. The new three-year site license agreement for Mathematica software with Wolfram Research, Incorporated for August 1, 2025 – July 31, 2028, has an annual increase of 8%.

Educational Policy and Institutional Resources Committee (EPIR)

Chair Stephanie Jermone reported the meeting began with a report from Interim Provost Linda Schadler. She reported that UVM continues to move forward with strong momentum and leadership, and she welcomed Linda Prokopy, the new Dean of the College of Agriculture and Life Sciences, noting her enthusiasm and vision. Interim Provost Schadler acknowledged that enrollment remains strong, with 2,810 first-year students, 296 transfers, 1,779 graduate students – a record high – and 487 medical students. Student success indicators are also at record levels, with a six-year graduation rate of 80.9% and a four-year rate of 76.3%. Campus climate survey results show continued improvement, supported by expanded orientation programs for students, families, and faculty, as well as new leadership training initiatives for faculty and staff. UVM's four federal operations teams – Faculty Affairs, Immigration, Our Common Ground, and Research – are addressing key issues such as tenure flexibility, research funding support, and international travel documentation. On the innovation front, seven AI working groups are developing a required AI curriculum for Fall 2026, updating academic integrity policies, and creating shared AI teaching resources.

The committee endorsed the creation of a PhD in Computational Studies of Culture and Society in the Graduate College for Board approval.

The committee also unanimously endorsed and is referring for Board adoption proposed amendments to the Larner College of Medicine (LCOM) Faculty Handbook. The amendments bring parity to the benefits offered to represented faculty and those offered to the LCOM faculty.

Interim Provost Linda Schadler and Susanmarie Harrington, Director of the Center for Teaching & Learning, presented their work on developing UVM's academic AI infrastructure. To date, working groups have revised the Code of Academic Integrity to address AI, held a faculty seminar on AI and pedagogy, and developed guiding principles on AI and pedagogy. Work this year will include developing AI ethics and literacy modules for students, an AI ethics course for faculty, and developing a crowd-sourced pedagogical case-study-based course for faculty in Brightspace, our learning management system.

Lastly, Vice President for Research & Economic Development Kirk Dombrowski reported that UVM research awards in FY 2025 were down about 5%, largely due to changes in federal agency activity levels and delays in award processing. As these delays clear, late awards are being added to FY 2025 totals, and early FY 2026 numbers are improving. Federal agencies continue to adjust funding priorities, with overall funding levels and F&A rates expected to remain stable in the near term. The recent federal government shutdown has not affected research activities, and no significant impacts are anticipated. To address long-term uncertainty in federal funding, UVM is working closely with the UVM Foundation to increase corporate and foundation support, showing early success though non-federal sources are unlikely to match federal levels soon. Overall, research activity on campus remains steady, with modest growth expected and no further declines like those seen in FY 2025.

University of Vermont Board

Chair Jodi Goldstein reported that the Board approved 2025-2026 Wilbur Trust Fund grant awards. She noted that an additional 170 Vermont high school students received grants over last year for a total of 387 recipients and that the total amount of grants awarded is just under \$2M.

The Board reviewed a summary of the Wilbur Trust Fund financial report which totals over \$27M as of June 30, 2025.

The majority of the remainder of the meeting was held in executive session to discuss trustee recruitment.

Chair Goldstein reported that as a result of Ron Lumbra's departure from the Board after 11 years of service, Don McCree, who is due to complete his second term of service at the end of February 2026, has agreed to serve the remainder of the term being vacated by Ron Lumbra (through the end of February 2028). The Board voted unanimously to re-appoint Don McCree to fill the remainder of Ron Lumbra's term.

Vermont Agricultural College Board

Vice Chair Shap Smith reported that Executive Director of Government Relations Wendy Koenig offered an update on the upcoming 2026 legislative session. She spoke about the university's appropriations request for FY 2027, noting that UVM has requested a 3% increase to the general fund budget, a \$5 million one-time request over a 5-year period for the UVM Cancer Center, and a \$20 million contribution for the Multipurpose Events Center project. Executive Director Koenig noted that funding for these requests is likely to come partially from capital funds and a variety of other sources. President Marlene Tromp noted the importance of the Multipurpose Center project to the rest of the state.

Approval of Consent Agenda

Chair Barnhart introduced the consent agenda for approval. She reminded trustees that all resolutions will be voted on as a consent agenda unless there is a request for a separate vote on a particular resolution. She noted resolution #4 approving tuition rates for FY 2027 has been updated per the Budget, Finance & Investment committee's recommendation of a 2% increase for in-state tuition and a 4.5% increase for out-of-state tuition. The consent agenda also includes a resolution recognizing trustee Ron Lumbra for his service on the Board and to the University.

The following consent agenda was presented for approval:

AUDIT COMMITTEE

1. Resolution approving Audit Committee charge and charter revisions

WHEREAS, on September 15, 2025, the Audit Committee conducted its annual review of its charge and charter;

BE IT RESOLVED, that the Board of Trustees hereby approves housekeeping changes to the Audit Committee Charter and Guidelines, included in Appendix A to this document.

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

2. Resolution approving the creation of a PhD in Computational Studies of Culture and Society in the Graduate College

BE IT RESOLVED, that the Board of Trustees approves the creation of a PhD in Computational Studies of Culture and Society in the Graduate College, as approved and advanced by the Provost on September 30, 2025 and President on October 1, 2025.

3. Resolution adopting amendments to the Larner College of Medicine Faculty Handbook

BE IT RESOLVED, that the Board of Trustees hereby adopts the proposed amendments by the University, through its Larner College of Medicine, to the Larner College of Medicine Faculty Handbook as set forth in Appendix B to this document.

BUDGET, FINANCE & INVESTMENT COMMITTEE

4. Resolution approving tuition rates for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees hereby approves the following tuition rates effective with the 2026-2027 academic year:

In-state tuition \$16,938 per year, or \$706 per credit hour.
 Out-of-state tuition \$46,655 per year, or \$1,944 per credit hour.

Medical student in-state tuition \$39,513 per year.
 Medical student out-of-state tuition \$79,527 per year.

5. Resolution setting the undergraduate comprehensive fee, student government association and inter residence association fees for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees hereby sets the following fee rates for undergraduate students:

Undergraduate comprehensive fee	\$2,806
Student Government Association (SGA) fee	\$252
Inter Residence Association (IRA) fee	\$30

6. Resolution setting the acceptance fee for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees hereby sets the following fee rates for undergraduate students:

Acceptance fee	\$500
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7. Resolution setting program fees in the College of Nursing and Health Sciences, Grossman School of Business, and College of Engineering and Mathematical Sciences fees for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees hereby sets the following fee rates for undergraduate students:

Program fee	\$1,000
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8. Resolution setting the graduate comprehensive fee for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees hereby sets the following fee rates for full-time graduate students:

Graduate comprehensive fee	\$2,422
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9. Resolution approving graduate student senate fee for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees sets the following rates for the graduate student senate fee:

- Less than 5 credits, \$15 per semester
- 5 or more credits, \$25 per semester

10. Resolution approving the continuous registration fee for graduate students for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees hereby sets the following rates for the varying graduate continuous registration fee:

- Less than half-time, \$100 per semester
- Half to full-time, but not including full-time, \$200 per semester
- Full-time, \$300 per semester

11. Resolution approving room and meal plan rates for fiscal year 2027

BE IT RESOLVED, that the Board of Trustees hereby approves the room and meal plan rates for the 2026-2027 academic year as follows:

Room Rates Per Year

Layout	Standard	Enhanced	Premium
Traditional Single	11,082	11,298	11,622
Traditional Double	9,614	9,802	10,080
Traditional Triple	7,670	7,816	-
Traditional Quad	6,492	6,620	-
Suite Single	11,528	11,752	12,090
Suite Double	10,066	10,262	10,554
Suite Triple	8,416	8,578	8,822
Private Single			12,596
Private Double			11,192
Private Triple			9,276

Meal Plan Rates

Retail Points Plan	5,040
Unlimited Access Plan	5,040
Flex Plan	5,630
All Access Plus Plan	5,300

12. Resolution approving 2026 summer session tuition

BE IT RESOLVED, that the Board of Trustees hereby approves the tuition rate for summer session 2026 of \$484 per credit hour for in-state students and \$1,302 per credit hour for out-of-state students except that, with prior approval from the Provost, graduate programs may maintain summer tuition rates for 2026 in-state and out-of-state students equal to the prior fall and spring tuition rates for their program.

13. Resolution to establish the UVM Rescue Quasi-Endowment Fund

WHEREAS, over time the University Rescue Club has accumulated net assets, which now has a balance exceeding \$1,800,000; and

WHEREAS, the University may decide to designate assets as quasi-endowment funds to gain the benefit of the earning power of the University’s consolidated

endowment pool while retaining the flexibility to be expended in whole or in part; and

WHEREAS, the Vice Provost for Student Affairs has requested that \$1,200,000 of the accumulated net assets be used to establish the UVM Rescue Quasi-Endowment Fund within the University's consolidated endowment pool;

NOW THEREFORE BE IT RESOLVED, that the Budget, Finance and Investment Committee approves the creation of the UVM Rescue Quasi-Endowment Fund within the University's consolidated endowment pool.

14. Resolution to terminate the Pharmacology Cardiovascular Research Endowment Fund

WHEREAS, the University may decide to partially or totally withdraw quasi-endowment funds after a three-year lock-up from the University's consolidated endowment pool; and

WHEREAS, the Pharmacology Cardiovascular Research Endowment fund has been invested in the University's consolidated endowment pool since October 2003; and

WHEREAS, the Chair of the Department of Pharmacology has requested that the principal and accumulated net earnings of approximately \$140,000 be withdrawn from the University's consolidated endowment pool and returned to the Miles Pharmacology Research Gift fund to support current research needs;

NOW THEREFORE BE IT RESOLVED, that the Budget, Finance and Investment Committee approves the withdrawal of the Pharmacology Cardiovascular Research Endowment Fund from the University's consolidated endowment pool.

15. Resolution approving contracts for online instructional design

BE IT RESOLVED, that the Vice President for Finance and Administration, or their successor or designee, is hereby authorized to contract with The Babb Group, Incorporated and Symbiosis Educational Consultants for online instructional design services beginning September 15, 2025, through September 14, 2026, with four optional one-year renewals, with a total cumulative amount not to exceed \$2,000,000.

16. Resolution approving contract with Staples, Incorporated

BE IT RESOLVED, that the Vice President for Finance and Administration, or their successor or designee, is hereby authorized to execute a two-year contract with Staples, Incorporated for general office supplies, beginning November 1, 2025, through October 31, 2027, with three optional one-year renewals, for a total cumulative amount not to exceed \$3,400,000.

17. Resolution approving contract with SymQuest Group, Incorporated

BE IT RESOLVED, that the Vice President for Finance and Administration, or their successor or designee, is hereby authorized to contract with SymQuest Group, Incorporated for multifunctional copier services on campus beginning October 1, 2025, through September 30, 2030, for an amount not to exceed \$2,600,000 in aggregate.

UVM BOARD

18. Resolution approving the 2025-2026 Wilbur Trust Fund grant awards

WHEREAS, during the 2025-2026 academic year, 387 Vermont high school students received grants from the Wilbur Trust Fund ranging from \$248 to \$14,354; and

WHEREAS, grant notification includes a proviso that indicates that receipt of the funding is subject to approval by the University of Vermont Board;

BE IT RESOLVED, that the University of Vermont Board hereby approves the Wilbur Fund grant awards for academic year 2025-2026, totaling \$1,960,685.

FULL BOARD

19. Retired Trustee Resolution

Ron E. Lumbra (2014-2025)

WHEREAS, Ron E. Lumbra has served the University of Vermont as a thoughtful, energetic, and dedicated member of the Board of Trustees for 11 years, including five years of resolute, insightful and outstanding leadership as Board Chair; and

WHEREAS, Ron Lumbra always discharged his responsibilities with focus, fortitude, determination and extraordinary dedication to his alma mater and the well-being of UVM; and

WHEREAS, Ron Lumbra enriched the Board through his service as vice chair and chair of the Executive Committee and the UVM Board, chair of the Annual Review Subcommittee and the ad hoc Presidential Comprehensive Review Committee, chair of the Renaming Advisory Committee, vice chair of the Board Governance Committee, and leader of the Presidential Housing Work Group, with additional service as a member of the Audit Committee, Budget, Finance & Investment Committee, Educational Policy & Institutional Resources Committee, and the Board Governance Work Group; and

WHEREAS, Ron Lumbra provided extraordinary and especially impactful service as co-chair of the 2018 and 2024 Presidential Search Committees; and

WHEREAS, Ron Lumbra has further assisted the University as a member of the UVM Foundation Board of Directors, the UVM Foundation Leadership Council, the UVM National Campaign Council, and the UVM Alumni Association; and

WHEREAS, Ron Lumbra and his wife Mitzi have greatly supported the University through generous philanthropy designated to be used for emerging priorities in the Patrick Leahy Honors College;

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of Vermont and State Agricultural College expresses its appreciation, affection, and heartfelt best wishes to Trustee Ron E. Lumbra.

Chair Barnhart offered an opportunity for questions. There being none, a motion was made, seconded, and the consent agenda of resolutions was unanimously approved as presented.

At 9:48 a.m. Vice Chair Don McCree called for a brief break.

Executive Session

At 9:57 a.m., Vice Chair McCree entertained a motion to enter into executive session to discuss contracts and to receive advice of counsel. He noted the session was anticipated to last approximately 40 minutes and no action is anticipated following the session.

Everyone was excused from the meeting except for Trustees, Interim Provost Schadler, Vice President for Finance & Administration Alicia Estey, Vice President for Research & Economic Development Kirk Dombrowski, Vice President for Legal Affairs & General Counsel Sharon Reich Paulsen, and Chief of Staff to the President Jonathan D'Amore.

Vice President Dombrowski was excused from the meeting at 10:23 a.m., and Athletic Director Jeff Schulman was invited to join for the next discussion.

The meeting was re-opened to the public at 10:49 a.m.

Adjournment

There being no further business the meeting was adjourned.

Respectfully submitted,

Cynthia Barnhart, Chair
Don McCree, Vice Chair

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL
COLLEGE BOARD OF TRUSTEES**

AUDIT COMMITTEE

Charter

This Charter sets forth the responsibilities of the University Board of Trustees Audit Committee.

I. Principal Responsibilities

The principal responsibilities of the Committee shall include:

- a. promoting the development and monitoring the effectiveness of systems for enterprise risk management and internal controls. At least annually, reviewing with management the University's processes for identifying, prioritizing, mitigating, and reporting institutional opportunities and risks;
- b. reviewing and, as appropriate, making recommendations to the Board regarding institutional policies relevant to the scope of Committee responsibilities, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, cyber- and information security, and document retention;
- c. ensuring that audit plans encompass significant and material aspects of University operations;
- d. full authority and oversight of the internal audit function including appointment decisions, performance evaluations, and employment termination of the chief internal auditor;
- e. implementing a selection process to retain the independent auditor and making a recommendation to the Board of Trustees for approval. Recommending such additional audits as the Committee and/or the Board must approve under the Board's reserved authority;
- f. maintaining direct and effective communication with independent auditors on behalf of the Board;
- g. reviewing the results of internal and external audits (including the annually audited financial statements), and assessing the quality and timeliness of management's response and corrective actions;
- h. reviewing the effectiveness of the University's practices related to monitoring its compliance with laws and regulations;
- i. reviewing the results of management's investigation and resolution of any reported, or otherwise discovered, significant instances of noncompliance;

- j. evaluating the scope and quality of internal and independent audit services, and the degree of coordination and appropriate degree of independence between them;
- k. reporting regularly and promptly to the Board regarding matters within the scope of the Committee charge; and,
- l. periodically reviewing expense reimbursements, or summaries thereof that have been submitted by the President and reviewed and certified by the Vice President for Finance & Administration and Treasurer, who serves as the Chief Financial Officer (“CFO”) of the University.

II. Membership

The University of Vermont Board of Trustees shall annually appoint at least 5 of its members to the Committee. Its members shall be independent of management and the University including its component units and affiliated organizations. For the purposes of this charter, “independence” is defined as rendering a Trustee ineligible for Committee service if they (1) are employed by the University; (2) are a partner or employee of a firm retained to conduct an audit of the University; (3) held such University employment or audit engagement at any time during the previous three years; or (4) are receiving consulting, advisory, or other compensatory fees for services provided to the University. Members of the Board who serve as Managers of the University of Vermont Investment Management Company, LLC are eligible for appointment to the Audit Committee, but no such member may serve as its Chair or Vice Chair. The University President is ineligible for service as a member, ex officio or otherwise, of the Audit Committee, as a University official and employee.

Committee members shall otherwise be subject to the Conflicts of Interest Policy in the conduct of their work.

Members of the Committee shall receive orientation appropriate to their Committee membership. All members should have a general understanding of general accounting, business and finance principles, including the ability to read and understand institutional financial statements, whether gained preceding service on this Board of Trustees or during Committee orientation. At least one member of the Committee should possess accounting or financial expertise.

III. Authority

The Committee is authorized to investigate any matter within the scope of its Charter, with full and direct access to all pertinent University records, personnel, independent auditors and consultants.

IV. Adoption of Charter

This Charter shall be effective as of the date of its approval by the Board. The Committee will annually review the Charter and recommend to the Board revisions thereto, in view of evolving accounting standards, legal developments and experience gained.

Audit Committee Guidelines

These Guidelines serve as an operational supplement to the Audit Committee Charter. They are intended to reflect generally accepted accounting industry standards and practices applicable to non-profit corporations and higher education institutions.

The Guidelines shall be reviewed annually by management, and management shall report annually to the Committee regarding the status of the Guidelines. The Committee shall make revisions to the Guidelines as necessary or appropriate in view of evolving accounting standards and practices, legal developments and experience gained.

I. Retention of the Independent Audit Firm

- a. The Committee shall annually authorize and direct the Committee Chair to retain the independent audit firm to conduct the mandatory annual audit of the financial statements and/or compliance audits. In conjunction with such retention, the Committee will assess the independence and objectivity of the firm by obtaining statements from the firm on relationships between the firm and the University. The Committee will review and assess any relationships disclosed that may impact auditor objectivity and independence.
- b. The Committee shall solicit requests for proposals relative to the mandatory annual audit of the financial statements and/or compliance audits from qualified independent audit firms no less than once every five years.
- c. The Committee shall ensure the proper rotation of the lead audit partner, in accordance with standards of the profession.

II. Retention of Other Audit Services

- a. The independent audit firm retained to conduct the mandatory annual audit of the financial statements and/or compliance audits generally shall not be eligible for University engagements to perform non-audit services that would violate the U.S. Government Accountability Office Independence Standard. If, due to extenuating circumstances, and in the exercise of its reasonable discretion, management deems it to be in the best interests of the University to retain the independent audit firm for non-audit services, the proposed retention is subject to review and action by the Committee where the retention will result in fees of \$25,000 or more.
- b. Contracts for non-audit services with independent audit firms not already retained by the University to conduct the mandatory annual audit of the financial statements and/or compliance audits are subject to review and recommendation by the Committee and subsequent Board consideration and action when such retentions will result in fees of \$1,000,000 or more and notice to the committee of agreements of \$500,000 or more.

III. Oversight of Audits

The Committee will, no less than once annually, and otherwise periodically as necessary or desirable:

- a. review annual audit plans developed by the Office of Audit Services, and receive regular progress reports relative to such plans;
- b. review audit plans developed in consultation with independent audit firms, including (i) the critical accounting policies and practices to be used; (ii) all alternative treatments of financial information discussed with management, ramifications of alternative treatment and the treatment preferred by the firm; (iii) other material communications between the firm and management; and (iv) required communications from the firm under Auditing Standards AU-C Section 250;
- c. subject to subsequent Board consideration and action, review and accept the mandatory annual audit of the financial statements. Review the Uniform Guidance audit, and the financial agreed upon procedures report of institutional National Collegiate Athletic Association programs;
- d. resolve disagreements between management and the independent audit firm regarding financial reporting;
- e. review the independent audit firm management letter comments regarding institutional financial and information technology and security internal controls, accounting policies and procedures, and management's response to those comments;
- f. review with management and the independent audit firm their respective judgments about the quality of University accounting principles; the consistency, and the degree of aggressiveness or conservatism, in the application of accounting principles; the reasonableness of significant accounting judgments; and the clarity and completeness of the financial statements and related disclosures;
- g. confirm with management that the annual financial statements disclose all material off-balance sheet transactions, arrangements, obligations, and other relationships of the University with unconsolidated entities or other persons that may have a material current or future effect on institutional financial condition, and the results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses;
- h. receive reports from management, the Office of Audit Services and the independent audit firm, regarding new and significant accounting standards to understand their impact on institutional financial statements;
- i. receive reports from the Office of Audit Services regarding any findings of fraud which, in single incident or aggregate, results in an institutional uninsured or insured loss in excess of \$10,000, or potentially significant reputational damage to the university;

- j. review the organizational structure, qualifications, independence, scope of services inclusive of office charter, and adequacy of resources of the University's Office of Audit Services;
- k. annually review the appointment, evaluate the performance and set the salary of the chief internal auditor;
- l. identify and document specific administrative responsibilities relevant to the routine operations of the office of chief internal auditor that are assigned to the President;
- m. ensure that regular quality assessment reviews of the internal audit operations are performed in accordance with Institute of Internal Auditors standards; and,
- n. meet separately with both the internal and external auditors without management representatives present subject to the requirement of the Vermont open meeting laws.

IV. Internal Controls

The University's executive management and the Board of Trustees Audit Committee have adopted the Committee of Sponsoring Organizations (COSO) Internal Control – Integrated Framework to help assess and enhance its internal control systems.

a. Certifications

- i. The Committee will receive periodic reports from management on representations it is rendering in conjunction with mandatory annual audit of the financial statements and/or compliance audits as well as significant and material debt financing, such as issuance of bonds.
- ii. Without limitation on IV a(i), the Committee will receive from the CFO a record of certification along with the annual financial statement report that:
 - a. The CFO has approved the financial statements,
 - b. Based on the CFO's knowledge, the report does not contain any material errors or omissions,
 - c. Based on the CFO's knowledge, the financial statements materially present the financial condition and result of operations,
 - d. The CFO is responsible for establishing and maintaining a system of internal controls over financial reporting, and that,
 - e. The CFO has disclosed to the auditors and the Audit Committee all significant internal control deficiencies and changes that could materially affect financial data.

b. Policy Review.

The Committee will receive for its review and comment and, if necessary, its recommendation to the Board, institutional policies relevant to its scope of work, including conflict of interest, code of conduct and ethical standards, whistleblower protection, [cyber- and information security](#), and documents retention.

c. Required Disclosures and Compliance Monitoring.

The Committee shall oversee compliance with the Board Reserved Rights and Delegated Authority resolution. Violations of the Board Reserved Rights and Delegated Authority resolution identified by management or the internal audit office shall be reported to the Committee.

d. Confidential Reporting.

The Committee will ensure that the University has a mechanism that permits confidential communications from employees and others regarding potential financial or accounting improprieties or nonfeasance.

V. Enterprise Risk Management

a. Oversee management's enterprise risk management process on behalf of the Board.

b. Receive periodic updates on management's process to identify, prioritize, mitigate, and report institutional risks including the process to map risks to relevant Board Committees.

VI. Compliance and Privacy

a. Review with the Office of Compliance and Privacy Services, and management the effectiveness of the University's practices related to monitoring compliance with laws and regulations;

b. Review with the Office of Compliance and Privacy Services and management, findings of internal compliance auditing and monitoring activities;

c. Review with the Office of Compliance and Privacy Services and management, findings of government agency audits, investigations, reviews and monitoring activities that the Director considers significant, that are initiated by a government agency as a result of a whistleblower report, or on a for-cause basis, or that result in a fine, penalty, refund, disallowance or questioned cost in excess of \$10,000;

d. Review with the Office of Compliance and Privacy Services and management, the process for communicating the Code of Conduct and Ethical Standards to University personnel and for monitoring compliance therewith;

e. Receive periodically, but not less than annually, reports from the Office of Compliance and Privacy Services on its activities;

- f. Receive updates from the Office of Compliance and Privacy Services, and management on new and emerging compliance issues, including their impact to the University; and,
- g. Receive as needed, through the Audit Committee Chair, compliance matters communicated directly by the Chief Internal Auditor or Director of Compliance Services and Chief Privacy Officer.

As approved by the Board of Trustee: November 13, 2004

Approved as amended by the Board of Trustees: September 8, 2007

Revised by the Audit Committee: November 12, 2007

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Approved by the Board of Trustees: October 18, 2025

Larner College of Medicine
Summary of Changes to the Faculty Handbook

Revisions to Benefits Sections 4.4 and 4.5

The benefits section of the LCOM Faculty Handbook contained outdated language and required updating to align with changes in university wide benefits. Below is a summary of the notable changes to the benefits content. Not all the changes are listed below. Minor changes were made to simplify the content for ease of reading. Reference links were added for direct access to comprehensive, current benefits and guidelines.

Summary of Changes: Leaves (Section 4.4)

The following benefits are specifically related to LCOM faculty members' UVM appointments.

- Holiday, Administrative Closure, and PTO language updated
- Accrued Time (PTO) Payout Upon Termination now codified in the LCOM Faculty Handbook
 - NOTE: Faculty are responsible for accurately documenting their PTO time in the University official timekeeping system. Failure to properly document PTO time may result in forfeiture of leave benefits, or loss of eligibility for payout upon separation or retirement.
- Parental Leave: Added content regarding 8 weeks of paid parental leave
- Bereavement Leave: Added the loss of pregnancy as a reason for taking bereavement leave.

Summary of Changes: Benefits (Section 4.5)

The following benefits are specifically related to LCOM faculty members' UVM appointments.

- Domestic Partners: Added language that Domestic Partners are eligible for health insurance as dependents; this is the current practice but was not reflected in the prior version of the Faculty Handbook
- Enrolling in Benefits: Updated the timeframe for newly eligible employees to enroll in benefits from 20 days to 30 days.
- Tuition Remission:
 - Adjusted age children become ineligible to 26
 - Added language stating a spouse or civil union partner of an employee may audit courses without tuition charge on the same basis that the employee may take courses for credit
- Dental coverage: Revised eligibility language to indicate eligibility upon hire