

**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, February 7, 2026, at 8:30 a.m. in the Silver Maple Ballroom (401), Dudley H. Davis Center.

MEMBERS PRESENT: Vice Chair Donald McCree, Secretary Catherine Toll, Scott Beck, Susan Brengle, Frank Cioffi¹, Matt Devost¹, Jodi Goldstein¹, Jennifer Ha, McKenzie Hart, Stephanie Jerome, Jason Maulucci, Carol Ode, Ed Pagano¹, Monique Priestley, Lucy Rogers, Shap Smith, Tristan Toleno, and President Marlene Tromp

MEMBERS ABSENT: Chair Cynthia Barnhart, John Bartholomew, John Dineen, R. Stanton Dodge, Kristina Pisanelli, and Governor Phil Scott

ALSO PARTICIPATING: Interim Provost Linda Schadler, Vice President for Finance and Administration Alicia Estey¹, and Vice President for Legal Affairs and General Counsel Sharon Reich Paulsen

¹ Joined the meeting via remote conferencing.

Vice Chair Don McCree called the meeting to order at 8:33 a.m.

Approval of Minutes

Vice Chair McCree presented the October 18, 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 Audit Committee meetings held on November 3, 2025 and February 5, 2026. At the November 3rd meeting, university leadership and KPMG partners presented and commented on the draft FY 2025 annual financial report and audit. KPMG planned to issue an unmodified audit opinion. There was one uncorrected misstatement, and no reportable matters involving internal control over financial reporting or compliance.

The committee accepted and recommended the FY 2025 audited financial statements to the full Board. Today's consent agenda includes a resolution accepting the FY 2025 audited financial statements.

Interim Chief Audit Executive and Director of Compliance Services & Chief Privacy Officer Tessa Lucey offered highlights from her 2025 annual compliance report and presented the internal audit and compliance and privacy draft work plans explaining the new Chief Internal Auditor may revise the internal audit workplan to reflect their strategic direction. In other business, the committee reviewed its current and 2026 work plans.

At the February 5th meeting KPMG partners reported on the results of the Uniform Guidance audit pertaining to federally sponsored programs and reported no findings related to compliance and internal control. KPMG also reviewed information technology controls assessment and noted no observations, significant deficiencies, or material weaknesses, indicating substantial improvements by the university over recent years. The FY 2025 NCAA agreed-upon procedures report was presented and no significant adjustments were identified as a result of procedures performed.

Chair Smith noted that Renee Bourget-Place, who has served as KPMG's Lead Management Partner for a number of years, is retiring and her successor remains to be identified.

Ms. Lucey reviewed recent audit reports, the status of recommendations, and the internal audits data analytics program. She also outlined plans for a cybersecurity program audit led by Baker Tilly. Notably, the longstanding recommendation on email auto forwarding from 2015 has now been closed following the implementation of a risk-based approach developed by Enterprise Technology Services. She also shared results of the 2025 compliance survey. The survey showed strong improvements in awareness and culture across the university, including greater recognition of the Code of Conduct, better understanding of university policies, and increased confidence in the university's compliance culture. These results help guide the compliance office's action plan and confirm that UVM's compliance and ethics program remains strong.

Lastly, Chair Smith reported that the search for a Chief Internal Auditor has been completed and that Sara Timmerman was appointed and will join UVM later this month.

Educational Policy and Institutional Resources Committee (EPIR)

Chair Stephanie Jerome reported the meeting began with a report from Interim Provost Linda Schadler who began by acknowledging the commitment and quality of the university's faculty and staff, their ability to innovate, and their enthusiasm for

continuous improvement. She then reported that UVM's research activity remains strong, with steady grant submissions and new awards, no changes to F&A funding this year, and minimal overall budget impacts, though some individual projects have required mitigation support. She noted recent leadership appointments of Dain LaRoche as Dean of the College of Nursing and Health Sciences and Vikas Anand as Dean of the Grossman School of Business, recognizing their collaborative leadership and contributions to program and research growth. She highlighted progress on three major initiatives: Catamount LEAP, an initiative to align processes and technology and to empower the UVM community to rethink how we work; Ask UVM, which will centralize student support services with a pilot launching in March and full implementation planned for Fall 2026; and AI in the Classroom, which includes a new AI Fellows program and development of an AI literacy and ethics module for all first-year students. She also acknowledged campus anxiety related to broader global and national events, encouraged use of available resources, and emphasized the importance of celebrating positive developments across campus.

Chief Professional and Continuing Education Officer Bettyjo Bouchey presented guidelines related to awarding Credit for Prior Learning (CPL) at the graduate level for credit awarded by credential, and credit awarded by portfolio. The benefits of CPL include decreased cost of attendance, reduced time to graduation, and increased completion rates. The committee endorsed a resolution approving Credit for Prior Learning Frameworks for Graduate Courses for referral to the Board for approval.

The following academic proposals were unanimously endorsed for referral to the Board for approval:

- The creation of a minor in Urban, Rural and Community Planning in the College of Arts & Sciences
- The creation of a minor in Biodiversity and Global Change in the College of Agriculture & Life Sciences
- The creation of a Bachelor of Science in Animal Studies in the College of Agriculture & Life Sciences
- The creation of a Certificate of Graduate Study in Autonomy and Robotics in the Graduate College
- The creation of a Master of Science in Agroecology in the Graduate College
- The creation of a Master of Science in Exercise Science in the Graduate College
- The creation of a Doctorate in Public Health in the Graduate College

Vice President for Legal Affairs and General Counsel Sharon Reich Paulsen presented her annual review of UVM's Equal Employment Opportunity Policy Statement and Equal Opportunity in Educational Programs and Activities and Non-Harassment Policy Statement. There are no recommended changes. The committee endorsed a resolution reaffirming both policy statements for referral to the Board.

Lastly, the committee received a presentation from Director of the UVM Cancer Center (UVMCC), Randall Holcombe on the Center's work to reduce the burden of rural cancer in Vermont, northeastern New York and across northern New England. The pillars of the work of the UVMCC include research, education, clinical care, and community outreach. The UVMCC is highly active in its catchment area, which includes Vermont and northern New York. The UVMCC is seeking National Cancer Center Institute designation, which will provide access to additional research funding, facilitate recruitment of the best researchers and clinicians, and assure cancer patients that they are receiving nationally certified care here in Vermont.

Budget, Finance and Investment Committee (BFI)

Trustee Don McCree reported on behalf of Vice Chair Kristina Pisanelli. The committee endorsed and is referring the following resolutions for approval:

- Reaffirmation of the Debt Policy with no changes.
- Authorization of General Obligation Bond Series 2026A issuance. This incurs no new money issuance. The estimated savings is \$19.5 million. The Vice President for Finance and Administration will be delegated execution authority in consultation with the BFI Chair.
- Authorization of an infrastructure license agreement with the City of Burlington
- Authorization of acceptance of a bequest held by American General Life Insurance Company

Trustee Sue Brengle offered a University of Vermont Investment Management Company report noting the market value of the endowment as of December 30, 2025 was \$966M, up \$25M from last quarter. While the university does not yet have calendar year-end figures, the long-term investment pool continues to perform solidly against its objectives. The core mandate remains to meet the university's spending needs while supporting long-term growth. Trustee McCree reminded everyone that the endowment is purpose-driven designated money.

The committee reviewed the key factors in developing the Fiscal Year (FY) 2027 budget thus far.

Revenue assumptions include:

- 2% in-state tuition increase, and 4.5% out-of-state tuition increase
- Full-time, first-year undergraduate class of 2700
- 3% increase in state appropriation
- No changes in Facilities & Administration rate
- Operating investment income held level

Expense assumptions include:

- Administrative units submitted potential budget reduction scenarios of 1%, 1.25%, and 1.5% (more modest than FY26)
- The estimated full-time active employee fringe rate is 44.6% (lower than in FY26)
- Salary increases for all active collective bargaining agreements have been incorporated.
- Operating expenditures reflect a 7% increase with additional investments to be discussed in upcoming meetings.
- Utility costs have been increased 4.3%
- Facilities renewal funding was increased to accommodate acquisition of new buildings.

Lastly, the Vice President for Finance and Administration provided annual updates on the Energy Efficiency Revolving Loan Fund, UVM's net asset balance, and real property transactions requiring Board notification.

University of Vermont Board

Chair Jodi Goldstein reported that the Board appointed Theresa Alberghini DiPalma and Shannon Deegan to the Board, effective March 1, 2026, each for a six-year term. They will succeed John Dineen, whose term concludes at the end of the month, and fill the seat previously held by Don McCree. Although Mr. McCree was scheduled to complete his second term of service this month, he was re-appointed last fall to serve the remainder of Ron Lumbra's term through 2028.

Theresa Alberghini DiPalma is a Vermont resident whose career has focused on advancing healthcare, strengthening communities, and promoting women's professional development. She began her public service with U.S. Senator Patrick Leahy, ultimately serving as his Legislative Director. She was later appointed by Governor Howard Dean as Vermont's chief health care regulator, where she advanced health insurance access and enhanced consumer protections. Following her government service, Ms. DiPalma held leadership roles at Vermont's Academic Medical Center, the University of Vermont Larner College of Medicine, and the University of Vermont Health Network.

Shannon Deegan is a native of Montreal and 1987 alumnus who holds an MBA from the Yale School of Management. Mr. Deegan retired from Google in 2024 as Global Vice President, Real Estate and Workplace Services after seventeen years of service in a range of senior leadership roles. His previous experience includes management consulting at McKinsey & Company, positions in the financial industry in Asia, public service in Canada, and playing professional ice hockey in the Los Angeles Kings Organization.

Additionally, the Board reviewed a summary of the Wilbur Trust Fund, which totaled more than \$28M as of October 31, 2025.

Vermont Agricultural College Board

Chair Carol Ode reported that Executive Director of Government Relations Wendy Koenig offered an update on developments related to the 2026 legislative session including the university's appropriations request, which includes a 3% increase to the general fund budget, a \$5 million one-time request over five years for the UVM Cancer Center, and a \$15 million contribution for the Multipurpose Events Center project. Funding for the Multipurpose Events Center would come from the Higher Education Trust Fund, rather than the General Fund. The benefits of the project were emphasized including student health and wellness, recruitment, retention, and statewide economic development. Executive Director Koenig also shared UVM is exploring a partnership with Vermont State University (VSU) to provide housing for UVM summer interns on VSU campuses statewide.

Trustee Tristan Toleno reflected on prior statewide trustees visits and opined that stronger storytelling would help Vermonters better understand UVM's impact. Executive Director Koenig agreed and aims to resume these visits next year. Trustee Scott Beck noted that the Multipurpose Events Center will enhance opportunities and draw visitors from across the state to campus.

Committee on Board Governance

Chair Frank Cioffi reported that the committee met twice since the last Board meeting to conduct the annual board and university officers' nomination process. A November 19, 2025, memo to trustees outlined the process and noted that the committee would meet on November 25, 2025, to begin its work. After that meeting, committee members contacted individual trustees to solicit nominations.

On December 16, 2025, the committee met to finalize a proposed slate of officers after subsequently notified the Board of the following recommendations:

Chair: Cynthia Barnhart
Vice Chair: Donald McCree
Secretary: Catherine Toll
Assistant Secretary: Sharon Reich Paulsen

Following committee reports today, the Board will vote on the slate for Vice Chair and Secretary positions. The committee also recommends the following university officers:

Interim Provost & Senior Vice President: Linda Schadler
Treasurer: Alicia Estey

Per the University Charter, the Chair is elected at the first meeting after new trustee terms begin. That election will take place at a special board meeting on March 2 at 1:00 p.m.

Election of board and university officers

Vice Chair McCree thanked the Governance Committee Chair for summarizing the nominations process and entertained a motion to nominate the following individuals:

Vice Chair: Donald McCree
Secretary: Catherine Toll
Assistant Secretary: Sharon Reich Paulsen

An opportunity for additional nominations was offered. No further nominations were made.

A motion was made, seconded and trustees voted unanimously to elect the proposed slate of Board officers. Trustees McCree and Toll recused themselves from the vote on the positions of Vice Chair and Secretary, respectively.

Next, a motion was entertained for the appointment of the following University officers, by virtue of their office, for a one-year term beginning March 1, 2026, or until their successors take office:

A motion was made, seconded and trustees voted unanimously to elect the proposed slate of university officers.

Interim Provost: Linda Schadler
Treasurer: Alicia Estey

Vice Chair McCree recognized members of the Governance Committee and thanked them for their work.

Approval of Consent Agenda

Vice Chair McCree introduced the consent agenda for approval. He 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. The consent agenda includes resolutions recognizing trustees John Dineen and Jenn Ha for their service on the Board and to the University.

The following consent agenda was presented for approval:

AUDIT COMMITTEE

1. **Resolution accepting fiscal year 2025 audited financial statements**

WHEREAS, the financial statements of the University of Vermont and State Agricultural College for the fiscal year ended June 30, 2025, have been audited by KPMG LLP, Certified Public Accountants, in accordance with 16 V.S.A. Section 2281(a);

WHEREAS, the audited financial statements for the fiscal year 2025 were presented to the Audit Committee of the Board of Trustees at the Audit Committee’s November 3, 2025 meeting;

WHEREAS, the Audit Committee approved a resolution recommending acceptance of the FY 2025 audited financial statements;

BE IT RESOLVED, that the Board of Trustees hereby accepts the fiscal year 2025 audited financial statements as recommended by the Audit Committee.

COMMITTEE OF THE WHOLE

2. **Resolution recommending adoption of the 2026 UVM Strategic Plan: *Green, Gold and Bold – Green Mountains, Gold Standard, Bold Future (and mission and vision statements)***

WHEREAS, the administration has presented the 2026 Strategic Plan: *Green, Gold and Bold – Green Mountains, Gold Standard, Bold Future*, appearing as Appendix A to this document; and

WHEREAS, the Plan establishes four foundational pillars and related strategies to position the University for future success; and

WHEREAS, faculty, staff, students, alumni and community members contributed through listening sessions and surveys;

NOW, THEREFORE, BE IT RESOLVED, that the Committee recommends Board approval and adoption of the 2026 UVM Strategic Plan;

BE IT FURTHER RESOLVED, that the Committee recommends Board approval and adoption of the updated statements of the University’s Mission and its Vision presented in concurrence with the new Plan, and

BE IT FURTHER RESOLVED, that the President report periodically on progress toward the Plan's goals.

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

3. Resolution approving Credit for Prior Learning Frameworks for Graduate Courses

WHEREAS, Credit for Prior Learning is a method of awarding academic credit approved by the University of Vermont's accrediting body (New England Commission of Higher Education); and

WHEREAS, Credit for Prior Learning can result in a number of positive outcomes including decreased cost of attendance, reduced time to graduation, increased completion rates, and attracting and retaining a broader range of students; and

WHEREAS, a taskforce including UVM faculty and staff designed a framework to award Credit for Prior Learning at the University of Vermont; and

WHEREAS, the Curricular Affairs Committee of the Faculty Senate has approved the framework and guidelines for awarding Credit for Prior Learning; and

WHEREAS, the Faculty Senate of the University of Vermont agrees with the recommendation of the Curricular Affairs Committee and the Graduate College and recommends approval of the proposal to award Credit for Prior Learning at the graduate level;

BE IT RESOLVED, that the Board of Trustees approves the Credit for Prior Learning Frameworks for Graduate Courses, as approved and advanced by the Interim Provost on November 18, 2025 and President on November 20, 2025.

4. Resolution approving the creation of a minor in Urban, Rural and Community Planning in the College of Arts & Sciences

BE IT RESOLVED, that the Board of Trustees approves the creation of a minor in Urban, Rural and Community Planning in the College of Arts & Sciences, as approved and advanced by the Interim Provost and President on December 17, 2025.

5. Resolution approving the creation of a minor in Biodiversity and Global Change in the College of Agriculture & Life Sciences

BE IT RESOLVED, that the Board of Trustees approves the creation of a minor in Biodiversity and Global Change in the College of Agriculture & Life Sciences, as approved and advanced by the Interim Provost and President on December 17, 2025.

6. **Resolution approving the creation of a Bachelor of Science in Animal Studies in the College of Agriculture & Life Sciences**

BE IT RESOLVED, that the Board of Trustees approves the creation of a Bachelor of Science in Animal Studies in the College of Agriculture & Life Sciences, as approved and advanced by the Interim Provost and President on December 17, 2025.

7. **Resolution approving a Certificate of Graduate Study in Autonomy and Robotics in the Graduate College**

BE IT RESOLVED, that the Board of Trustees approves the creation of a Certificate of Graduate Study in Autonomy and Robotics in the Graduate College in conjunction with the College of Engineering & Mathematical Sciences, as approved and advanced by the Interim Provost on January 27, 2026 and President on January 28, 2026.

8. **Resolution approving the creation of a Master of Science in Agroecology in the Graduate College**

BE IT RESOLVED, that the Board of Trustees approves the creation of a Master of Science in Agroecology in the Graduate College in conjunction with the College of Agriculture & Life Sciences, as approved and advanced by the Interim Provost on January 27, 2026 and President on January 28, 2026.

9. **Resolution approving the creation of a Master of Science in Exercise Science in the Graduate College**

BE IT RESOLVED, that the Board of Trustees approves the creation of a Master of Science in Exercise Science in the Graduate College in conjunction with the College of Nursing & Health Sciences, as approved and advanced by the Interim Provost on January 27, 2026 and President on January 28, 2026.

10. **Resolution approving a Doctorate in Public Health in the Graduate College**

BE IT RESOLVED, that the Board of Trustees approves the creation of a Doctorate in Public Health in the Graduate College in conjunction with the Larner College of Medicine, as approved and advanced by the Interim Provost on January 27, 2026 and President on January 28, 2026.

11. **Resolution reaffirming Equal Opportunity Policy Statements**

BE IT RESOLVED, that the Board of Trustees reaffirms the Equal Employment Opportunity Policy Statement with no changes, attached here as Appendix B; and

BE IT FURTHER RESOLVED, that the Board of Trustees reaffirms the Equal Opportunity in Educational Programs and Activities and Non-Harassment Policy Statement with no changes, attached here as Appendix C, both effective as of February 4, 2017.

BUDGET, FINANCE & INVESTMENT COMMITTEE

12. Resolution reaffirming the Debt Policy

WHEREAS, in September 2004, the Board of Trustees adopted a Debt policy to guide the portfolio management of debt, to be reviewed annually; and

WHEREAS, since its creation in 2006, the Budget, Finance, and Investment Committee has been charged with the annual review of the Debt policy, which it most recently revised in February 2025;

BE IT RESOLVED, that the Board of Trustees hereby reaffirms the policy, appearing as Appendix D to this document.

13. Resolution authorizing bond issuance (General Obligation Bonds, Series 2026A)

WHEREAS, the University of Vermont and State Agricultural College (the “University”) previously issued its General Obligation Bonds, Series 1990 (the “Series 1990 Bonds”), Series 1998 (the “Series 1998 Bonds”), Series 2002 (the “Series 2002 Bonds”), Series 2005 (the “Series 2005 Bonds”), Series 2007 (the “Series 2007 Bonds”), Series 2009 (the “Series 2009 Bonds”), Series 2010A and Series 2010B (collectively, the “Series 2010 Bonds”), Series 2012A (the “Series 2012A Bonds”), Series 2014 (the “Series 2014 Bonds”), Series 2015 (the “Series 2015 Bonds”), Series 2016 (the “Series 2016 Bonds”), Series 2017 (the “Series 2017 Bonds”) and Series 2019A (Green Bonds) and Series 2019B (collectively, the “Series 2019 Bonds”) pursuant to the terms of an Indenture dated as of February 1, 1990 (the “Trust Indenture”) between the University and The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York Trust Company, N.A. and TD Banknorth, N.A.), as trustee (the “Trustee”), as amended and supplemented by the Series 1998 and First Supplemental Indenture dated as of September 1, 1998, the Series 2002 and Second Supplemental Indenture dated as of June 13, 2002, the Series 2005 and Third Supplemental Indenture dated as of September 27, 2005, the Series 2007 and Fourth Supplemental Indenture dated as of July 11, 2007, the Series 2009 and Fifth Supplemental Indenture dated as of April 16, 2009, the Series 2010A and Sixth Supplemental Indenture dated as of February 18, 2010, the Series 2010B and Seventh Supplemental Indenture dated as of February 18, 2010, the Series 2012A and Eighth Supplemental Indenture dated as of August 15, 2012, the Series 2014 and Ninth Supplemental Indenture dated as of October 30, 2014, the Series 2015 and Tenth Supplemental Indenture dated as of July 15, 2015, the Series 2016 and Eleventh Supplemental Indenture dated as of July 28, 2016 and the Series

2017, Twelfth Supplemental Indenture dated as of July 10, 2017 and the Series 2019 and Thirteenth Supplemental Indenture, dated as of August 21, 2019 (the Trust Indenture, as amended, is hereafter referred to as the “Indenture”); and

WHEREAS, the University’s Board of Trustees (the “Board”) has determined that it is necessary and desirable for the University to refund all or a portion of the outstanding Series 2012A Bonds, the Series 2014 Bonds and the Series 2015 Bonds (the “Refunded Bonds”); and

WHEREAS, the Board has determined that it is desirable to authorize the Vice President for Finance and Administration and Treasurer, or her successor or designee, to proceed toward the refunding of all or a portion of the Refunded Bonds, and to execute any and all contracts and documents necessary for the issuance by the University of the Series 2026A Bonds (as defined below); and

WHEREAS, the Board has determined that in order to refund all or a portion of the Refunded Bonds and pay associated administrative costs, it is necessary and desirable to authorize (i) the issuance by the University of its General Obligation Bonds, Series 2026A in an amount not to exceed \$265 million aggregate principal amount (the “Series 2026A Bonds”), in one or more series, at one or more times, with anticipated net present value savings resulting from the issuance of the Series 2026A Bonds and costs of issuance not to exceed 1.25% of the par amount of the Series 2026A Bonds and (ii) the execution of a supplemental indenture between the University and the Trustee, establishing the amount of the Series 2026A Bonds and the details thereof and describing the Refunded Bonds; and

WHEREAS, the Board proposes to issue the Series 2026A Bonds on a parity with the outstanding Series 2010A Bonds, Series 2012A Bonds, Series 2014 Bonds, Series 2015 Bonds, Series 2016 Bonds, Series 2017 Bonds and Series 2019 Bonds (the Series 1990 Bonds, the Series 1998 Bonds, the Series 2002 Bonds, the Series 2005 Bonds, the Series 2007 Bonds, the Series 2009 Bonds and the Series 2010B Bonds being no longer outstanding) pursuant to the terms of the Indenture and one or more Supplemental Indentures thereto relating to the Series 2026A Bonds (collectively, the “Supplemental Indentures”), between the University and the Trustee; and

WHEREAS, the Board desires to authorize the execution and delivery of one or more Bond Purchase Agreements (collectively, the “Bond Purchase Agreements”) among the University, BofA Securities, Inc., Loop Capital Markets LLC and RBC Capital Markets, LLC (the “Underwriters”), pursuant to which the University will sell the Series 2026A Bonds to the Underwriters in accordance with the terms and conditions set forth therein; and

WHEREAS, the Board desires to authorize the execution and delivery of one or more Escrow Agreements (collectively, the “Escrow Agreements”) between the University and the Trustee, in its capacity as Trustee for the Refunded Bonds, pursuant to which

the University will direct the Trustee to purchase certain Eligible Securities (as defined in the Indenture) and deposit funds to be applied to pay the principal and interest on all or a portion of the Refunded Bonds when due and/or the redemption price for all or a portion of the Refunded Bonds on the applicable redemption date; and

WHEREAS, in connection with the issuance and sale of the Series 2026A Bonds, one or more Preliminary Official Statements (collectively, the “Preliminary Official Statements”) and final Official Statements (collectively, the “Official Statements”) will be prepared by the University, which will present information about the University, the terms of the Series 2026A Bonds and the security for the Series 2026A Bonds, among other things; and

WHEREAS, the Board desires to authorize the execution and delivery of one or more Continuing Disclosure Agreements (collectively, the “Continuing Disclosure Agreements”) between the University and the Trustee, pursuant to which the University will be obligated to update certain information in the applicable Official Statement and provide certain other notices to the specified repository in accordance with the terms and conditions set forth therein; and

WHEREAS, copies of the forms of the following documents relating to the transactions described above have been filed with the University:

1. the Supplemental Indentures;
2. the Bond Purchase Agreements;
3. the Escrow Agreements;
4. the Preliminary Official Statements (including Appendix A thereto); and
5. the Continuing Disclosure Agreements;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Issuance of Series 2026A Bonds.

(a) The Board hereby approves and confirms the issuance by the University of the Series 2026A Bonds, in one or more series, at one or more times, to provide funds to refund all or a portion of the outstanding Refunded Bonds of the University (including the costs of issuance, insurance premium and any other related expenses, including the Underwriters’ discount and their expenses, provided such costs shall not exceed 1.25% of the par amount of the Series 2026A Bonds). The Series 2026A Bonds shall bear a true interest cost not exceeding 5.00% per annum and the refunding shall result in net present value savings. The Series 2026A Bonds shall be in the initial principal amount of not more than \$265 million, shall mature not later than the final maturity date of the Refunded Bonds and shall have a weighted average

maturity not exceeding the weighted average maturity of the Refunded Bonds by more than two years.

(b) If the Series 2026A Bonds are issued at more than one time, each issuance of the Series 2026A Bonds shall comply with the limitations contained in this Resolution; provided that the aggregate principal amounts of Series 2026A Bonds shall not exceed the limitations on principal amount set forth herein. The Board hereby finds and determines that these purposes are necessary and desirable and hereby authorizes the Vice President for Finance and Administration and Treasurer, in consultation with the Chair of the Budget, Finance and Investment Committee, to determine (i) whether the Series 2026A Bonds should be issued as two or more sub-series of bonds, issued together or at different times (based on whether the issuance of the Series 2026A Bonds in two or more sub-series, issued together or at different times, will facilitate debt management or marketing of the Series 2026A Bonds or compliance with federal tax law restrictions or is expected to maximize present value savings or otherwise reduce interest rate or other costs); (ii) whether a policy of municipal bond insurance should be obtained with respect to all or a portion of the Series 2026A Bonds (based on whether such policy will be cost effective considering both the interest cost of the Series 2026A Bonds if such a policy was obtained and the insurance premium, and based on whether the insurer will require that the University comply with certain covenants) and (iii) the terms of the Series 2026A Bonds and the terms of the sale of the Series 2026A Bonds (including the maturity dates and amounts, the interest rates, the original issue premium or discount, the redemption provisions of the Series 2026A Bonds based on financial or structural benefits to the University and marketing considerations and the underwriters' compensation) subject to the limitations set forth in this resolution and the applicable Supplemental Indenture. The form and content of the Series 2026A Bonds as set forth in the applicable Supplemental Indenture are hereby approved and confirmed. The Vice President for Finance and Administration and Treasurer, and the Secretary or the Assistant Secretary of the Board are authorized and directed to execute and deliver the Series 2026A Bonds for and on behalf of the University, in substantially the form and content set forth in the applicable Supplemental Indenture, but with such changes, additions or deletions as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, additions or deletions.

Section 2. Authorization to Determine Refunded Bond Redemptions. The Board hereby authorizes and directs the Vice President for Finance and Administration and Treasurer, in consultation with the Chair of the Business, Finance and Investment Committee, to determine which maturities (or portions of maturities) of the Refunded Bonds shall be refunded with the proceeds of the Series 2026A Bonds and the dates of redemption of such Refunded Bonds; provided that such refunding

results in net present value savings (from each issuance of Series 2026A Bonds if issued at more than one time).

Section 3. Authorization of Supplemental Indentures. The Board hereby approves and confirms the form and content of one or more Supplemental Indentures. The Vice President for Finance and Administration and Treasurer, and the Secretary or Assistant Secretary of the Board are hereby authorized and directed to execute and deliver one or more Supplemental Indentures for and on behalf of the University, in substantially the form and content made available to the Board, but with such changes, additions or deletions as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, additions or deletions. From and after the execution and delivery of the Supplemental Indentures, the Vice President for Finance and Administration and Treasurer, and the Secretary or Assistant Secretary of the Board and all other officers of the Board and the University are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Supplemental Indentures as executed.

Section 4. Authorization of Bond Purchase Agreements. The Series 2026A Bonds shall be awarded and sold to the Underwriters pursuant to the terms of one or more Bond Purchase Agreements at an aggregate underwriters' discount or fee to be determined by the Vice President for Finance and Administration and Treasurer in consultation with the Chair of the Business, Finance and Investment Committee, of not more than 0.30% (\$3.00 per \$1,000 bond) plus an additional amount to cover out-of-pocket expenses of the Underwriters. The Series 2026A Bonds shall be authenticated and delivered to or upon the order of the Underwriters upon payment of the purchase price set forth in the Bond Purchase Agreement. The form and content of the Bond Purchase Agreements are hereby approved. The Vice President for Finance and Administration and Treasurer is hereby authorized and directed to execute and deliver the Bond Purchase Agreements for and on behalf of the University, in substantially the form and content made available to the University, but with such changes, additions or deletions as shall to him seem necessary, desirable or appropriate, her execution thereof to constitute conclusive evidence of her approval of any and all such changes, additions or deletions therein. From and after the execution and delivery of the Bond Purchase Agreements, the Vice President for Finance and Administration and Treasurer and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreements as executed.

Section 5. Authorization of Escrow Agreements. The form and content of one or more Escrow Agreements are hereby approved. The Vice President for Finance and Administration and Treasurer is hereby authorized and directed to execute and

deliver one or more Escrow Agreements for and on behalf of the University, in substantially the form and content made available to the Board, but with such changes, additions or deletions as shall to him seem necessary, desirable or appropriate, her execution thereof to constitute conclusive evidence of her approval of any and all such changes, modifications, additions or deletions. From and after the execution and delivery of the Escrow Agreements, the Vice President for Finance and Administration and Treasurer and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Escrow Agreements as executed.

Section 6. Authorization of Continuing Disclosure Agreements. The form and content of one or more Continuing Disclosure Agreements are hereby approved. The Vice President for Finance and Administration and Treasurer is hereby authorized and directed to execute and deliver one or more Continuing Disclosure Agreements for and on behalf of the University, in substantially the form and content made available to the Board, but with such changes, additions or deletions as shall to him seem necessary, desirable or appropriate, her execution thereof to constitute conclusive evidence of her approval of any and all such changes, modifications, additions or deletions. From and after the execution and delivery of the Continuing Disclosure Agreements, the Vice President for Finance and Administration and Treasurer and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Agreements as executed.

Section 7. Approval of Preliminary Official Statements and Official Statements. The form, terms and content of the Preliminary Official Statements and the Official Statements in substantially the form of the Preliminary Official Statements (but including the terms of the Series 2026A Bonds) are authorized, approved and confirmed, with such changes, additions or deletions therein as shall seem necessary, desirable or appropriate to the Vice President for Finance and Administration and Treasurer. The use of the Preliminary Official Statements and of the Official Statements by the Underwriters in connection with the sale of the Series 2026A Bonds is hereby authorized, approved and confirmed. The Vice President for Finance and Administration and Treasurer is authorized to execute the Official Statements on behalf of the University.

Section 8. Tax Certificates. The Vice President for Finance and Administration and Treasurer of the University is hereby authorized to execute certificates in order to evidence the University's compliance with the Internal Revenue Code of 1986 and the applicable Income Tax Regulations thereunder.

Section 9. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in the Series 2026A Bonds, the Indenture, the Supplemental Indentures, the Bond Purchase Agreements, the Escrow Agreements, the Continuing Disclosure Agreements or any other instrument related to the issuance of the Series 2026A Bonds shall be deemed a stipulation, obligation or agreement of any officer, agent or employee of the University in his or her individual capacity, and no such officer, agent or employee shall be personally liable on the Series 2026A Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 10. Actions of Officers. The officers of the Board and of the University are hereby authorized and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the transactions contemplated by (i) this Resolution, (ii) the Indenture and the Supplemental Indentures and (iii) the documents presented to this meeting or made available for review: except that none of the above shall be authorized or empowered to do anything or execute any document which is in contravention, in any way of (a) the specific provisions of this Resolution, (b) the specific provisions of the Indenture or the Supplemental Indentures, (c) any agreement to which the University is bound, (d) any rule or regulation of the University or (e) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State of Vermont.

Section 11. Severability of Invalid Provisions. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Series 2026A Bonds authorized hereunder.

Section 12. Conflicting Provisions. All prior resolutions or parts thereof of the University in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 13. Effective Date. This Resolution shall take effect upon its adoption.

14. **Resolution authorizing an infrastructure license agreement with the City of Burlington**

BE IT RESOLVED, that the Vice President for Finance and Administration, or their successor or designee, is hereby authorized to negotiate and execute a ten-year license agreement, with the option to extend for an additional ten years, with the City

of Burlington for use of City lands in Burlington, Vermont, for UVM infrastructure, subject to material terms and conditions reported on this date.

15. **Resolution authorizing acceptance of a bequest held by American General Life Insurance Company**

BE IT RESOLVED, that the University's Vice President for Finance and Administration and the University's Controller are authorized to claim death benefits on the annuity contract listed on documents sent by American General Life Insurance Company, The United States Life Insurance Company in the City of New York ("AGL/USL" or "the Life Company") to the University of Vermont regarding Contract Number SA8149002;

BE IT FURTHER RESOLVED, in the event of any change in the office or power of the designees listed above, the University will immediately certify those changes to AGL/USL in writing;

BE IT FURTHER RESOLVED, the Life Company is hereby released from any liability and shall be indemnified against any loss, liability or expense arising from honoring these Resolutions.

FULL BOARD

16-17. **Retired Trustee Resolutions**

John M. Dineen (2020-2026)

WHEREAS, John M. Dinnen is concluding his term as Trustee of the University of Vermont and State Agricultural College; and

WHEREAS, John has provided valuable counsel and leadership through his roles as Vice Chair and Chair of the Budget, Finance and Investment Committee, Secretary of the UVM Board, and member of the Executive Committee, as well as through his service on the ad hoc Labor Advisory Group and the Bond Work Group; and

WHEREAS, John has further contributed as a member of the National Campaign Committee, STEM Advisory Council, and as a featured speaker for the Grossman School of Business Dean's Leadership Series; and

WHEREAS, John's generous support of the UVM Scholarship Fund has expanded educational opportunities for countless students;

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of Vermont and State Agricultural College extends its sincere gratitude and best wishes to Trustee John M. Dineen.

Jennifer Ha (2024–2026)

WHEREAS, Jennifer Ha is concluding her term as Trustee of the University of Vermont and State Agricultural College; and

WHEREAS, Jenn has served with insight, dedication, and professionalism, contributing thoughtful perspectives and constructive engagement on Board committees, including Educational Policy and Institutional Resources and Board Governance, while simultaneously pursuing advanced degrees in Clinical Psychology; and

WHEREAS, the University has benefited from her research utilizing wearable technology and natural language processing to advance understanding of student wellbeing and mental health;

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of Vermont and State Agricultural College extends its sincere appreciation and best wishes to Trustee Jennifer Ha.

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

Adjournment

There being no further business the meeting was adjourned at 9:02 a.m.

Respectfully submitted,

Don McCree, Vice Chair
(on behalf of Cynthia Barnhart, Chair)



UVM's Strategic Plan

Green, Gold, and Bold – Green Mountains, Gold Standard, Bold Future

Message from the President

The University of Vermont and State Agricultural College (UVM) holds a vital role in our state and in the broader world. We must fully embrace and advance our grand mission. Education is an act of hope; research, an act of both intellect and belief; and our commitment to people and planet, an act of stewardship. Together, these define our future. We will strive as a community in this great work.

As Vermont's flagship, land-grant university, we have a foundational responsibility to educate Vermonters, strengthen the health and economic well-being of our state, and serve all its people. Through programs in extension, healthcare, education, social services, and more, we have served Vermont for generations. The critical work of our land-grant mission extends across all our units. We must ensure the full power of the university touches people and communities throughout Vermont. We support our mission by educating students from beyond Vermont's borders—students who bring their gifts and talents, enrich our communities, and help all of us thrive.

As a powerhouse research university, we generate scholarship and creative work that produces pathbreaking discoveries, inspires, illuminates, challenges, and transforms. We must continue this work, despite disruptions in the funding landscape and infrastructure, actively seeking new resources and collaborating creatively and ethically with new partners. We aim to discover, analyze, and understand new terrain—and to leave a meaningful mark on the world. Collectively, we pursue the study of what is significant and impactful, while always creating space for pioneering ideas that may shape future paradigms.

Our teaching embodies our commitment to the intellectual, personal, and ethical development of our students. We challenge them—and one another—to grow, to think in novel ways, and to become trailblazers who move boldly beyond the university. Our pedagogy and community grow, in part, from our own deep and ongoing learning. While we honor our extraordinary history, we are not bound by past practices or paradigms. We reflect on and learn from those with whom we interact—our students, the indigenous communities for whom this land has always been home, the people across our state and around the globe. These communities challenge us to innovate and improve, to serve better, and to live into our values, as we teach, research, and serve.

Throughout our history, we have been characterized by a unique commitment to values-driven work—an ethic of valuing people, ideas, the planet, meaning, beauty, and joy. We will foster that commitment, even in tumultuous times. We take immense pride in the bold and values-driven achievements of our powerhouse Catamount alumni who make our world better through service in their communities across Vermont and around the globe. UVM aims to make a positive impact and leave the world better than we found it. Now, when our nation and our world are marked by division and strife, we will provide a platform for authentic intellectual engagement, meaningful dialogue, and steadfast commitment to the democratic ideals that our university has supported since our founding. We will not falter, regardless of the forces that buffet or challenge us. Indeed, we will courageously seek even better ways of doing our work and supporting one another. We will be a beacon of academic freedom, freedom of speech, and democracy in Vermont and for the world.

We recognize that, as a university, we are a complex community representing many perspectives and varying interpretations of ideas and events. We may disagree—sometimes strongly—but we will consistently strive to honor Our Common Ground values. In doing so, we can come together to achieve our mission, strengthened by the richness of our diverse voices and perspectives.

Our strategic plan provides a structure for the work we undertake together in the years to come. We will build a powerful future for the University of Vermont—one that will stretch across many hundreds of thousands of students and Vermonters and that exemplifies our unique identity, our abiding commitment to excellence, and our creative and innovative spirit: Green, Gold, and Bold.

Mission and Vision

Mission

Guided by Our Common Ground values of respect, integrity, innovation, openness, justice, and responsibility, UVM creates, shares, and applies knowledge to serve humanity. With optimism and purpose, the UVM community leads boldly to solve complex challenges, improve and sustain life and the planet, further meaningful inquiry, and advance the well-being of democracy in our state and the nation. We strive to strengthen our connections with Vermont and increase our positive impact on the world.

Vision

UVM will champion sustainable, hopeful, and bold futures—strengthening Vermont and the world. Here, deep and broad thinking becomes action and advances personal and societal health and well-being, civic discourse, and new ways of thinking about and seeing the world. All members of our community are empowered to forge purposeful paths into work and life. In cooperation and partnership with the communities we touch, we engage

as scholars, researchers, leaders, learners, and problem-solvers who seek to make an impact locally and globally.

Pillar 1 — Forge Bold Futures: Student Connection, Purpose, and Impact*

What we mean: We create an educational environment where students learn deeply, belong, contribute, and develop the tools to navigate life beyond UVM—grounded in reflection, mentorship, a sense of history and place, and substantive experiences.

Strategies

Provide an Intellectually Challenging Environment: Educate students broadly and develop their skills in advanced critical thinking, analysis, and problem-solving, preparing them to bridge foundational knowledge with real-world applications and to succeed in their goals for future education and employment.

Prepare Students to Navigate Life Beyond UVM: Provide opportunities for students to find purpose and meaning through which they read the world, weigh tensions, and act with intention in their lives and in their work during their time at UVM and well beyond graduation.

Expand Opportunities for Experiential Learning: Engage every student in rich, hands-on learning occurring through opportunities such as internships, community-engaged learning, research, clinical practice, independent projects, co-op experiences, and international study that help them develop skills, build networks, and forge a meaningful career path.

Connect Alumni and Students: Engage alumni as mentors, project hosts, and door openers in partnership with the UVM Foundation and the Career Center—inspiring current students to serve as the alumni of tomorrow.

Foster UVM Community, Pride, Belonging, and Connection: Create an environment where students learn, build community, make lifelong friends, engage with the natural world, and grow.

Prioritize Well-being: Integrate mental, physical, social, and spiritual well-being into the student experience, ensuring students have the capacity to fully participate and learn while building lifelong skills in resilience and balance.

Ensure Accessible Student Success: Advance a human-centered support model that provides clear and comprehensive guidance across the intersecting zones of academic success, health and well-being, involvement and belonging, and career preparation.

\Note; Unless otherwise noted, the word »student« is used in this document to refer to all learners, including undergraduate, graduate, medical, professional education students, and online and community-based learners throughout Vermont. In some cases, we also refer to individuals who are not yet students but aspire to be or are learners we hope to recruit;

Pillar 2 – Study What Matters: Values-Driven Learning, Research, and Practice

What we mean: UVM inspires learners driven by curiosity and integrity to be innovative in addressing impactful problems and serious questions in Vermont and broader global contexts. UVM community members are empowered to explore areas of personal significance and meaning and embrace a lifelong pursuit of knowledge. We reward the bold and impactful ideas of our faculty and students and encourage their efforts toward a healthier, more sustainable world.

Strategies

Make a Lasting Commitment to Research Excellence: As an R1 institution, we will continue to grow our research enterprise, strengthen our research infrastructure, and elevate our status among the nation’s premier research universities.

Prioritize an Enduring Pursuit of Liberal Arts: Produce and enhance knowledge that drives curiosity and innovation, making UVM nationally recognized as a time-honored leader in democracy, sustainability, ethics, and health, and a trailblazer in emerging and urgent fields of inquiry.

Create Collaborative Solutions to Contemporary and Complex Challenges: Generate solutions that benefit from diverse perspectives and move beyond traditional disciplinary and geographic boundaries. Promote inter- and intra-disciplinary partnerships in our academic, creative, and research pursuits.

Transform Practice and Policy through Discovery and Innovation: Develop infrastructure that shortens the arc from research and creative scholarship to use in relevant fields. Engage in teaching and research that ensures our books will be read, our art appreciated, our technologies commercialized, and our practices and policies implemented throughout the region, the nation, and the world.

Accelerate the Innovative Impact of Emergent Technology: Boldly innovate responsible uses of new technologies in ways that expand our ability to do our most important work. With a focus on ethics, equity, the environment, and disciplinary standards, critically and openly examine artificial intelligence and other emerging technologies to guide their use, understand their limits, and unlock their potential.

Pillar 3 — Create Opportunity: Access, Engagement, and Partnerships

What we mean: As Vermont’s flagship and land-grant research university, UVM broadens access and strengthens engagement and partners with communities and organizations in Vermont and beyond. We embrace and support learners from everywhere to become life-long members of the UVM community and contributors to Vermont’s well-being and common good.

Strategies

Broaden Access: Open doors and build pathways for learners of all backgrounds and cultures (e.g., new traditional, working, veteran, international, and returning learners) with flexible curricula and modalities, including robust online options.

Expand Our Partnership Network (Local and Global): Extend collaborations with external partners—creating innovative projects that advance and convey knowledge, stimulate new insights, ensure the health of our society, contribute to workforce development in Vermont, and impact the world.

Amplify Belonging, Dialogue and Civic Life: Build a university culture of belonging and a sense of community in which everyone matters, providing opportunities for all to listen across difference through civic discourse and intercultural dialogue. Integrate these practices in support of recruitment, retention, and engagement within and beyond campus.

Improve Affordability and Access to Resources: Expand institutional, community, and state capacity to meet students’ financial and social needs through the provision of affordable tuition and creative and collaborative solutions that result in increased access to on- and off-campus resources related to food, housing, emergency aid, and health.

Celebrate Athletic, Creative, and Intellectual Excellence at UVM: Support broad community participation in the arts, athletics, academic lectures, professional conferences, and other outward-facing activities, leveraging UVM’s strengths to unite students, the Vermont community, supporters, and alumni around the world.

Share UVM’s Story: Communicate our stories with authenticity, rooted in faculty, staff, student, alumni, and partner voices. Invite engagement and partnership to add new perspectives and enrich our history.

Pillar 4 — Enable Excellence: Campus Community, Systems, and Infrastructure

What we mean: To achieve our shared goals, we will invest in and renew UVM's infrastructure: our physical spaces, technological systems, and organizational processes. With the same goals, we will fully support the university's most crucial asset: its people. We will approach our work with a mindset of stewardship, collaboration, transparency, and sustainability. We will modernize the practices and processes that support and govern our work, renew our spaces, and cultivate a collaborative and innovative culture where every member of our community is supported to thrive and optimize their UVM experience.

Strategies

Champion Our Campus Community: Recognize the excellence of faculty, staff, and students through opportunities for learning, personal and professional growth, and well-being. Strengthen collaboration, shared governance, respect, and a sense of belonging and mattering across the university. Practice a culture of openness, which welcomes change and new ways of working, sharing and recognizing improvements and successes.

Invest in Modern Systems and Processes: Implement systems and processes that facilitate collaboration, access to information, and task completion. Ensure processes, information, and resources are accessible, efficient, and clear for all who engage with our platforms: students, staff, faculty, families, alumni, and visitors.

Enhance UVM's Digital Experience and Data Stewardship: Create a streamlined and user-centered experience across the university. Ensure that our data and information systems are robust, secure, open, and responsibly governed and managed. Protect privacy and dignity while enabling insight, innovation, and collaboration. Implement transformative technologies to advance our work, develop our knowledge, and empower our community.

Prioritize Sustainable and Accessible Spaces: Commit resources to the renewal and maintenance of existing facilities, ensuring that our physical spaces are sustainable, accessible, inclusive, and designed for well-being, community, and a safer environment. Align capital investments with campus planning initiatives and our commitment to environmental responsibility.

Engage in Responsive Resource Planning and Allocation: Invest strategically and transparently in people, technology, and spaces that advance UVM's mission. Optimize and align resources for the long-term sustainability and evolving needs of our community.



OFFICE OF COMPLIANCE SERVICES
UVM.EDU/POLICIES

POLICY

Title: Equal Employment Opportunity Policy Statement

Policy Statement

The University of Vermont and State Agricultural College is committed to a policy of equal employment opportunity.

The University will recruit, hire, train, and promote persons in all positions and ensure that all other personnel actions are administered without regard to unlawful criteria including race, color, religion, national origin, including shared ancestry or ethnic characteristics,¹ place of birth, sex, sexual orientation, disability, age, positive HIV-related blood test results, genetic information, gender identity or expression, or status as a disabled veteran, recently separated veteran, active duty wartime or campaign badge veteran, or Armed Forces service medal veteran (collectively "protected veterans"), or crime victim status, as these terms are defined under applicable law, or any other factor or characteristic protected by law, and ensure that all employment decisions are based only on valid job requirements.

In addition, the University of Vermont recognizes that discriminatory harassment, including sexual harassment, is a form of unlawful discrimination, and it is, therefore, the policy of the University that discriminatory harassment will not be tolerated. The University will reasonably, timely, and effectively respond to all reports of discrimination and discriminatory harassment of which the University has notice, based on the protected categories referenced herein.

Further, employees and applicants will not be subjected to harassment, intimidation, threats, coercion, or retaliation because they have engaged in or may engage in the following: filing a complaint or assisting or participating in an investigation regarding alleged discrimination or discriminatory harassment as prohibited in the policy statement above; filing a complaint or assisting or participating in an investigation, compliance evaluation, hearing, or any other activity related to the administration of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 ("VEVRAA"), Section 503 of the Rehabilitation Act of 1973 ("Rehabilitation Act"); opposing any act or practice made unlawful by VEVRAA or any other federal, state, or local law requiring equal employment opportunities for individuals with disabilities or protected veterans; or exercising any other rights protected by VEVRAA or the Rehabilitation Act. Additionally, the University will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant.

The University of Vermont maintains an audit and reporting system that measures the effectiveness of the University's compliance with federal regulatory requirements related to equal employment opportunity.

Sources: Titles VI and VII of the Civil Rights Act of 1964; the Immigration Reform and Control Act of 1986; Title IX of the Education Amendments of 1972; the Equal Pay Act of 1963; the Age Discrimination in Employment Act of 1967; the Age Discrimination Act of 1975; Sections 503 and 504 of the Rehabilitation Act

¹ The University recognizes that discrimination based on shared ancestry or ethnic characteristics can include antisemitic discrimination, anti-Arab discrimination, anti-Asian discrimination, or similar forms of discriminatory conduct.

of 1973; the Americans with Disabilities Act of 1990; Section 402 of the Vietnam-Era Veterans Readjustment Assistance Act of 1974; the Genetic Information Nondiscrimination Act of 2008; U.S. Department of Homeland Security regulation 6 C.F.R Part 19; and the Vermont Fair Employment Practices Act, all as amended; and such other federal, state and local non-discrimination laws as may apply.

Note: This Statement of Policy is the official University of Vermont Equal Educational Opportunity Policy Statement and supersedes all prior policy statements regarding its subject matter. It may be modified only by written statement issued by the President as Chief Executive Officer of the University or by formal action by the University of Vermont and State Agricultural College Board of Trustees. This Policy Statement is designed to express the University's intent and commitment to comply with the requirements of federal, state, and local non-discrimination laws. It shall be applied co extensively with those non-discrimination laws and shall not be interpreted as creating any rights, contractual or otherwise, that are greater than exist under those laws.

Contacts

Questions concerning the daily operational interpretation of this policy should be directed to the following (in accordance with the policy elaboration and procedures):	
Title(s)/Department(s):	Contact Information:
Director, Office of Equal Opportunity	Nick Stanton 428 Waterman Building (802) 656-3368
Questions about policies related to Title IX, including sex discrimination, sexual harassment, and all forms of sexual violence	
Title IX Coordinator Office of Equal Opportunity	Emily McCarthy 428 Waterman Building (802) 656-3368
Questions about disability related issues	
ADA/Section 504 Coordinator Office of Accessibility Services	A170 Living Learning Building (802) 656-7753
Questions may also be directed to government agencies having oversight and enforcement authority with respect to the referenced laws. A complete listing of such agencies may be obtained from the Office of Equal Opportunity.	
The University has developed an Affirmative Action Plan specific to the Vietnam Era Veterans' Readjustment Assistance Act of 1974 ("VEVRAA") and Section 503 of the Rehabilitation Act of 1973 ("Rehabilitation Act"). The portions of the plan required for disclosure are available for inspection during normal business hours; contact the University's Public Records Officer at (802) 656-8937.	

Forms/Flowcharts/Diagrams

- [Online Bias, Discrimination, & Harassment Incident Reporting Form](#)

Related Documents/Policies

- [Accessibility Policy](#)
- [Discrimination, Harassment, and Sexual Misconduct Policy](#)
- [Equal Opportunity in Educational Programs and Activities and Non-Harassment](#)
- [Handling and Resolving Discrimination, Harassment, and Sexual Misconduct Complaints Involving Student Respondents – Interim](#)
- [Resolution Procedures for Title IX Offenses involving Student Respondents under 2020 Final Rule](#)
- [Handling and Resolving Discrimination, Harassment, and Sexual Misconduct Complaints involving Employee Respondents – Interim](#)

Regulatory References/Citations

- Titles VI and VII of the Civil Rights Act of 1964
- Immigration Reform and Control Act of 1986
- Title IX of the Education Amendments of 1972
- Equal Pay Act of 1963
- Age Discrimination in Employment Act of 1967
- Age Discrimination Act of 1975
- Sections 503 and 504 of the Rehabilitation Act of 1973
- Americans with Disabilities Act of 1990
- Section 402 of the Vietnam-Era Veterans Readjustment Assistance Act of 1974
- Genetic Information Nondiscrimination Act of 2008
- Vermont Fair Employment Practices Act

About This Policy

Responsible Official:	Chief Human Resource Officer	Approval Authority:	President and the Chair of the Board of Trustees
Policy Number:	V. 7.3.12	Effective Date:	February 4, 2017
Revision History:	<ul style="list-style-type: none"> • V. 7.0.1.1 effective April 7, 2006 • V. 7.0.1.2 effective September 5, 2008 • V. 7.0.1.3 effective April 13, 2009 • V. 7.0.1.4 effective March 8, 2010 • V. 7.0.1.5 effective May 22, 2011 • V. 7.0.1.6 effective May 19, 2012 • V. 7.3.7/V. 7.0.1.7 effective February 9, 2013 • V. 7.3.8 effective February 8, 2014 • V. 7.3.9 effective February 7, 2015 • V. 7.3.10 effective February 6, 2016 • V. 7.3.11/V. 4.23.11 Reaffirmed as revised by the President and the Chair of the Board of Trustees: February 3, 2018, March 6, 2019, February 27, 2023 • Reaffirmed by the President February 3, 2020, February 9, 2021, March 7, 2022 and the Chair of the Board of Trustees January 30, 2020, February 8, 2021, March 10, 2022, May 17th, 2024 		

	<ul style="list-style-type: none">• Responsible official officially changed from the Vice President for Human Resources, Diversity and Multicultural Affairs and Vice President for Finance and Administration on May 1, 2020• Responsible official officially changed from the Vice President for Finance and Administration to the Chief Human Resource Officer October 3, 2022• V. 7.3.12 approved as interim August 25, 2023• V.7.3.12 Interim Status removed June 24, 2025
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University of Vermont Policies and Operating Procedures are subject to amendment. For the official, approved, and most recent version, please visit UVM's [Institutional Policies Website](#).



OFFICE OF COMPLIANCE SERVICES
UVM.EDU/POLICIES

POLICY

Title: Equal Opportunity in Educational Programs and Activities and Non-Harassment

Policy Statement

The University of Vermont and State Agricultural College is committed to a policy of equal educational opportunity. The University therefore prohibits discrimination on the basis of unlawful criteria such as race, color, religion, national origin, including shared ancestry or ethnic characteristics¹, age, sex, sexual orientation, marital status, disability, or gender identity or expression, as those terms are defined under applicable law, in admitting students to its programs and facilities and in administering its admissions policies, educational policies, scholarship and loan programs, athletic programs, and other institutionally administered programs or activities made available to students at the University. The University also prohibits harassment, as defined in the Vermont Statutes at Title 16, section 11(a)(26). Unlawful harassment is a form of discrimination and is therefore prohibited. Sources: Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Vermont Public Accommodations Act; and such other federal, state, and local non-discrimination laws as may apply. The University will reasonably, timely, and effectively respond to all reports of discrimination and discriminatory harassment of which the University has notice, based on the protected categories referenced herein.

Note: This Statement of Policy is the official University of Vermont Equal Educational Opportunity Policy Statement and supersedes all prior statements regarding its subject matter. It may be modified only by written statement issued by the President as Chief Executive Officer of the University or by formal action by the University of Vermont and State Agricultural College Board of Trustees. This Policy Statement is designed to express the University's intent and commitment to comply with the requirements of federal, state, and local non-discrimination laws. It shall be applied co-extensively with those non-discrimination laws and shall not be interpreted as creating any rights, contractual or otherwise, that are greater than exist under those laws.

Contacts

Questions concerning the daily operational interpretation of this policy should be directed to the following (in accordance with the policy elaboration and procedures):	
Title(s)/Department(s):	Contact Information:
Questions regarding this policy statement or compliance with its provisions may be directed to:	
Director, Office of Equal Opportunity	Nick Stanton 428 Waterman Building Burlington VT, 05405 (802) 656-3368

¹ The University recognizes that discrimination based on shared ancestry or ethnic characteristics can include antisemitic discrimination, anti-Arab discrimination, anti-Asian discrimination, or similar forms of discriminatory conduct.

Questions may also be directed to government agencies having oversight and enforcement authority with respect to the referenced laws. A complete listing of those agencies may be obtained from the Office of Equal Opportunity.	
Questions about policies related to Title IX, including sex discrimination, sexual harassment, and all forms of sexual violence	
Title IX Coordinator Office of Equal Opportunity	Emily McCarthy 428 Waterman Building Burlington VT, 05405 (802) 656-3368
Questions about disability related issues	
Office of Accessibility Services / Student Accessibility Services	Sharon Mone – ADA/504 Coordinator A-170, Living/Learning Center 633 Main Street Burlington VT, 05405 (802) 656-4075

Forms/Flowcharts/Diagrams

- [Bias, Discrimination, and Harassment Reporting Form](#)

Related Documents/Policies

- [Discrimination, Harassment, and Sexual Misconduct Policy](#)
- [Equal Employment Opportunity Policy Statement](#)
- [Handling and Resolving Discrimination, Harassment, and Sexual Misconduct Complaints Involving Student Respondents – Interim](#)
- [Resolution Procedures for Title IX Offenses involving Student Respondents under 2020 Final Rule](#)
- [Handling and Resolving Discrimination, Harassment, and Sexual Misconduct Complaints involving Employee Respondents – Interim](#)

Regulatory References/Citations

- Age Discrimination Act of 1975
- Americans with Disabilities Act of 1990
- Section 504 of the Rehabilitation Act of 1973
- Title VI of the Civil Rights Act of 1964
- Title IX of the Education Amendments of 1972
- Vermont Public Accommodations Act
- Vermont Statutes at Title 16, section 11(a)(26)

About This Policy

Responsible Official:	Chief Human Resource Officer	Approval Authority:	President and the Chair of the Board of Trustees
Policy Number:	V. 7.4.12	Effective Date:	February 4, 2017

Revision History:	<ul style="list-style-type: none"> • V. 7.0.5.1 effective April 7, 2006 • V. 7.0.5.2 effective September 5, 2008 • V. 7.0.5.3 effective April 13, 2009 • V. 7.0.5.4 effective March 8, 2010 • V. 7.0.5.5 effective May 22, 2011 • V. 7.0.5.6 effective May 19, 2012 • V. 7.4.7/V. 7.0.5.7 effective February 9, 2013 • V. 7.4.8 effective February 8, 2014 • V. 7.4.9 effective February 7, 2015 • V. 7.4.10 effective February 6, 2016 • V. 7.4.11 Reaffirmed as revised by the President and the Chair of the Board of Trustees: February 3, 2018 and March 6, 2019, February 27, 2023 • V. 7.4.11/V. 4.24.11 Reaffirmed by the President February 3, 2020, February 9, 2021, April 4, 2022 and the Chair of the Board of Trustees January 30, 202, February 8, 2021, April 5, 2022, May 17th, 2024 • Responsible official officially changed from the Vice President for Human Resources, Diversity and Multicultural Affairs to the Vice President for Finance and Administration on May 1, 2020 • Responsible official officially changed from the Vice President for Finance and Administration to the Chief Human Resource Officer October 3, 2022 • V. 7.4.12 approved as interim August 25, 2023 • Interim Status removed June 24th, 2024
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University of Vermont

Debt Policy

As Adopted by the Board of Trustees

September 2004

Revised, November 2005

Revised, November 2006

Revised, December 2007

Reaffirmed, December 2008

Revised, October 2009

Revised, October 2010

Reaffirmed, October 2011

Revised, May 2013

Revised, February 2014

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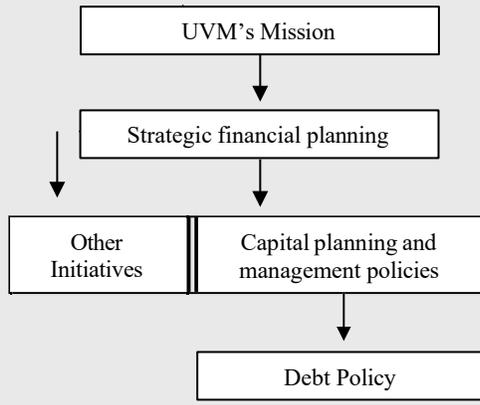
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OVERVIEW

Purpose

1. Articulate the role of UVM’s debt policy within the strategic planning process.



The University of Vermont’s strategic planning is a long-term process that establishes University-wide priorities as well as University and divisional programmatic objectives. The University’s strategic plan identifies specific goals and initiatives, including capital plans, that identify necessary and desired University facility investments. To fund its plan, the University will continue to utilize a mix of financing sources including State and Federal sources, philanthropy, internal reserves, public-private partnerships, and external University-supported debt, including leases and subscription-based information technology arrangements (SBITAs).

This policy, in conjunction with the strategic and capital planning, will aid management in ensuring that an appropriate mix and types of funding sources are utilized and that the University’s debt capacity is allocated strategically. A UVM-specific debt policy is appropriate to ensure adequate financial strength to service existing and proposed debt, maintain leverage within an acceptable risk tolerance while investing in priority capital projects, maintain a strong financial profile to ensure a competitive position relative to its peers, and maintain the budgetary capacity to invest in other initiatives.

Management and the Board of Trustees, acting through the appropriate Board of Trustee committee, will assess this policy on an ongoing basis to ensure that it remains responsive to UVM’s evolving academic, research and strategic priorities and financial position.

The University believes that financial discipline is a critical component of long-term debt management and that the Board and management, operating through the appropriate Board of Trustee committee, should establish a limited number of financial ratios and limits in order to manage debt within acceptable ranges consistent with UVM’s objectives. These measures will be monitored and reported on in light of UVM’s evolving strategic initiatives and capital needs.



INTRODUCTION AND OBJECTIVES

Purpose

1. Articulate UVM's philosophy regarding debt.
2. Establish objectives for debt policy.
3. Provide for regular review and potential update of policy to reflect evolving needs.

Just as investments represent an integral component of assets, debt is viewed to be a long-term component of liabilities that, therefore, should be managed on a long-term portfolio-basis consistent with the institution's policy objectives, with an overarching objective of managing the balance sheet.

The objectives of the policy are to:

- (i) Maintain the University's access to capital. Management will utilize and issue debt in order to provide timely access to capital to fund project priorities that have been approved by the Board;
- (ii) Manage the University's credit to meet its long-term strategic objectives while maintaining creditworthiness consistent with the most favorable relative cost of capital and borrowing terms.
- (iii) Manage risk of the University's debt portfolio within acceptable limits. Debt will be managed on a portfolio, rather than a transactional or project-specific, basis. Management's continuing objective of incurring the lowest achievable long-term risk-adjusted cost of capital will be balanced with the goal of appropriately limiting exposure to market shifts within acceptable budgetary parameters. Various types of debt structures and financial instruments will be considered, monitored, and managed within the framework established in this policy and according to internal management procedures;
- (iv) Permit the University to engage in refunding/restructuring of its outstanding debt for cashflow and/or net present value savings, within acceptable limits and aligned with IRS and regulatory guidelines. The University will evaluate debt service and net present value savings/costs of individual maturities and the overall transaction to determine whether certain maturities should be included/excluded and the tradeoffs of certain structuring decisions. The University will consider the overall debt portfolio and budgetary needs to align decisions to long-term financial health and strategic purposes.
- (v) Permit the optimization of the investment of the University's working capital and cash balances. Management will explore various options and alternatives to internal cash holdings regarding the optimal funding mechanism for short-term equipment needs, bridge financing and cash requirements. Management recognizes that working capital requirements, debt management, and the investment of cash/net assets should be viewed comprehensively in order to optimize overall funding and investment return strategies.

In addition to establishing a framework relating to the administration of debt, the policy provides for periodic updates pertaining to UVM's debt capacity and financial management to both internal and external parties.



OVERSIGHT

Purpose
<ol style="list-style-type: none"> 1. Provide mechanism for oversight and review on periodic basis. 2. Provide management flexibility to make ongoing financing decisions within the framework of the policy.

By adopting this policy and regularly reviewing it with the appropriate Board of Trustee committee, management will follow and report on guidelines and requirements regarding debt utilization. With appropriate authorizations consistent with the policy, management will have flexibility to implement specific financial transactions and utilize approved financing vehicles in accordance with stated procedures.

The Office of the Vice President for Finance and Administration will manage all funding sources, including debt, for capital projects authorized by the Board. The structure of any individual transaction (e.g., maturity, interest rate mode, use of derivative products, other financing structures) will be based upon overall University needs to ensure that (i) long-term costs to the University and its operating units are minimized consistent within the context of other strategic objectives and (ii) overall risk does not exceed acceptable levels as defined in this policy.

Because this debt policy is a living document, the appropriate Board of Trustee committee will review this policy on an annual basis and report any recommended changes or revisions to the Board of Trustees. This review process is necessary to ensure that the policy remains consistent with the University’s objectives and responsive to evolving practices, competitive pressures in the external environment, and financial indicators.

POLICY RATIOS

Purpose
<ol style="list-style-type: none"> 1. Identify core ratios. <ol style="list-style-type: none"> a. Operating Statement—Debt Burden Ratio. b. Balance Sheet Leverage—Leverage Ratio. 2. Clearly communicate with key parties such as rating agencies the University’s philosophy regarding debt and management’s ongoing assessment of debt capacity and affordability.

This policy establishes limits to measure the total amount of outstanding debt, leases, and SBITAs compared to University balance-sheet resources and the annual operating budget.

These ratios can be derived from the financial statements and other information and are subject to review periodically. The ratios are to be calculated using annual audited financial statements of the University and should not include “Discretely Presented Component Units” of the University such as the University’s associated fundraising foundation.

The policy identifies ratios that (i) are based on current GAAP requirements and (ii) are consistent with ratios utilized in the higher education industry to permit benchmarking.

In addition to the two primary policy ratios below, the University may consider tracking other ratios in addition to the policy ratios. Listed below are the policy ratios and limits that will be followed.

Ratio 1 – Debt Burden Ratio

This ratio measures the University’s ability to repay debt service associated with all outstanding debt, leases, and SBITAs and the impact on the overall budget and includes all activities of the University. The defined limit for this ratio is intended to maintain the University’s long-term operating flexibility to fund existing requirements and new initiatives, although the University may target a desired ratio below this limit.

$$\frac{\text{ANNUAL DEBT SERVICE}}{\text{TOTAL EXPENSES}} < 5.75\%$$

The measure is based on aggregate operating expenses as opposed to operating revenues because expenses typically are more stable (e.g., no one-



time operating gifts, investment return, variability of State funding) and better reflect the operating base of the University. Management recognizes that a growing expense base would make this ratio appear more attractive. The limit for this ratio is not to be greater than 5.75%. This ratio will be adjusted to include the impact of non-amortizing or non-traditional debt structures that could result in significant single year fluctuations, as well as an assumption of an appropriate variable rate.

Ratio 2 - Leverage Ratio (calculated as Total Cash and Investments to Debt)

This ratio indicates one of the most basic determinants of financial health by measuring University resources compared to aggregate debt.

The ratio measures the medium to long-term health of the University's balance sheet and debt capacity and is a critical component of universities with the highest credit quality.

Many factors influence the leverage ratio, affecting both the assets (e.g., investment performance, philanthropy) and liabilities (e.g., timing of bond issues), and therefore the ratio is best examined in the context of changing market conditions so that it accurately reflects relative financial strength. For example, a leverage ratio that is acceptable and entirely appropriate in one market condition may be relatively stronger or weaker in other market environments.

This policy establishes a debt policy limit (floor) for this ratio of 1.25x to ensure that sufficient balance sheet strength is maintained at all times.

$$\frac{\text{TOTAL CASH \& INVESTMENTS}}{\text{AGGREGATE DEBT, LEASES, \& SBITAs}} \geq 1.25x$$

This ratio will include any financings that impact the University credit, including guarantees of third-party debt.

The 1.25x limit is recognized as a limit, and not a long-term objective. Over time, to remain competitive and retain the flexibility to invest in future strategic initiatives, UVM will want to target and maintain a ratio above 1.25x.

Annually, based on the results of the audited financial statements, the Vice President for Finance and Administration will report to the appropriate Board of Trustee committee on the actual ratio results and any existing conditions that put the University out of compliance with this policy. In the event that the University is out of compliance with the policy, the appropriate Board of Trustee committee will take up the matter for consideration and make recommendations it deems appropriate to the Board of Trustees.

Ratios as a Credit Factor

The University has established its ratios and associated ratio limits based on internally established guidelines. The ratios and limits are not intended to provide a long-term target or track a specific rating, but rather will enable the maintenance of the University's competitive financial profile and complement the capital planning process.

The debt policy will be shared with external credit analysts and other third parties in order to provide them with the context regarding UVM's assessment of self-determined debt capacity and affordability, which is subject to ongoing review.



TYPES OF FINANCINGS

Purpose
<ol style="list-style-type: none">1. Review of all potential funding sources for projects.2. Maximize tax-exempt University-issued debt.3. Commercial Paper program.<ol style="list-style-type: none">a. Provide bridge funding.b. Provide continual access to capital.c. Issuance on a taxable or tax-exempt basis.4. Manage derivative products, including swaps.5. Consider other financing sources.<ol style="list-style-type: none">a. Management will explore securitizations, joint ventures and other financial structures to provide for the optimal funding for any project.

The University recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, risks, and costs. All potential funding sources will be reviewed by management within the context of the debt policy and the overall portfolio to ensure that any financial product or structure is consistent with UVM’s objectives. Regardless of what financing structure(s) is(are) utilized, a full understanding of the transaction, including (i) quantification of potential risks and benefits, and (ii) analysis of the impact on University creditworthiness and debt capacity, will be required. Any financial transaction which, in management’s opinion, utilizes the University’s credit, will be subject to the limits set forth in this policy regardless of source.

Tax-Exempt Debt

The University recognizes that debt will remain a long-term component of the University’s capitalization over the foreseeable future due in part to its continued need for capital and the substantial economic benefits associated with tax-exempt debt. Therefore, financial transactions will be managed on a portfolio basis with a long-term perspective. (In all circumstances, however, individual projects must continue to be identified and tracked to ensure compliance with all tax and reimbursement requirements).

Debt will be structured to meet the University’s comprehensive long-term objectives, and each project being financed will be required to provide a sound business plan, including the source of repayment for the debt and appropriate and realistic repayment terms. Among other things, the repayment terms will require that the loan term is no greater than the expected componentized useful life of the asset financed. Additionally, the financed project will be required to budget and fund principal payments on a fully amortized basis.

Taxable Debt

While all of the University’s capital projects may not qualify for tax-exempt debt, taxable debt should only be used in appropriate cases as it generally



represents a more expensive source of capital relative to tax-exempt issuance. Examples of appropriate cases to utilize taxable debt include timing, fees and rates relative to tax-exempt rates, the nature of the project being funded, and private use, among others.

Commercial Paper (CP) & Lines of Credit (LOCs)

The CP program and lines of credit can provide substantial financial flexibility to the University including the ability to manage and optimize cash balances and provide an alternative to lease transactions and other purposes. CP and LOCs can offer the University interim financing for capital projects in anticipation of the receipt of funding either in the form of future philanthropy or the issuance of long-term debt for permanent financing, as well as offer greater flexibility regarding the timing and structuring of individual bond transactions.

Derivative Products

Management recognizes that derivative products may enable more opportunistic and flexible management of the debt portfolio. Derivative products, including interest rate swaps, may be employed primarily to manage or hedge the University's interest rate exposure for a specific period of time. The University will utilize a framework to evaluate potential derivative instruments through consideration of (i) its variable rate allocation, (ii) market and interest rate conditions, (iii) impact on future financing flexibility, and (iv) the compensation for assuming risks, or the costs for eliminating certain risks and exposure. In addition, the University will analyze and quantify the cost/benefit of any derivative instrument relative to achieving desirable long-term capital structure objectives. Under no circumstances will a derivative transaction be utilized that is not understood fully by management or that imposes inappropriate risk on the University. Risks include but are not limited to tax risk, interest rate risk, liquidity risk, counterparty credit risk, basis risk, and any other potential risks either imposed or removed through the execution of any transaction. In addition, management will consider and disclose the potential impact of any derivative product on the University's financial statements and the appropriate treatment in calculating the debt policy ratios. The University will regularly report on the status and performance of its derivative products, if any, to the appropriate Board of Trustee committee. Given the risks and complexity associated with derivative products, they will be considered more seriously only when: (i) conventional financing sources are relatively more expensive (e.g. exceed the portfolio blended interest rate), and (ii) can achieve desired financial objectives more efficiently or at a significantly lower risk-adjusted cost than traditional structures. Management is required to present any recommended derivative product to the appropriate Board of Trustee committee and must receive Board approval prior to execution.

Other Financing Sources

The University recognizes that a variety of transactions, not limited to debt insured directly by UVM, may impact the University's credit while the University's limited debt capacity and substantial capital needs require the consideration of various financing alternatives, including possible opportunities for alternative and non-traditional transaction structures. The University recognizes these types of transactions may also impact the University's credit and also often can be more expensive than traditional University debt structures.



Therefore, all non-traditional financing structures including guarantees and third-party debt can only be considered once the economic benefit and the likely impact on the University's debt capacity and credit has been determined. Specifically, for any third-party or developer-based financing, management will ensure the full credit impact of the structure is evaluated and quantified to the extent possible prior to execution and the analysis must be presented to the appropriate Board of Trustee committees and must receive Board approval prior to execution.

PORTFOLIO MANAGEMENT OF DEBT

Purpose

1. Permit decisions regarding debt issuance and structure to be made on a portfolio basis, rather than on a per-project basis.
2. Manage variable rate exposure of the debt portfolio.
 - a. Limit variable rate exposure.
 - b. Manage the overall liquidity requirements associated with outstanding debt.
 - c. Target overall variable rate debt exposure.
3. Evaluate exposure to other financing vehicles and third parties on a portfolio-wide basis.

The University considers its debt portfolio holistically; that is, it optimizes the portfolio of debt for the entire University rather than on a project-by- project basis and takes into account the University's cash and investments.

Variable Rate Debt

It is recognized that a degree of exposure to variable interest rates within the University's debt portfolio may be desirable in order to:

- (i) take advantage of repayment/restructuring flexibility;
- (ii) benefit from historically lower average interest costs;
- (iii) diversify the debt portfolio; and,
- (iv) provide a hedge to short-term working capital balances

Management will monitor overall interest rate exposure, analyze and quantify potential risks, and coordinate appropriate fixed/variable allocation strategies. The portfolio allocation to variable rate debt may be managed or adjusted through (i) the issuance of debt (potentially new issues and refunding), (ii) and the use of interest rate swaps and other derivative products. While the utilization of commercial paper impacts the University's variable rate exposure, outstanding CP will not be included in the ratio, given the expected interim financing purpose.

Recognizing the desire to manage interest rate risk, the amount of variable rate debt outstanding shall not exceed 35% of the University's outstanding debt. This limit is based on the University's desire to (i) limit annual variances in its debt service, (ii) provide sufficient structuring flexibility to management, (iii) keep the University's variable rate allocation within acceptable external parameters, (iv) utilize variable rate debt (and/or swaps) to optimize debt portfolio allocation and minimize costs, and (v) take into account liquidity needs and exposures for the portfolio, including consideration of the commercial paper program.

VARIABLE RATE AND LIQUIDITY EXPOSURE >35%
 TOTAL LONG-TERM DEBT OUTSTANDING

The University will exclude from this calculation project-related commercial paper used in advance of expected long-term financing since this commercial paper is used for interim purposes and should not be included in the University's desired long-term variable rate allocation calculation. The numerator, *Variable Rate and Liquidity Exposure*, is defined as including all variable rate debt, not adjusted for any floating to fixed swaps, if any, and plus any fixed to floating swaps, if any. Thus, any variable rate debt that is affected by floating-to-fixed interest rate swaps will be considered variable rate debt for the purposes of this calculation since it impacts the University's liquidity requirements and exposes the institution to counterparty credit exposure. Note that this ratio measures interest rate exposure and liquidity exposure/requirements directly.

GLOSSARY

Annual Debt Service – refers to the planned principal and interest paid on long-term debt, principal and interest payments on Leases, and principal and interest payments on SBITAs in a fiscal year.

Bridge Financing – refers to any type of financing used to “bridge” a period of time. For universities, it generally refers to short-term financings that provide funding in advance of a long-term bond issue or the receipt of gift funding.

Capital Project – refers to physical facilities or equipment or software that may be capitalized.

Commercial Paper – an alternative to bank lines for stronger rated borrowers, commercial paper is short-term promissory notes issued on the open market as an obligation of the borrower. The maturity of commercial paper is less than 270 days, and for most universities, the average maturity of all paper is between 30-50 days. Registration and disclosure for commercial paper is significantly less than traditional university bonds.

Derivative Products – generally referred to transactions which are an exchange of specified cash flows for a period of time. The most common types of derivatives are floating-rate-to-fixed-rate or fixed-rate-to-floating-rate swaps.

GAAP – refers to Generally Accepted Accounting Principles.

Leverage – long-term debt as a component of the total assets of the University. “High leverage” indicates an institution that has a considerable portion of its assets that are debt financed.

